

**CITY OF SANTA FE  
REGULAR COUNCIL MEETING  
OCTOBER 14, 2010 7:00 P.M.  
COUNCIL CHAMBERS  
12002 HWY. 6  
SANTA FE, TEXAS**

**MINUTES**

The meeting was called to order at 7:00 p.m. by Mayor Ralph Stenzel.

Roll Call: Present: Mayor Ralph Stenzel  
Mayor Pro-tem Joe Carothers  
Councilmember Jeff Tambrella  
Councilmember Bubba Jannett  
Councilmember Jim Abney  
Councilmember Pat McCrary  
City Attorney Ellis J. Ortego  
City Manager Joe Dickson  
City Secretary Janet L. Davis

The invocation was given by and the pledge of allegiance to the U. S. Flag and to the Texas Flag was led by Councilmember Jim Abney.

Reports: The minutes of 9/9/10 were approved as presented.

Planning and Zoning Business: None

City Business (Other):

Old Business: None

New Business:

**1. Consideration and possible action: Authorizing Mayor to execute Interlocal Governmental Agreement for High Speed Data Connectivity between the County of Galveston and the City of Santa Fe**

Police Chief Kenneth Campbell said this agreement would change connectivity from wireless to fiber for the OSSI police software which would increase the speed for more effective daily operations. This was discussed during budget workshops and funds were budgeted for this service. Motion by Councilmember Tambrella, seconded by Councilmember Carothers to authorize the Mayor to execute the Interlocal Governmental Agreement for High Speed Data Connectivity between the County of Galveston and the City of Santa Fe. The motion passed the roll call vote unanimously.

**2. Consideration and possible action: First reading of an ordinance amending Chapter 1, General Provisions, Code of Ordinances, by adding Section 24, Certain Substances Banned, providing rules and regulations governing the possession, sale, or ingestion of certain substances; providing a penalty; repealing all ordinances or parts of ordinances in conflict with this ordinance; providing a savings clause; and providing for severability**

Police Chief Kenneth Campbell said people are smoking a new incense-type substance to get high, and stores in our community are selling the product. Chief Campbell feels it is very dangerous. Eight states have already prohibited it and the Texas Legislature is also discussing it. The FDA is also considering prohibiting the substance, which appears to be narcotic in nature, but they are working to identify all the chemicals that have been sprayed on the paper. Motion by Councilmember Jannett, seconded by Councilmember Abney to pass the first reading of an ordinance amending Chapter 1, General Provisions, Code of Ordinances, by adding Section 24, Certain Substances Banned, providing rules and regulations governing the possession, sale, or ingestion of certain substances; providing a penalty; repealing all ordinances or parts of ordinances in conflict with this ordinance; providing a savings clause; and providing for severability and to dispense with the second reading of the ordinance. The motion passed the roll call vote unanimously.

**3. Consideration and possible action: Public hearing and First reading of an ordinance of the City of Santa Fe, Texas finding that the existing electric distribution rates of CenterPoint Energy Houston Electric LLX ("CenterPoint" or "Company") are unreasonable and should be reduced; ordering CenterPoint to reduce its existing rates within the city; ordering CenterPoint to reduce its existing rates within the city; ordering CenterPoint to submit tariffs consistent with the recommendation of the Gulf Coast Coalition of Cities' consultants in Public utility Commission of Texas Docket No. 38339; ordering CenterPoint to reimburse the City for its reasonable costs incurred in this rate case and any related ratemaking proceedings or appeals of said proceedings; authorizing the Gulf Coast Coalition of Cities to act on behalf of City and intervene in any proceedings before administrative or judicial bodies; requiring delivery of this ordinance to the Company and legal counsel**

City Manager Joe Dickson said we previously suspended the electric distribution rate and this action is to deny the rates. The Coalition representing the city feels the rates are inflated and excessive and they have prepared a fair rate. This ordinance must be passed before November 2 or the rate will become effective, but we feel that CenterPoint will appeal this case to the PUC. CenterPoint was notified that this action was on tonight's agenda but there were no representatives from CenterPoint present. Mayor Stenzel opened the public hearing but there were no comments from the public. Motion by Councilmember Tambrella, seconded by Councilmember McCrary to pass the first reading of an ordinance of the City of Santa Fe, Texas finding that the existing electric distribution rates of CenterPoint Energy Houston Electric LLX ("CenterPoint" or "Company") are unreasonable and should be reduced; ordering CenterPoint to reduce its existing rates within the city; ordering CenterPoint to reduce its existing rates within the city; ordering CenterPoint to submit tariffs consistent with the recommendation of the Gulf Coast Coalition of Cities' consultants in Public utility Commission of Texas Docket No. 38339; ordering CenterPoint to reimburse the City for its reasonable costs incurred in this rate case and any related ratemaking proceedings or appeals of said proceedings; authorizing the Gulf Coast Coalition of Cities to act on behalf of City and intervene in any proceedings before administrative or judicial bodies; requiring delivery of this ordinance to the Company and legal counsel and to dispense with the second reading of the ordinance. The motion passed the roll call vote unanimously.

**4. Consideration and possible action: Approval of the Lone Star Libraries Grant Plan of Action for FY2011**

Library Director Brenda Cheatham said the Lone Star Libraries Grant is to increase library use state-wide which includes providing service outside the local area. The proposed plan of action this year is to continue to provide access to the virtual library resource which is a subscription service. The grant program is figured on a match formula based on local funds and our grant this year is \$5,553, about \$1200 less than last year. Motion by Councilmember Carothers, seconded by Councilmember Tambrella to approve the Lone Star Libraries Grant Plan of Action for FY2011. The motion passed the roll call vote unanimously.

**5. Consideration and possible action: Appointment/reappointment of members to serve on the Board of Adjustment for a two-year term to expire July, 2012**

Community Services Director Diana Steelquist said there are five regular members on the board and two alternate members, all with staggered terms. Motion by Councilmember McCrary, seconded by Councilmember Carothers to reappoint Scott Eckenrode, Robert Watts, and Jason Tabor as members to serve on the Board of Adjustment for a two-year term to expire July, 2012. The motion passed the roll call vote unanimously.

**6. Consideration and possible action: Ratifying execution of CDBG Disaster Recovery Contract Amendment No. 1 revising the performance statement by deleting Pecan Grove and adding the platted alley between 15<sup>th</sup> Street and 16<sup>th</sup> Street**

Motion by Councilmember Tambrella, seconded by Councilmember Carothers to table this item until the next meeting. The motion passed the roll call vote unanimously.

**7. Consideration and possible action: Ratifying execution of CDBG Disaster Recovery Contract Amendment No. 2 revising the performance statement to include detailed specifications of the elevated storage tank and appurtenant items**

Director of Administrative Services Pam Wood said these Round 1 funds are to construct the 250,000 gallon elevated storage tank at 1<sup>st</sup> Street and Peck along with a concrete masonry building to house the electrical distribution panel and serve as a small laboratory for taking and testing water samples. The performance statement needs to be revised to include those detailed specifications; however this amendment does not change the original scope of the project. Motion by Councilmember Jannett, seconded by Councilmember Tambrella to ratify execution of the CDBG Disaster Recovery Contract Amendment No. 2 revising the performance statement to include detailed specifications of the elevated storage tank and appurtenant items. The motion passed the roll call vote unanimously.

**8. Consideration and possible action: Adoption of a resolution adopting Section 3 Local Opportunity Plan for its Texas Community Development Block Grant (TXCDBG) Program**

City Manager Joe Dickson said TDRA has revised some of their forms and this complies with their revisions concerning Section 3 relating to fair housing. Currently, this doesn't really apply to Santa Fe, but it is a TDRA requirement for funding. Motion by Councilmember Carothers, seconded by Councilmember Tambrella to adopt the resolution adopting Section 3 Local Opportunity Plan for its Texas Community Development Block Grant (TXCDBG) Program. The motion passed the roll call vote unanimously.

**9. Consideration and possible action: Authorizing staff to proceed with the purchase of the new municipal court software, video cameras and laptops for the police units, and labor and materials for construction of a new metal building for the street department and to seek proposals for the financing**

City Manager Joe Dickson said funds for the lease purchase of this software, equipment, and materials for a new building for the street department were discussed and approved during the budget process. Staff is ready to proceed with the purchase and the lease purchase financing arrangements. Motion by Councilmember Tambrella, seconded by Councilmember Abney to authorize staff to proceed with the purchase of the new municipal court software, video cameras and laptops for the police units, and labor and materials for construction of a new metal building for the street department and to seek proposals for the financing. The motion passed the roll call vote unanimously.

**10. Consideration and possible action: Authorizing Mayor to execute agreement with Cambiano and Cambiano, P.C., CPA, for audit services for the year ending September 30, 2010, or authorizing staff to seek proposals for audit services for the year ending September 30, 2010**

City Manager Joe Dickson said Cambiano and Cambiano, P.C., CPAs has submitted a proposal for audit services for the year ending September 30 2010, at a cost of \$19,000. Motion by Councilmember McCrary, seconded by Councilmember Carothers to authorize the Mayor to execute the agreement with Cambiano and Cambiano, P.C., CPA, for audit services for the year ending September 30, 2010. The motion passed the roll call vote unanimously.

**11. Consideration and possible action: Authorizing staff to execute the online auction contract with Lemons Auctioneers, LLP, for auction and disposal services for surplus property**

City Manager Joe Dickson said we utilized the online auction services provided by Lemons Auctioneers in March, 2010, and the auction was very successful. Staff would like to utilize their services again to dispose of surplus property. Motion by Councilmember Tambrella, seconded by Councilmember McCrary to authorize staff to execute the online auction contract with Lemons Auctioneers, LLP, for auction and disposal services for surplus property. The motion passed the roll call vote unanimously.

**12. Consideration and possible action: Authorizing sale of surplus property at online auction conducted by Lemons Auctioneers, LLP**

City Manager Joe Dickson provided a list of items the city no longer utilizes and staff would like authorization to sell at the online auction. Motion by Councilmember Abney, seconded by Councilmember Jannett to authorize the sale of surplus property at an online auction conducted by Lemons Auctioneers, LLP. The motion passed the roll call vote unanimously.

**13. Consideration and possible action: Adoption of a resolution reviewing and approving the city's investment policy**

City Manager Joe Dickson said the investment policy has been revised to add provisions relating to the selection of brokers/dealers and to extend the maturity term of investments to two years. Motion by Councilmember Carothers, seconded by Councilmember Tambrella to adopt the resolution reviewing and approving the city's investment policy. The motion passed the roll call vote unanimously.

**14. Consideration and possible action: First and final reading of an ordinance amending the budget for the fiscal year beginning October 1, 2009**

City Manager Joe Dickson said this year-end amendment is to recognize donations, grant funds, an awarded vehicle, and additional, unanticipated revenue. Motion by Councilmember Tambrella, seconded by Councilmember McCrary to pass the first and final reading of an ordinance amending the budget for the fiscal year beginning October 1, 2009. The motion passed the roll call vote unanimously.

Announcements: None

Summary of action from this agenda, request for future agenda items, and scheduling future meetings  
The next regular Council meeting is scheduled for November 11, 2010, at 7 p.m.

Motion by Councilmember Jannett, seconded by Councilmember McCrary to adjourn. The motion passed and the meeting adjourned at 7:38 p.m.

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RALPH STENZEL, MAYOR

ATTEST:

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Janet L. Davis, City Secretary