

**MEETING 37 OF 48 2010 – 2012 CITY OF GALVESTON
MINUTES OF THE CITY COUNCIL OF THE CITY OF GALVESTON
REGULAR MEETING
THURSDAY– NOVEMBER 10, 2011 at 10:00 A.M.**

1. DECLARATION OF A QUORUM AND CALL MEETING TO ORDER.
Meeting called to order at 10:05 am.
Meeting recessed for a break at 1:10 pm
Meeting reconvened at 1:30 pm
Meeting recessed into Workshop at 2:15 pm
Meeting reconvened at 4:20 pm.
2. MOMENT OF SILENCE
3. PLEDGE OF ALLEGIANCE
4. ROLL CALL
Present: Dianna Puccetti, Elizabeth Beeton, Mayor Joe Jaworski, Linda Colbert, Steve Greenberg, Rusty Legg and Chris Gonzales.
5. CONFLICTS OF INTEREST
None
6. APPROVAL OF MINUTES
 - A. Minutes of October 27, 2011
Motion to approve by CM Legg, second by CM Colbert.
Unanimously approved, CM Greenberg has stepped out of the room.
7. PRESENTATIONS
 - A. National Nursing Practitioners Week
Received by Carla Levy, Bruce Leonard, Rosie Morales, Karen Brizinski, Doris Devries and Mrs. Waddell.
 - B. 27th Graduating Class of the Galveston Police Citizen's Police Academy
Moved to the November 17th agenda.
8. COMMUNICATIONS & PETITIONS
 - A. Tara L. Greer Claim # 11-065 Notice of Claim
9. PUBLIC HEARINGS - None
10. REQUESTS TO ADDRESS COUNCIL ON AGENDA ITEMS
 1. Neil Wilson - Recycling of demolition materials
 2. Martha Terrell - Commission of the Arts for Cultural District
11. ORDINANCES, RESOLUTIONS
 - A. Consider for approval an Ordinance of the City of Galveston, Texas to tax tangible personal property in transit which would otherwise be personal property pursuant to Texas Tax Code, Section 11.253; directing the City Secretary to send a certified copy of this Ordinance to the Chief Appraiser

of the Galveston County Central Appraisal District; making various findings and provisions related to the subject; and providing an effective date of January 1, 2012.

Motion to approve by CM Beeton, second by CM Puccetti. Agreed to withdraw motion and motion to defer to November 17, 2011, by by CM Greenberg, second by CM Legg. Voting in favor of the motion to defer were CM Gonzales, CM Beeton, Mayor Jaworski, MPT Colbert, CM Greenberg and CM Legg. Voting against was CM Puccetti. Motion passed.

- B. Consider for approval a Resolution of the City Council of the City of Galveston, Texas, adopting Tax Abatement Guidelines and Criteria in Reinvestment Zones designated within the City, in accordance with Chapter 312 of the Texas Tax Code; directing the City Secretary to provide all applicable taxing entities a copy of this Resolution and the adopted Tax Abatement Guidelines and Criteria; providing for findings of fact and providing for an effective date of November 10, 2011.

Motion to approve by CM Puccetti, second by CM Legg. Unanimously approved.

- C. Consider for approval a Resolution of the City Council of the City of Galveston, Texas supporting the Galveston Commission for the Arts recommendation that the City Council endorse and make application to the Texas Commission on the Arts to designate the downtown area as a Cultural District; providing for findings of fact and providing for an effective date.

Motion to approve by CM Legg, second by CM Puccetti with the assistance of the Galveston Commission for the Arts to assist. Unanimously approved.

12. CONSENT ITEMS

The following items shall be considered for action as a whole, unless one or more Council Members objects:

- A. Consider for approval the renewal of the maintenance contract for the City's GIS system for a total cost of \$16,033.00; funding sources will be the Technology Services Maintenance Contracts Account, Public Works Other Contracts Account, and Planning Software Licenses Account.
- B. Consider for approval the renewal of the Altura maintenance contract for the City's telephone system for a total cost of \$33,333.00; funding source will be the Technology Services Maintenance Contracts Account.
- C. Consider for approval the payment of \$34,377.61 to Texas Bus Sales for auto accident body repairs to Unit IV711; Texas Municipal League Insurance has already compensated the City for these repairs minus the \$500.00 deductible; Unit IV711 is a 2008 30' Transit bus with a depreciated value of \$61,235.56.

- D. Consider for approval of the bid proposal for Day Porter services by E&S Janitorial Services Inc., in the amount of \$25,480.00.

Motion to approve Consent Items A through D by CM Puccetti second by CM Greenberg. Unanimously approved.

13. ACTION ITEMS

- A. Consider for action giving direction on the City Manager search process.
No action. Additional input will be provided by the search firm.
- B. Consider for action providing direction to the City Manager regarding the methodology for adding new builders to the Galveston Recovers Program.
No action. The City Manager received adequate information from the presentation from CDM and Sterling Patrick to proceed with the necessary safeguards regarding the existing and new builders.
- C. Consider approval of the lowest, most responsive proposal (RFP#10-11-032) for the rehabilitation of 21 owner occupied housing units in a base bid amount of \$2,165,015.80 from Burghli Homes. Funding is provided under the CDBG Disaster Recovery Housing Program and the HOME Investment Partnership Program.
Motion to approve by MPT Colbert, second by CM Greenberg. Unanimously approved.
- D. Consider for action authorizing a sub-recipient agreement related to the grant of Round 1 Community Development Block Grant Disaster Recovery Funds in an amount not to exceed \$25,000,000.00 with the Galveston Housing Authority for eligible costs related to the development of the scattered sites initiative and the mixed income communities initiative and to the allocation and expenditure of such grant funds; authorizing the City Manager to execute a sub-recipient agreement with the Galveston Housing Authority and any other documents incident and related thereto.

Item 13D read and consideration began at 10:05 am by Betty Massey with a presentation.

1. Norman Pappous - GAIN Resolution 9/16/2010 opposed to 13D
GAIN Resolution 9/15/201 opposed to 13D
2. Angela Brown - In favor of 13D
3. David Stanowsky - Against 13D
4. David Miller - In favor of 13D
5. Steve McIntyre - In favor of 13D
6. Magdalena Alverado - In favor of 13D
7. Joe Compian - In favor of 13D
8. Sue Johnson – representing 17 assistance agencies – In favor of 13D
9. Jamal Shabazz - In favor of 13D
10. Patricia Toliver - In favor of 13D
11. Neil Wilson - In favor of 13D
12. Theresa Banuelos - In favor of 13D

Motion by CM Greenberg to award \$25,000,000.00 to GHA with the understanding that the funds will not be used for mixed income housing or construction and will be used to build 569 units as the Conciliation Agreement requires. One half of the units to be built on the existing footprints and the remaining ½ on scattered sites with construction to start within 6 months and to be completed within 18 months. Second by CM Beeton with the amendment that \$25,000,000.00 CDBG Round I funds will be used to replace no more than 529 public housing units provided that these units shall not be developed as part of a mixed income development or other project.

The amendment recommended by CM Beeton was accepted by the Movant, CM Greenberg.

CM Gonzales asked if a short break was possible. Council recessed at 1:10 pm. After break, Council resumed at 1:30 pm with the following.

The City Attorney asked the Movant to consider including language in the motion which would authorize the City Manager to execute a sub-recipient agreement with the Galveston Housing Authority in substantially the same form as the motion as the City Manager would need some flexibility to meet the intent of the motion.

The Movant accepted the City Attorney's recommendation and amended the pending Motion to include the recommended language which was restated by CM Beeton:

Motion to enter into a sub recipient agreement with GHA to award \$25,000,000.00 in CDBG Funds to replace no more than 529 public housing units, provided such units shall not be developed as part of a mixed income development or other projects that include additional units in excess of 529 public housing units and provided that the GHA break ground within 6 months and complete construction within 18 months thereafter and authorizing the City Manager to execute a sub-recipient agreement with the Galveston Housing Authority and any other documents necessary to comply with the terms of this motion.

CM Puccetti spoke against the motion stating mixed income would enhance the community.

CM Colbert spoke against the motion based upon the MBS documents addressed the concerns that were raised by Council members and the public.

CM Gonzales spoke against the manner in which the matter was handled by GHA.

Mayor Jaworski spoke against the motion due to the duty owed to the community and time constraints involved. There would be dire consequences of voting for the pending motion.

Mr. Avila from Fullbright & Jaworski spoke about the absence of necessary elements to compel both parties to be responsible to their obligations.

CM Legg reminded everyone that GLO only wanted 569 units and the delay was not on Council but on GHA and encouraged Council to vote for the pending Motion.

**Voting in favor of the Motion were CM Beeton, CM Greenberg, CM Legg & CM Gonzales. Voting against the motion were CM Puccetti, MPT Colbert and Mayor Jaworski.
The motion passed.**

14. MAYOR AND COUNCIL APPOINTMENTS

A. Consider for action Mayor and Council Appointments to various City Boards, Committees and Commissions:

1. Houston – Galveston Area Council General Assembly and Board of Directors

Motion to reappoint the Mayor by CM Puccetti, second by CM Gonzales. Unanimously approved.

Motion to reappoint CM Puccetti as the alternate to the Board by Mayor Jaworski, second by CM Gonzales. Unanimously approved.

15. N/A

16. N/A

17. REQUESTS TO ADDRESS COUNCIL ON NON-AGENDA ITEMS

1. Neil Wilson - Galveston Recovery Program
2. Eric Wilson - The City of Galveston plan from Bentley Systems for the waste water plant received the award for the best design in Amsterdam.
3. Sheila Bell - disaster recovery

18. ADJOURNMENT

Meeting adjourned at 6:05 pm.

Respectfully submitted,

Douglas Godinich
City Secretary