

**MINUTES
CITY OF GAINESVILLE
CITY COUNCIL MEETING
200 South Rusk
Gainesville, Texas 76240
December 1, 2009**

The City Council of the City of Gainesville, Texas met in regular session on December 1, 2009 at 6:30 p.m. with the following persons in attendance:

MEMBERS PRESENT: Mayor Glenn Loch
Council Members Charles Draper, Carolyn Hendricks, Ray Nichols, Vince Rippy, Beverly Snuggs

MEMBERS ABSENT: Jim Goldsworthy

STAFF PRESENT: Barry Sullivan, City Manager; Kay Lunnon, City Secretary; Belvin Harris, City Attorney; Dan Parker, Finance Director; Ron Sellman, Public Services Director

OTHERS PRESENT: Dee Blanton, Kit Chase, Pam Robinson, Jerry Chapman, Anna Andrew, Haylee Andrew, James Kelly, Justin K, Thweatt, Jessica Hermes

CALL TO ORDER

Mayor Loch called the meeting to order at 6:30 p.m. with a quorum of members present. The absence of Councilman Goldsworthy was noted.

INVOCATION & PLEDGE OF ALLEGIANCE

Reverend Jerry Elliott, First Assembly of God Church, gave the invocation. Mayor Loch led the pledge to the flag.

Mayor Loch acknowledged the attendance of several students of Ron Melugin's government class at North Central Texas College.

CONSENT AGENDA

MINUTES OF NOVEMBER 17, 2009

Council reviewed the Minutes of the Regular City Council Meeting of November 17, 2009, and approved them as written.

RESOLUTION NO. 12-01-2009 – APPOINTMENT TO TEXOMA AREA PARATRANSIT SYSTEM BOARD

A RESOLUTION MAKING APPOINTMENT TO THE BOARD OF DIRECTORS OF THE TEXOMA AREA PARATRANSIT SYSTEM.

Jerry Elliott was re-appointed to an additional two-year term on the TAPS Board of Directors.

Councilmember Draper moved to **approve the Consent Agenda**, and was seconded by Councilmember Snuggs. Motion carried by vote of 6 Ayes, 0 Nays, 1 absent.

DISCUSSION REGARDING FINANCING EXPANSION OF MOSS LAKE WATER TREATMENT PLANT AND NORTHWEST WATER DISTRIBUTION SYSTEM

DISCUSS FINANCING THE EXPANSION OF MOSS LAKE WATER TREATMENT PLANT AND NORTHWEST WATER DISTRIBUTION SYSTEM.

City Manager Barry Sullivan presented recommendations for Council's discussion regarding possible participation in the Texas Water Development Board (TWDB) State Participation Agreement Program (State Program) to finance improvements to the City's water system in the amount of \$7,096,490. The improvements include 1) expansion of the Moss Lake Water Treatment Plant Surface Water Supply System, increasing its capacity by 1 million gallons per day (mgd) at an estimated cost of \$2,275,351; and 2) installation of larger water lines in the northwest water distribution system for a cost of \$3,577,420; and 3) construction of a new water line along Hwy 82 between FM 1201 and Weber Drive for \$711,648. The City Manager advised that the City would need to approve a participation application in the State Program by January 2010, and if approved, would have until June or July 2010 to determine if it wants the funding, and then would have one year after accepting the funding to start spending the money. Under the State Participation Program, 80% of the cost of the improvements could be equity financed by a contract through the TWDB and the City would buy back its equity over time. The payment schedule is like a loan or bond but is actually a contract, with the first payment to be in 2014. The remaining 20% of cost could be financed through the Water Development Fund by the TWDB or the open bond market. Payments on that portion would begin in 2013. Sullivan recommended the State Program as a way for the City to prepare itself to meet future water demands and improve the water system. He said the City's current water and sewer debt service will decline by \$750,000 in 2014 and thus provide ability to make the payments on the improvement projects. The City has also been approved by Congress for a \$500,000 State and Tribal Assistance Grant (STAG) grant from the EPA which can be used for the water expansion project. A resolution for participation in the State Program will be presented for Council's consideration at the December 15, 2009 meeting.

DISCUSSION REGARDING REFINANCING 1995, 1997, AND 2002 WATER AND SEWER BONDS THROUGH THE GTUA

DISCUSSION REGARDING REFINANCING 1995, 1997, AND 2002 WATER AND SEWER BONDS THROUGH THE GTUA.

Council discussed the City's opportunity to refinance Water and Sewer Bonds issued in 1995, 1997 and 2002 through the Greater Texoma Utility Authority. Jerry Chapman, General Manager of the Greater Texoma Utility Authority (GTUA) stated the three bond series could possibly be refinanced at a lower rate of interest to save the City approximately \$100,000 over the next three years. Council expressed interest in pursuing the refinancing and a resolution for their consideration will be presented at a future meeting.

RESOLUTION NO. 12-01-2009 A – AUTHORIZE PURCHASE OF BACKHOE/LOADER WITH HYDRAULIC HAMMER FOR PUBLIC SERVICES DEPARTMENT

A RESOLUTION AUTHORIZING EXPENDITURE TO PIONEER EQUIPMENT FOR THE PURCHASE OF ONE BACKHOE/LOADER WITH A HYDRAULIC HAMMER ATTACHMENT.

Ron Sellman, Public Services Director requested approval for purchase of a Backhoe/Loader with Hydraulic Hammer attachment for the Public Services Department in the amount of \$64,209. He said the equipment is budgeted item in the Wastewater Collection Division budget. The purchase will be made through a State Cooperative Purchasing Program, which meets state bid requirements.

Councilmember Nichols moved to **approve the resolution**, and was seconded by Councilmember Draper. Motion carried by vote of 6 Ayes, 0 Nays, 1 absent.

