

**MINUTES  
CITY OF GAINESVILLE  
CITY COUNCIL MEETING  
200 South Rusk  
Gainesville, Texas 76240  
July 21, 2009**

The City Council of the City of Gainesville, Texas met in regular session on July 21, 2009 at 6:30 p.m. with the following persons in attendance:

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

**STAFF PRESENT:** Barry Sullivan, City Manager; Kay Lunnon, City Secretary; Bill Harris, City Attorney; Steven Fleming, Police Chief; Dan Parker, Finance Director

**OTHERS PRESENT:** Peggy Shelley, Dee Blanton, Rod Tyler, Kit Chase, Natalia Jones, Faisal Reza

**CALL TO ORDER**

Mayor Loch called the meeting to order at 6:30 p.m. All members were present.

**INVOCATION & PLEDGE OF ALLEGIANCE**

Pastor Luke Smith, Calvary Baptist Church, gave the invocation. Mayor Loch led the pledge to the flag.

**REPORTS - 2008 ANNUAL DRINKING WATER QUALITY REPORT**

Ron Sellman, Public Services Director, made a brief presentation on the 2008 Annual Drinking Water Quality Report, which has been mailed to all City Water Customers. Sellman said the Texas Commission on Environmental Quality (TCEQ) has issued the City water supply a rating of "Superior" which means it exceeds minimum standards for a public water supply. Sellman and his staff were commended by Councilman Rippy for their efforts in maintaining this high standard for the city and citizens of Gainesville.

**CONSENT AGENDA**

Council reviewed the Minutes of the Regular City Council Meeting of July 21, 2009, and approved them as written.

**RESOLUTION NO. 07-21-2009 – APPOINTMENTS TO AIRPORT ADVISORY BOARD**

Dan Ott, Ginger Herrmann, Carroll Johnson, and Earl Russell were approved for re-appointment to the Airport Advisory Board, each for an additional two-year term expiring July 2011.

**RESOLUTION NO. 07-21-2009 A – APPOINTMENT TO TEXOMA COUNCIL OF GOVERNMENTS GOVERNING BODY**

Glenn Loch was re-appointed to the TCOG Board, for a three-year term that expires June 2012.

**RESOLUTION NO. 07-21-2009 B – APPOINTMENTS TO GAINESVILLE HOUSING AUTHORITY BOARD**

Allen Fleitman, Keith Clegg, and Peggy Holt were approved for re-appointment to the Gainesville Housing Authority Board, each for an additional two-year term expiring April 2011.

Councilmember Draper moved to **approve the Consent Agenda**, and was seconded by Councilmember Goldsworthy. Motion carried by vote of 7 Ayes, 0 Nays, 0 absent.

**RESOLUTION NO. 07-21-2009 C – NOMINATION OF RON SELLMAN AS THE CITY NOMINEE TO THE TEMPORARY BOARD OF DIRECTORS OF THE NORTH TEXAS GROUNDWATER CONSERVATION DISTRICT**

A RESOLUTION SUBMITTING THE NAME OF RON SELLMAN TO THE COOKE COUNTY COMMISSIONER’S COURT AS THE CITY OF GAINESVILLE NOMINEE FOR THE NORTH TEXAS GROUNDWATER CONSERVATION DISTRICT TEMPORARY BOARD OF DIRECTORS.

City Manager Barry Sullivan recommended Ron Sellman as the City’s nominee to the temporary board of directors of the North Texas Groundwater Conservation District. The new Groundwater Conservation District (GCD) was created on May 27, 2009, by Texas Senate Bill 2497, and encompasses Collin, Cooke and Denton Counties. The GCD is to be governed initially by a temporary board of nine directors – three directors from each member county. One director is to be selected from nominees submitted by the largest municipal groundwater producer in the county; one director from nominees submitted by other groundwater producers in the county, and a third director selected at large by the Commissioner’s Court from qualified individuals expressing interest in the position. Each Commissioner’s Court has until August 25 to appoint the temporary directors.

Councilmember Nichols moved to **approve the Resolution**, and was seconded by Councilmember Snuggs. Motion carried by vote of 7 Ayes, 0 Nays, 0 absent.

**RESOLUTION NO. 07-21-2009 D – AUTHORIZING AGREEMENT WITH TEXOMA COUNCIL OF GOVERNMENTS FOR 9-1-1 PSAP SERVICES**

A RESOLUTION AUTHORIZING THE CITY MANAGER OF THE CITY TO ENTER INTO AN INTERLOCAL AGREEMENT WITH TEXOMA COUNCIL OF GOVERNMENTS (TCOG) FOR E9-1-1 PUBLIC SAFETY ANSWERING POINT SERVICES.

An interlocal agreement was authorized with the Texoma Council of Governments (TCOG) for Emergency 9-1-1 public safety answering point services at the Gainesville Public Safety Center. The agreement states that the City will maintain the equipment provided by the Texoma Council of Governments and will operate the 9-1-1 Dispatch Center in compliance with state regulations. TCOG will continue to pay the annual maintenance contract. Peggy Shelley, TCOG, said the new agreement is set up to run concurrently with the state’s biennial contracting schedule.

Councilmember Snuggs moved to **approve the Resolution**, and was seconded by Councilmember Draper. Motion carried by vote of 7 Ayes, 0 Nays, 0 absent.

**RESOLUTION NO. 07-21-2009 E - AUTHORIZING OFFER TO PURCHASE REAL ESTATE PROPERTIES AS PART OF THE PECAN CREEK FLOOD DAMAGE REDUCTION PROJECT.**

A RESOLUTION AUTHORIZING THE CITY MANAGER TO MAKE OFFERS TO PURCHASE REAL ESTATE PROPERTIES AS PART OF THE PECAN CREEK LOCAL FLOOD DAMAGE REDUCTION PROJECT.

The City Manager was authorized to make offers to property owners for purchase of twenty-three real estate properties and easements as part of the Pecan Creek Flood Project. The property appraisals were completed by Merit Appraisals and have been approved by the Corps of Engineers for acquisition. Purchase offers are based on the appraised value for each parcel. The total appraised value for the twenty-three parcels is \$61,950. The City Manager announced that at the next City Council meeting, August 4, he will display a map showing the flood properties purchased and the properties still needed to be purchased for the project. Sullivan made note to the media that on July 22, California Street will be closed between 7 a.m. and 5 p.m. for utility work related to the project.

Councilmember Draper moved to **approve the Resolution**, and was seconded by Councilmember Rippy. Motion carried by vote of 7 Ayes, 0 Nays, 0 absent.

**RESOLUTION NO. 07-21-2009 F – AUTHORIZE SECTION 125 PLAN FOR CITY EMPLOYEES**

A RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE ON BEHALF OF THE CITY OF GAINESVILLE, TEXAS, AN ADOPTION AGREEMENT FOR SECTION 125 PREMIUM ONLY PLAN.

The City Manager recommended approval of renewing the Section 125 premium only plan for City Employees. The plan provides a benefit to employees to have certain insurance premiums and health savings account contributions deducted from their pay on a pre-tax basis, and is a tax saving to the City.

Councilmember Goldsworthy moved to **approve the Resolution**, and was seconded by Councilmember Nichols. Motion carried by vote of 7 Ayes, 0 Nays, 0 absent.

**RESOLUTION NO. 07-21-2009 G – ANNUAL COMPENSATION FOR MUNICIPAL COURT JUDGE**

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GAINESVILLE, TEXAS PROVIDING FOR ANNUAL COMPENSATION FOR THE MUNICIPAL COURT JUDGE OF THE CITY OF GAINESVILLE, TEXAS IN ACCORDANCE WITH ARTICLE IV, SECTION 4.05, OF THE CHARTER OF THE CITY OF GAINESVILLE, TEXAS.

A six percent increase in annual compensation was approved for the Municipal Court Judge. In recommending the increase, Sullivan praised Judge Chris Cypert's performance, his outstanding work with the budget and his efforts in saving the city money. Under the City Charter, the City Council sets the compensation for the Municipal Judge, which is an elected position.

Councilmember Hendricks moved to **approve the Resolution**, and was seconded by Councilmember Snuggs. Motion carried by vote of 7 Ayes, 0 Nays, 0 absent.

**PUBLIC HEARING ON ORDINANCE TO REZONE BLOCK 1, LOT 2, BONNER HEIGHTS SUBDIVISION FROM GENERAL COMMERCIAL (C2) TO HIGH DENSITY MULTIFAMILY (MF-2)**

Mayor Loch announced the Public Hearing at 6:53 p.m. and called for public comment in favor of or against the rezoning.

Mr. Faisal Reza, developer, spoke in favor of the zoning district change, stating that he wanted to build affordable housing in the area for college and high school faculty and students. No other person came forward to speak for or against the rezoning. With no further discussion, Councilmember Snuggs **moved to close the Public Hearing**, and was seconded by Councilmember Draper. Motion carried by vote of 7 Ayes, 0 Nays, 0 absent. The Public Hearing was closed at 6:55 p.m.

**DISAPPROVAL OF ZONING DISTRICT CHANGE IN BONNER HEIGHTS SUBDIVISION, LOT 1, BLOCK 1, FROM GENERAL COMMERCIAL (C2) TO HIGH DENSITY MULTIFAMILY (MF-2)**

FIRST READING OF AN ORDINANCE AMENDING ORDINANCE 1219-12-2008; THE ZONING ORDINANCE OF THE CITY OF GAINESVILLE, TEXAS AUTHORIZING THE CITY OF GAINESVILLE, TEXAS, TO REZONE FROM GENERAL COMMERCIAL (C2) TO HIGH DENSITY MULTIFAMILY (MF-2) BLOCK 1, LOT 2, BONNER HEIGHTS SUBDIVISION; PROVIDING FOR AMENDMENT OF THE OFFICIAL ZONING MAP OF THE CITY OF GAINESVILLE; PROVIDING FOR STIPULATIONS; PROVIDING FOR PUBLICATION; PROVIDING FOR AN EFFECTIVE DATE; CONTAINING A SEVERABILITY CLAUSE AND MAKING AN OPEN MEETING FINDING.

A proposed ordinance for a zoning district change in the Bonner Heights Subdivision, Lot 1, Block 1, from General Commercial (C2) to High Density Multifamily (MF-2) to allow for construction of apartments was disapproved. P & Z recommended denial of the change because the individual units do not meet the minimum specified square footage requirements of the Zoning Ordinance. Current zoning requires a minimum of 800 square feet for single bedroom units, 1,000 s.f. for two bedroom units, and 1,200 s.f. for three bedroom units. The largest unit in the proposed development is 641 sf. Sullivan advised that while there may be agreement for the need for such housing, it is not allowable under the current zoning ordinance. Sullivan and Mayor suggested review of the zoning ordinance over the next several months to “tweak” it where necessary.

Councilmember Draper moved to **suspend the Charter requirement of three readings**, and was seconded by Councilmember Rippy. Motion carried by vote of 7 Ayes, 0 Nays, 0 absent.

Councilmember Nichols moved to **disapprove the Ordinance**, and was seconded by Councilmember Rippy. Motion carried by vote of 7 Ayes, 0 Nays, 0 absent.

**ORDINANCE NO. 1226-07-2009 – ATMOS GAS RATE INCREASE EFFECTIVE AUGUST 1, 2009**

FIRST READING AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF GAINESVILLE, TEXAS, ("CITY") APPROVING A NEGOTIATED RESOLUTION BETWEEN THE ATMOS CITIES STEERING COMMITTEE (“ACSC” OR “STEERING COMMITTEE”) AND ATMOS ENERGY CORP., MID-TEX DIVISION ("ATMOS MID-TEX" OR "COMPANY") REGARDING THE COMPANY'S RATE REVIEW MECHANISM FILING IN ALL CITIES EXERCISING ORIGINAL JURISDICTION; DECLARING EXISTING RATES TO BE UNREASONABLE; REQUIRING THE COMPANY TO REIMBURSE CITIES' REASONABLE RATEMAKING EXPENSES; ADOPTING TARIFFS THAT REFLECT RATE ADJUSTMENTS CONSISTENT WITH THE NEGOTIATED SETTLEMENT AND FINDING THE RATES TO BE SET BY THE ATTACHED TARIFFS TO BE JUST AND REASONABLE; APPROVING ATMOS' PROOF OF REVENUES; ADOPTING A SAVINGS CLAUSE; DETERMINING THAT THIS ORDINANCE WAS PASSED IN ACCORDANCE WITH THE REQUIREMENTS OF THE TEXAS OPEN MEETINGS ACT; DECLARING AN EFFECTIVE DATE; AND REQUIRING DELIVERY OF THIS ORDINANCE TO THE COMPANY AND THE STEERING COMMITTEE'S LEGAL COUNSEL.

A rate increase for Atmos Energy Mid-Tex Division was adopted as recommended by the Atmos Cities Steering Committee (ACSC). After negotiations under the Rate Review Mechanism (RRM) process, the ACSC was able to reduce the Company’s requested \$20.2 million increase to \$2.6. Atmos filed for the increase in March of this year. ACSC consultants reported that

