

**MINUTES  
CITY OF GAINESVILLE  
CITY COUNCIL MEETING  
200 South Rusk  
Gainesville, Texas 76240  
December 7, 2010**

The City Council of the City of Gainesville, Texas met in regular session on December 7, 2010 at 6:30 p.m. with the following persons in attendance:

**MEMBERS PRESENT:** Mayor Glenn Loch  
Council Members Jim Goldsworthy, Carolyn Hendricks, Philip Neelley, Ray Nichols, Vince Rippey, Beverly Snuggs

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

**OTHERS PRESENT:** Delania Trigg, Kit Chase, Jim Robertson, Paula Winter, Gayle Buchanan, Jason Brinkley

**CALL TO ORDER**

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

**INVOCATION & PLEDGE OF ALLEGIANCE**

Reverend Todd Grey, Gethsemane Baptist Church gave the invocation. Mayor Loch led the pledge to the flag.

**CITIZENS COMMENTS**

Donald Manuel expressed his appreciation to City Councilmember Carolyn Hendricks for her assistance with family oriented events held last summer at B.P. Douglas Park; the Juneteenth celebration and July 4<sup>th</sup> barbeque. Manuel thanked the Council for all they do throughout the year for the benefit of the citizens.

**CONSENT AGENDA**

Council reviewed the Minutes of the regular City Council Meeting of November 16, 2010 and approved them as written.

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

**RESOLUTION NO. 12-07-2010 – AUTHORIZE CAPP TO BLEND AND EXTEND CITY ELECTRIC SUPPLY CONTRACT**

A RESOLUTION OF THE CITY OF GAINESVILLE, TEXAS, AUTHORIZING THE CITIES AGGREGATION POWER PROJECT, INC. (CAPP) TO NEGOTIATE AN EXTENSION TO THE CURRENT ELECTRIC SUPPLY AND NECESSARY RELATED SERVICES AGREEMENT WITH NEXT ERA FOR A FIXED PRICE PER KWH THAT IS LOWER THAN CONTRACT RATES FOR 2011-2013, SAID EXTENSION TO CONTINUE UNTIL DECEMBER 31, 2018; AUTHORIZING CAPP TO ACT AS AN AGENT ON BEHALF OF THE CITY TO ENTER INTO A CONTRACT FOR ELECTRICITY; AUTHORIZING THE

CHAIRMAN OF CAPP TO EXECUTE AN EXTENSION TO THE CURRENT ELECTRIC SUPPLY AGREEMENT FOR DELIVERIES OF ELECTRICITY EFFECTIVE JANUARY 1, 2011 OR AS SOON AFTER FINALIZATION OF A CONTRACT AS POSSIBLE; COMMITTING TO BUDGET FOR ENERGY PURCHASES AND TO HONOR THE CITY'S COMMITMENTS TO PURCHASE POWER THROUGH CAPP FOR ITS ELECTRICAL NEEDS THROUGH DECEMBER 31, 2018.

City Manager Barry Sullivan recommended approval for CAPP (Cities Aggregated Power Project) as agent on behalf of the City of Gainesville to re-negotiate the current five-year electric rate supply contract with Next Era and to extend the contract for an additional five years to 2018. As a party to the CAPP electric energy supply agreement, the City of Gainesville is under contract through 2013 and will complete its second year of a five-year contract at the end of December. Over the previous two years electric prices have declined and CAPP is attempting to renegotiate with the energy suppliers on the remaining three years of the five-year contract, and also extend the contract for an additional five years. The extended portion of the contract is expected to be at a lower fixed price because of the low cost of natural gas at this time. Sullivan stated that if the current contract can be blended with the new lower prices, it could save the City an estimated \$252,000 over the next three years. Passage of the resolution ensures the City's right to participate in the blend and extend agreement, if it is finalized by CAPP.

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

**RESOLUTION NO. 12-07-2010 A- APPROVE DELINQUENT TAX COLLECTION CONTRACT**

A RESOLUTION AUTHORIZING THE CITY MANAGER OF THE CITY OF GAINESVILLE, TEXAS TO ENTER INTO A CONTRACT FOR THE COLLECTION OF DELINQUENT TAXES; PROVIDING FOR COMPENSATION FOR SERVICES REQUIRED THEREUNDER; PROVIDING FOR A CONTRACT PERIOD AND OTHER TERMS AND CONDITIONS CONTAINED THEREIN.

Council unanimously approved a three-year contract with Jim Robertson to provide delinquent tax collection services for the City. Robertson's current contract expires December 31. Sullivan said Robertson works well with the City and he does a good job in collection of back taxes, working out pay agreements with property owners, and in placing properties on Sheriff sales in order to get the properties back onto the tax rolls. Robertson noted that many of the properties are abandoned. Sullivan said when new owners purchase the properties the City is alleviated from having to maintain the properties. Robertson's compensation is paid by the taxpayer based on the amount collected and paid to the Appraisal District.

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

**RESOLUTION NO. 12-07-2010 B - AUTHORIZE CONTRACT WITH KIMLEY-HORN AND ASSOCIATES FOR BID PACKAGE B OF THE STREET AND UTILITY MAINTENANCE PROGRAM**

A RESOLUTION AUTHORIZING THE CITY MANAGER, FOR AND ON BEHALF OF THE CITY OF GAINESVILLE, TO EXECUTE AN AGREEMENT WITH KIMLEY-HORN AND ASSOCIATES FOR IMPLEMENTATION OF INDIVIDUAL PROJECT ORDER 2011-2, BID PACKAGE B, OF THE STREET AND UTILITY MAINTENANCE PROGRAM FOR THE CITY OF GAINESVILLE.

Bid Package B of the Street and Utility Maintenance Program (SUMP) contract with Kimley-Horn and Associates was approved for implementation at a cost not to exceed \$283,900. This is

the second of five different engineering packages that will be let for 2010 CO SUMP projects. The package includes roadway design, utility design, drainage design, bidding and construction contract administration for reconstruction of Refinery Road (from Sivells Bend Road to Hwy 82 and Sivells Bend Road from I-35 to Refinery Road); replacement and possible upgrading of water lines and sewer lines. Sullivan said when the City was reviewing construction plans with SES Holdings, LLC for their new corporate headquarters facility; the timing of the City's planned improvements on Refinery Road and TXDOT's planned improvements of the I-35 frontage road was a concern. TXDOT is to begin improvements in January 2012 on the I-35 frontage road north of Hwy 82. Sullivan recommended the City starting the Refinery Road project now, so it would be completed in December 2011, and be back in service when TXDOT begins I-35 frontage road construction.

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

**FIRST READING APPROVAL OF ORDINANCE TO AMEND CITY CODE SECTION TWO REGARDING BUDGET PREPARATION AND DEVELOPMENT, PURCHASING POLICIES, CITY MANAGER AUTHORIZATION, AND CAPITAL IMPROVEMENT PROGRAM**

FIRST READING OF AN ORDINANCE AMENDING THE CODE OF ORDINANCES, SECTION 2-3 BUDGET POLICIES, OFFICER, FISCAL YEAR; PREPARATION, ETC.; SECTION 2-7 PURCHASING POLICIES AND PROCEDURES; SECTION 2-8 AUTHORIZATION OF THE CITY MANAGER TO EXECUTE DOCUMENTS; SECTION 2-13 CAPITAL IMPROVEMENT PROGRAM; PROVIDING AN EFFECTIVE DATE; PROVIDING FOR SEVERABILITY; AND MAKING AN OPENING MEETINGS FINDING.

First reading was approved of an ordinance amending Section 2 of the City Code of Ordinances, updating the code to align with state requirements. The City Manager said most of the amendments are needed because of changes in state statutes. In Section 2-3 (budget policies, preparation, development), amendments allow the City to follow State rules for public notices and hearings prior to budget adoption. The specific timeline is removed for the City Council to establish budget policy priorities for the City Manager; and the fund reserve requirement is increased from 30 days to 60 days beginning in Fiscal Year 2012.

In Section 2-7 (purchasing policies), amendments raise the threshold for purchases requiring sealed bids from \$25,000 to \$50,000. Sullivan said the state increased this threshold several years ago, and this change would save the City by reducing the number of sealed bid purchases and reduce the amount of time to approve purchases or services agreements. Another amendment also authorizes the City Manager to approve purchases up to \$50,000 (increased from \$25,000) without Council approval. Emergency purchases in excess of \$50,000 (increased from \$25,000) require the City Manager to inform Council in writing within 30 days of the expenditure.

Amendment to Section 2-8 (authorization to execute documents) clarifies that the City Manager can execute any document approved by Council for his signature.

Section 2-13 (Capital Improvement Program) amendments raise the value to capitalize assets from \$5,000 to \$15,000; remove the specific timeline for creating the Capital Improvement Program (CIP) and specify that the CIP be provided to the Council annually.

Second reading of the ordinance will be held at the regular Council meeting on December 21, 2010.

Councilmember Neelley **moved to approve first reading of the ordinance.** The motion was seconded by Councilmember Snuggs and carried by vote of 7 Ayes, 0 Nays, 0 Abstentions, and 0 Absent.

**EXECUTIVE SESSION**

At 6:57 p.m. Mayor Loch announced that Council would convene into Executive Session in compliance with Vernon's Texas Codes Annotated, Government Code, Chapter 551 (Open Meetings Act), to discuss the following:

- Under Government Code §551.074 Personnel – City Manager's Evaluation
- Under Government Code §551.072 Real Property
- Under Government Code §551.071 Attorney Client matters

**RECONVENE INTO OPEN SESSION**

Council reconvened into open session at 7:59 p.m. Mayor Loch announced no action was taken during executive session.

**RESOLUTION NO. 12-07-2010 C - APPROVE EXTENSION OF CITY MANAGER CONTRACT**

A RESOLUTION AUTHORIZING THE MAYOR TO EXTEND THE CONTRACT OF EMPLOYMENT OF BARRY SULLIVAN AS CITY MANAGER

Council unanimously approved a one-year extension of Barry Sullivan's contract as City Manager.

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

**ADJOURN**

With no further business to come before the City Council, the meeting adjourned at 8:00 p.m.

Respectfully submitted,

/S/  
**Kay Lunnon, City Secretary**

/S/  
**Glenn Loch, Mayor**