

**MINUTES
CITY OF GAINESVILLE
CITY COUNCIL MEETING
200 South Rusk
Gainesville, Texas 76240
August 2, 2011**

The City Council of the City of Gainesville, Texas met in regular session on August 2, 2011 at 6:30 p.m. with the following persons in attendance.

MEMBERS PRESENT: Mayor Jim Goldsworthy
Carolyn Hendricks, Ken Keeler, Philip Neelley, Ray Nichols,
Vince Rippy, Beverly Snuggs

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

OTHERS PRESENT: Barbara Tucker, Robin Tyler, Kinzey Tucker, Heather Howell, CJ Durbin-Higgins, Heather Pilkington, Kit Chase

CALL TO ORDER

Mayor Goldsworthy called the meeting to order at 6:30 p.m., with all Council members present.

INVOCATION & PLEDGE OF ALLEGIANCE

Reverend Hubert Wright, First Baptist Church, gave the invocation. Mayor Goldsworthy led in the pledge to the flag.

REPORTS

Water Quality Report

Ron Sellman, Public Services Director, reviewed the 2010 Annual Drinking Water Quality Report, also called the Consumer Confidence Report (CCR). Sellman said the City water supply has again been issued a rating of "Superior" by the Texas Commission on Environmental Quality (TCEQ) for exceeding minimum standards for a public water supply. Sellman and his staff were commended for their efforts in maintaining this high standard for the City and citizens of Gainesville. The Annual Report has been mailed to all City water customers.

CONSENT AGENDA

Council reviewed the Minutes of the Budget Workshop Meeting of July 16, 2011 and for the regular City Council Meeting of July 19, 2011 and approved them as written.

RESOLUTION NO. 08-02-2011 – APPOINTMENT TO PARKS BOARD

A RESOLUTION MAKING APPOINTMENT TO THE PARKS AND RECREATION BOARD

Mayor recommended appointment of Angel Madrid to the vacant position on the Parks and Recreation Board for a term expiring March 2013.

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

RECORD VOTE TO CONSIDER A PROPOSED TAX RATE FOR FY 2011

CONSIDERATION OF AND ACTION ON A PROPOSED TAX RATE FOR THE CITY OF GAINESVILLE FOR FISCAL YEAR 2011-2012.

Council voted to consider a Tax Rate of \$0.647000 for the City of Gainesville for Fiscal Year 2011-2012. Pursuant to state law, before a tax rate can be adopted, a record vote is required if the proposed tax rate exceeds the rollback rate or the effective rate. This year the rollback rate is \$0.777300 and the effective rate is \$0.640500. The City Manager stated the proposed budget is formulated based on the same tax rate as the current year, \$0.64700 per \$100 value. Because the proposed rate exceeds the effective tax rate, Council voted to consider a proposed tax rate and scheduled two public hearings.

Councilmember Snuggs made a **motion to consider a tax rate of \$0.647 per \$100 of property value for Fiscal Year 2011-2012**. The motion was seconded by Councilmember Nichols and carried by vote of 7 Ayes, 0 Nays, 0 Abstentions, and 0 Absent.

SETTING TWO PUBLIC HEARING DATES ON PROPOSED 2011 TAX RATE

CONSIDERATION OF AND ACTION ON SETTING PUBLIC HEARING DATE(S) FOR THE PROPOSED 2011 TAX RATE.

Council scheduled two Public Hearings to be held on the proposed 2011 tax rate. The hearings will be held at Gainesville City Hall, 200 South Rusk Street at 6:30 p.m. on August 16 and September 6, 2011.

Councilmember Keeler **moved that two public hearings be scheduled on the proposed tax rate, August 16, 2010 and September 6, 2011, to be held at Gainesville City Hall, 200 South Rusk at 6:30 p.m.** The motion was seconded by Councilmember Rippy, and carried by vote of 7 Ayes, 0 Nays, 0 Abstentions, 0 Absent.

SETTING DATE FOR PUBLIC HEARING ON PROPOSED BUDGET FOR FY 2011

CONSIDERATION OF AND ACTION ON SETTING PUBLIC HEARING DATE FOR THE PROPOSED 2011-2012 BUDGET.

Council scheduled a Public Hearing on the Proposed Budget for FY 2011-2012 to be held September 6, 2011, at Gainesville City Hall, 200 South Rusk Street at 6:30 p.m.

Councilmember Neelley **moved to schedule a public hearing on the proposed Fiscal Year 2011-2012 Budget for September 6, 2011 at Gainesville City Hall, 200 South Rusk at 6:30 p.m.** The motion was seconded by Councilmember Snuggs, and carried by vote of 7 Ayes, 0 Nays, 0 Abstentions, 0 Absent.

RESOLUTION NO. 08-02-2011 A – ZOO CONCESSION LEASE WITH RB ENTERPRISES

A RESOLUTION AWARDED BID NO. 2011-04 FOR THE LEASE OF THE CONCESSION STAND LOCATED INSIDE THE FRANK BUCK ZOO.

A one-year lease was authorized with RB Enterprises for the concession area located within the main entry building at the Frank Buck Zoo. One proposal only was received in response to Bid No. 2011-03 on July 6, 2011. RB Enterprises (Barbara Tucker and Robin Tyler) proposed a one-year lease for \$6,000 payable at \$500.00 per month. RB Enterprises will purchase and install a

commercial oven at their expense, plus pay any and all electric utility expense over and above what has been the normal average payment for the City. The City Manager stated the City's average electric use is 4,300 Kwh per month. He recommended approval of the lease.

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

RESOLUTION NO. 08-02-2011 B – APPROVED GEDC BUDGET FOR FY 2011-2012

A RESOLUTION APPROVING ACTIONS OF THE GAINESVILLE ECONOMIC DEVELOPMENT CORPORATION OF THE CITY OF GAINESVILLE, WHICH VOTED TO ADOPT THE FY 2011-2012 GEDC BUDGET.

Council approved action of the Gainesville Economic Development Corporation, which adopted their budget for Fiscal Year 2011-2012 at their meeting on June 13, 2011. The GEDC budget forecasts revenues in the amount of \$1,254,978 and total budgeted expenditures in the amount of \$1,101,996.

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

RESOLUTION NO. 08-02-2011 C – ACCEPTING CONVEYANCE OF 421 NORTH DENTON STREET FROM GISD

A RESOLUTION AUTHORIZING THE CITY MANAGER, FOR AND ON BEHALF OF THE CITY OF GAINESVILLE, TO ACCEPT CONVEYANCE OF REAL PROPERTY LOCATED AT 421 NORTH DENTON STREET AS AUTHORIZED BY THE GAINESVILLE INDEPENDENT SCHOOL DISTRICT.

Real property located at 421 North Denton Street (old Gainesville Middle School Building and land) was authorized to be accepted as conveyed by the Gainesville Independent School District, contingent upon the GISD providing the City viable certification that asbestos in the building has been abated. The City Manager said the Cooke County Youth Center will have the building demolished and the City will dispose of the material, estimated to weigh 7530 tons, as fill for public and private land, and may also landfill the material. Councilman Nichols, who also serves on the Youth Center Board of Directors, abstained from the vote. Nichols expressed appreciation for the City's willingness to work with the Youth Center to get this property cleared. Mayor Goldsworthy commended such community partnerships that help to make the city a better place for our youth.

Councilmember Snuggs **moved to approve the Resolution contingent upon the GISD providing the City viable certification that asbestos in the building has been abated**. The motion was seconded by Keeler, and carried by vote of 6 Ayes, 0 Nays, 1 Abstention (Nichols), and 0 Absent.

RESOLUTION NO. 08-02-2011 D – INTERLOCAL AGREEMENT WITH TCOG FOR E9-1-1- PUBLIC SAFETY ANSWERING POINT (PSAP) SERVICES

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

An interlocal agreement between the Texoma Council of Governments (TCOG) and the City of Gainesville for provision of 9-1-1 service was approved. The City of Gainesville will maintain the equipment provided by the TCOG and operate the 9-1-1- Dispatch Center located at 201

Santa Fe Street in compliance with state regulations. The City must also ensure that all 9-1-1 call takers receive applicable training within six (6) months of employment and all refresher training as required.

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

ORDINANCE NO. 1275-08-2011 – ATMOS RATE TARIFFS AND SETTLEMENT AGREEMENT RATIFICATION

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 FOURTH ANNUAL RATE REVIEW MECHANISM (“RRM”) FILING IN ALL CITIES EXERCISING ORIGINAL JURISDICTION; DECLARING EXISTING RATES TO BE UNREASONABLE; 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; REQUIRING THE COMPANY TO REIMBURSE CITIES’ REASONABLE RATEMAKING EXPENSES; REPEALING CONFLICTING RESOLUTIONS OR ORDINANCES; DETERMINING THAT THIS ORDINANCE WAS PASSED IN ACCORDANCE WITH THE REQUIREMENTS OF THE TEXAS OPEN MEETINGS ACT; ADOPTING A SAVINGS CLAUSE; DECLARING AN EFFECTIVE DATE; AND REQUIRING DELIVERY OF THIS ORDINANCE TO THE COMPANY AND THE STEERING COMMITTEE’S LEGAL COUNSEL.

Ordinance was adopted on first reading with charter suspension, approving new rate tariffs for Atmos Energy Corporation. The new rates set monthly customer charges for natural gas at \$7.50 and \$16.75 for residential and commercial customers, respectively. The average residential customer will have an increase of \$0.31 per month; the average commercial customer will have an increase of \$0.88 per month. These rates allow ATMOS to recoup their cost associated with the steel line replacement program. The new rate tariffs were negotiated with the Atmos Cities Steering Committee (ACSC) pursuant to the RRM (Rate Review Mechanism) process. The ACSC Settlement Committee and ACSC legal counsel recommended that all ACSC Cities (Gainesville is a member city) adopt the Ordinance implementing the rate change. The new rates become effective September 1, 2011.

Councilmember Snuggs **moved to suspend the Charter requirement of three separate readings**, and was seconded by Councilmember Nichols. The motion carried by vote of 7 Ayes, 0 Nays, 0 Abstentions, and 0 Absent.

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

EXECUTIVE SESSION

At 7:18 p.m. Mayor Goldsworthy 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 §551.072 Real Property

Under Government Code §551.071 Attorney Consultation

RECONVENE INTO OPEN SESSION

At 7:42 p.m. Council completed its Executive Session and Mayor Goldsworthy reconvened the meeting into open session, announcing that no action was taken during executive session.

ADJOURN

With no further business to come before the City Council, the meeting was adjourned at 7:42 p.m.

Respectfully submitted,

/S/
Kay Lunnon, City Secretary

/S/
Jim Goldsworthy, Mayor