

**MINUTES
CITY OF GAINESVILLE
CITY COUNCIL MEETING
200 South Rusk
Gainesville, Texas 76240
September 20, 2011**

The City Council of the City of Gainesville, Texas met in regular session on September 20, 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; Kent Sharp, Executive Director, Gainesville Economic Development Corporation

OTHERS PRESENT: Angie Hare, John Hare, Randy Manus, Heather Pilkington, David Peters, Kelly Fiore-Watson, Matilda Watson, Jeffrey Watson, Jose O. Gutierrez, Jan Fox, Linda Lutkenhaus Coursey, Margie Askew, June Sherrill, Jessica Lacefield

CALL TO ORDER

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

INVOCATION & PLEDGE OF ALLEGIANCE

Reverend John Hare, First Presbyterian Church, gave the invocation. Mayor Goldsworthy led in the pledge to the flag.

RECOGNITIONS

Star of North Texas Award Presentation

Angie Hare, Executive Director of Cooke County United Way, is the second recipient of the Star of North Texas Award Medallion. Mayor Goldsworthy read a certificate recognizing Hare for her positive impact on the lives of Gainesville and Cooke County residents through her continuing and sustained commitment and dedicated efforts to the well-being of fellow citizens. Hare was also cited for dynamic involvement in the community. The Star of North Texas award is presented to recognize individuals who demonstrate a spirit of volunteerism that enhances the lives of our neighbors and community. Goldsworthy said Hare is a “game changer” in the community.

Employee of the Month, September 2011

Randy Manus received recognition as City Employee of the Month for September 2011. City Manager Barry Sullivan read and presented a Certificate commending Manus for his outstanding attitude in performance of his duties as a meter reader. Manus was cited for his respect for citizens and co-workers; his willingness to work after hours if necessary; and for being a team player. As part of the City’s recognition program, Manus also received a certificate redeemable for one day off with pay.

CONSENT AGENDA

Council reviewed the Minutes of the regular City Council Meeting of September 6, 2011 and approved them as written.

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

ORDINANCE NO. 1276-09-2011 – ADOPTING CITY BUDGET FOR FY 2011-2012

CONSIDERATION AND ACTION ON FIRST READING OF AN ORDINANCE ESTABLISHING APPROPRIATIONS FOR THE SUPPORT, MAINTENANCE, BUILDINGS AND IMPROVEMENTS FOR THE CITY OF GAINESVILLE, TEXAS, FOR THE FISCAL YEAR FROM OCTOBER 1, 2011 THROUGH SEPTEMBER 30, 2012 AND REVISING THE BUDGET FOR OCTOBER 1, 2010 THROUGH SEPTEMBER 30, 2011; PROVIDING AN EFFECTIVE DATE; AND MAKING AN OPEN MEETING FINDING; AND PROVIDING FOR RATIFICATION OF THE PROPERTY TAX INCREASE REFLECTED IN THE FISCAL YEAR 2011-2012 OPERATING BUDGET BY SEPARATE VOTE.

The Fiscal Year 2011-2012 Budget was adopted for the City of Gainesville. City Manager Barry Sullivan said the \$29.3 M budget is a balanced budget formulated for no increase in the tax rate. He said expenditures are projected to complete the year leaving a balance (increase in cash reserves) in the amount of \$448,067.

Councilmember Keeler **moved to Suspend the Charter requirement of three readings**, seconded by Councilmember Rippy, the motion carried by vote of 7 Ayes, 0 Nays, 0 absent.

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

In accordance with Local Government Code requiring a separate vote to ratify an increase in property tax revenue, Councilmember Nichols **made the motion to ratify the increase in property tax revenue as reflected in the FY 2011-2012 budget**, and was seconded by Councilmember Snuggs. The motion carried by vote of 7 Ayes, 0 Nays, 0 absent.

ORDINANCE NO. 1277-09-2011 – SETTING CITY AD VALOREM TAX LEVY FOR FY 2011-2012

CONSIDERATION OF AND ACTION ON FIRST READING OF AN ORDINANCE LEVYING, ASSESSING AND FIXING THE AD VALOREM TAX RATE FOR THE CITY OF GAINESVILLE, TEXAS GENERAL FUND AND INTEREST AND SINKING FUND FOR THE FISCAL YEAR FROM OCTOBER 1, 2011 THROUGH SEPTEMBER 30, 2012; APPROPRIATING EACH LEVY FOR THE SPECIFIC PURPOSE; PROVIDING FOR THE ASSESSMENT OF ALL ANNUAL OCCUPATIONAL TAXES PROVIDED BY LAW; REQUIRING PUBLICATION; PROVIDING AN EFFECTIVE DATE; AND MAKING AN OPEN MEETING FINDING.

Council adopted and set the ad valorem tax levy for the City of Gainesville at \$0.647000 per \$100 valuation for maintenance and support of the General Fund (\$0.434260) and Interest and Sinking Fund (\$0.212740). Sullivan stated the adopted tax levy rate is the same rate as the previous five years.

Councilmember Keeler **moved to Suspend the Charter requirement of three readings**, seconded by Councilmember Neelley, the motion carried by vote of 7 Ayes, 0 Nays, 0 absent.

Moving to adopt the ordinance, and in accordance with language prescribed in Tax Code Section 26.05(b), Councilmember Nichols **moved that the property tax rate be increased by the adoption of a tax rate of \$0.647 per \$100 valuation, which is effectively a 0.9 percent increase in the tax rate**. The motion was seconded by Councilmember Keeler and carried by vote of 7 Ayes, 0 Nays, 0 absent.

RESOLUTION NO. 09-20-2011 – APPROVING FIVE-YEAR CAPITAL IMPROVEMENT PLAN (FY 2012-2016)

A RESOLUTION APPROVING THE CITY OF GAINESVILLE FIVE-YEAR CAPITAL IMPROVEMENT PLAN (FY 2012 – 2016).

The Capital Improvements Plan (CIP) for FY 2012-2016 was submitted by the City Manager as required by City Code, Section 2-13, updating capital improvements projects for the current fiscal year and presenting the plan for five succeeding budget periods. The CIP projects capital expenditures and serves as a planning document for budgeting and planning in future years. The document does not bind the City Council to any commitment of funds for any project or any budget period. Councilman Nichols commented that it provides a great tool for budgeting and planning for the future.

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

RESOLUTION NO. 09-20-2011 A – APPROVE AGREEMENTS WITH AGENCIES RECEIVING HOTEL/MOTEL OCCUPANCY TAX REVENUES IN FY 2011-2012 BUDGET

A RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE AN AGREEMENT WITH EACH OF THE AGENCIES RECEIVING HOTEL/MOTEL OCCUPANCY TAX PURSUANT TO CHAPTER 351 OF THE PROPERTY TAX CODE; APPROPRIATING CERTAIN AMOUNTS FROM SAID HOTEL/MOTEL FUND; AND AUTHORIZING PAYMENT ON THE TERMS AND CONDITIONS CONTAINED THEREIN.

Tourism and promotion contracts were approved for each of the agencies appropriated Hotel/Motel Occupancy Tax revenues in the 2011-2012 Budget. The agencies approved to receive funds, if the hotel/motel revenues are received and available, are Butterfield Stage Players, Cooke County Arts Council, Cooke County Heritage Society/Morton Museum, Cooke County Heritage Society/Santa Fe Depot, and Gainesville Area Chamber of Commerce.

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

RESOLUTION NO. 09-20-2011 B – APPROVE STANFORD HOUSE BUDGET FOR FY 2011-2012

A RESOLUTION APPROVING ACTIONS OF THE STANFORD CHARITABLE CORPORATION APPROVING AND ADOPTING THE FY 2011-2012 BUDGET FOR THE STANFORD HOUSE.

Council approved the action of the Board of Directors of the Stanford Charitable Corporation in adopting the Fiscal Year 2011-2012 budget, in the amount of \$84,575, for operation of the Stanford House. The budget receives partial funding from the City's adopted budget in the amount of Ten thousand dollars (\$10,000).

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

RESOLUTION NO. 09-20-2011 C – APPROVE DECISION OF GEDC FOR A REVENUE SHARE AGREEMENT WITH SCHLUMBERGER TECHNOLOGY CORPORATION

SECOND READING OF A RESOLUTION OF THE CITY COUNCIL APPROVING ACTIONS OF THE GAINESVILLE ECONOMIC DEVELOPMENT CORPORATION, WHICH VOTED TO APPROVE A REVENUE SHARE AGREEMENT BETWEEN THE GAINESVILLE EDC AND SCHLUMBERGER TECHNOLOGY CORPORATION.

Council considered on second reading and approved decision of the Gainesville Economic Development Corporation to execute a revenue sharing agreement with Schlumberger Technology Corporation. Schlumberger leases building space from the GEDC on City owned land located at the Gainesville municipal airport. Under the agreement Schlumberger will receive a rebate of fifty percent (50%) of the local economic development sales tax amount (0.25%) remitted on sales they generate in the City of Gainesville, after the first \$83,330 of sales tax paid per year.

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. 09-20-2011 D - APPROVE DECISION OF GEDC FOR FINANCIAL INCENTIVES TO SPRAYLAT CORPORATION

SECOND READING OF A RESOLUTION OF THE CITY COUNCIL APPROVING ACTIONS OF THE GAINESVILLE ECONOMIC DEVELOPMENT CORPORATION, WHICH APPROVED ECONOMIC DEVELOPMENT INCENTIVES FOR SPRAYLAT, INC.

Council considered on second reading approved decision of the Gainesville Economic Development Corporation in providing an economic development incentive to Spraylat Corporation. The GEDC Board of Directors approved an incentive of \$5,000 per new job up to a maximum of 20 additional jobs for Spraylat. The company plans to invest \$1,000,000 in machinery and equipment in its Gainesville facility and create up to 20 additional jobs in this location. To be eligible for the incentive, a new employee must reside within Cooke County.

Councilmember Snuggs **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. 09-20-2011 E - APPROVING CCAD TO RETAIN EXCESS REVENUE COLLECTED IN FY 2011

A RESOLUTION TO ALLOW THE COOKE COUNTY APPRAISAL DISTRICT TO RETAIN EXCESS REVENUE COLLECTED IN FY 2011.

The City Manager recommended approval of a request from the CCAD Board of Directors to allow the district to retain excess revenue in the amount of \$35,733 that was collected during the 2010-2011 budget year, in order to build the appraisal district's emergency reserves. Some of the funds would be used to pay for pictometry (aerial photographs that can be placed in a GIS or CAD system), a program that benefits the entire county. Sullivan said it would be beneficial to the City to allow CCAD to keep the excess monies. The City's portion of the \$35,733 is \$3,377.84.

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

EXECUTIVE SESSION

Council did not convene into executive session.

ADJOURN

With no further business to come before the City Council, the meeting was adjourned at 6:50 p.m.

Respectfully submitted,

/S/
Kay Lunnon, City Secretary

/S/
Jim Goldsworthy, Mayor