

**MINUTES
CITY OF GAINESVILLE
CITY COUNCIL MEETING
200 South Rusk
Gainesville, Texas 76240
August 7, 2012**

The City Council of the City of Gainesville, Texas met in regular session on August 7, 2012 at 6:30 p.m. with the following persons in attendance.

MEMBERS PRESENT: Mayor Jim Goldsworthy
Keith Clegg, Carolyn Hendricks, Ray Nichols, Vince Rippy,
Beverly Snuggs

MEMBERS ABSENT: Ken Keeler

STAFF PRESENT: Barry Sullivan, City Manager; Kay Lunnon, City Secretary; Bill Harris, City Attorney; Dan Parker, Finance Director; Steven Fleming, Police Chief; Ron Sellman, Public Services Director; Patrick McCage, Parks and Recreation Director; Mary Jarvis, Controller

OTHERS PRESENT: Kit Chase, Greg Russell, Chad Henderson, Jeff James, Gayla Blanton, Kristy Rigsby, Jeff Isbell, Joe Bob Jones, Erik With, Cole Moore, Kenneth Bryant

CALL TO ORDER

Mayor Goldsworthy called the meeting to order at 6:30 p.m., with a quorum of Council members present. Councilman Keeler was absent.

INVOCATION & PLEDGE OF ALLEGIANCE

Reverend Darrell McIntyre, Westminster Presbyterian Church, gave the invocation. Mayor Goldsworthy led in the pledge to the flag.

RECOGNITIONS/PROCLAMATIONS

Congressional Extension of Remarks – Gainesville Most Patriotic Small Town in America

Mayor Goldsworthy received on behalf of the City of Gainesville a presentation of Extension of Remarks made by U.S. Representative Michael C. Burgess of Texas into the Congressional Record on July 24, 2012, recognizing the City of Gainesville for being named “Most Patriotic Small Town in America” by Rand McNally and USA Today. The Congressman’s aides, Cole Moore and Erik With, made the presentation to the Mayor and City Council, and also presented the City a U.S. flag flown over the U.S. Capitol in recognition of Gainesville.

GFOA Distinguished Budget Award for FY 2011 to City of Gainesville

Mary Jarvis, Controller, and Dan Parker, Finance Director received on behalf of the City the Distinguished Budget Presentation Award for the fiscal year beginning October 1, 2011, from the Government Finance Officers Association (GFOA). City Manager Barry Sullivan credited Jarvis and Parker for their hard work in putting the budget document information together to achieve this award. This is the third year the City of Gainesville has received this award from the GFOA.

Proclamation 811 Safe Digging Day

Mayor Goldsworthy read a proclamation naming August 11, 2012 as Safe Digging Day in recognition of the first nationwide 811 Day media effort promoting the Call Before You Dig Program to raise awareness of underground damage prevention and safe digging practices that help to prevent potentially serious or fatal injuries. The proclamation is a reminder to call 811 before digging into the ground, and affects homeowners, businesses, contractors, street departments, and other utilities.

Employee of the Month, July 2012

Kenneth Bryant, Civic Center employee, was recognized as City Employee of the Month for July 2012. City Manager Barry Sullivan read and presented a Certificate recognizing Bryant for excellent customer service and event set up at the Civic Center. Bryant was praised for his dependability and great customer service skills. As Employee of the Month, Bryant also received one day of paid vacation.

REPORTS

2011 Annual Drinking Water Quality Report

Ron Sellman, Public Services Director, reviewed the 2011 Annual Drinking Water Quality Report, also called the Consumer Confidence Report (CCR). Sellman said the City water supply has again been issued a "Superior" rating by the Texas Commission on Environmental Quality (TCEQ) for exceeding minimum standards for a public water supply. Sellman commended his staff for maintaining this high standard for the City and citizens of Gainesville. The Annual Report was mailed to all City water customers in July.

CONSENT AGENDA

Council reviewed the Minutes of the City Council and Parks Board Joint Workshop Meeting held on July 17, 2012; Minutes of the regular City Council Meeting of July 17, 2012; and Minutes of the Council Budget Workshop Meeting of July 21, 2012. Minutes of each meeting were approved as written.

RESOLUTION NO. 08-07-2012 – APPOINTMENTS TO GEDC BOARD

A RESOLUTION MAKING APPOINTMENTS TO THE GAINESVILLE ECONOMIC DEVELOPMENT CORPORATION BOARD

Mark Scruggs was newly appointed to replace Keith Clegg, and Tommy James, Joe Wallace, and Bob Bloom were re-appointed to the Board of Directors of the Gainesville Economic Development Corporation, each to two-year terms extending through August 2014. Charles Draper was named as Ex Officio for a two-year term expiring August 2014.

Councilmember Clegg **moved to approve all items on the Consent Agenda**, and was seconded by Councilmember Rippy. Motion carried by vote of 6 Ayes, 0 Nays, 0 Abstentions, and 1 Absent (Keeler).

RECORD VOTE TO CONSIDER A PROPOSED TAX RATE FOR FY 2012

CONSIDERATION OF AND ACTION ON A PROPOSED TAX RATE FOR THE CITY OF GAINESVILLE FOR FISCAL YEAR 2012-2013.

City Manager Barry Sullivan said the proposed budget for 2012-2013 is formulated based upon the same tax rate as the current year, which is \$0.64700 per \$100 value. He said overall, property values are up, however residential values this year are down. The increase in property values is due to commercial values being higher, particularly the businesses that have benefited from economic development incentives. State law requires a record vote on the proposed tax

rate if the rate exceeds the rollback rate (\$0.6729) or the effective rate (\$0.5670). Council voted to consider a Tax Rate of \$0.647000 for the City of Gainesville for Fiscal Year 2012-2013.

Councilmember Snuggs **made a motion for consideration of a tax rate of \$0.647 per \$100 of property value for Fiscal Year 2012-2013.** The motion was seconded by Councilmember Clegg and carried by vote of 6 Ayes, 0 Nays, 0 Abstentions, and 1 Absent (Keeler).

SCHEDULE TWO PUBLIC HEARING DATES ON PROPOSED 2012 TAX RATE

CONSIDERATION OF AND ACTION ON SETTING PUBLIC HEARING DATE(S) FOR THE PROPOSED 2012 TAX RATE.

Council scheduled dates for two public hearings (as required by State law) on the proposed 2012 tax rate, to be held on August 21 and September 4, 2012, at Gainesville City Hall, 200 South Rusk Street at 6:30 p.m.

Councilmember Clegg **made a motion to schedule public hearings on the proposed tax rate for August 21, 2012 and September 4, 2012, to be held at Gainesville City Hall, 200 South Rusk at 6:30 p.m.** The motion was seconded by Councilmember Snuggs, and carried by vote of 6 Ayes, 0 Nays, 0 Abstentions, 1 Absent (Keeler).

SCHEDULE DATE FOR PUBLIC HEARING ON PROPOSED BUDGET FOR FY 2012

CONSIDERATION OF AND ACTION ON SETTING PUBLIC HEARING DATE FOR THE PROPOSED 2012-2013 BUDGET.

Council set the date of September 4, 2012 for a Public Hearing on the Proposed FY 2012-2013 Budget to be held at Gainesville City Hall, 200 South Rusk Street at 6:30 p.m.

Councilmember Snuggs **made a motion to schedule a public hearing on the proposed Fiscal Year 2012-2013 Budget for September 4, 2012 at Gainesville City Hall, 200 South Rusk at 6:30 p.m.** The motion was seconded by Councilmember Clegg, and carried by vote of 6 Ayes, 0 Nays, 0 Abstentions, 1 Absent. (Keeler).

DISCUSSION REGARDING THE STREET AND UTILITY MAINTENANCE PROGRAM (SUMP) PROJECTS AND THE 2010 AND 2012 CERTIFICATES OF OBLIGATION

The City Manager apprised Council of rising construction costs for SUMP projects and said the City is updating cost estimates for the entire SUMP and will continue to update these costs to assure that planning is as accurate as possible. The new price points effect change on the amount of work that can be completed with funds available (\$5.4 million) in the 2010 and 2012 Certificates of Obligation. Sullivan recommended moving forward on the projects already approved, eliminating a portion of Package F Broadway Street (Grand to Burris), and bidding packages together (D, E, and F) with alternate options (Red River), in order to save money and be able to complete a majority of the planned projects. Sullivan recommended for Council approval of SUMP contract items presented on this meeting agenda.

RESOLUTION NO. 08-07-2012 A – AWARDING BID 2012-4 TO LYNN VESSELS CONSTRUCTION LLC FOR SUMP PACKAGE C PROJECTS

A RESOLUTION AWARDING BID NO. 2012-4 TO LYNN VESSELS CONSTRUCTION, LLC, SHERMAN, TEXAS, FOR CONSTRUCTION PROJECTS IN STREET AND UTILITY MAINTENANCE PROGRAM (SUMP) PACKAGE “C”.

Lynn Vessels Construction, LLC, Sherman, Texas, was awarded the contract for Bid No. 2012-4 for SUMP package C, Bid Alternate 5, in the amount of One million, two hundred ninety-four

thousand, seven hundred ninety and 52/100 dollars (\$1,294,790.52). One bid only was received in response to the advertised bid. Package C projects consist of brick paver removal on Broadway Street, and City supplied 12 inch sewer pipe, water line replacement on Church Street (Dixon to Denton) and; water and sewer line replacement on Dixon Street (Broadway to Cummings). A sewer lift station will be installed on Scott Street at Denton.

Councilmember Hendricks **moved to approve the Resolution**, and was seconded by Councilmember Nichols. Motion carried by vote of 6 Ayes, 0 Nays, 0 Abstentions, and 1 Absent (Keeler).

RESOLUTION NO. 08-07-2012 B – APPROVE AGREEMENT WITH HDR ENGINEERING FOR TASK ORDER NO. 18 FOR DESIGN AND BID PHASE SERVICES FOR SUMP PACKAGE E

A RESOLUTION AUTHORIZING THE CITY MANAGER, FOR AND ON BEHALF OF THE CITY OF GAINESVILLE, TO EXECUTE AN AGREEMENT FOR PROFESSIONAL SERVICES WITH HDR ENGINEERING, INC. FOR TASK ORDER NO. 18 FOR DESIGN AND BID PHASE SERVICES FOR PACKAGE E OF THE STREET AND UTILITY MAINTENANCE PROGRAM (SUMP).

An agreement with HDR Engineering was authorized in the amount of One hundred seventy-six thousand dollars (\$176,000) for Task Order No. 18 for engineering Design and Bid Phase services for Package E of the SUMP. Package E consists of roadway and drainage improvements on Broadway Street from Fair Avenue to Wheeler Creek.

Councilmember Clegg **moved to approve the Resolution**, and was seconded by Councilmember Snuggs. Motion carried by vote of 6 Ayes, 0 Nays, 0 Abstentions, and 1 Absent (Keeler).

RESOLUTION NO. 08-07-2012 C – AUTHORIZE CONTRACT WITH KIMLEY-HORN AND ASSOCIATES FOR IMPLEMENTATION PACKAGE F OF THE STREET AND UTILITY MAINTENANCE PROGRAM (SUMP)

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 2012-3, BID PACKAGE F, OF THE STREET AND UTILITY MAINTENANCE PROGRAM FOR THE CITY OF GAINESVILLE.

The City Manager was authorized to execute a contract with Kimley-Horn and Associates in the amount of One hundred seventy-eight thousand three hundred fifty-eight dollars (\$178,358) to implement Package F of the Street and Utility Maintenance Program (SUMP). This contract is for engineering services for reconstruction of two lane asphalt road; rehabilitation of 6-inch sewer line; and rehabilitation of 6, 8 and 16-inch water line on Broadway Street (Fair to California).

Councilmember Snuggs **moved to approve the Resolution**, and was seconded by Councilmember Clegg. Motion carried by vote of 6 Ayes, 0 Nays, 0 Abstentions, and 1 Absent (Keeler).

RESOLUTION NO. 08-07-2012 D - AUTHORIZE CONTRACT WITH KIMLEY-HORN AND ASSOCIATES FOR A CRACK SEAL PROJECT AS PART 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 2012-4, CRACK SEAL PROJECTS, OF THE STREET AND UTILITY MAINTENANCE PROGRAM FOR THE CITY OF GAINESVILLE.

An engineering contract with Kimley-Horn and Associates was approved for implementation of the second Crack Seal Program as part of the Street and Utility Maintenance Program (SUMP) for a cost not to exceed Twenty-three thousand dollars (\$23,000). The contract is for project design, bidding and construction contract administration. The cost for the crack seal projects will be paid from budgeted Street Department funds in the FY 2012 budget and funds encumbered from the FY 2011 budget.

Councilmember Nichols **moved to approve the Resolution**, and was seconded by Councilmember Clegg. Motion carried by vote of 6 Ayes, 0 Nays, 0 Abstentions, and 1 Absent (Keeler).

RESOLUTION NO. 08-07-2012 E – GRANTING USE OF GAINESVILLE MUNICIPAL AIRPORT SEPTEMBER 7 – 9, 2012 TO NORTH TEXAS MEDICAL CENTER FOUNDATION, INC FOR BALLOON SPECTACULAR FESTIVAL EVENT AND SALES OF ALCOHOL AT THE EVENT

A RESOLUTION OF THE CITY COUNCIL GRANTING PERMISSION TO THE NORTH TEXAS MEDICAL CENTER FOUNDATION, INC. FOR USE OF THE GAINESVILLE MUNICIPAL AIRPORT, SEPTEMBER 7 – 9, 2012, FOR A BALLOON SPECTACULAR FESTIVAL EVENT AND TO SELL ALCOHOL AT THE EVENT.

Council granted permission to the North Texas Medical Center Foundation, Inc. to hold a hot air balloon festival event at the Gainesville Municipal Airport, September 7 – 9, 2012, and to sell alcohol at the event. Kristi Rigsby, Foundation Director, said twenty hot air balloons are scheduled for this event. Traditional balloon activities will be featured, as well as musical entertainment, merchandise vendors, festival foods and children's activities. The fundraiser benefits the NTMC Foundation.

Councilmember Hendricks **moved to approve the Resolution**, and was seconded by Councilmember Clegg. Motion carried by vote of 6 Ayes, 0 Nays, 0 Abstentions, and 1 Absent (Keeler).

RESOLUTION NO. 08-07-2012 F – AUTHORIZE CONTRACT WITH EIKON CONSULTANT GROUP FOR DESIGN SERVICES FOR AN AQUATIC CENTER FOR LEONARD PARK

A RESOLUTION AUTHORIZING THE CITY MANAGER, FOR AND ON BEHALF OF THE CITY OF GAINESVILLE, TO EXECUTE AN AGREEMENT FOR PROFESSIONAL SERVICES WITH EIKON CONSULTANT GROUP FOR DESIGN SERVICES FOR AN AQUATIC CENTER FACILITY FOR LEONARD PARK.

Contract with Eikon Consultant Group, LLC was authorized in the amount of One hundred thirty-five thousand dollars (\$135,000) for engineering services for an aquatic center for Leonard Park. The City Manager is authorized to sign an agreement with Eikon for engineering design, bidding and contract administration. Funding will be paid from the Pool Reserve Fund that has been created from the excess sales tax received in FY 2012.

Councilmember Snuggs **moved to approve the Resolution**, and was seconded by Councilmember Nichols. Motion carried by vote of 6 Ayes, 0 Nays, 0 Abstentions, and 1 Absent (Keeler).

EXECUTIVE SESSION

At 7:05 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 §551.071 Attorney-Client matters

Under Government Code §551.072 Real Property

Under Government Code §551.087 Economic Development

RECONVENE INTO OPEN SESSION

At 7:31 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.

RESOLUTION NO. 08-07-2012 G - SELECTION OF LEASE PROPOSAL FOR 9.14 ACRES OF LAND KNOWN AS LOCKE FIELD

A RESOLUTION APPROVING SELECTION OF A LEASE PROPOSAL FOR 9.14 ACRES OF LAND KNOWN AS LOCKE FIELD.

Council voted to select the Option A proposal submitted by Richard Brown Properties for lease of the 9.14 acres of land known as Locke Field. The Company proposes a 52 year lease with an upfront initial lump sum payment of \$25,000 to the City, \$100 annual fee, and investment of \$10,000,000 to place apartments (+- 150 units) on the site. The apartments will be at 100% market rate and taxed at full value. City Manager Barry Sullivan said three proposals were received from two different companies in response on July 31 to the advertised Request for Proposals. All three proposals submitted were for placing apartments on the site. The City Manager will negotiate an agreement with Richard Brown Properties, which will be subject to final approval by the City Council at a future City Council meeting.

Councilmember Nichols **moved for selection of proposal Option A submitted by Richard Brown Properties**, and was seconded by Councilmember Clegg. Motion carried by vote of 6 Ayes, 0 Nays, 0 Abstentions, and 1 Absent (Keeler).

RESOLUTION NO. 08-07-2012 H – SCHEDULING PUBLIC HEARING ON PROPOSED USE OF 9.14 ACRES OF LAND KNOWN AS LOCKE FIELD IN ACCORDANCE WITH CHAPTER 26 OF TEXS PARKS AND WILDLIFE CODE

A RESOLUTION SCHEDULING THE DATE, TIME, AND PLACE FOR A PUBLIC HEARING IN ACCORDANCE WITH CHAPTER 26 OF THE TEXAS PARKS AND WILDLIFE CODE ON APPROXIMATELY 398,138.40 SQUARE FEET OR 9.14 ACRES OF LAND SITUATED IN THE B.F. CARPENTER SURVEY, ABSTRACT 228, AUTHORIZING AND DIRECTING PUBLICATION OF NOTICES OF SUCH PUBLIC HEARING; PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING FOR AN IMMEDIATE EFFECTIVE DATE.

A public hearing was scheduled to be held September 18, 2012, at 6:30 p.m. in Council Chambers, 200 South Rusk, for public comment on the proposed use of the 9.14 acres of land known as Locke Field. Public notice of the hearing will be published in compliance with Texas Parks and Wildlife Code.

Councilmember Clegg **moved to approve the Resolution**, and was seconded by Councilmember Snuggs. Motion carried by vote of 6 Ayes, 0 Nays, 0 Abstentions, and 1 Absent (Keeler).

RESOLUTION NO. 08-07-2012 I – AUTHORIZED GROUND LEASE AGREEMENT WITH KEVIN BROWN AT THE GAINESVILLE MUNICIPAL AIRPORT

A RESOLUTION OF THE CITY COUNCIL AUTHORIZING THE CITY MANAGER TO EXECUTE A GROUND LEASE AGREEMENT WITH KEVIN BROWN FOR THE PURPOSE OF ASSIGNING A PRIVATE HANGAR AT THE GAINESVILLE MUNICIPAL AIRPORT.

A thirty (30) year ground lease agreement was approved with Kevin Brown for the purpose of assigning a private hangar at the Gainesville Municipal Airport. Mr. Brown requested a long-term ground lease agreement for the hangar his father (John Brown, now deceased) constructed in 2006. Airport Board and city staff recommended approval of the new lease.

Councilmember Snuggs **moved to approve the Resolution**, and was seconded by Councilmember Clegg. Motion carried by vote of 6 Ayes, 0 Nays, 0 Abstentions, and 1 Absent (Keeler).

ADJOURN

With no further business to come before the City Council, the meeting was adjourned at 7:38 p.m.

Respectfully submitted,

/S/
Kay Lunnon, City Secretary

/S/
Jim Goldsworthy, Mayor