

**MINUTES  
CITY OF GAINESVILLE  
CITY COUNCIL MEETING  
200 South Rusk  
Gainesville, Texas 76240  
October 16, 2012**

The City Council of the City of Gainesville, Texas met in regular session on October 16, 2012 at 6:30 p.m. with the following persons in attendance.

**MEMBERS PRESENT:** Mayor Jim Goldsworthy  
Keith Clegg, Carolyn Hendricks, Ken Keeler, 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; Ron Sellman, Public Services Director; John Noblitt, Community Services Director; Kent Sharp, Executive Director, Gainesville Economic Development Corporation; Dave Vinton, Airport Director

**OTHERS PRESENT:** Greg Russell, Kit Chase, Rod Tyler, Megan Vinton, Mike Lateur

**CALL TO ORDER**

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

**INVOCATION & PLEDGE OF ALLEGIANCE**

City Manager Barry Sullivan gave the invocation. Mayor Goldsworthy led in the pledge to the flag.

**REPORTS**

Ron Sellman, Public Services Director, reported on the Street and Utility Maintenance Program (SUMP) Package C, reconstruction of Dixon Street (Broadway to Cummings) and Church Street, and said the project is scheduled for final completion by May 2013. SUMP Packages D, E & F, (Broadway Street east from Fair Avenue to Wheeler Creek) roadway and drainage improvements are in design phase. Construction is 60% complete on Phase I Crack Seal Projects.

Sellman also reported on status of the Pecan Creek Flood Reduction Project. Channel construction, from Moss Street on the south end to the north end of the project adjacent to Olive Street, is 60% to 75% complete and is expected to be completed within the next two months, weather permitting. Vegetation and stabilization of the channel will follow and will likely carry into early next spring, but the channel capacity will be in place. The Garnett Street bridge is scheduled to be open in mid-November and the Main Street bridge is to be open in mid-December. Work is beginning on the Scott Street bridge and is expected to be completed by March 2013. The Belcher Street bridge will not be replaced and the street reconstruction at Belcher Street crossing is scheduled to be completed before Thanksgiving.

## **CONSENT AGENDA**

Council reviewed the Minutes of the regular City Council Meeting of October 2, 2012 and approved them as written.

### **RESOLUTION NO. 10-16-2012 – APPOINTMENTS TO ZONING APPEALS BOARD**

Jess Cason, Lyn Sanches, and Buster Bezner were appointed to the Zoning Appeals Board to two-year terms expiring October 2014. Bezner replaced Linda Ritchey who resigned.

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

### **PUBLIC HEARING ON AN ORDINANCE DESIGNATING REINVESTMENT ZONE 17 WITHIN THE CITY LIMITS OF GAINESVILLE**

Prior to opening the public hearing Mayor Goldsworthy read the caption for the proposed Ordinance to designate Reinvestment Zone No. 17 within the city limits of Gainesville. Sullivan stated a Reinvestment Zone is required to be created before consideration of tax abatement. The ordinance establishes the reinvestment zone within the described boundaries for 2600 and 2601 Airport Drive and provides eligibility requirements for commercial-industrial tax abatement within the described zone.

Mayor opened the Public Hearing at 6:45 p.m. and called for public comment. No one came forward to speak either for or against the proposed ordinance. With no further discussion, Councilmember Keeler **moved to close the Public Hearing**, and was seconded by Councilmember Rippy. Motion carried by vote of 7 Ayes, 0 Nays, 0 Abstentions, and 0 Absent. The Public Hearing was closed at 6:46 p.m.

### **ORDINANCE NO. 1303-10-2012 DESIGNATING REINVESTMENT ZONE 17 FOR COMMERCIAL-INDUSTRIAL TAX ABATEMENT WITHIN THE CITY LIMITS OF GAINESVILLE**

FIRST READING OF AN ORDINANCE MAKING FINDINGS; DESIGNATING A CERTAIN AREA AS A REINVESTMENT ZONE FOR COMMERCIAL-INDUSTRIAL TAX ABATEMENT; ASSIGNING THE NAME “REINVESTMENT ZONE NUMBER 17 (SEVENTEEN) OF THE CITY OF GAINESVILLE, TEXAS” TO SAID ZONE; DESCRIBING THE BOUNDARIES THEREOF; PROVIDING FOR ELIGIBILITY REQUIREMENTS FOR TAX ABATEMENT WITHIN SAID ZONE; PROVIDING TERMS FOR ABATEMENT WITHIN THE ZONE; PROVIDING REQUIREMENTS FOR TAX ABATEMENT AGREEMENTS; PROVIDING FOR SUSPENSION OF THE CITY CHARTER REQUIREMENT OF READING ON THREE SEPARATE OCCASIONS; PROVIDING AN EFFECTIVE DATE; PROVIDING FOR SEVERABILITY; PROVIDING FOR PUBLICATION; AND MAKING AN OPEN MEETING FINDING.

Ordinance was adopted designating 2600 and 2601 Airport Drive as Reinvestment Zone No. 17, and providing eligibility requirements for commercial-industrial tax abatement within the zone as described in Exhibit A of the ordinance. No one came forward to speak either for or against the reinvestment zone during the public hearing prior to adoption of the ordinance.

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

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

**RESOLUTION NO. 10-16-2012 A - APPROVING AGREEMENT FOR TAX ABATEMENT FOR SCHLUMBERGER TECHNOLOGY CORPORATION WITHIN REINVESTMENT ZONE 17**

A RESOLUTION MAKING FINDINGS AND APPROVING AN AGREEMENT BY AND BETWEEN THE CITY OF GAINESVILLE, TEXAS, AND SCHLUMBERGER TECHNOLOGY CORPORATION; PROVIDING FOR AD VALOREM TAX ABATEMENT FOR SAID BUSINESS WITHIN REINVESTMENT ZONE NUMBER 17 (SEVENTEEN) OF THE CITY OF GAINESVILLE, TEXAS; AUTHORIZING THE MAYOR TO EXECUTE SAID AGREEMENT FOR AND ON BEHALF OF THE CITY, FOR THE CONSIDERATION AND ON THE TERMS AND CONDITIONS STATED THEREIN.

A tax abatement agreement was approved between the City of Gainesville and Schlumberger Technology Corporation in Reinvestment Zone No. 17, located at 2600 and 2601 Airport Drive. City Manager Barry Sullivan said the tax abatement agreement allows a 50% exemption from taxation for the increase in value of the premises over the base year for a period of ten (10) years. The abatement occurs only for the years in which Schlumberger has property at the site with a tax value of \$100,000,000 or more. The tax abatement will take effect for values of the new tangible personal property established on January 1, 2013. Mike Lateur, Schlumberger site selection advisor, said Schlumberger intends to expand their operations in Gainesville at this location.

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

**RESOLUTION NO. 10-16-2012 B - AWARDED CONTRACT TO JACK GREENE CONSTRUCTION FOR BID NO. 2012-6 FOR CONSTRUCTION OF NEW OFFICES FOR COMMUNITY DEVELOPMENT DEPARTMENT**

A RESOLUTION AWARDED BID NO. 2012-6 TO JACK GREENE CONSTRUCTION, GAINESVILLE, TEXAS, FOR CONSTRUCTION OF NEW OFFICES FOR THE COMMUNITY DEVELOPMENT DEPARTMENT.

Bid No. 2012-6 was awarded to Jack Greene Construction in the amount of \$121,818 for construction of new offices for the Community Development Department. One bid only was received for this project on October 5, 2012, in response to the advertised request for bids. Engineering consultant, Eikon Consultant Group, recommended accepting the bid. The project is to be paid from funds budgeted in FY 2012 and FY 2013. The new offices will be constructed in the Public Services Building on Hird Street, and will increase customer service for developers and builders.

Councilmember Keeler **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. 10-16-2012 C – APPROVING GEDC ACTIONS FOR A REVENUE SHARING AGREEMENT WITH COMPLETE ENERGY SERVICES – WELL SERVICES**

SECOND READING OF A RESOLUTION OF THE CITY COUNCIL APPROVING ACTIONS OF THE GAINESVILLE ECONOMIC DEVELOPMENT CORPORATION WHICH VOTED TO APPROVE A REVENUE SHARING AGREEMENT WITH COMPLETE ENERGY SERVICES – WELL SERVICES.

Council approved the decision of the Gainesville Economic Development Corporation to enter a revenue sharing agreement between the GEDC and Complete Energy Services – Well Services. The agreement is in consideration of Complete maintaining its manufacturing, procurement and sales function and other potential activities of operations in Gainesville. Under the sales tax rebate agreement, GEDC would share (rebate) 50% of the 4B local economic development sales tax (0.25%) generated by Complete per year, over and above the initial \$55,000 of sales tax paid to the City.

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

**RESOLUTION NO. 10-16-2012 D - APPROVE ECONOMIC DEVELOPMENT AGREEMENT FOR A REVENUE SHARING ARRANGEMENT BETWEEN THE CITY OF GAINESVILLE AND COMPLETE ENERGY SERVICES**

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GAINESVILLE AUTHORIZING THE MAYOR TO EXECUTE A CHAPTER 380 ECONOMIC DEVELOPMENT AGREEMENT FOR A REVENUE SHARING ARRANGEMENT WITH COMPLETE ENERGY SERVICES.

An economic development agreement between the City of Gainesville and Complete Energy Services was approved to share sales tax revenues as allowed by Chapter 380 of Texas Local Government Code. The economic development incentive allows Complete Energy Services to receive a rebate of fifty percent (50%) of the amount of non-dedicated sales tax revenues (1.00%) generated on all of Complete's sales in the City of Gainesville, after the first \$275,000 of sales tax paid per year to the City by Complete.

Councilmember Keeler **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.

**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 7:01 p.m.

Respectfully submitted,

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

/S/  
**Jim Goldsworthy, Mayor**