

**MINUTES
CITY OF GAINESVILLE
CITY COUNCIL MEETING
200 South Rusk
Gainesville, Texas 76240
September 3, 2013**

The City Council of the City of Gainesville, Texas met in regular session on September 3, 2013 at 6:30 p.m. with the following persons in attendance.

MEMBERS PRESENT: Mayor Jim Goldsworthy
Keith Clegg, Mary Jo Dollar, Carolyn Hendricks, Ken Keeler, Ray Nichols, Beverly Snuggs

STAFF PRESENT: Barry Sullivan, City Manager; Kay Lunnon, City Secretary; Bill Harris, City Attorney; Dan Parker, Finance Director; Kent Sharp, Executive Director, Gainesville Economic Development Corporation; Steven Fleming, Police Chief; Ron Sellman, Public Services Director

OTHERS PRESENT: Jason Henry, Greg Russell, Keith King, Morgan Downing, Tony Dresser (Videographer), Jerry Jones

CALL TO ORDER

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

INVOCATION & PLEDGE OF ALLEGIANCE

Reverend Jerry Jones, Whaley United Methodist Church, gave the invocation. Mayor Goldsworthy led the pledge to the flag.

PROCLAMATIONS

Blood Cancer Awareness Month, September 2013

Mayor Goldsworthy issued a proclamation designating the month of September 2013 as Blood Cancer Awareness Month, dedicated to finding cures for these diseases through research efforts and the support for those that suffer from the blood cancers leukemia, lymphoma and myeloma.

CONSENT AGENDA

Council reviewed the Minutes of the regular City Council Meeting of August 20, 2013, and approved them as written.

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

PUBLIC HEARING ON PROPOSED FY 2013-2014 BUDGET FOR THE CITY OF GAINESVILLE

Mayor Goldsworthy opened the Public Hearing at 6:32 p.m. and called for public comment on the proposed City budget for Fiscal Year 2013-2014.

No person came forward to speak either for or against the proposed budget. With no further discussion, Councilmember Snuggs moved to close the Public Hearing, and was seconded by Councilmember Clegg. Motion carried by vote of 7 Ayes, 0 Nays, 0 Abstentions, and 0 Absent. The Public Hearing was closed at 6:33 p.m.

Mayor Goldsworthy made the announcement that Council will consider and take action to adopt the budget at the regularly scheduled Council meeting on September 17, at 6:30 p.m. in the Municipal Building, Council Chambers, 200 South Rusk Street.

RESOLUTION NO. 09-03-2013 - APPROVING THE COOKE COUNTY APPRAISAL DISTRICT (CCAD) 2013-2014 BUDGET

A RESOLUTION TO APPROVE OR DENY THE PROPOSED COOKE COUNTY APPRAISAL DISTRICT 2013-2014 BUDGET.

Council approved the CCAD Budget for fiscal year 2013-2014 for assessment and collection of ad valorem taxes. The budget totals \$1,265,752 which is a combined total of \$999,062.00 for appraisals and \$266,690.00 for collections. Each tax unit under contract with the CCAD pays an allocated a portion of each budget. The City's allocated portion is a combined total of \$121,217.88 for appraisals and collections.

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

FIRST READING CONSIDERATION OF GEDC APPROVAL OF A SALES TAX REBATE AGREEMENT WITH VALEW

FIRST READING OF A RESOLUTION OF THE CITY COUNCIL APPROVING ACTIONS OF THE GAINESVILLE ECONOMIC DEVELOPMENT CORPORATION WHICH VOTED TO APPROVE A SALES TAX REBATE AGREEMENT WITH VALEW. (PER STATE LAW, COUNCIL TAKES NO ACTION ON FIRST READING)

First reading consideration was held on the Gainesville Economic Development Corporation Board's approval of a sales tax rebate agreement with Valew. Under the agreement, the GEDC will provide Valew a sales tax rebate equal to fifty percent (50%) of the one quarter percent (0.25%) local 4B sales tax directly generated from qualifying sales from Valew and paid to GEDC by the City and subsequently paid to the GEDC. The sales tax rebate agreement is for ten years based on Valew sales between 2014 and 2024. The agreement is based on Valew maintaining its manufacturing, procurement and sales function and other potential activities or operations in Gainesville, Texas, thereby generating sales tax revenue for the GEDC. As required by state law, no action was taken by Council on first reading of the resolution. Council's second reading consideration will be at the next regularly scheduled meeting on September 17, 2013.

ORDINANCE NO. 1324-09-2013 – AMENDING CITY CODE CHAPTER 3 TO ADD A MAINTENANCE AND OPERATION FEE FOR ANIMAL CONTROL

FIRST READING OF AN ORDINANCE AMENDING THE CITY OF GAINESVILLE CODE OF ORDINANCES, CHAPTER 3 ANIMAL CONTROL; ADDING SECTION 3-30 ADDING MAINTENANCE AND OPERATION FEE TO SECTION 3-30 OF CHAPTER 3 ANIMAL CONTROL; PROVIDING AN EFFECTIVE DATE; PROVIDING FOR REPEAL OF CONFLICTING ORDINANCES; PROVIDING FOR SEVERABILITY; AND MAKING AN OPEN MEETING FINDING.

Ordinance was adopted on first reading to amend city code to add a maintenance and operation fee for animal control. City Manager Barry Sullivan said Noah's Ark, Inc. operates the animal impoundment shelter for the City and has requested additional funding this year for maintenance and operation of the shelter. The ordinance allows the City to charge a fee on city residential customer water utility bills for the maintenance and operation of the animal impoundment facility. The fee is effective October 1, 2013 with the first billing period that includes October water and sewer usage. The new fee (\$1.00 per month) will be established by resolution with the annual fee schedule.

With no further discussion, Councilmember Nichols **moved to suspend Charter requirement of three readings of the Ordinance.** The motion was seconded by Councilmember Clegg and carried by vote of 6 Ayes, 1 Nay (Snuggs), 0 Abstentions, 0 Absent.

Councilmember Nichols **moved to adopt the Ordinance,** seconded by Councilmember Keeler, and the motion carried by vote of 6 Ayes, 1 Nay (Snuggs), 0 Abstentions, 0 Absent.

RESOLUTION NO. 09-03-2013 A – DESIGNATING THE CITY CONTROLLER AS AUTHORIZED OFFICER FOR FAIRVIEW CEMETERY TRUST ACCOUNTS AT BANK OF AMERICA

A RESOLUTION DESIGNATING THE CITY CONTROLLER AS AUTHORIZED OFFICER OF THE CITY OF GAINESVILLE FOR ACCESS TO FAIRVIEW CEMETERY TRUST ACCOUNTS AT BANK OF AMERICA.

The new City Controller, Karen Dixon, (replacing Mary Jarvis) was officially designated as the authorized officer for access to Fairview Cemetery trust accounts held at Bank of America, in order to receive information and process payments. The City of Gainesville is the beneficiary of two trust accounts providing for placement of flowers each year on the graves of the benefactor's relatives at Fairview Cemetery. Bank of America, N.A. is the executor of the estate and processes payment for the flowers.

Councilmember Hendricks moved for **approval of the resolution,** and was seconded by Councilmember Keeler. Motion carried by vote of 7 Ayes, 0 Nays, 0 Abstentions, 0 Absent.

EXECUTIVE SESSION

At 6:40 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 §551.087 Economic Development

RECONVENE INTO OPEN SESSION

Council reconvened into open session at 7:14 p.m. Mayor Goldsworthy announced no action was taken during executive session.

FIRST READING CONSIDERATION OF GEDC ACTION APPROVING A REDUCED PAYOFF OF A PROMISSORY NOTE BETWEEN GEDC AND RAF INDUSTRIES (DBA LAZART, OR ITS SUCCESSORS AND ASSIGNS)

FIRST READING OF A RESOLUTION APPROVING ACTIONS OF THE GAINESVILLE ECONOMIC DEVELOPMENT CORPORATION OF THE CITY OF GAINESVILLE, WHICH APPROVED A REDUCED PAYOFF AMOUNT FOR A CERTAIN PROMISSORY NOTE BETWEEN THE GAINESVILLE ECONOMIC DEVELOPMENT CORPORATION AND RAF INDUSTRIES (DBA LAZART, OR ITS SUCCESSORS AND ASSIGNS), WHICH WAS RESTRUCTURED AND DATED NOVEMBER 9, 2009, AND CONDITIONALLY FORGIVE THE REMAINING PRINCIPAL AND INTEREST DUE ON THE NOTE. (PER STATE LAW, COUNCIL TAKES NO ACTION ON FIRST READING)

First reading consideration was held on the Gainesville Economic Development Corporation Board's action approving a reduced payoff amount of \$30,000 for a promissory note between the Gainesville Economic Development Corporation and RAF Industries (d.b.a. Lazart, or its successors and assigns). There was no discussion by Council and no action was taken on this first reading of the resolution. Second reading consideration will be at the next regularly scheduled meeting of the City Council on September 17, 2013.

RESOLUTION NO. 09-03-2013 B – APPROVING AND AUTHORIZING THE GEDC TO BORROW UP TO ONE MILLION FIVE HUNDRED THOUSAND DOLLARS (\$1,500,000.00) FOR INFRASTRUCTURE IMPROVEMENTS FOR THE GAINESVILLE INDUSTRIAL PARK

A RESOLUTION APPROVING AND AUTHORIZING ACTIONS OF THE GAINESVILLE ECONOMIC DEVELOPMENT CORPORATION OF THE CITY OF GAINESVILLE, TO BORROW UP TO ONE MILLION FIVE HUNDRED THOUSAND DOLLARS (\$1,500,000.00) FOR INFRASTRUCTURE IMPROVEMENTS, INCLUDING BUT NOT LIMITED TO ROADWAYS, WATER, SEWER, WASTE WATER AND OTHER NECESSARY IMPROVEMENTS, TO BE LOCATED ON THE NEW 142 ACRE GAINESVILLE INDUSTRIAL PARK, AS WELL AS PROFESSIONAL FEES AND ENGINEERING SERVICES ASSOCIATED WITH THIS PROJECT.

Council approved and authorized actions of the Gainesville Economic Development Corporation to borrow up to one million five hundred thousand dollars (\$1,500,000.00) for infrastructure improvements at the new 142 acre Gainesville Industrial Park. The improvements include roadways, water, sewer, waste water and other necessary improvements, as well as professional fees and associated engineering services for Phase I of the industrial park.

Councilmember Nichols moved for **approval of the resolution**, and was seconded by Councilmember Keeler. Motion carried by vote of 7 Ayes, 0 Nays, 0 Abstentions, 0 Absent.

ADJOURN

With no further business to come before the City Council, the meeting was adjourned at 7:15 p.m.

Respectfully submitted,

/S/
Kay Lunnon, City Secretary

/S/
Jim Goldsworthy, Mayor