

MINUTES
CITY OF GAINESVILLE
CITY COUNCIL MEETING
200 South Rusk
Gainesville, Texas 76240
May 19, 2015

The City Council of the City of Gainesville, Texas met in regular session on May 19, 2015 at 6:30 p.m. with the following persons in attendance.

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

MEMBERS ABSENT: Mayor Jim Goldsworthy

STAFF PRESENT: Barry Sullivan, City Manager; Bill Harris, City Attorney; Caitlyn Huddleston, City Secretary; Arleene Loyd, Gainesville Economic Development Director; Dan Parker, Finance Director; Wally Cox, Fire Chief.

OTHERS PRESENT: Chris Cypert, Brandon Prough, David Prough, Cathy Mounce, Mike Todd, Don Yeager, Brad Coleman, Joe Bob Jones, Mary Onugha, Linda Lewis, Murl Griskley, Arthur Warren, Evelyn Patton, Linda Flower, Nikki King, Jeremy Stephens, Tony Dresser (Videographer).

CALL TO ORDER

Mayor Pro Tem Ray Nichols called the meeting to order at 6:30 p.m.

INVOCATION & PLEDGE OF ALLEGIANCE

Don Yeager, First United Methodist Church, gave the invocation. Mayor Pro Tem Nichols led the pledge to the flag.

OATH OF OFFICE TO NEWLY ELECTED OFFICIALS

Municipal Judge, Chris Cypert administered the Oath of Office to the newly elected City officials: Carolyn Hendricks, Council Ward 1 and Ken Keeler, Council Ward 4.

ELECTION OF MAYOR PRO TEM

Nichols called for nominations for Mayor Pro Tem for the next Council year, May 2015 to May 2016. Councilmember Clegg nominated Ray Nichols for Mayor Pro Tem, and Councilmember Snuggs seconded the nomination. Nominations ceased and Mayor Pro Tem was elected by vote of 6 Ayes, 0 Nays, 1 Absent.

RECOGNITIONS

Employee of the Month, May 2015

Brandon Prough, Fire Department, was named May 2015 Employee of the Month and recognized for dedication and compassion for members of the community. Brandon was recently dispatched to a home where an elderly woman had fallen. Brandon assisted the injured woman in a professional and compassionate manner, talking to her and performing a medical assessment until EMS arrived. Brandon treated the patient with the utmost respect, and demonstrated his great commitment and dedication to the citizens of Gainesville.

CONSENT AGENDA

Council reviewed the Minutes of the regular City Council Meeting of May 5, 2015, and approved them as written.

Councilmember Snuggs **moved to approve the Consent Agenda**, seconded by Councilmember Keeler, the motion carried by vote of 6 Ayes, 0 Nays, 0 Abstentions, 1 Absent.

RESOLUTION NO. 05-19-2015 – CANCELLING THE REGULAR COUNCIL MEETING OF JUNE 2, 2015

Council voted to cancel the June 2, 2015 regularly scheduled council meeting due to lack of agenda items. Mayor Pro Tem Nichols also cited the upcoming Memorial Holiday and short week as reason to cancel. The next meeting will take place Tuesday, June 16, 2015.

Councilmember Dollar **moved for approval of the resolution**, seconded by Councilmember Keeler, the motion carried by vote of 6 Ayes, 0 Nays, 0 Abstentions, 1 Absent.

RESOLUTION NO. 05-19-2015 A – PROVIDING FOR ANNUAL COMPENSATION OF THE MUNICIPAL COURT JUDGE FOR THE CITY OF GAINESVILLE, TEXAS

Council approved a six (6%) percent increase in annual compensation for the Municipal Court Judge. Under the City Charter, the City Council sets the compensation for the Municipal Judge, which is an elected position.

Councilmember Hendricks **moved for approval of the resolution**, seconded by Councilmember Keeler, the motion carried by vote of 6 Ayes, 0 Nays, 0 Abstentions, 1 Absent.

RESOLUTION NO. 05-19-2015 B – AUTHORIZING THE CITY MANAGER, FOR AND ON BEHALF OF THE CITY OF GAINESVILLE, TO ACCEPT QUITCLAIM DEED OF REAL PROPERTY KNOWN AS THE MEDAL OF HONOR PARK, LOCATED AT 101 S CULBERSON, FROM THE GAINESVILLE ECONOMIC DEVELOPMENT CORPORATION

Council authorized the City Manager to accept a quitclaim deed for the property located at 101 S Culberson, Gainesville, Texas from the Gainesville Economic Development Corporation. There have been some discrepancies in previous deed documents regarding said property. Because the Medal of Honor Park has been built at this location and the City will be maintaining the park in the future, it is in the best interest of all parties for the GEDC to deed the property back to the city.

Councilmember Keeler encouraged everyone to visit the new Medal of Honor Park and stated that it is an outstanding facility. Mayor Pro Tem Nichols also thanked the GEDC for holding onto the property and not selling it when they had opportunities to do so. The park is a great focal point when entering Gainesville. He also thanked the City and employees for maintaining the park.

Councilmember Keeler **moved for approval of the resolution**, seconded by Councilmember Snuggs, the motion carried by vote of 6 Ayes, 0 Nays, 0 Abstentions, 1 Absent..

RESOLUTION NO. 05-19-2015 C – APPROVING A NEGOTIATED SETTLEMENT BETWEEN THE ATMOS CITIES STEERING COMMITTEE (“ACSC”) AND ATMOS ENERGY CORP., MID-TEX DIVISION REGARDING THE COMPANY’S 2014 AND 2015 RATE REVIEW MECHANISM FILINGS; APPROVING A SETTLEMENT AGREEMENT WITH ATTACHED RATE TARIFFS AND PROOF OF REVENUES; DECLARING EXISTING RATES TO BE UNREASONABLE; ADOPTING TARIFFS

THAT REFLECT RATE ADJUSTMENTS CONSISTENT WITH THE NEGOTIATED SETTLEMENT; FINDING THE RATES TO BE SET BY THE SETTLEMENT TARIFFS TO BE JUST AND REASONABLE AND IN THE PUBLIC INTEREST; REQUIRING THE COMPANY TO REIMBURSE ACSC'S REASONABLE RATEMAKING EXPENSES; DETERMINING THAT THIS RESOLUTION 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 RESOLUTION TO THE COMPANY AND THE ACSC'S LEGAL COUNSEL.

Council approved a settlement between the Atmos Cities Steering Committee and Atmos Energy Corp., Mid-Tex Division regarding the company's 2014 and 2015 rate review mechanism filings. The Settlement produces a result that is better than what would be the expected result of continued litigation at the Commission. City Manager Barry Sullivan explained that the City is a neutral, third party in the proceedings. The settlement protects customers, while also allowing Atmos Energy to remain a viable company.

Councilmember Dollar **moved for approval of the resolution**, seconded by Councilmember Snuggs, the motion carried by vote of 6 Ayes, 0 Nays, 0 Abstentions, 1 Absent..

FIRST READING CONSIDERATION OF A RESOLUTION APPROVING ACTIONS OF THE GAINESVILLE ECONOMIC DEVELOPMENT CORPORATION WHICH VOTED TO APPROVE GRANITE INDUSTRIES, LLC, A DEVELOPER FOR BLACK HILL FARM DEVELOPMENT DISTRICT, AN INCENTIVE FOR APPROVED INFRASTRUCTURE.

Council completed first reading of the Gainesville Economic Development Corporation incentive for approved infrastructure with Granite Industries, LLC, a developer for Black Hill Farm Development District. The incentive is for an amount up to \$800,000 within a two year term ending May 2017. GEDC Director Arlene Loyd explained that the corporation is in full support of Black Hill Farm and glad that they are taking this financial risk in our city. She stated "they have made substantial improvements to the area of development, but need an additional entrance to the property."

City Manager Barry Sullivan added that this type of incentive benefits the city, as well, in that this amount gets put on the city's balance sheet. He said, "100% of this incentive will stay here in Gainesville. Nearly 30 additional single-family and townhome lots will be possible with this incentive. For the past several years, budgetary goals have included development of additional housing. The City of Gainesville currently boasts an unemployment rate of 3.3%, with a higher weekly wage average than Denton, Grayson, and Montague counties. In order to help share tax burdens, more businesses and citizens are needed. Several businesses cited lack of workforce as a reason not to locate or expand here. At the last council meeting, an incentive for 100 jobs was approved; however, the people to fill those positions would have trouble finding housing in Gainesville." GEDC Director Arlene Loyd commented that she herself had trouble finding a home when she moved to Gainesville, and is currently renting.

Mike Todd, developer of Black Hill Farm, presented several renderings of the proposed development and townhomes and explained that the potential road creates another level of access and circulation, superior to previous design. Black Hill Farm is designed to be a walk-able neighborhood, building a sense of community and connectivity. It will also include an amenity center and recreation options.

Councilmember Keith Clegg commented that this is a great project.

No action was taken by Council on first reading of the resolution. Second reading consideration will be at the next regularly scheduled meeting of the City Council on June 16, 2015.

RESOLUTION NO. 05-19-2015 D – AUTHORIZING THE CITY MANAGER, FOR AND ON BEHALF OF THE CITY OF GAINESVILLE, TO NEGOTIATE AND EXECUTE AN AGREEMENT TO LEASE A SECTION OF 503 N I-35 TO SPIRIT OUTDOOR, INC. IN EXCHANGE FOR A LED SIGN FOR THE CITY AT THE LOCATION.

Council voted to authorize the City Manager to negotiate and execute a contract with Spirit Outdoor, Inc. to lease a section of 503 N I-35, Gainesville, TX in exchange for a LED sign for the city at the location. The City purchased 503 N I-35 with Hotel Occupancy Tax Funds in November 2014 for the purpose of advertising the City and local tourist attractions. Spirit Outdoor, Inc. is a company that installs and operates signs to advertise WinStar World Casino and Resort. There will be two LED billboards on each side of the sign; one will be reserved for the City of Gainesville to control and place its advertisements, the second will be for WinStar Casino advertisements.

Councilmember Clegg **moved for approval of the resolution**, seconded by Councilmember Keeler, the motion carried by vote of 6 Ayes, 0 Nays, 0 Abstentions, 1 Absent.

ADJOURN

With no further business to come before the City Council, the meeting was adjourned at 7:02 p.m.

Respectfully submitted,

Caitlyn Huddleston, City Secretary

Ray Nichols, Mayor Pro Tem