

**MINUTES
CITY OF GAINESVILLE
CITY COUNCIL MEETING
200 South Rusk
Gainesville, Texas 76240
September 15, 2015**

The City Council of the City of Gainesville, Texas met in regular session on September 15, 2015 at 6:30 p.m. with the following persons in attendance.

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

MEMBERS ABSENT: Mayor Jim Goldsworthy, Mary Jo Dollar

STAFF PRESENT: Barry Sullivan, City Manager; Bill Harris, City Attorney; Caitlyn Huddleston, City Secretary; Dan Parker, Finance Director; Kevin Phillips, Police Chief; Julie Smith, Community Services Director; Arleene Loyd, Gainesville Economic Development Corporation Director

OTHERS PRESENT: Maria Clinton, Mike Todd, Don Yeager, Nikki King, John Hambrecht, Jeff Serna, Mario Orduna, Jonathan Frith, Debora White, Keanna Franklin, 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

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

RECOGNITIONS

Employee of the Month, September 2015

City Manager Barry Sullivan read and presented Officer Mario Orduna, Police Department, the recognition of September 2015 Employee of the Month. Officer Orduna was recognized for efforts in putting an end to criminal fraudulent activity. Officer Orduna followed up on a call by going to a local hotel where fraudulent charges had been assessed and spoke with the hotel manager. It was discovered that the suspects were still at the hotel. Upon making contact with the suspects, officers observed illegal activities and items including credit card machines, fake drivers license paper, and 35 pages of data containing thousands of civilians' credit card numbers, names and social security numbers were discovered. Mayor Pro Tem Nichols thanked Officer Orduna on behalf of the citizens. Officer Orduna also received a certificate for an additional one day of vacation.

CONSENT AGENDA

Council reviewed the Minutes of the regularly scheduled City Council Meeting of September 1, 2015 and approved them as written.

Councilmember Keeler **moved to approve the Consent Agenda**, seconded by Councilmember Clegg, the motion carried by vote of 4 Ayes, 0 Nays, 1 Abstentions (Snuggs), 2 Absent (Goldsworthy, Dollar).

ORDINANCE 1371-09-2015 – ADOPTING CITY BUDGET FOR FY 2015-2016

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, 2015 THROUGH SEPTEMBER 30, 2016 AND REVISING THE BUDGET FOR OCTOBER 1, 2014 THROUGH SEPTEMBER 30, 2015; PROVIDING AN EFFECTIVE DATE; AND MAKING AN OPEN MEETING FINDING; AND PROVIDING FOR RATIFICATION OF THE PROPERTY TAX INCREASE REFLECTED IN THE FISCAL YEAR 2015-2016 OPERATING BUDGET BY SEPARATE VOTE

Council adopted the Budget for Fiscal Year 2015-2016 for the City of Gainesville. City Manager Barry Sullivan said the budget is \$35.3M, including the General Fund and all other city funds. He explained that this budget has been discussed for several months and that the City will still see capital improvements projects, despite a decrease in sales tax revenue. The adopted City budget document will be posted on the City of Gainesville website www.Gainesville.tx.us under Financial Transparency.

Councilmember Snuggs **moved to Suspend the Charter requirement of three readings**, seconded by Councilmember Clegg, the motion carried by vote of 5 Ayes, 0 Nays, 2 Absent (Goldsworthy, Dollar).

Councilmember Snuggs **moved to adopt the ordinance**. The motion was seconded by Councilmember Keeler and carried by vote of 5 Ayes, 0 Nays, 2 Absent (Goldsworthy, Dollar).

To comply with Local Government Code requiring a separate vote to ratify any increase in property tax revenue, Councilmember Snuggs **made a motion to ratify the increase in property tax revenue as reflected in the FY 2015-2016 budget**. The motion was seconded by Councilmember Clegg, and carried by vote of 5 Ayes, 0 Nays, 2 Absent (Goldsworthy, Dollar).

ORDINANCE 1372-09-2015 – SETTING CITY OF GAINESVILLE AD VALOREM TAX LEVY FOR FY 2015-2016

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, 2015 THROUGH SEPTEMBER 30, 2016; 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 voted to adopt and set the ad valorem tax levy for the City of Gainesville at \$0.697822 per \$100 valuation, with \$0.445595 for General Fund maintenance and support, and \$0.252227 for the Interest and Sinking Fund. City Manager Barry Sullivan explained that because of the bond, the tax rate was supposed to be over \$0.70, but the budget allows for it to be less.

Councilmember Clegg **moved to Suspend the Charter requirement of three readings**, seconded by Councilmember Keeler, the motion carried by vote of 5 Ayes, 0 Nays, 2 Absent (Goldsworthy, Dollar).

Councilmember Clegg **moved to adopt the ordinance.** The motion was seconded by Councilmember Keeler and carried by vote of 5 Ayes, 0 Nays, 2 Absent (Goldsworthy, Dollar).

RESOLUTION 09-15-2015 – APPROVING A FIVE-YEAR BUDGET MODEL (FY 2016 – 2020) FOR CITY OF GAINESVILLE

A RESOLUTION APPROVING A FIVE-YEAR BUDGET MODEL (FY 2016-2020) FOR CITY OF GAINESVILLE.

Council approved the five-year budget model presented by the City Manager for Fiscal Years 2016-2020. The budget model is a planning tool that helps council and staff to anticipate financial impacts of current decisions on future budgets. The Five-Year Capital Improvement Program has been incorporated into this Five-Year Budget Model. The City Council is not bound to any commitment of funds for any project or budget period, nor is the five-year budget a goal for future spending.

Councilmember Hendricks **moved to approve the resolution.** The motion was seconded by Councilmember Clegg and carried by vote of 5 Ayes, 0 Nays, 2 Absent (Goldsworthy, Dollar).

RESOLUTION 09-15-2015 A – APPROVING THE CITY OF GAINESVILLE FIVE-YEAR CAPITAL IMPROVEMENT PLAN (FY 2016-2020)

A RESOLUTION APPROVING THE CITY OF GAINESVILLE FIVE-YEAR CAPITAL IMPROVEMENT PLAN (FY 2016-2020).

Council approved the five-year Capital Improvements Plan (CIP) for Fiscal Years 2016 through 2020. The CIP projects future capital expenditures and serves as a planning document for budgeting and planning in future years. The plan establishes capital expenditures for the city's five-year budget. The document does not bind the City Council to any commitment of funds for any project or any budget period. Mayor Pro Tem Ray Nichols commented on how proud he was of the work City Manager Barry Sullivan did to put the budget and five year plans together so that the city works as a team.

Councilmember Snuggs **moved to approve the resolution.** The motion was seconded by Councilmember Keeler and carried by vote of 5 Ayes, 0 Nays, 2 Absent (Goldsworthy, Dollar).

RESOLUTION 09-15-2015 B – APPROVE AGREEMENTS WITH AGENCIES RECEIVING HOTEL/MOTEL OCCUPANCY TAX REVENUES IN FY 2015-2016 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

Council approved annual tourism and promotion contracts for each of the agencies to receive anticipated Hotel/Motel Occupancy Tax revenues in the FY 2015-2016 Budget. The agencies are: Butterfield Stage Players, Cooke County Arts Council, Cooke County Heritage Society/Morton Museum, Cooke County Heritage Society/Santa Fe Depot Museum, and Gainesville Area Chamber of Commerce. Sullivan explained that the Hotel/Motel funds can only be used to promote tourism and arts and cannot be used to repair streets. The allocations were approved in the budget.

Councilmember Keeler **moved to approve the resolution.** The motion was seconded by Councilmember Snuggs and carried by vote of 5 Ayes, 0 Nays, 2 Absent (Goldsworthy, Dollar).

RESOLUTION 09-15-2015 C – APPROVE ANNUAL FEE SCHEDULE FOR FISCAL YEAR 2015-2016

A RESOLUTION UPDATING AND APPROVING THE ANNUAL FEE SCHEDULE FOR CITY OF GAINESVILLE SERVICES FOR FISCAL YEAR 2014-2015 AND PROVIDING AN EFFECTIVE DATE

Council approved the annual schedule of fees for City services for Fiscal Year 2015-2016. The adopted rates are effective October 1, 2015. Water and Solid Waste fees are increasing by 3%. Wastewater fees are increasing by 25%, which amounts to about \$4.50 per month, because of the Wastewater Treatment Plant (WWTP) improvements. Rates are expected to decrease in a few years once cost savings at the WWTP are realized. There are several other small changes. The newly adopted fee schedule will be posted on the City website www.gainesville.tx.us under the link to Fee Schedule FY 2015/2016.

Councilmember Clegg **moved to approve the resolution.** The motion was seconded by Councilmember Keeler and carried by vote of 5 Ayes, 0 Nays, 2 Absent (Goldsworthy, Dollar).

RESOLUTION 09-15-2015 D – ADOPTING THE FY 2015-2016 BUDGET FOR THE STANFORD HOUSE

A RESOLUTION APPROVING ACTIONS OF THE STANFORD CHARITABLE CORPORATION BOARD OF DIRECTORS APPROVING AND ADOPTING THE FY 2015-2016 BUDGET FOR THE STANFORD HOUSE

Council approved actions of the Board of Trustees of the Stanford Charitable Corporation in adopting their Fiscal Year 2015-2016 budget for operation of the Stanford House. The City Council serves as the Board of Trustees for the corporation and met prior to their regularly scheduled council meeting to review and approve the budget. The Corporation budget receives public assistance funding in the amount of ten thousand dollars (\$10,000) from the City's adopted budget. City Manager Barry Sullivan presented the proposed Stanford House budget.

Councilmember Clegg **moved to approve the resolution.** The motion was seconded by Councilmember Snuggs and carried by vote of 5 Ayes, 0 Nays, 2 Absent (Goldsworthy, Dollar).

RESOLUTION 09-15-2015 E – APPROVING ECONOMIC DEVELOPMENT CORPORATION FY 2015-2016 BUDGET

A RESOLUTION APPROVING ACTIONS OF THE GAINESVILLE ECONOMIC DEVELOPMENT CORPORATION OF THE CITY OF GAINESVILLE, WHICH VOTED TO ADOPT THE FY 2015-2016 GEDC BUDGET

Council approved actions of the Gainesville Economic Development Corporation in adopting their budget for fiscal year 2015-2016. Executive Director Arleene Loyd reviewed the budget with Council and explained that GEDC decreased the expected revenue because of the expected decrease in sales tax revenue. City Manager Barry Sullivan pointed out that operational costs for the GEDC are small and that most money goes to incentives for companies to locate here. He also commended the GEDC as a great program. Mayor Pro Tem Ray Nichols noted that he and Councilmember Beverly Snuggs both serve as voting members on the GEDC Board, and that Mayor Goldsworthy and Sullivan serve as Ex-Officio members.

Councilmember Snuggs **moved to approve the resolution.** The motion was seconded by Councilmember Keeler and carried by vote of 5 Ayes, 0 Nays, 2 Absent (Goldsworthy, Dollar).

RESOLUTION 09-15-2015 F – APPROVING AN ECONOMIC DEVELOPMENT INCENTIVE FOR RED ROCK MACHINE AND TOOL, INC.

SECOND READING AND APPROVAL OF A RESOLUTION APPROVING ACTIONS OF THE GAINESVILLE ECONOMIC DEVELOPMENT CORPORATION OF THE CITY OF GAINESVILLE WHICH VOTED TO APPROVE AN ECONOMIC DEVELOPMENT INCENTIVE FOR RED ROCK MACHINE AND TOOL, INC.

Completed second reading and approved actions of the Gainesville Economic Development Corporation approval of an economic development incentive for Red Rock Machine and Tool, Inc. The GEDC approved a grant of \$1,500 for training, to be matched by Texoma Workforce Solutions. The remaining cost of the training will be paid by the company. The funds are to be used for specific lean system training – completion of the course will provide certification, allowing Red Rock to submit bids for jobs they are not currently qualified to bid on.

Councilmember Clegg **moved to approve the resolution.** The motion was seconded by Councilmember Snuggs and carried by vote of 5 Ayes, 0 Nays, 2 Absent (Goldsworthy, Dollar).

RESOLUTION 09-15-2015 G – RECOGNIZING THE ANNUAL VETERANS DAY CELEBRATION AND TEMPORARY CLOSURE OF A PORTION OF CALIFORNIA STREET WITH THE TEXAS DEPARTMENT OF TRANSPORTATION

A RESOLUTION RECOGNIZING THE ANNUAL VETERANS DAY CELEBRATION IN THE CITY OF GAINESVILLE AND TEMPORARY CLOSURE OF A PORTION OF CALIFORNIA STREET IN ACCORDANCE WITH AGREEMENT WITH THE TEXAS DEPARTMENT OF TRANSPORTATION

Council voted to approve recognition of the annual Veterans Day Celebration and requested temporary closure of California Street in accordance with an agreement with Texas Department of Transportation. Because Veterans Day festivities are held in Leonard Park at the Veterans Memorial Monument, it is necessary to temporarily close California Street, which is a state highway. The City must request closure from TXDOT. The multi-year agreement is for our annual Veterans Day ceremonies in November for the years 2015 through 2019. City Manager Barry Sullivan explained that discussion for an alternate location for the ceremonies will take place as the normal parking area is expected to be under construction soon for Rib Crib BBQ. This agreement will be executed in case ceremonies are held as usual. Councilmember Keeler added that having to move the ceremonies because of development in the City “is a good problem to have.”

Councilmember Hendricks **moved to approve the resolution.** The motion was seconded by Councilmember Clegg and carried by vote of 5 Ayes, 0 Nays, 2 Absent (Goldsworthy, Dollar).

ORDINANCE 1373-09-2015 – AMENDING BLACK HILL FARM FINAL PLAT FOR PHASE ONE REDUCING THE NUMBER OF SINGLE-FAMILY RESIDENTIAL LOTS FROM 43 TO 42

FIRST READING OF AN ORDINANCE AMENDING BLACK HILL FARM FINAL PLAT FOR PHASE ONE REDUCING THE NUMBER OF SINGLE-FAMILY RESIDENTIAL LOTS FROM 43 TO 42; PROVIDING FOR AN EFFECTIVE DATE; CONTAINING A SEVERABILITY CLAUSE; AND MAKING AN OPEN MEETING FINDING

Council adopted an ordinance amending Black Hill Farm Planned Development final plat for Phase One to reduce the number of single-family residential lots from 43 to 42. The amendment will address building site challenges by removing the first two most western lots on the north side of Bluebonnet Boulevard and adding one lot on the east end. This change does not affect the previously approved variance for one ingress/egress and does meet subdivision requirements.

Councilmember Snuggs **moved to Suspend the Charter requirement of three readings,** seconded by Councilmember Clegg, the motion carried by vote of 5 Ayes, 0 Nays, 2 Absent (Goldsworthy, Dollar).

Councilmember Snuggs **moved to adopt the ordinance.** The motion was seconded by Councilmember Clegg and carried by vote of 5 Ayes, 0 Nays, 2 Absent (Goldsworthy, Dollar).

ADJOURN

With no further business to come before the City Council, the meeting was adjourned at 6:55 p.m.
Respectfully submitted,

Caitlyn Huddleston, City Secretary

Ray Nichols, Mayor Pro Tem