

**MINUTES  
CITY OF GAINESVILLE  
CITY COUNCIL MEETING  
200 South Rusk  
Gainesville, Texas 76240  
September 20, 2016**

The City Council of the City of Gainesville, Texas met in regular session on September 20, 2016 at 6:30 p.m. with the following persons in attendance.

**MEMBERS PRESENT:** Keith Clegg, Mary Jo Dollar, Carolyn Hendricks, Ken Keeler, Steve Gordon

**MEMBERS ABSENT:** Mayor Jim Goldsworthy, Tommy Moore

**STAFF PRESENT:** Barry Sullivan, City Manager; Caitlyn Huddleston, City Secretary; Bill Harris, City Attorney; Kevin Phillips, Chief of Police; Dan Parker, Finance Director

**OTHERS PRESENT:** Mike Gordon, Officer Conner McKinney, Darrin Allred, Nikki King, Megan Gray-Hatfield, Tony Dresser (Videographer)

**CALL TO ORDER**

Mayor Pro Tem Keith Clegg called the meeting to order at 6:30 p.m.

**INVOCATION & PLEDGE OF ALLEGIANCE**

Barry Sullivan, City Manager, gave the invocation. Mayor Pro Tem Keith Clegg led the pledge to the flag.

**PROCLAMATIONS/RECOGNITIONS**

**National Recovery Month Proclamation**

The proclamation was not read aloud at the meeting, but instead Mayor Pro Tem Keith Clegg announced that the proclamation would be presented at the 100 Year Celebration at the school to be held next Friday, September 30, 2016.

**CONSENT AGENDA**

Council reviewed the Minutes of the regularly scheduled City Council Meeting of September 6, 2016 and approved them as written.

Councilmember Keeler **moved to approve the Consent Agenda**, seconded by Councilmember Dollar, the motion carried by vote of 5 Ayes, 0 Nays, 0 Abstentions, 2 Absent (Goldsworthy, Moore).

**ORDINANCE NO. 1396-09-2016 - ADOPTING CITY BUDGET FOR FY 2016-2017.**

CONSIDERATION OF AND ACTION ON THE 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, 2016 THROUGH SEPTEMBER 30, 2017 AND REVISING THE BUDGET FOR OCTOBER 1, 2015 THROUGH SEPTEMBER 30, 2016; PROVIDING AN EFFECTIVE DATE; AND MAKING AN OPEN MEETING FINDING; AND PROVIDING FOR RATIFICATION OF THE PROPERTY TAX INCREASE REFLECTED IN THE FISCAL YEAR 2016-2017 OPERATING BUDGET BY SEPARATE VOTE.

Council adopted the Budget for Fiscal Year 2016-2017 for the City of Gainesville. City Manager Barry Sullivan said the budget is \$34 million including the General Fund and all other city funds. The adopted City budget document will be posted on the City of Gainesville website [www.Gainesville.tx.us](http://www.Gainesville.tx.us) under Financial Transparency.

City Manager Sullivan noted that the budget is less than the previous year's budget overall and that lower sales tax revenues are expected as the oil and gas industry is still experiencing a downturn. He also explained that the budget allows for one, two, and three percent merit raises for employees, for the continuance of street and utility projects, and for improvements to the Farmers Market. Mayor Pro Tem Keith Clegg commended the lean budget and noted that the council is happy to provide raises for the "excellent and dedicated" City of Gainesville staff.

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

Councilmember Gordon **moved to Adopt the Ordinance**, seconded by Councilmember Dollar, the motion carried by vote of 5 Ayes, 0 Nays, 0 Abstentions, 2 Absent (Goldsworthy, Moore).

To comply with Local Government Code requiring a separate vote to ratify any increase in property tax revenue, Councilmember Keeler **made a motion to ratify the increase in property tax revenue as reflected in the FY 2016-2017 budget**. The motion was seconded by Councilmember Dollar, and carried by vote of 5 Ayes, 0 Nays, 2 Absent (Goldsworthy, Moore).

**ORDINANCE NO. 1397-09-2016 - SETTING CITY AD VALOREM TAX LEVY FOR FY 2016-2017.**

CONSIDERATION OF AND ACTION ON THE 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, 2016 THROUGH SEPTEMBER 30, 2017; 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 adopted and set the ad valorem tax levy for the City of Gainesville at \$0.70503 per \$100 valuation, with \$0.43290 for General Fund maintenance and support, and \$0.27213 for the Interest and Sinking Fund. Mayor Pro Tem Keith Clegg reminded those in attendance that two public hearings had been held on the tax rate and no one came forward to speak for or against the increase.

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

Councilmember Keeler **moved to Adopt the Ordinance**, seconded by Councilmember Dollar, the motion carried by vote of 5 Ayes, 0 Nays, 0 Abstentions, 2 Absent (Goldsworthy, Moore).

**RESOLUTION NO. 09-20-2016 - APPROVING FIVE-YEAR BUDGET MODEL (FY 2017-2021) FOR CITY OF GAINESVILLE.**

CONSIDERATION OF AND ACTION ON A RESOLUTION APPROVING THE FIVE-YEAR BUDGET MODEL (FY 2017-2021) FOR CITY OF GAINESVILLE.

Council approved the five-year budget model presented by the City Manager for Fiscal Years 2017-2021. 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**, seconded by Councilmember Gordon, the motion carried by vote of 5 Ayes, 0 Nays, 0 Abstentions, 2 Absent (Goldsworthy, Moore).

**RESOLUTION NO. 09-20-2016 A - APPROVING FIVE-YEAR CAPITAL IMPROVEMENT PLAN (FY 2017-2021).**

CONSIDERATION OF AND ACTION ON A RESOLUTION APPROVING THE FIVE-YEAR CAPITAL IMPROVEMENT PLAN (FY 2017-2021).

Council approved the five-year Capital Improvements Plan (CIP) for Fiscal Years 2017 through 2021. 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.

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

**RESOLUTION NO. 09-20-2016 B - APPROVE AGREEMENTS WITH AGENCIES RECEIVING HOTEL/MOTEL OCCUPANCY TAX REVENUES IN FY 2016-2017 BUDGET**

CONSIDERATION OF AND ACTION ON 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 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 2016-2017 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 emphasized that these agency contracts are paid only if the City receives the occupancy tax revenues as projected.

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

**RESOLUTION NO. 09-20-2016 C - APPROVE ANNUAL FEE SCHEDULE FOR FISCAL YEAR 2016-2017**

CONSIDERATION OF AND ACTION ON A RESOLUTION UPDATING AND APPROVING THE ANNUAL FEE SCHEDULE FOR CITY OF GAINESVILLE SERVICES FOR FISCAL YEAR 2016-2017 AND PROVIDING AN EFFECTIVE DATE.

Council approved the annual schedule of fees for City services for Fiscal Year 2016-2017. The adopted rates are effective October 1, 2016. There are few changes from the current year, but none to water, sewer, or trash services, so residents will not see an impact on their utility bills. The newly adopted fee schedule will be posted on the City website [www.gainesville.tx.us](http://www.gainesville.tx.us) under the link to Fee Schedule.

Councilmember Gordon **moved to approve the resolution**, seconded by Councilmember Keeler, the motion carried by vote of 5 Ayes, 0 Nays, 0 Abstentions, 2 Absent (Goldsworthy, Moore).

**RESOLUTION NO. 09-20-2016 D - APPROVING ACTIONS OF THE GEDC WHICH APPROVED A CONTRACT WITH NORTH STAR DESTINATION STRATEGIES FOR BRANDING SERVICES.**

CONSIDERATION OF AND ACTION ON A RESOLUTION APPROVING ACTIONS OF THE GAINESVILLE ECONOMIC DEVELOPMENT CORPORATION WHICH APPROVED A CONTRACT WITH NORTH STAR DESTINATION STRATEGIES FOR BRANDING SERVICES.

Council approved the Gainesville Economic Development Corporation (GEDC) Board's actions to approve a contract with North Star Destination Strategies for a city-wide branding campaign. The cost will be split with the City and GEDC. This campaign will allow the entities to share with visitors and potential businesses who the City "is" on a wider platform. The City's funding portion of the contract is \$40,500. City Council considered the resolution at the September 6, 2016 meeting, as well.

Mayor Pro Tem Keith Clegg and Councilmember Steve Gordon announced that they had both received a survey from North Star Designation Strategies for community input. City Manager Sullivan advised that the surveys were sent to citizens at random.

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

**RESOLUTION NO. 09-20-2016 E - A RESOLUTION AUTHORIZING THE SALE OF PROPERTY AT 312 W SCOTT AT SHERIFF'S SALE AND AUTHORIZING THE CITY MANAGER TO EXECUTE THE NECESSARY DEED TO CONVEY THE PARCEL OF LAND UPON SALE.**

CONSIDERATION OF AND ACTION ON A RESOLUTION AUTHORIZING THE SALE OF PROPERTY AT 312 W SCOTT AT SHERIFF'S SALE AND AUTHORIZING THE CITY MANAGER TO EXECUTE THE NECESSARY DEED TO CONVEY THE PARCEL OF LAND UPON SALE.

Council approved the placing of 312 W Scott on the roll for the fall 2016 Sheriff's Sale. This property was struck off to the City in the 1980's. Upon sale of the property, the City Manager is approved to execute the necessary deed to convey the property.

Councilmember Gordon **moved to approve the resolution**, seconded by Councilmember Keeler, the motion carried by vote of 5 Ayes, 0 Nays, 0 Abstentions, 2 Absent (Goldsworthy, Moore).

**EXECUTIVE SESSION**

At 6:50 p.m. Mayor Pro Tem Keith Clegg 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(a)(1) and (2) Attorney Privilege to discuss settlement in City of Gainesville, Texas, v. BYC, LLC, Cause Number CV15-00592, filed in the 235th District Court, Cooke County, Texas.

**RECONVENE INTO OPEN SESSION**

Council reconvened into open session at 7:09 p.m. and Mayor Pro Tem Keith Clegg announced no action was taken during executive session.

**ADJOURN**

With no further business to come before the City Council, the meeting was adjourned at 7:09 p.m.

Respectfully submitted,

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**Caitlyn Huddleston, City Secretary  
Tem**

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**Keith Clegg, Mayor Pro**