

**MINUTES
CITY OF GAINESVILLE
CITY COUNCIL MEETING
200 South Rusk
Gainesville, Texas 76240
September 18, 2018**

The City Council of the City of Gainesville, Texas met in regular session on September 18, 2018 at 6:30 p.m. with the following persons in attendance.

MEMBERS PRESENT: Mayor Jim Goldsworthy, Keith Clegg, Carolyn Hendricks, Ken Keeler, Mary Jo Dollar, Steve Gordon

MEMBERS ABSENT: Tommy Moore

STAFF PRESENT: Barry Sullivan, City Manager; Bill Harris, City Attorney; Caitlyn Huddleston, City Secretary; Kevin Phillips, Chief of Police; J. I. Johnson, Finance Director; Arleene Loyd, Gainesville Economic Development Corporation Executive Director; Morgan Moore, Gainesville Area Chamber of Commerce Director

OTHERS PRESENT: Mike Gordon, Carla Bullard, Janice Hill, Judy Garner, Cesar de la Rosa, Gil Garner, Carol Ann Hess, Linda Hickman, Margaret Hoffman, Jo Ann Francis, Fran Jones, Renea Dennington, Ashley Owens, Ronnie Pangratz, Ellen Samek, Sarah Samek, Krista Semak, Rachel Samek, Edna Slater, Delania Raney, Sarah Einselen, Tony Dresser (Videographer)

CALL TO ORDER

Mayor Jim Goldsworthy called the meeting to order at 6:30 p.m.

INVOCATION & PLEDGE OF ALLEGIANCE

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

RECOGNITIONS AND PROCLAMATIONS

Manufacturing Spotlight, Molded Fiberglass Texas (MFG)

The Gainesville Economic Development Corporation recently launched their Manufacturing Matters Program, where they focus on manufacturing businesses located in Gainesville. Molded Fiberglass Texas (MFG) is the latest business to be “spotlighted.” Mayor Goldsworthy read and presented a proclamation noting MFG’s long history in the city of Gainesville and their status as a leader in the field of reinforced plastic and composites. MFG was also commended for their generous contribution to the community through the United Way Campaign Pacesetter program, and a substantial donation of \$20,000 to the Boys and Girls Club of Cooke County towards the organizations’ Science Technology and Math program.

National Recovery Month Proclamation

Mayor Goldsworthy read and presented a proclamation declaring the month of September 2018 to be National Recovery Month. The proclamation included recovery statistics, a call to citizens to recommit our community to increasing awareness and understanding of mental health, and the steps our citizens can take to protect their mental health. Renea Dennington, and Ashley Owens were present to accept the proclamation on behalf of Texoma Community Center.

Constitution Week Proclamation

Mayor Goldsworthy read and presented a proclamation naming the week of September 17 – 23, 2018 as Constitution Week. September 17, 2018, marked the two hundred thirty-first anniversary of the drafting of the Constitution of the United States of America by the Constitutional Convention. Members of the Daughters of the American Revolution attended to receive the proclamation.

CONSENT AGENDA

Council reviewed the Minutes of the regularly scheduled City Council Meeting of September 4, 2018 and approved them as written.

Councilmember Keeler **moved to approve the consent agenda**, seconded by Councilmember Gordon, the motion carried by vote of 6 Ayes, 0 Nays, 0 Abstentions, 1 Absent (Moore).

ORDINANCE NO. 1438-09-2018 - ADOPTING CITY BUDGET FOR FY 2018-2019

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, 2018 THROUGH SEPTEMBER 30, 2019 AND REVISING THE BUDGET FOR OCTOBER 1, 2017 THROUGH SEPTEMBER 30, 2018; PROVIDING AN EFFECTIVE DATE; AND MAKING AN OPEN MEETING FINDING; AND PROVIDING FOR RATIFICATION OF THE PROPERTY TAX INCREASE REFLECTED IN THE FISCAL YEAR 2017-2018 OPERATING BUDGET BY SEPARATE VOTE.

Council adopted the Budget for Fiscal Year 2018-2019 and revised the budget for FY 2017-2018 for the City of Gainesville. Mayor Goldsworthy explained the tedious and time-consuming process of City Manager, Staff, and City Council creating and adopting the budget. He added that the budget and the hard work put into it are “something to be proud of.” The total Revenues for the budget are \$35,573,822 while Expenditures equal \$35,950,878.

The adopted City budget document will be posted on the City of Gainesville website www.Gainesville.tx.us under Financial Transparency.

Councilmember Keeler **moved to Suspend the Charter requirement of three readings**, seconded by Councilmember Dollar, the motion carried by vote of 6 Ayes, 0 Nays, 0 Abstentions, 1 Absent (Moore).

Councilmember Keeler **moved to Adopt the Ordinance**, seconded by Councilmember Dollar, the motion carried by vote of 6 Ayes, 0 Nays, 0 Abstentions, 1 Absent (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 2018-2019 budget**. The motion was seconded by Councilmember Dollar, and carried by vote of 6 Ayes, 0 Nays, 0 Abstentions, 1 Absent (Moore).

ORDINANCE NO. 1439-09-2018 - SETTING CITY AD VALOREM TAX LEVY FOR FY 2018-2019

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, 2018 THROUGH SEPTEMBER 30, 2019; 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 \$0.72254 per \$100 valuation, with \$0.49679 for General Fund maintenance and support, and \$0.22575 for the Interest and Sinking Fund. The rate is the same as FY 17-18.

Public hearings were held at two previous meetings; no one spoke in support or opposition.

Councilmember Gordon **moved to Suspend the Charter requirement of three readings**, seconded by Councilmember Keeler, the motion carried by vote of 6 Ayes, 0 Nays, 0 Abstentions, 1 Absent (Moore).

Councilmember Gordon **moved to Adopt the Ordinance**, seconded by Councilmember Keeler, the motion carried by vote of 6 Ayes, 0 Nays, 0 Abstentions, 1 Absent (Moore).

RESOLUTION NO. 09-18-2018 - APPROVING FIVE-YEAR BUDGET MODEL (FY 2019-2023) FOR CITY OF GAINESVILLE

CONSIDERATION OF AND ACTION ON A RESOLUTION APPROVING FIVE-YEAR BUDGET MODEL (FY 2019-2023) FOR CITY OF GAINESVILLE

Approved the five-year budget model presented by the City Manager for Fiscal Years 2019-2023. 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 Gordon and carried by vote of 6 Ayes, 0 Nays, 0 Abstentions, 1 Absent (Moore).

RESOLUTION NO. 09-18-2018 A - APPROVING FIVE-YEAR CAPITAL IMPROVEMENT PLAN (FY 2019-2023)

CONSIDERATION OF AND ACTION ON A RESOLUTION APPROVING THE FIVE-YEAR CAPITAL IMPROVEMENT PLAN (FY 2019-2023.)

Approved the five-year Capital Improvements Plan (CIP) for Fiscal Years 2019 through 2023. 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. City Manager Barry Sullivan called the CIP a "very intentional plan to appropriate limited resources to meet goals."

Councilmember Keeler **moved to approve the resolution**. The motion was seconded by Councilmember Gordon and carried by vote of 6 Ayes, 0 Nays, 0 Abstentions, 1 Absent (Moore).

RESOLUTION NO. 09-18-2018 B - APPROVE AGREEMENTS WITH AGENCIES RECEIVING HOTEL/MOTEL OCCUPANCY TAX REVENUES IN FY 2018-2019 BUDGET

CONSIDERATION OF AND ACTION ON A RESOLUTION APPROVING AGREEMENTS WITH AGENCIES RECEIVING HOTEL/MOTEL OCCUPANCY TAX REVENUES IN FY 2018-2019 BUDGET

Approved annual tourism and promotion contracts for each of the agencies to receive anticipated Hotel/Motel Occupancy Tax revenues in the FY 2018-2019 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 Clegg **moved to approve the resolution.** The motion was seconded by Councilmember Dollar and carried by vote of 6 Ayes, 0 Nays, 0 Abstentions, 1 Absent (Moore).

RESOLUTION NO. 09-18-2018 C - APPROVE ANNUAL FEE SCHEDULE FOR FISCAL YEAR 2018-2019

CONSIDERATION OF AND ACTION ON A RESOLUTION TO APPROVE THE ANNUAL FEE SCHEDULE FOR FISCAL YEAR 2018-2019

Approved the annual schedule of fees for City services for Fiscal Year 2018-2019. The adopted rates are effective October 1, 2018. Hangar rates at the Gainesville Municipal Airport are increasing 5%. The Fairview Cemetery changes include an added administrative fee, to recoup the cost of employee time for deed creation and recording, and a non-resident fee for open and closing of graves. Sullivan explained that funds from lot sales at the Cemetery are deposited to a permanent trust fund and not expended for regular operations, leaving a \$228,000 gap in revenues. This amount must be subsidized by tax revenues and accounts for nearly two cents of the tax rate. The non-resident fee will ensure that the burden of the cost of the Cemetery operations are not carried by taxpayers inside city limits when more than 50% of lot purchases are made by non-residents. Non-residents utilizing the recycling center at the Solid Waste Transfer Station will also pay a new fee. There have been instances where non-residents have advised they were recycling, but dumped trash in the bins. This is not as much of an issue with residents because they are provided weekly cart service and two free dumps a year. When the recycling material is contaminated, it cannot be recycled and must be placed in the landfill. Sullivan explained that stricter guidelines from China have caused for more stringent rules on plastic materials, and the Denton facility where Gainesville takes their recycling no longer accepts glass. Additional changes were made to the schedule.

The newly adopted fee schedule will be posted on the City website www.gainesville.tx.us under the link to Fee Schedule.

Councilmember Dollar **moved to approve the resolution.** The motion was seconded by Councilmember Keeler and carried by vote of 6 Ayes, 0 Nays, 0 Abstentions, 1 Absent (Moore).

RESOLUTION 09-18-2018 D – TO INCLUDE THE MUNICIPAL COURT JUDGE AND CITY MANAGER IN THE ACROSS-THE-BOARD PAY INCREASE FOR ALL REGULAR CITY EMPLOYEES.

CONSIDERATION OF AND ACTION ON A RESOLUTION

Approved including the Municipal Court Judge and City Manager in the five percent (5%) across the board pay increase for all city employees in FY 2018-2019. Mayor Goldsworthy commended the performance of both employees and that they merited the raise along with other employees. City Manager Barry Sullivan thanked councilmembers and Mayor.

Councilmember Hendricks **moved to approve the resolution.** The motion was seconded by Councilmember Gordon and carried by vote of 6 Ayes, 0 Nays, 0 Abstentions, 1 Absent (Moore).

ORDINANCE NO. 1440-09-2018 - AUTHORIZING AND ALLOWING UPDATED SERVICE CREDITS IN THE TEXAS MUNICIPAL RETIREMENT SYSTEM ON AN ANNUAL BASIS FOR SERVICE PERFORMED BY QUALIFYING MEMBERS OF SUCH SYSTEM WHO AT THE EFFECTIVE DATE OF THE ALLOWANCE ARE MEMBERS

OF THE CITY OF GAINESVILLE; PROVIDING FOR INCREASED PRIOR AND CURRENT SERVICE ANNUITIES FOR RETIREES AND BENEFICIARIES OF DECEASED RETIREES OF THE CITY; TO INCREASE THE RATE OF DEPOSITS TO THE TEXAS MUNICIPAL RETIREMENT SYSTEM BY THE EMPLOYEES OF THE CITY; AND ESTABLISHING AN EFFECTIVE DATE FOR THE ORDINANCE.

CONSIDERATION OF AND ACTION ON THE FIRST READING OF AN ORDINANCE AUTHORIZING AND ALLOWING UPDATED SERVICE CREDITS IN THE TEXAS MUNICIPAL RETIREMENT SYSTEM ON AN ANNUAL BASIS FOR SERVICE PERFORMED BY QUALIFYING MEMBERS OF SUCH SYSTEM WHO AT THE EFFECTIVE DATE OF THE ALLOWANCE ARE MEMBERS OF THE CITY OF GAINESVILLE; PROVIDING FOR INCREASED PRIOR AND CURRENT SERVICE ANNUITIES FOR RETIREES AND BENEFICIARIES OF DECEASED RETIREES OF THE CITY; TO INCREASE THE RATE OF DEPOSITS TO THE TEXAS MUNICIPAL RETIREMENT SYSTEM BY THE EMPLOYEES OF THE CITY; AND ESTABLISHING AN EFFECTIVE DATE FOR THE ORDINANCE.

Council adopted an ordinance to change the City's current retirement plan to increase the deposit rate for employees and re-adopt annually repeating provisions of Updated Service Credit and Annuity Increases. City Manager Barry Sullivan explained the increase is an effort to recruit new employees and retain current ones. Increasing the employee deposit rate to the retirement plan is a significant benefit increase.

The current TMRS plan includes a deposit rate for employees of 5% and the City matches that at 1.5:1. The new TMRS plan includes a deposit rate for employees of 6% and the City will continue to match the employee rate 1.5:1.

Councilmember Gordon **moved to Suspend the Charter requirement of three readings**, seconded by Councilmember Keeler, the motion carried by vote of 6 Ayes, 0 Nays, 0 Abstentions, 1 Absent (Moore).

Councilmember Dollar **moved to Adopt the Ordinance**, seconded by Councilmember Keeler, the motion carried by vote of 6 Ayes, 0 Nays, 0 Abstentions, 1 Absent (Moore).

RESOLUTION NO. 09-18-2018 E - APPROVING ACTIONS OF THE GEDC WHICH VOTED TO ADOPT THE FY 2018-2019 GEDC BUDGET.

CONSIDERATION OF AND ACTION ON A RESOLUTION APPROVING ACTIONS OF THE GAINESVILLE ECONOMIC DEVELOPMENT CORPORATION (GEDC) WHICH VOTED TO ADOPT THE FY 2018-2019 GEDC BUDGET.

Approved actions of the Gainesville Economic Development Corporation in adopting their budget for fiscal year 2018-2019. Mayor Pro Tem Keith Clegg serves as a voting member on the GEDC Board, and that Mayor Jim Goldsworthy and City Manager Barry Sullivan serve as Ex-Officio members.

Councilmember Dollar **moved to approve the resolution**. The motion was seconded by Councilmember Keeler and carried by vote of 6 Ayes, 0 Nays, 0 Abstentions, 1 Absent (Moore).

ADJOURN

With no further business to come before the City Council, the meeting was adjourned at 6:56 p.m.

Respectfully submitted,

Caitlyn Huddleston, City Secretary

Jim Goldsworthy, Mayor