

THE STATE OF TEXAS §
COUNTY OF ANDERSON §
CITY OF PALESTINE §

The City Council of the City of Palestine, Texas convened in a Worksession and Regular Meeting on Monday, March 8, 2010 at 4:00 PM for the Worksession in the Council Conference Room, and at 5:30 PM for the Regular Meeting in the Council Chambers at City Hall, 504 N. Queen Street, Palestine, Texas, with the following people present:

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| BOB HERRINGTON | : | MAYOR |
| KATHI MASONHEIMER | : | COUNCILMEMBER |
| VERNON DENMON, JR. | : | COUNCILMEMBER |
| VICKEY CHIVERS | : | COUNCILMEMBER |
| JAMES H. YELVERTON | : | COUNCILMEMBER |
| ANDREA BAIRD | : | COUNCILMEMBER |
| STEVE PRESLEY | : | MAYOR PRO TEM |
| | | |
| R. DALE BROWN | : | CITY MANAGER |
| JANELLE WILLIAMS | : | CITY SECRETARY |
| RONALD D. STUTES | : | CITY ATTORNEY |

All Councilmembers were in attendance; a quorum of the Council was present.

WORKSESSION

Mayor Herrington called the worksession to order at 4:10 PM.

Discussion was held regarding: an Ordinance Approving Budget Amendments for Fiscal Year 2009-10; a Resolution Authorizing the City Manager to enter into a Local Hotel Occupancy Tax and Hospitality Consulting Program Addendum between the City of Palestine and MuniServices, LLC; an Ordinance Setting Construction Speed Zone for East Loop 256 from Palestine Avenue (US 79) to Park Street (US 84); Authorizing the City Manager to Advertise and Receive Requests for Qualifications (RFQ) for Legal Services; Options for Palestine Public Library Building at 1101 N. Cedar Street; Acceptance of Insurance Settlement Offers and Authorize the City Manager to Execute the Necessary Documents; Acceptance of Proposal for Demolition of Damaged Wings and Authorize the City Manager to Enter into a Contract with Tyler Demolition in the Amount of \$89,223.00; Future Use of the old Alamo School; an Ordinance Amending Section 4.6 Zoning Use Graph of the Palestine Zoning Ordinance, to allow Work-Live Units by Specific Use Permit in the Central Business District and to add a Definition for Work-Live Units to Section 3.3 Use Definitions of the Palestine Zoning Ordinance; Approval of a Replat of Part of Lots 7, 8 and 9, Block T of Pinkerton's Map creating Lot 8-R, located at the Northwest corner of S. Sycamore Street and W. Gooch Street; Approval of a Preliminary Plat for Lots 1, 2, 3 and 4 of Paradise Park being 8.241 Acres located on State Highway 155, N. Link Street and Kickapoo Street; and an Amendment to Section 4.6 Zoning Use Graphs of the Palestine Zoning Ordinance, to allow Single Family, Two Family Residential and Multifamily by Specific Use Permit in the Central Business District and set a Public Hearing on March 22, 2010.

With no other business to come before the Council, the worksession was adjourned at 5:24 PM

CALL TO ORDER – REGULAR MEETING 5:30 PM

Mayor Herrington called the regular meeting to order at 5:32 PM.

INVOCATION AND PLEDGE OF ALLEGIANCE

The invocation was given by Councilmember Denmon, and was followed by the Pledge of Allegiance.

PUBLIC COMMENTS, PUBLIC RECOGNITION AND ANNOUNCEMENTS

Jimmy Birdwell addressed Council regarding a sexual assault charge not being pursued by the sheriff's office.

James Smith addressed Council regarding the inappropriate racist email that circulated in the Police Department.

PUBLIC HEARINGS

Public Hearing for an Amendment to Section 4.6 Zoning Use Graph of the Palestine Zoning Ordinance, to allow Work-Live Units by Specific Use Permit in the Central Business District and to add a Definition for Work-Live Units to Section 3.3 Use Definitions of the Palestine Zoning Ordinance

Mayor Herrington opened the public hearing. With no speakers regarding the amendment, the public hearing was closed.

Public Hearing for a Replat of Part of Lots 7, 8 and 9, Block T of Pinkerton's Map creating Lot 8-R, located at the Northwest corner of S. Sycamore Street and W. Gooch Street

Mayor Herrington opened the public hearing. With no speakers regarding the replat, the public hearing was closed.

MAYOR'S REPORT

Mayor Herrington reported that he has received several calls regarding utility billing and advised the public to contact the Utility Billing Department for assistance.

CITY MANAGER'S REPORT

Departmental reports for Police, Fire, Development Services, and Municipal Court were provided.

OPEN BIDS

Bids were received and opened for Sale of Former Senior Citizens Building (Bid #2010-12):

Grace Fellowship Church, Palestine, TX	\$72,000.00
Patricia W. Davis, Palestine, TX	\$75,000.00

CONSENT AGENDA

- 1) Consider Approval of Quarterly Investment Report

Motion was made by Councilmember Baird, seconded by Councilmember Yelverton, to approve Consent Item one as presented. Upon vote, motion passed unanimously.

REGULAR AGENDA

Consider an Ordinance Approving Budget Amendments for Fiscal Year 2009-10

Finance Director Bobby Pennington presented budget amendments creating the Retail Fund for the Palestine Mall complex. Motion was made by Councilmember Presley, seconded by Councilmember Masonheimer, to adopt **Ordinance No. O-14-10** as presented. Upon vote, motion passed unanimously.

Consider a Resolution Authorizing the City Manager to enter into a Local Hotel Occupancy Tax and Hospitality Consulting Program Addendum between the City of Palestine and MuniServices, LLC

Motion was made by Councilmember Presley, seconded by Councilmember Denmon, to adopt **Resolution No. R-06-10** as presented by Finance Director Pennington. Upon vote, motion passed unanimously.

Consider an Ordinance Setting Construction Speed Zone for East Loop 256 from Palestine Avenue (US 79) to Park Street (US 84)

Motion was made by Councilmember Denmon, seconded by Councilmember Baird, to adopt **Ordinance No. O-14-10** as presented by Public Works Director Ron Sullivan. Upon vote, motion passed unanimously.

Consider Authorizing the City Manager to Advertise and Receive Requests for Qualifications (RFQ) for Legal Services

Motion was made by Councilmember Yelverton, seconded by Councilmember Chivers, authorizing the City Manager to request qualifications for legal services as provided in the approved RFQ. Upon vote, motion passed unanimously.

Consider Options for Palestine Public Library Building at 1101 N. Cedar Street

Discuss Acceptance of Insurance Settlement Offers and Authorize the City Manager to Execute the Necessary Documents

Motion was made by Councilmember Denmon, seconded by Councilmember Baird, to accept the two settlements from the Littleton Group and authorize the City Manager to execute the necessary documents. Upon vote, motion passed unanimously.

Consider Acceptance of Proposal for Demolition of Damaged Wings and Authorize the City Manager to Enter into a Contract with Tyler Demolition in the Amount of \$89,223.00

Council discussed options for demolition of the damaged wings. No action was taken.

Discuss Future Use of the old Alamo School

After discussion, motion was made by Councilmember Baird, seconded by Councilmember Presley, directing the City Manager to prepare a Request for Proposals for Council to review at the next meeting. Upon vote, motion passed unanimously.

Consider an Ordinance Amending Section 4.6 Zoning Use Graph of the Palestine Zoning Ordinance, to allow Work-Live Units by Specific Use Permit in the Central Business District and to add a Definition for Work-Live Units to Section 3.3 Use Definitions of the Palestine Zoning Ordinance

Motion was made by Councilmember Chivers, seconded by Councilmember Presley, adopting **Ordinance No. O-15-10** as presented. Upon vote, motion passed unanimously.

Consider Approval of a Replat of Part of Lots 7, 8 and 9, Block T of Pinkerton's Map creating Lot 8-R, located at the Northwest corner of S. Sycamore Street and W. Gooch Street

Motion was made by Councilmember Denmon, seconded by Councilmember Chivers, to approve the replat as submitted. Upon vote, motion passed unanimously.

Consider Approval of a Preliminary Plat for Lots 1, 2, 3 and 4 of Paradise Park being 8.241 Acres located on State Highway 155, N. Link Street and Kickapoo Street

Motion was made by Councilmember Denmon, seconded by Councilmember Presley, to approve the preliminary plat as submitted. Upon vote, motion passed unanimously.

Discuss an Amendment to Section 4.6 Zoning Use Graphs of the Palestine Zoning Ordinance, to allow Single Family, Two Family Residential and Multifamily by Specific Use Permit in the Central Business District and set a Public Hearing on March 22, 2010

Motion was made by Councilmember Presley, seconded by Councilmember Chivers, to schedule a public hearing on the March 22, 2010 council meeting. Upon vote, motion passed unanimously.

ITEMS FROM COUNCIL

Councilmember Presley reported on attendance and upcoming activities at Texas State Railroad:

- The railroad is considering expanding retail offerings by allowing full-time vendors and part-time vendors during events

Councilmember Masonheimer reported on the "Kickoff" Presentation for the PREP Center on Tuesday, March 9th at Palestine Mall. She advised that the public is invited to attend.

Councilmember Baird reported that the city wide clean-up day will be held on Saturday, March 13th.

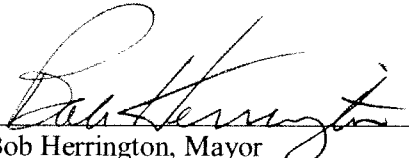
Councilmember Masonheimer reported that a Dogwood Trails volunteers meeting will be held on Monday, March 15th at 5:30 PM.

Councilmember Baird reported that ETCOG is offering a new scholarship to high school seniors in the amount of \$250. She advised that the deadline is Friday, April 23rd.

Councilmember Baird reported that ETCOG has a conceptual map available outlining a proposed area for future broadband service running on Hwy 19 from Athens to Palestine.

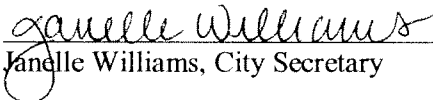
ADJOURNMENT

With no other business to come before the Council the meeting was adjourned at 6:30 PM.



Bob Herrington, Mayor

ATTEST:



Janelle Williams, City Secretary