

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, July 26, 2010 at 4:00 PM for the Worksession in the Council Chambers, 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:

BOB HERRINGTON	:	MAYOR
ADAM HARDING	:	COUNCILMEMBER
VERNON DENMON, JR.	:	COUNCILMEMBER
JAMES H. YELVERTON	:	COUNCILMEMBER
ANDREA BAIRD	:	COUNCILMEMBER
STEVE PRESLEY	:	COUNCILMEMBER
R. DALE BROWN	:	CITY MANAGER
RONALD STUTES	:	CITY ATTORNEY
TERESA HERRERA	:	DEPUTY CITY SECRETARY

Councilmember Baird came in at 4:35 PM during the worksession and Councilmember Harding came in at 4:41 PM during the worksession.

Councilmember Chivers was absent for the worksession and regular meeting; a quorum of the Council was present.

WORKSESSION

Mayor Herrington called the worksession to order at 4:09 PM.

Discussion was held regarding: Goals and Objectives for Fiscal Year 2010-11; an Ordinance Granting a Specific Use Permit for Tire Sales and Installation and Minor Automotive Repair on Property Zoned C-2 (Local Retail Commercial District) located at 300 W. Palestine Avenue; an Ordinance Granting Specific use Permit for the Operation of a Church on Property Zoned CBD (Central Business District) at 119 E. Oak; approval of Medical Drive Water Line Replacement; approval of \$5,959.44 Expenditure for a Façade Improvement Program Grant Approved for Palestine Community Theatre, Inc. Property at 213 W. Crawford Street; approval of Leases at Palestine Mall a) 36 Month Lease for Units 20 and 21 with Lam's Oriental Gift Shop b) 36 Month Lease for Unit 22 with T Nails c) 60 Month Lease, with a 60 Month Extension, for Unit 5 with Bon Appetit (Peggy Merchant); a One Year Lease Agreement for the PREP Center at Palestine Mall: Trinity Valley Community College; a Professional Services Contract with Harris Properties for Real Estate Leasing Services at Palestine Mall; an Ordinance Approving Budget Amendments for Fiscal Year 2009-10; and a Resolution Authorizing the City Manager to Enter a Lease Purchase Agreement between the City and California First National Bank.

With no other business to come before the Council, the worksession was adjourned at 5:25 PM.

CALL TO ORDER – REGULAR MEETING 5:30 PM

Mayor Herrington called the regular meeting to order at 5:34 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

Frankie Liotta addressed Council regarding re-zoning of this property.

Isaac Wynn addressed Council regarding the Water Department and Public Safety Department.

James Smith addressed Council regarding employment race relationships.

Mayor Herrington read aloud proclamation for Grace Methodist Church.

PUBLIC HEARINGS

Public Hearing regarding a Specific Use Permit for Tire Sales and Installation and Minor Automotive Repair on Property Zoned C-2 (Local Retail Commercial District) located at 300 W. Palestine

Mayor Herrington opened the public hearing.

With no speakers regarding the abandonment of a portion of undeveloped Medical Drive right-of-way the public hearing was closed.

Public Hearing regarding a Specific Use Permit for the Operation of a Church on Property Zoned CBD (Central Business District) at 119 E. Oak Street

Mayor Herrington opened the public hearing.

James Dennis, 2712 Venture View spoke in favor.

Steven Dewalt, spoke against.

With no other speaker regarding the Specific Use Permit for the Operation of a Church on Property Zoned CBD the public hearing was closed.

MAYOR'S REPORT

No report from Mayor Herrington.

CITY MANAGER'S REPORT

City Manager Brown provided an updated on the Library and PREP Center. Also, an update was provided on the Sale of Senior Citizens Building high bidder's funding has failed. High bidder is looking for alternative funding.

Departmental Reports for Police and Economic Development and City Attorney fees were provided. City Manager Brown advised Council that staff members were present to answer questions.

Motion was made by Councilmember Presley, seconded by Councilmember Denmon to move item H6. Upon vote, motion passed unanimously.

Consider a One Year Lease Agreement for the PREP Center at Palestine Mall: Trinity Valley Community College

Motion was made by Councilmember Denmon, seconded by Councilmember Presley to approve a 1 year lease, with 1 year extension, on the PREP Center subject to city attorney's approval of the contract. Upon vote, motion passed unanimously.

CITY MANAGER'S REPORT

Economic Development Director Wendy Ellis made presentation of Economic Development goals for next fiscal year.

CONSENT AGENDA

- 1) Minutes of the Worksession and Regular Meeting of June 28, 2010
- 2) Minutes of the Worksession and Regular Meeting of July 12, 2010
- 3) Minutes of the Special Meeting of July 19, 2010

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

REGULAR AGENDA

Consider an Ordinance Granting a Specific Use Permit for Tire Sales and Installation and Minor Automotive Repair on Property Zoned C-2 (Local Retail Commercial District) located at 300 W. Palestine Avenue

Motion was made by Councilmember Baird, seconded by Councilmember Harding to approve **Ordinance O-39-10** granting a specific use permit for tire sales and installation and minor automotive repair on property zoned C-2, local retail commercial district located at 300 West Palestine Avenue with the following stipulations:

1. All work to be conducted indoors.
2. No outdoor storage.
3. A privacy fence not less than 6-feet in height is installed along the length of the rear property line.

Upon vote, motion passed unanimously.

Consider an Ordinance Granting Specific use Permit for the Operation of a Church on Property Zoned CBD (Central Business District) at 119 E. Oak

Motion was made by Councilmember Baird, seconded by Councilmember Presley to adopt **Ordinance O-40-10** granting a specific use permit for the operation of a church at 119 E. Oak Street with a one year time limitation. Upon vote, motion passed 5-1, with Councilmember Denmon voting nay.

Consider Approval of Medical Drive Water Line Replacement

Motion was made by Councilmember Presley, seconded by Councilmember Baird to accept the quote from Diamond E. Services for the installation of 500 feet of six inch waterline in the existing Medical Drive right of way of the Trinity Valley Medical Park Subdivision and authorize the City Manager to upgrade the six inch waterline to eight inch waterline if within the budget. Upon vote, motion passed unanimously.

Consider Approval of \$5,959.44 Expenditure for a Façade Improvement Program Grant Approved for Palestine Community Theatre, Inc. Property at 213 W. Crawford Street

Motion was made by Councilmember Harding, seconded by Councilmember Denmon to approve \$5,959.44 for façade improvements to 213 West Crawford Street. Upon vote, motion passed unanimously.

Consider Approval of Leases at Palestine Mall

- a) 36 Month Lease for Units 20 and 21 with Lam's Oriental Gift Shop
- b) 36 Month Lease for Unit 22 with T Nails
- c) 60 Month Lease, with a 60 Month Extension, for Unit 5 with Bon Appetit (Peggy Merchant)

Motion was made by Councilmember Presley, seconded by Councilmember Harding to approve the 36 month lease with Lam's Oriental Gift Shop and 36 month lease with T Nails for the stipulated rental amount and authorize the city manager to execute the lease agreement in the name of the city with changes to contract on page 13 section C. Upon vote, motion passed unanimously.

Motion was made by Councilmember Presley, seconded by Councilmember Yelverton to approve 60 month lease, with a 60 month extension, with Bon Appetit Coffee Shop and Bakery for the stipulated rental amounts and authorize the city manager to execute the lease agreement in the name of the city. Upon vote, motion passed unanimously.

Consider a Professional Services Contract with Harris Properties for Real Estate Leasing Services at Palestine Mall

Motion was made by Councilmember Presley, seconded by Councilmember Harding to authorize the city manager to contract with Harris Properties for professional services for real estate leasing services at Palestine Mall with the stipulation that payment of the commission be paid out over a designated period of time as a percentage of the Base Rent collected by the city from the tenant. Upon vote, motion passed unanimously.

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

Motion was made by Councilmember Baird, seconded by Councilmember Yelverton to approve **Ordinance O-41-10** amending the budget. Upon vote, motion passed unanimously.

Consider a Resolution Authorizing the City Manager to Enter a Lease Purchase Agreement between the City and California First National Bank

Motion was made by Councilmember Baird, seconded by Councilmember Harding to approve a **Resolution R-22-10** authorizing the city manager to enter into a lease purchase agreement between the City of Palestine and California First National Bank. Upon vote, motion passed unanimously.

ITEMS FROM COUNCIL

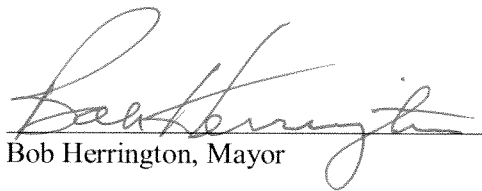
Councilmember Presley informed that Texas State Railroad held the Little Engine That Could event during July 17 – 24 the event had most 1,000 riders. The next event is the Wild West Dinner Train and then the Rail Fest during the first weekend in September.

Councilmember Harding expressed gratitude towards the Police Department's quick work during the robbery that occurred at Wal-mart Supercenter.

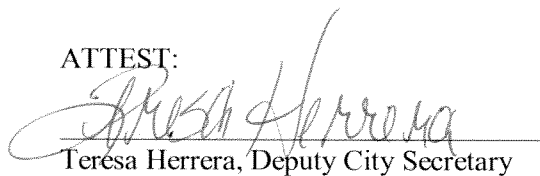
Councilmember Denmon thanked all that visited the City during the 1960-69 Class Reunion events.

ADJOURNMENT

With no other business to come before the Council, the meeting was adjourned at 7:56 PM.


Bob Herrington, Mayor

ATTEST:


Teresa Herrera, Deputy City Secretary