

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 9, 2009 at 4:30 PM, in the Council Chambers at City Hall, 504 N. Queen Street, Palestine, Texas, with the following people present:

CAROLYN SALTER	:	MAYOR
KATHI MASONHEIMER	:	COUNCILMEMBER
VERNON DENMON, JR.	:	COUNCILMEMBER
VICKEY L. CHIVERS	:	COUNCILMEMBER
JIM YELVERTON	:	COUNCILMEMBER
ANDREA BAIRD	:	COUNCILMEMBER
STEVE PRESLEY	:	COUNCILMEMBER
R. DALE BROWN	:	CITY MANAGER
JANELLE WILLIAMS	:	CITY SECRETARY
RONALD D. STUTES	:	CITY ATTORNEY

Councilmember Presley was absent for the worksession; a quorum of the Council was present.

WORKSESSION

Update on Capgemini Energy Palestine Service Center

Consultant Steve Kerbow provided an update on Capgemini Energy Service Center.

Discuss Amendment to Mountain Pure Water Tax Abatement Agreement

Council discussed a proposed amendment to the Mountain Pure tax abatement agreement. City Manager Dale Brown advised Council that Mountain Pure never signed the original tax abatement agreement from 2007 that was based on a total value of \$6 million, and the proposed amendment is based on a value of \$12 million. City Attorney Ron Stutes advised Council that they have options regarding the amendment. Council discussed other incentives the Mountain Pure received for locating in Palestine, and what impact Council's decision would have on the community.

Motion was made by Councilmember Baird to adjourn. Mayor Salter declared the worksession adjourned at 5:30 PM.

CALL TO ORDER

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

INVOCATION AND PLEDGE OF ALLEGIANCE

The invocation was given by Wade Hobbs of Trinity Valley Community Church, and was followed by the Pledge of Allegiance.

PUBLIC RECOGNITION

Mayor Salter read aloud a proclamation designating March 15-21, 2009 as Poison Prevention Week.

CITY MANAGER'S REPORT

Departmental Reports for Municipal Court, Police, Development Services, and Main Street were provided.

CONSENT AGENDA

- 1) Consider a Resolution for a Joint Election between City of Palestine and Palestine Independent School District
- 2) Consider Authorization to Purchase Plastic Garbage Bags
- 3) Minutes of the Worksession and Regular Meeting of October 27, 2008
- 4) Minutes of the Worksession and Regular Meeting of November 17, 2008
- 5) Consider a Resolution Authorizing the City Manager to Enter a Lease Purchase Agreement between the City of Palestine and Regions Bank Equipment Financing
- 6) Consider Purchase of an 88 HP Submersible Flygt Pump for the Southview Lift Station Pump
- 7) Consider Airport Use Agreement Wings of Freedom Tour
- 8) Consider an Ordinance Approving Budget Amendments for Fiscal Year 2008-09

Consent Items 6, 7 and 8 were moved from the Regular Agenda. Motion was made by Councilmember Masonheimer, seconded by Councilmember Presley, to approve Consent Items 1 through 8, adopting **Resolution No.'s R-6-09** and **R-7-09**, and **Ordinance O-17-09** as submitted. Upon vote, motion passed unanimously.

REGULAR AGENDA

Consider Contract for Professional Services with Mike Cline, Consulting Forester and Authorize City Manager to Receive Bids for Timbering Various City Owned Tracts of Land

Visitors Jason Ellis and Michael Easley of the Texas Forest Service, and Consulting Forester Mike Cline presented information to Council regarding areas of the forest that will be thinned. Motion was made by Councilmember Chivers, seconded by Councilmember Yelverton, authorizing the City Manager to execute a contract for services with Mike Cline, Consulting Forester for timber management services and authorize the City Manager to receive bids for the timbering of the municipal land. Upon vote, motion passed unanimously.

Councilmember Chivers left the meeting at 6:40 PM.

Consider Authorizing Use of City Equipment and Inmate Crews by Non-Profit Projects

Public Works Director Ron Sullivan presented a letter from Lois Durant with Meals on Wheels requesting use of the city van for the transport of inmates to work at the new Senior Center building. Staff requested that Council provide direction on the use of city

equipment on projects conducted by non-profit organizations preferably in the form of a formal policy. City Manager Brown will write a policy based on the Council's direction and present in the City Manager's Report at a later date.

Consider Professional Services Contract for Easement Acquisition for the Offsite Sanitary Sewer to serve the Gregg LP Addition

Motion was made by Councilmember Masonheimer, seconded by Councilmember Baird, to authorize the City Manager to enter into a professional services contract with Texas First Title for the acquisition of easements for the offsite Sanitary Sewer to serve the Gregg LP Addition in an amount not to exceed \$11,305.00. Upon vote, motion passed unanimously.

Councilmember Masonheimer left the meeting at 6:55 PM.

ITEMS FROM COUNCIL

Upcoming Activities and Report on Attendance at Texas State Railroad

Councilmember Presley thanked Lori Pennington and others at the Texas State Railroad for their hard work in seeing that the railroad continues to succeed. He reported that ridership was up four times from last year, with almost 3,000 people in January and February.

Lori Pennington reported on upcoming activities at the Texas State Railroad:

- Events for 2009 include Dogwood Excursion in March, Photo Excursion in April, Peanuts Easter Beagle, and Lone Ranger

East Texas Council of Governments Meeting Update

Councilmember Baird reported on the following:

- ETCOG has restructured the method of distribution of ORCA grant funds and provided an update on grant procedures.
- A public hearing will be held in the city regarding a flex bus route for Palestine.
- Provided an update on the hog elimination program.
- ETCOG is working on a pilot program to assist individuals who have been laid off get back to work faster. The program will be offered at the Texas Workforce Commission.
- ETCOG is administering disaster grant money for stimulus funding. The city submitted shovel ready projects to the federal stimulus program. Luke Kimbrough assisted the City Manager in submitting a grant application in the amount of \$2,035,000 for water tower improvements.

Mayor Salter announced that the Council will retire into executive session pursuant to the provisions of the Texas Government Code, in accordance with the authority contained in Section 551.087, deliberations regarding economic development.

CLOSED SESSION

Tax Abatement Agreement with Mountain Pure TX, LLC


RECONVENE INTO OPEN SESSION

Take any action as necessary relating to Tax Abatement Agreement with Mountain Pure TX, LLC

No action was taken on this item.

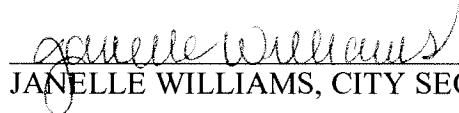
ADJOURNMENT

Motion was made by Councilmember Denmon to adjourn. Upon vote, motion passed unanimously. Mayor Salter declared the meeting adjourned at 7:50 PM.



CAROLYN SALTER, MAYOR

ATTEST:



JANELLE WILLIAMS, CITY SECRETARY