

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, June 8, 2009 at 4:30 PM, in the Council Chambers at City Hall, 504 N. Queen Street, Palestine, Texas, with the following people present:

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

Mayor Salter and Councilmember Yelverton were absent; a quorum of the Council was present.

WORKSESSION – 4:30 PM

Mayor Pro Tem Andrea Baird called the worksession to order at 4:31 PM.

Discussion was held regarding the approved amendment to the tax abatement agreement with Mountain Pure, LLC, the status of the incentive performance agreement between the Palestine Economic Development Corporation and Mountain Pure, LLC, and the direction to be given to staff regarding future negotiations with Mountain Pure, LLC.

City Attorney Ron Stutes advised the Council that after further review of the amended agreement, several possible consequences have been identified by City Staff: (1) Mountain Pure, LLC would not qualify for tax abatement in 2009 due to the number of employees being less than 40; (2) Chief Appraiser advised that the deadline has passed for submittal of tax abatement application to Anderson County Appraisal District (deadline was April 15th); and (3) Mountain Pure, LLC are in breach of the incentive agreement that provides for lower water rates due to the number of employees being less than 40. Council deferred the issue to PEDC to negotiate with Mountain Pure regarding the effects of the amendment, and discuss whether Mountain Pure would prefer to alter its requested amendment. Council expressed that their preference is that Mountain Pure hire people that reside inside the city limits.

Motion was made by Councilmember Denmon to adjourn. The worksession was adjourned at 4:57 PM.

CALL TO ORDER – REGULAR MEETING 5:30 PM

Mayor Pro Tem Andrea Baird called the regular meeting to order at 5:30 PM.

INVOCATION AND PLEDGE OF ALLEGIANCE

The invocation was given by Utilities Director Robert Sedgwick, and was followed by the Pledge of Allegiance.

PUBLIC ANNOUNCEMENTS

Mayor Pro Tem Andrea Baird announced that the Council/Staff Budget Retreat will be held on Saturday, June 13, 2009 at the Harvey Woman's Club, beginning at 8:00 AM. The public is invited to attend.

PUBLIC HEARINGS**Public Hearing on historic landmark designation of 416 Houston Street**

Mayor Pro Tem Baird opened the public hearing. With no person requesting to speak, the public hearing was closed.

Public Hearing on historic landmark designation of 1419 N. Queen Street

Mayor Pro Tem Baird opened the public hearing. With no person requesting to speak, the public hearing was closed.

Public Hearing on Zone Change from I-1 (General Industrial District) to R-1 (Single Family Detached low Density District), Woodridge Addition

Mayor Pro Tem Baird opened the public hearing. With no person requesting to speak, the public hearing was closed.

CITY MANAGER'S REPORT

Departmental Reports for Police, Library, Development Services, Public Works and Tourism were provided. A report of city attorney fees was also provided.

OPEN BIDS

Bids for Utility Relocations on Loop 256 (Bid #B2009-13) were received and opened:

<u>Company</u>	<u>Bid Amount</u>
AAA Sanitation	\$133,362.20
Absolute Industries	\$135,610.00
Doughtie Construction	\$125,753.50
Duplicchain Contractors	\$125,830.00
Elliott Construction	\$108,931.60
H & H Concrete Company	\$120,369.50
McKinney & McMillan	\$123,972.50
Stan's Backhoe Service	\$165,565.35

Bids for Solid Waste Collection Services (Bid #B2009-14) were received and opened:

<u>Company</u>	<u>Residential</u>	<u>Res. Recycling</u>	<u>Commercial</u>	<u>Comm. Recycling</u>
Frontage Services	9.15	2.20	14.50	4.50
The Garbage Man, Inc.	8.85	7.85	9.75	no bid
Allied Waste	9.50	2.50	17.50	10.00
US Waste Solutions	10.92	3.64	16.95	13.30
Sanitations Solutions	11.00	5.00	24.00	16.00
IESI	8.99	3.45	14.95	5.95

CONSENT AGENDA

- 1) Consider a Resolution Appointing Election Workers for the June 13, 2009 Runoff Election for Mayor
- 2) Consider an Ordinance Designating 416 Houston Street as a Palestine Historic Landmark
- 3) Consider an Ordinance Designating 1419 N. Queen Street as a Palestine Historic Landmark
- 4) Consider Authorizing the City Manager to Execute a Contract with Cornerstone Heritage Preservation Services to Update the Historic Resources Survey
- 5) Consider Rescinding Ordinance O-28-09 and Authorizing a Corrected Ordinance Designating Stop Signs at Various Locations in the Homestead Addition
- 6) Consider an Ordinance for a Change in Zoning from I-1 (General Industrial District) to R-1 (Single Family Detached Low Density District), Woodridge Addition
- 7) Consider Authorizing the City Manager to Sell Property Seized by Palestine Police Department
- 8) Consider Approval of Quarterly Investment Report

Motion was made by Councilmember Masonheimer, seconded by Councilmember Presley, to approve Consent Items 1 through 8 as presented. Upon vote, motion passed unanimously.

REGULAR AGENDA

Consider the approved amendment to the tax abatement agreement with Mountain Pure, LLC, the status of the incentive performance agreement between the Palestine Economic Development Corporation and Mountain Pure, LLC, the direction to be given to staff regarding future negotiations with Mountain Pure, LLC, and any other necessary actions relating to the worksession discussion on these issues

Motion was made by Councilmember Denmon, seconded by Councilmember Masonheimer, to table and directed PEDC to work with Mountain Pure regarding the tax abatement agreement. Upon vote, motion passed unanimously.

Consider an Amendment to a Performance Agreement between PEDC and Advanced Surgery Group, LLC for Dogwood MOB, LP to assume all Rights and Obligations of Advanced Surgery Group, LLC

Motion was made by Councilmember Presley, seconded by Councilmember Chivers, to approve the amendment subject to a general consensus concept being good, with details to be worked out. Upon vote, motion passed unanimously.

Consider an Ordinance to Amend Section 10-2 of the Palestine Code of Ordinances, Related to Proximity of Business to Churches, Hospitals and Schools, Part of Chapter 10 Alcoholic Beverages, to Empower the Council to Grant a Variance from the Proximity Restrictions in the City Code

Motion was made by Councilmember Presley, seconded by Councilmember Masonheimer, to adopt Ordinance No. O-36-09, adding the qualifying event that the business is located in the Main Street area as currently designated. Upon vote, motion passed 4-1 with Councilmember Denmon voting nay.

Consider an Ordinance Exempting Charitable Organizations from Payment of Construction Permit Fees

Motion was made by Councilmember Denmon, seconded by Councilmember Chivers, to approve Ordinance No. O-37-09 striking the language 'substantially reduced cost' in Section 22-43 (d). Upon vote, motion passed unanimously.

Consider Approval of Police Radar Unit Rental Agreement and Authorize City Manager to Execute Contract

Motion was made by Councilmember Chivers, seconded by Councilmember Presley, to approve a police radar unit rental agreement and authorize the City Manager to execute the contract. Upon vote, motion passed unanimously.

Discuss Planning and Zoning Final Report on Zone Change from RE (Residential Estate) to C-4 (Highway Commercial, R-1 (Single Family Detached Low Density District) and (RPO Restricted Professional Office), on properties fronting S. Royall Street, S. Sycamore Street and Brookhaven Drive, and set public hearing for June 22, 2009

Motion was made by Councilmember Presley, seconded by Councilmember Denmon, to set a public hearing for the zone change request as presented. Upon vote, motion passed unanimously.

Discuss Planning and Zoning Final Report on Zone Change from MF-3 (Multi-Family High Density District) to C-4 (Highway Commercial District), Southwest corner of the intersection of Pershing Street & South Sycamore Street, Lots 1, 4, 2A & 5A of Block B, Wm. Broyles Addition, and set public hearing for June 22, 2009

Discuss Planning and Zoning Final Report on Zone Change from RE (Residential Estate) to I-2 (General Industrial District) and R-1 (Single Family Detached Low Density District) on Lot 2 of the Breezy Hills Annex Addition and a .239 acre tract in Volume 2129, Page 21 of the Anderson County Deed Records, and set public hearing for June 22, 2009

Motion was made by Councilmember Denmon, seconded by Councilmember Masonheimer, to set public hearings for the zone change requests as presented. Upon vote, motion passed unanimously.

ITEMS FROM COUNCIL

Councilmember Denmon reported on activities at the Texas State Railroad on Memorial Day sponsored by the VFW and Disabled Veterans.

Councilmember Presley reported that the Lone Ranger will be at the Rusk side of Texas State Railroad on June 13th.

Councilmember Denmon reported that the Adrian Peterson event will be held in Old Town at Avenue A and Crawford Street on July 13th, with proceeds going to the multi-cultural center. All citizens are invited to attend.

Mayor Pro Tem Baird 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 551.072 regarding real estate. The time was 6:35 PM.

CLOSED SESSION

Acquisition of Real Estate

RECONVENE INTO OPEN SESSION

Mayor Pro Tem Baird reconvened the Council into open session at 7:10 PM. No action was taken regarding acquisition of Real Estate.


ADJOURN

Motion was made by Councilmember Denmon to adjourn at 7:10 PM. Upon vote, motion passed unanimously.



ANDREA BAIRD, MAYOR PRO TEM

ATTEST:


JANELLE WILLIAMS, CITY SECRETARY