

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, May 24, 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:

BOB HERRINGTON	:	MAYOR
ADAM HARDING	:	COUNCILMEMBER
VERNON DENMON, JR.	:	COUNCILMEMBER
VICKEY CHIVERS	:	COUNCILMEMBER
JAMES H. 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

Mayor Herrington called the worksession to order at 4:05 PM.

Discussion was held regarding: Approval of a Professional Services Agreement Amendment #2 with Freese and Nichols, Inc. in the amount of \$819,200.00 and authorize the City Manager to Execute an Agreement for Services; an Ordinance approving a Zoning Change from C-3 (General Retail Commercial District) to CBD (Central Business District), in an area generally bounded by N. Queen Street on the West, N. Sycamore Street on the East, W. Crawford Street on the South, and W. Debard Street approximately 250 feet South of W. Lacy Street; an Ordinance approving amendments to Appendix A, Zoning Ordinance of the City of Palestine, Section 4.6 Zoning Use Graphs and Section 3.3 Use Definitions; an Ordinance Adopting Exceptions to the International Existing Buildings Code; Approval of a Lease Agreement between the City of Palestine and Trinity Valley Community College at 2017 South Loop 256; Approval of an Agreement with Berry & Clay Construction for Contractor at Risk Services for Palestine Mall and Authorize the City Manager to sign on behalf of the City; Approval of Improvements to the Willow Creek Business Park Lighting and Signage; Approval of a Segment featuring Palestine in a Travel/Business Relocation Show called TravelNation on the Travel Channel; Approval of \$200,000 Expenditure for Palestine Regional Education Partnership (PREP) Center from PEDC; a Resolution Authorizing the City Manager to Enter into a Lease Purchase Agreement between the City of Palestine and East Texas National Bank; and an Ordinance Adopting Changes to the Fee Schedule for City Services related to the Storage of Private Planes in the Public Airport Hanger.

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 5:33 PM.

INVOCATION AND PLEDGE OF ALLEGIANCE

The invocation was given by Cub Scout Leader James Johnson, and was followed by the Pledge of Allegiance led by members of Cub Scout Pack 440.

PUBLIC COMMENTS, PUBLIC RECOGNITION AND ANNOUNCEMENTS

James Smith addressed Council regarding a civilian review board that was supposed to be formed in 2005.

The Council recognized Police Academy graduates Chase Scarbrough, Marcos Lara, and Russell Wesson.

PUBLIC HEARINGS

Public Hearing regarding a Zoning Change from C-3 (General Retail Commercial District) to CBD (Central Business District), in an area generally bounded by N. Queen Street on the West, N. Sycamore Street on the East, W. Crawford Street on the South, and W. Debard Street approximately 250 feet South of W. Lacy Street

Mayor Herrington opened the public hearing. Jean Mollard and Neely Plumb spoke in favor of the zone change. With no other speakers, the public hearing was closed.

Public Hearing regarding amendments to Appendix A, Zoning Ordinance of the City of Palestine, Section 4.6 Zoning Use Graphs and Section 3.3 Use Definitions

Mayor Herrington opened the public hearing. Neely Plumb spoke in favor of amendments to Appendix A. With no other speakers, the public hearing was closed.

MAYOR'S REPORT

Mayor Herrington reported on monthly activities:

- Attended the Police Academy graduation with Lieutenant Ingram and Detective James Muniz
- Met with staff members, Councilmember Presley, and developers to discuss an issue with a potential new restaurant
- Participated in South Side Elementary School's field day
- Attended Palestine Independent School District's employee banquet

CITY MANAGER'S REPORT

City Manager Dale Brown provided Council with a request from Mountain Pure, LLC, for a waiver of penalties and interest, and a letter from the city's Tax Attorney, Robert Myers, regarding the matter. He advised Council that the Property Tax Code does provide for the waiver of penalties and interest in limited instances; however, none of these circumstances exist in the request by Mountain Pure.

Finance Director Bobby Pennington presented a Monthly Sales Tax Report. He advised Council that staff is currently estimating a 15% loss in sales tax from the original budget.

City Manager Brown presented an update on the Library and PREP Center. He advised Council that he has received plans on the building, the Construction Manager at Risk will be setting up an office at the mall, Library staff is in the process of moving to the mall due to the Denby building being sold, and inmates have not been able to work at the mall due to being on lockdown this week.

A report of City Attorney Fees was provided, as well as the Fire Department monthly report.

OPEN BIDS

One proposal was received and opened for an Automated Bill Payment Kiosk (RFP-17) submitted by AdComp Systems Group, Carrollton, TX, in the amount of \$30,612.00.

Bids were received and opened for Demolition of Substandard Structures (Bid #B2010-18):

A & A Construction, Arlington, TX	\$5,850.00
A & R Demolition, Del Valle, TX	\$8,000.00
D.E.A.A. Corporation, Jacksonville, TX	\$11,441.00

Bids were received and opened for Sludge Removal (Bid #B2010-19):

TerraRenewal, LLC	\$169,000.00
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One proposal was received and opened for Legal Services – Texas Water Development Board (RFP20) submitted by First Southwest.

One proposal was received and opened for Financial Services – Texas Water Development Board (RFP-21) submitted by First Southwest.

Proposals were received and opened for Construction of the 1.0 MG Elevated Storage Tank (RFP-22):

Caldwell Tanks, Inc.	\$2,153,000.00
CB&I	\$2,193,000.00
Landmark Structures	\$2,165,000.00

Proposals were received and opened for South Sycamore Pump Station Improvements (RFP-23):

Associated Construction Partners, LTD	\$1,810,400.00
Doughtie Construction	\$1,855,470.00
Gracon Construction	\$2,119,200.00
McKinney & McMillen, LLC	\$1,649,300.00

CONSENT AGENDA

- 1) Consider Approval of Quarterly Investment Report

Motion was made by Councilmember Presley, seconded by Councilmember Denmon, to approve the Consent Agenda. Upon vote, motion passed unanimously.

REGULAR AGENDA

Consider Approval of a Professional Services Agreement Amendment #2 with Freese and Nichols, Inc. in the amount of \$819,200.00 and authorize the City Manager to Execute an Agreement for Services

Discussion was held regarding the cost of engineering fees for the project. Motion was made by Councilmember Harding, seconded by Councilmember Chivers, to postpone consideration of the Professional Services Agreement Amendment #2 to the next regular meeting to give the Council time to look more closely at the costs. Upon vote, motion passed unanimously.

Consider an Ordinance approving a Zoning Change from C-3 (General Retail Commercial District) to CBD (Central Business District), in an area generally bounded by N. Queen Street on the West, N. Sycamore Street on the East, W. Crawford Street on the South, and W. Debard Street approximately 250 feet South of W. Lacy Street

Motion was made by Councilmember Presley, seconded by Councilmember Chivers, to adopt **Ordinance No. O-26-10** as presented. Upon vote, motion passed unanimously.

Consider an Ordinance approving amendments to Appendix A, Zoning Ordinance of the City of Palestine, Section 4.6 Zoning Use Graphs and Section 3.3 Use Definitions

Motion was made by Councilmember Baird, seconded by Councilmember Denmon, to adopt **Ordinance No. O-27-10** as presented. Upon vote, motion passed unanimously.

Consider an Ordinance Adopting Exceptions to the International Existing Buildings Code

Motion was made by Councilmember Presley, seconded by Councilmember Denmon, to adopt **Ordinance No. O-28-10** as presented. Upon vote, motion passed unanimously.

Consider Approval of a Lease Agreement between the City of Palestine and Trinity Valley Community College at 2017 South Loop 256

Motion was made by Councilmember Denmon, seconded by Councilmember Presley, to authorize the City Manager to execute the PREP Center lease agreement with Trinity Valley Community College for educational purposes as set forth in the Memorandum of Understanding between Trinity Valley Community College and Texas State Technical College. Upon vote, motion passed unanimously.

Consider Approval of an Agreement with Berry & Clay Construction for Contractor at Risk Services for Palestine Mall and Authorize the City Manager to sign on behalf of the City

Motion was made by Councilmember Chivers, seconded by Councilmember Denmon, to approve an agreement with Berry & Clay Construction for Contractor at Risk Service for Palestine Mall and authorize the City Manager to sign on behalf of the city. Upon vote, motion passed unanimously.

Consider Approval of Improvements to the Willow Creek Business Park Lighting and Signage

PEDC Director Wendy Ellis advised Council that PEDC approved an expenditure for improvements to lighting and signage at Willow Creek Business Park not to exceed \$18,000.00. Motion was made by Councilmember Baird, seconded by Councilmember Chivers, to approve the \$18,000.00 for the improvements of lighting and signage at Willow Creek Business Park to support the businesses at the park. Upon vote, motion passed unanimously.

Consider Approval of a Segment featuring Palestine in a Travel/Business Relocation Show called TravelNation on the Travel Channel

Marketing Director Linda Asby presented Council with information regarding the TravelNation program. Motion was made by Councilmember Presley, seconded by Councilmember Baird, to approve the expenditure of \$25,000.00 for a hosted segment on TravelNation. Upon vote, motion passed unanimously.

Consider Approval of \$200,000 Expenditure for Palestine Regional Education Partnership (PREP) Center from PEDC

Motion was made by Councilmember Presley, seconded by Councilmember Yelverton, to approve an expenditure of \$200,000.00 for capital improvements at the PREP Center for the workforce training program. Upon vote, motion passed unanimously.

Consider a Resolution Authorizing the City Manager to Enter into a Lease Purchase Agreement between the City of Palestine and East Texas National Bank

Motion was made by Councilmember Presley, seconded by Councilmember Yelverton, to adopt **Resolution No. R-11-10** as presented. Upon vote, motion passed unanimously.

Consider an Ordinance Adopting Changes to the Fee Schedule for City Services related to the Storage of Private Planes in the Public Airport Hanger

Motion was made by Councilmember Denmon, seconded by Councilmember Harding, to adopt **Ordinance No. O-29-10** as presented. Upon vote, motion passed unanimously.

ITEMS FROM COUNCIL

Councilmember Presley provided an update on attendance and upcoming activities at the Texas State Railroad as follows:

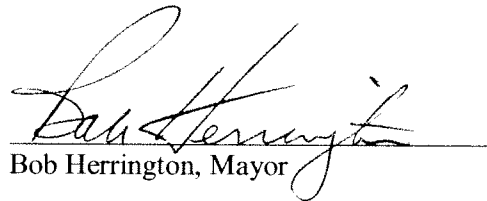
- Memorial Day events will include re-enactments and reduced rate tickets

Councilmember Denmon reported that a Memorial service will be held on May 30th at noon at the Texas State Railroad.

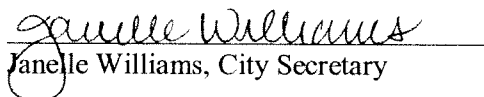
Mayor Herrington congratulated Councilmember Denmon for his recent appointment as Commander of the American Legion.

ADJOURNMENT

With no other business to come before the Council, the meeting was adjourned at 7:17 PM.


Bob Herrington, Mayor

ATTEST:


Janelle Williams, City Secretary