

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

The City Council of the City of Palestine, Texas convened in a Regular Meeting on Monday, July 27, 2015, at 4:00 p.m. for the Work Session in the City Hall Conference Room, and at 5:30 p.m. for the Regular Meeting in the Council Chambers at City Hall, 504 N. Queen Street, Palestine, Texas, with the following people present:

Mayor Bob Herrington; Mayor Pro Tem Adam Harding; Councilmembers Mitchell Jordan, Vickey L. Chivers, Joseph Thompson, Doug Smith, and Steve Presley; City Manager Wendy Ellis, City Secretary Teresa Herrera, and City Attorney Ronald Stutes.

Other staff present: Interim Finance Director Becky Roseberry, Community Services Director Roy Crouch, Events Coordinator Heather Hrebec, Public Works Director Tim Perry, Communication Manager Laura Westgate, Utilities Director Robert Sedgwick, and Water/Wastewater Superintendent Curtis Logan.

Others present: Jennifer Sheridan with the Palestine Herald Press, James Smith, and Isaac Wynn.

All Councilmembers were present. Mayor Pro Tem Harding arrived at 4:28 p.m.

WORK SESSION

Mayor Herrington called the work session to order at 4:03 p.m.

Discuss status of the Civic Center Signage/Marquee

Community Services Director Crouch led the discussion. He informed City Council that the sign currently at the Civic Center is a safety issue. The sign is held together with metal strips and the back lights do not work due to water damage. Bids were provided from different sign companies for two options for replacing the sign. An LED sign would cost \$38,000 to \$42,000 and a standard sign with letters would cost \$14,000 to \$18,000. Councilmember Thompson expressed that since the Civic Center is not located in a high traffic area it would be best to purchase a standard sign. Councilmember Smith asked if the cost of the sign could be off-set with sponsorship. Community Services Director Crouch answered that it could be off-set but did not want to ask businesses for sponsorship because there are other events they need help with sponsorship money. He added that City Council should budget money during this fiscal year to replace the sign.

Discuss Texas Youth Advocates organization becoming a partner/vendor for youth services program for the City of Palestine

Jonathan Cary provided information to the City Council regarding his request to allow Texas Youth Advocates organization to become a partner/vendor for youth services program for the City of Palestine. Mr. Cary wants to partner with the City for a Youth Services Director. The purpose of the organization is to encourage youth to look past the confines of their everyday surroundings and dedicated to uniting families, regardless of demographics by way of education and athletics. Mr. Cary pointed out the following:

- Poverty in Palestine is highly concentrated in minority communities and single parent families where females are head of household.
- Less than 10% of the population 25 years and older hold a bachelor's degree.
- Crime rate in Palestine is one of the highest in the area and often out paces the US average
- Palestine YMCA programs are geared primarily for age group of 13 and under.

Mr. Cary states that the summer youth outreach program is known as SIXERS basketball. The program allows the youth to travel, visit colleges, and businesses. The youth have community service projects that include raking, mowing, and helping local residents around their home. Councilmember Presley added that our youth should be taught to be successful. They need to go away for the training but encouraged to return to Palestine, to be successful in Palestine. Councilmember Thompson wanted to know how much it would cost the City and

what gyms were used for the activities. Mr. Cary answered that the cost would be around \$40,000 per year and at this point they are using any gym they can get.

Discuss City financials

Interim Finance Director Roseberry provided handouts of the General Fund financials for the City. As of June 30, 2015, 75% of the fiscal year was completed and only 65.24% had been spent. Overall revenue and expenditure look good for the fiscal year. Finance Department has been working on consolidating over 60 different funds. Also, normally the fiscal year is closed out in Incode until December and this year the goal is to close the fiscal year closer to the end of the fiscal year and November is the target month to begin audit preparations this year.

Discuss dates for future Budget Work Sessions for Fiscal Year 2015-2016

City Manager Ellis asked Council to email her dates that would be a conflict for them to attend budget work sessions. Most of the work session would need to take place the second and third week in September. Also, Council will need to set the proposed tax rate for the year.

With no other business to come before the Council, the work session was adjourned at 5:10 p.m.

CALL TO ORDER - REGULAR MEETING

Mayor Herrington called the Regular Meeting to order at 5:30 p.m.

INVOCATION AND PLEDGE OF ALLEGIANCE

The invocation was given by Pastor Dan Manuel of Crockett Road Church of Christ, and was followed by Pledge of Allegiance.

PUBLIC COMMENTS, PUBLIC RECOGNITION, AND ANNOUNCEMENTS

James Smith addressed Council regarding City Government.

Steve Spencer addressed Council regarding Exxon Store alcohol variance permit.

CONFLICT OF INTEREST DISCLOSURES

Councilmember Thompson filed affidavit on abstention from voting on Item 2 of the Regular Agenda and Public Hearing.

PUBLIC HEARING

Conduct a public hearing on an application for a zoning change from MF-3, Multiple Family, High Density to C-3, General Retail Commercial on a 2.356 acre tract of land located on the west side of Old Elkhart Road approximately 200-feet south of the intersections of Old Elkhart Road and Village Street. Applicant Prudencio Velasquez.

Development Services Director Lyons presented the item. The City has received a request from Prudencio Velasquez (property owner.) Currently, the property is zoned MF-3, Multiple Family, High Density District. Applicant is requesting C-3, General Retail Commercial. The zoning change is compatible with the Future Land Use Map. Applicant would like to use the property as a tire repair shop. Notices were mailed to eight property owners within 200-feet of the zoning change request. Two notices have been returned in favor and none in opposition. The Planning and Zoning Commission conducted a public hearing and discussed the request during their July meeting and voted unanimously to approve the zoning change. Mayor Herrington opened the public hearing and asked for anyone speaking for or against the request to do so. Prudencio Velasquez spoke in favor. With no other speaker, Mayor Herrington closed the public hearing.

Conduct a public hearing on an application to amend the comprehensive plan and the map by designating 7 acres out of a 22.8 acre tract described as Tract 3L, Block 1188 of the Edley Ewing Survey from Industrial to Core Neighborhood and to rezone said 7 acres from I-1, Light Industrial to R-1, Single Family Detached, Low Density District. The property is generally located on the south side of Old Tucker Trail approximately 400 feet south of the intersections of Old Tucker Trail and Brookhollow Drive. Applicant Cynthia Turman.

Councilmember Thompson stepped out of the meeting. Development Services Director Lyons presented the item. The Comprehensive Plan and Future Land Use Map has this property designated as Industrial. Prior to changing the zoning at this location, the Future Land Use Map must be changed to accurately reflect the land uses that will be allowed in the residential zoning districts. The property is a total of 22.8 acres of which 7 acres are in the Palestine City Limits. The portion of the property that is within the city fronts on U.S. Highway 79 South and Old Tucker Trail and is zoned I-1, Light Industrial. A majority of the property is within the 100-year flood zone. Notices were mailed to three property owners within 200-feet of the zoning change. None of the notices were returned for or against the zoning change request. The Planning and Zoning Commission conducted a public hearing and discussed the request during their July meeting and voted unanimously to approve the amendment to the Future Land Use Map and approve the zoning change. Mayor Herrington opened the public hearing and asked for anyone speaking for or against the request to do so. With no one speaking, Mayor Herrington closed the public hearing. Councilmember Thompson returned to the meeting.

MAYOR'S REPORT

Mayor Herrington informed that he received a call from Mike Davis, President of the local bar association on Tuesday expressing concern that local attorneys found out too late about the Request for Qualifications for City Attorney and/or Municipal Prosecutor Services and questioned the method of advertising used by the City. City Manager Ellis answered that the standard procedures were used to advertise.

ITEMS FROM COUNCIL

Councilmember Jordan mentioned 1910 Slocum Massacre adding that Jack Holley had received a tombstone and the tombstone was placed where they think he was buried.

Councilmember Smith reminded residents that the second weekend at Palestine Community Theatre "Mary Poppins" and provided hours of performances.

Councilmember Harding mentioned that City Attorney Ron Stutes as president of the Smith County Bar Association had received the Pro Bono Award on behalf of the association.

Mayor Herrington provided information regarding the Back to School Fair at Palestine High School gym on Saturday, August 1, 2015, hosted by the Palestine Junior Service League.

CITY MANAGER'S REPORT

Departmental reports for Utilities, Library, Municipal Court, Police CID, and Public Works were provided. Also, City Attorney Fees report was provided. City Manager Ellis informed that she had attended the groundbreaking ceremony of the new soccer complex. Also, Union Pacific representatives were in town and had the opportunity to visit with them regarding foundation grants for the community.

OPEN RFQ

Open Sealed RFQ-2015-04 City Attorney and/or Municipal Prosecutor Services

City Attorney Stutes suggested that if Council was concerned that adequate notice was not given to local attorneys Council could extend deadline before the sealed requests are opened.

Sealed RFQs were not opened. Councilmember Smith made a motion, seconded by Councilmember Chivers, to extend the deadline on the RFQ-2015-04 City Attorney and/or Municipal Prosecutor Services until Friday, August 7, 2015. Upon vote, motion carried unanimously.

REGULAR AGENDA

Charter Review Committee update

John Ballard McDonald, Chairman to Charter Review Committee provided Council with an update. The Committee has met 11 times over the last seven months. The Committee has had a quorum present at every meeting even though there are four vacancies on the Committee. The Committee has review the current Charter at least two times and they will continue to review and present recommended changes. Several of the Committee Members were present at the Council meeting. Council thanked the Committee for working diligently.

Consider an ordinance for a zoning change from MF-3, Multiple Family, High Density to C-3, General Retail Commercial on a 2.356 acre tract of land located on the west side of Old Elkhart Road approximately 200-feet south of the intersections of Old Elkhart Road and Village Street. Applicant Prudencio Velasquez

Development Services Director Lyons provided information. The building in question has been vacant since the early 90s. Mayor Pro Tem Harding made a motion, seconded by Councilmember Presley, to approve **Ordinance No. O-25-15**, as presented. Upon vote, motion carried unanimously.

Consider an ordinance amending the comprehensive plan and the map by designating 7 acres out of a 22.8 acre tract described as Tract 3L, Block 1188 of the Edley Ewing Survey from Industrial to Core Neighborhood and to rezone said 7 acres from I-1, Light Industrial to R-1, Single Family Detached, Low Density District. The property is generally located on the south side of Old Tucker Trail approximately 400 feet south of the intersections of Old Tucker Trail and Brookhollow Drive. Applicant Cynthia Turman

Councilmember Thompson stepped out due to conflict of interest. Development Services Director Lyons provided information. Councilmember Presley made a motion, seconded by Councilmember Chivers, to approve **Ordinance No. O-26-15**, as presented. Upon vote, motion carried unanimously. Councilmember Thompson returned to the meeting.

Consider an ordinance for Budget Amendment for Fiscal Year 2014-2015 for the Palestine Economic Development Corporation

PEDC Director Manskey provided a summary. This year PEDC received a large number of applications for its Community Development Grant Program. The PEDC uses a scoring system to award grants. If all the applications submitted score enough points to justify funding the PEDC would like to fund the request. The PEDC has the money and is requesting approval to increase the budget by \$25,000. Councilmember Thompson made a motion, seconded by Councilmember Smith, to approve **Ordinance No. O-27-15**, as presented. Upon vote, motion carried unanimously.

Consider an ordinance for Budget Amendment for Fiscal Year 2014-2015 for the Police Department

City Manager Ellis explained that this is revenue received from grant monies and this budget amendment relocates the revenue back into that line item where the funds were expended. Mayor Pro Tem Harding made a motion, seconded by Councilmember Chivers, to approve **Ordinance No. O-28-15**, as presented. The amount received was \$13,307 being split into two different expense accounts - Uniforms & Apparel \$6,653.50 and Small Tools & Equipment (body cameras) \$6,653.50. Upon vote, motion carried unanimously.

Consider an ordinance for Budget Amendment for Fiscal Year 2014-2015 for the Police Department

City Manager Ellis explained that this is revenue received from grant monies in the amount of \$14,900. The money was used to purchase dispatch radio recorder. Councilmember Presley made a motion, seconded by Councilmember Smith, to approve **Ordinance No. O-29-15**, as presented. Discussion was held. Upon vote, motion carried unanimously.

Consider a variance to allow an Alcoholic Beverage Permit to be issued at 2430 State Highway 155 North

City Attorney Stutes presented the item. He added that this has been an ongoing issue. Staff has determined that under the current ordinance the location in question is not permitted unless a variance is granted; the ordinance does provide for a variance to be granted by Council. The applicant has asked Mr. Danny Dean to speak on their behalf. Danny Dean addressed Council. Mr. Dean represents Eastern Fuel Properties, LLC and Trimbatex, L.L.C. applicants for the variance. The property sits on a one acre tract of land. Mr. Dean handed Council photos of the area. Mr. Dean explained that there was a misunderstanding by Dr. Roberts and the building was constructed in a manner so that the door of the convenience store is approximately 50' too close to the Northside School's property line. Mr. Dean informed that disallowance of the permit would not be in the best interest of the public, would constitute waste or inefficient use of land or other resources, would create an undue hardship on the applicant for the license or permits, or is not effective or necessary.

Texas Alcoholic Beverage Commission (TABC) standard guidelines is 300 feet of any private/public school and the measurement is in a direct line from the nearest property line of the school to the nearest property line of the place of business, and in a direct line across intersections.

Jason Marshall, Superintendent for Palestine Independent School District, addressed a letter to the city manager. The PISD Board of Trustees considered an alcohol variance and during the called meeting on Monday, July 6, 2015, and although Mr. Dean and Mr. Roberts presented their request well and very cordial, the PISD Board felt granting an alcohol variance was not in the best interest of students/campus safety and chose not to approve the variance.

Mayor Herrington asked what percent of the income would be from beer sales. Mr. Dean answered up to 40% of the sales. Mayor Pro Tem Harding asked if it is possible to relocate the front door. Mr. Dean answered no it cannot be moved, it is too late. Mr. Dean explained that in order for Mr. Trimble to be successful he needs to sell beer at the location. A lengthy discussion was held.

Councilmember Smith made a motion, seconded by Councilmember Thompson, to approve variance to allow an Alcoholic Beverage Permit to be issued at 2430 State Highway 155 North. Upon vote, motion failed 3-4 with Mayor Pro Tem Harding and Councilmembers Chivers, Presley, and Jordan voting nay.

CLOSED SESSION

Mayor Herrington announced that Council would go into Closed Session pursuant to Section 551.072 regarding real property. The time was 6:59 p.m.

1. Discuss of possible sale of City owned real estate

Mayor Herrington left at 7:00 p.m.

RECONVENE IN REGULAR SESSION

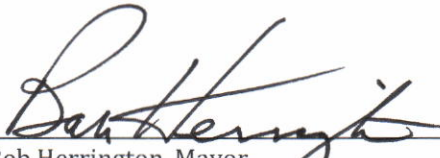
Mayor Pro Tem Harding reconvened the Council into open session at 7:44 p.m.

Councilmember Thompson made a motion, seconded by Councilmember Jordan, to offer Lot A and Lot B, Exhibit A, for sale for 60 days sealed bid for a suggested minimum of \$800,000 or independently Lot A for minimum of \$500,000 and Lot B for minimum of \$400,000. Upon vote, motion carried unanimously.

ADJOURN

With no other business to come before the Council, the meeting was adjourned at 7:46 p.m.

PASSED AND APPROVED THIS 24TH DAY OF AUGUST, 2015.



Bob Herrington, Mayor

ATTEST:



Teresa Herrera, City Secretary

