

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, August 24, 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: Development Services Director Jeffrey Lyons, Public Works Director Tim Perry, Utilities Director Robert Sedgwick, and Interim Finance Director Becky Roseberry.

Others present: Frank Campos, Danny Slate, and Isaac Wynn.

All Councilmembers were present for the Work Session and Regular Meeting.

**WORK SESSION**

Mayor Herrington called the work session to order at 4:01 p.m.

Discuss audit engagement letter with Frank Campos.

City Manager Ellis led the discussion. She explained that the audit must be provided by an independent accountant. The accountant will audit the City's books and records and will produce the financial statement. The auditor's opinion will set out the scope of the audit, the accountant's opinion of the procedures and records used to produce the statements, and the accountant's opinion of whether or not the financial statements present an accurate picture of the company's financial condition.

City Manager Ellis explained that Frank Campos has served as auditor for the past few years and has a better understanding of the city's financials. A new auditor would take more time to really learn how the city operates. Frank is familiar with city's operations and he is most capable of suggesting real change. Frank provides more in depth audit than other companies that were used in the past. Also, audit failures are three times more likely to occur in the first two years with a newly engaged audit firm.

Mayor Herrington added that an audit committee would be of benefit to the City and should be considered.

Mayor Pro Tem Harding questioned the accuracy of the audit if the city continues to engage with Mr. Campos. City Manager Ellis responded that Mr. Campos provides a thorough audit than previous auditors. Previous auditor was an audit firm used by many cities.

Discuss Council's action regarding variance to allow an Alcoholic Beverage Permit at 2430 State Highway 155 North.

Council denied a variance to allow the sale of alcohol at 2430 U.S. Highway 155 North (Zippy J's Exxon) during the regular meeting on July 27, 2015. Council requested this item to be on the work session. Council did not have all the information necessary to make a motion on the request when it was presented. Council held a lengthy discussion and directed staff to place the variance request on the agenda for reconsideration.

Discuss Danny Slate's request for a 0.474 acre access easement for the purpose of ingress and egress across property owned by the City of Palestine.

During the regular meeting on August 10, 2015, Council discussed this request with Staff and the applicant requesting the easement and tabled the item. Council's concerns included setting precedence for approving access easements for any other properties that may have a similar situation where the property was land-locked and was being accessed across city-owned property especially within the Community Forest. Also, Council requested that the easement allow the continued use, repair and maintenance of the existing fence to

alleviate any future concerns of a claim of adverse possession. The city attorney has provided an amended access easement document per the changes discussed at the Council meeting.

Discuss budget for Fiscal Year 2015-2016.

City Manager Ellis explained that she is almost ready to file a balanced budget as early as August 25, 2015. She explained some changes to the budget that were requested by Council.

With no other business to come before the Council, the work session was adjourned at 5:11 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 Youth Minister Ben Rhone of Crockett Road Church of Christ, and was followed by Pledge of Allegiance.

**PUBLIC COMMENTS, PUBLIC RECOGNITION, AND ANNOUNCEMENTS**

Mayor Herrington read aloud proclamation for Library Card Sign-up Month September 2015; Library Director Theresa Holden accepted the proclamation.

Richard Johnson, John Herod, and Gabriel Green were pinned and recognized for their promotion to Lieutenants. Lt. Johnson is responsible for the Patrol Division, Lt. Herod is responsible for CID Division, and Lt. Green is responsible for support services including: Code Enforcement, Communications, Records, and Animal Control.

New Police Officers John Dougharty, Jimmy Parton, and Jackquan Jones were recognized.

Captain James Muniz, Asst. Chief Jeff Powell, Code Enforcement Officers Patsy Smith and Brock Johnson, CID Detective Gary Rayford, Community Liaison Bernadette Knowles-Capron, and CID Admin. Asst. Elizabeth Bailey were recognized.

Carla Legard addressed Council regarding sign on right-of-way on Old Elkhart Road.

James Smith addressed Council regarding City government.

Mike Pell addressed Council regarding the Fire Department.

**CONFLICT OF INTEREST DISCLOSURES**

Mayor Pro Tem Harding filed affidavit on abstention from voting on Item 9 of the Regular Agenda and Item 4 of the Public Hearing.

**PUBLIC HEARING**

Public Hearing regarding the Proposed Tax Rate of \$0.648890 per \$100 valuation by the governing body of City of Palestine.

City Manager Ellis explained that Council had set the first public hearing on proposed tax rate for this meeting. However, a miscommunication kept the legal notice from appearing in the newspaper. Council will not be able to hold the public hearing.

Public Hearing regarding a specific use permit request submitted by the Palestine Independent School District to allow an off-premise sign for All Star Ford to be located at Northside Elementary at 2509 U.S. Highway 155 North.

Development Services Director Lyons provided Council with a summary. Mayor Herrington opened the public hearing and asked for anyone speaking for or against the request to do so. David Long spoke in favor and James Smith spoke against the specific use permit. With no other speakers, Mayor Herrington closed the public hearing.

Public Hearing regarding a specific use permit request submitted by the Palestine Independent School District to allow an off-premise sign for All Star Ford to be located at 1600 S. Loop 256.

Development Services Director Lyons provided Council with a summary. Mayor Herrington opened the public hearing and asked for anyone speaking for or against the request to do so. David Long spoke in favor and James Smith spoke against the specific use permit. With no other speakers, Mayor Herrington closed the public hearing.

Public Hearing regarding an amended specific use permit request submitted by Owen Palestine, L.P. for an off-premise sign to be located on a 0.447 acre tract of land in the William S. McDonald Survey, A-43 which is generally located at the southwest corner of the intersections of S. Loop 256 and Old Elkhart Road. The sign will advertise the off-site businesses in the multi-tenant building located directly to the south of the property where the off-premise sign will be installed.

Mayor Pro Tem Harding stepped out at 6:13 p.m. Development Services Director Lyons provided Council with a summary. Mayor Herrington opened the public hearing and asked for anyone speaking for or against the request to do so. Joe Owen spoke in favor and Carla Legard spoke against the specific use permit. With no other speakers, Mayor Herrington closed the public hearing. Mayor Pro Tem Harding returned at 6:18 p.m.

Public Hearing regarding a variance request submitted by Benjamin W. Rhone from the requirement to provide city owned water and sewer facilities on a 5.292 acre tract described in Volume 1870, Page 335 of the Deed Records of Anderson County. The property is generally located on the west side of Crockett Road approximately 270 feet north of the intersection of Crockett Road and Anderson County Road 145. Applicable code section: Chapter 40 Development, Article VIII, Section 40-208. (b).

Development Services Director Lyons provided Council with a summary. Mayor Herrington opened the public hearing and asked for anyone speaking for or against the request to do so. Ben Rhone spoke in favor of variance request. With no other speakers, Mayor Herrington closed the public hearing.

**MAYOR'S REPORT**

No report.

**ITEMS FROM COUNCIL**

Councilmember Presley reported on the following activities at the Texas State Railroad:

- Special Event on Saturday, September 12, 2015, Texas Gov. Greg Abbott will ride the train.

Mayor Pro Tem Chivers reminded the community that kids are back in school and to be careful in school zone areas.

Councilman Jordan requested additional police presence in the South End.

**CITY MANAGER'S REPORT**

City Manager Ellis informed that the City would be receiving Firefighter Assistance Grant for purchase of the air packs.

Departmental reports for Utilities, Municipal Court, Library, and Public Works were provided. Also, City Attorney Fees report was provided to the City Council.

**OPEN BIDS**

Bids were received and opened for RFQ 2015-5 Water Infrastructure Improvements.

- Johnson Lab & Supply out of Palestine, TX
- Siemens Industry, Inc. out of Huston, TX
- Johnson Controls out of Irving, TX

**CONSENT AGENDA**

- 1) Consider Approval of Minutes of the Work Session and Regular Meeting of July 27, 2015.

- 2) Consider Approval of Minutes of the Work Session of August 7, 2015.
- 3) Consider Approval of Minutes of the Regular Meeting of August 10, 2015.

Councilmember Presley made a motion, seconded by Councilmember Smith, to approve the Consent Agenda as presented. Upon vote, motion carried unanimously.

### **REGULAR AGENDA**

Consider authorizing an Interlocal agreement with ETCOG for PSAP services (911) for the next two year period beginning September 1, 2015 and ending August 31, 2017.

Councilmember Smith made a motion, seconded by Councilmember Chivers, to authorize the Interlocal Agreement as presented. Discussion was held. Upon vote, motion carried unanimously.

### **Schedule Public Hearings on proposed Tax Rate.**

Councilmember Smith made a motion, seconded by Councilmember Chivers, to reset the 1<sup>st</sup> Public Hearing to be held on September 1, 2015. Upon vote, motion carried unanimously.

Consider approval of extension of contract for Audit Services for one additional year with Frank Campos, CPA, PLLC.

Councilmember Presley made a motion, seconded by Mayor Pro Tem Harding, to approve the extension with Frank Campos, CPA, PLLC., as presented. Discussion was held. Upon vote, motion carried unanimously.

Consider a resolution for a grant application for the Police Department to purchase equipment for interview room.

Councilmember Smith made a motion, seconded by Councilmember Chivers, to approve **Resolution No. R-10-15**, as presented. Discussion was held. Upon vote, motion carried unanimously.

Consider approval of a contract with Texas School Safety Center.

Councilmember Thompson made a motion, seconded by Councilmember Chivers, to approve contract as presented. Discussion was held. Upon vote, motion carried unanimously.

Consider a request by Danny Slate for a 0.474 acre access easement for the purpose of ingress and egress across property owned by the City of Palestine. The easement is adjacent to Upper Lake Road in the Chas W. Gatewood Survey, Abstract 312 being across a portion of the Eleventh Tract and recorded in Volume 122, Page 557 of the Anderson County Official Public Records.

Mayor Pro Tem Harding made a motion, seconded by Councilmember Jordan, to approve access easement as presented. Discussion was held. Upon vote, motion carried unanimously.

Consider an ordinance for a specific use permit submitted by the Palestine Independent School District to allow an off-premise sign for All Star Ford to be located at Northside Elementary at 2509 U.S. Highway 155 North.

Mayor Pro Tem Harding made a motion, seconded by Councilmember Smith, to approve **Ordinance No. O-30-15**, as presented. Discussion was held. Upon vote, motion carried unanimously.

Consider an ordinance for a specific use permit submitted by the Palestine Independent School District to allow an off-premise sign for All Star Ford to be located at 1600 S. Loop 256.

Mayor Pro Tem Harding made a motion, seconded by Councilmember Presley, to approve **Ordinance No. O-31-15**, as presented. Discussion was held. Upon vote, motion carried unanimously.

Consider an ordinance for an amended specific use permit submitted by Owen Palestine, L.P. for an off-premise sign to be located on a 0.447 acre tract of land in the William S. McDonald Survey, A-43 which is generally located at the southwest corner of the intersections of S. Loop 256 and Old Elkhart Road. The sign will advertise the off-site businesses in the multi-tenant building located directly to the south of the property where the off-premise sign will be installed.

Mayor Pro Tem Harding stepped out at 6:59 p.m. Councilmember Thompson made a motion, seconded by Councilmember Smith, to approve **Ordinance No. O-32-15**, as presented. Discussion was held. Upon vote, motion carried unanimously. Mayor Pro Tem Harding returned at 7:09 p.m.

Consider a variance submitted by Benjamin W. Rhone from the requirement to provide city owned water and sewer facilities on a 5.292 acre tract described in Volume 1870, Page 335 of the Deed Records of Anderson County. The property is generally located on the west side of Crockett Road approximately 270 feet north of the intersection of Crockett Road and Anderson County Road 145. Applicable code section: Chapter 40 Development, Article VIII, Section 40-208, (b).

Mayor Pro Tem Harding made a motion, seconded by Councilmember Presley, to approve variance request as presented. Discussion was held. Upon vote, motion carried unanimously.

Consider a preliminary and final plat of the Rhone Addition submitted by Benjamin W. Rhone being a 5.292 acre tract described in Volume 1870, Page 335 of the Deed Records of Anderson County. The property is generally located on the west side of Crockett Road approximately 270 feet north of the intersection of Crockett Road and Anderson County Road 145.

Mayor Pro Tem Harding made a motion, seconded by Councilmember Thompson, to approve preliminary and final plat as presented. Discussion was held. Upon vote, motion carried unanimously.

Discuss budget for fiscal year 2015-2016 and schedule a public hearing for September 14, 2015.

Councilmember Presley made a motion, seconded by Councilmember Smith, to schedule a public hearing for fiscal year 2015-2016 proposed budget. Discussion was held. Upon vote, motion carried unanimously.

Mayor Herrington informed that he would not attend the closed session at 7:23 p.m. and that he had concerns with the language used to post the agenda.

#### **CLOSED SESSION**

Mayor Pro Tem Harding announced that Council would go into Closed Session pursuant to Section 551.074 regarding personnel matters. The time was 7:24 p.m.

1. Discuss the appointment of a finance director, possible adoption of procedures for searching for a new finance director, possible use of a search firm to recruit candidates, possible appointment of a search committee, discussion of candidates for the finance director position, discussion of the finance director duties and job description, discussion of the desirable characteristics of a new finance director, possible terms of a contract with a new finance director, or possible appointment of a new finance director.

#### **RECONVENE IN REGULAR SESSION**

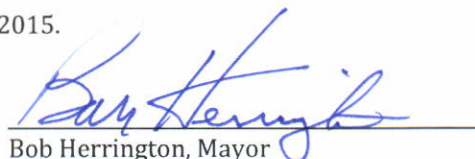
Mayor Pro Tem Harding reconvened the Council into open session at 8:07 p.m.

No action taken.

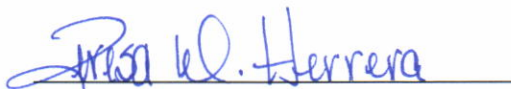
#### **ADJOURN**

With no other business to come before the Council, the meeting was adjourned at 8:07 p.m.

PASSED AND APPROVED THIS 28<sup>TH</sup> DAY OF SEPTEMBER, 2015.

  
Bob Herrington, Mayor

ATTEST:

  
Teresa Herrera, City Secretary

