

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, March 27, 2017, 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 Pro Tem Joseph Thompson; Councilmembers Will Brule, Mitchell Jordan, Vickey L. Chivers, Doug Smith, and Steve Presley; City Manager Mike Alexander, Asst. City Manager Michael Hornes, City Secretary Teresa Herrera, and City Attorney Ronald Stutes.

Other staff present: Development Services Director Jeffrey Lyons, Community Services Director Patsy Smith, Public Works Director Tim Perry, Emergency Management Scott Parkhurst, Fire Marshal Kelly Hughes, Fire Chief Shannon Davis, Marketing Manager Mary Raum, Finance Director Steve Groom, and Communications Officer Nate Smith.

Mayor Bob Herrington was absent for the work session and regular meeting. Councilmember Jordan was absent for the work session. A quorum was present.

WORK SESSION

Mayor Pro Tem Thompson called the work session to order at 4:01 p.m.

Discuss an ordinance creating Farmers' Market Advisory Committee.

Community Services Director Patsy Smith stated that this is a new ordinance establishing a new advisory board for the Farmers' Market. The board will consist of seven members that shall be a resident of Anderson County. City Council or City Staff are not eligible to serve on the committee. The creation of the committee will help smooth operation of the Farmers' Market. Council expressed that creating an advisory committee will be of benefit for the City's Farmers' Market.

Discuss amending Farmers' Market Guidelines.

Community Services Director Patsy Smith stated that the Farmers' Market Guidelines approved by Council need to be amended. The following need to be changed: 1) changed, definition of vendor; 2) changed, re-sale of items; 3) changed, vendor responsibilities; 4) changed, severe violations of the Rules and Regulations; 5) added, No "HAWKING" or "BARKING"; and 6) added, NO AMPLIFIED MUSIC IS ALLOWED. Council will take action during its Regular Meeting.

Update regarding flood reimbursement.

EM Coordinator Parkhurst provided an update. He informed that FEMA had approved \$309,000 to the City and it is now at the State level, waiting on State to release the money. Council directed Staff to obtain real numbers on flood expenses for the next Council meeting.

Discuss the future use of the Palestine Mall.

Mayor Pro Tem Joseph Thompson led the discussion. He states that the Palestine Mall is underutilized and that needs to change. He suggested that the mall be used as a community center. Lengthy discussion was held.

Discuss Animal Control Ordinance regarding leash laws.

Mayor Pro Tem Joseph Thompson provided the following information: the 2017 Master National Retriever Club will be held at the BigWoods on the Trinity, Tennessee Colony in October 12-22, 2017. Approximately 850 bird dogs with their owner and trainer will be at this event. The banquet will be held at Lakeview Methodist Center. Mayor Pro Tem Thompson is requesting that Council approve a temporary ordinance allowing these dogs to run at Upper and Lower Lakes without leashes. This is a way to show hospitality from the City of Palestine. Allow the dogs to run and relax.

Discuss proposed change in rate of Oncor Electric Delivery Company LLC.

Asst. City Manager Mike Hornes stated that Oncor is proposing rate change from 9 cents to 9.5 cents. We are asking that Council accept the resolution to suspend the April 21, 2017 effective date of the Company's rate increase for the maximum period permitted by law to allow the City, working in conjunction with the Steering Committee of Cities Served by Oncor, to evaluate the filing, determine whether the filing complies with law, and if lawful, to determine what further strategy, including settlement, to pursue.

With no other business to come before the Council, the work session was adjourned at 5:24 p.m.

CALL TO ORDER – REGULAR MEETING

Mayor Pro Tem Thompson called the Regular Meeting to order at 5:32 p.m.

INVOCATION AND PLEDGE OF ALLEGIANCE

The invocation was given by Police Lt. Green, and was followed by Pledge of Allegiance.

PROPOSED CHANGES OF AGENDA ITEMS

No action taken.

PUBLIC COMMENTS, PUBLIC RECOGNITION, AND ANNOUNCEMENTS

James Smith addressed Council regarding City Government including Farmers' Market and the use of tax dollars.

CONFLICT OF INTEREST DISCLOSURES

No action was taken.

PUBLIC HEARING

A zoning change from C-3, General Commercial District, to R-2, Single Family Detached, Medium Density, on the following properties:

- 107 Sixth Street, Lot 8, Block 26, Lipsey Addition
- 105 Sixth Street, Lot 6, Block 26, Lipsey Addition
- 106 Seventh Street, Lot 5, Block 26, Lipsey Addition
- 108 Seventh Street, Lot 7 Block 26, Lipsey Addition

The properties are generally locate between the intersections of Sixth St., Seventh St., and Lipsey Ave., on the South Side of Lipsey Ave.

Development Director Jeffrey Lyons provided a summary. The four lots proposed to be rezoned from, General Commercial to Single Family Detached part of the Lipsey Addition which was platted mostly for single family uses. Currently there are single family residences on Lots 5, 7, and 8 and Lot 6 is undeveloped. 21 notices were mailed and two were returned in opposition. Planning and Zoning voted unanimously to approve the zoning change.

Mayor Pro Tem Thompson opened the public hearing at 5:41 p.m., and asked for anyone speaking for or against the request to do so. With no one speaking, Mayor Pro Tem Thompson closed the public hearing at 5:41 p.m.

ITEMS FROM COUNCIL

Councilmember Presley informed that the Texas State Railroad Authority sent out a Request for Qualifications for new operator and seven proposals were received. He added that the Texas State Railroad is moving forward.

Councilmember Chivers informed that Main Street's annual Farm and Flower Market will be on Saturday, April 1st at the Farmers' Market from 8 a.m. to 4 p.m., and 4th annual Egg-Normous Easter Egg Hunt will be on Saturday, April 8th at the Palestine Athletic Complex from 11 a.m. to 2 p.m. More than 20,000 eggs will be hidden for local children.

Councilmember Smith announced that BINGO – The Winning Musical at Texas Theater. Performances will be on March 31st, April 1st and 2nd, and April 7th through 9th. This play will have audience participation.

Councilmember Presley announced that Town Hall meeting will be held on Thursday, March 30th at 6 p.m. at City Hall for citizens to ask questions regarding Proposition 1 to take a portion of property tax relief, .125 percent (or 1/8th) and dedicate that to repair and maintain existing city streets, on the May 6th Ballot.

CITY MANAGER'S REPORT

City Manager Alexander informed Council of the following: 1) Department Directors were present, if there are any questions pertaining to the reports in the packet; 2) Finance Department was awarded a Certificate of Distinction by the Government Treasures' Organization of Texas for its investment policy. Finance Director Groom added that thanks to the City Council for approving the investment policy the Finance Department was able to achieve this certificate. The current investment policy allows the Finance Director to take small amount of the reserves and buy certificates of deposit and federal notes to earn better interest rates; and 3) all senior staff employees have been evaluated and given a decent baseline of what is expected of each of them. Good discussions were held with each employee and the overall goal for becoming more unified as a City.

Finance (Municipal Court, Check Register, & Financial Summary), Police Patrol, and Police Support Services departmental reports were provided.

Councilmember Brule thanked the City Manager for evaluating the Department Directors.

CONSENT AGENDA

- 1) Consider approval of minutes of the Work Session and Regular Meeting of January 9, 2017. City Secretary Teresa Herrera
- 2) Consider a Resolution appointing Election Workers for the May 6, 2017, City Officer Election. City Secretary Teresa Herrera
- 3) Consider approval of Invoices over \$25,000. Finance Director Steve Groom
- 4) Consider a resolution supporting House Bill 1427 which amends Section 41.005 of the Texas Utilities Code to clarify that a municipality may regulate the operations of an Electric Cooperative through the City's Zoning Ordinance which is a permissible Public Health, Safety, or Welfare Regulation. Development Director Jeffrey Lyons

Councilmember Brule made a motion, seconded by Councilmember Chivers, to approve Consent Agenda as presented adopting **Resolution No. R-09-17** and **Resolution No. R-10-17**. Upon vote, motion carried unanimously 6-0.

REGULAR AGENDA

Consider an ordinance denying the proposed change in rate of Oncor Electric Delivery Company LLC, finding and determining that the meeting at which this Ordinance is passed is open to the public as required by law, and declaring an emergency.

No action taken.

Consider a resolution suspending the April 21, 2017, effective date of Oncor Electric Delivery Company's requested rate change to permit the City time to study the request and to establish reasonable rates; approving cooperation with the Steering Committee of cities served by Oncor to hire legal and consulting services and to negotiate with the company and direct any necessary litigation and appeals; finding that the meeting at which this resolution is passed is open to the public as required by law; requiring notice of this resolution to the company and legal counsel for the Steering Committee.

Asst. City Manager Mike Hornes provided a summary. The resolution suspends the April 21, 2017 effective date of the Company's rate increase for the maximum period permitted by law to allow the City, working in conjunction with the Steering Committee of Cities Served by Oncor, to evaluate the filing, determine whether the filing complies with law, and if lawful, to determine what further strategy, including settlement, to pursue.

Councilmember Smith made a motion, seconded by Councilmember Chivers, to approve **Resolution No. R-11-17**, suspending the April 21, 2017, effective date of Oncor Electric Delivery Company's requested rate change to permit the City time to study the request and to establish reasonable rates. Upon vote, motion carried unanimously 6-0.

Consider an Ordinance allowing a zoning change from C-3, General Commercial District, to R-2, Single Family Detached, Medium Density, on the following properties:

- 107 Sixth Street, Lot 8, Block 26, Lipsey Addition
- 105 Sixth Street, Lot 6, Block 26, Lipsey Addition
- 106 Seventh Street, Lot 5, Block 26, Lipsey Addition
- 108 Seventh Street, Lot 7 Block 26, Lipsey Addition

The properties are generally located between the intersections of Sixth St., Seventh St., and Lipsey Ave., on the South Side of Lipsey Ave.

Development Director Jeffrey Lyons provided a summary. Councilmember Brule made a motion, seconded by Councilmember Smith, to approve **Ordinance No. O-11-17**, as presented. Upon vote, motion carried unanimously 6-0.

Consider adding Assistant City Manager as a signer for City Banking Checks.

Finance Director Steve Groom provided a summary. Councilmember Presley made a motion, seconded by Councilmember Smith, to add Assistant City Manager as a signer for City banking checks. Upon vote, motion carried unanimously 6-0.

Consider an Ordinance creating Farmers' Market Advisory Committee.

Community Services Director Patsy Smith provided a summary. Councilmember Smith made a motion, seconded by Councilmember Brule, to approve **Ordinance No. O-12-17**, creating Farmers' Market Advisory Committee. Upon vote, motion carried unanimously 6-0.

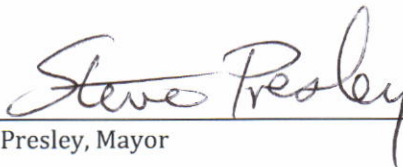
Consider amending Farmers' Market Guidelines.

Community Services Director Patsy Smith provided a summary. Councilmember Smith made a motion, seconded by Councilmember Chivers, to amend Farmers' Market Guidelines, as presented. Upon vote, motion carried unanimously 6-0.

ADJOURN

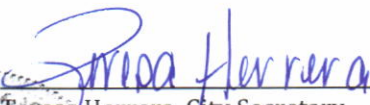
With no other business to come before the Council, the meeting was adjourned at 6:04 p.m.

PASSED AND APPROVED THIS 22ND DAY OF MAY, 2017.



Steve Presley, Mayor

ATTEST:



Teresa Herrera, City Secretary

