

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 9, 2018 at 4:30 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 Steve Presley; Councilmembers Joe Baxter, Ann Connor, Vickey Chivers, Dana Goolsby, and Larissa Loveless; City Manager Michael Hornes and City Attorney Ronald Stutes.

Other staff present: Communications and Best Practices Officer Nate Smith, Public Works Director Tim Perry, and Palestine Economic Development Corporation Director Gayle Cooper, and other interested citizens.

Mayor Pro Tem Mitchell Jordan was absent.

WORK SESSION

With a quorum present, Mayor Presley called the work session to order at 4:30 p.m.

Mayor Presley switched agenda items to the presentation and discussion of amendments to the Financial Oversight Advisory Committee. City Attorney Stutes then presented his findings in a written and signed opinion. Stutes told the council that the ordinance was not in violation of the charter, but he suggested changes to "fine-tune" the ordinance.

Stutes then educated the council on directives to city employees, as per the city charter. He said it is appropriate for the council to investigate, and to report back to the council. The recommended changes will be up for adoption at the next council meeting.

At 4:40 p.m., the council moved to a discussion of local sales tax collection on Internet sales. Stutes presented a PowerPoint presentation on sales tax.

When Stutes finished his presentation, Mayor Presley discussed state comptroller rules on online sales tax. As a city, Presley would like to see the Texas Municipal League sponsor legislation for small cities to get their fair share of online sales tax.

Councilwoman Connor suggested adding more cities to support the legislation. City Manager Hornes suggested all council members join the Palestine Area Chamber of Commerce's Palestine Days at the Statehouse in 2019 to lobby the legislature.

Mayor Presley commented the city should take an active role in changing the legislation and asked for advice. Councilwoman Connor suggested the city should also take the lead. City Attorney Stutes suggested the Texas Municipal League should take the lead on the legislation.

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

INVOCATION AND PLEDGE OF ALLEGIANCE

The invocation was given by Robert Haberle, and was followed by Pledge of Allegiance.

PUBLIC COMMENTS, PUBLIC RECOGNITION, AND ANNOUNCEMENTS

John McIntyre addressed the council on a request to move a portion of water payments to pay for the city's Fourth of July fireworks festival. He asked for an option on the city's water bill to contribute to the city's Fourth of July fireworks.

James Smith spoke on city government. He informed the council the summer feeding program at Willie Myers Park had to close early for low turnout. He expressed concerns about the city's proposed mission statement. He believed the 2002 mission statement should be used and a proclamation signed in 2012 should be followed. He also expressed opinions on the city's Financial Oversight and Advisory Committee.

Ben Campbell spoke on the proposed mission statement. Although he thanked City Manager Hornes for his efforts on the mission statement, he suggested changes to the mission and vision statements and proposed additions to the proposed mission statement.

CONFLICT OF INTEREST DISCLOSURES

Councilmembers Dana Goolsby and Larissa Loveless filed affidavits on abstention from voting on Item 2 of the Regular Agenda.

MAYOR'S REPORT

Mayor Presley updated the council on a report from City Attorney Stutes on the legality of the Financial Oversight Committee. Presley reiterated Stutes' opinion that the committee does not violate the city charter and then apologized for being wrong. He then informed the council the committee is already working and an updated ordinance will be available at the next meeting for vote.

Presley also informed the council he has met with two groups to follow up and encourage building affordable housing. He also attending the grand opening of the Wal-Mart Online Grocery Pickup department and a lunch honoring Hugh and Ahnise Summers. He also attended a library event and signed a letter welcoming all t-ball state tournament attendees.

Presley also updated the council on Operation Read, a program to provide more books for elementary students in kindergarten through second grade. He said there will be a pancake breakfast in September for the program.

ITEMS FROM COUNCIL

Councilmember Chivers commented on the city's Fourth of July celebration. She thanked UNIDOS and the Citizens on Patrol volunteers for their help with the fireworks and everyone else that helped out.

CITY MANAGER'S REPORT

City Manager Hornes updated the council on the budget calendar for the Fiscal Year 2018-19 Budget. He explained that he will be meeting with department heads this week to discuss maintenance and operating budgets and capital improvement budgets. He also said there will be budget meetings arranged with the council for future budget deliberations. Hornes also said the upcoming budget will have \$500,000 placed in a fund strictly for fund balance. He also said that revenue was reviewed, and there is a challenge for all city departments for the upcoming budget.

Development Services, Fire, Web Services, Community Services, and Finance (Financial Summary and Property Tax Update) departmental reports were provided.

CONSENT AGENDA

The Consent Items shall be considered for action as a whole, unless one or more Councilmembers objects. Approval of the consent agenda authorized the City Manager to implement each item in accordance with staff recommendations.

- 1) Consider approval of minutes of the Work Session and Regular Meeting of June 11, 2018.
- 2) Consider approval of minutes of the Work Session and Regular Meeting of June 25, 2018.
- 3) Consider approval of invoices over \$25,000.
- 4) ~~Consider approval of Xerox leases for copiers at Visitors Center and Dispatch.~~

Councilwoman Chivers moved, seconded by Councilman Baxter, to approve the Consent Agenda items 1, 2, and 3 as presented. Upon vote, motion carried unanimously, 6-0.

REGULAR AGENDA**Consider approval of Xerox leases for copiers at Visitors Center and Dispatch.**

This item was pulled from the consent agenda for discussion. Mayor Presley asked City Manager Hornes why the city does not purchase copiers for smaller departments. City Manager Hornes told Mayor Presley that the leases are less expensive options than purchases. Public Works Director Tim Perry provided information on for five proposals for the new Public Works building. He informed the council the Xerox proposals were the best options.

Councilwoman Connor moved, seconded by Councilwoman Chivers, to approve the item as presented. The motion passed unanimously, 6-0.

1) Consider adopting new Mission, Vision and Values Statement

City Manager Hornes provided a summary of the effort to revise the city's Mission, Vision and Values statement. He said a group of employees created a statement that employees can recite easily. Councilwoman Connor said the employees created this statement and it means something to them.

Councilwoman Connor moved, seconded by Councilwoman Loveless, to approve the item as presented. The motion passed unanimously, 6-0.

2) First reading of a Resolution regarding Palestine Economic Development Corporation and City of Palestine notice of intention to grant: 1) \$2,000 to the Museum for East Texas Culture; 2) \$5,000 to the Texas Youth Advocates; 3) \$4,385 to G4orce Athletics; 4) \$4,615 to Meals on Wheels of Palestine; and 5) \$34,000 to the City of Palestine.

Council members Loveless and Goolsby left the room at 6:14 p.m.

Mayor Presley read aloud the first reading for the resolution to the grant awards by the Palestine Economic Development Corporation. No action was taken.

Council members Loveless and Goolsby returned at 6:16 p.m.

3) Consider an Ordinance adopting a budget amendment for Police for Fiscal Year 2017-2018.

Police Chief Andy Harvey informed the council that \$30,000 of seized funds needs to be appropriated because it was not in the current budget. The funds were a remainder of funds from previous years. Councilman Baxter informed the council that seized funds can only be used by the police department only for police department needs. The funds were used to pay for a drone purchase, motorcycles for the department, and training for the motorcycle officers.

Councilman Baxter moved, seconded by Councilwoman Chivers, to adopt **Ordinance No. O-24-18** as presented. The motion passed unanimously, 6-0.

ADJOURN

With no other business to come before the Council, the meeting was adjourned at 6:26 p.m.

PASSED AND APPROVED THIS 13TH DAY OF AUGUST, 2018.


Steve Presley, Mayor

ATTEST:


Teresa Herrera, City Secretary

