

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 27, 2018 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:

Steve Presley, Mayor
Mitchell Jordan, Mayor Pro Tem
Larissa Ray Loveless, Councilwoman
Vickey L. Chivers, Councilwoman
Joe Baxter, Councilman
Dana Goolsby, Councilwoman
Ann Connor, Councilwoman

Michael Hornes, City Manager
Teresa D. Herrera, City Secretary
Ronald D. Stutes, City Attorney

Others present: Development Services Director Jeffrey Lyons, Public Works Director Tim Perry, Communications Officer Nate Smith, and other interested citizens;

Mayor Pro Tem Jordan arrived at 4:10 p.m.

WORK SESSION

With a quorum present, Mayor Presley called the work session to order at 4:00 p.m.

Discuss the Proposed Budget and Strategic Goals for Fiscal Year 2018-2019. City Manager Michael Hornes

Proposed budget and strategic goals were discussed.

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 Presley called the Regular Meeting to order at 5:32 p.m.

INVOCATION AND PLEDGE OF ALLEGIANCE

The invocation was given by Charles Drane, and was followed by the Pledge of Allegiance.

PROPOSED CHANGES OF AGENDA ITEMS

There were no proposed changes.

PUBLIC COMMENTS, PUBLIC RECOGNITION, AND ANNOUNCEMENTS

A.D. Ethridge spoke regarding chemical spill in Police Department on Tuesday, August 14, 2018 and the lack thereof Police Administration.

Police Chief Harvey introduced new Police Officer Javier Rojas. Javier Rojas recited the Oath of Officer, given by Police Chief Andy Harvey.

OATH OF OFFICE FOR NEW MUNICIPAL COURT JUDGE BRENDA K. JOHNSTON (Judge Robert Johnston)

Brenda K. Johnston recited the Oath of Officer, given by County Judge Robert Johnston.

CONFLICT OF INTEREST DISCLOSURES

No action was taken.

MAYOR'S REPORT

Mayor Presley provided a report on events he has attended. Also, commented on a newspaper article in the Palestine Herald Press and thanked City Manager Michael Hornes for filing a balanced budget with all the challenges with money shortfall.

ITEMS FROM COUNCIL

Mayor Pro Tem Jordan thanked everyone that supported his back to school event at Willie Myers Park.

CITY MANAGER'S REPORT

City Manager Hornes expressed that, along with his family, they are excited to be living in Palestine.

City Manager Hornes informed that department directors were present to address questions from Council regarding reports.

Finance (Municipal Court, Water Billing, Sales Tax, & Property Tax), Main Street, Tourism, Police Stats, and Public Works (Utilities, Waste & Refuse, Facilities, Fleet, Airport, Streets, & Admin) departmental reports were provided.

BOARD APPOINTMENTS

Consider appointment of Charles Drane to Place 7 to the Palestine Economic Development Corporation Board with term to expire December 31, 2018.

Mayor Pro Tem Jordan made a motion, seconded by Councilman Baxter, to approve the appointment as presented. Upon vote, motion carried unanimously 7-0.

CONSENT AGENDA

- 1) Consider approval of minutes of the Work Session and Regular Meeting of July 23, 2018.
- 2) Consider approval of minutes of the Work Session of July 30, 2018.
- 3) Consider approval of invoices over \$25,000. (Accountant Jim Mahoney)

Councilwoman Chivers made a motion, seconded by Mayor Pro Tem Jordan, to approve the Consent Agenda as presented. Upon vote, motion carried unanimously 7-0.

REGULAR AGENDA

- 1) First reading of a Resolution regarding Palestine Economic Development Corporation and City of Palestine notice of intention to grant: 1) \$11,625 to Young Business Investments; 2) \$26,740 to Timothy L. Triplett; and 3) \$3,260 to the Palestine Area Chamber of Commerce. (PEDC Asst. Director Greg Laudadio)

Mayor Presley conducted the first reading of the resolution.

PEDC Asst. Director Laudadio provided a summary and answered questions from City Council.

- 2) Discuss budget for Fiscal Year 2018-2019 and schedule a public hearing. (City Manager Michael Hornes)

City Manager Hornes provided a summary. He explained that nearly \$1 million was trimmed from healthcare expenses, restructured how the TMRS contributions are calculated, the contributions will still be a two to one match but made changes that will save around \$400,000 annually, and over 20 positions were cut or frozen saving around \$900,000. This budget does include nine percent raises for public safety employees to keep us competitive and five percent for all others.

Mayor Pro Tem Jordan made a motion, seconded by Councilwoman Loveless, to set the public hearing for the budget for September 10, 2018. Upon vote, motion carried unanimously 7-0.

Councilwoman Goolsby asked for an explanation regarding the five percent pay increases. City Manager Hornes explained that some members of Senior Staff will not get the increase but the majority of Senior Staff and all other employees will get the increase. He added that anyone making over \$70,000 will not receive the pay increase.

The following were discussed: incentive pay, car allowance pay, take home cars, and employee appreciation. City Manager Hornes provided an explanation.

- 3) Consider an ordinance amending Budget for Fiscal Year 2017-18: splitting \$100,000 allocated to Reagan School renovation, into \$50,000 for Reagan School and \$50,000 for demolition of the Old Memorial Hospital. (City Manager Michael Hornes)

City Manager Hornes asked that Council redirect \$50,000 of the original \$100,000 budgeted in this FY toward the demolition of the old memorial hospital.

Councilwoman Loveless made a motion, seconded by Mayor Pro Tem Jordan, to spend \$50,000 for the demolition of the old memorial hospital from the general fund and \$50,000 for Reagan School from HOT funds. Upon vote, motion carried unanimously 7-0.

ADJOURN

With no other business to come before the Council, the meeting was adjourned at 7:05 p.m.

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



Steve Presley, Mayor

ATTEST:



Teresa Herrera, City Secretary

