

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, December 10, 2018 at 3:00 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
Ann Connor, Councilwoman

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

Others present: Community Services Director Patsy Smith, PEDC Director Gayle Cooper, Library Director Theresa Holden, Public Works Director Tim Perry, Interim Finance Director Jim Mahoney, Building Official Mark Miers, Communications Officer Nate Smith, and other interested citizens;

with the following member absent: Councilwoman Dana Goolsby. Mayor Pro Tem Jordan arrived at 3:23 p.m. and left at 6:40 p.m.

WORK SESSION

With a quorum present, Mayor Presley called the work session to order at 3:00 p.m.

1) Update from Financial Oversight Advisory Committee. Chairman Steve Spencer

Chairman Spencer provided an update from the Financial Oversight Advisory Committee regarding the use of city owned credit cards by City employees. The committee feels the oversight on the credit card issue is a city administrative item and not an item for review by the committee. Discussion was held.

2) Discuss City credit cards policy and purchases made by employees. City Council

Discussion was held. City Manager Hornes explained the purchasing policy. Council will review the policy and vote on it at the next meeting.

3) Discuss Texas Municipal Retirement System for Plan Year. City Manager Michael Hornes

Mayor Pro Tem Jordan stepped out from 4:20 p.m. until 4:55 p.m.

TMRS Representative Anthony Mills provided a general overview of the program. TMRS is a statewide retirement system established in 1947 that provides retirement, disability, and death benefits for participating Texas cities; the City of Palestine joined in 1950. This program does not offer tiered benefits. The Cost of Living Adjustment and service credit were discussed.

4) Discuss Downtown Infrastructure Master Plan with Schaumburg & Polk, Inc. (SPI). City Manager Michael Hornes

Public Works Director Perry explained that in conjunction with the submittal of the application to the Texas Department of Agriculture for a Community Development Block Grant to address the failing infrastructure and accessibility issues within the downtown area, there needs to be an assessment of the general area to be able to determine how to design and plan for the improvements that are needed beyond a one block area. SPI will provide a Downtown Infrastructure Master Plan. Discussion was held.

- 5) Discuss Palestine Police Department's plan for the oversight of Code Enforcement. Police Chief Andy Harvey

Item was not discussed.

- 6) Discuss adding Municipal Development Corporation Sales Tax on the May 2019 ballot. Councilman Joe Baxter

Item was not discussed.

Mayor Presley recessed the work session at 5:16 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 the Pledge of Allegiance.

PROPOSED CHANGES OF AGENDA ITEMS

There were no proposed changes.

PUBLIC COMMENTS, PUBLIC RECOGNITION, AND ANNOUNCEMENTS

James Smith spoke regarding City government including city logos and vision and mission statement.

AD Ethridge spoke regarding wasteful spending. He informed of complaints that he has called in and nothing has been done about them.

Will Brule spoke regarding mitigation rates of Fire Department service cost.

Asst. PEDC Director Greg Laudadio presented the November Main Street beautification award to New Creation Dance Studio accepted by Shana Hansen, Director.

Police Chief Andy Harvey introduction of new Police Officers Andrew Link, Jamie Lester, Fernando Nino, and Payton Brandenberger. Officer Lester was pinned by her son, and Officer Brandenberger was pinned by his fiancé.

Asst. Police Chief Gary Rayford recognized Sgt. Jeremy Jenkins, Officers Tanner Grantham, Cody Kemp, and Aston Rodriguez for the apprehension of burglary suspect on November 18th. The officers were commended.

Asst. Police Chief Gary Rayford recognized Sgt. Marcos Lara, Sgt. Brian Lintner, Officers Nathan Perkins and Zachary McNew for the apprehension of shooting suspects on November 18th. The officers were commended.

CONFLICT OF INTEREST DISCLOSURES

Mayor Presley filed affidavit on abstention from voting on Item 5 of the Regular Agenda and participating in the public hearing.

PUBLIC HEARING

Public hearing regarding a specific use permit to allow a church at 1917 Crockett Road Suite #7. Applicant, Steve Presley. Building Official Mark Miers

Mayor Presley stepped out at 5:58 p.m.

Building Official Miers provided a summary. This property is currently zoned C-3, General Retail Commercial, which, allows a church by specific use permit. Planning and Zoning Commission recommends approval. Ten notices were mailed to property owners within 200-ft of the location. One notice was returned in favor. None have been returned in opposition.

Mayor Pro Tem Jordan opened the public hearing at 5:59 p.m. and asked for anyone speaking for or against the request to do so. With no one speaking, Mayor Pro Tem Jordan closed the public hearing at 5:59 p.m.

Mayor Presley returned at 6:00 p.m.

MAYOR'S REPORT

Mayor Presley informed that he is working with legislation regarding sales tax and talking with Vulcraft regarding their expansion.

ITEMS FROM COUNCIL

Councilwoman Chivers wished everyone a Merry Christmas and a prosperous New Year.

Councilwoman Loveless reported that the Wine Swirl was well attended and challenged everyone to extend their holiday's offerings and experience with Palestine's visitors.

Councilwoman Connor added that the Wine Swirl was a successful and fun event.

Mayor Pro Tem Jordan reported on the Christmas Parade, wished everyone a Merry Christmas and Happy New Year.

CITY MANAGER'S REPORT

City Manager Hornes provided an update on draft zoning ordinance and Old Memorial Hospital Project.

Police Chief Harvey provided the new plan for Code Enforcement moving forward.

Public Works Director Perry provided an update on Street Maintenance Project and plans moving forward.

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

Community Services, Public Works (Utilities, Waste & Refuse, Facilities, Fleet, Airport, Streets, & Administration), Finance (Municipal Court, Utility Billing, Property Tax, Sales Tax, & Monthly Financials), Police Department Stats, Library, Fire, Development Services, and Main Street departmental reports were provided.

BOARD APPOINTMENTS

- 1) Consider the appointment of Lisa Priest to Place 2 replacing Heather Calhoun with term to expire September 30, 2019 to the Main Street Advisory Board.
- 2) Consider the reappointment of Christie Scroggins to Place 3 with term to expire September 30, 2020 to the Zoning Board of Adjustments and Appeals.
- 3) Consider the reappointment of Timothy Triplett to Place 2 with term to expire August 31, 2021 to the Texas State Railroad Authority.

Councilwoman Chivers made a motion, seconded by Councilwoman Loveless, to approve the appointments as presented. Upon vote, motion carried unanimously 5-0.

CONSENT AGENDA

- 1) Consider approval of minutes of the Work Session and Regular Meeting of September 24, 2018.
- 2) Consider approval of Xerox leases for copiers for Public Works and Parks. Interim Finance Director Jim Mahoney
- 3) Consider approval of invoices over \$25,000. Interim Finance Director Jim Mahoney
- 4) Consider approval of Change Order #001 – Old Memorial Hospital Project TxCDBG Contract No. 705272. Asst. to the City Manager Nate Smith
- 5) Consider ratification of PEDC Bylaws change to reflect requirement of one Board Member and one City Staff signature on each check and that the Board Member signatories be the President or

- Vice President and the City Staff signatories be the City Manager or the City Secretary. PEDC Director Gayle Cooper
- ~~6) Consider and if deemed appropriate, to approve Resolution Nunc Pro Tunc for Resolution No. R-28-17 approving an economic development incentive agreement between the Palestine Economic Development Corporation and Erickson Trucks-n-Parts for a project requiring an expenditure of funds that exceeds \$10,000.00. PEDC Director Gayle Cooper~~

Councilwoman Chivers made a motion, seconded by Councilwoman Loveless, to approve the Consent Agenda items 1 through 5, as presented. Upon vote, motion carried unanimously 5-0.

REGULAR AGENDA

Consider and if deemed appropriate, to approve Resolution Nunc Pro Tunc for Resolution No. R-28-17 approving an economic development incentive agreement between the Palestine Economic Development Corporation and Erickson Trucks-n-Parts for a project requiring an expenditure of funds that exceeds \$10,000.00. PEDC Director Gayle Cooper (pulled from the Consent Agenda)

PEDC Director Cooper explained that this resolution will correct an agreement to match the action taken. The original Performance Agreement signed by the two entities was not the agreement voted by City Council.

Councilman Baxter made a motion, seconded by Councilwoman Chivers, to approve **Resolution No. R-39-18** as presented. Upon vote, motion carried unanimously 5-0.

- 1) Consider authorizing the City Manager to enter into and execute an agreement with Enterprise Fleet Management for fleet management services. City Manager Michael Hornes

City Manager Hornes provided a summary. This item was discussed in previous work sessions; the lease agreement for fleet management services will allow the city to lease more vehicles than purchasing them. There is money in the budget to cover this expense.

Councilwoman Connors made a motion, seconded by Councilwoman Chivers, to authorize the City Manager to enter into an agreement with Enterprise Fleet Management for fleet management services. Upon vote, motion carried 4-1 with Councilman Baxter voting nay.

- 2) Consider approving an agreement with Schaumurg & Polk, Inc. (SPI) for Engineer's services for Downtown Infrastructure Master Plan in the amount of \$37,500. City Manager Michael Hornes

City Manager Hornes provided a summary. This will be the Downtown Infrastructure Master Plan to address the failing infrastructure and accessibility issues within the downtown area. PEDC approved the funding for a matching amount of \$37,500, as well as engineering for this project.

Councilwoman Chivers made a motion, seconded by Councilwoman Loveless, to authorize the City Manager to enter into an agreement with Schaumurg & Polk, Inc. for engineer's services as presented. Upon vote, motion carried unanimously 5-0.

- 3) First reading of resolutions regarding Palestine Economic Development Corporation and City of Palestine notice of intention to grant \$75,000 to Shuffler Properties Ltd., property located at 710 W. Main Street and \$29,202 to Ye Olde Auction House, property located at 504/512 Main Street. PEDC Director Gayle Cooper

Mayor Presley read aloud the first reading of the resolutions. No action taken.

- 4) Consider a resolution setting public hearing dates for an annexation request submitted by J3 Group, LLC. dba Family Dollar Store, property 2710 North State Hwy 155. City Secretary Teresa Herrera

City Secretary Herrera provided a summary. J3 Group submitted a request to be annexed into the City.

Councilman Baxter made a motion, seconded by Councilwoman Chivers, to approve **Resolution No. R-40-18**, setting public hearing dates for January 14, 2019 and January 28, 2019. Upon vote, motion carried unanimously 5-0.

- 5) Consider an ordinance for a specific use permit to allow a church at 1917 Crockett Road Suite #7. Applicant, Steve Presley. Building Official Mark Miars

Mayor Presley stepped out at 7:11 p.m. Building Official Miars provided a summary.

Councilman Baxter made a motion, seconded by Councilwoman Loveless, to approve **Ordinance No. O-46-18**, with change from tattoo parlor to church. Upon vote, motion carried unanimously 4-0.

Mayor Presley returned at 7:18 p.m.

- 6) Consider an ordinance establishing and implementing a program to charge mitigation rates for the deployments of emergency and non-emergency services by the Fire Department for services provided/rendered by the Palestine Fire Department. Fire Chief Shannon Davis

Fire Chief Davis provided a summary. This will apply to non-residents of the City of Palestine. This ordinance will create revenue for the City. The ordinance will allow the Fire Department to make rules or regulations and from time to time may amend, revoke, or add rules and regulations, as they may deem necessary or expedient in respect to billing for these mitigation rates or the collection thereof.

Councilman Baxter made a motion, seconded by Councilwoman Loveless, to approve **Ordinance No. O-47-18** as presented. Upon vote, motion carried unanimously 5-0.

- 7) Consider authorizing the City Manager to enter into and execute an agreement with Fire Recovery USA, LLC. to assist with the billing for services in connection with motor vehicle incidents and other emergency incidents. Fire Chief Shannon Davis

Fire Chief Davis provided a summary. If approved Fire Recovery USA will perform billing services for the Fire Department.

Councilwoman Chivers made a motion, seconded by Councilwoman Loveless, to authorize the City Manager to enter into an agreement with Fire Recovery USA, LLC., as presented. Upon vote, motion carried unanimously 5-0.

- 8) Consider adopting revised Travel Policy. Asst. to the City Manager Nate Smith
Assistant to the City Manager provided a summary.

Councilwoman Loveless made a motion, seconded by Councilwoman Chivers, to table until the next regular meeting. Upon vote, motion carried unanimously 5-0.

- 9) Consider adopting revised Purchasing Policy. Asst. to the City Manager Nate Smith
Assistant to the City Manager provided a summary.

Councilwoman Loveless made a motion, seconded by Councilwoman Chivers, to table until the next regular meeting. Upon vote, motion carried unanimously 5-0.

- 10) Consider approval of the Tax Abatement Policy. PEDC Director Gayle Cooper
PEDC Director Cooper provided a summary. This policy is reviewed every two years at this time no changes are being proposed.

Councilman Baxter made a motion, seconded by Councilwoman Chivers, to table until the next regular meeting. Upon vote, motion carried unanimously 5-0.

- 11) Discuss the future of the Ivanhoe Building at 201 Oak Street. Councilman Joe Baxter
Councilman Baxter asked if the owner of the building is gifting the building to the City and something needs to be done with that building. Building Official Miars answered that the group's intent is to make repairs to the building. Discussion was held.

ADJOURN

With no other business to come before the Council, the meeting and work session was adjourned at 7:52 p.m.

PASSED AND APPROVED THIS 11TH DAY OF FEBRUARY, 2019.

Steve Presley, Mayor

ATTEST:

Teresa Herrera, City Secretary

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