

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 11, 2019 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:

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

Others present: Planer Greg Laudadio, Interim Developmental Services Director Mark Miears, Interim Finance Director Jim Mahoney, PEDC Director Gayle Cooper, and other interested citizens;

with the following member absent: none.

WORK SESSION

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

Window presentation/demonstration by Kevin O'Dell.

Kevin O'Dell gave a presentation on thermal windows. He informed that he was not present to sale windows. It is an educational presentation on old and new widows – alternatives for wood windows. Craftsmanship is still there they are made out of vinyl instead of wood. New widows will keep drafts and insects from coming in. The cost to maintain homes with old windows is hard to sale. They have installed these windows in different cities. The windows are made to look like the originals. He talked about the different windows they manufacture.

The current ordinance was discussed which was drafted to follow the Secretary of the Interior's Standards. Currently, HLC must approve work and changes to historic homes through a COA.

Council feels that it is best to repair what is already there. Mark Miears explained that the current windows are not the original to the house and the cost to repair the windows is about \$60,000.

HLC members were in attendance and explained that they thought they had tabled this item. The committee was surprised that Mr. Sutton had appealed when they had not denied the request but tabled to obtain additional information from the property owner. HLC does not recommend that the windows be replaced but repaired. HLC could go inspect the house with property owner's consent.

Council directed staff to work with HLC and property owner to look for a solution.

With no other business to come before the Council, the work session was adjourned at 5:25 p.m.

CALL TO ORDER – REGULAR MEETING

Mayor Presley called the Regular Meeting to order at 5:31 p.m.

INVOCATION AND PLEDGE OF ALLEGIANCE

The invocation was given by James Smith, and was followed by the Pledge of Allegiance.

PROPOSED CHANGES OF AGENDA ITEMS

There were no proposed changes.

PUBLIC COMMENTS, PUBLIC RECOGNITION, AND ANNOUNCEMENTS

David Braun spoke regarding crime prevention and attacks on Chief Harvey.

James Smith spoke regarding City government.

City Manager Michael Hornes recognized the Palestine Economic Development Team for winning the Excellence in Economic Development Award. Director Cooper and Terry Johnson accepted the award. Mayor Presley thanks PEDC for their work.

CONFLICT OF INTEREST DISCLOSURES

No action was taken.

PUBLIC HEARING

Public hearing regarding award of the following incentives by Palestine Economic Development Corporation:

- a) \$70,000 toward The Overlook luxury apartment complex on North Loop 256 at Murchison;
- b) \$75,000 toward the renovation of 710 West Oak St.;
- c) \$29,202 toward the renovation of 504-512 West Main St.;
- d) \$39,459 toward the renovation of 315 West Oak St.; and
- e) \$3,213 toward the renovation of 401 West Main St.

PEDC Director Cooper asked that if anyone is in opposition to speak now. She also provided a brief update on the projects.

Mayor Presley opened the public hearing at 5:44 p.m. and asked for anyone speaking for or against the request to do so. With no one speaking, Mayor Presley closed the public hearing at 5:44 p.m.

Public hearing regarding a request for a Zoning Change for the purpose of allowing a Multiple Homes at 121, 125, 127 Blanton St. The property is currently zoned R-2, Single-Family, Medium Density proposing a change to MF-1, Multi-Family, Low Density. Applicant Greg Lindsey.

Interim Development Services Director Mark Miears provided a summary. Houses proposed will be 600 sq. feet each. 17 notices were mailed to property owners within 200-feet of the properties proposed to be rezoned. One returned in favor and two returned in opposition. Planning Commission denied the zoning change unanimously at its February 7th meeting.

Mayor Presley opened the public hearing at 5:49 p.m. and asked for anyone speaking for or against the request to do so. With no one speaking, Mayor Presley closed the public hearing at 5:50 p.m.

Public hearing regarding a request for a Specific Use Permit for the purpose of allowing a Bed and Breakfast at 405 E. Neches St. The property is currently zoned Reagan Park District, which allows a Bed and Breakfast, if approved by specific use permit. Applicant Tammie N. Flowers. Interim Development Services Director Mark Miears

Planner Greg Laudadio provided a summary. 12 notices were mailed to property owners within 200-feet of the location of the specific use permit request. No notices were returned in favor and two were returned in opposition. Planning Commission voted unanimously to approve the request.

Mayor Presley opened the public hearing at 5:51 p.m. and asked for anyone speaking for or against the request to do so. With no one speaking, Mayor Presley closed the public hearing at 5:51 p.m.

Public hearing regarding a request for a Specific Use Permit for the purpose of allowing a Bed and Breakfast at 922 N. Link Street. The property is currently zoned R-2, Single Family Medium Density, which allows a Bed and Breakfast, if approved by specific use permit. Applicant Cheryl J. McLaughlin. Interim Development Services Director Mark Miears

Planner Greg Laudadio provided a summary. 12 notices were mailed to property owners within 200-feet of the location of the specific use permit request. Three notices were returned in favor and none have been returned in opposition. Planning Commission voted unanimously to approve the request.

Mayor Presley opened the public hearing at 5:52 p.m. and asked for anyone speaking for or against the request to do so. Cheryl McLaughlin spoke in favor and with no one else speaking; Mayor Presley closed the public hearing at 5:54 p.m.

MAYOR'S REPORT

Mayor Presley informed that he is devastated that the City lost the recent civil case and moving forward he is asking permission to have City Attorney provide an update once a month on pending litigation. He spoke regarding the Chief's Clergy Coalition and the purpose of the group. Also, spoke of upcoming trip to Austin during Palestine Days in Austin.

ITEMS FROM COUNCIL

Councilman Baxter asked that Council be kept in the loop of all litigation. He felt blindsided by the lawsuit and asked for transparency.

Councilwoman Chivers spoke regarding Palestine Day's in Austin.

Mayor Pro Tem Jordan reminded everyone of the town hall meeting on March 19th and March 23rd, Dogwood Festival.

CITY MANAGER'S REPORT

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

Community Services Report, Finance (Municipal Court, Utility Billing, Check Register, and Citibank Credit Card Statements), Fire, Development Services, and Library departmental reports were provided.

Councilwoman Goolsby asked regarding Josh Woods' charges to restaurants. City Manager answered that Josh purchases meals for inmates; inmates work at the city cemeteries.

Mayor Pro Tem Jordan asked for timeframe on the old tennis court at Reagan Park. Community Services Director Smith answered it is pending funding. The Parks Board will be in attendance at a future meeting to present the Strategic Plan.

Mayor Pro Tem Jordan asked for timeline for projects at West Point Tap and Reagan Street. Public Works Director Perry answered they are waiting to complete hospital project; hopefully by the end of the month.

CONSENT AGENDA

- 1) Consider a resolution appointing Election Workers for the May 4, 2019, City Officer Election and Special Election. City Secretary Teresa Herrera
- 2) Consider approval of invoices over \$25,000. Interim Finance Director Jim Mahoney
- 3) Consider letter of support to the legislature to designate Palestine, Texas as the Dogwood Capital of Texas. Marketing Manager Mary Raum
- 4) ~~Consider approval of CenturyLink contract for Library Internet services. City Manager Michael Hornes (Addendum)~~

Mayor Pro Tem Jordan made a motion, seconded by Councilwoman Chivers, to approve the Consent Agenda items 1, 2, & 3; adopting **Resolution No. R-09-19** as presented. Upon vote, motion carried unanimously 7-0.

REGULAR AGENDA

Consider approval of CenturyLink contract for Library Internet services. City Manager Michael Hornes (Addendum)

This is the e-rate productivity center for the Library; upload speed 50.0 Mbps. This is a reimbursement program for the Library.

Councilwoman Connor made a motion, seconded by Councilwoman Chivers, to approve the contract as presented. Upon vote, motion carried unanimously 7-0.

- 1) Hear and consider appeal for a Certificate of Appropriateness for 703 S. Magnolia Street, located in the Southside Historic District denied by Historic Landmarks Commission. Applicant Robert Sutton.

Interim Development Services Director Mark Miers provided a summary. Mr. Sutton submitted the appeal.

Mayor Pro Tem Jordan made a motion to approve the request. Motion failed due to lack of a second.

Councilwoman Connor made a motion, seconded by Councilwoman Chivers, to postpone the item until the next meeting. Discussion was held. Councilwoman Goolsby informed that there is this narrative going around that if you replace old windows with new, you will save money on air conditioning; there is nothing that supports that. She clarified that HLC has not been able to speak on behalf of their vote, no due diligence has been made to repair the existing windows and HLC has not been able to go out to look at the house. She added that there is zero evidence in packet to show cost for repair versus replacing. City Manager Hornes informed that the minutes show that HLC denied the request and Mr. Sutton has the right to request an appeal. Upon vote, motion carried 6-1 with Mayor Pro Tem Jordan voting nay.

- 2) Consider an ordinance for a Zoning Change for the purpose of allowing a Multiple Homes at 121, 125, 127 Blanton St. The property is currently zoned R-2, Single-Family, Medium Density proposing a change to MF-1, Multi-Family, Low Density. Applicant Greg Lindsey. Interim Development Services Director Mark Miers

Interim Development Services Director Mark Miers provided a summary. Houses proposed will be 600 sq. feet each. 17 notices were mailed to property owners within 200-feet of the properties proposed to be rezoned. One returned in favor and two returned in opposition. Planning Commission denied the zoning change unanimously at its February 7th meeting. The request for zoning change to allow multiple homes on a single lot.

Councilman Baxter made a motion, seconded by Councilwoman Chivers, to approve **Ordinance No. O-08-19**; and overturn the decision by Planning and Zoning Commission. Discussion was held. Upon vote, motion carried unanimously 7-0.

- 3) Consider an ordinance for a Specific Use Permit for the purpose of allowing a Bed and Breakfast at 405 E. Neches St. The property is currently zoned Reagan Park District, which allows a Bed and Breakfast, if approved by specific use permit. Applicant Tammie N. Flowers. Interim Development Services Director Mark Miers

Planner Greg Laudadio provided a summary. 12 notices were mailed to property owners within 200-feet of the location of the specific use permit request. No notices were returned in favor and two were returned in opposition. Planning Commission voted unanimously to approve the request. Planner Laudadio provided the definition of a Bed and Breakfast.

Councilwoman Chivers made a motion, seconded by Councilwoman Loveless, to approve **Ordinance No. O-09-19** as presented. Upon vote, motion carried 6-1 with Councilwoman Connor voting nay.

- 4) Consider an ordinance for a Specific Use Permit for the purpose of allowing a Bed and Breakfast at 922 N. Link Street. The property is currently zoned R-2, Single Family Medium Density, which allows a Bed and Breakfast, if approved by specific use permit. Applicant Cheryl J. McLaughlin. Interim Development Services Director Mark Miers

Planner Greg Laudadio provided a summary.

Councilman Baxter made a motion, seconded by Councilwoman Connor, to approve **Ordinance No. O-10-19** as presented. Upon vote, motion carried unanimously 7-0.

5) Consider awarding RFP-04-18 Commercial Real Estate Services to Edge Capital Markets.

City Manager Michael Hornes provided a summary. The Real Estate Committee met and scored the proposals and recommend Edge Capital Markets. Councilwoman Goolsby was present at the Real Estate meeting and provided input. She added that this proposal highlighted the project and very detailed about the City of Palestine.

Councilman Baxter made a motion, seconded by Councilwoman Goolsby, to award RFP-04-18 to Edge Capital Markets. Upon vote, motion carried unanimously 7-0.

6) Consider selecting a local attorney to evaluate the *L. S. Equipment Co., Inc. d/b/a Lone Star Equipment Co. v. City of Palestine*: Cause No. DCCV17-00303, in the 3rd District Court, Anderson County. (Addendum)

City Manager Hornes informed that he does not have a selection at this point. Discussion was held.

City Manager Hornes, Councilman Baxter, and Mayor Presley will reach out to local attorneys regarding the lawsuit.

Item will be discussed at the next regular meeting.

7) Consider authorizing the City Manager to advertise and receive Requests for Proposals (RFP) for City Attorney Services. (Addendum)

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

ADJOURN

With no other business to come before the Council, the meeting was adjourned at 7:07 p.m.

PASSED AND APPROVED THIS 13TH DAY OF MAY, 2019.

Steve Presley, Mayor

ATTEST:

Teresa Herrera, City Secretary