

CITY OF GLADEWATER  
CITY COUNCIL SPECIAL SESSION  
MINUTES  
JULY 24, 2008  
10:00 A.M.

MEMBERS PRESENT: Mayor Walter Derrick, Mayor Pro-tem John Ussery, Jimmy Williams, Joe Derouen, Jerry Williams, Scott Owens, Richard Parrish

STAFF PRESENT: Jay Stokes, Melba Haralson, Lon Welton, Rick Appl, Farrell Alexander, Richard Ross, Judy Hagle, Larry Player

GUESTS PRESENT: Keta Woods, B.K. Johnson, Chris Meeks, Jessica Meeks, Bennie Cornutt, Mark Priestner, Stephanie Rollings, Frederick Williams

I. CALL TO ORDER

Mayor Derrick called the meeting to order at 10:00 a.m.

II. CONSIDERATION of awarding bid for Weldon Bumblebee Park project

City Manager Stokes explained that four bid packets were picked up and only two were turned in; Wall Enterprises with a base bid of \$190,300 and alternate bid of \$60,700 with deducts. The other bid was from J.C. Johnson Construction, with a base bid only of \$129,260. Mark Priestner, of Planning Concepts said the lowest bid is still about \$30,000 over the budget submitted to the Parks & Wildlife. The City will be out of pocket about \$80,000. He said we can look at the elements to see if we can change the scope to reduce the price, however the project must keep all the required elements submitted in the grant application. Mr. Priestner asked the Council if they wanted to spend the extra \$30,000 or rebid the project. City Manager Stokes said we have \$35,000 in the 2008 budget, but we have spent some for the appraisal fee and grant administration. We have allocated \$50,000 in the 2009 budget. Mr. Stokes recommended that the Council table the issue and allow Mark Priestner to talk with the low bidder. He said if we scale down the project, contractors will lose interest. Mr. Priestner said he can have the details worked out by next week.

Councilmembers Jerry Williams, Joe Derouen and Mayor Pro-tem Ussery all commented that the costs will continue to rise if we wait. Councilmember Jerry Williams added that we are already getting complaints that we're not doing enough.

Mayor Pro-tem Ussery moved to table, seconded by Councilmember Derouen.  
Carried 7-0.

III. DISCUSSION of Lake Gladewater leases at the request of Keta Woods

Keta Woods, owner of 3059 E. Lake Drive, stated that leaseholders have a contractual agreement with the City. She read a clause from the old lease that said the lessee shall be responsible for taxes on the improvements. In 2003 the City Council made changes to the leases under the premise of making the leases more lender friendly. However, there's no mention of the Council voting to make the lessee responsible for taxes on the land, as indicated in the new lease. Also, the new rules and regulations have a new requirement for greater square footage and there's nothing in the new lease about a grandfather clause. She said the City simply cannot do this and she stressed how serious this situation is. She also commented that the Chief Appraiser for Upshur County Appraisal District has unfairly placed the same \$75,000 valuation on all lake lots, regardless of size or water frontage. Ms. Woods said she has been in contact with the Property Tax Division of the State Comptroller's Office and wanted to make the Council aware of the problem.

Councilmember Jimmy Williams said we were originally told we were changing the leases to make them more lender friendly, but we changed the entire lease going forward. We may need to look at them again.

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Mayor Derrick thanked Ms. Woods for bringing these things to our attention and said that staff will research and come up with some answers.

Councilmember Jerry Williams made a correction to a statement that Ms. Woods made during her presentation, where she said he lives in Longview. He clarified that he owns a lot in Longview, but lives in Gladewater. Councilmember Derouen stated he has four lots on Lake Gladewater and they are all assessed at different amounts.

IV. CONSIDERATION of staff recommendation regarding Lots 3 & 4, Block 62 of the original Townsite of Gladewater, more commonly known as the Main Street Pavilion park

City Manager Stokes explained that Bennie and Betty Cornutt donated some property back in 1999 for a Main Street Pavilion Park, with the stipulation that if it ceased to be used as a park, ownership would revert back to them. Unfortunately, for the past several years this property has not been used as a park and suffers from recent vandalism. Mr. Stokes recommended that the City abandon the park and deed the property back to Mr. and Mrs. Cornutt.

Councilmember Jerry Williams said that based on the data we have, the city needs to deed the property back to Bennie and Betty Cornutt. Councilmember Owens said we tried to make it work for almost 10 years and thanked them for their generous gift.

Mayor Pro-tem Ussery moved to relinquish the property as a park and deed it back to Mr. & Mrs. Cornutt, seconded by Councilmember Derouen. Carried 7-0.

V. BUDGET WORKSHOP

City Manager Stokes thanked staff for their hard work and went over the major components of the budget. He reported that Gregg County valuations are up \$14 million and Upshur County valuations have not been received yet. There were significant increases in sales tax, and mineral related revenue. The proposed budget calls for the pay plan to be funded as adopted with a 4% increase within all grades. He highlighted several areas of increased expenses i.e. fuel expenses, contracted services and capital purchases. The budget also calls for a water and sewer rate increase to produce an additional \$325,000 in revenue to cover the anticipated cost of the new Water Treatment facility.

Councilmember Jimmy Williams complimented Mr. Stokes on the budget preparation. Mr. Stokes then complimented department heads for not asking for sizeable increases in their budgets. He also thanked Fire Chief Smith and Captain Rick Appl for their work to secure grants for the department.

Mayor Derrick thanked all those in attendance and expressed appreciation to staff for a job well done. Councilmember Jerry Williams also thanked Lon Welton and GEDCO for use of the nice facility.

VI. ADJOURN

Councilmember Parrish moved to adjourn at 11:33 a.m. Adjourned by consensus.

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WALTER DERRICK, MAYOR

ATTEST:

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MELBA HARALSON, CITY SECRETARY