

CITY OF GLADEWATER
CITY COUNCIL REGULAR SESSION
MINUTES
SEPTEMBER 17, 2009
6:00 P.M.

MEMBERS PRESENT: Mayor Walter Derrick, Mayor Pro-tem John Lee Ussery, Joe Derouen, Scott Owens, Charles Meadows

MEMBERS ABSENT: Jimmy Williams, Judith Burlison

STAFF PRESENT: Jay Stokes, Richard Ross, Farrell Alexander, Wayne A. Smith

GUESTS PRESENT: Lon Welton, James Draper, Jimmy Davis, Jason Tyler, Dennis Merrill, Karen Morgan, Bennie Cornutt, Betty Cornutt, John Ringler, Mark Carpenter, James Moore, Jackie D. Wood, Alfred Lacy, Norma Lacy, Joyce Hugman, Jim Lindsey, Douglas Phillips

- I. CALL TO ORDER – Mayor Derrick called the meeting to order at 6:00 p.m.
- a) Invocation – Councilmember Owens
 - b) Pledge of Allegiance – Councilmember Derouen

II. SPECIAL PRESENTATIONS

Mayor Derrick presented Jackie D. Wood with a plaque and offered words of appreciation for his years of service to GEDCO and the City.

III. CONSIDERATION OF CONSENT AGENDA

- a) Minutes – August 20, 2009, August 27, 2009, and August 31, 2009
- b) Ordinance to amend City Code to Prohibit Improper Discharge of Swimming Pool Water and Establish a Penalty
- c) FY 2010 Contract between the City of Gladewater and the Gladewater Flag Football Association
- d) FY 2010 Contract between the City of Gladewater and the Gladewater Youth Baseball Association
- e) FY 2010 Contract between the City of Gladewater and the Gladewater Youth Softball Association
- f) FY 2010 Contract between the City of Gladewater and the Gladewater Youth Track Association
- g) Grant Contract between the City of Gladewater and the Gladewater Chamber of Commerce for Use of Hotel Occupancy Tax Fund for FY 2010
- h) Agreement between the City of Gladewater and the Gladewater Independent School District for School Resource/D.A.R.E. Officer for FY 2010
- i) Vote for Gladewater City Manager James J. Stokes for the Position of Region 15 Trustee to the TML-IEBP Board of Trustees
- j) Gladewater Economic Development Corporation Budget for FY 2010
- k) A Resolution Denying the Rate Increase Proposed by Southwestern Electric Power Company ("SWEPCO"); Authorizing Participation in a Coalition of Cities Known as Cities Advocating Reasonable Deregulation ("CARD"); Authorizing the Hiring of Lawyers and Rate Experts; Requiring the Reimbursements of Municipal Race Case Expenses; Finding That the Meeting Complied with the Open Meetings Act; Making Other Findings and Provisions Related to the Subject; and Declaring an Effective Date
- l) Agreement for Fire Protection Services between the City of Gladewater and Smith County Emergency Services District #2 for FY 2010
- m) Interlocal Contract between the City of Gladewater and the East Texas Council of Governments for Data Base Maintenance of 9-1-1 Emergency Telephone Services for FY 2010
- n) Hiring of Karen A. Jacks & Associates to Conduct City of Gladewater's External Financial Audit for FY 2009
- o) Request from Gladewater Lions Club to Use Gladewater Municipal Airport for Annual Turkey Shoot Event in November of 2009
- p) Request for water tap outside the city limits at 1533 FM 2685

Councilmember Owens pointed out the contract listed in Item M has the former mayor's name on it and needs to be corrected. He referred to a written request from Councilmember Burlison to have Item J removed from the Consent Agenda and considered separately and said he concurs with her request.

Councilmember Derouen moved to approve the Consent Agenda with the exception of Item J with the correction on Item M. Mayor Pro-tem Ussery seconded the motion. Carried 5-0.

Councilmember Owens asked questions of GEDCO President Jackie D. Wood and Director Lon Welton regarding several items in the GEDCO proposed budget. The first question was regarding \$10,000 for professional services. Mr. Owens wanted to know why we needed to use a consultant, if the \$5,000 application fee was included in the \$10,000 and how this works in under a 4a corporation project. Lon Welton defended the need for a consultant and confirmed that the application fee is included. Mr. Welton said this works into a permitted 4a project under promotions. Mr. Owens believed that to be a stretch. Councilmember Owens then asked about the \$20,000 budgeted for depreciation expense. Mayor Pro-tem Ussery explained that items are capitalized over 7 years. This is a non-cash item in conformance with Generally Accepted Accounting Principles. The last item Councilmember Owens questioned was \$18,000 for car expense, stating it seemed extremely excessive. He received confirmation from Mr. Welton that he gets \$1,500 per month from GEDCO and \$100 per month from Main Street for his car allowance. Mr. Welton stated he has nothing to do with the compensation portion of the budget and deferred to GEDCO President Jackie Wood, who said the GEDCO Board believed that to be a fair amount. Councilmember Derouen commented this is the same amount as last year. Councilmember Owens admitted it slipped through last year and he apologized to the citizens for that. Mr. Wood dissented with Mr. Owens' opinion that it was excessive.

Mayor Pro-tem Ussery moved to approve the GEDCO budget as presented, seconded by Councilmember Derouen. Vote was 3-2 with Derrick, Ussery and Derouen in favor, Owens and Meadows opposed.

(Note: City Charter requires four affirmative votes to pass any order of business.)

Councilmember Owens said he meant no disrespect to Jackie Wood and it's not personal. He appreciates his years of service and he will call to tell him so. Lon Welton said it was not taken personally, that his questions about the budget show his concern for the City.

Councilmember Derouen added that insurance, fuel, depreciation and mileage are all included in that car allowance and Mr. Welton carries extra insurance for passengers.

IV. PUBLIC HEARING on City of Gladewater Budget for Fiscal Year 2010

Mark Carpenter, 2301 Woodbine said he hopes we did a good job.

V. CONSIDERATION of Ordinance to Adopt and Approve Budget for Fiscal Year 2010

Councilmember Owens said staff has worked hard to present budget with no employee raises and no tax increases.

Councilmember Derouen moved to approve, seconded by Councilmember Owens. Carried 5-0.

VI. RATIFICATION VOTE to Adopt Fiscal Year 2010 Budget With Increased Property Tax Revenue

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City Manager Stokes explained we will have increased tax revenue of about \$12,000 from new value which by law necessitates a ratification vote. He then polled each Council member individually and received affirmative votes from Councilmember Derouen, Mayor Derrick, Mayor Pro-tem Ussery, Councilmember Owens, and Councilmember Meadows.

- VII. CONSIDERATION of an Ordinance Levying Taxes for the Use and Support of the General Government and for Retirement of General Obligation Bonded Indebtedness through an Interest and Sinking Fund for Fiscal Year 2010

Councilmember Owens moved to approve the ordinance (with the tax rate of \$.527170 for General Fund and \$.055896 for Interest and Sinking Fund for a total rate of \$.583066). Motion was seconded by Councilmember Derouen. Carried 5-0.

- VIII. CONSIDERATION of Hiring a Sole Source SCADA Contractor for Phase II of the Water Treatment Plant Improvement

Councilmember Owens said he asked for this to be put back on the agenda in light of recent incident with Veolia. He would like the sole sourcing rescinded in lieu of the August 31st meeting and brought back in-house to competitively bid the project.

KSA Engineer John Ringler made a lengthy presentation and in summation said it doesn't affect the contract documents. The City's contract is with the general contractor and Veolia would be a sub-contractor under them. Mr. Ringler said KSA looks out for us either way.

Mayor Pro-tem Ussery asked Mr. Ringler for his recommendation. Mr. Ringler said if we have any discomfort with sole sourcing to Veolia we should go back to competitive bid. The process is the same whether we sole source or not.

City Manager Stokes said there was strong language about the future of Veolia at the August 31st meeting. At that time he was under the impression that Veolia does SCADA work for anyone as a branch of their business. Shortly after the meeting he found out that is not the case. They do SCADA work primarily for their clients.

Councilmember Owens said trust was violated by Veolia and moved to rescind the previous action to sole source the SCADA to Veolia and bid it out competitively. Motion died for lack of a second.

- IX. CONSIDERATION of Board Appointments to the Board of Directors of the Gladewater Economic Development Corporation with terms beginning October 1, 2009 and expiring September 30, 2012

Councilmember Derouen moved to appoint Jimmy Williams, seconded by Mayor Pro-tem Ussery. Carried 5-0.

Mayor Pro-tem Ussery moved to reappoint Steven Best, seconded by Councilmember Owens. Carried 5-0.

- X. CONSIDERATION of Board Appointment to the Main Street Board of Directors for filling of vacant term expiring October 31, 2010

Councilmember Owens moved to appoint Debbie Crabtree to fill the unexpired term of Nauty Byrd Mayer, seconded by Councilmember Derouen. Carried 5-0.

- XI. CONSIDERATION of Resolution Nominating Person(s) to the Board of Directors of the Upshur County Appraisal District

Mayor Pro-tem Ussery moved to nominate Darrell McKnight, seconded by Councilmember Owens. Carried 5-0.

XII. CONSIDERATION of Resolution Nominating Person(s) to the Board of Directors of the Gregg County Appraisal District

Mayor Pro-tem Ussery moved to nominate A.P. Merritt, Jr., seconded by Councilmember Derouen. Carried 5-0.

XIII. CONSIDERATION of Ordinance to Amend Budget for Fiscal Year 2009

City Manager Stokes requested this item to be tabled until the Sept. 22nd meeting. Councilmember Owens moved to table, seconded by Councilmember Derouen. Carried 5-0.

XIV. CITY MANAGER'S REPORT

- a) Grants Update
- b) Special Projects Update
- c) Upcoming Special Meetings
- d) Landfill Privilege
- e) Fall Beautification Day – October 3, 2009
- f) Starville-Friendship Water Contract
- g) Weldon Bumblebee Park Issues
- h) RV Park Issues
- i) National Night Out Update

City Manager Stokes gave the following report;

- a) Grants Update
 1. SECO grant – We will possibly get \$20,000-\$30,000 with no match for energy conservation.
 2. HOME grant – All of the homes for first round of funding is closed except for Bobbie Brod, which should close shortly. There has been a lot more interest in the second round of funding.
 3. ETCOG Solid Waste grant – This grant has been closed out and we received the reimbursement check. Allied did not charge us for haul-offs this year and thanks to ETCOG next year will also be free.
 4. ETCOG Recreational grant – We got an application in just under the deadline for the recreational grant component of Hurricane Ike money. We have not heard anything yet but many cities applied.
 5. Airport project is about to go out for bids.
- b) Special Projects Update
 1. We have not heard anything yet from Navajo Resources.
 2. The cemetery pavilion is done.
 3. The public works survey has been started.
 4. Street paving was supposed to start this week but is delayed due to weather.
 5. We received no bids for the dam project. We need to re-bid.
- c) Upcoming Special Meetings
 1. September 22nd for NIMS training.
 2. The date for special joint meeting with the School Board has not been established yet.
 3. October 29th we will open bids for the Water Treatment Plant. After polling the Council, Veolia issue will also be on this agenda.
- d) Landfill Privilege – There have been questions lately about citizens being able to use the landfill with their water bill. The proper info will be placed on the City website.
- e) Fall Beautification day will be Saturday, October 3rd. Dumpsters will be placed downtown at E. Commerce Street.
- f) Starville-Friendship Water contract – They decided not to extend contract with us. We were a back-up system for them and their water treatment process is different than ours.
- g) The buzzards have returned and taken over Weldon-Bumblebee Park. They are all over the new pavilion and playground equipment. In addition, they are

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roosting inside an abandoned house and have strewn items from the house all over the yard. We have a call into the Parks & Wildlife and will sign a contract soon for them to take care of the problem.

- h) The RV park downtown has RV's in very poor condition that are not moving. At some point this becomes a trailer park and not an RV park. We cannot find a specific use permit or anything documented that regulates them. We need to make rules that would apply to any RV park and will have an ordinance prepared for the next meeting.
- i) Chief Farrell Alexander announced that National Night Out will be Tuesday, October 6th. We may exceed the six block parties that we had last year. In addition, we have changed the name of the Halloween Carnival to the Gladewater Fall Festival in order to get local churches involved. We are seeking donations. The festival will be held October 24th.

XV. CITIZENS COMMENTS

Mark Carpenter, 2301 Woodbine said he had hoped the Council would have honored Judy Burlison's request to table the GEDCO budget issue. He said if she had been here she would have tied the vote. He believed the GEDCO administrative costs of \$150,000 to administer \$350,000 are too high. On the SCADA issue he said competitive bidding is better for the City than sole sourcing.

XVI. ADJOURN

Councilmember Meadows moved to adjourn at 7:20 p.m. Adjourned by consensus.

WALTER DERRICK, MAYOR

ATTEST:

MELBA HARALSON, CITY SECRETARY