

CITY OF GLADEWATER
CITY COUNCIL REGULAR SESSION
MINUTES
JANUARY 15, 2015
6:00 P.M.

MEMBERS PRESENT: Mayor Harold Wells, Mayor Pro-tem J.D. Shipp, Lana Niemann, Elijah Anderson, Chris Bland, Leon Watson, Scott Owens

STAFF PRESENT: Sean Pate, Melba Haralson, Paul Jaap, Robert Vine, Kathi Corwin, Wayne Smith, Al Harrison

GUESTS PRESENT: John Martin, Allen Ross, Robert Haberle, Christian Allen, Mark Carpenter, Franklin Stephens, Randy Koss, Jennifer Tankersley, Chris Aylor, Joseph Muench, Brendan Muench, Bryan Muench, Tracy Griffin, Sam Chenoweth, Memori Ruesing, Matthew Ruesing, Mark May, Jim Jones, Chad M(illegible), Mike Spencer, Marsha Valdetero, Paula Ellis, Colt Edwards

I. CALL TO ORDER – Mayor Wells called the meeting to order at 6:00 p.m.

- a) Invocation – Councilmember Anderson
- b) Pledge of Allegiance – Mayor Wells

II. CITIZENS COMMENTS

Mark Carpenter, 2301 Woodbine, said Gladewater needs to establish “wants” versus “needs” and should develop a pay as you go practice. He said his company (Carpco) and Allied Waste donated lights for the old ball field. He expressed opposition to the city going into more debt and stated this \$2.3 million will surpass \$10 million in debt for the city in the 10 years he’s lived here. He said we need to figure out a way to fund this project without going into debt.

III. CONSIDERATION of Consent Agenda

- a) Minutes – December 18, 2014 and December 23, 2014
- b) Joint Election Agreement with Kilgore Junior College District
- c) Joint Election Agreement with Gladewater Independent School District
- d) Agreement with Gladewater Independent School District for ad-valorem tax collections
- e) Blanket permit for annual Martin Luther King, Jr. parade
- f) Investment report for quarter ending December 31, 2014
- g) Amended Mutual Aid Agreement with Gregg County
- h) Blanket permit for bass tournament sponsored by Shipp’s Marine on February 28, 2015

Mayor Pro-tem Shipp requested to call out Item H.

Councilmember Watson moved to approve Items A-G, motion was seconded by Councilmember Owens. Carried 7-0.

Councilmember Owens moved to approve Item H, seconded by Councilmember Bland. Carried 6-0-1 with Mayor Pro-tem Shipp abstaining.

IV. CONSIDERATION of a request by Memori Ruesing for a historic tax exemption

Memori Ruesing, 214 E. Commerce made a presentation to the Council regarding Section 11.24 of the Property Tax Code pertaining to Texas Historic Landmarks and tax exemption. She asked the Council to approve a tax exemption for her historic home based on the following; 1) It would be a tax benefit for her which would allow her to reinvest in the historic property and in turn attract more tourists to Gladewater. 2) Increased tourism will increase money spent in Gladewater. 3) The hotel/motel tax collected will benefit the Chamber of Commerce which they will use to promote Gladewater and increase tourism. 4) The Main Street Board has to annually submit a 10-point criteria report to the state. This could be an item on the report to help maintain the Main Street designation.

Councilmember Owens received affirmation from Mrs. Ruesing that she currently has a homestead exemption and this would be another exemption equivalent to that. City Manager Pate stated the exemption is 20% (about \$400). He consulted with our City Attorney who said there has to be an ordinance adopted to authorize this exemption and it cannot be granted on a case by case basis.

Mayor Pro-tem Shipp stated this would incentivize those with historic buildings and we need time study the issue. He then moved to give City Manager Sean Pate approval to research the ordinance to present at the February meeting. Motion was seconded by Councilmember Watson. Carried 7-0.

Memori Ruesing informed the Council that there is an April deadline.

V. PRESENTATION by Shaumburg & Polk, Inc. regarding the Lake Gladewater boat ramp improvement project

Engineer Frank Stephens presented handouts and gave an update on the grant application that was submitted in 2013 and approved in mid-2014. He said the project is in final design stages (about 80% complete). He asked for feedback from the Council before submitting the final plans. Mr. Stephens stated the grant was approximately \$450,000 from Texas Parks & Wildlife. The City has a 25% match of about \$150,000 for a total project cost of \$600,000. The engineering costs come in around \$62,000, leaving \$538,000 for construction. He then answered questions from the Council regarding dredging, walkway and retaining wall.

Mayor Pro-tem Shipp commended the Lake Board and said they have done an outstanding job working on the design of this project.

VI. CONSIDERATION of agreement with Heartland Corporation as contractor for ballpark complex

City Manager Pate recommended waiving the 10% retainage. He said White Oak did not require it and can vouch for Heartland's work. He said the bonding and insurance will still be in place so there is no liability to the City.

Councilmember Owens moved to approve without the 10% retainage, seconded by Councilmember Watson. Councilmember Niemann thanked Heartland Group for working on this project for 2 years without charge. Carried 7-0.

VII. CONSIDERATION of agreement with Hayes Engineering for design and project engineering for ballpark complex

Mayor Pro-tem Shipp stated there was discussion at the workshop of the necessity to move a tank battery at a cost of \$15k-\$25k. He advised that he spoke with the Vice President of Ark-La-Tex Operations for Breitburn Energy, which has recently purchased Quantum Resources, and they agreed to move the tank battery at no charge to the City, but may require assistance from the City in contacting neighboring landowners. He said whenever sponsorship opportunities arise we need to remember to give them recognition.

Councilmember Bland moved to approve, seconded by Councilmember Anderson. Carried 7-0.

VIII. CONSIDERATION of resolution directing publication of Notice of Intention to Issue Certificates of Obligation; expressing official intent to reimburse project costs; and resolving other matters relating to the subject

John Martin, financial advisor with Southwest Securities said adopting this resolution is the first step to issuing certificates of obligation. It has to be advertised in the paper and a special meeting will be scheduled February 26, 2015 to approve the sale. He said the City is fiscally conservative and debt is properly managed, warranting its AA- credit rating from Standard & Poors.

Mr. Martin asked for direction from the Council as to the term of the note and presented three scenarios;

- 15 years, annual payment of approximately \$190k at 2.65%
- 20 years, annual payment of approximately \$160k at 3.06%
- 25 years, annual payment of approximately \$140k at 3.32%

City Manager Pate said the City is very comfortable with \$140k payment contingent upon additional participation from baseball and softball associations and GEDCO. He recommended going with the 25 year debt in hopes of paying it off early.

Mr. Martin said there is a redemption period after 9 years. He also pointed out we have another debt paying off in 2022. He went over timeline and stated the City will receive funding on March 26th.

Councilmember Owens moved to adopt the resolution, seconded by Councilmember Watson. Carried 7-0.

IX. CONSIDERATION of awarding bid for the 12" water line project

Chris Aylor, KSA Engineers stated 9 bids were received averaging \$580k. The low bid was from Excel Utilities at \$425,638. He said once contracts are executed they have to be approved by USDA as this is an extension of the water plant improvement project. He estimated it would take 2 months to obtain approval and award the bid. The project should be completed 120 days after that.

Councilmember Watson moved to award the bid to Excel Utilities, seconded by Councilmember Owens. Carried 7-0.

X. CONSIDERATION of Shaumburg & Polk, Inc. seal coat agreement

(Note: This item was considered after Item V.)

Allen Ross, SPI Engineers, stated the Interlocal Agreement has been passed with White Oak, Kilgore and Whitehouse. He asked the Council to approve a Short Form of Agreement. City Manager Sean Pate commented that Public Works Director Paul Jaap is in support and the City attorney has reviewed it.

Councilmember Owens moved to approve. Motion was seconded by Councilmember Niemann who commended Mayor Pro-tem Shipp for coming up with the idea. Motion carried 7-0.

XI. CONSIDERATION of ordinance to create a Beautification Advisory Board

City Manager Pate explained this is one of many recommendations made by the City Council in the Strategic Plan. This will help Code Enforcement Officer Al Harrison by taking first step on contact. The committee may help with finding volunteers to assist elderly and disabled with clean-up efforts.

Councilmember Bland moved to approve, seconded by Councilmember Anderson. Mayor Pro-tem Shipp commented that this agenda as a whole demonstrates the City is addressing a wide array of quality of life issues. Motion carried 7-0.

XII. CONSIDERATION of Main Street Board request to sell advertising space on trolley

Main Street Manager Kathi Corwin explained that this proposal will allow the trolley to pay for itself; drivers, fuel and maintenance. She said several businesses are already interested in purchasing ads.

Councilmember Niemann moved to approve, seconded by Councilmember Watson. Carried 7-0.

XIII. CONSIDERATION of request by East Texas Council of Governments to re-address Phillips Springs Road and South Loop 485

Fire Chief Wayne Smith stated it is a recommendation of ETCOG to fix several 9-1-1 addressing issues. He expressed support on behalf of emergency services and cited several inconsistent addresses that could create delayed response time.

Councilmember Niemann requested the addresses be kept for Antique Capital RV Park and Texas Die Casting and that new addresses be assigned working out from there, if feasible.

Councilmember Bland asked if there was a checklist to communicate these changes. Chief Smith said that he hand-delivered a letter to every address on FM 2685 when their addresses were changed.

Councilmember Watson moved to approve and requested that ETCOG work to keep from changing addresses with major businesses. Motion was seconded by Councilmember Owens. Carried 7-0.

XIV. CONSIDERATION of moving March City Council meeting to March 26 due to conflict with the Chamber of Commerce Banquet

Councilmember Owens so moved, seconded by Councilmember Watson. Carried 7-0.

XV. CITY MANAGER'S REPORT

- a) Update on Ball Park Advisory Board – We have had a good response. Council will review and make appointments next month.
- b) Update on sewer line replacement – Project is going along as planned.
- c) Update on relocation of Public Works facility – We have identified property and we are working with GEDCO. We are acquiring ingress and egress on that property. In the meantime, public works equipment is being relocated to the water treatment plant and the temporary office will move to the police office at Lake Gladewater.

XVI. ADJOURN

Mayor Pro-tem Shipp moved to adjourn at 7:28 p.m, seconded by Councilmember Anderson. Adjourned by consensus.

HAROLD R. WELLS, MAYOR

ATTEST:

MELBA HARALSON, CITY SECRETARY