

**VERNON CITY COMMISSION
REGULAR MEETING
NOVEMBER 27, 2012**

Mayor Jeff Bearden called the Regular Meeting of the Vernon City Commission to order at 6:30 p.m. in the Commission Chambers, and a quorum was declared present.

Present: Mayor Jeff Bearden

Commissioners: Jimmy Dennis, Russell Brownlow, Travis Taylor and Phil McCuiston.

Staff Present: City Manager Mitch Grant, City Attorney Trish Byars, Police Chief Tom Wilson, Fire Chief Kent Smead, Public Works Director Bob Cochran, Community Development Director Monica Wilkinson, and City Secretary Linda Byers.

Commissioner Dennis led the group in the Pledge of Allegiance to the U.S. and Texas flags, followed by the invocation.

PUBLIC COMMENT

Brian Sosebee requested a public safety zone on the 900 block of Paradise for the Head Start Program, and that the City address door-to-door sales by Just Energy.

Carl Zipperle addressed the Commission about Parker Drive.

CONSENT AGENDA

Commissioner Brownlow moved the following items under the Consent Agenda are approved:

- A. Minutes of the Regular City Commission Meeting held on Tuesday, October 23, 2012, and minutes of the Finance Committee Meeting held on Monday, October 22, 2012.
- B. Lease Purchase Financing with Bank of the West at a rate of 2.99% for 2013 Budgeted capital purchases.
- C. Membership in the Electric Reliability Council of Texas (ERCOT) with an annual membership of \$100.
- D. Closure of Pease Street between Main Street and Cumberland Street for the Annual Lighted Christmas Parade on December 8, 2012.
- E. Financial Investment Report for the month of October, 2012 with interest earned totaling \$3,504.84 and vouchers from October 1, 2012 – October 31, 2012 in the amount of \$1,177,665.72.

Commissioner Dennis seconded the motion, which passed by unanimous vote.

TOURISM PROGRAM

City Manager Grant explained that the Chamber of Commerce recommended a change to the agreement at the request of the Tourism Committee. The change would require the Chamber to accept the City's six nominees for the twelve member Tourism Committee without the option to reject. This would change our contractual arrangement with the chamber to provide tourism for the funds that the City gives them each year. Mr. Grant recommended that no action be taken at this time to change the contract.

Following discussion, Commissioner Dennis made the motion to recommend a called City Commission meeting with the 2013 Chamber Board to review the contract.

Commissioner McCuiston seconded the motion, which passed by unanimous vote.

EQUIPMENT PURCHASES FOR PUBLIC WORKS

Public Works Director Bob Cochran explained that there was a need to modify the existing motor control center at the North Booster Pump Station to allow a soft starter for use with a 125/150kw generator in emergency situations. The cost of \$16,445 would be paid from the 2009 Storage Tank Construction Bond under Fund 96.

Mr. Cochran also requested purchase of 100 cubic feet of Anionic Resin for Nitrate Exchanger No. 1, at a cost of \$23,373, which would also be paid from the 2009 Storage Tank Construction Bond under Fund 96.

Commissioner McCuiston made the motion to approve the purchases.

Commissioner Brownlow seconded the motion, which passed by unanimous vote.

PIPE PURCHASE FOR TRANSMISSION LINE REPAIR

Public Works Director Bob Cochran explained the need to purchase additional 21" concrete steel cylinder pipe for repairs to the Winston-Odell water transmission line. Cost for 4 joints of the pipe would be \$6,966 which would be paid from the 2009 Storage Tank Construction Bond under Fund 96.

Commissioner Taylor made the motion to approve the purchase.

Commissioner Brownlow seconded the motion, which passed by unanimous vote.

ANNUAL COMMISSION MEETING CALENDAR

Commissioner McCuiston made the motion to approve the proposed annual meeting calendar for 2013.

Digital Recording on file

Commissioner Taylor seconded the motion, which passed by unanimous vote.

COMMITTEE TO CONSIDER CENSUS DATA

City Secretary Byers explained that after reviewing the census data more closely, the difference between citizens on the east and west side of Vernon was only 80 citizens. Ms. Byers recommended it would not be necessary to consider redrawing the East/West voting division line that determines precincts for the City Commission.

Commissioner Taylor made the motion to appoint a Charter Election Committee to consider the census data. The motion died for lack of a second.

NOMINATIONS FOR CHAMBER OF COMMERCE TOURISM COMMITTEE

Mayor Bearden explained that the City needed to appoint two members to the Tourism Committee to replace members that were not eligible for renewal. He had contacted two citizens to serve on this committee, but had only received one response.

Following discussion about delaying appointment until the second citizen had agreed to serve on the committee, Commissioner McCuiston made the motion to appoint Larry Drennan to the Chamber of Commerce Tourism Committee.

Commissioner Brownlow seconded the motion, which passed by unanimous vote.

RESOLUTION NO. 943

A RESOLUTION OF THE CITY OF VERNON APPROVING INTENT TO CONSIDER TAX ABATEMENT

City Manager Grant explained that there is a state requirement to pass this resolution in order to consider creating an enterprise zone.

Commissioner McCuiston made the motion to approve Resolution No. 943 – Intent to Consider Tax Abatement.

Commissioner Brownlow seconded the motion, which passed by unanimous vote.

PUBLIC HEARING REGARDING DESIGNATION OF ENTERPRISE ZONE

Mayor Bearden read the findings of Resolution No. 943, and opened a public hearing to hear comments regarding designation of an enterprise zone.

City Manager Grant explained the process to create the enterprise zone and the boundaries of the proposed enterprise zone.

Digital Recording on file

Ron Sanborn with Wood Family Enterprises, Inc. owns the nursing facility on Hospital Drive and is concerned that a tax abatement provided to the competitor will create an advantage for his competitor.

Ray Watt, also with Wood Family Enterprises, stated that they oppose tax abatements, but do not oppose the enterprise zone.

Following discussion, Mayor Bearden closed the Public Hearing.

ORDINANCE NO. 1603

AN ORDINANCE TO AMEND THE CITY OF VERNON, TEXAS CODE OF ORDINANCES CHAPTER 50 - TAXATION AND LICENSES, ARTICLE I. IN GENERAL, SECTION 50-2. TAX ABATEMENT POLICY, GUIDELINES AND CRITERIA; ARTICLE V. ENTERPRISE ZONES, SECTION 50-145 PROVIDING FOR AN ADDITIONAL TAX ENTERPRISE ZONE; PROVIDING SEVERANCE AND RECORDING CLAUSES; AND PROVIDING AN EFFECTIVE DATE.

City Manager Grant explained that this ordinance adds the new Enterprise Zone TRZ2, and readopts the guideline and criteria.

Commissioner Dennis made the motion to approve Resolution No. 1603 establishing criteria and guidelines of tax abatement Zone TRZ2.

Commissioner Taylor seconded the motion, which passed by unanimous vote.

LEASE OLD POOL SITE

City Manager Grant explained that we had received only one bid from Hollow Point Propane in the amount of \$25 per year to lease the Old Swimming Pool site. The proposed business would create 2 new jobs.

Commissioner McCuiston made the motion to authorize the City Manager and City Attorney to negotiate a lease for a five year term with a five year extension.

Commissioner Brownlow seconded the motion, which passed by unanimous vote.

EXECUTIVE SESSION #1

Commissioner McCuiston made the motion to enter Executive Session at 7:56 p.m. under Government Code Section 551.072 – Consultation with attorney regarding real property.

Commissioner Taylor seconded that motion, which passed by unanimous vote.

RESUME REGULAR SESSION

Commissioner McCuiston made the motion to resume regular session at 8:15 p.m.

Commissioner Taylor seconded that motion, which passed by unanimous vote.

ACTION FOLLOWING EXECUTIVE SESSION

Commissioner McCuiston made the motion that the property at 1928 Texas formerly known as the Coleman Game room be put up for sealed bid and advertised, and all bids can be approved or rejected.

Commissioner Brownlow seconded the motion, which passed by unanimous vote.

EXECUTIVE SESSION #2

Commissioner Brownlow made the motion to enter Executive Session at 8:17 p.m. under Government Code Section 551.072 – Consultation with attorney regarding real property.

Commissioner McCuiston seconded that motion, which passed by unanimous vote.

RESUME REGULAR SESSION

Commissioner Brownlow made the motion to resume regular session at 8:32 p.m.

Commissioner McCuiston seconded that motion, which passed by unanimous vote.

ACTION FOLLOWING EXECUTIVE SESSION

Commissioner Dennis made the motion to authorize the City Attorney to continue negotiations regarding possible oil leases.

Commissioner Brownlow seconded the motion, which passed by unanimous vote.

ADJOURN

Commissioner McCuiston made the motion to adjourn the meeting at 8:35 p.m.

Commissioner Taylor seconded the motion, which passed by unanimous vote.



Jeff Bearden
Mayor

ATTEST:



Linda Byers
City Secretary