

MINUTES OF THE REGULAR MEETING OF THE
CITY COMMISSION OF THE CITY OF MARSHALL
THURSDAY, JUNE 14, 2018
6:00 PM

Acting Chairman Gloria Moon called the Regular meeting to order in the Commission Chambers, City Hall at 6:00 p.m.

PRESENT:

CHAIRMAN: Larry Hurta, District 6

COMMISSIONERS:

Gloria Moon, District 1

Terri Brown, District 3

Vernia Calhoun, District 5

Gail Beil, District 2

William Halliday, District 4

Doug Lewis, District 7

ADMINISTRATIVE STAFF PRESENT:

Jack Redmon, Acting City Manager

J.C. Hughes, Public Services Director

Randy Pritchard, Support Services Superintendant

Wes Morrison, Community & Economic Development Director

Elaine Altman, City Secretary/Finance Director

Cliff Carruth, Police Chief

Todd Fitts, City Attorney

Reggie Cooper, Fire Chief

INVOCATION & PLEDGE: Commissioner Moon & Carol Williams, Student at Marshall Junior High School

201. **CITIZEN COMMENTS**

Ed Smith, 38 Pine Burr Circle, spoke in support of issuing a Certificate of Obligation to fund a new animal shelter facility.

Dr. Darlene Wehr, 307 Wellington St., spoke in support of issuing a Certificate of Obligation to fund a new animal shelter facility.

Lenora Reed, 2508 Park Dr., spoke in support of calling a bond election to allow the voters to decide whether or not to build an animal shelter.

Jana Hernandez, 5182 Bucksherrod Rd., spoke in support of issuing a Certificate of Obligation to fund a new animal shelter facility.

Leda Kay, 1104 E. Bowie, spoke in support of issuing a Certificate of Obligation to fund a new animal shelter facility.

Regina Ridgeway, 1005 N. Fulton, spoke regarding needed street repairs in the City of Marshall.

Charlie Oliver, 406 Fisher, stated street and housing repairs should be addressed before a new animal shelter facility is built.

Paul Turner, 4309 Rebel Lane, spoke in support of issuing a Certificate of Obligation to fund a new animal shelter facility.

Leo Morris, 505 S. Carter, spoke in support of calling a bond election to allow the voters to decide if an animal shelter should be built.

Kenneth Moon, 807 Wood St., questioned the Commission about the previous decision of spending \$400,000 on a new animal shelter facility and asked that a bond election be called to allow the voters to decide if they want a new animal shelter.

Amanda Smith, 38 Pine Burr Circle, spoke in support of a new animal shelter and stated animal shelters impact people as well as animals.

202. **ITEMS TO BE WITHDRAWN FROM CONSENT AGENDA**

There were no items withdrawn from the Consent Agenda.

203. **CONSENT AGENDA**

Commissioner Beil made a motion to approve the Consent Agenda. Commissioner Brown seconded the motion, which passed with a vote of 7:0.

- A. Consider approval of the minutes from the May 16, 2018 Special-Called meeting and the May 24, 2018 Regular meeting.
- B. Consider approval of an Engineering Work Order with Hayes Engineering, Inc. for design engineering, bid phase, and construction inspection of 2,500 LF of 8" Water Line Replacement Upgrade and Improvement Project.

204. **PUBLIC HEARING & ORDINANCE**

- A. Conduct a public hearing and consider an ordinance amending the official zoning map for property legally described as Lot 6, Block 3 of the Harlem North 2nd Addition from R-3 (Single-Family Residential) to MH (Mobile Home). The subject property is located north of Lighting Street on the east side of Madam Queen Street, more specifically identified as 1406 Madam Queen Street.

Wes Morrison, Community & Economic Development Director, asked for approval of an ordinance regarding a zoning map amendment for property legally described as Lot 6, Block 3 of the Harlem North 2nd Addition from R-3 (Single-Family Residential) to MH (Mobile Home). The subject property is located north of Lighting Street on the east side of Madam Queen Street, more specifically identified as 1406 Madam Queen Street. He stated the Planning and Zoning Commission recommended approval by a vote of 6:0.

Commissioners engaged in discussion regarding this item and asked for the zoning change to be effective for the entire area.

Chairman Hurta opened the public hearing.

No one came forward to speak.

Chairman Hurta closed the public hearing.

Commissioners asked questions of Wes Morrison regarding this item.

Commissioner Lewis made a motion to approve an ordinance amending the zoning map regarding property legally described as Lot 6, Block 3 of the Harlem North 2nd Addition from R-3 (Single-Family

Residential) to MH (Mobile Home). Commissioner Brown seconded the motion.

The Commission engaged in further discussion regarding this item.

This item passed with a vote of 7:0.

PRESENTATION

205. PRESENTATION OF THE WATER MASTER PLAN REPORT.

J.C. Hughes, Public Services Director, and Stan Hayes, Hayes Engineering, presented the Water Master Plan and asked the Commissioners to review the handout provided. He stated this plan shows areas that need to be addressed in the City of Marshall.

Commissioners asked questions of J.C. Hughes regarding this item.

ORDINANCE

206. CONSIDER AND ACT UPON AN ORDINANCE AUTHORIZING THE ISSUANCE AND SALE OF CITY OF MARSHALL, TEXAS, GENERAL OBLIGATION REFUNDING BOND, SERIES 2018; LEVYING AN ANNUAL AD VALOREM TAX AND PROVIDING FOR THE SECURITY FOR AND PAYMENT OF SAID BOND; AND ENACTING OTHER PROVISIONS RELATING TO THE SUBJECT.

Jack Redmon, Acting City Manager, introduced John Martin, Hilltop Securities representative, who presented an ordinance authorizing the issuance and sale of City of Marshall, Texas, General Obligation Refunding Bond, Series 2018; levying an annual ad valorem tax and providing for the security for and payment of said bond; and enacting other provisions relating to the subject. Mr. Martin stated the bond would be secured by JP Morgan Chase with a 2.649% interest rate, realizing a debt service savings of \$1,419,150.

The Commission engaged in discussion with City Staff and John Martin regarding this item.

Chairman Hurta made a motion to approve the ordinance authorizing the issuance and sale of City of Marshall, Texas, General Obligation Refunding Bond, Series 2018; levying an annual ad valorem tax and providing for the security for and payment of said bond; and enacting other provisions relating to the subject. Commissioner Calhoun seconded the motion, which passed with a vote of 7:0.

207. CONSIDER AND ACT UPON AN ORDINANCE AUTHORIZING THE ISSUANCE AND SALE OF CITY OF MARSHALL, TEXAS LIMITED TAX NOTE, SERIES 2018; LEVYING AN ANNUAL AD VALOREM TAX AND PROVIDING FOR THE SECURITY FOR AND PAYMENT OF SAID NOTE; AND ENACTING OTHER PROVISIONS RELATING TO THE SUBJECT.

John Martin presented an ordinance authorizing the issuance and sale of City of Marshall, Texas Limited Tax Note, Series 2018; levying an annual ad valorem tax and providing for the security for and payment of said note; and enacting other provisions relating to the subject. He stated the Tax Note would be a seven (7) year note secured by Amegy with a 2.92% interest rate, callable at any time. Jack Redmon asked for approval of the ordinance.

Commissioners asked questions of John Martin and City Staff regarding this item.

Commissioner Moon made a motion to approve the ordinance authorizing the issuance and sale of City of Marshall, Texas Limited Tax Note, Series 2018; levying an annual ad valorem tax and providing for the security for and payment of said note; and enacting other provisions relating to the subject. Commissioner Lewis seconded the motion, which passed with a vote of 7:0.

CITY MANAGER REPORTS AND REQUESTS FOR CITY COMMISSION CONSIDERATION

208. **DISCUSSION AND ACTION ON FUTURE FINANCING OPTIONS FOR CITY CAPITAL IMPROVEMENTS.**

Jack Redmon presented information regarding financing options for City Capital Improvements. The options presented were:

1) Proceed with financing City infrastructure improvements and an animal shelter by the issuance of Certificates of Obligation in the maximum amount of \$2,200,000.

2) Defer the financing of an animal shelter pending the results of a future bond election and proceed with financing only City infrastructure improvements by the issuance of Certificates of Obligation in the maximum amount of \$1,500,000.

Jeff Gulbas, with McCall, Parkhurst & Horton, further explained the options available for Certificates of Obligation.

The Commission engaged in discussion with City Staff and Jeff Gulbas regarding this item.

Commissioner Beil made a motion to approve financing option one for the issuance of Certificates of Obligation in the amount of \$2,200,000. Commissioner Halliday seconded the motion, which passed with the following vote:

The Commission engaged in further discussion regarding this item.

**Ayes: 4, Commissioners Beil, Halliday, Moon and Brown
 Nays: 3, Chairman Hurta, Commissioners Lewis and Calhoun**

209. **RESOLUTION: CONSIDER AND ACT UPON A RESOLUTION DIRECTING PUBLICATION OF NOTICE OF INTENTION TO ISSUE COMBINATION TAX AND REVENUE CERTIFICATES OF OBLIGATION.**

Jeff Gulbas presented a resolution directing publication of notice of intention to issue combination tax and revenue certificates of obligation in the maximum principal amount of \$2,200,000, for paying all or a portion of the City's contractual obligations to be incurred in connection with (i) acquiring, constructing, designing and engineering a new animal shelter; (ii) constructing a laundry-list of improvements to municipal buildings. Jack Redmon asked for approval of this resolution.

Commissioners asked questions of Jeff Gulbas and City Staff regarding this item.

Commissioner Halliday made a motion to approve a resolution directing publication of notice of intention to issue combination tax and revenue certificates of obligation in the amount of \$2,200,000. Commissioner Beil seconded the motion.

The Commission engaged in a lengthy discussion regarding this item. Jeff Gulbas explained the Certificates of Obligation could be divided into two (2) separate Certificates of Obligation, one for an animal shelter and the other for improvements to municipal buildings. He expressed concern that approving combined Certificates of Obligation might place the City in jeopardy of the voters petitioning for an election. If an election occurs and the combined Certificates of Obligation are voted down, the City would not be able to apply for any Certificates of Obligation for an animal shelter or improvements to municipal buildings for three (3) years.

The motion remained and passed with the following vote:

Ayes: 4, Commissioners Halliday, Beil, Brown and Moon

Nays: 3, Chairman Hurta, Commissioner Calhoun and Lewis

210. CONSIDER APPROVAL OF THE PURCHASE OF TWELVE (12) NEW VEHICLES FOR THE MARSHALL POLICE DEPARTMENT.

Jack Redmon stated if approved financing for the requested twelve (12) new vehicles would be over a five (5) year period. Cliff Carruth, Police Chief, asked for approval of the purchase of twelve (12) new vehicles for the Marshall Police Department in the amount of \$571,335, excluding finance charges.

Commissioners asked questions of City Staff regarding this item.

Commissioner Beil made a motion to approve the purchase of twelve (12) new vehicles for the Marshall Police Department and finance them over a five (5) year period. Commissioner Brown seconded the motion, which passed with a vote of 7:0.

211. CONSIDER APPROVAL OF A NEIGHBORHOOD EMPOWERMENT ZONE APPLICATION FOR 614 N. WASHINGTON AVENUE.

Wes Morrison asked for approval of neighborhood empowerment zone applications for 614 N. Washington Avenue and explained the requirements of the program and the process for which an application may be approved. Mr. Morrison stated the total of all incentives associated with this agreement would be a little over \$2,100.

Commissioner Lewis made a motion to approve a neighborhood empowerment zone application for 614 N. Washington Avenue. Commissioner Calhoun seconded the motion, which passed with a vote of 7:0.

212. CONSIDER APPROVAL OF CHANGE ORDER #3 TO A CONTRACT WITH STILES ELECTRIC FOR THE MEMORIAL CITY HALL REONVATION PROJECT.

Jack Redmon asked for approval of Change Order #3 to a contract with Stiles Electric for four (4) track light heads and change track light color from black to silver throughout Memorial City Hall. The cost of the change order is \$1,284.

Commissioner Beil made a motion to approve Change Order #3 to a contract with Stiles Electric. Commissioner Calhoun seconded the motion, which passed with the following vote:

Ayes: 6, Chairman Hurta, Commissioners Beil, Calhoun, Moon, Brown and Lewis

Nays: 0

Abstain: 1, Commissioner Halliday

213. REPORT REGARDING THE STATUS OF THE MEMORIAL CITY HALL RENOVATION PROJECT.

Jack Redmon stated painting is taking place, beam repairs are continuing, windows have been installed, door frames are being installed and final concrete pours are scheduled for the basement. He also stated fundraising efforts now total approximately \$239,000.

Commissioners asked questions of Jack Redmon regarding this item.

214. REPORT FROM CONVENTION AND VISITOR BUREAU REGARDING 2017 WONDERLAND OF LIGHTS.

Wes Morrison presented a profit and loss statement for Wonderland of Lights and an info-graphic outlining visitor participation. He stated total revenue was approximately \$275,000; total expenses were approximately \$276,000 for a net loss of approximately \$800. He stated capital costs for the tiny houses (\$35,000) and the new train (\$27,000) were not included on the Profit/Loss Report. \$79,000 of payroll costs are also not reflected on the Profit/Loss report.

215. REPORT FROM POLICE DEPARTMENT REGARDING ACTIVE SHOOTER PLANNING AND RESPONSE.

Chief Carruth presented a report regarding active shooter planning and response at the request of Commissioner Lewis.

216. CONSIDERATION OF ITEMS WITHDRAWN FROM THE CONSENT AGENDA

There were no items withdrawn from the Consent Agenda.

217. ADJOURNMENT

Commissioner Moon made a motion for adjournment. Commissioner Lewis seconded the motion, which passed with a vote of 7:0.

APPROVED:

**Chairman of the City Commission
 of the City of Marshall, Texas**

ATTEST:

City Secretary

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Ordinance: O-18-10

O-18-11

O-18-12

Resolution: R-18-14

**BUDGET WORKSHOP – DISCUSSION OF GOALS AND
OBJECTIVES FOR THE 2019 BUDGET**