

REGULAR SESSION

MAY 11, 2015

The City Council of the City of Athens met in Regular Session on Monday, May 11, 2015, 5:30 p.m. in the Council Chambers of the City Hall Annex with the following members present, to-wit:

Jerry D. Vaught, Mayor  
Monte Montgomery, Mayor Pro-Tem  
Charles Elliott  
Joe Whatley  
Tres Winn

Philip Rodriguez, City Administrator  
Bonnie Hambrick, City Secretary  
Blake Armstrong, City Attorney

others present: David Hopkins, Glen Herriage, Gary Crecelius, Buddy Hill, John McQueary, Haven Cox, Sherri Skeeters, Corey Frentress, Michael Hannigan, Rich Flowers, Greg Mason, Lisa Denton and Steve Grant;

constituting a quorum at which time the following proceedings were enacted, to-wit:

The invocation was given by Councilmember Montgomery.

**DECLARATION OF CONFLICT OF INTEREST**

No action was taken.

**DISCUSSION ITEMS:**

**A) UPDATE ON AIRPORT PROJECT AGREEMENT**

Gary Crecelius, Director of Planning & Development explained the Airport Project Participation Agreement has been received from TxDot to be executed. Mr. Crecelius explained the project is described as planning services to prepare an updated Airport Master Plan at the Athens Municipal Airport. After the scope of work is agreed upon for the Master Plan, a request for proposals will be sent to a qualified consulting firm.

**B) CHALLENGE GRANT FOR COLEMAN PARK IMPROVEMENTS**

Philip Rodriguez, City Administrator stated the City received an opportunity for a challenge grant in the amount of \$150,000 from an anonymous donor for the construction of a concession stand and restroom at Coleman Park. Mr. Rodriguez explained the donor is willing to give \$150,000 if \$100,000 is raised. He stated individuals and/or businesses are welcome to participate in raising funds.

**CONSENT AGENDA;**

**A) DISCUSS APPROVING MINUTES OF THE APRIL 22, 2015 SPECIAL SESSION, APRIL 27, 2015 REGULAR SESSION, APRIL 30, 2015 SPECIAL SESSION AND MAY 7, 2015 SPECIAL SESSION**

A motion was made by Councilmember Montgomery, seconded by Councilmember Winn to approve the Consent Agenda. The motion carried unanimously.

**PUBLIC HEARING CONCERNING ZONING OF LOT PT. 19, D. HARRISON SURVEY FROM AGRICULTURE TO COMMERCIAL, OWNED BY DAVID MCNAIR (650 S.E. LOOP 7)**

Mr. Crecelius stated that the property is in the process of being annexed at the request of the property owner. He explained the zoning of the property is to allow for a 120-bed Skilled Nursing Facility. He stated eight (8) surrounding property owners were notified, no responses were received and the Zoning Commission approved the zoning on 4/21/15. There was no discussion and the public hearing was closed.

DISCUSS/CONSIDER FIRST READING OF AN ORDINANCE ANNEXING 30.00 ACRES LOCATED IN THE DANIEL HARRISON SURVEY, ABSTRACT 279, (650 SOUTH EAST LOOP 7)

Mr. Crecelius explained two (2) public hearings were held regarding the annexation of the property and no one from the public expressed opposition to the annexation.

City Secretary, Bonnie Hambrick read the Ordinance aloud. A motion was made by Councilmember Elliott, seconded by Councilmember Winn to approve first reading of an Ordinance annexing 30.00 acres located in the Daniel Harrison Survey, Abstract 279, (650 South East Loop 7). The motion carried unanimously.

DISCUSS/CONSIDER FIRST READING OF AN ORDINANCE ZONING LOT PT. 19, D. HARRISON SURVEY FROM AGRICULTURE TO COMMERCIAL, OWNED BY DAVID MCNAIR (650 S.E. LOOP 7)

Mr. Crecelius explained this is the first required reading of an ordinance to zone the property.

Ms. Hambrick read the Ordinance aloud. A motion was made by Councilmember Winn, seconded by Councilmember Whatley to approve first reading of an Ordinance zoning Lot Pt. 19, D. Harrison Survey from Agriculture to Commercial, owned by David McNair (650 S.E. Loop 7). The motion carried unanimously.

DISCUSS/CONSIDER FIRST READING OF AN ORDINANCE ANNEXING 296.142 ACRES LOCATED IN THE WILLIAM TRIMMER SURVEY, ABSTRACT 758, MARY ANN PICKETT SURVEY, ABSTRACT 628, AND NELSON BOX SURVEY, ABSTRACT 58 (1271 COUNTY ROAD 4500)

Mr. Crecelius explained the property was purchased by Athens Economic Development Corporation and this is the first required reading of an Ordinance to annex the property.

Ms. Hambrick read the Ordinance aloud. A motion was made by Councilmember Montgomery, seconded by Councilmember Winn to approve first reading of an Ordinance annexing 296.142 acres located in the William Trimmer Survey, Abstract 758, Mary Ann Pickett Survey, Abstract 628, and Nelson Box Survey, Abstract 58 (1271 County Road 4500). The motion carried unanimously.

CONSIDER SECOND AND FINAL READING OF AN ORDINANCE CREATING SITE PLAN AND REZONING OF LOT (S) 5A & 5B, BLOCK 3, ATHENS ORIGINAL TOWN FROM CENTRAL BUSINESS DISTRICT TO CENTRAL BUSINESS DISTRICT SPECIFIC USE PROVISION, OWNED BY CLOVIS PIERCE (101 & 103 EAST TYLER)

Mr. Crecelius explained this is the second and final reading of an Ordinance annexing 296.142 acres.

Ms. Hambrick read the Ordinance aloud. A motion was made by Councilmember Whatley, seconded by Councilmember Montgomery to approve second and final reading of an Ordinance creating site plan and rezoning of Lot (s) 5A & 5B, Block 3, Athens Original Town from Central Business District to Central Business District Specific Use Provision, owned by Clovis Pierce (101 & 103 East Tyler). The motion carried unanimously.

CONSIDER SECOND AND FINAL READING OF VOLUNTARY DEANNEXATION ORDINANCE OF PROPERTY LOCATED AT TRACT 2A TRIMBLE SURVEY ABSTRACT 766 (2442 BEAR CREEK), REQUESTED BY JOHN S. TAYLOR AND ANNE TAYLOR

Mr. Crecelius explained this is the second and final reading of an Ordinance to deannex property located at Tract 2A Trimble Survey Abstract 766 (2442 Bear Creek), requested by John S. Taylor and Anne Taylor.

Ms. Hambrick read the Ordinance aloud. A motion was made by Councilmember Elliott, seconded by Councilmember Whatley to approve second and final reading of voluntary deannexation Ordinance of property located at Tract 2A Trimble Survey Abstract 766 (2442 Bear Creek), requested by John S. Taylor and Anne Taylor. The motion carried unanimously.

**DISCUSS/CONSIDER CANCELLATION OF AGREEMENT WITH TRAVEL INN AND  
RELEASE OF COMMITTED FUNDING**

Lisa Denton, Executive Director of Athens Economic Development Corporation (AEDC) explained that Travel Inn's proposed project will not be done at this time and at AEDC's last board meeting, the Business Assistance Grant was canceled and committed funds were released. She stated that Travel Inn will resubmit a request at a later time for a Business Assistance Grant.

A motion was made by Councilmember Whatley, seconded by Councilmember Winn to approve the cancellation of agreement with Travel Inn and release the committed funding. The motion carried unanimously.

**DISCUSS/CONSIDER APPROVAL OF ATHENS ECONOMIC DEVELOPMENT  
CORPORATION'S (AEDC) BUSINESS ASSISTANCE GRANT PROGRAM  
APPLICATION SUBMITTED BY TARA VINEYARD AND WINERY, LLC**

Ms. Denton explained due to the cancellation of the agreement with Travel Inn it allowed for Tara Vineyard and Winery, LLC to enter into an agreement. The proposed project consists of exterior improvements that are estimated at a cost of more than \$82,000. She stated the AEDC's Board approved the Business Assistance Grant Program in an amount up to \$10,000.

A motion was made by Councilmember Whatley, seconded by Councilmember Elliott to approve Business Assistance Grant Program application submitted by Tara Vineyard and Winery, LLC. The motion carried unanimously.

**DISCUSS/CONSIDER APPROVAL OF LOAN RESTRUCTURE NOTE  
BETWEEN AEDC AND BIOTECH MANUFACTURING CENTER OF TEXAS**

Ms. Denton explained the loan between AEDC and Biotech Manufacturing Center of Texas (BMC) has matured, and AEDC has proposed a loan restructure note with BMC. The restructured note would commence on June 15, 2015, with a monthly payment of \$500 per month for 1 year, after which, balance will be amortized over 30 years at 1% interest, with payments of \$3,406.95, with a two year balloon. This note will be reassessed at the end of the two year term.

Council member Elliott thanked the AEDC Board for looking into the loan restructure note.

A motion was made by Council member Elliott, seconded by Council member Montgomery to approve the loan restructure note between AEDC and Biotech Manufacturing Center of Texas. The motion carried unanimously.

**DISCUSS/CONSIDER APPROVAL OF LEASE AGREEMENT BETWEEN  
AEDC AND BIOTECH MANUFACTURING CENTER OF TEXAS**

Ms. Denton explained the lease agreement between AEDC and Biotech expired in August 2014. The AEDC Board has approved a new lease agreement with Biotech, and the lease has been executed by both parties. The new lease rate is \$500 a month for the first six (6) months, commencing on May 1, 2015, \$2,500 the next six (6) months and \$5,400 a month for the second year. She stated the AEDC Board's goal is to reach a reasonable market rate lease over time.

A motion was made by Councilmember Elliott, seconded by Councilmember Whatley to approve the lease agreement between AEDC and Biotech Manufacturing Center of Texas.

DISCUSS/CONSIDER FIRST READING OF A RESOLUTION SUPPORTING  
ATHENS ECONOMIC DEVELOPMENT CORPORATION'S  
INFRASTRUCTURE PROJECT FOR PROSPECT 1501, TEXAS HOLDING  
MANAGEMENT, LLC

Ms. Denton explained that Texas Holding Management, LLC has purchased the 30 acres of land to construct a 120 bed skilled nursing facility. The company has estimated a value of eleven million in real property improvement; maintaining 86 full time jobs and creating 20 additional new jobs. Ms. Denton stated that Velvin and Weeks submitted an estimated cost of \$345,050 to design and engineer the water/sewer infrastructure. Ms. Denton further stated that Athens Municipal Water Authority has stepped up in a huge way by contributing \$295,000. The AEDC Board is seeking the City's support for AEDC's funding in the amount of \$50,050 to design and engineer water/sewer infrastructure for Prospect 1501, Texas Holding Management, LLC.

Ms. Hambrick read the Resolution aloud. A motion was made by Councilmember Whatley, seconded by Councilmember Winn to approve first reading of a Resolution supporting Athens Economic Development Corporation's infrastructure project for Prospect 1501, Texas Holding Management, LLC. The motion carried unanimously.

DISCUSS/CONSIDER TXDOT MAINTENANCE AGREEMENT AND  
RESOLUTION

Mr. Rodriguez explained that the agreement is a municipal maintenance agreement with TxDot describing the responsibilities of each party on State Right-of-Ways within the city limits. Mr. Rodriguez stated TxDot wishes to update the current agreement with the City of Athens.

Glen Herriage, Director of Utilities stated the current agreement was dated July 28, 1997 and the only change is to incorporate side walks and ADA ramps that the City would be responsible for.

A motion was made by Councilmember Montgomery, seconded by Councilmember Elliott to approve TxDot Maintenance Agreement and Resolution. The motion carried unanimously.

DISCUSS/CONSIDER ACCEPTING THE 2015 TXDOT CLICK-IT-OR-  
TICKET (CIOT) SELECTIVE TRAFFIC ENFORCEMENT PROGRAM (STEP)  
GRANT AND AUTHORIZING THE MAYOR TO EXECUTE THE GRANT  
AGREEMENT, AND AUTHORIZING CITY STAFF TO ADMINISTER THE  
GRANT

Police Chief Buddy Hill stated that Texas Department of Transportation has participated in the Selective Traffic Enforcement Program (STEP) Grant. Mr. Hill explained TxDot makes funds available to local law enforcement agencies that participate in the STEP activities. The programs are intended to increase public education awareness of the importance of traffic laws. The Athens Police Department is eligible to receive up to \$6,400 in reimbursable funds for participating in the STEP Grant. The grants reimburse for allowable operational costs, including salary, fringe benefits and equipment use.

A motion was made by Councilmember Whatley, seconded by Councilmember Winn to accept the 2015 TxDot Click-It-Or-Ticket (CIOT) Selective Traffic Enforcement Program (STEP) Grant and authorizing the Mayor to execute the grant agreement and authorizing City staff to administer the grant. The motion carried unanimously.

DISCUSS/CONSIDER CANCELING THE MAY 25, 2015 REGULAR SESSION

Mr. Rodriguez recommended that the May 25, 2015 Regular Session be canceled due to the National Holiday. A motion was made by Councilmember Whatley, seconded by Councilmember Winn to cancel the May 25, 2015 Regular Session. The motion carried unanimously.

DISCUSS/CONSIDER CALLING A SPECIAL SESSION FOR WEDNESDAY,  
MAY 27, 2015 CONTINGENT UPON AGENDA ITEMS

A motion was made by Councilmember Montgomery, seconded by Councilmember Elliott to call a Special Session for Wednesday, May 27, 2015 contingent upon agenda items. The motion carried unanimously.

OPPORTUNITY FOR CITIZENS TO EXPRESS ITEMS OF CONCERN RELATING  
TO THE CITY OF ATHENS

There was no discussion.

EXECUTIVE SESSION PURSUANT TO THE TEXAS GOVERNMENT  
CODE, SECTION 551.071 CONSULTATION WITH ATTORNEY;  
CONSULTATION ON WHERE THE CITY LEGALLY STANDS IN  
RELATION TO THE CAIN CENTER

The City Council adjourned to Executive Session at 6:05 p.m.

The City Council returned to Regular Session at 7:12 p.m.

CONSIDER ACTION RESULTING FROM DELIBERATIONS IN  
EXECUTIVE SESSION PURSUANT TO THE TEXAS GOVERNMENT  
CODE, SECTION 551.071 CONSULTATION WITH ATTORNEY ON WHERE  
THE CITY LEGALLY STANDS IN RELATION TO THE CAIN CENTER

No action was taken.

DISCUSS/CONSIDER CITY'S INVOLVEMENT WITH THE CAIN CENTER  
INCLUDING FISCAL AND OPERATIONAL ISSUES

Mayor Vaught read the following statement aloud, "Pursuant to the Contractual Agreements with the Cain Center, we as a Council fully support the Cain Center Board in their efforts to continue to operate the Cain Center at a high level. At this point, the City will assess what the intentions of the Cain Center Board are moving forward. In the event that the Board decides that continued operations of the Cain Center is not viable, the Council will assess what the City can do to have the Cain Center continue to serve our Citizens."

CITY ADMINISTRATOR'S UPDATE

Mr. Rodriguez explained that a public notice to boil water prior to consumption was issued due to reduced pressure. He stated the water system pressure was too low per regulations from Texas Commission on Environmental Quality (TCEQ) and the City issued the public notice out of precaution. Mr. Rodriguez thanked all the different departments within the City for working diligently and tirelessly. He stated upon approval from TCEQ the system should be back on line by mid-week and the notice to boil water would be rescinded.

MAYOR AND COUNCIL UPDATE

Mayor Vaught expressed appreciation to staff for their handling of the boil water notice. He thanked the Police and Fire Departments for their hard work and stated the Utilities Department has been outstanding.

ADJOURN

The meeting was adjourned.

PASSED AND APPROVED THIS THE 27<sup>th</sup> DAY OF MAY, 2015.

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Jerry D. Vaught, Mayor

ATTEST:

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Bonnie Hambrick, City Secretary