

**MINUTES OF THE
SPECIAL CALLED MEETING OF THE CITY COUNCIL OF THE CITY OF TYLER, TEXAS
August 31, 2016**

A special called meeting of the City Council of the City of Tyler, Texas, was held Wednesday, August 31, 2016 at 9:00 a.m. in the City Council Chambers, 2nd floor of City Hall, Tyler, Texas, with the following present:

Mayor: Martin Heines
Mayor Pro Tem: John Nix
Councilmembers: Mark Whatley
Linda Sellers
Darryl Bowdre
Ed Moore
Don Warren

City Manager: Edward Broussard
City Attorney: Deborah G. Pullum
Deputy City Attorney: Steve Kean
Sr. Assistant City Attorney: Sharon Roberts
Chief Financial Officer: Keidric Trimble
Chief Information Officer: Benny Yazdanpanahi
City Engineer: Carter Delleney
Police Chief: Jimmy Toler

Managing Director of Culture, Recreation and
Tourism Services: Stephanie Rollings
Managing Director of Planning &
Economic Development: Heather Nick
Water Business Office Manager: Jim Yanker
Development Manager: Greg Morgan
City Clerk: Cassandra Brager

INVOCATION

The Invocation was given by Councilmember Bowdre.

PUBLIC HEARINGS

- H-1** Request that the City Council conduct the second of two public hearings and consider public input on the proposed annexation of Cumberland Hills, including 32 single-family homes and undeveloped land, located at the northwest intersection of Paluxy Drive and Toll 49. Mayor Heines opened and closed the public hearing, after giving the public the opportunity to speak. No one from the public spoke on this item.
- H-2** Request that the City Council consider conducting the second of two public hearings on the proposed Fiscal Year 2016-2017 Annual Budget and on the proposed property tax rate of \$0.230000 per \$100 of taxable property value and consider taking action to adopt the proposed tax rate and Fiscal Year 2016-2017 Annual Budget on September 14, 2016.

Keidric Trimble, Chief Financial Officer – Gave a brief update on the proposed Fiscal Year 2016-2017 Annual Budget and on the proposed property tax rate of \$0.230000 per \$100 of taxable property value and consider taking action to adopt the proposed tax rate and Fiscal Year 2016-2017 Annual Budget on September 14, 2016.

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Herman Cryer, 12338 CR 1206 – Stated that sales tax revenue is down and it's because people are not spending money like they used to. Our income remains level and asked the Council to consider working on the same money they had last year.

George Roberts, Chief Executive Officer of NETPHD - 315 N. Broadway – Spoke on the different programs that the Northeast Texas Public Health District does on a routine basis to help the City of Tyler.

Ernie Clark, 4071 Stonebridge Dr – Stated that he was representing the Grassroots of America, We the People, and wanted to pass on their organizational thanks for bringing them through some tough times over the past several years by streamlining City services, removing redundancies, and implementing employee programs such as the very successful Lean Six Sigma Program, the Performance Excellence Program, and expanding the City/University Concept which fosters excellence in local government operations. As Mayor Heines outlined in his annual State of the City message, the City must become more pro-active than it has been in the past to ensure our city's infrastructure does not force the City to go into General Obligation debt to rebuild our roads and storm water drainage system. Piling up deferred maintenance costs is unacceptable. Other local entities let that happen, and then when the infrastructure started to crumble, they sent taxpayers and future taxpayers into millions of dollars of debt to dig their way out simply because they did not plan and budget for infrastructure as the tax base grew. The City has experienced an unusual volume of rainfall over the past year. This has stressed the ability of our current storm-water management system to fully protect streets, the right of ways, and even private property. As a result of this situation, the City is proposing a one-cent increase in the General Fund tax rate. We understand the intent of City leadership is to dedicate this increase solely to road maintenance projects, specifically seal coating street surfaces and sealing cracks in roads. We also understand that the first year will produce 32 lane miles of roadwork.

Grassroots America supports this plan, but urges the City Council to take steps to assure the citizens of Tyler that it has taken every step possible to ensure that this one-cent tax rate increase for street maintenance will not be diverted by future administrations to fund some other governmental operation. Grassroots America - as a watchdog organization - can support this one-cent tax increase - with proper assurances that it will not be used for any other purpose. We further understand that Fund 103 has been started for this dedication, and all we need now is the Council's assurance that the special fund will remain in place - and untouched for other purposes - so that you can achieve a street classification rating of 85 and hold it there.

In addition, we call your attention to some things in the budget document that require constant attention - several fund balances the City operates under are being depleted beyond what we consider a safe level. We understand the City has taken additional belt-tightening measures to weather the decline in sales tax receipts. Fire and Police budgets account for 70% of the General Fund expenses. This percentage has increased drastically in the last 8 to 10 years to meet a growing population density, and we understand this puts a lot of pressure on the availability of sales tax revenues for other City operations. Grassroots America believes the City of Tyler is better prepared to meet legacy costs than many other local governments, but this did not happen by accident. It is because of the culture of the City of Tyler Blueprint Business Plan and the leadership's emphasis on planning how to use the growth in the tax base to fund growing demands without debt.

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We understand the need for the \$1.50 base rate increase along with a .54-cent volumetric rate increase on sewer rates. These increases are necessary to meet system improvements. The Utility Fund (502) Category 1745 regulatory monitoring is estimated at a cost of \$3,351,000 to build a model to meet TCEQ and EPA current requirements. Is it possible that this cost could be spread over at least two or even three years? If so, we'd like you to take a look at the merits of doing that, but we also know the EPA is breathing down your neck, and you want to avoid costly fines.

Grassroots America thanks City Manager Ed Broussard and Chief Financial Officer Keidric Trimble for their assistance in answering our many questions concerning the City of Tyler's Fiscal Year 2017 Proposed Budget.

We appreciate your open door policy, transparency, and the City staff's hard work and dedication to producing excellent results. This gives us every reason to support you. Please keep up the good work.

BOARD APPOINTMENTS

B-1 Request that the City Council consider making appointments and reappointments to various City Boards.

Airport Advisory Board

Motion by Councilmember Sellers to re-appoint Lindsey Birdsong and Robert Spivey, and to appoint Kelly Walker; seconded by Councilmember Whatley; motion carried 7 - 0 & approved as presented.

Animal Care Board

Motion by Councilmember Whatley to re-appoint Michael Maris; seconded by Councilmember Sellers; motion carried 7 - 0 & approved as presented.

Zoning Board of Adjustments

Motion by Councilmember Bowdre to reappoint Mitch Henderson and appoint Nathan Foreman, Judith Guthrie, and Brent Brevard; seconded by Councilmember Moore; motion carried 7 - 0 & approved as presented.

Civil Service Commission

Motion by Mayor Pro Tem Nix to appoint Thomas Johnson and Jarad Kent; seconded by Councilmember Whatley; motion carried 7 - 0 & approved as presented.

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Construction Board of Adjustment & Appeals

Motion by Mayor Pro Tem Nix to re-appoint John Bullard and appoint David Socia, Max Slicker, Jion Dietz and Jimmy Reed; seconded by Councilmember Warren; motion carried 7 - 0 & approved as presented.

Motion by Mayor Pro Tem Nix to re-appoint John Bullard as Chair; seconded by Councilmember Whatley; motion carried 7 - 0 & approved as presented.

Disability Issues Review Board

Come back to City Council when more applications are received.

Half Cent Sales Tax Board

Motion by Mayor Pro Tem Nix to reappoint Mark Whatley, Walter Welhelmi, Sidney Eloyce Green, Ralph Caraway, Chris Simons, Brian Brandt and Jason Trimble; seconded by Councilmember Warren; motion carried 7 - 0 & approved as presented.

Health Facilities Development Corporation Board

Motion by Councilmember Sellers to re-appoint John Bob Garrett, E. W. Clawater III and James Wynne and appoint John Allen Bell and Russell Patterson; seconded by Councilmember Bowdre; motion carried 7 - 0 & approved as presented.

Historical Preservation Board

Motion by Councilmember Warren to re-appoint Shana Steele, John Breedlove and Brad Emge and appoint Christopher Leahy, Aubrey Sharpe and J. B. Smith; seconded by Councilmember Bowdre; motion carried 7 - 0 & approved as presented.

Motion by Councilmember Warren to appoint John Breedlove as Chair; seconded by Mayor Pro Tem Nix; motion carried 7 - 0 & approved as presented.

Industrial Development Corp

Come back to City Council when more applications are received. Also, some Councilmembers inquired as to whether or not this particular City Board is still needed at this time.

Library Board

Motion by Councilmember Warren to re-appoint Toni Ferrell and Marion Branum and appoint Mary Linehan; seconded by Mayor Pro Tem Nix; motion carried 7 - 0 & approved as presented.

Keep Tyler Beautiful

Motion by Councilmember Moore to re-appoint Sarah Wruck and appoint Archie Castleberry Jr., Lisa Williams and Andrea Paige Horn; seconded by Councilmember Warren; motion carried 7 - 0 & approved as presented.

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Motion by Councilmember Moore to appoint Sarah Wruck as Chair; seconded by Councilmember Warren; motion carried 7 - 0 & approved as presented.

Neighborhood Revitalization Board

Motion by Mayor Pro Tem Nix to re-appoint Greg Grubb and appoint James McLeroy, Stanley Cofer and Natalie Bradley; seconded by Councilmember Moore; motion carried 7 - 0 & approved as presented.

Motion by Mayor Pro Tem Nix to appoint Greg Grubb as Chair; seconded by Councilmember Moore; motion carried 7 - 0 & approved as presented.

Parks

Motion by Councilmember Bowdre to re-appoint Diane Kavanaugh and Sandy Shepard and appoint John Mayes, Lesa Walker and Justin Fenley ; seconded by Mayor Pro Tem Nix; motion carried 7 - 0 & approved as presented.

Motion by Councilmember Bowdre to appoint Sandy Shepard as Chair; seconded by Mayor Pro Tem Nix; motion carried 7 - 0 & approved as presented.

P&Z Commission

Motion by Councilmember Sellers to re-appoint Amy McCullough, Jeb Jones and Broderick McGee; seconded by Councilmember Bowdre; motion carried 7 - 0 & approved as presented.

NETPHD

Motion by Councilmember Warren to re-appoint Linda Klotz; seconded by Councilmember Sellers; motion carried 7 - 0 & approved as presented.

Traffic

Motion by Councilmember Whatley to re-appoint Jacqueline Fowler and appoint James Reed; seconded by Councilmember Bowdre; motion carried 7 - 0 & approved as presented.

CITY MANAGER'S REPORT

RECESS FOR EXECUTIVE SESSION City Council convened into executive session at 9:57 am

Executive Item No. 1:

Under Tex. Gov't Code Section 551.072 "Real Estate" deliberation regarding the following:

Discuss the purchase, exchange, sale, lease or value of real property, the public discussion of which would have a detrimental effect on the negotiating position of the City, related to the development of municipal facilities.

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Executive Item No. 2:

Under Tex. Gov't Code section 551.087 "Economic Development" deliberation regarding the following:

Possible offer of financial or other incentive to a prospect, and to consider financial and other information about that prospect/project with which the City is conducting economic development negotiations that could lead to a partnership in Tyler.

Any final action to be taken by the City Council will be taken in open session.

City Council reconvened from executive session at 10:44 am with no action taken.

ADJOURNMENT

Motion by Mayor Pro Tem Nix to adjourn the meeting at 10:44 am; seconded by Councilmember Whatley; motion carried 7 - 0 & meeting adjourned.



MARTIN HEINES, MAYOR OF
THE CITY OF TYLER, TEXAS

ATTEST:



CASSANDRA BRAGER, CITY CLERK

