

**MINUTES OF THE
HENDERSON CITY COUNCIL
REGULAR COUNCIL MEETING**

August 18, 2020

The City Council met on this date at 6:10 p.m. with Mayor John (Buzz) Fullen presiding. Council Members present included Tommy Goode, Michael Searcy, Henry Pace, Melissa Morton and Steve Higginbotham.

Staff members present included City Manager Jay Abercrombie, City Secretary Cheryl Jimerson, City Attorney Joe Shumate, Communications and Marketing Letti Goodrich, Police Chief Chad Taylor, Director of Finance Karen Arnall, and Public Utilities Director Randy Boyd. Joining the meeting virtually, Fire Chief Rusty Chote, Public Services Director Davis Brown, Community Development Manager Billy Hughes, Parks and Recreation Director Kirk Kimbrell and HEDCO Director John Clary.

INVOCATION AND PLEDGE OF ALLEGIANCE: Council Member Tommy Goode gave the Invocation and Council Member Michael Searcy led the Pledges.

CITIZENS' COMMENTS NON-AGENDA ITEMS:

There were none.

CITIZENS' COMMENTS AGENDA ITEMS:

There were none.

PRESENTATION'S/ANNOUNCEMENTS:

The November Municipal Election has Mayor John (Buzz) Fullen, Council Member Michael Searcy District 2, and Council Member Henry Pace District 3 places to be on the ballot. No opponents have filed to run against them at this time.

CONSENT AGENDA: *Consent Agenda items are considered to be routine in nature and may be acted upon in one motion. Any item requiring additional discussion may be withdrawn from the Consent Agenda by the Mayor, Councilmember or City Manager, and acted upon separately.*

1. Consideration and possible action on the following Minutes: (Jimerson)
 - ❖ July 21, 2020 – Regular Council Meeting
 - ❖ July 21, 2020 – Budget Workshop **added on the addendum agenda**
2. Consideration and possible action on HEDCO financials from July 2020. **(Clary)**
3. Consideration and possible action upon HEDCO 2019-2020 Budget Amendment #2. **(Clary)**
4. Consideration and possible action upon HEDCO 2020-2021 Budget. **(Clary)**
5. Consideration and possible action upon HEDCO 2020-2021 Program of Work Approval. **(Clary)**

Council Member Steve Higginbotham made to a motion to approve the consent agenda items, duly seconded by Council Member Michael Searcy; vote was unanimous.

COUNCIL BUSINESS – REGULAR SESSION:

6. Open a public hearing to receive citizen input on the proposed budget for physical year 2020-2021. Mayor Buzz Fullen opened a public hearing and turned the floor over to City Manager Jay Abercrombie. Jay stated he and the Finance Director Karen Arnall worked to balance the budget from the input from Mayor, Council and the City Leadership team from each department. Mayor Fullen stated there were no citizen comments and needed a motion to close the public hearing. Council Member Michael Searcy made a motion to close the public hearing, duly seconded by Council Member Henry Pace; vote was unanimous.
7. Open a public hearing to receive citizen input on the 2020 tax rate. Mayor Fullen opened a public hearing and turned the floor over to City Manager Jay Abercrombie. Jay stated staff was able to keep the tax rate the same as last years (.5517). In order to do this there will be no pay increases for any employee and the bid for the health insurance came in at a lower rate than the previous year, if the city changed providers from Blue Cross/Blue Shield to TML. Changing to TML

- not only saves the city a significant amount of funds but it also lowered dependent care rates paid by the employees.
- Mayor Fullen stated there were no citizen comments and needed a motion to close the public hearing. Council Member Michael Searcy made a motion to close the public hearing, duly seconded by Council Member Melissa Morton; vote was unanimous.
8. Consideration and possible action on the second reading of Ordinance 2020-07-44 for HEDCO to annex property into the city limits known as Lots 2 and 3 of Block 1050 Southwest Industrial Park located on Frisco Street. **(Jimerson)**
- City Secretary Cheryl Jimerson stated if Council approves the second reading of said ordinance, she will be able to send the ordinance to all the powers to be that move the city boundary lines that extend the city limits.
- Council Member Tommy Goode made a motion to approve the second reading of ordinance 2020-07-44, duly seconded by Council Member Steve Higginbotham; vote was unanimous.
9. Consideration and possible action upon the second reading of a stop sign ordinance 2020-07-45. **(Taylor)**
- Police Chief Chad Taylor stated the two items in question from the first reading of this ordinance were inspected and he agrees that in Section 1 of said ordinance all the streets coming into North, South, East and West Main Streets should have stop signs; this has been changed within the ordinance. The second item was in section 1 placing yield signs at Slaydon at Briarwood, this was completely removed from this ordinance; Stop signs will remain in this location.
- Council Member Steve Higginbotham made a motion to approve the second reading of ordinance 2020-07-45, duly seconded by Council Member Henry Pace; vote was unanimous.
10. Discuss potential terms and conditions for an agreement with HEDCO on a possible move for them to 502 W. Main Street. **(Abercrombie)**
- City Manager Jay Abercrombie explained the move of the Child Advocacy Center to HWY 79 North has left this city owned building vacant at 500 W. Main street not 502. This has given the city an opportunity to have more room in City Hall if Council and the HEDCO Board can come to an agreement on the terms of the facility. There are also plans to move Meals on Wheels and Experience Works into the facility opening the Community Center at Fairpark up to have the availability for more rentals to bring in more income. The Community Center will be rented out by Laura Wilkerson the Civic Center Manager. HEDCO's budget amendment #2 was for \$15,000 in this budget to get started with the remodel of 500 W. Main Street; they will keep paying the \$1,500 of their portion of the errors and omissions insurance with the City providing cleaning service, all utilities and insurance on the facility. Joe Shumate will draw up a lease contract to be submitted to Council next month.
11. Consideration and possible action upon budget amendment #3. **(Arnall) added from the addendum agenda**
- Finance Director Karen Arnall explained the proposed budget amendment #3 is for the General Fund. The Fire Departments 2019-2020 budget vehicle repair line item needs to be amended due to unexpected repairs totaling \$26,000 dollars. Revenue for the Fire Department needs to be amended to reflect the funds received from the Rusk County Emergency Services District 1 for bunker gear in the amount of \$29,206.
- The Police Departments 2019-2020 budget overtime line needs to be amended by \$14,000 dollars due to the DEA Task Force officer's overtime which is reimbursed monthly by the DEA. The vehicle repair line in their department needs to be amended by \$30,000 due to repairs from accident that is reimbursed through TML after the claims are filed. The Police Department received grant funds of \$30,000 through Texas Eastern 911 that can be used for the dispatch area including communications and a Tactical grant was also awarded to the Police Department for \$3,000 in which the revenue lines will be adjusted accordingly.
- Council Member Melissa Morton made a motion to approve budget amendment #3, duly seconded by Council Member Michael Searcy; vote was unanimous.
12. Consideration and possible action upon entering an interlocal agreement with TML for health benefits. **(Arnall/Abercrombie)**
- The City received 3 comparable proposals from Health Insurance providers including Blue Cross/Blue Shield, TML, and United Health Care. The most advantageous proposal was from TML. The proposal reflected a 10% decrease in the annual cost of the employee health insurance for the city and lowered the dependent care insurance employee's pay out of pocket.
- Council Member Tommy Goode made a motion to approve the interlocal agreement with TML for

Health Coverage insurance; duly seconded by Council Member Henry Pace, vote was unanimous.

13. Consideration and possible action upon ordinance 2020-08-46 changing health benefit coverage from Blue Cross Blue Shield to TML. **(Arnall/Abercrombie)**
City Manager Jay Abercrombie stated the ordinance can be struck from the agenda due to the retiree part of the insurance not being changed.
Mayor Fullen struck item 13 from the agenda, no council action needed.

14. Departmental Reports

There were no questions about any of the monthly reports submitted.
Council Member Steve Higginbotham stated sales tax was up 24.79%.
City Manager Jay Abercrombie stated there will be a meeting concerning the Syrup Festival August 26 and that he wants to meet with the downtown merchants to brainstorm ideas on what else would bring customers into their store besides the Syrup Festival.
Taste of Rusk County and United Way have cancelled their events.

EXECUTIVE SESSION:

15. Mayor Fullen convened into executive session to Consult with City Attorney discussing litigations, and real property located on W. Fordall Street and Henderson Sports Complex; in accordance with Vernon's Texas Government Code Annotated, Chapter 551, Section 071 and 072.
At 6:39 p.m.

16. Mayor Fullen reconvened into regular session at 7:10 p.m. and stated there was no action to take on items discussed in executive session.

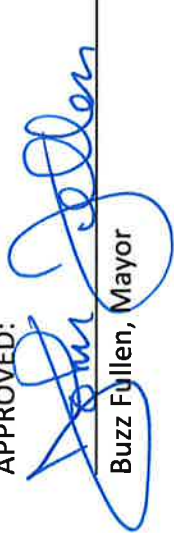
ADJOURNMENT:

17. Adjourn.

There being no further business to come before Council at this time, upon a motion by Council Member Steve Higginbotham, duly seconded by Council Member Michael Searcy; with a unanimous vote of the Council, the meeting was adjourned at 7:19 p.m.

ATTEST:

Cheryl Jimerson, City Secretary

APPROVED:

Buzz Fullen, Mayor