

MINUTES OF THE
HENDERSON CITY COUNCIL
Regular Scheduled Meeting

September 9, 2025

CALL TO ORDER: *The Mayor will call the meeting to order, declare a quorum if present, and declare notices legally posted pursuant to Open Meetings Act.*

Mayor Pace called the meeting to order at 6 p.m.

Council members present were Stephen Strong, Michael Searcy, Greg Jackson, Melissa Morton, and Gina Juarez.

Staff members present were City Manager Jay Abercrombie, City Secretary Cheryl Jimerson, City Attorney Russell Brown, Chief of Police Chad Taylor, Assistant Fire Chief Jeff Stoddard, Director of Operations Davis Brown, Director of Public Services Kirk Kimbrell, Director of Utilities Randy Boyd, Director of Utility Infrastructure and Delivery, Community Development Manager/Building Official Cliff McElfresh, Finance Director Karen Arnall, Animal Center Director Charissa Pool, Civic Center Manager Stephanie Kimbrell, Executive Leadership Assistant/HR Specialist Hillary Faulkner, Communications and Marketing Coordinator Phedra Johnson, and HEDCO Director Bret Gardella.

INVOCATION AND PLEDGE OF ALLEGIANCE:

Council Member Greg Jackson gave the invocation Council Member Michael Searcy led the Pledges.

CITIZENS COMMENTS

Comments shall be limited to three (3) minutes and taken in the order they are received. By State law, no action may be taken on items not on the agenda.

1. Bret Gardella HEDCO's Executive Director, apologized to the council that there was nothing on his radar to have been prepared for the division we saw. There were some mistakes by the citizens not having enough information, and he is looking to correct this. Bret apologized to Council Member Michael Searcy for his defensive reactions in their conversations at the last meeting. Bret's goal is to move Henderson forward, to make a home for all the children, not just a hometown. We are not always going to agree, but we don't have to be disagreeable. He is respectfully asking the Council to pass the scope of work and the budget so HEDCO can go back to work on behalf of the citizens.
2. Michael Bell President of HEDCO stated he will not be talking about HEDCO but about Mr. Gardella. I sat in on the interview board about 12 months ago. There were about 50 applicants. There were about 10 that met the qualifications. That was narrowed down to 4 and 2 were interviewed. Mr. Gardella was selected unanimously by the interview board. There was a board meeting today. After the executive session, I made a motion to terminate Mr. Gardella, there was not a second. The motion did not pass. Mr. Gardella has a hard job, he jumped in and went to work with no delays in helping this city move forward.
3. Brant Bain, a lifetime resident of Henderson. I am not here to speak about myself because actions speak a lot louder than words. Brant supports HEDCO and the positive impact it has on our city. HEDCO provides tools, resources, incentives, whether it is through infrastructure, grants, or other resources that make Henderson competitive with other cities. HEDCO is not just an economic development organization, they are a partner in building the future of the City of Henderson. Brant asks that council approves HEDCO's budget and scope of work. He believes the right person was hired to run HEDCO, and he fully supports the board's decisions.
4. John Cloudia introduced himself stating he is here wearing two hats, representing the Rusk County Rail District. Aside from HEDCO the Rail District is the only other organization that has established a private/public partnership-based organization in this community. We need a stable business environment that is considered well run and well managed. I am not here to talk about any project. What I am here to talk about is how many people outside this room are watching this video. They are thinking about what they are going to do when the interest rate does drop. Where do they want to go? To a community that is a blender full of knives or do they want to go to a place that handles business with dignity and a process? I ask that council make a decision that leads us to a place that creates stability.
5. Ben Patterson this evening is not really about HEDCO, it is about a denied grant application, it is about a mural that was put up. All of this was started by a small group of social media people. They were even pushing for Bret Gardella to be dismissed and, if that didn't happen, threaten to abolish HEDCO. So, what is fair, leaders make mistakes. Under Bret's leadership, Henderson is seeing it's first Christ Centered project, a ten-year railroad project, instead of them going to Kilgore. The Rusk County Rural Rail District expansion, along with Velvin Oil, plus multiple small grants and industrial grants. This evening, HEDCO chose to keep Bret Gardella. Tonight council will decide whether to approve HEDCO's budget. I hope you consider building on HEDCO's vision or risk setting the city back. I

am also concerned about the leaked audio that I hope the council is taking a serious look at and what Federal Laws that violates. We need your support to consider adopting this budget and keep Henderson moving forward.

6. Ms. Brooks — passed

7. Ms. Hall -passed

8. Rachel Hale stated that over the past few months several issues regarding HEDCO have come to light. Frankly, she does not believe affordable housing is not the only area where HEDCO has been playing fast and loose. Looking at the budget, there are glaring red flags. From the 2023-24 budget to the 2025-26 budget, expenses have gone from 36% to 550% in numerous areas. These expenses have not been brought to council other than in a spreadsheet. Rachel is calling that council not to approve the expenditures of this corporation. Most want HEDCO to continue but with strick oversight. She stated HEDCO needs to go back to the drawing board for the 2025-26 budget or council to adopt the 2024-25 budget. She strongly suggests council not reappoint the HEDCO board members, as there have been new applications submitted. She wants to be clear that this is not a balloon tactic, it is the law that we as citizens have the right to put HEDCO on the election ballot and you as the council have no choice when we get to that point. You have to, the law states shall.

9. Ron Atkinson stated he is not here today to tell you about your job because he knows you know it. This is the first time I have seen you being threatened by somebody calling an election. That is how democracies work. How is that a threat? The only way to get that election is to deny every request made and not request but demand, mind you, by this group. You have two competing sides, both say they are the voice of the community. Council, are you going to make a decision on shooting in the dark? Or how many Facebook likes you get? If that were true, we would have been the number one team in the nation. That is not how democracy works. What I suggest you do is support your HEDCO board to pass the budget, pass the scope of work, then let the chips fall where they may. I keep hearing about threats on the audio released. I have a much better idea. Let's call in the FBI, which may happen anyway. They will investigate whether there has been a cyber crime. A failure to report a cyber crime or use the information that comes out of it. So an election is the choice? Really, It is not a choice because you will let the citizens vote in the quietness and secrecy of a voting booth where they don't have to worry about being attacked on social media. The other thing I see is how are you every going to get another individual to come here and aggressively promote Economic Development at any cost. If this group wants to have an election, let's have it.

PRESENTATIONS/ANNOUNCEMENTS

National Night Out Proclamation Mayor Pace to Charles Helton

Cancer Awareness Proclamation Mayor Protem Gina Juarez to Sonny Yabarra

Fire Prevention Week Mayor Pace to Sonny Yabarra

1. Proclamation for National Night Out

Mayor Pace acknowledged Charles Helton with the Henderson Police Department with the National Night Out Proclamation.

2. Proclamation for Cancer Awareness Month

Mayor Pro-tem Gina Juarez acknowledged Chief Sonny Yabarra with the Henderson Fire Department with the Cancer Awareness Month Proclamation.

3. Proclamation for Fire Prevention Week

Mayor Pace acknowledged Chief Sonny Yabarra with the Henderson Fire Department with the Fire Prevention Week Proclamation.

4. Proclamation for Domestic Violence Awareness Month

City Secretary Cheryl Jimerson stated she tried reaching out to the person that submitted the request last year, but was unsuccessful.

CONSENT AGENDA

5. Consideration of possible action upon the minutes of the August 7, 2025, Council meeting. (Jimerson)

6. Consideration of possible action upon the minutes of the August 19, 2025, Council meeting. (Jimerson)

City Secretray asked to strike item 6, the August 19, 2025 Council Meeting.

7. Consideration and possible action upon street closure for the Fall Fling Car Show.
8. Consideration and possible street closure for the 175th Anniversary Celebration for the First Baptist Church. Council Member Melissa Morton made a motion to remove the August 19 minutes and approve the rest of the consent agenda, duly seconded by Council Member Gina Juarez. The vote was unanimous.

COUNCIL BUSINESS – REGULAR SESSION

9. Consideration of possible action upon the tabled from the August 19th meeting HEDCO financials for the month of June 2025.

There were no questions on the HEDCO financials.

Council Member Gina Juarez made a motion to approve the financials, duly seconded by Council Member Greg Jackson. The vote was unanimous.

10. Consideration of possible action upon the HEDCO financials for the month of July 2025.

There were no questions about the HEDCO financials.

Council Member Gina Juarez made a motion to approve the financials, duly seconded by Council Member Greg Jackson. The vote was unanimous.

11. Consideration and possible action upon HEDCO Program of Work for fiscal year 2025-2026.

There were no questions or concerns about the Program of Work for 2025-2026.

Council Member Gina Juarez made a motion to approve the Program of Work, duly seconded by Council Member Melissa Morton. The vote was unanimous.

12. Consideration and possible action upon HEDCO Budget for the fiscal year 2025-2026.

Council Member Michael Searcy asked to elaborate on the capital line items.

HEDCO Treasurer Trey Segura historically, it was called a speculative building. Now it is called an attractive building for design. Essentially, the HEDCO Director can go out and bring in a business. The incentive is for the hull or shell of the building to already be in place. It is not being built in hopes that someone will come and want it. We have someone on the hook, we have a deal being made, we have the land. Let's get it started.

The business park is a constant build-out to bring in businesses. The smart flower project is an incentive for businesses; Green energy is what companies are looking for. HEDCO Director Bret Gardella stated the scope of work that was not finished in the business park, such as the lighting, the fiber optic lines, and signage. These items had to be readdressed after Bret was hired.

Michael asked about the county road not being in the budget. Bret stated it is not in the budget, about 80% of the road is owned by the county and 20% by the city. Approximately 7 or 8 months ago, there was a meeting with the county, city, economic development and Blacklands railroad all in the room to see what could be done about this road. The county is the driving force on it because they own the majority of the road. It did not appear the county had any plans on budgeting anything for this project in this year's budget. Bret also stated the EDC has approached the county to partner with them about extending the airport runway. Michael stated that there was still 1.1 million left in the fund balance. Trey stated yes, we need to keep some funds available in case we need them.

Council Member Gina Juarez made a motion to approve this item as presented to them, duly seconded by Council Member Greg Jackson. The vote was unanimous.

13. Consideration and possible action upon the second reading of Ordinance 2025-09-01 setting the proposed tax rate to be the No-New-Revenue tax rate of .529139 per \$100.00 valuation on each assessment to be based upon 100% of its appraised value.

City Manager Jay Abercrombie stated this is the second reading of the ordinance with no changes being made.

Council Member Stephen Strong made a motion to approve ordinance 2025-09-01 setting the tax rate, duly seconded by Council Member Michael Searcy. The vote was unanimous.

14. Consideration and possible action upon the second reading of Ordinance 2025-09-02 on the proposed budget for the 2025-2026 fiscal year.

Again Jay stated this is the second reading of the ordinance with no changes being made.

Council Member Gina Juarez made a motion to approve the ordinance adopting the budget, duly seconded by Council Member Melissa Morton. The vote was unanimous.

15. Consideration and possible action approving Resolution 2025-09-01 naming the Henderson News as the official Newspaper for the City of Henderson. (Jimerson)

City Secretary Cheryl Jimerson stated annually that the city will adopt a newspaper as the official paper of the city.

Council Member Michael Searcy made a motion to approve the resolution, duly seconded by Council Member Greg Jackson. The vote was unanimous.

16. Consideration upon the first reading of Ordinance 2025-09-03 canceling the November 4th, 2025 Municipal Election, declaring the unopposed applicants as Council Members for Districts one, four and five. (Jimerson)

City Secretary Cheryl Jimerson stated there are no opponents running against the incumbents with only one application submitted for Council District 4 on the November ballot. Therefore, the election for the city needs to be canceled. This is the first reading of the ordinance with no action to take.

17. Consideration and possible action upon the 2025-2026 Holiday Schedule. (Jimerson)

City Secretary Cheryl Jimerson stated the holiday schedule is the same as it was last year.

Council Member Melissa Morton made a motion to approve the holiday schedule with a correction to the Independence Day, holiday to be on Friday, July 3, 2026. Duly seconded by Council Member Michael Searcy. The vote was unanimous.

18. Consideration and possible action upon a recommendation by the Planning and Zoning Commission changing the zoning on a parcel located in the 100 block of Hubbard Drive and HWY 43. (Breitenberg)

City Secretary Cheryl Jimerson asked the Mayor to drop this item, the Planning and Zoning Meeting had to be rescheduled.

Mayor Pace dropped the item from this agenda.

19. Consideration and Possible Action appointing Place 4 reappointment of Noble Welch, Place 5 reappointment of Michael Marshall and Place 6 reappointment of Michael Bell to the HEDCO Board.

Council Member Gina Juarez made a motion to table this item, duly seconded by Council Member Melissa Morton. The vote was unanimous.

DEPARTMENTAL REPORTS:

20. The City Council may deliberate and make inquiry into any item listed in the Departmental Reports.

A. City Manager

B. Fire Department

C. Police Department

D. Animal Center

E. Community Development

F. Public Services/Parks and Recreation Department

G. Public Utilities

H. Finance Department

I. City Secretary

J. Communications and Marketing

Communication and Marketing Coordinator Phedra Johnson presented her report to the Council through a PowerPoint presentation discussing how AI can be utilized and manipulated.

K. HEDCO

L. Director of Operations Departmental Reports below.

Civic Center

Main Street/Tourism

Municipal Court

BOARDS AND COMMISSIONS

Board of Adjustments Minutes

Planning and Zoning Minutes

Cemetery Board Meeting Minutes

Main Street Meeting Minutes

Preservation Minutes

HEDCO Budget Workshop Minutes

Council had no questions or comments on the Board meeting minutes.

EXECUTIVE SESSION:

REGULAR SESSION:

ADJOURNMENT

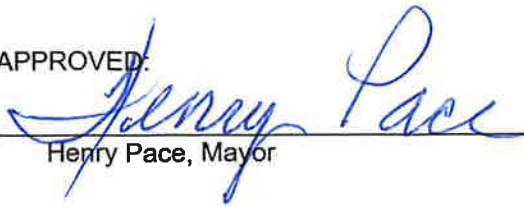
21. Adjourn

Council Member Melissa Morton made a motion to adjourn at 7:09 p.m., duly seconded by Council Member Stephen Strong. The vote was unanimous.

ATTEST:


Cheryl Jimerson, City Secretary

APPROVED:


Henry Pace, Mayor