

City Council Chamber  
2821 Washington Street

**City Council**  
David L. Dreiling, Mayor

Place 1 Jerry Ransom, Mayor Pro Tem  
Place 4 Holly Gotcher

Place 2 James Evans  
Place 5 Brent Money

Place 3 John Turner  
Place 6 Cedric Dean

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### Work Session Minutes

#### 1. Call to Order

Mayor Dreiling called the Work Session to order at 4:30 p.m. and noted for the record that Mayor Pro Tem Ransom and Councilmembers Evans, Turner, Money and Dean were present. Also present were City Attorney Daniel Ray, City Manager Summer Spurlock, and City Secretary Carole Kuykendall. Councilmember Gotcher arrived at 4:49 p.m.

#### 2. Items to be Discussed

##### A. Downtown Fall Event (*Kevin Banks; Brett Quarles; Doyle Dick*)

With the Chamber of Commerce no longer hosting Rally 'Round Greenville, City Staff was asked to discuss hosting an event in its place. City Staff discussed the ability to host a two-day event on September 20 and 21, in conjunction with the Cotton Patch Classic. Ideas are to incorporate a 5k fun run, include a Tejano band, and partner with downtown merchants. Funds in the amount of \$14,450 would come from Tourism Funding.

##### B. Boys and Girls Club Contract (*Councilmembers Dean, Evans, and Turner*)

This facility is currently used for GSL Athletic Programs, Boys and Girls Club programming, and Senior Center Resources programming. Would need to keep current partnerships to help expand programming if utilized as a full-service community recreation center.

If a full-service community recreation center, GSL office would need to be re-located to the Reecy Davis Sr. Center, there could be a fee/membership-based program, limited exercise equipment, aerobic/fitness classes; specialty classes, adaptive programs, open gym nights for basketball and volleyball, and public space for birthday party rentals.

Additional staff needed would include one (1) full time recreation programmer (\$54,421.00), One (1) front full-time desk attendant (\$35,900.00) and three (3) part-time desk attendants (\$49,996.56 for three) for a total of \$140,317.56.

#### 3. Items on the Regular Agenda of May 14, 2019

No items were discussed.

#### 4. EXECUTIVE SESSION AS NEEDED FOR AGENDA ITEMS OR EXECUTIVE SESSION ITEMS AS LISTED ON THE REGULAR AGENDA - SECTIONS 551.071, 551.087, 551.072, 551.074, OR 551.073

The City Council convened into Executive Session at 4:54 p.m. under Section 551.087, Project Ready.

**5. Adjourn**

The City Council reconvened into Open Session at 5:59 p.m. and being no further business, adjourned the Work Session by unanimous consent.

**Regular Session Minutes****1. Call to Order**

Mayor Dreiling called the Regular Session to order at 6:04 p.m. and noted for the record that Mayor Pro Tem Ransom and Councilmembers Evans, Turner, Gotcher, Money and Dean were present. Also present were City Attorney Daniel Ray, City Manager Summer Spurlock, and City Secretary Carole Kuykendall.

**2. Invocation**

Pastor Charlie Nassar from Top Rail Cowboy Church gave the invocation.

**3. Pledge of Allegiance**

Mayor Dreiling led the Pledge of Allegiance.

**4. Presentations**

A Motorcycle Awareness Proclamation was presented to Dennis King and a group of military motorcyclists.

**5. Citizens to be Heard**

Gail Sprinkle and Maxine Madkins spoke.

**6. Public Hearings**

- A. Consideration and action on an ordinance authorizing an Economic Development Agreement with Greenville Retail Center LLC (Stainback Organization)(*Summer Spurlock, City Manager*)

Mayor Dreiling opened the Public Hearing and asked if anyone wished to speak. Misty Britain, Michael Callahan, Kenneth Fifield, Jerry Grady, Cliff Jones, Alice Magers, Derek Price, Tim Stainback, Mandy Stewart, Duane May, Gabriel Medina, and Kent Vroman spoke. Mayor Dreiling closed the Public Hearing.

The City Council convened into Executive Session at 7:16 p.m. The City Council reconvened into Open Session at 7:55 p.m.

Councilmember Evans moved not to approve the agreement. There was no second. Without a second, the motion was not considered. Councilmember Money moved to table this item until City Manager Spurlock and Developer Stainback worked out details. Councilmember Gotcher seconded. Motion carried by 6-1 majority vote with Mayor Dreiling, Mayor Pro Tem Ransom, and Councilmembers Turner, Gotcher, Money, and Dean voting "for" and Councilmember Evans voting "against."

The City Council discussed Item 6-B at this time. Upon completion of Item 6-B, Item 6-A was pulled from the table for consideration.

Councilmember Money moved to approve the agreement as written and published on the City's website with the following amendments subject to legal review: first is that the business personal property tax is

specific only to the City's portion of the business personal property tax; the second is to change entertainment anchor to Cinemark; the third is that Section 3b2 TIRZ revenues, where it says that the City will make deferral payment no later than March 31, 2025, and that be amended to say if funds are available, then if not, additional deferral payment will roll into the next year based on the full TIRZ income of the entire TIRZ project, not just this property; but any clarification that need to happen; and would like to include in this motion this presentation that was presented showing the spirit of the agreement (Exhibit "A"), Mayor Dreiling seconded.

Councilmember Gotcher moved to delay this vote until the changes are put into writing and a model from the financial advisor is secured, Mayor Pro Tem Ransom seconded. Motion carried by majority 5-2 vote with Mayor Dreiling, Mayor Pro Tem Ransom, and Councilmembers Turner, Gotcher, and Dean voting "for" and Councilmembers Evans and Money voting "against."

It was determined that a special meeting be held Tuesday, May 21, 2019 at 5:00 p.m.

- B. Consideration and action on an ordinance authorizing the demolition of the former Austin School Building and authorizing a budget amendment (*Steve Methven, Director of Planning and Zoning*)

Mayor Dreiling opened the Public Hearing and asked if anyone wished to speak. Marilyn Boyd, Betty Franklin, Claudie Jackson, Gabriel Medina, Sarah Randall, and Kent Vroman spoke. Mayor Dreiling closed the Public Hearing.

Councilmember Turner moved, Councilmember Evans seconded for the enactment of Ordinance 19-020: **AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF GREENVILLE, TEXAS, AUTHORIZING THE DEMOLITION OF THE FORMER PUBLIC SAFETY BUILDING; PROVIDING FOR A BUDGET AMENDMENT; AND PROVIDING AN EFFECTIVE DATE.** Motion carried by unanimous vote of the City Council.

## 7. Ordinances

- A. Consideration and action on an ordinance authorizing a unit price Construction Contract with SGL Utility Contractors LLC, from Gilmer, TX for the construction of the Texas Community Development Block Grant Phase II (TxCDBG) #7217161 Program, Office of Rural Affairs – Texas Department of Agriculture (TDA) (*John Wright, Public Works Director*)

Councilmember Turner moved, Councilmember Gotcher seconded for the enactment of Ordinance 19-021: **AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF GREENVILLE, TEXAS, AUTHORIZING A UNIT PRICE CONSTRUCTION CONTRACT WITH SGL UTILITY CONTRACTORS LLC., FOR THE CONSTRUCTION OF THE TEXAS COMMUNITY DEVELOPMENT BLOCK GRANT (TxCDBG) PHASE II #7217161 PROGRAM, OFFICE OF RURAL AFFAIRS – TEXAS DEPARTMENT OF AGRICULTURE (TDA); AND PROVIDING AN EFFECTIVE DATE.** Motion carried by unanimous vote of the City Council.

## 8. Resolutions

- A. Consideration and action on a resolution denying the distribution cost recovery factor rate request of Oncor Electric Delivery Company LLC made on or about April 8, 2019; authorizing participation in a coalition of similarly situated cities; authorizing participation in related rate proceedings; requiring the reimbursement of municipal rate case expenses; authorizing the retention of special counsel; finding that the meeting complies with the open meetings act; making other findings and provisions related to the subject; and declaring an effective date (*Summer Spurlock, City Manager*)

Councilmember Turner moved, Councilmember Dean seconded for the adoption of Resolution 19-32: **RESOLUTION BY THE CITY OF GREENVILLE, TEXAS (“CITY”) DENYING THE DISTRIBUTION COST RECOVERY FACTOR RATE REQUEST OF ONCOR ELECTRIC DELIVERY COMPANY LLC MADE ON OR ABOUT APRIL 8, 2019; AUTHORIZING PARTICIPATION IN A COALITION OF SIMILARLY SITUATED CITIES; AUTHORIZING PARTICIPATION IN RELATED RATE PROCEEDINGS; REQUIRING THE REIMBURSEMENT OF MUNICIPAL RATE CASE EXPENSES; AUTHORIZING THE RETENTION OF SPECIAL COUNSEL; FINDING THAT THE MEETING COMPLIES WITH THE OPEN MEETINGS ACT; MAKING OTHER FINDINGS AND PROVISIONS RELATED TO THE SUBJECT; AND DECLARING AN EFFECTIVE DATE.** Motion carried by unanimous vote of the City Council.

- B. Consideration and action on a resolution canvassing the results of the General Election held on the 4th day of May 2019, for the purpose of electing Councilmembers to Place 1 and Place 2 on the City Council; tabulating the returns; and declaring the results of the election (*City Council*)

Councilmember Turner moved, Councilmember Evans seconded for the adoption of Resolution 19-33: **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GREENVILLE, TEXAS, CANVASSING THE RESULTS OF THE GENERAL ELECTION HELD ON THE 4<sup>th</sup> DAY OF MAY 2019, FOR THE PURPOSE OF ELECTING A COUNCILMEMBER TO PLACE 1 AND PLACE 2 ON THE CITY COUNCIL OF GREENVILLE, TEXAS; TABULATING THE RETURNS, DECLARING THE RESULTS OF THE ELECTION; AND PROVIDING AN EFFECTIVE DATE.** Motion carried by unanimous vote of the City Council.

- C. Consideration and action on a resolution canvassing returns and declaring the results of a Bond Election held in the City of Greenville, Texas, on May 4, 2019 (*City Council*)

Councilmember Turner moved, Councilmember Gotcher seconded for the adoption of Resolution 19-34: **A RESOLUTION CANVASSING RETURNS AND DECLARING THE RESULTS OF A BOND ELECTION HELD IN THE CITY OF GREENVILLE, TEXAS, ON MAY 4, 2019.** Motion carried by unanimous vote of the City Council.

- D. Consideration and action on a resolution approving the purchase of a Dutch Shepherd K-9 pre-trained in Narcotic Detection, Tracking and Patrol (*Scott Smith, Police Chief*)

Councilmember Turner moved, Councilmember Money seconded for the adoption of Resolution 19-35: **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GREENVILLE, TEXAS, APPROVING THE PURCHASE OF A DUTCH SHEPHERD K-9 PRE-TRAINED IN NARCOTIC DETECTION, TRACKING, AND PATROL WITH SEIZURE FUNDS FOR THE POLICE DEPARTMENT; AND PROVIDING AN EFFECTIVE DATE.** Motion carried by unanimous vote of the City Council.

- E. Consideration and action on a resolution entering into a Mutual Aid Law Enforcement Agreement (*Scott Smith, Police Chief*)

Mayor Pro Tem Ransom moved, Councilmember Turner seconded for the adoption of Resolution 19-36: **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GREENVILLE, TEXAS, APPROVING THE MAYOR TO ENTER INTO A MUTUAL AID LAW ENFORCEMENT AGREEMENT; AND PROVIDING AN EFFECTIVE DATE.** Motion carried by unanimous vote of the City Council.

## 9. Consent Calendar

- A. City Council Meeting Minutes – April 23, 2019

- B. Resolution rescinding Resolution 19-31 and approving a new resolution authorizing acceptance for Grant Funding for Night Vision (*Scott Smith, Police Chief*)

**Resolution 19-37: A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GREENVILLE, TEXAS, AUTHORIZING ACCEPTANCE OF GRANT FUNDING FOR NIGHT VISION; AND PROVIDING AN EFFECTIVE DATE.**

- C. Resolution authorizing the City to accept the donation of taxable items resulting from the Building 108 SIL 153 Renovations Project (*Daniel Ray, City Attorney*)

**Resolution 19-38: A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GREENVILLE, TEXAS, AUTHORIZING THE CITY MANAGER TO EXECUTE AN AGREEMENT BETWEEN THE CITY OF GREENVILLE AND GREENVILLE INDUSTRIAL DEVELOPMENT CORPORATION (IDC) AUTHORIZING THE CITY TO ACCEPT THE DONATION OF TAXABLE ITEMS RESULTING FROM BUILDING 108 SIL 153 RENOVATIONS PROJECT; AND PROVIDING AN EFFECTIVE DATE.**

- D. Ordinance authorizing final payment to Child's Play, Inc., for the demolition and construction of new playgrounds (*Brett Quarles, Parks and Recreation Director*)

**Ordinance 19-022: AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF GREENVILLE, TEXAS, AUTHORIZING FINAL PAYMENT TO CHILD'S PLAY, INC., FOR NEW PLAYGROUNDS AT CITY PARKS; AND PROVIDING AN EFFECTIVE DATE.**

- E. Resolutions approving bids received on tax resale properties located at:

1.	1717 Sayle	R 73455	\$4,140
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**Resolution 19-39: A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GREENVILLE, TEXAS, APPROVING THE OFFER TO PURCHASE PROPERTY AT 1717 SAYLE STREET AND PROVIDING AN EFFECTIVE DATE.**

2.	1711 Sayle	R 73452	\$4,140
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**Resolution 19-40: A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GREENVILLE, TEXAS, APPROVING THE OFFER TO PURCHASE PROPERTY AT 1711 SAYLE STREET AND PROVIDING AN EFFECTIVE DATE.**

3.	2406 Polk	R 72616	\$6,180
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**Resolution 19-41: A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GREENVILLE, TEXAS, APPROVING THE OFFER TO PURCHASE PROPERTY AT 2406 POLK STREET AND PROVIDING AN EFFECTIVE DATE.**

4.	3304 Gibbons	R 47446	\$2,490
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**Resolution 19-42: A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GREENVILLE, TEXAS, APPROVING THE OFFER TO PURCHASE PROPERTY AT 1717 SAYLE STREET AND PROVIDING AN EFFECTIVE DATE.**

Councilmember Money moved, Councilmember Dean seconded for the adoption of the Consent Calendar. Motion carried by unanimous vote of the City Council.



**10. City Staff/City Council Reports**

TEX-21 (*Mayor Dreiling*) – Received an invitation to join this organization but he does not wish to pursue after finding out it has a \$5,000 annual membership fee.

**11. City Council Discussion/Proposed Agenda Items**

Mayor Pro Tem Ransom – 18 wheelers on Moulton and Park Street and enforce the maximum fine.

Councilmember Evans – Tax Freeze for City Taxes for 65 and over just like GISD does; Tax Rate Set at or below the Effective Tax Rate

Councilmember Dean – Information about Recreation Center

Councilmember Gotcher – Park Street shouldn't be a Business 69 and ask TxDOT come and speak to the Council

Councilmember Turner – Council Goals and Housing for Homeless/Veterans

Mayor Dreiling advised Goals will be presented at the May 28 meeting.

**12. Board and Commission Minutes**

Animal Shelter Advisory Board Minutes from January 31, 2019

Library Advisory Board Minutes from February 19, 2019

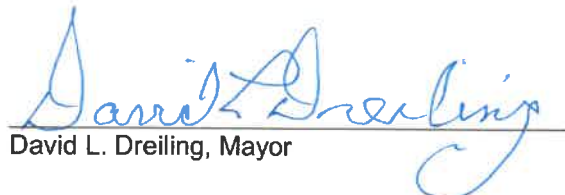
**13. Executive Session**

A. **Section 551.071 (1) & (2)** Consultation with City Attorney on any regular session agenda item requiring confidential, attorney/client advice necessitated by the deliberation or discussion of said items as needed; consultation with City Attorney regarding pending or contemplated litigation, settlement offers, or matters deemed subject to the Code of Professional Responsibility of the State Bar of Texas

B. **Section 551.087(1)** Discussion or deliberation regarding commercial or financial information that the governmental body has received from a business prospect that the governmental body seeks to have locate, stay, or expand in or near the territory of the governmental body is conducting development negotiations; (2) Deliberate the offer of a financial or other incentive to a business prospect described by Subdivisions: Project Ready


**14. Take action on any item discussed in Executive Session****15. Adjourn**

Being no further business, the City Council adjourned at 9:14 p.m. by unanimous consent of the City Council.

  
David L. Dreiling, Mayor

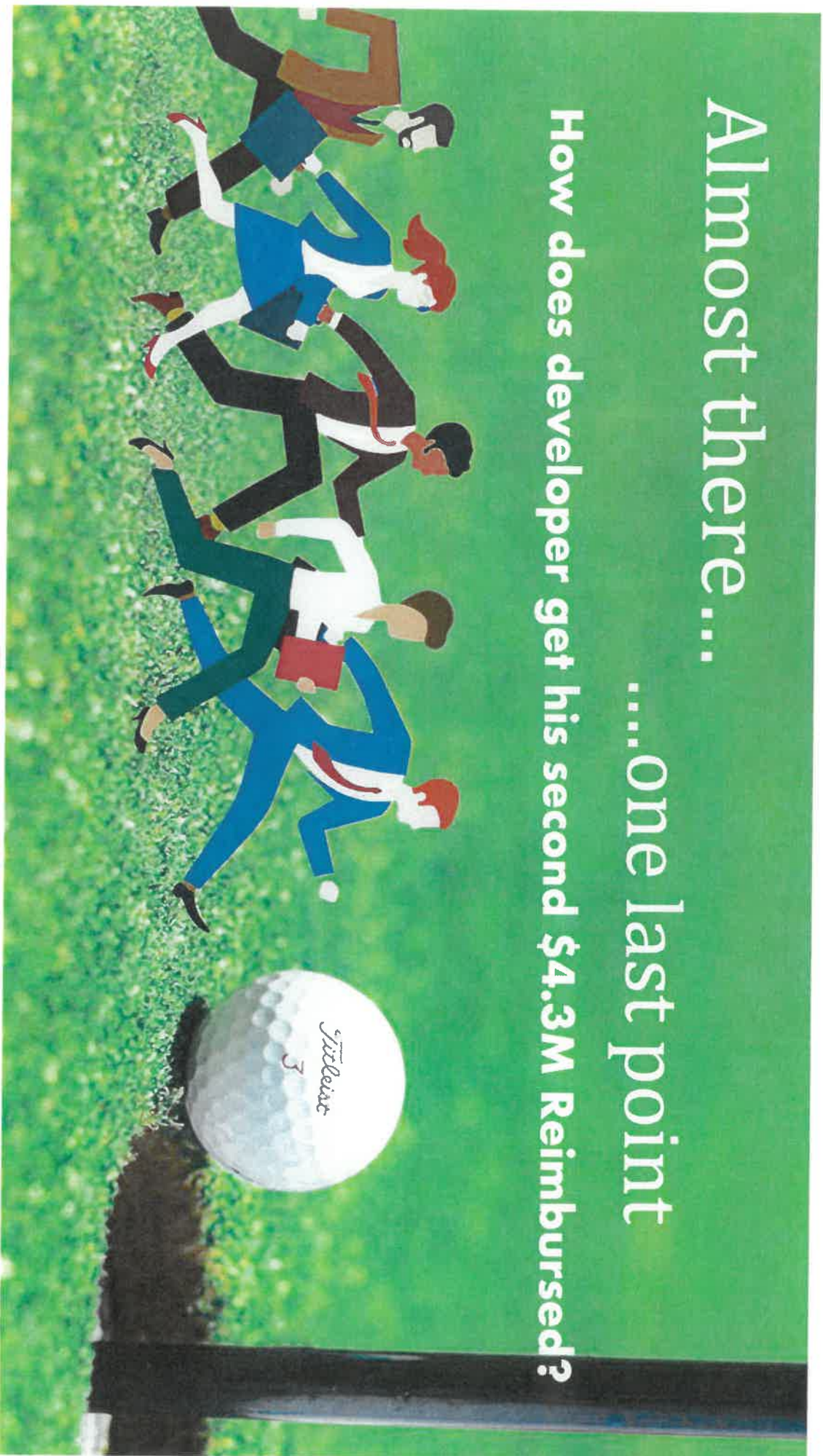


ATTEST:

  
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Carole V. Kuykendall, City Secretary

Almost there...  
.....one last point

How does developer get his second \$4.3M Reimbursed?





# THE OLD STRUCTURE:

2<sup>nd</sup> \$4.3M



Reimbursement from TIRZ  
or any lawful funds

**\$565,000**

**\$8.4M** 10% int, 15 years  
**CITY OBLIGATION**

Completely Performance  
Based Payback!

**THE NEW STRUCTURE:**  
**2<sup>nd</sup> \$4.3M**

**“100% Eat what you kill”**

Only NEW Sales Tax + NEW Ad Valorem Tax  
Generated only from the NEW development

**City Eliminates All Risk of \$8.4M!**

Developer only gets reimbursed from NEW money generated that  
the city would not otherwise have unless the property is developed



## ...and it Gets Better

- City only pays the actual interest the Developer pays (transparency)
- We capped the term at 15 years if we haven't received all our money
- We capped total expenses to never go over \$6.75M  
(to protect the City from potential runaway interest rates)
- We have agreed to wait until 2025 to get any payments from TIRZ
- City keeps all existing TIRZ bucket

*In summary, we are only getting reimbursed for our costs with new money that we generate. If we don't generate it we don't get it. And there is no risk and no obligation for the city to pay unless we create new taxes to be paid from.*



# How does this work?

## OLD

Long Term High Interest  
Mezzanine Private Financing

Interest calculated on ROW land

No Deferred TIRZ Payments

Use of All TIRZ Funds

## NEW

Short term  
Lower Interest Bank Deal

Landowner subordinates ROW payment  
to other cost and takes no interest

Deferred TIRZ payments until 2025

Cannot use existing TIRZ Fund

# Conclusion

**No Debt - Developer finances cost**

**No Cost - Reimbursed only from revenue generated**

**No Risk - All Costs are capped**

