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KENNEDALE CITY COUNCIL MINUTES

SPECIAL MEETING | AUGUST 31, 2021 AT 5:30 PM
CITY HALL COUNCIL CHAMBERS | 405 MUNICIPAL DRIVE, KENNEDALE, TX 76060

I. CALL TO ORDER

Mayor Linda Rhodes called the meeting to order at 5:30 p.m., noting that members of the public could join in person or access the live feed, but that public comment was not allowed virtually.

II. ROLL CALL

Present: Mayor Linda Rhodes; Mayor Pro Tem Jan Joplin, Place 1; Gary Mitchell, Place 2; Julie Jacobson, Place 3; Linda Rhodes, Place 4; James Connor, Place 5; **Absent:** NONE; ***Staff:*** *Interim City Manager Leslie E. Galloway, Police Chief Darrell Hull, Director of Finance and Information Technology Lakeita Sutton, Fire Chief James Brown, Interim Public Works Director Stan Rountree, Administrative Assistant Rosie Ericson*

III. EXECUTIVE SESSION

THE COUNCIL DID NOT RECESS TO EXECUTIVE SESSION DURING THIS MEETING.

IV. RECONVENE INTO OPEN SESSION AND TAKE ACTION NECESSARY PURSUANT TO EXECUTIVE SESSION, IF NEEDED

V. REGULAR SESSION

A. Consider adoption of a Resolution removing and designating the authorized signatories for all city financial transactions with the authorized depository bank and any other instruments necessary in the transaction of the City's financial affairs

   Motion Approve. **Action** Approve a Resolution removing and designating the authorized signatories for all city financial transactions with the authorized depository bank and any other instruments necessary in the transaction of the City's financial affairs, **Moved By** Mayor Pro Tem Joplin, **Seconded By** Jacobson. **Motion passed unanimously.**

B. Discuss and consider a Fifth Amendment to the Lease Purchase Agreement for 1170 E Kennedale Parkway (Red's Roadhouse)

   City Attorney Drew Larkin stated that Adlai Pennington had agreed to close within 60 days, that the EDC Board had approved the amended agreement, which required that the closing take place within 60 days of execution of the amendment or the right to purchase would be relinquished. Larkin added that the Council could now either approve or deny this amended lease purchase agreement. Councilmember Mitchell stated his desire to have an option to extend the 60 days if something happened out of Mr. Pennginton's control to delay the process. Mr. Pennington was present to answer questions.

   Motion Approve. **Action** Approve a Fifth Amendment to the Lease Purchase Agreement for 1170 E Kennedale Parkway (Red's Roadhouse) as presented, **Moved By** Mayor Pro Tem Joplin, **Seconded By** Mitchell. **Motion passed unanimously.**

C. Discuss and consider action regarding option to repurchase property pursuant to 380

Agreement with Karmali Holdings, Inc. and authorize Executive Director to execute all documents to repurchase

City Attorney Drew Larkin stated that he would request that legal questions be addressed in Executive Session, noting that Karmali Holdings had purchased this land from the EDC, that there were requirements within the contract that had not been fulfilled, that this allowed the EDC the option to repurchase the property for the original purchase price paid by Karmali Holdings, that the EDC had voted to exercise this option, and that Council could now approve or deny that EDC expenditure.

Motion Approve. **Action** Approve the EDC Board to repurchase property pursuant to 380 Agreement with Karmali Holdings, Inc. and authorize Executive Director to execute all documents to repurchase, **Moved By** Connor, **Seconded By** Jacobson. **Motion passed unanimously.**

VI. WORK SESSION

A. Continued discussion of the FY2021-22 Proposed Budget

Interim City Manager Leslie Galloway stated that Finance Director Lakeita Sutton had provided four scenarios that incorporated Council input, that staff had been answering questions via email, and that directors were available to answer any questions. There was some discussion of civilian salary adjustments and public safety step plans, EDC revenues and expenditures, special events budgets, travel and training budgets, seed money for various boards, the potential of leasing the Senior Center, community development and permitting fees, sales tax revenue, property tax rates, salary and staffing levels, and grants. Following this discussion, it was the consensus of the Council to see the following applied to the proposed budget: update SRO revenue to $118,375 (revenue increase of $34,951); the addition of fire assignment pay (expenditure increase of $5,000); reduction of the Planner position to part time (expenditure decrease of $26,860); maintain the 2 percent cost of living increase for civilians (no effect); an adjustment to the projected sales tax increase from 4% to 5% (revenue increase of $16,101); sales tax interlocal increased to $120,000 (revenue increase of $13,000; an ad valorem tax rate of one cent less ($0.764085) than the current FY (revenue decrease of $89,336); and a budgeted General Fund drawdown of $899,430. There was also a discussion of the potential to apply American Rescue Plan Act (ARPA) funding to budgeted General Fund line items to mitigate the drawdown.

VII. ADJOURNMENT

Motion Adjourn. **Action** Adjourn, **Moved By** Mayor Pro Tem Joplin, **Seconded By** Jacobson. **Motion passed unanimously.**

Mayor Rhodes adjourned the meeting at 6:55 p.m.

APPROVED:

Linda Rhodes

LINDA RHODES, MAYOR

CITY OF KENNEDALE SEAL TARRANT COUNTY, TEXAS

ATTEST:

Leslie E. Galloway

LESLIE E. GALLOWAY, CITY SECRETARY