

STATE OF TEXAS

§

August 19, 2013

COUNTY OF GRAYSON

§

BE IT REMEMBERED THAT A Regular Meeting of the City Council of the City of Sherman, Grayson County, Texas was begun and held in the Council Chambers of City Hall on August 19, 2013.

MEMBERS PRESENT: MAYOR CARY WACKER; DEPUTY MAYOR PAM HOWETH.
COUNCIL MEMBERS JOHNSON, PLYLER, SMITH, SOFEY,
SOFTLY.

MEMBERS ABSENT: NONE.

CALL TO ORDER

Mayor Wacker called the meeting to order at 5:00 p.m. The Pledge of Allegiance and the Invocation were given by Mayor Cary Wacker.

CALL TO ORDER

APPROVE MINUTES

The Council reviewed the Minutes of the Regular City Council Meeting of August 5, 2013. Deputy Mayor Howeth moved to approve the Minutes as presented; Second by Council Member Plyler. All present voted AYE.
MOTION CARRIED.

APPROVE MINUTES

PUBLIC HEARING

**CONDUCT THE SECOND PUBLIC HEARING CONCERNING
THE ANNEXATION OF 63.757 ACRES OF LAND AT THE
SOUTHWEST CORNER OF F.M. 1417/HERITAGE PARKWAY
AND F.M. 691 IN THE CITY OF SHERMAN'S EXTRA
TERRITORIAL JURISDICTION**

Mayor Wacker called for the second public hearing on the annexation of 63.757 acres of land at the southwest corner of F.M. 1417/Heritage Parkway and F.M. 691 in the City's extra-territorial jurisdiction.

ANNEXATION
FM 1417 & FM 691

**Rick Horn, Teague, Nall and Perkins, 17304 Preston Road,
Dallas**

Mr. Horn appeared representing the property owner, Grayson County Airport Partners, LTD. He was available to answer any questions the City Council might have.

No other citizens appeared before the City Council to discuss the annexation of 63.757 acres of land at the southwest corner of F.M. 1417 and F.M. 691.

SECOND PUBLIC HEARING OF ORDINANCE NO. 5783

Mayor Wacker called for the second public hearing of Ordinance No. 5783:

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, PROVIDING FOR THE APPROPRIATION OF FUNDS FOR OPERATING AND CAPITAL EXPENDITURES FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2013, AND

ORD 5783
ANNUAL BUDGET

ENDING SEPTEMBER 30, 2014; PROVIDING FOR A REPEALER.

Mayor Wacker read the following statement, "This budget will raise more total property taxes than last year's budget by \$524,000 and 7.3%, and of that amount \$134,000 is tax revenue to be raised from new property to be added to the roll this year."

No citizens appeared before the City Council to discuss Ordinance 5783.

INTRODUCTION AND FIRST PUBLIC HEARING OF ORDINANCE NO. 5789

Mayor Wacker introduced Ordinance 5789 and called for a public hearing:

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, PROVIDING FOR THE LEVY OF AD VALOREM TAXES FOR THE CITY OF SHERMAN, TEXAS, FOR THE TAX YEAR 2013; DISTRIBUTING THE SAME AMONG THE VARIOUS FUNDS; PROVIDING FOR A PENALTY AND INTEREST FOR FAILURE TO PAY THE TAXES LEVIED WITHIN THE TIME PROVIDED BY LAW; PROVIDING FOR A REPEALER.

Mayor Wacker said the City Council will consider the adoption of the Tax Rate Ordinance at the Regular Meeting scheduled for 5:00 p.m. on Monday, September 16, 2013 at Sherman City Hall, 220 West Mulberry Street, Sherman, Texas.

No citizens appeared before the City Council to discuss Ordinance 5789.

INTRODUCTION AND PUBLIC HEARING OF ORDINANCES

Mayor Wacker introduced Ordinance 5790 and called for a public hearing:

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AMENDING CHAPTER 3 OF THE CODE OF ORDINANCES, ENTITLED "BUILDING REGULATIONS", AT ARTICLE 3.06, ENTITLED "HOUSING CODE", DIVISION 2, ENTITLED "DANGEROUS BUILDINGS", AT SECTIONS 3.06.011 THROUGH 3.06.022; PROVIDING FOR INCLUSION IN THE CODE OF ORDINANCES; PROVIDING FOR SEVERABILITY; PROVIDING FOR A REPEALER.

No citizens appeared before the City Council to discuss Ordinance 5790.

Mayor Wacker introduced Ordinance 5791 and called for a public hearing:

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AMENDING CHAPTER 1 OF THE CODE OF ORDINANCES, ENTITLED "GENERAL PROVISIONS", ARTICLE 1.02, ENTITLED "ADMINISTRATION", AT SECTION 1.02.004, ENTITLED "CONVENIENCE FEE FOR CREDIT

ORD 5789
AD VALOREM
TAX LEVY

ORD 5790
SUBSTANDARD
STRUCTURES

ORD 5791
CREDIT CARD
CONVENIENCE FEE

CARD PAYMENTS”; PROVIDING FOR INCLUSION IN THE CODE OF ORDINANCES; PROVIDING FOR SEVERABILITY; PROVIDING FOR A REPEALER.

No citizens appeared before the City Council to discuss Ordinance 5791.

The Public Hearing was closed.

PROVIDING FOR THE RATIFICATION OF THE PROPERTY TAX INCREASE

PROPERTY TAX INCREASE

Mayor Wacker explained that this item should be taken out of order and considered prior to the adoption of the budget ordinance.

Mayor Wacker thanked Council Members and staff for all the previous discussions on the budget and the tax rate. She noted that Sherman’s tax rate is still about \$0.065 cents lower than it was when she came on the Council in 2005. The City is running “lean” and has been trying to “hold the line” on expenses, and she commended the staff for their hard work to manage the finances.

Council Member Smith said, in his opinion, at this point in time, he did not think that the property tax increase was necessary. With the fund balances where they are and with the Panda water purchase coming on line in January 2015, and with some new commercial development, he felt the better course would be to “hold the line” one more year and see what happens.

The argument is that the City has done that and is not getting to where it needs to be. However, he did not feel that now was the time to increase the property tax rate.

Council Member Smith said he made the pledge when he ran for Council in 2006 that he would not support a tax increase if he didn’t fully believe that it was required. He said he has struggled over what to do, but in his heart he believed that the City could make it another year without a property tax rate increase.

He said he did believe that the employees needed a cost of living adjustment and he hated to vote against that. However to vote against the budget and the property tax increase, he would have to vote against the pay increase and he apologized to the employees.

ACTION TAKEN.

Motion by Council Member Sofey to ratify the property tax increase, as presented. Second by Deputy Mayor Howeth.

VOTING AYE: Wacker, Howeth, Johnson, Plyler, Sofey, Softly.

VOTING NAY: Smith.

MOTION CARRIED.

ADOPTION OF ORDINANCES

Ordinance 5783

**ORD 5783
ANNUAL BUDGET**

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, PROVIDING FOR THE APPROPRIATION OF FUNDS FOR OPERATING AND CAPITAL EXPENDITURES FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2013, AND ENDING SEPTEMBER 30, 2014; PROVIDING FOR A REPEALER.

ACTION TAKEN.

Motion by Deputy Mayor Howeth to approve Ordinance No. 5783, as presented. Second by Council Member Softly.

VOTING AYE: Wacker, Howeth, Johnson, Plyler, Sofey, Softly.

VOTING NAY: Smith.

MOTION CARRIED.

Ordinance 5790

**ORD 5790
SUBSTANDARD
STRUCTURES**

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AMENDING CHAPTER 3 OF THE CODE OF ORDINANCES, ENTITLED "BUILDING REGULATIONS", AT ARTICLE 3.06, ENTITLED "HOUSING CODE", DIVISION 2, ENTITLED "DANGEROUS BUILDINGS", AT SECTIONS 3.06.011 THROUGH 3.06.022; PROVIDING FOR INCLUSION IN THE CODE OF ORDINANCES; PROVIDING FOR SEVERABILITY; PROVIDING FOR A REPEALER.

Mayor Wacker thanked the staff for their work on this ordinance and said she was very pleased to move forward. If approved, the ordinance will become effective on October 1, 2013.

ACTION TAKEN.

Motion by Council Member Smith to approve Ordinance No. 5790, as presented. Second by Council Member Johnson.

VOTING AYE: Howeth, Johnson, Plyler, Smith, Sofey, Softly.

VOTING NAY: None.

MOTION CARRIED.

Ordinance 5791

**ORD 5791
CREDIT CARD
CONVENIENCE FEE**

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AMENDING CHAPTER 1 OF THE CODE OF ORDINANCES, ENTITLED "GENERAL PROVISIONS", ARTICLE 1.02, ENTITLED "ADMINISTRATION", AT SECTION 1.02.004, ENTITLED "CONVENIENCE FEE FOR CREDIT CARD PAYMENTS"; PROVIDING FOR INCLUSION IN THE CODE OF ORDINANCES; PROVIDING FOR SEVERABILITY; PROVIDING FOR A REPEALER.

Mayor Wacker said the convenience fee is a "pass through" charge of \$1.25 on any electronic or credit card payments made online or by telephone.

COUNCIL MINUTES – AUGUST 19, 2013

Council Member Smith verified that this is a fee that is charged to the City by the software vendors and is passed on to citizens and not an additional fee to increase revenue.

ACTION TAKEN.

Motion by Council Member Smith to approve Ordinance No. 5791, as presented. Second by Council Member Plyler.

VOTING AYE: Howeth, Johnson, Plyler, Smith, Sofey, Softly.

VOTING NAY: None.

MOTION CARRIED.

CONSENT AGENDA

The Council reviewed the Consent Agenda. Council Member Johnson moved to approve the Consent Agenda, as presented. Second by Council Member Softly. All present voted AYE.

CONSENT AGENDA

RESOLUTIONS

RESOLUTION NO. 5794 – AUTHORIZING EXECUTION OF A CONTRACT WITH GRAYSON COUNTY FOR AD VALOREM TAX ASSESSMENT AND COLLECTION SERVICES

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING EXECUTION OF A CONTRACT FOR AD VALOREM TAX ASSESSMENT AND COLLECTION SERVICES WITH GRAYSON COUNTY.

CONSENT AGENDA.

RES 5794
AD VALOREM TAX
ASSESSMENT &
COLLECTION

RESOLUTION NO. 5795 – AUTHORIZING EXECUTION OF AN ENCROACHMENT EASEMENT TO PANDA SHERMAN POWER, LLC FOR THE CONSTRUCTION OF A 16" WATERLINE IN THE STREET RIGHT OF WAY OF FLANARY ROAD WITHIN THE CITY OF SHERMAN

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING EXECUTION OF AN ENCROACHMENT EASEMENT TO PANDA SHERMAN POWER, LLC FOR THE CONSTRUCTION OF A 16" WATERLINE IN THE STREET RIGHT OF WAY OF FLANARY ROAD WITHIN THE CITY OF SHERMAN.

CONSENT AGENDA.

RES 5795
PANDA SHERMAN
POWER WATER LINE

RESOLUTION NO. 5796 – ACCEPTING THE CONTRACT WITH TPC CONTROLS, INC. AS COMPLETE FOR THE SHERMAN WASTEWATER TREATMENT PLANT HEADWORKS LIFT STATION VARIABLE FREQUENCY DRIVE IMPROVEMENTS

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, ACCEPTING THE CONTRACT WITH TPC CONTROLS, INC., AS COMPLETE FOR THE SHERMAN WASTEWATER TREATMENT PLANT HEADWORKS LIFT STATION VARIABLE FREQUENCY DRIVE IMPROVEMENTS.

CONSENT AGENDA.

RES 5796
WWTP HEADWORKS
LIFT STATION

OTHER BUSINESS

APPROVE QUARTERLY INVESTMENT REPORTS FOR PERIOD ENDING JUNE 30, 2013

QUARTERLY
INVESTMENT
REPORTS

The City Council approved the Quarterly Investment Reports for the period ending June 30, 2013. As of June 30, 2013, both portfolios were in compliance with State law and the Investment Policy.

The Operating portfolio had a book value of about \$21.0 million, decreased during the quarter by about \$1.3 million due to seasonally slowing property tax collections. This portfolio is appropriately liquid. Its weighted-average maturity increased to about 316 days, up from 302 days last period, because additional securities were purchased during the quarter. The portfolio yield of 0.39% for the quarter is higher than the benchmark yield of 0.11%. The portfolio value on the City's books is essentially equal to the market value of the overall portfolio.

The CO Debt Proceeds portfolio balance of about \$56,000 is essentially unchanged from the previous quarter as no payments were made from these funds on construction projects. The portfolio remains adequately liquid, with all of the funds available within one day. Its yield of 0.08% for the quarter is essentially equal to the benchmark yield. The portfolio value on the City's books is equal to the market value of the overall portfolio.

CONSENT AGENDA.

**RECEIVE DIRECTOR OF PUBLIC WORKS DON KEENE'S
UPDATE ON THE "FIELDER PARK NEIGHBORHOOD
REVITALIZATION PILOT PROJECT"**

**FIELDER PARK
REVITALIZATION
PROJECT**

Don Keene, Director of Public Works, presented an update on the Fielder Park Neighborhood Revitalization Pilot Project. He explained that the fourth goal of the Comprehensive Master Plan was to improve the quality of life and neighborhood viability. Funding was approved through the Capital Improvement Program for the FY 2012-2013.

The project promoted teamwork in the community and through various City departments and will hopefully encourage private reinvestment. He said the effort involved multiple City departments and local churches during the Great Days of Service event.

He outlined the area of the neighborhood project and a list of the improvements, which included replacing existing hike/bike trails and adding trails on the east side, updating the existing gazebo, replacing the existing court slab, new playground equipment, seal coat and curb repair, and street signs. Three projects, replacing existing benches, a new drinking fountain, and new park lighting, are scheduled for completion by mid October 2013.

Mr. Keene said the project should be significantly under budget. He displayed photos of the improvements. The City received a grant to pay for half of the cost of the playground equipment, which helped leverage the dollars.

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Mr. Keene questioned how you measure the effectiveness of the project. He displayed photos of improvements that were done to private homes by citizens. The improvements were not part of the Great Days of Service projects.

Council Member Smith verified that there was no effective way to monitor park usage. Mayor Wacker said the City would like to repeat the neighborhood project in future years, but there was no funding in this year's budget.

Deputy Mayor Howeth asked if the City was able to sell the old playground equipment. George Olson, City Manager, said usually it is anchored with concrete, so it is bent when it is removed. The equipment removed from Fielder Park was probably about 50 years old.

CONSIDER REQUEST OF THE SHERMAN INDEPENDENT SCHOOL DISTRICT AND THE SHERMAN HIGH SCHOOL STUDENT COUNCIL TO TEMPORARILY CLOSE CERTAIN STREETS FOR THE 2013 SHERMAN HIGH SCHOOL HOMECOMING PARADE ON TUESDAY, SEPTEMBER 3, 2013

The City Council approved the request of the Sherman Independent School District and the Sherman High School Student Council to temporarily close certain streets for the 2013 Sherman High School Homecoming Parade on Tuesday, September 3, 2013.

CLOSE STREETS
FOR HOMECOMING
PARADE

City labor and equipment to provide traffic control assistance and implement barricade placement and removal will be required.

CONSENT AGENDA.

CONSIDER REQUEST OF THE GRAYSON HISPANIC HERITAGE COUNCIL OF SHERMAN TO TEMPORARILY CLOSE CERTAIN STREETS AND USE CERTAIN FACILITIES AND SERVICES FOR THE ANNUAL HISPANIC HERITAGE CELEBRATION ON SATURDAY, SEPTEMBER 14, 2013

The City Council approved the request of the Grayson Hispanic Heritage Council of Sherman to temporarily close certain streets for the Annual Hispanic Heritage Celebration on Saturday, September 14, 2013.

CLOSE STREETS
FOR HISPANIC
HERITAGE
CELEBRATION

City labor and equipment to provide drop-off and pick-up of barricades and solid waste containers will be required.

CONSENT AGENDA.

CONSIDER REQUEST OF THE SHERMAN ARTS FESTIVAL COMMITTEE TO TEMPORARILY CLOSE CERTAIN STREETS AND USE CERTAIN CITY FACILITIES AND SERVICES FOR THE 31ST ANNUAL SHERMAN ARTS FESTIVAL ON SATURDAY, SEPTEMBER 21, 2013

The City Council approved the request of the Sherman Arts Festival Committee to temporarily close certain streets for the 31st Annual Sherman Arts Festival on Saturday, September 21, 2013.

CLOSE STREETS
FOR ARTS FESTIVAL

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City labor and equipment will be needed to assist with the control of traffic and implementation of barricades, placement of trash carts and dumpster, sweeping of streets in the area, and use of City facilities.

CONSENT AGENDA.

CITIZENS REQUESTS

There were no citizen's requests

CITIZEN'S REQUESTS

MEDIA QUESTIONS

EXECUTIVE SESSION DISCUSSION OF LITIGATION

David Gonier, Herald Democrat Reporter, asked if the litigation listed in the Executive Session was the same litigation that had been discussed for the last few Executive Sessions.

EXECUTIVE SESSION
LITIGATION

Brandon Shelby, City Attorney, said it is not.

APPOINT/REMOVE OR CONSIDER QUALIFICATIONS TO
BOARDS AND COMMISSIONS

SUBSTANDARD STRUCTURE COMMISSION (1)

Council Members considered applications for appointment to the proposed Substandard Structure Commission.

SUBSTANDARD
STRUCTURE
COMMISSION

ACTION TAKEN.

Motion by Council Member Smith to appoint Nathan Gray to the Substandard Structure Commission as an Alternate Member, for a term beginning August 20, 2013.

Second by Deputy Mayor Howeth.

VOTING AYE: Howeth, Johnson, Plyler, Smith, Sofey, Softly.

VOTING NAY: None.

MOTION CARRIED.

COUNCIL COMMENTS

CITY COUNCIL CANDIDATE FILING

Mayor Wacker reminded citizens that candidate filing for the November 5, 2013 City Council Election continues through August 26, 2013. District 1 and District 3 City Council positions will be on the ballot.

CITY COUNCIL
CANDIDATE FILING

JEFFERSON ELEMENTARY THINKING CAMP

Mayor Wacker thanked Mr. Keene for participating in the Jefferson Elementary School Thinking Camp this year. He presented on this year's topic of City Government and Management, and the students built mock cities.

JEFFERSON
ELEMENTARY
THINKING CAMP

NEIGHBORHOOD PILOT PROJECT

Council Member Johnson thanked Mr. Keene and all departments that were involved with the Fielder Park Pilot Project. It's a great project and he was glad to see the positive results. He hoped the City would be able to implement other similar projects in the future.

NEIGHBORHOOD
PILOT PROJECT

TAYLOR STREET COMPLEX

Council Member Plyler said he attended the open house for the Taylor Street Complex. That is a fantastic facility and he

TAYLOR STREET
COMPLEX

congratulated the staff on putting it together. He added that the facility is very flexible and will be a great benefit for the citizens.

SHERMAN HIGH SCHOOL HOMECOMING PARADE

Deputy Mayor Howeth said the next City Council Meeting is scheduled for Tuesday, September 3, 2013, and citizens can attend, and then go outside for the Sherman High School Homecoming Parade.

**SHS HOMECOMING
PARADE**

SHERMAN IS A GREAT CITY

Mayor Wacker said Sherman has a great City government and one of the leanest governments in the State and one of the lowest tax rates in the State. She said she is very proud of what has been accomplished. She asked the citizens to understand what the Council needed to do to maintain the level of service that is acceptable to the public.

**SHERMAN IS A
GREAT CITY**

EXECUTIVE SESSION – IN ACCORDANCE WITH CHAPTER 551, GOVT. CODE, V.T.C.S., (OPEN MEETINGS LAW)

THE CITY COUNCIL WILL NOW HOLD AN EXECUTIVE SESSION PURSUANT TO THE PROVISIONS OF THE OPEN MEETINGS LAW, CHAPTER 551, GOVERNMENT CODE, VERNONS TEXAS CODES ANNOTATED, IN ACCORDANCE WITH THE AUTHORITY CONTAINED IN THE FOLLOWING SECTIONS.

EXECUTIVE SESSION

SECTION 551.071

**CONSULTATION WITH CITY
ATTORNEY CONCERNING
PENDING OR CONTEMPLATED
LITIGATION:
RECEIVE THE CITY ATTORNEY'S
BRIEFING ON PENDING OR
CONTEMPLATED LITIGATION**

SECTION 551.072

**DELIBERATION REGARDING
REAL PROPERTY:
DELIBERATE REGARDING THE
PURCHASE, EXCHANGE, LEASE,
OR VALUE OF REAL PROPERTY**

On Motion duly made and carried, the Open Meeting recessed and reconvened in Executive Session at 5:31 p.m.

On Motion duly made and carried, the Executive Session recessed at 6:20 p.m. and reconvened in Open Meeting.

OPEN MEETING

Reconvene into Open Meeting and take action, if any, on items discussed in Executive Session.

OPEN MEETING

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ADJOURNMENT

On Motion duly made and carried, the meeting adjourned at 6:20 p.m.

ADJOURNMENT

MAYOR

CITY CLERK