STATE OF TEXAS §

August 7, 2017

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 7, 2017.

MEMBERS PRESENT: **MAYOR DAVID PLYLER; DEPUTY MAYOR JASON SOFEY. COUNCIL MEMBERS BROWN, COUCH, HOWETH, STEELE, TEAMANN.**

MEMBERS ABSENT: **NONE.**

CALL TO ORDER — **CALL TO ORDER**

Mayor Plyler called the meeting to order at 5:00 p.m. The Pledge of Allegiance and Invocation were given by Council Member Terrence Steele.

APPROVE MINUTES — **APPROVE MINUTES**

The Council reviewed the Minutes of the Called City Council (Budget Workshop) Meeting of June 15, 2017, the Regular City Council Meeting of July 17, 2017, and the Called City Council Meeting of July 31, 2017. Deputy Mayor Sofey moved to approve the Minutes as presented; Second by Council Member Howeth. All present voted AYE.
MOTION CARRIED.

INTRODUCTION AND PUBLIC HEARING OF ORDINANCES — **ORD 6044 REVISING TIRZ #5**

Mayor Plyler introduced Ordinance No. 6044 and called for a public hearing:
AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, REVISING THE DESIGNATION OF TAX INCREMENT REINVESTMENT ZONE #5 IN THE CITY OF SHERMAN.

Robby Hefton, City Manager, said the Council has previously passed an ordinance relating to the Tax Increment Reinvestment Zone #5. The current ordinance is to modify the boundary, adding property that is adjacent to the west of the existing boundary. The area is ripe for commercial and retail development.

No citizens appeared before the City Council to discuss Ordinance No. 6044.

Mayor Plyler introduced Ordinance No. 6045 and called for a public hearing: — **ORD 6045 PROJECT & FINANCING PLAN FOR TIRZ #5**
AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, ACCEPTING AND APPROVING THE PROJECT PLAN AND THE FINANCING PLAN FOR THE SHERMAN TAX INCREMENT REINVESTMENT ZONE NUMBER FIVE; PROVIDING FOR FINDINGS OF FACT.

Mr. Hefton said this ordinance also refers to TIRZ #5. The committee met recently to review the project plan and

financing plan. They recommended adoption of the ordinance.

No citizens appeared before the City Council to discuss Ordinance No. 6045.

ORD 6046 BICYCLE EQUIPT REQUIREMENTS

Mayor Plyler introduced Ordinance No. 6046 and called for a public hearing:
AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AMENDING CHAPTER 12 OF THE CODE OF ORDINANCES, ENTITLED "TRAFFIC AND VEHICLES", AT ARTICLE 12.02, ENTITLED "OPERATION OF VEHICLES GENERALLY", TO PROVIDE FOR A NEW SECTION 12.02.011 TO BE ENTITLED "VIOLATION OF BICYCLE EQUIPMENT REQUIREMENTS"; PROVIDING FOR INCLUSION IN THE CODE OF ORDINANCES; PROVIDING FOR SEVERABILITY; PROVIDING FOR A REPEALER CLAUSE.

Steve Ayers, Assistant City Manager, said there are two proposed ordinances that are related to input received from the community and Bike Sherman. These ordinances are consistent with a resolution passed that prioritizes bicycle infrastructure for Sherman.

These ordinances emphasize bicycle safety, equipment issues, and how "vulnerable road users" like bicycles interact with motor vehicles. He said there is State law that addresses some of the issues, however this would emphasize safety at the City level. He added that the City would mainly focus on public awareness and education, not on tickets.

No citizens appeared before the City Council to discuss Ordinance No. 6046.

ORD 6047 VULNERABLE ROAD USER – SAFE PASSING REQUIREMENTS

Mayor Plyler introduced Ordinance No. 6047 and called for a public hearing:
AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AMENDING CHAPTER 12 OF THE CODE OF ORDINANCES, ENTITLED "TRAFFIC AND VEHICLES", AT ARTICLE 12.02, ENTITLED "OPERATION OF VEHICLES GENERALLY", TO PROVIDE FOR A NEW SECTION 12.02.012 TO BE ENTITLED "SAFE PASSING REQUIREMENTS"; PROVIDING FOR INCLUSION IN THE CODE OF ORDINANCES; PROVIDING FOR SEVERABILITY; PROVIDING FOR A REPEALER CLAUSE.

Mr. Ayers said this is the second ordinance emphasizing bicycle safety. This ordinance addresses how motor vehicles interact with vulnerable road users.

No citizens appeared before the City Council to discuss Ordinance No. 6047.

The Public Hearing was closed.

ADOPTION OF ORDINANCES

Ordinance 6044 — **ORD 6044 REVISING TIRZ #5**

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, REVISING THE DESIGNATION OF TAX INCREMENT REINVESTMENT ZONE #5 IN THE CITY OF SHERMAN.

Ordinance 6045 — **ORD 6045 PROJECT & FINANCING PLAN FOR TIRZ #5**

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, ACCEPTING AND APPROVING THE PROJECT PLAN AND THE FINANCING PLAN FOR THE SHERMAN TAX INCREMENT REINVESTMENT ZONE NUMBER FIVE; PROVIDING FOR FINDINGS OF FACT.

Ordinance 6046 — **ORD 6046 BICYCLE EQUIPT REQUIREMENTS**

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AMENDING CHAPTER 12 OF THE CODE OF ORDINANCES, ENTITLED "TRAFFIC AND VEHICLES", AT ARTICLE 12.02, ENTITLED "OPERATION OF VEHICLES GENERALLY", TO PROVIDE FOR A NEW SECTION 12.02.011 TO BE ENTITLED "VIOLATION OF BICYCLE EQUIPMENT REQUIREMENTS"; PROVIDING FOR INCLUSION IN THE CODE OF ORDINANCES; PROVIDING FOR SEVERABILITY; PROVIDING FOR A REPEALER CLAUSE.

Ordinance 6047 — **ORD 6047 VULNERABLE ROAD USER – SAFE PASSING REQUIREMENTS**

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AMENDING CHAPTER 12 OF THE CODE OF ORDINANCES, ENTITLED "TRAFFIC AND VEHICLES", AT ARTICLE 12.02, ENTITLED "OPERATION OF VEHICLES GENERALLY", TO PROVIDE FOR A NEW SECTION 12.02.012 TO BE ENTITLED "SAFE PASSING REQUIREMENTS"; PROVIDING FOR INCLUSION IN THE CODE OF ORDINANCES; PROVIDING FOR SEVERABILITY; PROVIDING FOR A REPEALER CLAUSE.

ACTION TAKEN.

Motion by Council Member Couch to adopt Ordinance Nos. 6044, 6045, 6046, and 6047, as presented. Second by Council Member Teamann.

VOTING AYE: Brown, Couch, Howeth, Sofey, Steele, Teamann.
VOTING NAY: None.
MOTION CARRIED.

CONSENT AGENDA — **CONSENT AGENDA**

The Council reviewed the Consent Agenda. Mayor Plyler said that BWG Architecture had requested that Item E-7, entitled "Replat Approval of Lot 16R, Block 11, W. Elliott's Addition, being a Replat of Lots 16-24, Block 11 of W. Elliott's Addition, being 0.725 acres in the G.B. Pilant Survey, Abstract No. 963, also being Lots 16 thru 24, Block 11, W. Elliott's Addition," be removed from the Consent Agenda.

Council Member Steele moved to approve the Consent Agenda, with the exception of Item E-7, which has been

removed from the Consent Agenda. Second by Council Member Howeth. All present voted AYE.

RESOLUTIONS

RESOLUTION NO. 6243 – AUTHORIZING EXECUTION OF AN AMENDED INTERLOCAL AGREEMENT BETWEEN THE CITY OF SHERMAN AND GRAYSON COUNTY TO PARTICIPATE IN THE SHERMAN TAX INCREMENT REINVESTMENT ZONE #5

RES 6243 TIRZ #5 AGREEMENT WITH GRAYSON CO.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING EXECUTION OF AN AMENDED INTERLOCAL AGREEMENT BETWEEN THE CITY OF SHERMAN AND GRAYSON COUNTY TO PARTICIPATE IN THE SHERMAN TAX INCREMENT REINVESTMENT ZONE #5.

Mr. Hefton said Resolution 6243 and 6244 relate to the same issue for two different Reinvestment Zones. Resolution 6243 relates to TIRZ #5 on the south end of town and Resolution 6244 relates to TIRZ #6 on the north end of town.

Both relate to modifying the interlocal agreement that was adopted by the City Council on May 1, 2017. The changes relate to specifying the City's level of participation at 75%.

The interlocal agreement was adopted by the Grayson County Commissioner's Court this past week and they designated the same percentage. It was always the City's plan to participate at this level, but the staff wanted to make it explicit in the interlocal agreement.

Both items specify the percentage of participation at 75% for the maintenance and operating rate for the City's participation in TIRZ #5 and #6.

ACTION TAKEN.

Motion by Council Member Teamann to adopt Resolution No. 6243, as presented. Second by Council Member Couch.

VOTING AYE: Brown, Couch, Howeth, Sofey, Steele, Teamann.
VOTING NAY: None.
MOTION CARRIED.

RESOLUTION NO. 6244 – AUTHORIZING EXECUTION OF AN AMENDED INTERLOCAL AGREEMENT BETWEEN THE CITY OF SHERMAN AND GRAYSON COUNTY TO PARTICIPATE IN THE SHERMAN TAX INCREMENT REINVESTMENT ZONE #6

RES 6244 TIRZ #6 AGREEMENT WITH GRAYSON CO.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING EXECUTION OF AN AMENDED INTERLOCAL AGREEMENT BETWEEN THE CITY OF SHERMAN AND GRAYSON COUNTY TO PARTICIPATE IN THE SHERMAN TAX INCREMENT REINVESTMENT ZONE #6.

Mr. Hefton said this is for the participation level for TIRZ #6.

ACTION TAKEN.

Motion by Council Member Steele to adopt Resolution No.

6244, as presented. Second by Council Member Howeth.

VOTING AYE: Brown, Couch, Howeth, Sofey, Steele, Teamann.
VOTING NAY: None.
MOTION CARRIED.

RES 6245 SHERMAN CROSSROADS DEVELOPMENT AGREEMENT

RESOLUTION NO. 6245 – AUTHORIZING EXECUTION OF A DEVELOPMENT AGREEMENT WITH SHERMAN CROSSROADS, LTD. FOR THE CONSTRUCTION OF PUBLIC FACILITIES IN SHERMAN TAX INCREMENT REINVESTMENT ZONE #5 IN THE CITY OF SHERMAN

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING EXECUTION OF A DEVELOPMENT AGREEMENT WITH SHERMAN CROSSROADS, LTD. FOR THE CONSTRUCTION OF PUBLIC FACILITIES IN SHERMAN TAX INCREMENT REINVESTMENT ZONE #5 IN THE CITY OF SHERMAN.

Mr. Hefton said there is a high level of activity going on in the TIRZ with commercial and retail development. The City Council designated these zones and it is already paying huge dividends. Resolution 6245 and 6246 are Development Agreements in those areas for two medical facilities.

In anticipation of more growth in the area, the first resolution is for Sherman Crossroads, Ltd., which will be developing the southern 85 acres of this 130 acre tract. It provides a mechanism to help develop the infrastructure through the mechanisms in place through the TIRZ.

RES 6246 HERITAGE DEVELOPMENT PARTNERS DEVELOPMENT AGREEMENT

RESOLUTION NO. 6246 – AUTHORIZING EXECUTION OF A DEVELOPMENT AGREEMENT WITH HERITAGE DEVELOPMENT PARTNERS, LLC FOR THE CONSTRUCTION OF PUBLIC FACILITIES IN SHERMAN TAX INCREMENT REINVESTMENT ZONE #5 IN THE CITY OF SHERMAN

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING EXECUTION OF A DEVELOPMENT AGREEMENT WITH HERITAGE DEVELOPMENT PARTNERS, LLC FOR THE CONSTRUCTION OF PUBLIC FACILITIES IN SHERMAN TAX INCREMENT REINVESTMENT ZONE #5 IN THE CITY OF SHERMAN.

Mr. Hefton said this agreement is for Heritage Development Partners, LLC. This is a different group, but they are associated with each other.

ACTION TAKEN.

Motion by Council Member Howeth to adopt Resolution Nos. 6245 and 6246, as presented. Second by Council Member Steele.

VOTING AYE: Brown, Couch, Howeth, Sofey, Steele, Teamann.
VOTING NAY: None.
MOTION CARRIED.

RES 6247 RENEW TAX ABATEMENT PROGRAM

RESOLUTION NO. 6247 – DECLARING THE CITY OF SHERMAN'S ELIGIBILITY AND INTENTION TO RENEW ITS TAX ABATEMENT PROGRAM TO PROMOTE DEVELOPMENT/ REDEVELOPMENT IN THE CENTRAL BUSINESS DISTRICT OF THE CITY; ESTABLISHING GUIDELINES AND CRITERIA

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, DECLARING THE CITY OF SHERMAN'S ELIGIBILITY AND INTENTION TO RENEW ITS TAX ABATEMENT PROGRAM TO PROMOTE DEVELOPMENT/ REDEVELOPMENT IN THE CENTRAL BUSINESS DISTRICT OF THE CITY; ESTABLISHING GUIDELINES AND CRITERIA.

Mr. Hefton said every two years, the City is required by law to renew the Tax Abatement Program for the Central Business District. The staff recommends renewal of the program because it is an incentive tool to encourage businesses to expand or relocate to the downtown area.

Council Member Couch asked about the types of abatements that have been done in the Central Business District. Mr. Hefton said they are primarily commercial and it has been three or four years since a business has used the program.

There must be a minimum investment or improvements of $25,000. He encouraged more businesses to take advantage of this opportunity. The program has been in place for about 12 years.

Deputy Mayor Sofey asked about the residential aspects of the program. Mr. Hefton said it is combined with commercial development. Residential is allowed upstairs at a commercial enterprise in the downtown area.

Deputy Mayor Sofey said originally the program did not allow the costs incurred for residential as part of the structure. He took advantage of the program seven years ago and at that time he was not able to count the costs for the residential part of the development as part of the investment. Mr. Hefton said that requirement is still the same.

ACTION TAKEN.

Motion by Council Member Couch to adopt Resolution No. 6247, as presented. Second by Deputy Mayor Sofey.

VOTING AYE: Brown, Couch, Howeth, Sofey, Steele, Teamann.
VOTING NAY: None.
MOTION CARRIED.

RES 6248 ANNUAL AUDIT

RESOLUTION NO. 6248 – APPOINTING AND AUTHORIZING THE EXECUTION OF AN AGREEMENT WITH ADAMI, LINDSEY & COMPANY, L.L.P. TO PERFORM THE FISCAL YEAR 2017 AUDIT

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, APPOINTING AND AUTHORIZING THE

EXECUTION OF AN AGREEMENT WITH ADAMI, LINDSEY & COMPANY, L.L.P. TO PERFORM THE FISCAL YEAR 2017 AUDIT.
CONSENT AGENDA.

RES 6249 PROPERTY SALE FOR DELINQUENT TAXES

RES NO. 6249 – AUTHORIZING THE EXECUTION OF DEEDS FOR THE RESALE OF PROPERTIES WITHIN THE SHERMAN CITY LIMITS SEIZED FOR DELINQUENT TAXES
A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING THE EXECUTION OF DEEDS FOR THE RESALE OF PROPERTIES WITHIN THE SHERMAN CITY LIMITS SEIZED FOR DELINQUENT TAXES.
CONSENT AGENDA.

REQ TO ADVERTISE SHERMAN STREETSCAPE PHASE II PROJECT

REQUEST TO ADVERTISE CONSTRUCTION OF SHERMAN STREETSCAPE PHASE II PROJECT
Clint Philpott, Director of Engineering, said the City has been working on this project since April 2015. The City applied for a grant through the Texas Department of Transportation to extend a 10 foot wide sidewalk from Walnut Street to Throckmorton Street on Houston and Lamar Streets.

In September 2015, the City signed an agreement with TxDOT to begin the design of the project. Since it was a grant with TxDOT, there were additional requirements imposed by the State.

The City is now ready to advertise the project for bids and hopefully begin construction this Fall 2017.

Council Member Howeth asked how the "stopping point" was decided. Mr. Philpott said the target cost for the grant application was about $500,000. The total grant amount is about $2 million, and the staff felt the $500,000 would give the City the best opportunity to receive the grant.

Once the project is complete, the City will apply again for Phase 3, to continue to Sherman High School. Mr. Hefton reiterated that the City has only been approved for the current segment. TxDOT funding for the program could "dry up." The City would need to reapply for the next phase.

Mr. Philpott said the City received the grant for improvements around the Court House.

ACTION TAKEN.

Motion by Council Member Teamann to approve the request to advertise for the construction of the Sherman Streetscape Phase II Project, as presented. Second by Council Member Couch.

VOTING AYE: Brown, Couch, Howeth, Sofey, Steele, Teamann.
VOTING NAY: None.
MOTION CARRIED.

OTHER BUSINESS

REVIEW 2017-2018 DRAFT BUDGET — **REVIEW 2017-2018 DRAFT BUDGET**

As required by Charter, Mr. Hefton presented the draft budget to the City Council, based on their input from the Budget Work Shop and the Council Meeting of July 21, 2017. The draft budget incorporates the discussions that were held.

The draft budget includes a 3.3 cent tax rate increase, a 3% utility rate increase, and a $1 equivalent residential unit on a stormwater fee.

He asked for a motion to bring back the proposed budget in ordinance form, at the August 21, 2017 City Council Meeting.

ACTION TAKEN.

Motion by Council Member Steele to instruct the staff to move forward with the draft budget, as presented, and to set a public hearing for Monday, August 21, 2017. Second by Council Member Howeth.

VOTING AYE: Brown, Couch, Howeth, Sofey, Steele, Teamann.
VOTING NAY: None.
MOTION CARRIED.

DISCUSSION OF THE PROPOSED TAX RATE FOR FISCAL YEAR 2017-2018 AND SCHEDULING PUBLIC HEARINGS FOR THE BUDGET AND PROPOSED TAX RATE — **TAX RATE**

Mr. Hefton said this item included the schedule for the adoption of the budget and the tax rate. The calendar includes a public hearing and adoption of the budget ordinance and ratification of the property tax revenue increase at the Regular Council Meeting on August 21, 2017; the introduction and first public hearing on the tax revenue increase at the August 21, 2017 Meeting; the second public hearing on the tax revenue increase at the September 5, 2017 Meeting; and the adoption of the tax rate ordinance at the September 18, 2017 Meeting.

ACTION TAKEN.

Motion by Deputy Mayor Sofey to propose a tax rate of forty-two point seventy-three cents per hundred dollars of valuation for the upcoming budget year and to set public hearings on this proposal, as presented. Second by Council Member Howeth.

VOTING AYE: Brown, Howeth, Sofey, Steele.
VOTING NAY: Couch, Teamann.
MOTION CARRIED.

REVIEW DRAFT CAPITAL IMPROVEMENT PROGRAM (CIP) 2017-2022 AND SET PUBLIC HEARING FOR MONDAY, AUGUST 21, 2017 — **DRAFT CIP**

Mr. Hefton said the City's Charter requires that the Council review the draft of the five year Capital Improvement Program, and set a public hearing for August 21, 2017.

Only money for the first year of the plan is actually appropriated in the FY 2017-2018 Budget that will be adopted at an upcoming meeting.

The total five year plan budget is estimated at $163,493,369, with the majority of the budget being in the General Fund and used for streets and facilities.

Mr. Hefton said about $26 million is actually funded in the first year of the CIP plan.

ACTION TAKEN.

Motion by Deputy Mayor Sofey to set a public hearing on the City's Capital Improvement Program 2017-2022, for Monday, August 21, 2017, as presented. Second by Council Member Steele.

VOTING AYE: Brown, Couch, Howeth, Sofey, Steele, Teamann.
VOTING NAY: None.
MOTION CARRIED.

PROPOSED CHARTER AMENDMENTS

CONSIDER CHARTER AMENDMENTS PROPOSED BY THE CHARTER REVIEW COMMISSION FOR THE NOVEMBER 7, 2017 SPECIAL ELECTION

Mr. Hefton said the Charter Review Committee recently met to consider proposed Charter amendments, with input from the staff and the City Council. Sixteen potential amendments were identified, with more than half of those being routine and administrative in nature.

Several years ago, Mr. Hefton said the voters passed an amendment that gave the City Council the ability, through ordinance, to make amendments to the Charter that were routine and administrative in nature.

He said a majority of the items that were identified, either by Council Members or by staff, fall within the category of being able to be passed by ordinance. Those will be presented to the City Council for consideration at a future date.

Mr. Hefton said that leaves six potential Charter amendments that would be listed on the ballot for consideration by voters.

Brandon Shelby, City Attorney, briefly described the six Charter amendments that were proposed for consideration on the November 7, 2017 ballot.

Mr. Shelby said the first proposed Charter amendment applies to the section dealing with "Vacancies, forfeitures, filling of vacancies." Currently the only way to remove a Council Member for misconduct, malfeasance, or incompetence is through a Recall Election.

Some other cities have given their City Council the ability to remove a Council Member by a vote of the City Council for acts of misconduct, malfeasance, or incompetence.

Mr. Hefton said this addressed acts of a serious nature and he recommended requiring any removal to be by a super majority. Council Member Couch verified that the advantage of requiring a super majority instead of a majority would be it would take a vote of five or six Council Members to remove another member, depending on the number present and voting.

Council Member Teamann asked if there was a definition of what events might trigger the misconduct. Mr. Shelby said there are specific things now that can trigger a Council Member to forfeit their office. Mr. Hefton said the staff could not anticipate every possible incident that might happen under this item.

Council Member Howeth said Council Members don't need to be talking about things that happen in Executive Session, and there should be a punishment.

Council Member Teamann expressed concern about the vagueness of the amendment.

Another amendment concerning "Bonds and warrants," places a cap on the amount of money the City can borrow. The staff would like to change the limitation to allow the City to borrow additional money.

Mr. Hefton said the Charter references several different financial instruments that can be used, some of which aren't used anymore. The State already has borrowing limits in place. He said this really "cleans up" the Charter because the City doesn't use some of these types of debt anymore.

Mr. Shelby recommended deleting the section of the Charter dealing with the collection of an occupation tax. He explained this is a tax collected to certain occupations in the City, such as plumbers or electrical contractors.

Deputy Mayor Sofey said, as a contractor, he has been paying that fee for many years, and the City's fees are low so they aren't a problem.

Council Member Couch said contractors would pay the fee, while landscapers don't pay the fee. He said he sees this as an opportunity to "change the way the City does business." The tax is levied on an annual basis and he did not feel it made sense.

Mayor Plyler said with the idea of having them register and pay a fee, these are the jobs that are inspected by City inspectors, such as plumbing, electrical, HVAC, or general contractors. This money is used to offset the inspectors time and gas.

Deputy Mayor Sofey reiterated that Sherman has a very low permit fee. He said as a contractor, he has to register in every City where he works.

Council Member Couch said not only do contractors pay the City fee, they pay a State fee and have a State bond. Deputy Mayor Sofey said that was for the mechanical contractors. Council Members discussed State fees versus City fees. Deputy Mayor Sofey felt it was a system of "checks and balances" for the City to charge the fee.

Mr. Hefton confirmed that the City received from $15,000 to $20,000 annually from the occupancy tax. Deputy Mayor Sofey said if the fee is not collected from contractors, then the entire community would be paying additional money for the inspectors instead of the contractors that actually use the service. He was in favor of keeping the fee.

Mayor Plyler said the fees and licensing by the City, provide money for the building department and the inspectors. Otherwise those costs would not be covered and the money would come from the General Fund which is paid by all citizens. The City's building fees are so low, that it doesn't take much fluctuation to impact the General Fund.

Council Member Teamann said adding it to a Charter amendment would send it to the citizens to be voted on. Deputy Mayor Sofey said the Council Members need to be responsible to put the proper things out for the citizens to vote on. He said he has never heard anyone complain about the occupancy tax.

Mr. Shelby said the next proposed Charter amendment was to reduce the number of Planning and Zoning Commission Members from nine to seven. He said other peer cities, larger than Sherman, have seven Planning and Zoning Commission Members, and it would make it easier to get a quorum at the meetings. He added that the two members would be allowed to "term out" and just not be replaced.

Mr. Shelby addressed the Charter amendment concerning "Nepotism." The proposal is to eliminate the nepotism restriction as it relates to seasonal or part-time work. Mr. Hefton said it would address the degrees of consanguinity and affinity.

The final proposed amendment is to remove the ability to assess property owners for street improvements. He said this is now handled through Development Agreements, instead of assessments.

Mr. Shelby said the actual ballot language would be presented at the August 21, 2017 City Council Meeting. Mr. Hefton reminded Council Members that the deadline to

actually "call" the Election was August 21, 2017. He said there would be no opportunity to change the ballot language after that meeting.

Council Member Teamann asked if the Charter Review Commission had discussed removing pay for the City Council Members and making it a volunteer position. Mr. Hefton said there was no discussion about removing Council Member pay. He said Council Members are paid $50 per meeting, for attendance at Council Meetings.

Mr. Hefton said Mr. Shelby could distribute proposed language for the Charter amendments prior to the next City Council Meeting, but it would need to be voted on at the next meeting.

ACTION TAKEN.
Motion by Council Member Howeth to present the proposed six Charter amendments for review at the August 21, 2017 Council Meeting, as presented.

AMEND MOTION.

> **Motion by Council Member Howeth to amend her motion to include a "super majority" requirement for removal of a Council Member for misconduct, and to present the proposed six Charter amendments for review at the August 21, 2017 Council Meeting, as presented. Second by Council Member Teamann.**

VOTING AYE: Brown, Couch, Howeth, Sofey, Steele, Teamann.
VOTING NAY: None.
MOTION CARRIED.

<u>CONSIDER CALLING A SPECIAL MEETING OF THE CITY COUNCIL FOR TUESDAY, SEPTEMBER 5, 2017, DUE TO CONFLICT WITH A FEDERAL HOLIDAY</u>

SET CALLED COUNCIL MEETING (SEPT. 5, 2017)

The City Council set a Called City Council Meeting on Tuesday, September 5, 2017 at 5:00 p.m., due to a conflict with a Federal holiday.
CONSENT AGENDA.

<u>CONSIDER SCHEDULING A JOINT MEETING OF THE CITY COUNCIL AND THE SHERMAN ECONOMIC DEVELOPMENT CORPORATION BOARD OF DIRECTORS FOR 12:00 NOON ON MONDAY, SEPTEMBER 25, 2017, TO REVIEW AND APPROVE SEDCO'S ANNUAL BUDGET AND WORK PLAN</u>

SET CALLED COUNCIL MEETING WITH SEDCO (SEPT. 25, 2017)

The City Council scheduled a Joint Council Meeting with the Sherman Economic Development Corporation Board of Directors for Monday, September 25, 2017, at 12:00 noon, to review and approve their annual budget and work plan.
CONSENT AGENDA.

<u>REPLAT APPROVAL OF LOTS 6 & 7 AND A PORTION OF LOT 3, BLOCK 5, G.W. BOND'S SUPPLEMENT NO. 2 ADDITION, BEING 0.674 ACRES IN THE J.B. McANAIR SURVEY, ABSTRACT NO. 763, ALSO BEING ALL OF LOTS 6 AND 7</u>

APPROVE REPLAT (G.W. BOND'S SUPPLEMENT NO. 2 ADDITION)

AND PART OF LOT 3, BLOCK 5, G.W. BOND'S SUPPLEMENT NO. 2 ADDITION; MACK BROILES, OWNER; J.C. SILD HOLDINGS, DEVELOPER; AND HELVEY-WAGNER SURVEYING, SURVEYOR (603 AND 613 NORTH WALNUT STREET)

The City Council approved the Replat of Lots 6 and 7 and a portion of Lot 3, Block 5, G.W. Bond's Supplement No. 2 Addition in the J.B. McAnair Survey and all of Lots 6 and 7 and part of Lot 3, Block 5, G.W. Bond's Supplement No. 2 Addition. The 0.674 acre tract is located at 603 and 613 North Walnut Street.

The property is zoned a C-1 (Retail Business) District and the owner would like to replat two lots and a portion of a lot into two lots.

The Planning and Zoning Commission recommended approval of the Replat, subject to the Staff Review Letter.
CONSENT AGENDA.

REPLAT APPROVAL OF LOT 16R, BLOCK 11, W. ELLIOTT'S ADDITION, BEING A REPLAT OF LOTS 16-24, BLOCK 11 OF W. ELLIOTT'S ADDITION, BEING 0.725 ACRES IN THE G.B. PILANT SURVEY, ABSTRCT NO. 963, ALSO BEING LOTS 16 THRU 24, BLOCK 11, W. ELLIOTT'S ADDITION; MENDI SALEJESKI, OWNER; BWG ARCHITECTURE, ARCHITECT; AND UNDERWOOD DRAFTING & SURVEYING, SURVEYOR (712 SOUTH WILLOW STREET)

APPROVE REPLAT (W. ELLIOTT'S ADDITION) (TABLED)

Mayor Plyler removed Item E-7 from the Consent Agenda saying that BWG Architecture had requested that the item be removed.

ACTION TAKEN.

Motion by Deputy Mayor Sofey to table approval of the Replat of lot 16R, Block 11, W. Elliott's Addition, being a Replat of Lots 16-24, Block 11 of W. Elliott's Addition, being 0.725 acres in the B.G. Pilant Survey, Abstract No. 963, also being Lots 16 thru 24, Block 11, W. Elliott's Addition, as presented. Second by Council Member Couch.

VOTING AYE: Brown, Couch, Howeth, Sofey, Steele, Teamann.
VOTING NAY: None.
MOTION CARRIED TO TABLE.

CITIZENS REQUESTS

CITIZENS REQUEST

There were no citizen's requests.

MEDIA QUESTIONS

MEDIA QUESTIONS

There were no media questions.

COUNCIL COMMENTS

BICYCLE INFRASTRUCTURE

BICYCLE INFRASTRUCTURE

Council Member Teamann said he was excited about the bicycle infrastructure and what that will do for the citizens of

Sherman and for their safety. He thanked the various departments for their collaboration.

CHARTER REVIEW COMMISSION

CHARTER REVIEW COMMISSION

Council Member Couch thanked Mayor Plyler and the staff for allowing him to be a part of the Charter Review Commission. He said it was a great experience. He felt that if the voters removed the job tax, it would make Sherman more business friendly.

LOY LAKE ROAD CONSTRUCTION

LOY LAKE RD CONSTRUCTION

Council Member Steele said construction on Loy Lake Road was coming along, and asked if there was a date for completion. Mr. Hefton said the goal was to have the road open by the time school starts. He said some of the landscaping might be delayed.

POLICE CARS – FORD EXPLORER

POLICE CARS – FORD EXPLORER

Council Member Steele asked if any of Sherman's police vehicles are the Ford Explorer's that have been on the news recently. Zach Flores, Police Chief, said the City does not have any of the Explorers.

TAX INCREMENT REINVESTMENT ZONES

TIRZ #5 & #6

Deputy Mayor Sofey said Grayson County partnering with Sherman on the Tax Increment Reinvestment Zones is a step to bringing in millions of dollars in investment and hundreds of thousands of tax dollars.

He also encouraged others to take advantage of the tax abatement program for the Central Business District. It encourages people to spend money investing in downtown Sherman.

RECENT EVENTS

RECENT EVENTS

Council Member Howeth said Council Members were recently invited to the new teachers luncheon and she welcomed the 107 new teachers to Sherman.

They were also invited to the Sherman Interdenominational Ministerial Alliance Awards Banquet where seven students were given scholarships. She said it was a wonderful evening.

ACTIVITIES FOR YOUTH

ACTIVITIES FOR YOUTH

Council Member Brown said he is still working on activities for the youth and on cleaning up Sherman.

BUILDING REPORTS

BUILDING REPORTS

Mr. Hefton said at the end of July 2017, Sherman has as many new housing permits as they have had all year for the past three years. Normally there are 50 to 60 new housing permits annually, but for the last three years, it's been over 100 new housing permits.

ANNOUNCEMENTS **ANNOUNCEMENTS**

Mayor Plyler announced the following:

- **Parks and Recreation will host the Soggy Doggy event on April 19, 2017, at The Splash. For $5 citizen's dogs can swim and make new friends.**

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

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.

SECTION 551.071 –	**CONSULTATION WITH CITY ATTORNEY CONCERNING PENDING OR CONTEMPLATED LITIGATION**
SECTION 551.074 --	**PERSONNEL MATTERS: DELIBERATE THE EVALUATION OF A PUBLIC OFFICER OR EMPLOYEE: ANNUAL PERFORMANCE EVALUATION OF THE CITY MANAGER**
SECTION 551.087 --	**DELIBERATE REGARDING ECONOMIC DEVELOPMENT NEGOTIATIONS: DELIBERATE REGARDING COMMERCIAL OR FINANCIAL INFORMATION THAT THE CITY HAS RECEIVED FROM A BUSINESS PROSPECT AND DELIBERATE ANY OFFERS OR INCENTIVES TO THE BUSINESS PROSPECT**

On Motion duly made and carried, the Open Meeting recessed and reconvened in Executive Session at 6:07 p.m.

On Motion duly made and carried, the Executive Session recessed at 6:27 p.m. and reconvened in Open Meeting.

OPEN MEETING **OPEN MEETING**

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

ADJOURNMENT **ADJOURNMENT**

On Motion duly made and carried, the meeting adjourned at 6:28 p.m.

MAYOR

CITY CLERK