STATE OF TEXAS §

August 6, 2012

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 6, 2012.

MEMBERS PRESENT:	**MAYOR BILL MAGERS; DEPUTY MAYOR WILLIE STEELE. COUNCIL MEMBERS HOWETH, PLYLER, SMITH, SOFTLY, WACKER.**
MEMBERS ABSENT:	**NONE.**

CALL TO ORDER

CALL TO ORDER

Mayor Magers called the meeting to order at 5:00 p.m. The Pledge of Allegiance and the Invocation were given by Deputy Mayor Willie Steele.

APPROVE MINUTES

APPROVE MINUTES

The Council reviewed the Minutes of the Regular City Council Meeting of July 16, 2012. Council Member Smith moved to approve the Minutes as presented; Second by Council Member Softly. All present voted AYE.
MOTION CARRIED.

PROCLAMATION
"UNDERGROUND DAMAGE PREVENTION DAY" – AUGUST 11, 2012

UNDERGROUND DAMAGE PREVENTION DAY (AUG. 11, 2012)

Council Member Softly presented a proclamation to Terry Tombaugh, Atmos Energy Public Affairs Manager, designating August 11, 2012 as "Underground Damage Prevention Day."

Mr. Tombaugh thanked the City Council for the proclamation, adding that they especially appreciate the City of Sherman for the cooperation they show to Atmos Energy as well as all the utility companies that serve Sherman.

He emphasized the importance of the 811 system and the security it added to the utility systems and the safety it gives citizens.

INTRODUCTION AND PUBLIC HEARING OF ORDINANCES

ORD 5750 ANNUAL BUDGET

Mayor Magers introduced Ordinance 5750 and called for a public hearing:
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, 2012, AND ENDING SEPTEMBER 30, 2013; PROVIDING FOR A REPEALER.

No citizens appeared before the City Council to discuss Ordinance 5750.

ORD 5751
REGULAR ELECTION
(NOV. 6, 2012)

Mayor Magers introduced Ordinance 5751 and called for a public hearing:
AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, ORDERING AN ELECTION OF THE QUALIFIED VOTERS OF THE CITY OF SHERMAN, TEXAS, ON THE 6TH DAY OF NOVEMBER, 2012, FOR THE PURPOSE OF ELECTING A MAYOR AND TWO (2) AT-LARGE CITY COUNCIL MEMBERS FOR SAID CITY; PROVIDING THAT SAID ELECTION SHALL BE HELD JOINTLY WITH GRAYSON COUNTY, TEXAS; DESIGNATING ELECTION PRECINCTS; APPOINTING ELECTION OFFICIALS; PROVIDING FOR NOTICE OF SAID ELECTION; PROVIDING FOR THE USE OF DIRECT RECORDING ELECTRONIC VOTING EQUIPMENT; PROVIDING FOR EARLY VOTING.

No citizens appeared before the City Council to discuss Ordinance 5751.

The Public Hearing was closed.

ORD 5751
REGULAR ELECTION
(NOV. 6, 2012)

Ordinance 5751
AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, ORDERING AN ELECTION OF THE QUALIFIED VOTERS OF THE CITY OF SHERMAN, TEXAS, ON THE 6TH DAY OF NOVEMBER, 2012, FOR THE PURPOSE OF ELECTING A MAYOR AND TWO (2) AT-LARGE CITY COUNCIL MEMBERS FOR SAID CITY; PROVIDING THAT SAID ELECTION SHALL BE HELD JOINTLY WITH GRAYSON COUNTY, TEXAS; DESIGNATING ELECTION PRECINCTS; APPOINTING ELECTION OFFICIALS; PROVIDING FOR NOTICE OF SAID ELECTION; PROVIDING FOR THE USE OF DIRECT RECORDING ELECTRONIC VOTING EQUIPMENT; PROVIDING FOR EARLY VOTING.

Mayor Magers reminded citizens that just over a year ago, Sherman voters, by a 90% margin, approved moving the City's Election from May to November. The change should save the City approximately $30,000 annually in Election costs, should increase voter turn-out, and will allow Council Members to be elected in November so they can serve several months prior to discussions on the annual budget.

ACTION TAKEN.
> **Motion by Council Member Smith to approve Ordinance No. 5751, as presented. Second by Council Member Plyler.**

VOTING AYE: Howeth, Plyler, Smith, Softly, Steele, Wacker.
VOTING NAY: None.
MOTION CARRIED.

CONSENT AGENDA

<u>CONSENT AGENDA</u>
The Council reviewed the Consent Agenda. Deputy Mayor Steele asked to remove Item C-2 entitled "Resolution No. 5684 – Authorizing Execution of an Interlocal Cooperation Contract between the City of Sherman and the North Central Texas Trauma Regional Advisory Council (NCTTRAC) for

Participation in a Mass Fatality Trailer Project" from the Consent Agenda for consideration in its regular order of business.

Council Member Wacker moved to approve the Consent Agenda, with the exception of Item C-2, which will be considered in its regular order of business. Second by Council Member Softly. All present voted AYE.

RESOLUTIONS

RESOLUTION NO. 5683 – AUTHORIZING EXECUTION OF A JOINT ELECTION AGREEMENT WITH GRAYSON COUNTY, TEXAS, TO HOLD A JOINT ELECTION ON NOVEMBER 6, 2012

RES 5683 JOINT ELECTION AGREEMENT WITH GRAYSON COUNTY

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING EXECUTION OF A JOINT ELECTION AGREEMENT WITH GRAYSON COUNTY, TEXAS, TO HOLD A JOINT ELECTION ON NOVEMBER 6, 2012.

ACTION TAKEN.

Motion by Council Member Howeth to approve Resolution No. 5683, as presented. Second by Deputy Mayor Steele.

VOTING AYE: Howeth, Plyler, Smith, Softly, Steele, Wacker.
VOTING NAY: None.
MOTION CARRIED.

RESOLUTION NO. 5684 – AUTHORIZING EXECUTION OF AN INTERLOCAL COOPERATION CONTRACT BETWEEN THE CITY OF SHERMAN AND THE NORTH CENTRAL TEXAS TRAUMA REGIONAL ADVISORY COUNCIL (NCTTRAC) FOR PARTICIPATION IN A MASS FATALITY TRAILER PROJECT

RES 5684 INTERLOCAL AGREEMENT FOR MASS FATALITY TRAILER PROJECT

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING EXECUTION OF AN INTERLOCAL COOPERATION CONTRACT BETWEEN THE CITY OF SHERMAN AND THE NORTH CENTRAL TEXAS TRAUMA REGIONAL ADVISORY COUNCIL (NCTTRAC) FOR PARTICIPATION IN A MASS FATALITY TRAILER PROJECT.

Deputy Mayor Steele asked to remove Item C-2 from the Consent Agenda for consideration in its regular order of business.

Jeff Jones, Fire Chief, explained that the North Central Texas Trauma Regional Advisory Council manages hospital preparedness grant funding. In 2010-2011 they began a program to regionalize emergency management response. This program included the AmBus and has included additional resources for hospital deployment, backup facilities, and has recently included a mass fatality trailer.

This trailer is a 22 foot cargo trailer with refrigeration, which allows for transportation of fatalities from a disaster. The agreement will allow the City to take possession of the trailer and it will be titled to the City of Sherman.

Chief Jones said the City can use it as a local resource or utility trailer. In addition to transporting equipment and materials, it has a significant generator which will allow the powering of an external facility or an operation. The City currently does not have that capability.

Deputy Mayor Steele verified that the trailer would be considered a State asset and could be called out for use anytime. Chief Jones said the City always has the opportunity to decline the mission. It is also a regional and a local resource that could be used in area communities.

There is a State usage rate for the trailer and they would reimburse the City for personnel costs and related material costs that were used as part of the deployment.

Council Member Wacker asked about housing the trailer. Chief Jones said housing becomes a challenge as the City gets additional equipment. Currently the trailer will be housed at Central Fire Station, but it will not be parked in an inside bay.

ACTION TAKEN.
Motion by Deputy Mayor Steele to approve Resolution No. 5684, as presented. Second by Council Member Howeth.
VOTING AYE: Howeth, Plyler, Smith, Softly, Steele, Wacker.
VOTING NAY: None.
MOTION CARRIED.

RES 5685 MUTUAL AID AGREEMENT WITH CALERA, OKLAHOMA

<u>RESOLUTION NO. 5685 – AUTHORIZING EXECUTION OF A MUTUAL AID AGREEMENT WITH THE TOWN OF CALERA, OKLAHOMA</u>
A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING EXECUTION OF A MUTUAL AID AGREEMENT WITH THE TOWN OF CALERA, OKLAHOMA.
CONSENT AGENDA.

RES 5686 SURFACE WATER DISTRIBUTION PIPELINE EAST

<u>RESOLUTION NO. 5686 – APPROVING THE GREATER TEXOMA UTILITY AUTHORITY'S INTENTION TO CONTRACT WITH W. BROWN ENTERPRISES, INC. FOR THE SURFACE WATER DISTRIBUTION PIPELINE EAST, SCHEDULE A</u>
A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, APPROVING THE GREATER TEXOMA UTILITY AUTHORITY'S INTENTION TO CONTRACT WITH W. BROWN ENTERPRISES, INC. FOR THE SURFACE WATER DISTRIBUTION PIPELINE EAST, SCHEDULE A.
CONSENT AGENDA.

RES 5687 SURFACE WATER DISTRIBUTION PIPELINE EAST

<u>RESOLUTION NO. 5687 – APPROVING THE GREATER TEXOMA UTILITY AUTHORITY'S INTENTION TO CONTRACT WITH VESSELS CONSTRUCTION FOR THE SURFACE WATER DISTRIBUTION PIPELINE EAST, SCHEDULE B</u>
A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, APPROVING THE GREATER TEXOMA

UTILITY AUTHORITY'S INTENTION TO CONTRACT WITH VESSELS CONSTRUCTION FOR THE SURFACE WATER DISTRIBUTION PIPELINE EAST, SCHEDULE B.
CONSENT AGENDA.

RES 5688 WWTP IMPROVEMENTS

RESOLUTION NO. 5688 – AUTHORIZING EXECUTION OF A PROFESSIONAL ENGINEERING SERVICES AGREEMENT WITH FREEMAN-MILLICAN, INC. FOR THE WASTEWATER TREATMENT PLANT HEADWORKS EAST BAR SCREEN REPLACEMENT IMPROVEMENTS PROJECT
A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING EXECUTION OF A PROFESSIONAL ENGINEERING SERVICES AGREEMENT WITH FREEMAN-MILLICAN, INC. FOR THE WASTEWATER TREATMENT PLANT HEADWORKS EAST BAR SCREEN REPLACEMENT IMPROVEMENTS PROJECT.
CONSENT AGENDA.

RES 5689 WWTP UV EQUIPMENT REPLACEMENT

RESOLUTION NO. 5689 – AUTHORIZING EXECUTION OF A PROFESSIONAL ENGINEERING SERVICES AGREEMENT WITH FREEMAN-MILLICAN, INC. FOR THE WASTEWATER TREATMENT UV EQUIPMENT REPLACEMENT IMPROVEMENTS PROJECT
A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING EXECUTION OF A PROFESSIONAL ENGINEERING SERVICES AGREEMENT WITH FREEMAN-MILLICAN, INC. FOR THE WASTEWATER TREATMENT UV EQUIPMENT REPLACEMENT IMPROVEMENTS PROJECT.
CONSENT AGENDA.

OTHER BUSINESS

PROPOSED TAX RATE & PROPERTY TAX INCREASE

DISCUSSION OF THE PROPOSED TAX RATE FOR FISCAL YEAR 2012-2013 AND SCHEDULING PUBLIC HEARINGS FOR THE PROPOSED TAX RATE AND PROPERTY TAX INCREASE
Mayor Magers said it is now time for the City Council to set the property tax rate for FY 2012-2013. The Council has not raised the tax rate after dropping it 20% several years ago.

The agenda item states a "property tax increase" because the effective tax rate is at $0.30, which means to have the same revenues as last year, the City could actually decrease the tax rate by two cents. This would be a zero net effect on an increase in revenue.

Mayor Magers said this change would not account for an increase in inflation or for the fact that in 2009 the effective tax rate was $0.40 and that was the year the Council put forth the sales tax initiative instead of increasing the tax rate.

He added that a motion to propose the adoption of the tax rate of $0.32 per $100 valuation and to set the schedule for the public hearings, would keep the City at the same tax

rate that was promised to the voters and would put the tax rate in force that was discussed during the budget work session.

Council Members verified that this was the tax rate that was discussed during the budget work session. George Olson, City Manager, said the budget was built on a $0.32 tax rate.

ACTION TAKEN.

> **Motion by Council Member Smith to propose to adopt the $0.32 tax rate per $100 valuation, and to approve the schedule for public hearings, as presented. Second by Council Member Wacker.**

VOTING AYE: Howeth, Plyler, Smith, Softly, Steele, Wacker.
VOTING NAY: None.
MOTION CARRIED.

DRAFT CIP

<u>REVIEW DRAFT CAPITAL IMPROVEMENT PROGRAM (CIP) 2012-2017 AND SET PUBLIC HEARING FOR TUESDAY, SEPTEMBER 4, 2012</u>

Mayor Magers verified that no Capital Improvement Program projects have changed since they were reviewed at the budget work session.

ACTION TAKEN.

> **Motion by Council Member Wacker to set a public hearing for September 4, 2012, on the 2012-2017 Capital Improvement Program, as presented. Second by Council Member Howeth.**

VOTING AYE: Howeth, Plyler, Smith, Softly, Steele, Wacker.
VOTING NAY: None.
MOTION CARRIED.

QUARTERLY INVESTMENT REPORT

<u>APPROVE QUARTERLY INVESTMENT REPORTS FOR PERIOD ENDING JUNE 30, 2012</u>

The City Council approved the Quarterly Investment Reports for the period ending June 30, 2012. As of the period end, both portfolios were in compliance with applicable State laws.

At June 30, the Operating Portfolio was not in compliance with the requirement to maintain at least 60% of the portfolio available within one year. By the date of this report, that portfolio was back in compliance with the requirement.

The Operating Portfolio had a book value of about $22.3 million and is appropriately liquid. Its weighted-average maturity increased to about 336 days, up from 312 days last period, because of investment purchases during the quarter.

The portfolio yield of 0.43% for the quarter is higher than the benchmark yield of 0.16%. The portfolio value on the City's books is essentially equal to the market value of the overall portfolio.

The Debt Proceeds Portfolio balance of about $.3 million decreased about $9,000. The portfolio remains adequately liquid, with all funds available within one day. Its yield of 0.15% for the quarter was essentially the same as the benchmark yield. The portfolio value on the City's books is equal to the market value of the overall portfolio.
CONSENT AGENDA.

SCHEDULE CALLED COUNCIL MEETING (SEPT. 4, 2012)

CONSIDER CALLING A SPECIAL MEETING OF THE CITY COUNCIL FOR TUESDAY, SEPTEMBER 4, 2012, DUE TO CONFLICT WITH A FEDERAL HOLIDAY
The City Council called a Special Meeting of the City Council for Tuesday, September 4, 2012, due to the regularly scheduled date conflicting with a Federal Holiday to celebrate Labor Day.
CONSENT AGENDA.

SCHEDULE JOINT MEETING WITH SEDCO (SEPT. 21, 2012)

CONSIDER SCHEDULING A JOINT MEETING OF THE CITY COUNCIL AND THE SHERMAN ECONOMIC DEVELOPMENT CORPORATION BOARD OF DIRECTORS FOR 12:00 NOON ON FRIDAY, SEPTEMBER 21, 2012, TO REVIEW AND APPROVE SEDCO'S ANNUAL BUDGET AND WORK PLAN
Mr. Olson said the proposed meeting is for September 21, 2012, however the meeting could be set for September 20, 2012 instead.

ACTION TAKEN.
Motion by Deputy Mayor Steele to schedule a Joint Meeting with the Sherman Economic Development Corporation Board of Directors for September 21, 2012, at 12:00 noon, as presented. Second by Council Member Wacker.
VOTING AYE: Howeth, Plyler, Smith, Softly, Steele, Wacker.
VOTING NAY: None.
MOTION CARRIED.

APPROVE FINAL PLAT TED HOLDINGS ADDITION (1162 PLAINVIEW RD)

FINAL PLAT APPROVAL OF THE TED HOLDINGS ADDITION IN THE CITY OF SHERMAN'S EXTRA TERRITORIAL JURISDICTION (ETJ), BEING 2.26 ACRES IN THE JAMES ACHISON SURVEY, ABSTRACT NO. 21; TED HOLDINGS, DEBORAH ESTES, PRESIDENT, OWNER; SARTIN & ASSOCIATES, INC., SURVEYORS (1162 PLAINVIEW ROAD)
The City Council approved the Final Plat of the TED Holdings Addition in the City's Extra Territorial Jurisdiction, located at 1162 Plainview Road. The property consists of 2.26 acres in the James Achison Survey, Abstract No. 21. The owner would like to plat the property into one lot to sell the existing building on the lot. The Planning and Zoning Commission recommended approval of the Final Plat.
CONSENT AGENDA.

CITIZENS REQUESTS

SHERMAN MUNICIPAL AIRPORT

SHERMAN MUNICIPAL AIRPORT
Ross Richardson, 2115 Turtle Creek Circle, addressed the City Council considering the Sherman Municipal Airport. He said at previous Meetings the Council discussed the cost of

rehabilitating the Airport runway at between $500,000 and $1 million.

He spoke with the Texas Department of Transportation Aviation Department in Austin recently and he said their proposal for FY 2015 for rehabilitating the runway, marking the taxiways, rehabilitating hangar access, and remarking the runway is $441,000. The project would be a 90/10 matching project, so the City's part would be $44,000.

Council Members verified with Mr. Richardson that if the City accepts the grant, they would be required to keep the Airport open another 20 years. Mr. Richardson said the City still had about 14 years left so it would only add a few more years to their current obligation.

MEDIA QUESTIONS

MEDIA QUESTIONS
There were no media questions

COUNCIL COMMENTS

TAXI CAB ORDINANCE

TAXI CAB ORDINANCE
Council Member Wacker asked the staff to review the taxi cab ordinance to see what fee structure is in place. There are a lot of new taxi service vehicles in town. She was not sure how much review or accountability the City had for them.

SHERMAN MUSEUM DINO DAYS

SHERMAN MUSEUM DINO DAYS
Council Member Howeth complimented the Sherman Museum on their recent Dino Days exhibit. She was really impressed with the exhibit and with Museum Director Dan Steelman. He has some plans for the future that will make the Museum even more valuable to the community.

GRAYSON COUNTY ELECTION

GRAYSON COUNTY ELECTION
Mayor Magers thanked the City of Sherman and the City Council for their participation in the recent Grayson County Election. Their participation helped "turn the tide." He felt the results were good for the City of Sherman and for Grayson County, and he thanked the City Council for "taking a stand."

EXECUTIVE SESSION

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.

SECTION 551.071 CONSULTATION WITH CITY ATTORNEY CONCERNING PENDING OR CONTEMPLATED LITIGATION:

RECEIVE THE CITY ATTORNEY'S BRIEFING ON PENDING LITIGATION

On Motion duly made and carried, the Open Meeting recessed and reconvened in Executive Session at 5:21 p.m.

On Motion duly made and carried, the Executive Session recessed at 5:43 p.m. and reconvened in Open Meeting.

OPEN MEETING

<u>OPEN MEETING</u>
Reconvene into Open Meeting and take action, if any, on items discussed in Executive Session.

ADJOURNMENT

<u>ADJOURNMENT</u>
On Motion duly made and carried, the meeting adjourned at 5:44 p.m.

____
MAYOR

____
CITY CLERK