STATE OF TEXAS §

August 5, 2019

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 5, 2019.

MEMBERS PRESENT: **MAYOR DAVID PLYLER; DEPUTY MAYOR SHAWN TEAMANN.**
COUNCIL MEMBERS HOLLAND, HOWETH, MELTON, STEELE, STEVENSON.

MEMBERS ABSENT: **NONE.**

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 Pam Howeth.

APPROVE MINUTES

The Council reviewed the Minutes of the Called City Council Meeting (Budget Workshop) of June 13, 2019 and the Regular City Council Meeting of July 15, 2019. Council Member Howeth moved to approve the Minutes, as presented; Second by Deputy Mayor Teamann; All present voted AYE.
MOTION CARRIED.

INTRODUCTION AND PUBLIC HEARING OF ORDINANCES

ORD 6227
SUP FOR PATIO HOMES
(802, 804, 806, 808, 810, 812 N. BROUGHTON)

Mayor Plyler introduced Ordinance No. 6227 and called for a public hearing:
AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AMENDING SECTION 8, SUBSECTION (5)(A), ORDINANCE NO. 2280, SO AS TO GRANT A SPECIFIC USE PERMIT TO ALLOW THREE, TWO-FAMILY, SINGLE-STORY PATIO HOMES IN AN R-1 (ONE FAMILY RESIDENTIAL) DISTRICT/COLLEGE PARK OVERLAY DISTRICT AT 802/804, 806/808 AND 810/812 NORTH BROUGHTON STREET, BEING LOTS 8, 9 AND 10, BLOCK 1, BOYER & LUCAS ADDITION (LAZY L ENTERPRISES, OWNER; WILLIAM MAGERS, REPRESENTATIVE; HOLLEY HOMES, GENERAL CONTRACTOR; AND UNDERWOOD DRAFTING AND SURVEYING, INC., SURVEYOR); PROVIDING FOR A REPEALER CLAUSE; PROVIDING THAT THIS SPECIFIC USE PERMIT SHALL BE GRANTED SUBJECT TO CERTAIN CONDITIONS; PROVIDING A PENALTY NOT TO EXCEED $2,000.00.

Scott Shadden, Director of Development Services, said the request is for a Specific Use Permit for three, two-family, single story patio homes. The majority of parking for the units will be located in the rear of the homes. Other than that, they are similar to other patio homes in the area.

The Planning and Zoning Commission recommended approval of the Specific Use Permit, subject to the Staff Review Letter.

No citizens appeared before the City Council to discuss Ordinance No. 6227.

ORD 6228
SUP FOR PATIO HOME
(800 N. BROUGHTON)

Mayor Plyler introduced Ordinance No. 6228 and called for a public hearing:
AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AMENDING SECTION 8, SUBSECTION (5)(A), ORDINANCE NO. 2280, SO AS TO GRANT A SPECIFIC USE PERMIT TO ALLOW A SINGLE-STORY PATIO HOME IN AN R-1 (ONE FAMILY RESIDENTIAL) DISTRICT/COLLEGE PARK OVERLAY DISTRICT AT 800 N. BROUGHTON STREET, BEING LOT 11, BLOCK 1, BOYER & LUCAS ADDITION (LAZY L ENTERPRISES, OWNER; WILLIAM MAGERS, REPRESENTATIVE; HOLLEY HOMES, GENERAL CONTRACTOR; AND UNDERWOOD DRAFTING AND SURVEYING, INC., SURVEYOR); PROVIDING FOR A REPEALER CLAUSE; PROVIDING THAT THIS SPECIFIC USE PERMIT SHALL BE GRANTED SUBJECT TO CERTAIN CONDITIONS; PROVIDING A PENALTY NOT TO EXCEED $2,000.00.

Mr. Shadden said the request is for a Specific Use Permit for a single-story patio home. This home is similar to the previous ones, but is a single-family home.

The Planning and Zoning Commission recommended approval of the Specific Use Permit, subject to the Staff Review Letter.

No citizens appeared before the City Council to discuss Ordinance No. 6228.

ORD 6229
SUP FOR PERMANENT MAKEUP
(125 E. WALL)

Mayor Plyler introduced Ordinance No. 6229 and called for a public hearing:
AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AMENDING SECTION 8, SUBSECTION (5)(A), ORDINANCE NO. 2280, SO AS TO GRANT A SPECIFIC USE PERMIT TO ALLOW PERMANENT MAKEUP/MICRO-BLADING IN A C-2 (GENERAL COMMERCIAL) DISTRICT/ CENTRAL BUSINESS DISTRICT AT 125 EAST WALL STREET, BEING PART OF LOT 7, BLOCK D, T.J. SHANNON'S SUPPLEMENT (JOHN AND SHAREN ARRIAZOLA, OWNERS; AND MADELYN GREENWOOD, TENANT); PROVIDING FOR A REPEALER CLAUSE; PROVIDING THAT THIS SPECIFIC USE PERMIT SHALL BE GRANTED SUBJECT TO CERTAIN CONDITIONS; PROVIDING A PENALTY NOT TO EXCEED $2,000.00.

Mr. Shadden said this request is for permanent makeup and micro-blading. The State of Texas considers this operation to be a tattoo parlor and requires that license.

The Planning and Zoning Commission recommended approval of the Specific Use Permit, subject to the Staff Review Letter.

They also limited the SUP to the applicant, Madelyn Greenwood.

No citizens appeared before the City Council to discuss Ordinance No. 6229.

ORD 6230
SUP FOR
PERMANENT MAKEUP
(105 S. TRAVIS)

Mayor Plyler introduced Ordinance No. 6230 and called for a public hearing:
AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AMENDING SECTION 8, SUBSECTION (5)(A), ORDINANCE NO. 2280, SO AS TO GRANT A SPECIFIC USE PERMIT TO ALLOW PERMANENT MAKEUP/MICRO-BLADING IN A C-1 (RETAIL BUSINESS) DISTRICT/CENTRAL BUSINESS DISTRICT AT 105 SOUTH TRAVIS STREET, SUITE 200, BEING THE WEST ONE HUNDRED FEET OF THE NORTH ONE-HALF OF LOT 2, BLOCK 5, ORIGINAL TOWN PLAT (OTP) (REID AND DANA FADY, OWNERS; AND BRITTNEY EVANS, PLUSHED SPA, TENANT); PROVIDING FOR A REPEALER CLAUSE; PROVIDING THAT THIS SPECIFIC USE PERMIT SHALL BE GRANTED SUBJECT TO CERTAIN CONDITIONS; PROVIDING A PENALTY NOT TO EXCEED $2,000.00.

Mr. Shadden said this request is also for the permanent makeup and micro-blading, which requires a tattoo parlor license from the State.

The Planning and Zoning Commission recommended approval of the Specific Use Permit, subject to the Staff Review Letter. They also limited the SUP to the applicant, Brittney Evans.

No citizens appeared before the City Council to discuss Ordinance No. 6230.

ORD 6231
SUP FOR
AUTO SALES
(1908 E. LAMAR)

Mayor Plyler introduced Ordinance No. 6231 and called for a public hearing:
AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AMENDING SECTION 8, SUBSECTION (5)(A), ORDINANCE NO. 2280, SO AS TO GRANT A SPECIFIC USE PERMIT TO ALLOW AUTOMOBILE SALES IN A C-1 (RETAIL BUSINESS) DISTRICT AT 1908 EAST LAMAR STREET, BEING LOT 1, BLOCK 1, EAST SIDE BUSINESS PARK (CHRISTOBAL MADRID, OWNER; BRIGETTE ARNDT, TENANT; AND HELVEY-WAGNER SURVEYING, SURVEYOR); PROVIDING FOR A REPEALER; PROVIDING THAT THIS SPECIFIC USE PERMIT SHALL BE GRANTED SUBJECT TO CERTAIN CONDITIONS; PROVIDING A PENALTY NOT TO EXCEED $2,000.00.

Mr. Shadden said this request is for automobile sales. The applicant plans to paint and repair damage to the building and resurface the parking lot.

The Planning and Zoning Commission recommended approval of the Specific Use Permit, subject to the Staff Review Letter.

No citizens appeared before the City Council to discuss Ordinance No. 6231.

ORD 6232 PLANNED DEVELOPMENT -- TERRA PERPETUA VILLAGE (E. FM 1417)

Mayor Plyler introduced Ordinance No. 6232 and called for a public hearing:
AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AMENDING SECTION 6.11, ORDINANCE NO. 2280, SO AS TO GRANT A PLANNED DEVELOPMENT FOR TERRA PERPETUA VILLAGE IN THE 300-1000 BLOCKS OF EAST F.M. 1417 (VIETNAM VETERANS PARKWAY), BEING 245.83 ACRES IN THE SHERROD DUNMAN SURVEY, ABSTRACT NO. 329 (TERRA PERPETUA, LLC, OWNERS; BRYAN KLEIN, ION DESIGN GROUP, REPRESENTATIVE; BUSH ARCHITECTS, LLC, ARCHITECT; AND UNDERWOOD DRAFTING AND SURVEYING, SURVEYOR); PROVIDING FOR A REPEALER CLAUSE; PROVIDING THAT THIS PLANNED DEVELOPMENT SHALL BE GRANTED SUBJECT TO CERTAIN CONDITIONS; PROVIDING A PENALTY NOT TO EXCEED $2,000.00.

Mr. Shadden said the staff has worked with the applicant for this Planned Development for over a year. They have also worked closely with the City's consultants, Halff and Associates. He explained that the Planned Development is held to a higher standard of zoning, and the Overlay District does not apply in this case.

Halff and Associates has recommended approval of the Planned Development, and this is the first step in the approval process. They will bring back final plans at a later date.

The Planning and Zoning Commission recommended approval of the Planned Development, subject to the Staff Review Letter.

Robby Hefton, City Manager, said this project has been discussed for a long time, and the enabling ordinance was put into place. He felt there was a good plan for the future. It's not a one or two year plan, but a multi-year plan, and a huge project.

He said the project will bring something to Sherman that we don't have, and will be a first class development. He said it will not only build the tax base, but will differentiate Sherman from our neighbors to the south, and bring some elements that are unique to Sherman.

<u>Connie Cooper, Ion Design Group</u>
Ms. Cooper appeared representing Ion Design Group, and said this project would not be where it is without the assistance of a "phenomenal staff." Sherman wants development, and was like "how can we help you."

She said Sherman did not have enabling legislation for a Planned Development, and working with Halff and Associates was very productive.

She said Terra Perpetua Village is a master planned development with a mix of residential, commercial, and recreational choices. They will have a variety of types of housing with nice amenities and the preservation of natural resources. She said it fits with future growth for Sherman.

The project will encompass 246 acres, with retail, restaurants, entertainment, single-family residential home sites, and mid-rise residential. There will also be over 60 acres for an amenity center, open space, trails, and green-spaced buffer areas, maintained by a Homeowners Association.

She outlined the conceptual plan for the development and a possible center concept, with possible retail and water features. She asked the Council for their support and approval of the request.

No other citizens appeared before the City Council to discuss Ordinance No. 6232.

The Public Hearing was closed.

ADOPTION OF ORDINANCES

Ordinance 6227

ORD 6227 SUP FOR PATIO HOMES (802, 804, 806, 808, 810, 812 N. BROUGHTON)

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AMENDING SECTION 8, SUBSECTION (5)(A), ORDINANCE NO. 2280, SO AS TO GRANT A SPECIFIC USE PERMIT TO ALLOW THREE, TWO-FAMILY, SINGLE-STORY PATIO HOMES IN AN R-1 (ONE FAMILY RESIDENTIAL) DISTRICT/COLLEGE PARK OVERLAY DISTRICT AT 802/804, 806/808 AND 810/812 NORTH BROUGHTON STREET, BEING LOTS 8, 9 AND 10, BLOCK 1, BOYER & LUCAS ADDITION (LAZY L ENTERPRISES, OWNER; WILLIAM MAGERS, REPRESENTATIVE; HOLLEY HOMES, GENERAL CONTRACTOR; AND UNDERWOOD DRAFTING AND SURVEYING, INC., SURVEYOR); PROVIDING FOR A REPEALER CLAUSE; PROVIDING THAT THIS SPECIFIC USE PERMIT SHALL BE GRANTED SUBJECT TO CERTAIN CONDITIONS; PROVIDING A PENALTY NOT TO EXCEED $2,000.00.

Ordinance 6228

ORD 6228 SUP FOR PATIO HOME (800 N. BROUGHTON)

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AMENDING SECTION 8, SUBSECTION (5)(A), ORDINANCE NO. 2280, SO AS TO GRANT A SPECIFIC USE PERMIT TO ALLOW A SINGLE-STORY PATIO HOME IN AN R-1 (ONE FAMILY RESIDENTIAL) DISTRICT/COLLEGE PARK OVERLAY DISTRICT AT 800 N. BROUGHTON STREET, BEING LOT 11, BLOCK 1, BOYER & LUCAS ADDITION (LAZY L ENTERPRISES, OWNER; WILLIAM MAGERS, REPRESENTATIVE; HOLLEY HOMES, GENERAL CONTRACTOR; AND UNDERWOOD DRAFTING AND SURVEYING, INC., SURVEYOR); PROVIDING FOR A REPEALER CLAUSE; PROVIDING THAT THIS SPECIFIC USE PERMIT SHALL BE GRANTED SUBJECT TO CERTAIN

CONDITIONS; PROVIDING A PENALTY NOT TO EXCEED $2,000.00.

ACTION TAKEN.

Motion by Council Member Stevenson to approve Ordinance Nos. 6227 and 6228, as presented. Second by Deputy Mayor Teamann.

VOTING AYE: Holland, Howeth, Melton, Steele, Stevenson, Teamann.
VOTING NAY: None.
MOTION CARRIED.

ORD 6229
SUP FOR
PERMANENT MAKEUP
(125 E. WALL)

Ordinance 6229
AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AMENDING SECTION 8, SUBSECTION (5)(A), ORDINANCE NO. 2280, SO AS TO GRANT A SPECIFIC USE PERMIT TO ALLOW PERMANENT MAKEUP/MICRO-BLADING IN A C-2 (GENERAL COMMERCIAL) DISTRICT/ CENTRAL BUSINESS DISTRICT AT 125 EAST WALL STREET, BEING PART OF LOT 7, BLOCK D, T.J. SHANNON'S SUPPLEMENT (JOHN AND SHAREN ARRIAZOLA, OWNERS; AND MADELYN GREENWOOD, TENANT); PROVIDING FOR A REPEALER CLAUSE; PROVIDING THAT THIS SPECIFIC USE PERMIT SHALL BE GRANTED SUBJECT TO CERTAIN CONDITIONS; PROVIDING A PENALTY NOT TO EXCEED $2,000.00.

Council Member Howeth asked what the difference was between tattooing and permanent makeup, and would they be allowed to tattoo also if the SUP is approved.

Brittney Evans, 417 Valley View Lane, Krum, Texas
Ms. Evans said the permanent makeup is licensed through the State, and is considered a tattoo license. She said she applied through the State for the same license as a tattoo parlor.

Deputy Mayor Teamann verified that if the shop did standard tattoos, it would be prohibited by the SUP. Mr. Shadden said this is just for the makeup, but the Council does have the option to limit it to the face area.

ORD 6230
SUP FOR
PERMANENT MAKEUP
(105 S. TRAVIS)

Ordinance 6230
AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AMENDING SECTION 8, SUBSECTION (5)(A), ORDINANCE NO. 2280, SO AS TO GRANT A SPECIFIC USE PERMIT TO ALLOW PERMANENT MAKEUP/MICRO-BLADING IN A C-1 (RETAIL BUSINESS) DISTRICT/CENTRAL BUSINESS DISTRICT AT 105 SOUTH TRAVIS STREET, SUITE 200, BEING THE WEST ONE HUNDRED FEET OF THE NORTH ONE-HALF OF LOT 2, BLOCK 5, ORIGINAL TOWN PLAT (OTP) (REID AND DANA FADY, OWNERS; AND BRITTNEY EVANS, PLUSHED SPA, TENANT); PROVIDING FOR A REPEALER CLAUSE; PROVIDING THAT THIS SPECIFIC USE PERMIT SHALL BE GRANTED SUBJECT TO CERTAIN CONDITIONS; PROVIDING A PENALTY NOT TO EXCEED $2,000.00.

ACTION TAKEN.

Motion by Council Member Howeth to approve Ordinance Nos. 6229 and 6230, as presented. Second by Council Member Stevenson.

VOTING AYE: Holland, Howeth, Melton, Steele, Stevenson, Teamann.
VOTING NAY: None.
MOTION CARRIED.

ORD 6231
SUP FOR
AUTO SALES
(1908 E. LAMAR)

<u>Ordinance 6231</u>
AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AMENDING SECTION 8, SUBSECTION (5)(A), ORDINANCE NO. 2280, SO AS TO GRANT A SPECIFIC USE PERMIT TO ALLOW AUTOMOBILE SALES IN A C-1 (RETAIL BUSINESS) DISTRICT AT 1908 EAST LAMAR STREET, BEING LOT 1, BLOCK 1, EAST SIDE BUSINESS PARK (CHRISTOBAL MADRID, OWNER; BRIGETTE ARNDT, TENANT; AND HELVEY-WAGNER SURVEYING, SURVEYOR); PROVIDING FOR A REPEALER; PROVIDING THAT THIS SPECIFIC USE PERMIT SHALL BE GRANTED SUBJECT TO CERTAIN CONDITIONS; PROVIDING A PENALTY NOT TO EXCEED $2,000.00.

Council Member Steele asked if there were any past violations against this applicant, and if he was previously in this same location. Mr. Shadden said he was not aware of any violations.

Council Member Steele addressed the “horrible” cars that are parked across the street from this request. He expressed concern about approving this type of request. The Staff Review Letter states that there will be no abandoned cars at the site. He said it seemed like the same applicant had been at that location before and the neighbors had complained.

<u>Brigette Arndt, 753 W.A. Denton Dr., Van Alstyne, Texas</u>
Ms. Arndt said she was the owner of the proposed auto sales business, but they had not been in that location before. Council Member Melton said Ms. Arndt is the tenant, and the other man was the property owner.

Ms. Arndt said they will have a display lot and plan to have nice cars in front of the facility. Much of the sales will be done online, and there will be no junked cars. Council Member Howeth verified that they will sell used cars, but “nice” used cars. Deputy Mayor Teamann verified that there will be no car repairs done on site.

ORD 6232
PLANNED
DEVELOPMENT --
TERRA PERPETUA
VILLAGE
(E. FM 1417)

<u>Ordinance 6232</u>
AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AMENDING SECTION 6.11, ORDINANCE NO. 2280, SO AS TO GRANT A PLANNED DEVELOPMENT FOR TERRA PERPETUA VILLAGE IN THE 300-1000 BLOCKS OF EAST F.M. 1417 (VIETNAM VETERANS PARKWAY), BEING 245.83 ACRES IN THE SHERROD DUNMAN SURVEY, ABSTRACT NO. 329 (TERRA PERPETUA, LLC, OWNERS; BRYAN KLEIN, ION DESIGN GROUP, REPRESENTATIVE;

BUSH ARCHITECTS, LLC, ARCHITECT; AND UNDERWOOD DRAFTING AND SURVEYING, SURVEYOR); PROVIDING FOR A REPEALER CLAUSE; PROVIDING THAT THIS PLANNED DEVELOPMENT SHALL BE GRANTED SUBJECT TO CERTAIN CONDITIONS; PROVIDING A PENALTY NOT TO EXCEED $2,000.00.

ACTION TAKEN.
Motion by Deputy Mayor Teamann to approve Ordinance Nos. 6231 and 6232, as presented. Second by Council Member Howeth.
VOTING AYE: Holland, Howeth, Melton, Steele, Stevenson, Teamann.
VOTING NAY: None.
MOTION CARRIED.

CONSENT AGENDA

CONSENT AGENDA
The Council reviewed the Consent Agenda. Council Member Melton moved to approve the Consent Agenda, as presented. Second by Council Member Howeth. All present voted AYE.

RESOLUTIONS

RES 6501 CHAPTER 380 AGREEMENT

RESOLUTION NO. 6501 – AUTHORIZING EXECUTION OF AN ECONOMIC DEVELOPMENT PROGRAM AGREEMENT WITH JEREMY AND NATALIE ROBERTS FOR THE GRANT OF INCENTIVES PURSUANT TO CHAPTER 380 OF THE TEXAS LOCAL GOVERNMENT CODE
A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING EXECUTION OF AN ECONOMIC DEVELOPMENT PROGRAM AGREEMENT WITH JEREMY AND NATALIE ROBERTS FOR THE GRANT OF INCENTIVES PURSUANT TO CHAPTER 380 OF THE TEXAS LOCAL GOVERNMENT CODE.

Mr. Hefton said this is the second grant under the recently approved Retail Recruitment Program. The applicant is planning to open a restaurant in the old Payless Shoe Source building on Texoma Parkway.

The agreement will provide a cash grant equal to 50% of the sales taxes generated within the development, and expires after two years.

ACTION TAKEN.
Motion by Council Member Stevenson to approve Resolution No. 6501, as presented. Second by Deputy Mayor Teamann.
VOTING AYE: Holland, Howeth, Melton, Steele, Stevenson, Teamann.
VOTING NAY: None.
MOTION CARRIED.

RES 6502 POLICE HEADQUARTERS SITE DESIGN &

RESOLUTION NO. 6502 -- AUTHORIZING EXECUTION OF A PROFESSIONAL SERVICES AGREEMENT WITH HIDELL AND ASSOCIATES ARCHITECTS, INC. FOR PRE-DESIGN AND SITE

LOCATION

<u>EVALUATION SERVICES FOR THE NEW SHERMAN POLICE HEADQUARTERS</u>

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING EXECUTION OF A PROFESSIONAL SERVICES AGREEMENT WITH HIDELL AND ASSOCIATES ARCHITECTS, INC. FOR PRE-DESIGN AND SITE EVALUATION SERVICES FOR THE NEW SHERMAN POLICE HEADQUARTERS.

Zach Flores, Police Chief, said the proposed agreement is for pre-design and site evaluation services for the new Sherman Police Headquarters. Hidell and Associates Architects has worked with the City on this project for several years, and are familiar with the scope of what the City wants.

By contracting with them for the pre-design and site evaluation, it will assure that the facility and the site match what the City wants to do. The cost should be no more than $5,800 per site. The staff does have some ideas about a site, which should limit the cost.

ACTION TAKEN.

Motion by Council Member Steele to approve Resolution No. 6502, as presented. Second by Council Member Stevenson.

VOTING AYE: Holland, Howeth, Melton, Steele, Stevenson, Teamann.
VOTING NAY: None.
MOTION CARRIED.

RES 6503
WARRANTY DEED
EMS STORAGE BLDG
(3708 N. FRISCO RD)

<u>RESOLUTION NO. 6503 -- AUTHORIZING THE ACCEPTANCE OF A GENERAL WARRANTY DEED FROM RTS ENTERPRISES, INC. FOR THE CONVEYANCE OF A 0.85 ACRE TRACT OF LAND, MORE OR LESS, SITUATED IN THE S.M. McGLOTHLIN SURVEY, ABSTRACT NO. 811, CITY OF SHERMAN, COUNTY OF GRAYSON, STATE OF TEXAS, BEING MORE FULLY DESCRIBED BY METES AND BOUNDS IN THE ATTACHED EXHIBIT "A" AND ILLUSTRATED IN THE ATTACHED EXHIBIT "B"</u>

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING THE ACCEPTANCE OF A GENERAL WARRANTY DEED FROM RTS ENTERPRISES, INC. FOR THE CONVEYANCE OF A 0.85 ACRE TRACT OF LAND, MORE OR LESS, SITUATED IN THE S.M. McGLOTHLIN SURVEY, ABSTRACT NO. 811, CITY OF SHERMAN, COUNTY OF GRAYSON, STATE OF TEXAS, BEING MORE FULLY DESCRIBED BY METES AND BOUNDS IN THE ATTACHED EXHIBIT "A" AND ILLUSTRATED IN THE ATTACHED EXHIBIT "B".

Terrence Steele, Assistant City Manager, said since the Budget Workshop, where the Council approved the EMS Building, property has become available on Frisco Road, just north of the current Fire Station #5.

After inspection, the Fire Department staff feel that this building will accommodate their needs. It will also give the City an opportunity "to package" the property with Station #5 when they decide to relocate that station to another location. The building is larger than what was proposed, but it has everything they need.

Council Member Steele asked about the cost to purchase this building as compared with the cost of a new building. Danny Jones, Fire Chief, said the cost of a new building was estimated to be $850,000 and they could purchase this building for $375,000. This building has more square footage than the proposed building.

Mr. Steele said they would also be able to move some equipment that is currently housed in other parking lots, into a secure location with cameras and electronic gates.

Council Member Steele asked about the cost of improvement that would be needed for the existing building. Mr. Hefton said there might be some small renovations that would be needed, but the facility is already broken up into different rooms and there are some nice offices.

Council Member Steele verified that the previous owner, RTS Enterprises, Inc. was a commercial electrical contractor. Mr. Hefton said they have about 4,000 square feet of office space, another 4,000 square feet of bays and storage, and a secured yard.

Chief Jones said they might also need some additional security items, some clean-up, and maybe move a couple of walls. Mr. Hefton felt the scope of most work could be handled in-house. They will want to check out the mechanical systems.

He said structurally the facility is fine, the layout is great, and the price is great. He felt it was a good intermediate step until other changes were needed for Station #5.

ACTION TAKEN.

Motion by Council Member Stevenson to approve Resolution No. 6503, as presented. Second by Deputy Mayor Teamann.

VOTING AYE: Holland, Howeth, Melton, Steele, Stevenson, Teamann.
VOTING NAY: None.
MOTION CARRIED.

RES 6504
CENTER STREET
BRIDGE
IMPROVEMENTS

<u>RESOLUTION NO. 6504 -- AUTHORIZING EXECUTION OF A PROFESSIONAL SERVICES AGREEMENT WITH KIMLEY-HORN AND ASSOCIATES, INC. FOR THE ENGINEERING DESIGN AND SERVICES FOR IMPROVEMENTS OF THE CENTER STREET BRIDGE OVER POST OAK CREEK</u>

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING EXECUTION OF A PROFESSIONAL SERVICES AGREEMENT WITH KIMLEY-

HORN AND ASSOCIATES, INC. FOR THE ENGINEERING DESIGN AND SERVICES FOR IMPROVEMENTS OF THE CENTER STREET BRIDGE OVER POST OAK CREEK.
CONSENT AGENDA.

RES 6505
PECAN GROVE WEST
BASKETBALL
FACILITY

<u>RESOLUTION NO. 6505 -- AWARDING A BID TO AND AUTHORIZING EXECUTION OF A CONTRACT WITH NORTH ROCK CONSTRUCTION, LLC FOR CONSTRUCTION OF AN OUTDOOR BASKETBALL FACILITY AT PECAN GROVE WEST PARK</u>
A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AWARDING A BID TO AND AUTHORIZING EXECUTION OF A CONTRACT WITH NORTH ROCK CONSTRUCTION, LLC FOR CONSTRUCTION OF AN OUTDOOR BASKETBALL FACILITY AT PECAN GROVE WEST PARK.

Theresa Hutchinson, Parks and Recreation Manager, said the request was to award a bid for the basketball courts that will be added to Pecan Grove West Park, on the southeast corner of Shady Oaks and Canyon Creek. If approved, the bid will be awarded to North Rock Construction, LLC, in the amount of $137,362.

Deputy Mayor Teamann verified that the courts will be full-size, high school courts. Lighting will not be installed at this time, and parking will be at the new athletic complex.

Council Member Melton confirmed that construction should start in the next three to four weeks. Mr. Hefton said it should be a two to three month project.

ACTION TAKEN.
Motion by Council Member Melton to approve Resolution No. 6505, as presented. Second by Council Member Stevenson.
VOTING AYE: Holland, Howeth, Melton, Steele, Stevenson, Teamann.
VOTING NAY: None.
MOTION CARRIED.

RES 6506
2020 CENSUS

<u>RESOLUTION NO. 6506 -- AFFIRMING THE CITY OF SHERMAN'S SUPPORT OF AND PARTNERSHIP WITH THE 2020 CENSUS</u>
A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AFFIRMING THE CITY OF SHERMAN'S SUPPORT OF AND PARTNERSHIP WITH THE 2020 CENSUS.

Mr. Steele said he is the City's representative for the 2020 Census, and they've been meeting with Grayson County and other City representatives. One concern is that they are estimating a 40% participation rate. The committee is pushing the 2020 Census count to increase the participation rate.

He added that much of the count will be accomplished online. Another change is that students at Austin College and

Grayson College will be counted in Grayson County instead of their parent's residence. He said the goal is to get everyone counted in Grayson County.

Mayor Plyler added that accurate counts for the County are important because so much of the Federal money, for highways and other infrastructure, is distributed based on population counts.

Council Member Holland asked if most of the counts would be based on telephone calls or on knocking on doors. Mr. Steele said those counting will not call or knock on doors.

Mr. Steele said cards would be mailed to residents with the information needed to go online to be counted. If the card is not used, then someone might knock on the door to complete the count. Cards will also not be mailed to post office boxes, but only to residential addresses. He said the campaign will encourage participation among citizens.

Council Member Howeth said since citizens don't complete the Census forms, maybe the government should just estimate the number of residents in the County. She reiterated that a lot of Federal funding is based on the Census.

ACTION TAKEN.
Motion by Council Member Howeth to approve Resolution No. 6506, as presented. Second by Council Member Stevenson.
VOTING AYE: Holland, Howeth, Melton, Steele, Stevenson, Teamann.
VOTING NAY: None.
MOTION CARRIED.

RES 6507
SISD RESOURCE OFFICER

<u>RESOLUTION NO. 6507-- AUTHORIZING EXECUTION OF A SCHOOL RESOURCE OFFICER INTERLOCAL AGREEMENT BETWEEN THE CITY OF SHERMAN AND THE SHERMAN INDEPENDENT SCHOOL DISTRICT</u>
A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING EXECUTION OF A SCHOOL RESOURCE OFFICER INTERLOCAL AGREEMENT BETWEEN THE CITY OF SHERMAN AND THE SHERMAN INDEPENDENT SCHOOL DISTRICT.
CONSENT AGENDA.

RES 6508
CENTRAL BUSINESS DISTRICT TAX ABATEMENT PROGRAM

<u>RESOLUTION NO. 6508 -- 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</u>
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. CONSENT AGENDA.

RES 6509 ABANDON UTILITY EASEMENT (W. CANYON CREEK ESTATES)

<u>RESOLUTION NO. 6509 -- ABANDONING A PORTION OF A TEN FOOT (10') UTILITY EASEMENT LOCATED IN LOT 4 OF WEST CANYON CREEK ESTATES, SECTION 1, FILED OF RECORD IN VOLUME 22, PAGE 121, PLAT RECORDS, GRAYSON COUNTY, TEXAS, AND BEING MORE PARTICULARLY DESCRIBED ON THE EXHIBIT "A" ATTACHED HERETO AND MADE A PART HEREOF FOR ALL PURPOSES</u>
A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, ABANDONING A PORTION OF A TEN FOOT (10') UTILITY EASEMENT LOCATED IN LOT 4 OF WEST CANYON CREEK ESTATES, SECTION 1, FILED OF RECORD IN VOLUME 22, PAGE 121, PLAT RECORDS, GRAYSON COUNTY, TEXAS, AND BEING MORE PARTICULARLY DESCRIBED ON THE EXHIBIT "A" ATTACHED HERETO AND MADE A PART HEREOF FOR ALL PURPOSES.
CONSENT AGENDA.

CHANGE ORDER WOODBINE #1 WELL REPAIRS

<u>CHANGE ORDER NO. 1</u>
<u>SHEPHERD DRIVE WOODBINE #1 WELL REPAIRS; WEISINGER INCORPORATED; $7,070.00 DECREASE</u>
The City Council approved Change Order #1 to Weisinger Incorporated in the amount of a $7,070 decrease for repairs to the Shepherd Drive Woodbine #1 well.

This is a final reconciliatory change order to adjust the final project quantities. Deletions included column pipe and one check valve that was not needed. Additions include $90 additional cost for the pump and $500 to repair the well head.

The change order results in a $7,070 decrease to the original contract amount of $90,690, yielding a final contract amount of $83,620. Funding is available in the Utility Fund budget for the project.
CONSENT AGENDA.

<u>OTHER BUSINESS</u>

SEDCO QUARTERLY REPORT

<u>RECEIVE QUARTERLY PROGRESS REPORT FROM SHERMAN ECONOMIC DEVELOPMENT CORPORATION PRESIDENT KENT SHARP</u>
Kent Sharp, President, Sherman Economic Development Corporation, presented their Quarterly Report. Their mission is to grow and diversify the economy through the addition of new jobs and investment of primary employers.

During this quarter, SEDCO submitted nine new project proposals and hosted three site visits. They presented two incentive checks, one for $227,231 to J.P. Hart Lumber Company, for their additional $1 million investment for a total $9.5 million investment and additional 32 employees.

The second incentive check went to Presco with a $47,500 incentive toward their $967,539 investment in a new automated slitting machine to modernize and increase production of their roll flagging and barricade tape. With the expansion, Presco will retain 190 existing jobs.

Mr. Sharp said SEDCO also completed the new 12" sewer line project in Progress Park II.

He also outlined plans for the upcoming quarter, including a presentation to the Texas Workforce Commission about the partnership between SEDCO, Grayson College, and Workforce Solutions Texoma. The entities are using Skills Grants to help attract business, and helping them onboard new hires with the right training. The presentation will focus on the Finisar project.

Representatives from SEDCO and the City of Sherman will host a booth at the North Texas Commercial Association of Realtors and Real Estate Professional Expo in Dallas in September. About 85% of the participants are in retail or retail development.

Stacey Jones, SEDCO Executive Vice President, will attend the Industrial Asset Management Council's Fall Professional Forum in Milwaukee, Wisconsin, from September 14 through 17, 2019. The event is the leading trade association for corporate real estate executives focused on the needs of an industrial portfolio. He also listed other events that SEDCO staff would be attending.

Mr. Sharp said SEDCO is currently looking at 11 active projects with an estimated $664 million in investments and approximately 4,872 new jobs. They are also working on infrastructure projects for the City, including the Progress Drive extension and improvements to Flanary Road, and are continuing with the Business Retention and Expansion Project.

CONSIDER CHARTER AMENDMENTS PROPOSED BY THE CHARTER REVIEW COMMISSION FOR THE NOVEMBER 5, 2019 SPECIAL ELECTION

CHARTER AMENDMENTS FOR NOVEMBER 2019 ELECTION

Brandon Shelby, City Attorney, said the City can amend the Charter every two years. Staff reviewed the Charter and then Mayor Plyler appointed a Charter Review Commission comprised of Council Member Howeth, Council Member Holland, and Council Member Stevenson.

After working with staff on proposed amendments, ten places were identified where they feel the Charter can be improved by amendment. In past Elections, voters approved a Proposition, which allowed the Council to amend the Charter by ordinance when those amendments would be non-substantive, or to adhere to State law.

There are seven amendments that could be amended by ordinance and three that would need to go to the voters.

The first one for the ballot concerns the length of a Council term that would be considered a full term. Several years ago Council terms were changed from two years to three years. Usually, if a Council Member serves half a term it is considered a full term. This amendment changes the "full term" from 12 months to 18 months, to coincide with the three year term.

The second amendment for the ballot concerns consecutive Council terms. Currently a Council Member can serve two terms as a Council Member and then two terms as Mayor, for a total of four terms. The amendment would allow someone serving to serve a total of four terms, but in any combination of offices. This would allow them to serve four terms as a Council Member, if they didn't want to serve as Mayor.

The third amendment for the ballot would change the terms for the Planning and Zoning Commission to match the terms for the City Council. Their terms were already for three years, but this allows them to serve four consecutive terms in any combination of offices. It also allows a one year absence from the office before they will be eligible for reappointment.

Mr. Shelby said the seven amendments that don't have to be put before the voters, will come back to the City Council as an ordinance. Many of these amendments are due to a change in State law. The State law requirement to publish things in the newspaper has changed and cities are now allowed to post on the City's website instead. Several amendments deal with the removal of this requirement to coincide with State law.

The City's Charter also had several specific time periods that were required for Elections. The specific time period was removed from the Charter, and the wording was added "as required by State law."

Other amendments reference the budget and how personnel costs are referenced, and the approval of change orders by the City Manager to coincide with State law.

Deputy Mayor Teamann asked about the use of the City's website for notification and asked how it would be designated where citizens should look for notifications on the Internet. Mr. Shelby said it would be on the City's "official website" and added that many cities don't have a local newspaper. He said that if a City uses a Facebook page that would be okay too.

Deputy Mayor Teamann asked about listing the City's official website in the Charter, but Mr. Shelby cautioned against that since the City had recently changed the address of the website, and could change it again. Council Member Melton suggested inserting City's "official" website.

Council Member Steele clarified that, if approved, the Planning and Zoning Commission Members could serve four consecutive terms of three years each, and after a one year absence, they would be eligible for reappointment.

Council Member Steele asked what the increase or decrease of change orders was that could be approved by the City Manager. Council Member Stevenson said State law keeps changing, so the amount is fixed by State law.

Mr. Hefton said when he was first hired at the City, the limit for approval by the City Manager was $25,000. Years later it was changed to $50,000. This amendment aligns the amount with State law, so it doesn't have to be specified in the Charter.

Mr. Shelby said currently all change orders, no matter the amount, are required to come before the Council. State law does allow the approval of those under $50,000. The City Manager is already allowed to approve a purchase under $50,000. The amendment will allow this approval to also apply to change orders.

BULK WASTE PROGRAM

<u>RECEIVE UPDATE FROM PUBLIC WORKS MANAGER KEVIN WINKLER ON THE CITY'S BRUSH AND BULK WASTE PROGRAM</u>

Kevin Winkler, Public Works Manager, said during last year's budget process, the Council asked the staff to look at the brush and bulk waste program. As a result, some things were changed and the rules became a little more stringent. He presented a six month update.

He said the current program was put in place in October 2009 and features a bulk and brush pick up once a month in each quadrant of the City. The program helps reduce the waste that is being dumped in low traffic areas.

In October 2018, the City began monitoring compliance more closely and began to educate residents on the requirements of the program. From October to December 2018, tags were issued but no fines were levied. Beginning in January 2019, the City began placing fines on water bills of customers who did not comply with the program.

Under the program, bulk and brush must be placed curbside by 7:00 a.m. on the Monday of the customer's monthly pickup. Five cubic yards of bulk waste and/or 10 cubic yards of brush are allowed, however piles must not be mixed. They also cannot be obstructed by vehicles, trees, power lines, or any other items.

Citizens that need trash and brush picked up on an off week, can call for a special pickup. Cost of this pick up is $20 per cubic yard, with $80 or a four cubic yard minimum.

He also outlined the enforcement process from the Code Enforcement Officer. A tag is placed on the door of violators

advising them that they have until 8:00 a.m. the next business day to remove the materials. Pictures are taken and the information is entered into the database. A re-inspection is done the following morning and if the items have been removed, the violation is cleared and no further action is taken.

If the items remain, additional pictures are taken and the address is sent to the Solid Waste Department to remove the bulk waste or brush. The associated fine and fees are then placed on the water bill for collection.

From January to June, 2019, Mr. Winkler said there have been 1,028 residences tagged for non-compliance. Currently, compliance is at 72%. Mr. Hefton confirmed that citizens are removing the bulk waste in a very short period of time, because the re-inspection is 24 hours after the violation is tagged. For the same period, the City has levied penalties of $29,200 and service charges of $8,508 for the violations.

Mr. Winkler said an important part of the program is continuing education. The staff has put together an information packet that will be provided to each residential account. The packet will contain information on the bulk/brush program, the current year calendar for pick-ups, general information on the regular trash and recycling programs, and the current quadrant maps.

He also presented the annual costs for the program, with labor being the largest expenditure. Total cost of the program is $331,233, with labor costing $146,128.

Mr. Winkler said this report includes six months of information, and the staff will continue to monitor the program. Another report will be presented after the program has been in effect for a year.

Deputy Mayor Teamann asked if the trucks were equipped with cameras. Mr. Winkler said not all the bulk and brush trucks currently have cameras. Some of the automated, residential trucks are fitted with cameras. Michael Springer, Solid Waste and Recycling Superintendent, said some of the trucks have video cameras.

Deputy Mayor Teamann also confirmed that the system is tied into the code violation system so they can see if there are multiple violations at the same address. He asked if the drivers are looking for other violations when they drive their route.

Mr. Winkler said the Code Enforcement Officers do look for other violations when they are making inspections. Deputy Mayor Teamann felt it was important to streamline the process and have the departments working together.

Council Member Steele confirmed that the labor cost did not include the Code Enforcement Officers, but only the labor for picking up the trash. There are currently two Code Enforcement Officers working on the program. Mr. Winkler felt

the staff could identify more violations with an additional Code Enforcement Officer. He said he would know more about the need after the program has been in effect for a year. He said it is tough for two officers to cover the entire City.

Mr. Hefton reiterated that the labor cost for the program is for three drivers. The Code Enforcement Officers provide enforcement for this program, as well as other issues. Their labor costs are not included in the stated cost of this program.

Council Member Melton asked about the three solid waste drivers identifying other code violations. Mr. Winkler said the drivers work strictly in their quadrant and are there only to pick-up the trash. The two Code Enforcement Officers will drive the other three quadrants to look for all types of violations.

Mr. Hefton added that, of the notices that have been issued, there is a very low percentage of repeat offenders. He felt, as people become more compliant, that number will decrease.

Council Member Steele confirmed that the fine is attached to the water bill and the water can be turned off for the non-payment of any money attached to that account. Mr. Hefton said the bill includes water, sewer, trash, violations, and the PRIDE fund, which must all be paid in full. Code violations for trash, junk, and debris are not added to the water bill.

Council Member Howeth addressed some confusion about the schedule when the month starts in the middle of the week. She felt education was the key to this issue. She said the most important thing is that they want the City cleaned up, but it doesn't do any good if citizens put their trash out early.

Mr. Steele said the staff wants to educate the citizens in that this is a free service, and the only reason they are being penalized is that they didn't follow the rules. He said he will waive the fine one time, but not a second time. The fee is never waived.

Deputy Mayor Teamann asked if vehicles with flat tires or no registration was a Code Enforcement issue that should be referred to the Police Department. Mr. Winkler said Code Enforcement makes a list and sends it to the Police Department.

Council Member Holland confirmed that tires cannot be set out for the bulk pick-up. They must be brought to the Drop Off Center.

Council Member Steele said he did not like this program, but it has been going on for 10 years and there are still over 1,000 violations, many times the same people, repeatedly. He felt the

Code Enforcement employees are spending too much time monitoring the program. He liked the twice-a-year pick-up that the City used to offer. Any additional pick-ups should be paid for.

He said there are violations that sit on the curb for two or three weeks, and the program is abused by citizens that own rent houses. He did not feel this was beautifying the City. He did not feel the program was worth it and that the education was not working.

DRAFT BUDGET

REVIEW 2019-2020 DRAFT BUDGET
Mary Lawrence, Director of Finance, presented a review of the 2019-2020 Draft Budget. She said the draft budget includes a property tax rate of .489, which is lower than the .502 rate that was presented at the Budget Work Shop.

The reason for the decrease is that property values were higher than were expected. The City was able to lower the tax rate to generate the same amount of revenue. Most of the increase will go toward debt service.

She said the budget also contains a $4 rate decrease for each residential solid waste account, which equates to about $0.03 on the tax rate, making the effect on the taxpayer about $0.45.

The proposed budget funds additional positions, such as a dispatcher, three parks maintenance employees for Pecan Grove Ballfields, and a solid waste driver.

Mr. Hefton said there is no action required tonight, but he asked if Council Members had any changes. Deputy Mayor Teamann said he did not think the tax rate should be increased. Between TASWA's excess cash and the excess in sales tax, he felt a property value increase and a tax increase were too much of a burden on taxpayers. He favored a more conservative approach.

Council Member Stevenson said the tax rate affects the M&O rate, and that's the number needed to grow. He had hoped there would be an offset for a net zero.

PROPOSED TAX RATE & SCHEDULE PUBLIC HEARINGS

DISCUSSION OF THE PROPOSED TAX RATE FOR FISCAL YEAR 2019-2020 AND SCHEDULING PUBLIC HEARING FOR THE BUDGET AND PROPOSED TAX RATE
Ms. Lawrence said if the property tax rate that is proposed is higher than the effective tax rate or the rollback rate, the State requires that the City hold two public hearings, and adopt the rate at a second meeting.

This agenda item schedules these meetings and the vote on the tax rate.

ACTION TAKEN.

Motion by Council Member Howeth to propose a tax rate of forty-eight point nine cents per hundred dollars of

> **valuation for the upcoming budget year and to set public hearings on this proposal as presented.**

Council Member Steele confirmed that the motion only set the public hearings and is not considered a vote on the tax rate. Ms. Lawrence said the vote would be at a separate meeting. Council Member Steele verified there would be several other meetings at which the tax rate would be discussed prior to a vote.

Ms. Lawrence said the budget would need to be adopted prior to adopting the tax rate, but there are some time limits on the public hearings and votes. The calendar is set by the State.

Council Member Steele said he did have some questions about the budget and the tax rate, but he did feel that the process would allow that.

RESTATEMENT OF MOTION.

> **Motion by Council Member Howeth to propose a tax rate of forty-eight point nine 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 Steele.**

VOTING AYE: Holland, Howeth, Melton, Steele, Stevenson.
VOTING NAY: Teamann.
MOTION CARRIED.

DRAFT CIP & SCHEDULE PUBLIC HEARING

<u>REVIEW OF THE DRAFT CAPITAL IMPROVEMENT PROGRAM (CIP) 2019-2024 AND SET A PUBLIC HEARING FOR MONDAY, AUGUST 19, 2019</u>

Ms. Lawrence said the City's Charter requires preparation of a five-year capital program for approval by the City Council. The program for this year includes over $2 million in projects for the five year period. Only the first year is funded as part of the FY 2020 Budget.

The capital program will be on the August 19, 2019 Council Agenda for consideration.

QUARTERLY INVESTMENT REPORT

<u>APPROVE QUARTERLY INVESTMENT REPORT FOR QUARTER ENDED JUNE 30, 2019</u>

The City Council approved the Quarterly Investment Report for the quarter ended June 30, 2019. As of June 30, 2019, the portfolios were in compliance with applicable State law and the Investment Policy.

The operating investment portfolio had a book value of about $16 million, an increase of about $1 million from the prior quarter, due to purchases of $1 million in State of Texas political subdivision obligations and $1.5 million deposited in CD's with maturities of $0.5 million in State of Texas political subdivision obligations and $1.0 million in U.S. Agency Securities.

The underlying investments were adequately diversified among four different types of securities. This portfolio is appropriately liquid, and its weighted-average maturity was about 330 days, down from 405 days last quarter. The portfolio yield of 2.23% for the quarter is 31 basis points above the benchmark yield of 1.92%. Book value approximates market value.

The debt proceeds portfolio balance of $31.5 million was invested in a Local Government Investment Pool and an FDIC insured money market account. Transactions in this portfolio consisted of the receipt of $20 million of debt proceeds, interest income and payments for capital projects. The yield of 2.41% was above the benchmark yield of 2.18% for this portfolio. Book value and market value were about the same.
CONSENT AGENDA.

APPROVE SITE PLAN BLALOCK OVERLAY DISTRICT (3612 S. HWY 75)

SITE PLAN APPROVAL FOR SHERMAN CROSSROADS, LTD, OWNERS; CLAYMOORE ENGINEERING, INC., ENGINEER; MATT MOORE, REPRESENTATIVE; ROGUE ARCHITECTS, ARCHITECT; AND DANIEL REECE, LANDSCAPE ARCHITECT UNDER ORDINANCE NO. 2252, ARTICLE IV, SECTION 410 (2)(J), CONCERNING THE PROPERTY LOCATED AT 3612 SOUTH U.S. HIGHWAY 75, BEING LOT 1, BLOCK 2, SHERMAN CROSSROADS, PHASE 2, CONTAINING 1.527 ACRES IN THE PRESTON KITCHEN SURVEY, ABSTRACT NO. 667, FOR A McDONALD'S RESTAURANT WITH DRIVE-THRU IN THE BLALOCK INDUSTRIAL PARK/BLALOCK COMMERCIAL OVERLAY DISTRICT
The City Council approved the Site Plan For Sherman Crossroads, located at 3612 S. US. Highway 75. The 1.527 acre tract is in the Blalock Industrial Park and Blalock Commercial Overlay District. The owners plan to construct a new McDonald's Restaurant with drive-thru at the site.

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

APPROVE REPLAT SHERMAN CROSSROADS (3200-3600 BLOCKS OF S. HWY 75)

REPLAT APPROVAL OF SHERMAN CROSSROADS, PHASE II, LOTS 1R, 4 AND 5, BLOCK 2, A REPLAT OF LOT 1, BLOCK 2, SHERMAN CROSSROADS, PHASE II, BEING PART OF LOT 1, BLOCK 2, SHERMAN CROSSROADS, PHASE II, CONTAINING 13.497 ACRES IN THE PRESTON KITCHEN SURVEY, ABSTRACT NO. 667; SHERMAN CROSSROADS, LTD, OWNERS; CLAYMOORE ENGINEERING, INC., ENGINEER; McDONALD'S USA, LLC, DEVELOPER; AND JPH LAND SURVEYING, INC., SURVEYOR (3200-3600 BLOCKS OF SOUTH U.S. HIGHWAY 75)
The City Council approved the Replat of Sherman Crossroads, Phase II, Lots 1R, 4 and 5, Block 2, located in the 3200 to 3600 blocks of South U.S. Highway 75. The 13.497 acre tract is in the Blalock Industrial Park and Blalock Commercial Overlay District. The owners would like to replat the property into three lots for commercial development.

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

REPLAT APPROVAL OF DR. SWAMY ADDITION II, A REPLAT OF LOT 1, BLOCK A OF DR. SWAMY ADDITION, LOTS 1-7, BLOCK 1, BEING A PART OF THE WILLIAM MILLIGAN SURVEY, ABSTRACT NO. 875 AND LOT 1, BLOCK A, DR. SWAMY ADDITION, LOTS 1-7, BLOCK 1, CONTAINING 1.035 ACRES; ONE GANESHA, LTD, OWNERS; SRINIVASA A. AND SUDHA REDDY, DEVELOPER; AND UNDERWOOD DRAFTING AND SURVEYING, INC., SURVEYOR (6118 SWAMY DRIVE)

APPROVE REPLAT DR. SWAMY ADDITION (6118 SWAMY DR)

The City Council approved the Replat of Dr. Swamy Addition II, located at 6118 Swamy Drive. The 1.035 acre tract is zoned a C-2 (General Commercial) District and is located in the O-1 (75 & 82) Overlay District and the O-1.3 (FM Highway 691) Overlay District. The owners would like to replat the property into one lot for commercial development.

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

REPLAT APPROVAL OF DR. SWAMY ADDITION III, A REPLAT OF LOT 5, BLOCK 1, DR. SWAMY ADDITION, LOTS 1-7, BLOCK A, BEING ALL OF LOT 5, BLOCK 1, DR. SWAMY ADDITION, LOTS 1-7, BLOCK 1, CONTAINING 4.044 ACRES; ONE GANESHA, LTD, OWNERS; ARESHAYA SHERMAN, LLC, DEVELOPER; AND UNDERWOOD DRAFTING AND SURVEYING, INC., SURVEYOR (2511 SWAMY DRIVE)

APPROVE REPLAT DR. SWAMY ADDITION (2511 SWAMY DR)

The City Council approved the Replat of Dr. Swamy Addition III, located at 2511 Swamy Drive). The 4.044 acre tract is zoned a C-2 (General Commercial) District and is located in the O-1.3 (FM Highway 691) Overlay District. The owners would like to replat the property into two lots for commercial development.

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

REPLAT APPROVAL OF COLLEGE PARK ADDITION, BLOCK 7, LOTS 10R1 & 10R2, A REPLAT OF PART OF LOT 9 AND ALL OF LOT 10, BLOCK 7, COLLEGE PARK ADDITION, BEING PART OF LOT 9 AND ALL OF LOT 10, BLOCK 7, COLLEGE PARK ADDITION; ORAPORN AND KHAM SANSAVATH, OWNERS; AND PRESTON TRAIL LAND SURVEYING, SURVEYOR (802 NORTH CLEVELAND AVENUE)

APPROVE REPLAT COLLEGE PARK ADDITION (802 N. CLEVELAND)

The City Council approved the Replat of College Park Addition, Block 7, Lots 10R1 and 10R2, located at 802 North Cleveland Avenue. The property is zoned an R-1 (One Family Residential) District and is located in the College Park Overlay District. The owners would like to replat the property into two lots for residential development.

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

CITIZENS REQUESTS

TRASH PICK-UP

TRASH PICK-UP

Peter Tracy, 705 S. Valentine, talked to his neighbors and they don't seem to know what to do about the trash pick-up. He felt the published information would help inform citizens about the program.

JUNKED VEHICLES

JUNKED VEHICLES

Mr. Tracy said east of Dewey Avenue and South of Lamar Street there are dozens of cars that are unregistered or have flats. He urged the Code Enforcement Officers to inspect that area.

STREET POTHOLES

STREET POTHOLES

Mr. Tracy said there are many potholes in the street throughout the Oak Park Addition. The pavement in that area appears to be only ¼" thick. He said it appears that the traction from the vehicle's tires is "digging out" the pavement.

MEDIA QUESTIONS

MEDIA QUESTIONS

There were no media questions.

COUNCIL COMMENTS

TAX RATE

TAX RATE

Council Member Stevenson said the State Legislature has put the City in a bad position with two very undesirable outcomes. One is that the City is either forced to raise their rates in order to keep the M&O rate high, in order to grow in the future. Or the City will be forced to be a debtor City, as every other City in Texas is forced to be.

He said he has been struggling with which of those two options is more fiscally responsible. He felt this was a difficult decision for the Council and said they all take it very seriously.

TAX RATE

TAX RATE

Deputy Mayor Teamann wanted to clarify why he voted against the tax increase. He referenced the M&O situation that the State has put the City in by regulating the increases. He would like to see something that offsets that rate. He wanted to be successful with the growth in the City, but also give the citizens relief. He did feel the staff is doing a great job and management is on the right path.

TAX RATE

TAX RATE

Council Member Howeth said she was recently in California and "there's no place like home." Sherman is a great City to live in, and Council Members are not happy to raise taxes. This situation was forced on the City by the State Legislature. The Council wants to keep the quality of life for the citizens, and the State has forced the City to increase the tax rate to maintain that quality.

<u>CITY DEBT</u> **CITY DEBT**

Council Member Steele said he is concerned about the amount of debt the City has incurred over the last several years. It's a "juggling act" between being progressive and being pro-development and preparing for growth. The growth is here.

The City is investing money in these projects but he said the amount of debt being incurred concerns him. But with that debt, the City is generating income and they have the ability to cover the debt. Council Member Steele said he wanted to be sure that the City is spending wisely and there are some things to look at.

<u>TAX RATE</u> **TAX RATE**

Council Member Melton said she didn't want to vote to raise taxes, but if the citizens want to continue to live the way they are, it's going to have to happen. But the City Council and the City Management have already tried to keep it low, and will continue to do so. Sherman is growing, and they must maintain what we have now and maintain what is coming.

She said, there have been other Councils who have not increased the taxes, therefore it's falling on the current Council to do so. No one wants to raise the taxes, but prior Councils have not done it. City taxes are much lower than the School taxes and County taxes.

<u>HOT SUMMER NIGHTS</u> **HOT SUMMER NIGHTS**

Mayor Plyler thanked the Tourism staff for the excellent Hot Summer Nights and Lights on the Lake lineup this year. There were some great bands and a diverse lineup.

<u>ANNOUNCEMENTS</u> **ANNOUNCEMENTS**

Mayor Plyler announced the following:

- **The Keep Sherman Beautiful Battle of the Ax Trash-Off will be held on August 24, 2019, and Sherman and Denison will compete to see who can pick up more litter.**

- **The Sherman Independent School District will hold the annual Spirit Day prior to the Sherman-Denison game. The event will be held on August 30, 2019, at 5:30 p.m. at Lucy Kidd-Key Park.**

- **Sherman Arts Fest will be held at Lucy Kidd-Key Park on September 21, 2019.**

- **Blue Sky Story Tellers will present Doug Moreland and Friends in Kidd-Key Auditorium, benefitting the Sherman Police and Fire Associations.**

<u>EXECUTIVE SESSION – IN ACCORDANCE WITH CHAPTER 551, GOVT. CODE, V.T.C.S., (OPEN MEETINGS LAW)</u> **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 551.071 --	**CONSULT WITH THE CITY ATTORNEY ON A MATTER IN WHICH THE DUTY OF THE ATTORNEY TO THE GOVERNMENTAL BODY UNDER THE TEXAS DISCIPLINARY RULES OF PROFESSIONAL CONDUCT OF THE STATE BAR OF TEXAS CLEARLY CONFLICTS WITH THIS CHAPTER**
SECTION 551.087 --	**DELIBERATION 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**

It was determined that the Executive Session was not needed.

ADJOURNMENT

ADJOURNMENT

On Motion duly made and carried, the meeting adjourned at 6:47 p.m.

MAYOR

CITY CLERK