

STATE OF TEXAS

§

August 1, 2011

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 1, 2011.

MEMBERS PRESENT: MAYOR BILL MAGERS; DEPUTY MAYOR WILLIE STEELE.
COUNCIL MEMBERS ADAMI, HOWETH, SOFTLY, WACKER.

MEMBERS ABSENT: COUNCIL MEMBER SMITH.

CALL TO ORDER

Mayor Magers called the meeting to order at 5:01 p.m. The Pledge of Allegiance and the Invocation were given by Council Member Chip Adami.

CALL TO ORDER

Mayor Magers recognized the newly rebuilt and resurfaced Travis Street with its "smooth" ride.

APPROVE MINUTES

The Council reviewed the Minutes of the Regular City Council Meeting of July 18, 2011. Council Member Adami moved to approve the Minutes as presented; Second by Council Member Softly. All present voted AYE.
MOTION CARRIED.

APPROVE MINUTES

INTRODUCTION AND FIRST PUBLIC HEARING OF ORDINANCE

Mayor Magers introduced Ordinance 5705 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, 2011, AND ENDING SEPTEMBER 30, 2012; PROVIDING FOR A REPEALER.

ORD 5705
ANNUAL BUDGET

No citizens appeared before the City Council to discuss Ordinance 5705.

INTRODUCTION AND PUBLIC HEARING OF ORDINANCES

Mayor Magers introduced Ordinance 5706 and called for a public hearing:

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, APPROVING A NEGOTIATED RESOLUTION BETWEEN THE ATMOS CITIES STEERING COMMITTEE ("ACSC" OR "STEERING COMMITTEE") AND ATMOS ENERGY CORP., MID-TEX DIVISION ("ATMOS MID-TEX" OR "COMPANY") REGARDING THE COMPANY'S FOURTH ANNUAL RATE REVIEW MECHANISM ("RRM") FILING IN ALL CITIES EXERCISING ORIGINAL JURISDICTION; DECLARING EXISTING RATES TO BE UNREASONABLE; ADOPTING TARIFFS THAT REFLECT

ORD 5706
ATMOS RATE
ADJUSTMENTS

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RATE ADJUSTMENTS CONSISTENT WITH THE NEGOTIATED SETTLEMENT AND FINDING THE RATES TO BE SET BY THE ATTACHED TARIFFS TO BE JUST AND REASONABLE; REQUIRING THE COMPANY TO REIMBURSE CITIES' REASONABLE RATEMAKING EXPENSES; PROVIDING FOR A REPEALER; PROVIDING A SAVINGS CLAUSE; DECLARING AN EFFECTIVE DATE; REQUIRING DELIVERY OF THIS ORDINANCE TO THE COMPANY AND THE STEERING COMMITTEE'S LEGAL COUNSEL.

No citizens appeared before the City Council to discuss Ordinance 5706.

Mayor Magers introduced Ordinance 5707 and called for a public hearing:

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AMENDING ORDINANCE NO. 5694; ESTABLISHING MAXIMUM, REASONABLE AND PRUDENT RATES OF SPEED ON CERTAIN PORTIONS OF S.H. 289 IN THE CITY OF SHERMAN; FIXING PENALTIES FOR VIOLATION THEREOF; DECLARING AN EMERGENCY; PROVIDING FOR SEVERABILITY; PROVIDING FOR A REPEALER.

ORD 5707
SPEED LIMIT ON
S.H. 289

No citizens appeared before the City Council to discuss Ordinance 5707.

Mayor Magers introduced Ordinance 5708 and called for a public hearing:

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, ESTABLISHING MAXIMUM, REASONABLE AND PRUDENT RATES OF SPEED ON CERTAIN PORTIONS OF F.M. HIGHWAY 1417 IN THE CORPORATE LIMITS OF SHERMAN, GRAYSON COUNTY, TEXAS; FIXING PENALTIES FOR VIOLATION THEREOF; DECLARING AN EMERGENCY; PROVIDING FOR SEVERABILITY; PROVIDING FOR A REPEALER.

ORD 5708
SPEED LIMIT ON
F.M. 1417

Mayor Magers clarified that the part of F.M. 1417 in question was on the east side of Sherman and Mr. Hose lives on the western part of F.M. 1417.

Richard Hose, 700 S. FM 1417

Mr. Hose expressed his concern about traffic on F.M. 1417, referencing a fatal accident that occurred several weeks ago. He said getting onto F.M. 1417 is very difficult and it is hard to tell the speed of traffic because of the morning sun. He has seen many near misses because of traffic in both directions.

Mr. Hose said he thought the speed limit on F.M. 1417 was 55 mph but he felt there needed to be additional control and police enforcement. Mayor Magers clarified that Mr. Hose was talking about the area near S.H. Hwy 56 and F.M. 1417.

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Mr. Hose added that many cars enter the highway from the apartments during the morning and evening and it is a challenge to enter the highway. He suggested that the City put a speed limit sign there that tells drivers how fast they are driving or have more patrol officers on the highway.

Mr. Hose also told the Council that the Travis Street bridge over S.H. 82 just south of Wal-Mart was another area where drivers are unable to see cars coming from both directions. He felt that was also a potential area for a bad traffic accident.

No other citizens appeared before the City Council to discuss Ordinance 5708.

The Public Hearing was closed.

ADOPTION OF ORDINANCES

Ordinance 5706

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, APPROVING A NEGOTIATED RESOLUTION BETWEEN THE ATMOS CITIES STEERING COMMITTEE ("ACSC" OR "STEERING COMMITTEE") AND ATMOS ENERGY CORP., MID-TEX DIVISION ("ATMOS MID-TEX" OR "COMPANY") REGARDING THE COMPANY'S FOURTH ANNUAL RATE REVIEW MECHANISM ("RRM") FILING IN ALL CITIES EXERCISING ORIGINAL JURISDICTION; DECLARING EXISTING RATES TO BE UNREASONABLE; ADOPTING TARIFFS THAT REFLECT RATE ADJUSTMENTS CONSISTENT WITH THE NEGOTIATED SETTLEMENT AND FINDING THE RATES TO BE SET BY THE ATTACHED TARIFFS TO BE JUST AND REASONABLE; REQUIRING THE COMPANY TO REIMBURSE CITIES' REASONABLE RATEMAKING EXPENSES; PROVIDING FOR A REPEALER; PROVIDING A SAVINGS CLAUSE; DECLARING AN EFFECTIVE DATE; REQUIRING DELIVERY OF THIS ORDINANCE TO THE COMPANY AND THE STEERING COMMITTEE'S LEGAL COUNSEL.

**ORD 5706
ATMOS RATE
ADJUSTMENTS**

Ordinance 5707

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AMENDING ORDINANCE NO. 5694; ESTABLISHING MAXIMUM, REASONABLE AND PRUDENT RATES OF SPEED ON CERTAIN PORTIONS OF S.H. 289 IN THE CITY OF SHERMAN; FIXING PENALTIES FOR VIOLATION THEREOF; DECLARING AN EMERGENCY; PROVIDING FOR SEVERABILITY; PROVIDING FOR A REPEALER.

**ORD 5707
SPEED LIMIT ON
S.H. 289**

Ordinance 5708

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, ESTABLISHING MAXIMUM, REASONABLE AND PRUDENT RATES OF SPEED ON CERTAIN PORTIONS OF F.M. HIGHWAY 1417 IN THE CORPORATE LIMITS OF SHERMAN, GRAYSON COUNTY, TEXAS; FIXING PENALTIES FOR VIOLATION THEREOF;

**ORD 5708
SPEED LIMIT ON
F.M. 1417**

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DECLARING AN EMERGENCY; PROVIDING FOR SEVERABILITY; PROVIDING FOR A REPEALER.

Mayor Magers clarified that the speed limit on F.M. 1417 was really a name change and was an administrative change only. George Olson, City Manager, explained that it was a road segment name change from Highway 82 Bypass to F.M. 1417.

ACTION TAKEN.

Motion by Council Member Adami to approve Ordinance Nos. 5706, 5707, and 5708, as presented.

Second by Deputy Mayor Steele.

VOTING AYE: Adami, Howeth, Softly, Steele, Wacker.

VOTING NAY: None.

MOTION CARRIED.

CONSENT AGENDA

The Council reviewed the Consent Agenda. Deputy Mayor Steele moved to approve the Consent Agenda, as presented. Second by Council Member Wacker. All present voted AYE.

CONSENT AGENDA

RESOLUTIONS

RESOLUTION NO. 5593 – AUTHORIZING THE ACCEPTANCE AND RECORDATION OF A GIFT DEED WITHOUT WARRANTY FROM A-S 78 HWY 82 – PECAN GROVE, L.P., A TEXAS LIMITED PARTNERSHIP, CONVEYING A 0.698 ACRE TRACT OF LAND IN THE J.B. McANAIR SURVEY, ABSTRACT NO. 763, FOR PUBLIC USE AND UTILITY PURPOSES, BEING THE CONSTRUCTION OF A ROAD BETWEEN CANYON GROVE ROAD AND THE U.S. HIGHWAY 82 FRONTAGE ROAD

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING THE ACCEPTANCE AND RECORDATION OF A GIFT DEED WITHOUT WARRANTY FROM A-S 78 HWY 82 – PECAN GROVE, L.P., A TEXAS LIMITED PARTNERSHIP, CONVEYING A 0.698 ACRE TRACT OF LAND IN THE J.B. McANAIR SURVEY, ABSTRACT NO. 763, FOR PUBLIC USE AND UTILITY PURPOSES, BEING THE CONSTRUCTION OF A ROAD BETWEEN CANYON GROVE ROAD AND THE U.S. HIGHWAY 82 FRONTAGE ROAD.

RES 5593
ACCEPT GIFT DEED
CANYON GROVE ROAD

Mayor Magers addressed the intersection of Canyon Grove Road and Travis Street and its proximity to the U.S. Hwy 82 frontage road. Steve Alvis, Developer of the Sherman Town Center, has agreed to grant the City of Sherman a right-of-way easement.

The Metropolitan Planning Organization has been working on the project which will relieve the congestion of traffic leaving Wal-Mart on Canyon Grove Road. With the new plan, westbound traffic on Canyon Grove Road will only be allowed to turn north on Travis Street.

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A new road between Canyon Grove Road and the U.S. Hwy 82 frontage road will route traffic to the frontage road so they can turn south on Travis Street. Traffic signal lights will also be placed on both ends of the bridge. Mayor Magers said with the changes, the intersection will be a lot safer. The project is scheduled for 2012.

Council Member Adami said next time the bridge over U.S. Highway 82 should be increased to a four lane bridge.

ACTION TAKEN.

Motion by Council Member Adami to approve Resolution No. 5593, as presented. Second by Council Member Softly.

VOTING AYE: Adami, Howeth, Softly, Steele, Wacker.

VOTING NAY: None.

MOTION CARRIED.

RESOLUTION NO. 5594 – AUTHORIZING THE EXECUTION OF AN AMBULANCE SERVICE AGREEMENT WITH GRAYSON COUNTY FOR THE PERIOD OF OCTOBER 1, 2011, THROUGH SEPTEMBER 30, 2012

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING THE EXECUTION OF AN AMBULANCE SERVICE AGREEMENT WITH GRAYSON COUNTY FOR THE PERIOD OF OCTOBER 1, 2011, THROUGH SEPTEMBER 30, 2012.

**RES 5594
AMBULANCE SERVICE
AGREEMENT**

Council Member Wacker confirmed that the contract is the same as last year's contract.

ACTION TAKEN.

Motion by Council Member Wacker to approve Resolution No. 5594, as presented. Second by Council Member Softly.

VOTING AYE: Adami, Howeth, Softly, Steele, Wacker.

VOTING NAY: None.

MOTION CARRIED.

RESOLUTION NO. 5595 – 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.

**RES 5595
TAX ABATEMENT
PROGRAM IN
CENTRAL BUSINESS
DISTRICT**

Deputy Mayor Steele asked if this was to extend the \$25,000 grant that was available. Mr. Olson said this is not for the grant, it is for the tax abatement program. Council Member Wacker added this resolution allows a property owner to apply for an abatement on taxes for purchase of a new

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building or renovations to an existing building in the Central Business District. Mr. Olson said the abatement program requires an investment of up to \$25,000.
CONSENT AGENDA.

Mayor Magers passed the gavel to Deputy Mayor Steele since he has property next door to the proposed site.

RES 5596
SANITARY SEWER
EASEMENT

RESOLUTION NO. 5596 – AUTHORIZING EXECUTION OF A 20' SANITARY SEWER EASEMENT TO THE CITY OF SHERMAN FOR THE PLACEMENT OF A SANITARY SEWER LINE ON LOT 3, BLOCK 2 OF THE BOND'S 2ND ADDITION
A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING EXECUTION OF A 20' SANITARY SEWER EASEMENT TO THE CITY OF SHERMAN FOR THE PLACEMENT OF A SANITARY SEWER LINE ON LOT 3, BLOCK 2 OF THE BOND'S 2ND ADDITION.

Council Member Adami confirmed that this property is shared with the Sherman Independent School District.

ACTION TAKEN.

Motion by Council Member Adami to approve Resolution No. 5596, as presented. Second by Council Member Howeth.

VOTING AYE: Adami, Howeth, Softly, Steele, Wacker.

VOTING NAY: None.

ABSTAIN: Magers.

MOTION CARRIED.

Deputy Mayor Steele returned the gavel to Mayor Magers.

RESOLUTION NO. 5597 – ACCEPTING THE CONTRACT WITH TRI-CON SERVICES, INC. AS COMPLETE FOR CONSTRUCTION OF THE SHERMAN HIGHWAY 75 NORTH SEWER CONTRACT "B"
A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, ACCEPTING THE CONTRACT WITH TRI-CON SERVICES, INC. AS COMPLETE FOR CONSTRUCTION OF THE SHERMAN HIGHWAY 75 NORTH SEWER CONTRACT "B".
CONSENT AGENDA.

RES 5597
HWY 75 NORTH
SEWER CONTRACT

OTHER BUSINESS

REVIEW DRAFT CAPITAL IMPROVEMENT PROGRAM (CIP) 2011-2016 AND SET PUBLIC HEARING FOR TUESDAY, SEPTEMBER 6, 2011

DRAFT CIP

Mayor Magers asked for any questions about the Draft Capital Improvement Program. Council Member Adami asked if it included a new wi-fi router.

ACTION TAKEN.

Motion by Council Member Adami to approve the Draft Capital Improvement Program for 2011-2016 and set a public hearing for September 6, 2011, as presented. Second by Council Member Wacker.

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

APPROVE QUARTERLY INVESTMENT REPORTS FOR PERIOD ENDING JUNE 30, 2011

The City Council approved the Quarterly Investment Reports for the period ending June 30, 2011. As of that date, both the Operating Portfolio and the Debt Proceeds Portfolio were in compliance with applicable State laws and the City's internal Investment Policy.

**QUARTERLY
INVESTMENT
REPORT**

The Operating Portfolio had a book value of about \$21.8 million, down about \$1.3 million from three months ago due to slowing property tax collections during the period. This portfolio is appropriately liquid and its weighted-average maturity decreased to about 204 days, down from 230 days last period because of investments maturing during the quarter.

The portfolio yield of 0.68% for the quarter is higher than the benchmark yield of 0.10% and the value on the City's books is essentially equal to the market value of the overall portfolio.

The Debt Proceeds Portfolio balance decreased about \$0.5 million due to payments made for construction projects during the period. The portfolio remains adequately liquid, with all of the funds available within one day. Its yield of 0.10% for the quarter was identical to the benchmark yield of 0.10%. The portfolio value on the City's books is essentially equal to the market value of the overall portfolio.
CONSENT AGENDA.

CONSIDER CALLING A SPECIAL MEETING OF THE CITY COUNCIL FOR TUESDAY, SEPTEMBER 6, 2011, DUE TO CONFLICT WITH A FEDERAL HOLIDAY

The City Council called a Special Council Meeting for Tuesday, September 6, 2011 at 5:00 p.m. due to a conflict with a Federal Holiday. Labor Day will fall on Monday, September 5, 2011.
CONSENT AGENDA.

SET CALLED MEETING

CITIZENS REQUESTS

INTRODUCTION OF COUNTY COMMISSIONER CANDIDATE

Stacey Olmstead, 12 Timbercreek, introduced Phyllis James, a Republican running for County Commissioner Precinct 3. Ms. James is a resident of Gunter, Texas and owns P. James Construction since 1994.

**INTRODUCTION OF
COUNTY
COMMISSIONER
CANDIDATE**

MEDIA QUESTIONS

There were no media questions.

MEDIA QUESTIONS

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COUNCIL COMMENTS

TRAVIS STREET PROJECT

Council Member Adami said he was glad Travis Street was completed.

**TRAVIS STREET
PROJECT**

NEW BOOK ABOUT SHERMAN

Council Member Wacker congratulated City Clerk Linda Ashby on the publication of her first book, a pictorial history of Sherman.

**NEW BOOK
ABOUT SHERMAN**

TRAVIS STREET PROJECT

Council Member Howeth said she has received numerous compliments on Travis Street and citizens feel the downtown businesses will prosper as a result.

**TRAVIS STREET
PROJECT**

TRAVIS STREET PROJECT

Council Member Wacker said she recently attended a Downtown Sherman Preservation and Revitalization Meeting and they were extremely pleased with Travis Street. The businesses are very glad it is completed.

**TRAVIS STREET
PROJECT**

STATE OF THE CITY

Mayor Magers said despite the heat, he complimented the City. The parks and fields are in great shape and the City is looking good.

STATE OF THE CITY

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

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

EXECUTIVE SESSION

SECTION 551.074

**CONSIDER THE QUALIFICATION,
APPOINTMENT AND REMOVAL
OF MEMBERS TO BOARDS AND
COMMISSIONS:
MENTAL HEALTH MENTAL
RETARDATION SERVICES OF
TEXOMA BOARD OF DIRECTORS
(1)**

SECTION 551.087

**DELIBERATION REGARDING
ECONOMIC DEVELOPMENT
NEGOTIATIONS:
DELIBERATE REGARDING
COMMERCIAL OR FINANCIAL
INFORMATION THAT THE CITY
HAS RECEIVED FROM BUSINESS
PROSPECTS AND DELIBERATE
ANY OFFERS OR INCENTIVES TO
THE BUSINESS PROSPECTS,**

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INCLUDING THE FOLLOWING:
PROPERTY AT 4344 LOY LAKE
ROAD, SHERMAN, TEXAS

On Motion duly made and carried, the Open Meeting recessed and reconvened in Executive Session at 5:23 p.m.

On Motion duly made and carried, the Executive Session recessed at 6:23 p.m. and reconvened in Open Meeting.

OPEN MEETING

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

OPEN MEETING

APPOINT/REMOVE OR CONSIDER QUALIFICATIONS TO
BOARDS AND COMMISSIONS:

MENTAL HEALTH MENTAL RETARDATION SERVICES OF
TEXOMA BOARD OF DIRECTORS (1)

ACTION TAKEN.

Motion by Council Member Wacker to appoint Dr. Thomas Nuckols, to the Mental Health Mental Retardation Services of Texoma Board of Directors for a term from August 31, 2011 to August 31, 2013. Second by Council Member Softly.

VOTING AYE: Adami, Howeth, Softly, Steele, Wacker.

VOTING NAY: None.

MOTION CARRIED.

MHMR SERVICES OF
TEXOMA BOARD OF
DIRECTORS

ADJOURNMENT

On Motion duly made and carried, the meeting adjourned at 6:24 p.m.

ADJOURNMENT

MAYOR

CITY CLERK