STATE OF TEXAS §

July 20, 2009

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 July 20, 2009.

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

MEMBERS ABSENT: **NONE.**

CALL TO ORDER — **CALL TO ORDER**

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

APPROVE MINUTES — **APPROVE MINUTES**

The Council reviewed the Minutes of the Regular City Council Meeting of July 6, 2009. Council Member Steele moved to approve the Minutes as presented; Second by Council Member Softly. All present voted AYE.
MOTION CARRIED.

PROCLAMATION

"GENERAL SIDNEY SHERMAN DAY" – JULY 23, 2009 — **GENERAL SIDNEY SHERMAN DAY (JULY 23, 2009)**

Mayor Magers presented a proclamation to Jacqueline Banfield, Library Services Administrator, designating July 23, 2009 as "General Sidney Sherman Day." Ms. Banfield thanked the City Council for the proclamation.

PUBLIC HEARING

2009 SHERMAN COMPREHENSIVE PLAN — **COMPREHENSIVE MASTER PLAN**

The City Council approved a project in FY 2007-2008 to update the City's Comprehensive Plan. Kendig Keast Collaborative was retained to guide the process, which spanned approximately 15 months.

Various public meetings were held to solicit input from the community and a joint meeting was held between the City Council and the Planning and Zoning Commission. The Plan update is now complete and implementation guidelines have been reviewed by the Planning and Zoning Commission and are now presented to the City Council for their approval. This is the last public hearing to allow for any final citizen input, prior to Council consideration of a resolution adopting the Plan.

No citizens appeared before the City Council to discuss the 2009 Sherman Comprehensive Plan.

PUBLIC HEARING OF ORDINANCES

ORD 5611 INDUSTRIAL REINVESTMENT ZONE (PANDA SHERMAN POWER, LLC)

Mayor Magers called for a public hearing on Ordinance 5611: AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, DESIGNATING A CERTAIN AREA AS INDUSTRIAL REINVESTMENT ZONE, NUMBER 072009-2, CITY OF SHERMAN, TEXAS, PROVIDING FOR THE ESTABLISHMENT OF AGREEMENTS WITHIN THE ZONE, AND OTHER MATTERS RELATING THERETO; PROVIDING FINDINGS OF FACT, PROVIDING AN EFFECTIVE DATE FOR THE COMMENCEMENT OF THE REINVESTMENT ZONE AND THIS ORDINANCE.

No citizens appeared before the City Council to discuss Ordinance 5611.

ORD 5612 INDUSTRIAL REINVESTMENT ZONE (CARRUS MEDICAL CENTER)

Mayor Magers called for a public hearing on Ordinance 5612: AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, DESIGNATING A CERTAIN AREA AS INDUSTRIAL REINVESTMENT ZONE, NUMBER 072009-1, CITY OF SHERMAN, TEXAS, PROVIDING FOR THE ESTABLISHMENT OF AGREEMENTS WITHIN THE ZONE, AND OTHER MATTERS RELATING THERETO; PROVIDING FINDINGS OF FACT; PROVIDING A SEVERABILITY CLAUSE; PROVIDING AN EFFECTIVE DATE FOR THE COMMENCEMENT OF THE REINVESTMENT ZONE AND THIS ORDINANCE.

No citizens appeared before the City Council to discuss Ordinance 5612.

INTRODUCTION AND PUBLIC HEARING OF ORDINANCES

ORD 5613 ATMOS NEGOTIATED RATE AGREEMENT

Mayor Magers introduced Ordinance 5613 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 AND ATMOS ENERGY CORP., MID-TEX DIVISION REGARDING THE COMPANY'S RATE REVIEW MECHANISM FILING IN ALL CITIES EXERCISING ORIGINAL JURISDICTION; DECLARING EXISTING RATES TO BE UNREASONABLE; REQUIRING THE COMPANY TO REIMBURSE CITIES' REASONABLE RATEMAKING EXPENSES; 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; APPROVING ATMOS' PROOF OF REVENUES; ADOPTING A SAVINGS CLAUSE; DECLARING AN EFFECTIVE DATE; AND 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 5613.

The Ordinances were introduced and the Public Hearing was closed.

CLOSE PUBLIC HEARING

ADOPTION OF ORDINANCES

Ordinance 5611
AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, DESIGNATING A CERTAIN AREA AS INDUSTRIAL REINVESTMENT ZONE, NUMBER 072009-2, CITY OF SHERMAN, TEXAS, PROVIDING FOR THE ESTABLISHMENT OF AGREEMENTS WITHIN THE ZONE, AND OTHER MATTERS RELATING THERETO; PROVIDING FINDINGS OF FACT, PROVIDING AN EFFECTIVE DATE FOR THE COMMENCEMENT OF THE REINVESTMENT ZONE AND THIS ORDINANCE.

ORD 5611 INDUSTRIAL REINVESTMENT ZONE (PANDA SHERMAN POWER, LLC)

Ordinance 5612
AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, DESIGNATING A CERTAIN AREA AS INDUSTRIAL REINVESTMENT ZONE, NUMBER 072009-1, CITY OF SHERMAN, TEXAS, PROVIDING FOR THE ESTABLISHMENT OF AGREEMENTS WITHIN THE ZONE, AND OTHER MATTERS RELATING THERETO; PROVIDING FINDINGS OF FACT; PROVIDING A SEVERABILITY CLAUSE; PROVIDING AN EFFECTIVE DATE FOR THE COMMENCEMENT OF THE REINVESTMENT ZONE AND THIS ORDINANCE.

ORD 5612 INDUSTRIAL REINVESTMENT ZONE (CARRUS MEDICAL CENTER)

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AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, APPROVING A NEGOTIATED RESOLUTION BETWEEN THE ATMOS CITIES STEERING COMMITTEE AND ATMOS ENERGY CORP., MID-TEX DIVISION REGARDING THE COMPANY'S RATE REVIEW MECHANISM FILING IN ALL CITIES EXERCISING ORIGINAL JURISDICTION; DECLARING EXISTING RATES TO BE UNREASONABLE; REQUIRING THE COMPANY TO REIMBURSE CITIES' REASONABLE RATEMAKING EXPENSES; 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; APPROVING ATMOS' PROOF OF REVENUES; ADOPTING A SAVINGS CLAUSE; DECLARING AN EFFECTIVE DATE; AND REQUIRING DELIVERY OF THIS ORDINANCE TO THE COMPANY AND THE STEERING COMMITTEE'S LEGAL COUNSEL.

ORD 5613 ATMOS NEGOTIATED RATE AGREEMENT

ACTION TAKEN.

Motion by Deputy Mayor Smith to approve Ordinance Nos. 5611, 5612, and 5613, as presented. Second by Council Member Wacker.

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

CONSENT AGENDA — **CONSENT AGENDA**

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

RESOLUTIONS

RESOLUTION NO. 5383 – APPROVING AND ADOPTING THE 2009 COMPREHENSIVE PLAN FOR THE CITY OF SHERMAN, TEXAS — **RES 5383 COMPREHENSIVE MASTER PLAN**

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, APPROVING AND ADOPTING THE 2009 COMPREHENSIVE PLAN FOR THE CITY OF SHERMAN, TEXAS; PROVIDING FOR AN EFFECTIVE DATE.

Mayor Magers thanked everyone for their hard work on the Comprehensive Plan.

ACTION TAKEN.

Motion by Council Member Wacker to approve Resolution No. 5383 as presented. Second by Council Member Softly.

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

RESOLUTION NO. 5384 – APPROVING AND AUTHORIZING PUBLICATION OF NOTICE OF INTENTION TO ISSUE CERTIFICATES OF OBLIGATION — **RES 5384 CERTIFICATES OF OBLIGATION**

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, APPROVING AND AUTHORIZING PUBLICATION OF NOTICE OF INTENTION TO ISSUE CERTIFICATES OF OBLIGATION.

Mayor Magers said the Council has now approved all the bonds for all the Capital Improvement Projects that were begun two years ago. These projects will have a great impact on the City of Sherman.

ACTION TAKEN.

Motion by Deputy Mayor Smith to approve Resolution No. 5384 as presented. Second by Council Member Howeth.

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

RESOLUTION NO. 5385 – AWARDING A BID TO AND AUTHORIZING EXECUTION OF A CONTRACT WITH DEAN CONSTRUCTION, INC. DBA DEAN CONSTRUCTION FOR CONSTRUCTION OF PECAN GROVE PARK DEVELOPMENT, PHASE II — **RES 5385 PECAN GROVE PARK, PHASE II**

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AWARDING A BID TO AND AUTHORIZING EXECUTION OF A CONTRACT WITH DEAN

CONSTRUCTION, INC. DBA DEAN CONSTRUCTION FOR CONSTRUCTION OF PECAN GROVE PARK DEVELOPMENT, PHASE II.

Council Member Adami asked if Dean Construction was a first time bidder. George Olson, City Manager, said this is the first time in Sherman, however they have done many jobs in the Dallas area.

Kevin Winkler, Parks and Recreation Administrator, briefed the Council on the status of the project, adding that he was excited about the project. The City received five bids on the project and Dean Construction was the low bidder. He added that the City's Park Planner, Dunkin Sims Stoffels, has completed about 15 parks with the Company.

The project includes a concrete parking lot with approximately 208 parking spaces and 4,200 liner feet of walking trail with a width of eight feet. There is also approximately eight acres where about a mile of nature trails and bike trails will be constructed. There will be four smaller pavilions that will accommodate about 30 to 35 people each, and one larger pavilion that will accommodate about 50 to 60 people.

The amphitheater is approximately 70 feet across and there will be estimated seating for between 3,000 and 5,000 people. The pier will extend about 80 to 90 feet into the water, will be about 70 to 80 feet wide, and will be handicapped accessible. There will be two playgrounds, a smaller one for children aged 2 to 5 years old and a larger one for children age 5 to 12 years old. There will also be a restroom/concession stand.

Mr. Winkler said maintenance of the park will be manicured, but there will be many areas that are left natural to support the natural habitat of birds and squirrels.

Construction of the park is scheduled for 300 days, but Mr. Winkler anticipated that the park would be open by July 4, 2010. The opening may include a musical concert and fireworks over the water.

Mayor Magers verified that the lake and the east portion of Pecan Grove Park are visible from the grass seating for the amphitheater. Mr. Winkler said the project is under budget.

Council Member Wacker asked when Canyon Creek Drive Extension would open. Mr. Olson said the opening would be timed with the opening of the park so the cars are not using the road during park construction.

Council Member Howeth verified that the City is not currently stocking Dean Gilbert Lake with any fish. Mr. Winkler said there is a significant amount of natural fish in the Lake.

Council Member Steele verified that Center Street Park is substantially complete. Mr. Winkler said there are a few minor items on the "punch list" and the bleachers have been delivered and should be installed by next week. He wanted to clean up the frontage area lots that were purchased by the City and signage and fence railing around the parking lot needs to be installed.

Mr. Winkler said the walking trail is open now and the entire park should be open by August 24, 2009.

Deputy Mayor Smith verified that the park will be used for soccer this season and Council Member Steele verified that it would be used for youth football practice.

ACTION TAKEN.

Motion by Council Member Wacker to approve Resolution No. 5385 as presented. Second by Deputy Mayor Smith.

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

RES 5386
ATMOS STEERING COMMITTEE

RESOLUTION NO. 5386 – AUTHORIZING CONTINUED PARTICIPATION WITH THE ATMOS CITIES STEERING COMMITTEE; AUTHORIZING THE PAYMENT OF TWO CENTS ($0.02) PER CAPITA TO THE ATMOS CITIES STEERING COMMITTEE TO FUND REGULATORY AND RELATED ACTIVITIES RELATED TO ATMOS ENERGY CORPORATION

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING CONTINUED PARTICIPATION WITH THE ATMOS CITIES STEERING COMMITTEE; AUTHORIZING THE PAYMENT OF TWO CENTS ($0.02) PER CAPITA TO THE ATMOS CITIES STEERING COMMITTEE TO FUND REGULATORY AND RELATED ACTIVITIES RELATED TO ATMOS ENERGY CORPORATION.
CONSENT AGENDA.

RES 5387
WATER TREATMENT & WASTEWATER TREATMENT PLANTS

RESOLUTION NO. 5387 – AUTHORIZING EXECUTION OF AN AGREEMENT WITH ENERNOC, INC. FOR ERCOT DEMAND RESPONSE SALES AND SERVICES FOR THE SHERMAN WATER TREATMENT AND WASTEWATER TREATMENT PLANTS

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING EXECUTION OF AN AGREEMENT WITH ENERNOC, INC. FOR ERCOT DEMAND RESPONSE SALES AND SERVICES FOR THE SHERMAN WATER TREATMENT AND WASTEWATER TREATMENT PLANTS.
CONSENT AGENDA.

RES 5388
ABANDON UTILITY EASEMENT

RESOLUTION NO. 5388 – ABANDONING A TEN FOOT (10') CITY DRAINAGE AND UTILITY EASEMENT LOCATED AT LOT 1, BLOCK 1 OF THE WINDSOR PLACE ADDITION

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, ABANDONING A TEN FOOT (10') CITY

DRAINAGE AND UTILITY EASEMENT LOCATED IN LOT 1, BLOCK 1 OF THE WINDSOR PLACE ADDITION.
CONSENT AGENDA.

RES 5389 AUTOMATED TRASH & RECYCLING CARTS

RESOLUTION NO. 5389 – AUTHORIZING THE PURCHASE OF REPLACEMENT RESIDENTIAL TRASH AND RECYCLING CARTS FOR THE SOLID WASTE SERVICES DEPARTMENT THROUGH THE TEXAS COMPTROLLER OF PUBLIC ACCOUNTS COOPERATIVE PURCHASING PROGRAM

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING THE PURCHASE OF REPLACEMENT RESIDENTIAL TRASH AND RECYCLING CARTS FOR THE SOLID WASTE SERVICES DEPARTMENT THROUGH THE TEXAS COMPTROLLER OF PUBLIC ACCOUNTS COOPERATIVE PURCHASING PROGRAM.

Council Member Adami verified that the new recycling carts will be blue instead of green and will replace the older carts on an as needed basis.
CONSENT AGENDA.

REQ TO ADVERTISE WILLOW ST. WATER MAIN

REQUEST TO ADVERTISE WILLOW STREET WATER MAIN

The City Council approved the request to advertise for bids for the construction of the Willow Street Water Main. The existing water main is deteriorated, resulting in frequent breaks and service interruptions. The project will replace an existing six inch main on Willow Street, between Mulberry Street and Pacific Street. The project is funded in this year's Capital Improvement Program.
CONSENT AGENDA.

RELIEF SEWER "C"

RELIEF SEWER "C"

The City Council approved the request to advertise for bids for the construction of Relief Sewer "C" which will replace existing sewer along Branch Street, between King Street and Pacific Street. The existing sewer has deteriorated and requires replacement.

The project is funded at $1 million in this year's Capital Improvement Program through bonds previously issued by the Greater Texoma Utility Authority on behalf of the City of Sherman.
CONSENT AGENDA.

FINE SCREEN SYSTEM WASTEWATER TREATMENT PLANT

FINE SCREEN SYSTEM – WASTEWATER TREATMENT PLANT

The City Council approved the request to advertise for bids for the installation of a fine screen system at the City's Wastewater Treatment Plant. The project will install fine screens to remove debris passing the bar screens and clarification processes.

The project is funded in this year's Capital Improvement Program through bonds issues by GTUA on behalf of the City.
CONSENT AGENDA.

PRIMARY AND SECONDARY DIGESTER REHABILITATION – WASTEWATER TREATMENT PLANT — **DIGESTER REHAB**

The City Council approved the request to advertise for bids for the rehabilitation of the primary and secondary digesters at the City's Wastewater Treatment Plant.

The project is funded in this year's Capital Improvement Program through bonds issues by GTUA on behalf of the City.
CONSENT AGENDA.

PRIMARY CLARIFIER REHABILITATION – WASTEWATER TREATMENT PLANT — **PRIMARY CLARIFIER REHAB**

The City Council approved the request to advertise for bids for the rehabilitation of Primary Clarifier No. 2 at the City's Wastewater Treatment Plant.

The project is funded in this year's Capital Improvement Program through bonds issues by GTUA on behalf of the City.
CONSENT AGENDA.

CHANGE ORDER NO. 1
OAK CREEK WATER MAIN REPLACEMENT; UTILITY CONSTRUCTION SERVICES OF TEXAS, INC.; $7,900.00, DECREASE — **CHANGE ORDER OAK CREEK WATER MAIN REPLACEMENT**

The City Council approved Change Order No. 1, which is a final reconciliatory change order to adjust final project quantities for the Oak Creek Drive Water Main Replacement Project. The project has been completed and the change order results in a decrease of $7,900 to the contract amount, yielding a final contract price of $42,840.50.
CONSENT AGENDA.

OTHER BUSINESS
SET PUBLIC HEARING ON THREE PROPOSED TAX ABATEMENT AGREEMENTS FOR MONDAY, AUGUST 3, 2009 — **SET PUBLIC HEARING ON TAX ABATEMENTS**

The City Council set a public hearing on three proposed tax abatement agreements for Monday, August 3, 2009 at the Regular City Council Meeting.

These requests are from Beard and Buller, LLC, for property in the Central Business District, at the southwest corner of Houston and Crockett Streets; from Panda Sherman Power, LLC, for property west of U.S. Highway 75 and south of F.M. 1417; and from Carrus Medical Center, for property within a proposed Industrial Reinvestment Zone which will extend roughly from Travis Street west along the north and south sides of U.S. Highway 82 to Heritage Parkway.
CONSENT AGENDA.

CITIZENS REQUESTS — CITIZENS REQUESTS

There were no citizen's requests.

MEDIA QUESTIONS — MEDIA QUESTIONS

There were no media questions.

COUNCIL COMMENTS

RECENT WEATHER — RECENT WEATHER

Council Member Howeth said she was grateful for the nice weather and the cooler temperature outside.

COMPREHENSIVE MASTER PLAN — COMPREHENSIVE MASTER PLAN

Deputy Mayor Smith said the City's Comprehensive Master Plan is a significant document and was the result of a tremendous amount of work. He encouraged future leadership to look to the Comprehensive Plan for guidance and basic guidelines as the City grows.

He added that many people worked hard on the project including citizens that were recommended by each City Council Member. Deputy Mayor Smith thanked the citizens that he recommended for service on the project including Mike Wynne, Andy Olmstead, and Melida Ailshire. He also thanked Planning and Zoning Commission Chairman Jason Sofey.

COMPREHENSIVE MASTER PLAN — COMPREHENSIVE MASTER PLAN

Council Member Adami thanked everyone for the hard work that went into the Comprehensive Master Plan.

COMPREHENSIVE MASTER PLAN — COMPREHENSIVE MASTER PLAN

Council Member Steele said there was lots of good stuff in the Comprehensive Master Plan and felt that one of the most important chapters is the one on implementation. He said now the City is in another phase of the Plan and the hard work will start now to implement the Plan. He said the Plan is a good roadmap for the future and the Council, staff and citizens need to "stick with it."

GRAYSON COUNTY JAIL — GRAYSON COUNTY JAIL

Mayor Magers said a week ago today the Grayson County Commissioner's Court voted to privatize the jail and move it out of Downtown Sherman. They are expected to sign the contract in the next two weeks. He said they have done a great job in trying to save tax dollars, but as the Mayor of Sherman, he is disappointed that they have decided to move the jail out of Downtown.

It serves as the City of Sherman jail, it serves the Police, the Federal Court System and is an integral part of the Downtown infrastructure. Mayor Magers said it is great the jail is staying in Sherman, however he felt the move would have a great impact on Downtown Sherman.

Mayor Magers said the City Council had been asked to help the Commissioner's Court find a location within the City for

location of the jail, and they have done that. He was disappointed that his request to the Commissioners to allow the City of Sherman to work with them, as an alternate, to try and keep the jail in Downtown Sherman was not considered.

Mayor Magers said he had a fiduciary responsibility to the voters of Sherman, Texas, to ask them to help the Council continue to work with the Commissioners as an alternative to keep the jail in Downtown Sherman. He asked citizens to call their County Commissioner and let them know their feelings.

Mayor Magers requested again, that the Grayson County Commissioner's Court allow consideration of an option to keep the jail in Downtown Sherman.

ADJOURNMENT **ADJOURNMENT**

On Motion duly made and carried, the meeting adjourned at 5:26 p.m.

_____

MAYOR

_____

CITY CLERK