

July 18, 2016

**MEMBERS PRESENT: MAYOR DAVID PLYLER.
COUNCIL MEMBERS COUCH, DAVIS, JOHNSON, STEELE,
WATT.**

CALL TO ORDER

CALL TO ORDER

MOTION CARRIED.

APPROVE MINUTES

APPROVE MINUTES

RECOGNITION OF OUTGOING COUNCIL MEMBER

RECOGNITION OF OUTGOING COUNCIL MEMBER

Council Member Watt thanked Mayor Plyler and Council Member Davis. He said the City Council and the City staff had been an awesome group to work with, adding that

Robby Hefton “rocked the house” as City Manager. He said he originally ran for City Council to address the issues of substandard structures and a flood control program.

Both issues have been addressed and the City now has a Substandard Structure Program and a Flood Control Program with \$53 million worth of projects. These projects will be taken in “little bites.”

Council Member Watt said he was hired by Sheriff Gary on May 1, 2016 to serve as his Chief Deputy, and he learns from him every day. He said this is probably the “smoothest handoff from one Sheriff to another” in Texas history. He thanked Sheriff Gary for all he has done for him and for Grayson County.

He added that it had been a pleasure serving the citizens of Sherman.

INTRODUCTION AND PUBLIC HEARING OF ORDINANCES

Mayor Plyler introduced Ordinance No. 5959 and called for a public hearing:

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING THE ISSUANCE OF “CITY OF SHERMAN, TEXAS, TAX AND WATERWORKS AND SEWER SYSTEM (LIMITED PLEDGE) REVENUE CERTIFICATES OF OBLIGATION, SERIES 2016”; SPECIFYING THE TERMS AND FEATURES OF SAID CERTIFICATES; PROVIDING FOR THE PAYMENT OF SAID CERTIFICATES OF OBLIGATION BY THE LEVY OF AN AD VALOREM TAX UPON ALL TAXABLE PROPERTY WITHIN THE CITY AND A LIMITED PLEDGE OF THE NET REVENUES FROM THE OPERATION OF THE CITY’S WATERWORKS AND SEWER SYSTEM; RESOLVING OTHER MATTERS INCIDENT AND RELATING TO THE ISSUANCE, PAYMENT, SECURITY, SALE AND DELIVERY OF SAID CERTIFICATES, INCLUDING THE APPROVAL AND EXECUTION OF A PAYING AGENT/REGISTRAR AGREEMENT AND THE APPROVAL AND DISTRIBUTION OF AN OFFICIAL STATEMENT; PROVIDING A REPEALER CLAUSE; PROVIDING FOR SEVERABILITY; PROVIDING AN EFFECTIVE DATE.

ORD 5959
CERTIFICATES OF
OBLIGATION FOR
VARIOUS STREET &
FACILITY
IMPROVEMENT
PROJECTS

Robby Hefton, City Manager, said this is the final action on the issuance of a little over \$7 million in Certificates of Obligation. The proceeds will be used for various general projects including street projects and renovating the Public Library.

Garry Kimball, Managing Director, Specialized Public Finance Inc., distributed a copy of the bid tally. This morning, at a competitive sale, they offered approximately \$7 million in Certificates of Obligation. They received eight bids, representing 13 different firms.

Raymond James & Associates, Inc., provided the best bid with the lowest interest rate of 2.15%, on a 20 year fixed. He said they recently set an all-time record low in the tax exempt market, so the timing was great. The budgeted rate was 3.75%, which was conservative. The difference in total debt service over the 20 year term will be about \$1.2 million.

Mr. Kimball added that the representative of Raymond James & Associates' father was a former City Manager of Sherman. He predicted on Friday that his firm would have the winning bid, and that was the case.

Mr. Kimball said this was a very good showing and was an attractive issue to the bidders. The City benefited from what's going on in the market and also from a lack of supply in Texas. He said this was the only "sizable issue" on the docket today and the City AA bond rating was very attractive.

Mr. Hefton said through the process of issuing the bonds, the City goes through a rigorous evaluation of the finances by Standard & Poor. He recognized the Finance Department Staff adding that the AA bond rating is something of which to be proud. He said there is no way the City can obtain a higher bond rating, with things that are in their control. He said there was good feedback about the City's financial controls and status, and about the conservative approach to budgeting.

Mr. Kimball said the City was in the highest rating category of every category that is in their control.

No citizens appeared before the City Council to discuss Ordinance No. 5959.

Mayor Plyler introduced Ordinance No. 5960 and called for a public hearing:

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AMENDING SECTION 12, ORDINANCE NO. 2280, SO AS TO INCLUDE CERTAIN PROPERTIES WITHIN THE C-1 (RETAIL BUSINESS) DISTRICT AT 5011 NORTH U.S. HIGHWAY 75, BEING 5.161 ACRES IN THE BROWN RICKETTS SURVEY, ABSTRACT NO. 1153 (RUSSELL SPEARS, OWNER; RODNEY OWENS, PARAMOUNT SENIOR LIVING, PROSPECTIVE BUYER; DFD ARCHITECTS, INC., ARCHITECT; AND KEEN SURVEYING, LLC, SURVEYOR); PROVIDING FOR A REPEALER.

ORD 5960
ZONE CHANGE
(5011 N. HWY 75)

Scott Shadden, Director of Development Services, said this is a five acre tract located at the northeast corner of US Hwy 75 and Fallon Drive. The request is for a nursing home and goes with Ordinance 5961 for a specific use permit.

Rodney Owens, Paramount Senior Living

Mr. Owens is the owner, operator, builder, and developer for the proposed nursing home. They formally owned some

beds in a facility in Gunter that was closed, and he said there is a need for a nursing facility in Grayson County. Originally he tried to purchase property west of US Hwy 75, however the neighborhood was opposed. He did have citizens comment that a new nursing facility is needed in the area.

Mr. Owens said there are several facilities in Sherman and Denison, but competition is good, when it comes to care. He said people associated with other facilities will be opposed to him opening a nursing home. Competition makes everyone “step their game up” and results in the best quality of care.

Donna Snyder, Executive Director, Beacon Hill, Denison, Texas

Ms. Snyder was opposed to approval of the request for another skilled nursing home in Grayson County. She said Grayson County currently has 10 nursing facilities, with a combined total of 1,264 licensed beds, of which 781 are currently occupied. This leaves 483 unoccupied beds. In the City of Sherman alone, there are 132 unoccupied beds.

Ms. Snyder said Grayson County currently suffers from a lack of certified nurses in the area. She said there are currently 55 positions open among these 10 nursing facilities, not including the 26 open positions that would be required to open the other half of the newest nursing facility.

She asked, how another nursing facility could be approved for the area with the demographics that are currently in place. More competition is not affordable for anyone, especially the residents of Grayson County, that require a licensed staff to provide care. She asked the City Council to not approve the new nursing facility.

Council Member Couch confirmed that Ms. Snyder’s facility is located in Denison and they have 144 beds, with 114 currently occupied. Council Member Steele confirmed that Ms. Snyder’s reason for the lack of competition is that there is not enough skilled staff in the area. She said not one of the 10 facilities are fully staffed. She added that it is hard financially on the facilities because they have to pay so much overtime.

Council Member Steele said, as a private business owner, he did not feel that a government body should discourage them from putting their money into any venture. It’s up to the business owner how they will staff their facility. Council Member Davis said it’s for the employees and the patients to decide what facility they want to go too.

Council Member Couch said he was elected to represent the citizens of Sherman and the interest of those citizens, and Mr. Owens finds it lucrative to open his business in Sherman and we appreciate that. He felt competition in the County

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would be better for the patients. It may have some negatives on the “front end” but he felt everyone could do business as usual if the request was approved.

He asked Ms. Snyder to reiterate her opposition to the request. She said she was opposed because there were no facilities in Grayson County that were close to 90% occupied. There are not enough patients to go around.

Council Member Johnson said, as a Human Resources professional, she understood the staffing shortage. However, she also understood attracting and retaining staff with benefits, money, etc. She said a private business owner will have to determine those for themselves. Keeping and retaining employees depends on the pay scale at the facility.

Mayor Plyler reminded the Council that this item was really a zoning issue.

No other citizens appeared before the City Council to discuss Ordinance No. 5960.

Mayor Plyler introduced Ordinance No. 5961 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 SKILLED NURSING FACILITY IN A C-1 (RETAIL BUSINESS) DISTRICT/O-1 (75 & 82 OVERLAY) DISTRICT AT 5011 NORTH U.S. HIGHWAY 75, BEING 5.161 ACRES IN THE BROWN RICKETTS SURVEY, ABSTRACT NO. 1153 (RUSSELL SPEARS, OWNER; RODNEY OWENS, PARAMOUNT SENIOR LIVING, PROSPECTIVE BUYER, DFD ARCHITECTS, INC., ARCHITECT; AND KEEN SURVEYING, LLC, 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.

**ORD 5961
SUP FOR SKILLED
NURSING FACILITY
(5011 N. HWY 75)**

Mr. Shadden said this is the SUP for the nursing facility and there was no opposition before the Planning and Zoning Commission.

No citizens appeared before the City Council to discuss Ordinance No. 5961.

Mayor Plyler introduced Ordinance No. 5962 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 ONE-FAMILY RESIDENTIAL DWELLING IN A C-1 (RETAIL BUSINESS) DISTRICT AT 715 NORTH ELM STREET, BEING LOT 18, BLOCK 1, L.C. CHAPMAN ADDITION (RAY AND SARAH BEATY, OWNERS;

**ORD 5962
SUP FOR ONE-FAMILY
RESIDENTIAL
DWELLING
(715 N. ELM)**

AND JARED TREDWAY DESIGN, DESIGNER); 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 700 block of North Elm Street is zoned Commercial, however there are several homes that have been there for years. They plan to build a single-family residence but will build to Commercial standards so it could be converted later. The Planning and Zoning Commission recommended approval of the request.

No citizens appeared before the City Council to discuss Ordinance No. 5962.

The Public Hearing was closed.

ADOPTION OF ORDINANCES

Ordinance 5959

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING THE ISSUANCE OF “CITY OF SHERMAN, TEXAS, TAX AND WATERWORKS AND SEWER SYSTEM (LIMITED PLEDGE) REVENUE CERTIFICATES OF OBLIGATION, SERIES 2016”; SPECIFYING THE TERMS AND FEATURES OF SAID CERTIFICATES; PROVIDING FOR THE PAYMENT OF SAID CERTIFICATES OF OBLIGATION BY THE LEVY OF AN AD VALOREM TAX UPON ALL TAXABLE PROPERTY WITHIN THE CITY AND A LIMITED PLEDGE OF THE NET REVENUES FROM THE OPERATION OF THE CITY’S WATERWORKS AND SEWER SYSTEM; RESOLVING OTHER MATTERS INCIDENT AND RELATING TO THE ISSUANCE, PAYMENT, SECURITY, SALE AND DELIVERY OF SAID CERTIFICATES, INCLUDING THE APPROVAL AND EXECUTION OF A PAYING AGENT/REGISTRAR AGREEMENT AND THE APPROVAL AND DISTRIBUTION OF AN OFFICIAL STATEMENT; PROVIDING A REPEALER CLAUSE; PROVIDING FOR SEVERABILITY; PROVIDING AN EFFECTIVE DATE.

ORD 5959
CERTIFICATES OF
OBLIGATION FOR
VARIOUS STREET &
FACILITY
IMPROVEMENT
PROJECTS

Ordinance 5960

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AMENDING SECTION 12, ORDINANCE NO. 2280, SO AS TO INCLUDE CERTAIN PROPERTIES WITHIN THE C-1 (RETAIL BUSINESS) DISTRICT AT 5011 NORTH U.S. HIGHWAY 75, BEING 5.161 ACRES IN THE BROWN RICKETTS SURVEY, ABSTRACT NO. 1153 (RUSSELL SPEARS, OWNER; RODNEY OWENS, PARAMOUNT SENIOR LIVING, PROSPECTIVE BUYER; DFD ARCHITECTS, INC., ARCHITECT; AND KEEN SURVEYING, LLC, SURVEYOR); PROVIDING FOR A REPEALER.

ORD 5960
ZONE CHANGE
(5011 N. HWY 75)

Ordinance 5961

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AMENDING SECTION 8, SUBSECTION

ORD 5961
SUP FOR SKILLED
NURSING FACILITY

(5)(A), ORDINANCE NO. 2280, SO AS TO GRANT A SPECIFIC USE PERMIT TO ALLOW A SKILLED NURSING FACILITY IN A C-1 (RETAIL BUSINESS) DISTRICT/O-1 (75 & 82 OVERLAY) DISTRICT AT 5011 NORTH U.S. HIGHWAY 75, BEING 5.161 ACRES IN THE BROWN RICKETTS SURVEY, ABSTRACT NO. 1153 (RUSSELL SPEARS, OWNER; RODNEY OWENS, PARAMOUNT SENIOR LIVING, PROSPECTIVE BUYER, DFD ARCHITECTS, INC., ARCHITECT AND KEEN SURVEYING, LLC, 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.

(5011 N. HWY 75)

Ordinance 5962

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 ONE-FAMILY RESIDENTIAL DWELLING IN A C-1 (RETAIL BUSINESS) DISTRICT AT 715 NORTH ELM STREET, BEING LOT 18, BLOCK 1, L.C. CHAPMAN ADDITION (RAY AND SARAH BEATY, OWNERS; AND JARED TREDWAY DESIGN, DESIGNER); 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

ORD 5962
SUP FOR ONE-FAMILY
RESIDENTIAL
DWELLING
(715 N. ELM)

ACTION TAKEN.

Motion by Council Member Couch to adopt Ordinance Nos. 5959, 5960, 5961, and 5962, as presented. Second by Council Member Watt.

VOTING AYE: Couch, Davis, Johnson, Steele, Watt.

VOTING NAY: None.

MOTION CARRIED.

CONSENT AGENDA

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

CONSENT AGENDA

RESOLUTIONS

RESOLUTION NO. 6103 – AUTHORIZING THE EXECUTION OF AN ADVANCE FUNDING AGREEMENT BETWEEN THE CITY OF SHERMAN AND THE STATE OF TEXAS, ACTING BY AND THROUGH THE TEXAS DEPARTMENT OF TRANSPORTATION, FOR A TRANSPORTATION ALTERNATIVES PROGRAM PROJECT (SHERMAN STREETScape PHASE II)

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING THE EXECUTION OF AN ADVANCE FUNDING AGREEMENT BETWEEN THE CITY OF SHERMAN AND THE STATE OF TEXAS, ACTING BY AND THROUGH THE TEXAS DEPARTMENT OF TRANSPORTATION, FOR A TRANSPORTATION ALTERNATIVES PROGRAM PROJECT (SHERMAN STREETScape PHASE II).

RES 6103
ADVANCE FUNDING
AGREEMENT
(SHERMAN
STREETSCAPE
PHASE II)

Clint Philpott, City Engineer, said the City applied for a grant with the Texas Department of Transportation for sidewalk extensions, east of the downtown area. This agreement allows the City to move forward with the engineering designs.

ACTION TAKEN.

Motion by Council Member Johnson to approve Resolution No. 6103, as presented. Second by Council Member Watt.

VOTING AYE: Couch, Davis, Johnson, Steele, Watt.

VOTING NAY: None.

MOTION CARRIED.

RESOLUTION NO. 6104 – AUTHORIZING EXECUTION OF A DEVELOPER’S AGREEMENT WITH ZAKIAH US, LLC % GEES, INC. FOR THE CONSTRUCTION OF PUBLIC FACILITIES IN PEBBLEBROOK SOUTH PHASE III, AN 8.99 ACRE SUBDIVISION SOUTH OF PARK STREET ALONG SOUTHRIDGE LANE IN THE CITY OF SHERMAN

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING EXECUTION OF A DEVELOPER’S AGREEMENT WITH ZAKIAH US, LLC % GEES, INC. FOR THE CONSTRUCTION OF PUBLIC FACILITIES IN PEBBLEBROOK SOUTH PHASE III, AN 8.99-ACRE SUBDIVISION SOUTH OF PARK STREET ALONG SOUTHRIDGE LANE IN THE CITY OF SHERMAN.

**RES 6104
DEVELOPER’S
AGREEMENT
PEBBLEBROOK
SOUTH, PHASE III**

Mr. Philpott said this agreement is for the streets, water, and sewer in a 46 lot development. They appeared before the City Council last month with Phase II, which was 45 lots. This is Phase III.

ACTION TAKEN.

Motion by Council Member Watt to approve Resolution No. 6104, as presented. Second by Council Member Steele.

VOTING AYE: Couch, Davis, Johnson, Steele, Watt.

VOTING NAY: None.

MOTION CARRIED.

OTHER BUSINESS

RECEIVE QUARTERLY PROGRESS REPORT FROM SHERMAN ECONOMIC DEVELOPMENT CORPORATION BOARD SECRETARY JOHN SILD AND SEDCO PRESIDENT JOHN PLOTNIK

John Sild, Sherman Economic Development Corporation Secretary, presented the Quarterly Report. He outlined completed projects such as the project to widen Progress Drive in Progress Park III, which created a parking lane for trucks waiting to off-load materials at Progress Rail Services and Panda Sherman Power.

**SEDCO QUARTERLY
REPORT**

SEDCO hosted its 20th Anniversary Celebration on April 25, 2016. They also entered an agreement with Texas Aviation Partners to market the North Texas Regional Airport to

attract new jobs and investments to the region. SEDCO also entered a performance agreement with J.P. Hart Lumber to provide a \$510,000 incentive toward a \$5.5 million capital investment to construct a lumber and building materials distribution center and the staffing of 37 employees.

Mr. Sild said SEDCO is working on 11 active projects with an estimated \$1.1 billion in investments and the possibility of 2,184 new jobs.

During the past quarter, SEDCO paid a total of \$802,000 in grant funds for \$25 million in capital investment and up to 79 jobs. They had 19 site visits from companies interested in possible location within Sherman. SEDCO also visited with 86 site selectors, commercial brokers, and other real estate professionals to discuss Sherman's assets, to give them the information they will need to promote the community.

SEDCO is also working with Burlington Northern Santa Fe Railway to showcase Progress Industrial Park as a rail served, shovel ready site for new industry. These marketing channels will give Sherman a national and international venue for marketing.

RECEIVE PRESENTATION ON PROPOSED CHANGES TO THE SHERMAN CODE OF ORDINANCES RELATED TO LARGE LOTS

**LARGE LOT
ORDINANCES**

Mr. Hefton said about a year ago, the City was faced with a complaint from a lady whose neighbors had goats. The staff eventually presented a proposal to govern this type of activity based on lot size and a one acre lot was the demarcation point.

Since that time, the staff has been looking for other issues that could be managed through the size of a lot. As the City grows to the west, many of the properties that have been annexed are large lots with different needs from the central City.

Nate Strauch, Communications Manager, and Pam Cloer, Assistant to the City Manager, were tasked with looking at other issues that might be governed by lot size.

Mr. Strauch introduced the project saying that most cities treat every lot the same, regardless of size. After a review of the City's ordinances, there were several areas that were identified that could be improved for citizens with large lots.

He explained his criteria for examining the ordinances, including why the ordinance was enacted, its benefit to the property owner, cost to the property owner, benefit to the neighbors or community, do the costs/benefits change on large lots, and does it make sense to "recalibrate the scales" of private property rights vs neighborhood/community benefit.

Based on those criteria, Mr. Strauch presented eight areas that might be improved based on large lot size. These areas for consideration include driveway requirements, vehicle parking, trailer storage, required sewer connection, fencing, R-A Zoning, animals, and open burning.

The staff recommended the following changes, based on lot size:

- On lots of one acre or more, driveways do not automatically have to be paved
- Parking on a standard driveway is required on lots of less than one acre
- RVs and trailers, except small travel trailers, on lots of less than one acre, shall be housed in a building
- Septic systems are not allowed in the City, but it is a defense to prosecution if the owner/occupant has obtained a permit from Grayson County and installed a functioning septic system
- Allow barbed-wire fences for the “husbandry of livestock”
- For R-A Zoning, decrease minimum lot size from two acres to one acre, eliminate the set-back requirements, and eliminate the requirement for paved parking
- Prohibits swine on lots of less than one acre
- Unlawful to keep bees on any lot of less than five acres, however they may still be declared a nuisance if maintained in a way to negatively affect neighboring lots
- A dog, on the owner’s private property, is not required to be on a leash or chain if the dog remains on the premises

Council Member Steele asked if the staff had considered “tiny houses.” He asked about code requirements for these types of structures. Mr. Shadden said most tiny houses would not meet the City’s Code for safety. Council Member Steele asked the staff to look at the requirements for tiny houses.

Council Member Couch said another phenomenon is storage containers or multiple containers being converted into larger homes. He felt the staff should also review the Code for these types of homes.

Council Member Davis asked if the staff had considered eliminating some types of materials for driveways that cause dust. He added that there are some rocks, such as granite, that produce less dust.

Mr. Strauch said if the City Council was in favor of these changes, the staff would present them in the form of an ordinance at a future meeting.

One other item was considered in regards to large lots, and that was the issue of open burning. Currently, open burning is not allowed inside the City limits. The International Fire Code, which has been adopted by the City, does allow open burning at distances closer to buildings than what the staff is proposing.

He said, on a large lot, open burning would be less likely to damage your neighbor's property than on a small lot. The current ordinance allows small fires (3' x 3 x 2) within fire pits, chimneas, or enclosed structures. Large fires (up to 30' x 10 x 10) would still require approval from the Fire Department.

The staff is proposing the adoption of a "standing permit" ordinance to allow burning of medium-sized brush piles under conditions identical to what is required for large fires, such as wind speed, humidity, and no burn ban.

Mr. Strauch said that currently, if a citizen wants to have a fire larger than a 3' x 3 x 2 fire, they must pay the City a fee of \$1,000 per day; conduct the fire with the property owner present, or with his permission; must sign a liability release; humidity must be greater than 40%; wind speed must be less than 15 mph; burn pile must be less than 30' x 10 x 10; there must be no burn ban in effect; and they must submit a map showing the burn location to the Fire Department.

He said the staff is proposing to carve a niche for homeowners on large lots to allow them to conduct medium-sized open burns without explicit permission. All safety-related requirements would still have to be met.

With the "standing permit," there would be no fee paid to the City; no signed liability release; the burn pile must be less than 10' x 10 x 5; and there would not need to be a map of the burn location submitted to the Fire Department. Two additional requirements would be that the fire must be 100 feet from any structure and all property lines and 300 feet from any "sensitive receptor," which is a requirement from the Texas Commission on Environmental Quality (TCEQ). A sensitive receptor is a residence other than the actual property owner's house, a commercial business, livestock, an immediately occupied structure, or any type of live vegetation that could be harmed by smoke.

Mr. Strauch said the homeowner could also get written permission from the neighbors to conduct an open burn within 100 feet of any sensitive receptor.

Other TCEQ requirements include that the burning must not cause a "nuisance or traffic hazard" regardless of the location, the burned material must have been grown on-site, no open burning can be started before sunrise or after sunset, and the fires must be attended at all times.

Council Member Davis confirmed that the City offers brush pickup for all lots within the City, but Mr. Hefton said they are limited to a certain amount. Council Member Davis asked why a property owner would burn on the property rather than have it picked up. Mr. Hefton said burning is for vegetation on a property and if there is a lot of trees or other vegetation, it is easier to burn it in smaller piles rather than move it curbside for pickup. Mr. Strauch added that brush pickup is only allowed once per month at each property.

Council Member Steele verified that there could be multiple burn piles on property, as long as each pile meets the requirements. Council Member Watt verified that the rules would be enforced by the Fire Marshal. Mr. Hefton said language could be added to require that multiple piles are a specific distance apart. Mr. Strauch said the ordinance was aimed at the homeowner and not a developer on a larger piece of property.

Mr. Hefton said there are other issues that will be discussed later and added that it is a “delicate balance” to protect the welfare and safety of the entire community and still protect property rights.

Council Member Couch said the requirement that a fire must be 100 feet from any structure and all property lines was twice the distance required by the International Fire Code. He asked about the thought process for that decision. Mr. Strauch said that distance is used other places in the Fire Code and is thought to be a distance where the Fire Department could arrive before the fire spread. Danny Jones, Fire Chief, added that the fire codes were not written specifically for Sherman, Texas, but must apply to all cities.

Council Member Johnson verified that for a large developer with a large burn, the requirements would still stand. Council Member Davis verified that the fire must be attended constantly. Council Member Steele felt if there were going to be multiple burn piles, the owner should notify the Fire Department. Chief Jones agreed that anytime the burn is larger than a fire pit, the Fire Department needs to be notified so they know what’s going on.

Mr. Strauch said the staff has also worked on the issues of firearms and fireworks, however they are not ready to make any recommendations. Currently firearms are prohibited in the City limits, but the Texas Local Government Code limits what the City can actually regulate.

Also, fireworks are currently not allowed in the City, but the staff has discussed allowing citizens some freedom if they are on a large lot. That may be brought back to the City Council at a later date.

Mr. Strauch presented three other large-lot ordinances that he felt might be considered, but were not approved by the

City Manager. These include an exemption from the International Codes for building, no requirement to pull a building permit, and a substandard structure exemption as it might apply to an “old barn.”

Council Member Davis verified that the Carriage Estates, Setting Sun Estates, and Wilsonwood Way Subdivisions include lots that are two plus acres. There are also some individually platted plots that include dozens of acres. There are some developers that are currently planning subdivisions that want to use large lots. The discussion is how to balance the rights of individuals and property owners.

CONSIDER REQUEST OF AUSTIN COLLEGE TO TEMPORARILY CLOSE CERTAIN STREETS FOR THE 2016 “A” RUN FOR ‘ROOS ON SATURDAY, OCTOBER 15, 2016

The City Council approved the request of Austin College to temporarily close certain streets surrounding the campus, for the 2016 “A” Run for ‘Roos on October 15, 2016. City labor and equipment will be used to provide traffic control assistance and implement barricade placement and removal. **CONSENT AGENDA.**

**CLOSE STREETS
“A” RUN FOR ‘ROOS
(OCT. 15, 2016)**

APPROVE QUARTERLY INVESTMENT REPORT FOR QUARTER ENDED JUNE 30, 2016

The City Council approved the Quarterly Investment Report for the quarter ended June 30, 2016. A separate report was included for the Tax Note proceeds as required by the City’s Investment Policy.

**QUARTERLY
INVESTMENT
REPORT**

As of June 30, 2016, the portfolios were in compliance with applicable State laws and the Investment Policy. The Operating investment portfolio had a book value of about \$19.4 million, a decrease of about \$1.1 million from the prior quarter of \$20.5 million, due to a called U.S. Agency Security and purchases and maturities of several State of Texas Obligations, a Certificate of Deposit maturity and renewal, and a withdrawal from a Local Government Investment Pool.

The underlying investments were adequately diversified among four different types of securities. This portfolio is appropriately liquid and its weighted-average maturity was about 496 days, down slightly from 498 days from last quarter.

The portfolio yield of 0.903% for the quarter is higher than the benchmark yield of 0.45%. The portfolio value on the City’s books is essentially equal to the market value of the overall portfolio.

The CO debt proceeds portfolio balance of \$1.8 million was invested in a Local Government Investment Pool with a maturity of one day. The only transaction in this portfolio

was the receipt of interest income. The yield of .35% was above the benchmark yield of .20% for this portfolio. Book value and market value were about the same.
CONSENT AGENDA.

SITE PLAN APPROVAL AND EXCEPTION FOR FISHER CONTROLS INTERNATIONAL, INC., OWNERS; FISHER CONTROLS, TENANT; AND ALAN McKELVA, REPRESENTATIVE; UNDER ORDINANCE NO. 2252, ARTICLE IV, SECTION 410(2)(J) FOR THE CONSTRUCTION OF AN ADDITION FOR A POWDER PAINT SYSTEM FOR FISHER CONTROLS AND EXCEPTION UNDER ORDINANCE NO. 2252, ARTICLE IV, SECTION 410(2)(M) TO ALLOW PAINTED “R” TYPE PANELS ON AN OUTDOOR CURE OVEN FOR A POWDER PAINT SYSTEM IN LIEU OF REQUIRED MASONRY IN THE BLALOCK INDUSTRIAL PARK DISTRICT AT 4725 SOUTH U.S. HIGHWAY 75

The City Council approved the Site Plan and Exception for Fisher Controls International, Inc., for the construction of an addition for a Powder Paint System at their facility, located at 4725 S. US Hwy 75. The Exception was to allow painted “R” Type Panels on an Outdoor Cure Oven, in lieu of the required masonry in the Blalock Industrial Park District.

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

FINAL PLAN APPROVAL OF PEBBLEBROOK SOUTH, PHASE III, BEING 8.99 ACRES IN THE ELIZABETH JONES SURVEY, ABSTRACT NO. 625; ZAKIAH US, LLC, OWNERS; GEES, INC., ENGINEER; AND COX LAND SURVEYING COMPANY, SURVEYOR (2300 BLOCKS OF PEGGEY’S COVE AND SOUTHRIDGE LANE AND 3400-3500 BLOCKS OF HANAN STREET)

The City Council approved the Final Plat of Pebblebrook South, Phase III, which is 8.99 acres, located in the 2300 blocks of Peggey’s Cove and Southridge Lane and the 3400 to 3500 blocks of Hanan Street.

The property is located in the Pebblebrook Subdivision on S. FM 1417 and the owners would like to plat the property into 46 lots for residential development. The Planning and Zoning Commission recommended approval of the Final Plat, subject to the Staff Review Letter.
CONSENT AGENDA.

CITIZENS REQUESTS

There were no citizen’s requests.

MEDIA QUESTIONS

There were no media questions.

SITE PLAN APPROVAL
& EXCEPTION IN
BLALOCK DIST.
FOR FISHER
CONTROLS

FINAL PLAT
APPROVAL FOR
PEBBLEBROOK
SOUTH, PHASE III

CITIZENS REQUESTS

MEDIA QUESTIONS

COUNCIL COMMENTS

SEDCO'S 20TH ANNIVERSARY

Council Member Johnson congratulated the Sherman Economic Development Corporation on their 20th Anniversary.

SEDCO'S 20TH
ANNIVERSARY

CHRISTMAS IN JULY

Council Member Johnson said "Christmas in July" was amazing and congratulated those that participated

CHRISTMAS IN
JULY

SARAH McRAE'S BIRTHDAY

Council Member Johnson wished Sarah McRae, Tourism/ Main Street Manager "Happy Birthday."

SARAH McRAE'S
BIRTHDAY

PLEASURE WORKING AS CITY COUNCIL MEMBER

Council Member Watt said it has been a pleasure working with everyone and encouraged them to "keep up the good work."

PLEASURE WORKING
AS CITY COUNCIL
MEMBER

RECOGNITION FOR COUNCIL MEMBER TOM WATT

Council Member Davis said he met Council Member Watt when they both filed to run for City Council, but in different districts. He said fortunately they weren't running against each other.

RECOGNITION FOR
COUNCIL MEMBER
WATT

During these last three years, he said he has gotten to know Council Member Watt pretty well, and knows he has the City's best interest at heart. He also has come to know him as a man of virtue, faith, integrity, and a dedication to serving others. He added that we are blessed to have people like Council Member Watt in our community, and the community is blessed to have so many people with those attributes, serving.

Council Member Davis thanked Council Member Watt for his honesty, integrity, and willingness to serve the citizens of Sherman and of Grayson County. He said he is an inspiration to everyone. He wished him good luck on his new job.

RECOGNITION FOR COUNCIL MEMBER WATT

Council Member Steele said he has known Council Member Watt for many years, and hasn't found anyone that would say anything bad about him. He congratulated him on his election as Sheriff and said he looked forward to many more years of him serving the County.

RECOGNITION FOR
COUNCIL MEMBER
WATT

RECOGNITION FOR COUNCIL MEMBER WATT

Council Member Couch said he hasn't known Council Member Watt as long, but he has been a "great encourager" to him. He also appreciated his service for the citizens of Sherman.

RECOGNITION FOR
COUNCIL MEMBER
WATT

LARGE LOT ORDINANCES

Council Member Couch said he was excited to be a part of a governmental body that was forward thinking in looking at laws and bringing ideas forward for discussion.

**LARGE LOT
ORDINANCES**

ANNOUNCEMENTS

Mayor Plyler announced the following:

- A Parks and Recreation Master Plan Public Input Session will be held on July 19, 2016, at 6:30 p.m. in the Municipal Ballroom. Citizens should attend and give input on the parks system.
- Hot Summer Nights will continue on July 21, 2016 at 7:30 p.m. with the band “Eleven Hundred Springs.”
- The final Hot Summer Nights performance will be July 28, 2016, with the band “Los Lonely Boys.”

ANNOUNCEMENTS

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 551.071(1)

CONSULTATION WITH CITY ATTORNEY CONCERNING PENDING OR CONTEMPLATED LITIGATION

SECTION 551.074

PERSONNEL MATTERS: DELIBERATE THE APPOINTMENT, EMPLOYMENT, EVALUATION, REASSIGNMENT, DUTIES, DISCIPLINE OR DISMISSAL OF A PUBLIC OFFICER OR EMPLOYEE

SECTION 551.087

DELIBERATE REGARDING ECONOMIC DEVELOPMENT NEGOTIATIONS: DELIBERATE REGARDING COMMERCIAL OR FINANCIAL INFORMATION THAT THE CITY HAS RECEIVED FROM A BUSINESS PROSPECT AND DELIBERATE ANY OFFERS OR INCENTIVES TO THE BUSINESS PROSPECT

On Motion duly made and carried, the Open Meeting recessed and reconvened in Executive Session at 6:26 p.m.

On Motion duly made and carried, the Executive Session recessed at 6:51 p.m. and reconvened in Open Meeting.

COUNCIL MINUTES – JULY 18, 2016

OPEN MEETING

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

APPOINTMENT TO FILL UNEXPIRED DISTRICT 3 TERM ON THE CITY COUNCIL

ACTION TAKEN.

Motion by Council Member Steele to appoint Pam Howeth to fill the unexpired District 3 City Council term vacated when Council Member Tom Watt resigned. The appointment will be to serve until the next Regular Municipal Election in November 2016. Second by Council Member Couch.

VOTING AYE: Couch, Davis, Johnson, Steele, Watt.

VOTING NAY: None.

MOTION CARRIED.

OATH OF OFFICE

Linda Ashby, City Clerk, administered the Oath of Office to the following Council-appointed position.

Council Member, District 3

Pam Howeth

NEW COUNCIL

MEMBERS PRESENT: Mayor David Plyler.

Council Members Couch, Davis,
Howeth, Johnson, Steele.

MEMBERS ABSENT: Deputy Mayor Jason Sofey.

ADJOURNMENT

On Motion duly made and carried, the meeting adjourned at 6:53 p.m.

OPEN MEETING

APPOINTMENT TO
FILL UNEXPIRED
COUNCIL TERM

OATH OF OFFICE

ADJOURNMENT

MAYOR

CITY CLERK