STATE OF TEXAS §

July 17, 2017

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 17, 2017.

MEMBERS PRESENT: **MAYOR DAVID PLYLER; DEPUTY MAYOR JASON SOFEY. COUNCIL MEMBERS BROWN, COUCH, HOWETH, STEELE, TEAMANN.**

MEMBERS ABSENT: **NONE.**

CALL TO ORDER — **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 Charles Brown, Sr.

APPROVE MINUTES — **APPROVE MINUTES**

The Council reviewed the Minutes of the Regular City Council Meeting of June 19, 2017. Council Member Couch moved to approve the Minutes as presented; Second by Council Member Howeth. All present voted AYE.
MOTION CARRIED.

PUBLIC HEARING

CONDUCT THE FIRST PUBLIC HEARING CONCERNING THE ANNEXATION OF A 19.379 ACRE TRACT OF LAND IN KINGS RIDGE ADDITION ON NORWOOD STREET, ADJACENT TO THE SHERMAN CITY LIMITS AND IN THE CITY OF SHERMAN'S EXTRA TERRITORIAL JURISDICITION — **ANNEXATION KINGS RIDGE ADDITION**

Mayor Plyler called for a public hearing on the annexation of a 19.379 acre tract of land in Kings Ridge Addition on Norwood Street.

Robby Hefton, City Manager, said this is the first public hearing for Kings Ridge Addition, on the east side of Norwood Street in Carriage Estates. The second public hearing will be held at a Called Meeting on July 31, 2017. The annexation ordinance will be considered for adoption on August 21, 2017.

Mark Deans, 2004 Norwood Street

Mr. Deans distributed a handout about his concerns for the proposed annexation. He thanked the City for the work that has been done since the annexation of Carriage Estates. They now have great water and water pressure, fire hydrants, a reduced cost for trash service, and a police presence.

There are 10 homeowners that are across the street from the proposed annexation, that they believe will be effected by the annexation as it is platted. The zoning for the annexed area will be R-A, which is residential, agricultural, which states

that the lot size will be a two-acre minimum. The requirements also say they will have a 200 foot lot width, which is not in the current plat.

He asked if the Planning and Zoning Commission would require the development to be replatted to meet these existing standards.

Mr. Deans said the property line for the area is not the center of the road, or even the edge of the road. The current property owner on the west side of the street, actually owns up to the edge of the road easement. Therefore the property owners on the west side "take care of" the land on the other side of the road.

The R-A designation states there will be a 30 foot setback, but Mr. Deans asked where that 30 feet would stop. He felt it should be from the front of the property line.

He said currently the property owners on the west side of the road have maintained this easement on the east side of the road for many years.

With 20 lots proposed for that part of the new development, Mr. Deans said there will be 20 driveways and 20 mailboxes that would cut across the land owned by these homeowners across the street. Since the lots on the west side are larger, some residents might have up to three driveways across the street from their property.

He also expressed concern that someone entering the new property, driving or walking across "his property," might stumble or drive off the driveway into the drainage ditch. He asked who would be responsible for any injury or damage.

He said he and his neighbors would like additional communication about what's going on with the plat for the Kings Ridge Addition. He felt that eventually, someone should meet with the property owners and let them know what's going on. They would like to know that the City's plan meets the R-A requirements.

Deputy Mayor Sofey asked about the preliminary plat. Mr. Hefton said the property is owned by Bob Tate and was platted years ago, into really narrow lots, that he felt were one acre lots, so they could have septic tanks. The City does not plan to run sewer to the addition and he said it would be costly for the property owners. He said, out of necessity, the lots would be larger than a City lot.

Mr. Hefton said there will also be discussion about how the lots are laid out, because currently it is not a "great layout." Step one is to get the property annexed. Step two will be working with the developer to make sure the sizing, the lots, development, and the infrastructure are "worked out."

Mr. Hefton said the lots are platted, however he did not think this was the ultimate plat of what's being contemplated. Generally, the developer would work with the City after the annexation to determine what it needs to look like. Mr. Hefton agreed that there was nothing normal about the development now.

Stephen Hearrell, 2008 Norwood Street

Mr. Hearrell distributed a handout concerning his opposition to the proposed annexation. He said in its present form, the annexation would create a "substandard community" in what will "soon be the middle of Sherman."

He felt that a new Sherman subdivision should at least have curb and gutter, sidewalks, street lights, and City services, including sewer.

He felt that a developer had every right to develop his property and enjoy the profits he receives. However the City should ensure that Mr. Tate does that correctly, and that means putting in City water and all the services that are necessary. If it's not done then, another City Council will have to spend money later to rectify the situation.

Mr. Hearrell said there is not a good reason to put in septic systems in the middle of town. The City has a Wastewater Treatment facility, paid for with taxpayer money, for the specific purpose of dealing with sewage.

He said there is a history with Carriage Estates. When built, Mr. Tate installed a "super sewer" system and everyone had to pay approximately $5,000 each to tie onto it. When the last lots were sold, Mr. Tate decided he didn't want to run the water system anymore.

The homeowner's association was notified and the Grayson County Health Department advised that it was not a legal sewer system and would have to be shut down. The City couldn't run sewer to the subdivision so they didn't want to annex it.

The residents paid between $5,000 and $7,000 each to install an aerobic sewer system. The water system Mr. Tate had installed was also substandard and there was low water pressure. The City decided they wanted to annex the addition, and gave them "great water." He asked the City not to create another problem that will have to be dealt with in the future with this subdivision.

Mr. Hearrell said the property owners on the west side of Norwood Street have maintained the easement on the east side for many years. He did not think it was fair for new property owners to take their property, because they can.

There will be driveways, mailboxes, and trash cans on the new easement. He felt the property owners "had been

wronged by Mr. Tate," and by the City when they didn't install sewer when the original problem occurred.

The same thing happened to Preston Club, miles past the Kings Ridge Addition, and the City decided they could run sewer to that development. He asked the Council not to put a substandard development in which will eventually be the center of the City.

No other citizens appeared before the City Council to discuss the annexation of a 19.379 acre tract of land in Kings Ridge Addition on Norwood Street.

CDBG ACTION PLAN

FINAL STATEMENT/ACTION PLAN FOR PROGRAM YEAR 2017 COMMUNITY DEVELOPMENT BLOCK GRANT

Mayor Plyler called for a public hearing on the Final Statement / Action Plan for Program Year 2017 of the Community Development Block Grant.

Mary Lawrence, Director of Finance, said this was the annual public hearing for the Block Grant. Last year the City received about $316,000, which was divided between rehabilitation, demolition, and various agencies.

This year the grant will be for about $335,000 and the additional allocation will go towards the City's substandard demolition program.

No citizens appeared before the City Council to discuss the Final Statement / Action Plan for Program Year 2017 Community Development Block Grant.

ORD 6033
CHARTER REVIEW COMMISSION

INTRODUCTION AND PUBLIC HEARING OF ORDINANCES

Mayor Plyler introduced Ordinance No. 6033 and called for a public hearing:

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, CREATING A CHARTER REVIEW COMMISSION IN THE CITY; PROVIDING FOR SEVERABILITY; PROVIDING FOR A REPEALER.

Brandon Shelby, City Attorney, said State law and the City Charter, allows the City to review the Charter every two years and it has been two years since the last review. The Charter allows for a "review commission" to make recommendations for any revisions or updates.

Once recommendations are made to the Council, they can submit the changes to the voters during the Election. The staff has reviewed the Charter and will present their suggestions to the Charter Review Commission.

The final wording for the ordinance calling the Election, will be submitted to the City Council at the last meeting in August 2017. Another item later in this agenda, will consider the appointment of members to the Charter Review Commission, if the ordinance is approved.

No citizens appeared before the City Council to discuss Ordinance No. 6033.

ORD 6034 POLICE DEPT. POSITIONS

Mayor Plyler introduced Ordinance No. 6034 and called for a public hearing:
AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AMENDING CHAPTER 9 OF THE CODE OF ORDINANCES, ENTITLED "PERSONNEL," ARTICLE 9.05, ENTITLED "CIVIL SERVICE FOR FIREFIGHTERS AND POLICE OFFICERS," AT SECTION 9.05.026, ENTITLED "AUTHORIZED NUMBER OF POSITIONS," TO REVISE THE NUMBER OF AUTHORIZED POSITIONS IN THE POLICE DEPARTMENT; PROVIDING FOR INCLUSION IN THE CODE OF ORDINANCES; PROVIDING FOR SEVERABILITY; PROVIDING FOR A REPEALER.

Zach Flores, Police Chief, said when he took over the Police Department in December 2016, the major deficiency was morale, which manifested itself in high turnover. He said the patrol division is the backbone of the department and the day-to-day contact with the citizens.

When he became chief there were 45 officers in the patrol division and they were 10 officers short, or a quarter of the patrol division. Chief Flores said that was a "critical deficiency."

After testing this year, they have successfully filled all 10 positions. When those officers complete training, they will be close to fully staffed. There are still three vacancies, however they have an active list they are working from. He said turnover has also been dramatically reduced, which is a direct result of positive developments in the department.

Chief Flores said his request tonight is for a third Assistant Police Chief, who would be appointed over the patrol division, to help ensure that the City doesn't lose patrol positions. He said if the ordinance is approved, he would appoint Lieutenant Bruce Dawsey to the new Assistant Police Chief position.

Chief Flores said he would also like to add one lieutenant and two patrol positions. He felt these changes would help retain officers and support the initiatives of the department.

No citizens appeared before the City Council to discuss Ordinance No. 6034.

ORD 6035 SPEED LIMIT ON FRIENDSHIP RD

Mayor Plyler introduced Ordinance No. 6035 and called for a public hearing:
AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, PROVIDING FOR A PERMANENT "SPEED LIMIT 30 MPH" SIGN ON FRIENDSHIP ROAD SOUTH OF STATE HIGHWAY 56 WITHIN THE CITY LIMITS OF THE CITY

OF SHERMAN; PROVIDING FOR A PENALTY PROVISION; PROVIDING FOR SEVERABILITY; PROVIDING FOR A REPEALER.

Clint Philpott, Director of Engineering, said both Ordinance 6035 and Ordinance 6036 relate to streets and are both signs. One is a speed limit sign and one is a stop sign. Both signs have been up over 90 days and no comments have been received from citizens. The request is to make the signs permanent.

No citizens appeared before the City Council to discuss Ordinance No. 6035.

Mayor Plyler introduced Ordinance No. 6036 and called for a public hearing:
AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, PROVIDING FOR A PERMANENT "STOP" SIGN ON ROSEDALE STREET AT THROCKMORTON STREET WITHIN THE CITY LIMITS OF THE CITY OF SHERMAN; PROVIDING FOR A PENALTY PROVISION; PROVIDING FOR SEVERABILITY; PROVIDING FOR A REPEALER.

ORD 6036
STOP SIGN

No citizens appeared before the City Council to discuss Ordinance No. 6036.

Mayor Plyler introduced Ordinance No. 6037 and called for a public hearing:
AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AMENDING CHAPTER 13 OF THE CODE OF ORDINANCES, ENTITLED "UTILITIES," ARTICLE 13.08, ENTITLED "UTILITY BILLING," AT SECTIONS 13.08.003 AND 13.08.004 TO PROVIDE A DEPOSIT FOR PAYMENT DELINQUENCY AND FOR THE EARLY REFUND OF DEPOSITS; PROVIDING FOR INCLUSION IN THE CODE OF ORDINANCES; PROVIDING FOR SEVERABILITY; PROVIDING FOR A REPEALER CLAUSE.

ORD 6037
UTILITY BILLING DEPOSITS

Ms. Lawrence said there is a trend with cities to refund utility deposits. Currently the City only requires deposits on commercial accounts, not on residential accounts. There is about $570,000 in deposits being held. The deposits would be refunded as a credit on the bill.

No citizens appeared before the City Council to discuss Ordinance No. 6037.

Mayor Plyler introduced Ordinance No. 6038 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 LIQUOR STORE IN A C-2 (GENERAL COMMERCIAL) DISTRICT/O-1.1 (FM 1417) OVERLAY DISTRICT AT 1730 SOUTH F.M. 1417 (HERITAGE PARKWAY), BEING 2.590 ACRES IN THE ELIZABETH JONES

ORD 6038
SUP FOR LIQUOR STORE (1730 S. FM 1417)

SURVEY, ABSTRACT NO. 625 (KASHMIR SINGH AND SANDEEP KAUR, OWNERS; AND TATCHIO & ASSOCIATES, ARCHITECT); 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.

Scott Shadden, Director of Development Services, said the Planning and Zoning Commission recommended approval of the Specific Use Permit, subject to the staff review letter.

Rod Tatchio, Tatchio & Associates, appeared to answer any questions the City Council might have.

No other citizens appeared before the City Council to discuss Ordinance No. 6038.

Mayor Plyler introduced Ordinance No. 6039 and called for a public hearing:

ORD 6039 SUP FOR SOCIAL ENTERTAINMENT LOUNGE (221 S. TRAVIS)

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 SOCIAL ENTERTAINMENT LOUNGE IN A C-1 (RETAIL BUSINESS) DISTRICT/CENTRAL BUSINESS DISTRICT AT 221 SOUTH TRAVIS STREET, BEING THE NORTH 20' OF LOT 5, BLOCK 8, ORIGINAL TOWN PLAT, LESS AND EXCEPT THE EAST TWELVE FEET OWNED BY THE CITY OF SHERMAN FOR AN ALLEY (WILSON CHILDREN'S TRUST, OWNERS; PATRICK A. CRAVENS, TENANT; AND SARTIN & ASSOCIATES, INC., 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 the Planning and Zoning Commission recommended approval of the Specific Use Permit, subject to the staff review letter, which includes a number of conditions.

<u>Patrick Cravens, 210 Kansas</u>
<u>LaQuita Gathron, 210 Kansas</u>
Mr. Cravens said they decided to add a piano stage and remove the karaoke.

No other citizens appeared before the City Council to discuss Ordinance No. 6039.

Mayor Plyler introduced Ordinance No. 6040 and called for a public hearing:

ORD 6040 SUP FOR BASEBALL & SOFTBALL TRAINING CENTER (4113 N. FRISCO RD)

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 D-BAT TEXOMA A BASEBALL AND SOFTBALL TRAINING CENTER WITH BATTING CAGES (COMMERCIAL AMUSEMENT CENTER IN A C-2 (GENERAL COMMERCIAL) DISTRICT AT 4113 NORTH FRISCO ROAD,

BEING 4.643 ACRES IN THE W.F. PATTERSON SURVEY, ABSTRACT NO. 969 AND THE J. HENDRIX SURVEY, ABSTRACT NO. 503 (BUFFALO GAP STREET PROPERTIES, LLC, OWNERS; D-BAT TEXOMA, TENANT; JOE FLORES, REPRESENTATIVE; AND HELVEY-WAGNER SURVEYING, INC., 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 the Planning and Zoning Commission recommended approval of the Specific Use Permit, subject to the staff review letter, which included some exceptions.

No citizens appeared before the City Council to discuss Ordinance No. 6040.

Mayor Plyler introduced Ordinance No. 6041 and called for a public hearing:

ORD 6041 SUP FOR SELF-STORAGE (2105 S. FM 1417)

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 THE ADDITION OF A SELF-STORAGE FACILITY IN A C-1 (RETAIL BUSINESS) DISTRICT/O-1.1 (FM 1417) OVERLAY DISTRICT AT 2105 SOUTH F.M. 1417 (HERITAGE PARKWAY), BEING LOT 3B, BLOCK 1, REPLAT OF LOT 3 OF COMMUNITY USA ADDITION (SHERMAN STORAGE 1, LLC, OWNERS; AND ROD TATCHIO, TATCHIO & ASSOCIATES, ARCHITECT); 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 Planning and Zoning Commission recommended approval of the Specific Use Permit, subject to the staff review letter.

Mr. Tatchio appeared to answer any questions the City Council might have.

No other citizens appeared before the City Council to discuss Ordinance No. 6041.

Mayor Plyler introduced Ordinance No. 6042 and called for a public hearing:

ORD 6042 SUP FOR CLIMATE CONTROLLED SELF-STORAGE (2115, 2119, 2123 & 2127 S. FM 1417)

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 CLIMATE CONTROLLED SELF-STORAGE FACILITY IN A C-1 (RETAIL BUSINESS) DISTRICT/O-1.1 (FM 1417) OVERLAY DISTRICT AT 2115, 2119, 2123 AND 2127 SOUTH F.M. 1417 (HERITAGE PARKWAY), BEING LOT 3B, BLOCK 1, REPLAT OF LOT 3 OF COMMUNITY USA ADDITION (SHERMAN STORAGE 1, LLC, OWNERS; AND ROD TATCHIO, TATCHIO & ASSOCIATES,

ARCHITECT); 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 the Planning and Zoning Commission recommended approval of the Specific Use Permit, subject to the staff review letter.

Mr. Tatchio appeared to answer any questions the City Council might have.

No other citizens appeared before the City Council to discuss Ordinance No. 6042.

ORD 6043
ZONE CHANGE & SUP FOR AUTO REPAIR PARKING LOT (1330 S. AUSTIN ST)

Mayor Plyler introduced Ordinance No. 6043 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-2 (GENERAL COMMERCIAL) DISTRICT AND SECTION 8, SUBSECTION (5)(A), ORDINANCE NO. 2280, SO AS TO GRANT A SPECIFIC USE PERMIT TO ALLOW AN AUTO REPAIR PARKING LOT IN A C-2 (GENERAL COMMERCIAL) DISTRICT/O-1.2 (SAM RAYBURN) OVERLAY DISTRICT AT 1330 SOUTH AUSTIN STREET, BEING THE PROPOSED LOT 1 OF THE SCR 1 ADDITION, A REPLAT OF A PART OF LOT 8, BLOCK 23 AND A PART OF LOT 4, BLOCK 24 AND PART OF THE FORMER HESTER STREET RIGHT-OF-WAY BETWEEN BLOCKS 23 & 24, B.H. MOORE HEIRS ADDITION (SHERMAN COLLISION REPAIR, LLC, OWNERS; AND SARTIN & ASSOCIATES, 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 the Planning and Zoning Commission recommended approval of the Specific Use Permit, subject to the staff review letter. The staff review letter requires them to construct an 8 foot fence, to enclose the dumpster inside the fence, and to not stack any debris above the dumpster.

<u>Eddie Burchfield, 307 W. Hester</u>
Mr. Burchfield attended the recent Planning and Zoning Commission Meeting concerning this request. At the meeting, he informed the Commission that most neighbors in that area worked and couldn't attend the meeting. He was told that they would be able to submit a written protest if they couldn't attend the meeting.

He reviewed the letter and said there was no provision in the letter that was mailed, for any type of protest other than personal attendance or a legal protest in writing by 20% or more of the residents in that neighborhood. He felt the Commission either had "misinformation" or they need to revise their letter.

He said this issue has not been approved at any City Council Meeting, however before the Zoning Commission heard the request, the fence has been altered and moved east about 15 to 20 feet, toward Austin Street.

There is a City of Sherman dumpster sitting on what used to be Hester Street and the parking lot is paved with rocks on one side, but that 15 to 20 feet is not parking lot. It is used for repair, old parts, and other things. There are still body parts stacked up above the fence. Mr. Burchfield asked what the purpose was for approving the request if they have already "done it."

He said there is a residential house adjacent to the fence, where the repair is being done. There is equipment, body parts, and wrecked cars sitting next to the residential area. He asked why residential property was being converted to commercial, especially a body shop. He said there is no commercial property in the 1300 or 1400 blocks of Austin Street, other than this proposal.

Mr. Burchfield said the streets are not designed for commercial vehicles, either paving or the width of the street. Currently there is commercial traffic on a residential street; employee parking that creates additional traffic; visual trash, a dumpster, body parts; and spotlights and floodlights that shine on homes. He said he was not in support of this request.

Dwight Flemings, 1317 Sam Rayburn
Mr. Flemings appeared representing Sherman Collision Repair. He said their business is growing and the request is about adding 10 parking spaces. They are currently leasing parking spaces from an adjoining business.

By requesting the zone change they will add parking in the back. They will add an 8 foot fence, and the dumpster, with body parts, will not be visible.

No other citizens appeared before the City Council to discuss Ordinance No. 6043.

ADOPTION OF ORDINANCES

Ordinance 6033 — **ORD 6033 CHARTER REVIEW COMMISSION**

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, CREATING A CHARTER REVIEW COMMISSION IN THE CITY; PROVIDING FOR SEVERABILITY; PROVIDING FOR A REPEALER.

Ordinance 6034 — **ORD 6034 POLICE DEPT. POSITIONS**

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AMENDING CHAPTER 9 OF THE CODE OF ORDINANCES, ENTITLED "PERSONNEL," ARTICLE 9.05, ENTITLED "CIVIL SERVICE FOR FIREFIGHTERS AND POLICE OFFICERS," AT SECTION 9.05.026, ENTITLED "AUTHORIZED NUMBER OF POSITIONS," TO REVISE THE NUMBER OF

AUTHORIZED POSITIONS IN THE POLICE DEPARTMENT; PROVIDING FOR INCLUSION IN THE CODE OF ORDINANCES; PROVIDING FOR SEVERABILITY; PROVIDING FOR A REPEALER.

Ordinance 6035 — **ORD 6035 SPEED LIMIT ON FRIENDSHIP RD**

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, PROVIDING FOR A PERMANENT "SPEED LIMIT 30 MPH" SIGN ON FRIENDSHIP ROAD SOUTH OF STATE HIGHWAY 56 WITHIN THE CITY LIMITS OF THE CITY OF SHERMAN; PROVIDING FOR A PENALTY PROVISION; PROVIDING FOR SEVERABILITY; PROVIDING FOR A REPEALER.

Ordinance 6036 — **ORD 6036 STOP SIGN**

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, PROVIDING FOR A PERMANENT "STOP" SIGN ON ROSEDALE STREET AT THROCKMORTON STREET WITHIN THE CITY LIMITS OF THE CITY OF SHERMAN; PROVIDING FOR A PENALTY PROVISION; PROVIDING FOR SEVERABILITY; PROVIDING FOR A REPEALER.

Ordinance 6037 — **ORD 6037 UTILITY BILLING DEPOSITS**

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AMENDING CHAPTER 13 OF THE CODE OF ORDINANCES, ENTITLED "UTILITIES," ARTICLE 13.08, ENTITLED "UTILITY BILLING," AT SECTIONS 13.08.003 AND 13.08.004 TO PROVIDE A DEPOSIT FOR PAYMENT DELINQUENCY AND FOR THE EARLY REFUND OF DEPOSITS; PROVIDING FOR INCLUSION IN THE CODE OF ORDINANCES; PROVIDING FOR SEVERABILITY; PROVIDING FOR A REPEALER CLAUSE.

Ordinance 6038 — **ORD 6038 SUP FOR LIQUOR STORE (1730 S. FM 1417)**

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 LIQUOR STORE IN A C-2 (GENERAL COMMERCIAL) DISTRICT/O-1.1 (FM 1417) OVERLAY DISTRICT AT 1730 SOUTH F.M. 1417 (HERITAGE PARKWAY), BEING 2.590 ACRES IN THE ELIZABETH JONES SURVEY, ABSTRACT NO. 625 (KASHMIR SINGH AND SANDEEP KAUR, OWNERS; AND TATCHIO & ASSOCIATES, ARCHITECT); 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.

Ordinance 6039 — **ORD 6039 SUP FOR SOCIAL ENTERTAINMENT LOUNGE (221 S. TRAVIS)**

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 SOCIAL ENTERTAINMENT LOUNGE IN A C-1 (RETAIL BUSINESS) DISTRICT/CENTRAL BUSINESS DISTRICT AT 221 SOUTH TRAVIS STREET, BEING THE NORTH 20' OF LOT 5, BLOCK 8, ORIGINAL TOWN PLAT,

LESS AND EXCEPT THE EAST TWELVE FEET OWNED BY THE CITY OF SHERMAN FOR AN ALLEY (WILSON CHILDREN'S TRUST, OWNERS; PATRICK A. CRAVENS, TENANT; AND SARTIN & ASSOCIATES, INC., 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

Ordinance 6040 — **ORD 6040 SUP FOR BASEBALL & SOFTBALL TRAINING CENTER (4113 N. FRISCO RD)**

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 D-BAT TEXOMA A BASEBALL AND SOFTBALL TRAINING CENTER WITH BATTING CAGES (COMMERCIAL AMUSEMENT CENTER IN A C-2 (GENERAL COMMERCIAL) DISTRICT AT 4113 NORTH FRISCO ROAD, BEING 4.643 ACRES IN THE W.F. PATTERSON SURVEY, ABSTRACT NO. 969 AND THE J. HENDRIX SURVEY, ABSTRACT NO. 503 (BUFFALO GAP STREET PROPERTIES, LLC, OWNERS; D-BAT TEXOMA, TENANT; JOE FLORES, REPRESENTATIVE; AND HELVEY-WAGNER SURVEYING, INC., 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.

Ordinance 6041 — **ORD 6041 SUP FOR SELF-STORAGE (2105 S. FM 1417)**

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AMENDING SECTION 9, SUBSECTION (5)(A) ORDINANCE NO. 2280, SO AS TO GRANT A SPECIFIC USE PERMIT TO ALLOW THE ADDITION OF A SELF-STORAGE FACILITY IN A C-1 (RETAIL BUSINESS) DISTRICT/O-1.1 (FM 1417) OVERLAY DISTRICT AT 2105 SOUTH F.M. 1417 (HERITAGE PARKWAY), BEING LOT 3B, BLOCK 1, REPLAT OF LOT 3 OF COMMUNITY USA ADDITION (SHERMAN STORAGE 1, LLC, OWNERS; AND ROD TATCHIO, TATCHIO & ASSOCIATES, ARCHITECT); 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 6042 — **ORD 6042 SUP FOR CLIMATE CONTROLLED SELF-STORAGE (2115, 2119, 2123 & 2127 S. FM 1417)**

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 CLIMATE CONTROLLED SELF-STORAGE FACILITY IN A C-1 (RETAIL BUSINESS) DISTRICT/O-1.1 (FM 1417) OVERLAY DISTRICT AT 2115, 2119, 2123 AND 2127 SOUTH F.M. 1417 (HERITAGE PARKWAY), BEING LOT 3B, BLOCK 1, REPLAT OF LOT 3 OF COMMUNITY USA ADDITION (SHERMAN STORAGE 1, LLC, OWNERS; AND ROD TATCHIO, TATCHIO & ASSOCIATES, ARCHITECT); 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.

Ordinance 6043

ORD 6043
ZONE CHANGE & SUP FOR AUTO REPAIR PARKING LOT (1330 S. AUSTIN ST)

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-2 (GENERAL COMMERCIAL) DISTRICT AND SECTION 8, SUBSECTION (5)(A), ORDINANCE NO. 2280, SO AS TO GRANT A SPECIFIC USE PERMIT TO ALLOW AN AUTO REPAIR PARKING LOT IN A C-2 (GENERAL COMMERCIAL) DISTRICT/O-1.2 (SAM RAYBURN) OVERLAY DISTRICT AT 1330 SOUTH AUSTIN STREET, BEING THE PROPOSED LOT 1 OF THE SCR 1 ADDITION, A REPLAT OF A PART OF LOT 8, BLOCK 23 AND A PART OF LOT 4, BLOCK 24 AND PART OF THE FORMER HESTER STREET RIGHT-OF-WAY (SHERMAN COLLISON REPAIR, LLC, OWNERS; AND SARTIN & ASSOCIATES, 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 Couch asked about Ordinance 6034 and the positions they are proposing to add to the Police Department. Chief Flores said they currently have three vacancies but he is proposing to add two new positions.

ACTION TAKEN.

Motion by Council Member Couch to adopt Ordinance Nos. 6033, 6034, 6035, 6036, 6037, 6038, 6039, 6040, 6041, 6042, and 6043, as presented. Second by Council Member Steele.

VOTING AYE: Brown, Couch, Howeth, Sofey, Steele, Teamann.
VOTING NAY: None.
MOTION CARRIED.

CONSENT AGENDA

CONSENT AGENDA

The Council reviewed the Consent Agenda. Mayor Plyler removed Item C-4, entitled "Resolution No. 6241 – Authorizing Execution of a Development Agreement with Stonehollow Homes, LLC for the Construction of Streets, Storm Drainage, Water Main and Sanitary Sewer Main Improvements in Austin Landing, Phase 3, a 25.235-acre Development West of North Travis Street and South of Kreager Road in the City of Sherman," from the Consent Agenda, for consideration in its regular order of business.

Council Member Steele moved to approve the Consent Agenda, with the exception of Resolution 6240, which will be considered in its regular order of business. Second by Council Member Howeth. All present voted AYE.

Mr. Shelby said Mayor Plyler had removed Item C-4, Resolution 6241 from the Consent Agenda. However the motion was to remove Resolution 6240, which was Item C-3.

Council Member Steele amended his motion to approve the Consent Agenda, with the exception of Item C-4, Resolution 6241, which will be considered in its regular order of business. Second by Council Member Howeth. All present voted AYE.

RESOLUTIONS

RES 6238
PUBLIC LIBRARY
CONSTRUCTION
MANAGER-AT-RISK

RESOLUTION NO. 6238 – AUTHORIZING EXECUTION OF AN AGREEMENT FOR THE CONSTRUCTION PHASE OF THE AWARDED CONTRACT WITH SCHMOLDT CONSTRUCTION, INC. AS CONSTRUCTION MANAGER-AT-RISK (CMAR) FOR RENOVATION TO THE SHERMAN PUBLIC LIBRARY

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING EXECUTION OF AN AGREEMENT FOR THE CONSTRUCTION PHASE OF THE AWARDED CONTRACT WITH SCHMOLDT CONSTRUCTION, INC. AS CONSTRUCTION MANAGER-AT-RISK (CMAR) FOR RENOVATIONS TO THE SHERMAN PUBLIC LIBRARY.

Steve Ayers, Assistant City Manager, said the staff is proposing to enter into a contract with Schmoldt Construction for the Construction Manager-at-Risk position for the renovations to the Sherman Public Library. The City finally has "hard numbers" on a guaranteed construction price for the project.

The library is 44 years old and in need of major renovations. Planning and design for the project began last year and construction should start in the next couple of weeks.

The proposed contract with Schmoldt Construction calls for a guaranteed maximum price of $1.89 million. There will be elements outside of construction costs that will add to the turn-key cost. The City might choose to add items such as resurfacing the parking area, signage, and landscaping, which would add to the construction price. It is estimated that the turn-key price will be about $2.1 million.

Council Member Steele added that the longer the project is delayed, the more the cost will increase. He said this has been a trend on other projects as well. A project can increase by an average of 30% by the time it is actually done.

Mr. Ayers said the City started looking at an estimated cost for the project about 1.5 years ago, and at that time the estimate was about $1.4 or $1.5 million.

He referenced the recent fire at the library saying the staff is working with TML for an insurance claim settlement for damage. They still don't have the "hard numbers" for the settlement, however that money will help mitigate some of the construction costs.

ACTION TAKEN.

Motion by Council Member Steele to adopt Resolution No. 6238, as presented. Second by Council Member Couch.

VOTING AYE: Brown, Couch, Howeth, Sofey, Steele, Teamann.
VOTING NAY: None.
MOTION CARRIED.

RES 6239 EFFLUENT REUSE FACILITY & PIPELINE

RESOLUTION NO. 6239 – AUTHORIZING EXECUTION OF A PROFESSIONAL SERVICES AGREEMENT WITH FREEMAN-MILLICAN, INC. FOR THE DESIGN OF AN EFFLUENT REUSE FACILITY AND ASSOCIATED PIPELINE

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING EXECUTION OF A PROFESSIONAL SERVICES AGREEMENT WITH FREEMAN-MILLICAN, INC. FOR THE DESIGN OF AN EFFLUENT REUSE FACILITY AND ASSOCIATED PIPELINE.

Mark Gibson, Director of Utilities, said the plan is to take the effluent that is currently discharged into the creek and reuse it for an industrial user in the Blalock Industrial Park. The staff is trying to be proactive and get a design in place for the project and purchase the right-of-way.

That way when an industry says they want to use effluent, there would be no delay and construction on the pipeline could begin. It is possible that the City could construct the pipeline while the industry is constructing their facility. Mr. Gibson said this is an attempt to make use of a resource that the City is currently wasting.

Council Member Steele asked if all the effluent would go into the pipeline or if some would still go into the creek. Mr. Gibson said most would be recycled and used, however there might be some environmental regulations from the Texas Commission on Environmental Quality for maintaining some stream flow down the creek.

Mr. Hefton said the State and TCEQ are "looking favorably" on the beneficial reuse of water whether it's for industrial uses, like this, or to supplement a City's water supply to treat for potable water purposes. That is not what Sherman is proposing.

Sherman is proposing an industrial use for cooling and irrigation, and things like that. He said there would be "State hurdles to jump through," but they do like beneficial reuse of water.

He said this is one of several projects the City is doing and they are not proposing to build the pipeline today. However the development and purchase of right-of-way allows the City to act on the need quickly when it does come up. Some projects could have a short lead time and need to be in place in less time than it would take to design and construct them.

He added that this project would probably take six to nine months for the design phase.

Deputy Mayor Sofey said effluent water is becoming more and more in demand for commercial and industrial use. Mr. Hefton said the "retail" cost structure for effluent is a lot cheaper than potable water, but it does have a value. Currently the City is getting zero dollars for the effluent that is being sent down the creek.

Council Member Couch confirmed that there are some Sherman Economic Development Corporation contacts that are asking about the use of effluent.

Mayor Plyler confirmed that the intent is to get the pipeline into the middle of the industrial area so it could be sent to any location when the location of the user was determined.

ACTION TAKEN.

Motion by Council Member Howeth to adopt Resolution No. 6239, as presented. Second by Deputy Mayor Sofey.

VOTING AYE: Brown, Couch, Howeth, Sofey, Steele, Teamann.
VOTING NAY: None.
MOTION CARRIED.

RES 6240 INTERLOCAL AGREEMENT WITH CITY OF ALLEN

RESOLUTION NO. 6240 – AUTHORIZING EXECUTION OF AN INTERLOCAL COOPERATION AGREEMENT BETWEEN THE CITY OF SHERMAN, TEXAS, AND THE CITY OF ALLEN, TEXAS

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING EXECUTION OF AN INTERLOCAL COOPERATION AGREEMENT BETWEEN THE CITY OF SHERMAN, TEXAS, AND THE CITY OF ALLEN, TEXAS.

CONSENT AGENDA.

RES 6241 DEVELOPMENT AGREEMENT WITH STONEHOLLOW HOMES

RESOLUTION NO. 6241 – AUTHORIZING EXECUTION OF A DEVELOPMENT AGREEMENT WITH STONEHOLLOW HOMES, LLC FOR THE CONSTRUCTION OF STREETS, STORM DRAINAGE, WATER MAIN AND SANITARY SEWER MAIN IMPROVEMENT IN AUSTIN LANDING, PHASE 3, A 25.235-ACRE DEVELOPMENT WEST OF NORTH TRAVIS STREET AND SOUTH OF KREAGER ROAD IN THE CITY OF SHERMAN

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING EXECUTION OF A DEVELOPMENT AGREEMENT WITH STONEHOLLOW HOMES, LLC FOR THE CONSTRUCTION OF STREETS, STORM DRAINAGE, WATER MAIN AND SANITARY SEWER MAIN IMPROVEMENTS IN AUSTIN LANDING, PHASE 3, A 25.235-ACRE DEVELOPMENT WEST OF NORTH TRAVIS STREET AND SOUTH OF KREAGER ROAD IN THE CITY OF SHERMAN.

Mayor Plyler removed Item C-4 from the Consent Agenda, for consideration in its regular order of business.

Mr. Hefton said this is Phase 3 for Austin Landing, on North Travis Street, and includes 90 lots. He said Sherman is "on track" for 160 plus new homes to be permitted and built this year.

ACTION TAKEN.
Motion by Council Member Steele to adopt Resolution No. 6241, as presented. Second by Council Member Couch.
VOTING AYE: Brown, Couch, Howeth, Sofey, Steele, Teamann.
VOTING NAY: None.
MOTION CARRIED.

RES 6242 CDBG FINAL STATEMENT & ACTION PLAN

RESOLUTION NO. 6242 – AUTHORIZING PUBLICATION OF THE PROPOSED FINAL STATEMENT/ACTION PLAN FOR THE COMMUNITY DEVELOPMENT BLOCK GRANT FOR PROGRAM YEAR 2017; AUTHORIZING SUBMISSION OF THE BLOCK GRANT APPLICATION; AUTHORIZING EXECUTION OF CERTAIN ASSURANCES OF COMPLIANCE IN CONNECTION WITH THE ADMINISTRATION AND CONDUCT OF THE COMMUNITY DEVELOPMENT PROGRAM FOR PROGRAM YEAR 2017

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING PUBLICATION OF THE PROPOSED FINAL STATEMENT/ACTION PLAN FOR THE COMMUNITY DEVELOPMENT BLOCK GRANT FOR PROGRAM YEAR 2017; AUTHORIZING SUBMISSION OF THE BLOCK GRANT APPLICATION; AUTHORIZING EXECUTION OF CERTAIN ASSURANCES OF COMPLIANCE IN CONNECTION WITH THE ADMINISTRATION AND CONDUCT OF THE COMMUNITY DEVELOPMENT PROGRAM FOR PROGRAM YEAR 2017.
CONSENT AGENDA.

CHANGE ORDER NO. 1 WEST CANYON CREEK EXTENSION

CHANGE ORDER NO. 1
WEST CANYON CREEK EXTENSION PROJECT; LYNN VESSELS CONSTRUCTION, LLC; $367,504.06 INCREASE
Mr. Philpott said construction on the West Canyon Creek Extension Project started in March 2017 and by May they determined that a part of the storm drain system would go through the new Pecan Grove ball fields, and cause certain parts of the park to be unusable during rain events.

The change order will provide money to take the storm water drainage east into the existing Dean Gilbert Lake. This change will require additional pipe, but will be beneficial to the park. It will also eliminate the need for any detention, which benefits Carriage Estates. It also saves the City in development costs for the park itself.

ACTION TAKEN.

Motion by Council Member Steele to approve Change Order No. 1 to Lynn Vessels Construction, LLC, in the amount of a $367,504.06 increase, for the West Canyon Creek Extension Project, as presented. Second by Council Member Couch.

VOTING AYE: Brown, Couch, Howeth, Sofey, Steele, Teamann.
VOTING NAY: None.
MOTION CARRIED.

CHANGE ORDER NO. 2

CHANGE ORDER NO. 2 BIOSOLIDS DEWATERING PROJECT

APPROVING THE GREATER TEXOMA UTILITY AUTHORITY'S INTENTION TO EXECUTE CHANGE ORDER NO. 2 FOR CONSTRUCTION OF THE SHERMAN WASTEWATER TREATMENT PLANT BIOSOLIDS DEWATERING PROJECT

The City Council approved Greater Texoma Utility Authority's intention to execute Change Order No. 2 for construction of the Wastewater Treatment Plan Biosolids Dewatering Project. The change order incorporates 10 changes to the original project quantities, and results in an increase of $9,396.46. The final contract amount is $1,841,406.46.
CONSENT AGENDA.

OTHER BUSINESS

MAYOR'S APPOINTMENTS TO A CHARTER REVIEW COMMISSION

CHARTER REVIEW COMMISSION

Mr. Shelby said this item is related to Ordinance 6033, creating a Charter Review Commission. The ordinance authorizes the Mayor to make appointments to the Commission.

Mayor Plyler said he would like to appoint Deputy Mayor Sofey, Council Member Couch, and himself to serve on the Charter Review Commission.

ACTION TAKEN.

Motion by Council Member Steele to appoint Mayor David Plyler, Deputy Mayor Jason Sofey, and Council Member Kevin Couch to the Charter Review Commission, as presented. Second by Council Member Teamann.

VOTING AYE: Brown, Couch, Howeth, Sofey, Steele, Teamann.
VOTING NAY: None.
MOTION CARRIED.

REVIEW OF THE 2017-2018 PROPOSED BUDGET

PROPOSED BUDGET

Mr. Hefton said at the Budget Workshop in June, the direction was to bring back several items for discussion, including the stormwater program and fee.

He said by Charter and State law, there are deadlines to approval of the budget. The staff needs clear direction tonight to meet the deadlines. The draft budget will be presented at the August 7, 2017 Council Meeting, followed by public hearings on the tax rate and the budget.

He said the tax rate, as proposed, is just to cover debt already issued for projects. The stormwater fee structure is based on results of the professional consultants.

Generally speaking, as an internal policy, the City tries to match recurring revenue sources with recurring expenses and non-recurring revenue sources with non-recurring expenses. Overall, there is a balance that must be struck to balance the ongoing needs of the City, or balance the one year budget, all that is allowed by law, with the future long term needs of the City.

Mr. Hefton presented proposals that were made at the budget workshop for the tax rate, stormwater fee, and utility rate, with two other alternatives for each. He said that every $1 of residential equivalent unit generates about $460,00 and its scalable. Therefore, that fee at $1 will generate about $460,000 annually; at $0.50 it would generate $230,000; and at $10.00 it would generate $4.6 million.

He added that there has been some "easing up" on the utility rate since the budget workshop, in terms of having more data to determine the deficit that would need to be covered. Every 1% on the utility rate generates about $220,000 to $230,000. Both alternatives for the utility rate are less than what was presented at the budget workshop.

Council Member Steele verified that the tax rate of 3.3% would strictly be to cover items that have already been approved by the City Council, not new projects. It would cover only the debt that has already been issued.

Mr. Hefton said, on the tax rate, the City has issued about $26 million in bonds in 2016 and 2017. Roughly 80% of those dollars relate to street projects, including engineering work or purchasing right-of-way for a future road.

Debt service on $26 million in bonds is about $1.6 million a year, which is between $0.05 and $0.06 on the tax rate. He said the staff would like Council direction on the tax rate tonight, as well as any projects they want to "dial back" on. Projects that could be deferred include Friendship Road, parks projects, Preston Club Road, and possibly others. Mr. Hefton said there was $8 million to $10 million in debt issue that could be delayed, if the Council chooses.

Discussions on the stormwater program began in 2007 after the flood and an estimated loss of $2 million. The Comprehensive Master Plan was adopted in 2009 and the stormwater program was identified as a top three priority out of a list of 32. The Stormwater Master Plan was started in 2012 and completed in 2013 and the Fee Study was completed in 2016/2017 by consultants.

He said the stormwater fee is really a utility fee. Taxes pay for general services that are available to all citizens whether

or not they use them, such as animal control services, and police and fire. Fees are generally specific to an individual and a service they get, such as rental of a cabana at the swimming pool, or water and sewer service.

He outlined several stormwater projects that have been completed without a dedicated budget, some because they were an emergency. At the budget workshop, the proposed stormwater fee was $3.00. Today they are also presenting some alternative amounts. This amount included an operating piece and a capital or project related piece.

If the Council chose the $1.00 alternative, it would not allow any money for the operating piece. There would be no dedicated crew, and the City would not be able to purchase the equipment that would be used to complete the projects. The construction of projects would be contracted out to others. Mr. Hefton said if the dollars change from what was proposed, then the program changes too.

Two projects that Mr. Hefton felt were very important were the east/west access for emergency response during periods of flooding and the update of Floodplain Maps.

He outlined the impact under a $1 stormwater fee per ERU, or equivalent residential unit, for several types of customers, including industrial, "big box," fast food, and residential. ERU is defined as 3,400 feet of impervious cover, rooftops, driveways, and sidewalks. Businesses with large parking lots would pay a higher stormwater fee.

Mr. Hefton said, on utility rates, there is more data available now than there was at the budget workshop and projected revenues have increased slightly. With this increase, he said the rate increased needed to cover the revenue shortfall, and debt issue can be scaled back. He said he would now be comfortable with a utility rate increase less than 5%. He added that 1% on the rates is about $220,000 in revenue, and four days in reserves.

In summary, Mr. Hefton said the staff needs direction on the tax rate, utility rate, and stormwater fee for the draft budget. He also asked if there were any other changes the Council would like to make.

Council Member Couch wanted to take each proposal individually. Mr. Shelby reminded the Council that any motion made today, would not be an approval for the actual budget. The final budget approval will be in August 2017. Mr. Hefton said there will be three or four more chances for the Council to review the budget.

Council Member Steele felt he could make a motion for the tax rate at 3.3% because the Council has already approved the projects on which the tax rate is based.

Council Member Teamann felt there were other options that would eliminate the need for a tax increase this year only. He suggested keeping the tax rate down this year, because they don't know what will come next year.

Council Member Steele said, with the City growing, and the need for construction, if they wait, the cost will probably double. So many projects have been delayed in order to try and keep the taxes low. He did not want to increase taxes if it wasn't necessary, but said Sherman is growing.

He said in this region, communities that are growing from the south to the north, are having to raise their tax rate for these types of projects. After the projects are in place, Council Member Steele said he would agree to decrease the tax rate.

Council Member Teamann still did not want to increase taxes this year.

Deputy Mayor Sofey said he has watched previous Council's "kick things down the road" and he agreed with Council Member Steele, that is costs more money and it also creates problems. He added that there is a good City staff in place that is looking in the correct direction. He said a lot of this money is for acquisition, engineering, right-of-way, and planning. It's not necessarily for construction. He said the growth needs to be well planned and positive, and it costs money to do that.

Council Member Teamann said he wasn't proposing "shorting any of the projects that are on the plan." He said, this year, the City has the funds available to not raise the taxes, for this one year.

He said some of the projects are very important for Sherman, but knowing the "future development that is on the books" such as the $2 million technology company that may be coming to Sherman, will add a lot of value to the tax role. Deputy Mayor Sofey said Sherman shouldn't "bank on may be."

Council Member Teamann asked Mr. Hefton if the City had the money that could be redirected to complete the projects for this year and keep the tax rate down. Mr. Hefton said the City would have to "not do" some of the proposed projects that specifically would be money paid for from the sale of property.

The projects are not currently "on the books" because the budget hasn't been adopted, but they have been proposed. The Council could direct the staff to remove them from the upcoming budget and hold them for a later date.

Council Member Teamann said the citizens that elected him to office do not want a tax increase. Deputy Mayor Sofey agreed that they had to do what was right for the citizens, but

said sometimes that is proper planning. With the information they have been given and by trusting their staff, this is what they are working through.

Council Member Couch said he has been asked if there is a tipping point in the future that this type of fee or program could be rescinded. Mr. Hefton verified that he was talking about the stormwater fee, and said like the tax rate and the utility rate, it can be increased or decreased any year by the City Council.

Council Member Couch said he is hearing from citizens that their appraisals are up, and now they are hearing that they need to find $1 million for this budget. It doesn't mean one million dollar project has to be cut, there can be a scaled effect to many projects. Mr. Hefton said the City would just have to prioritize the projects.

Council Member Couch said there seems to be other options that aren't coming out. He felt the $1 million needed to service the debt could be found without raising the tax rate. He said it is too much all at once, and he would like to scale back with no tax increase.

Council Member Brown said he would not like to see taxes increase either and the City can procrastinate, however eventually the projects will need to be done and it will cost more later.

Council Member Howeth said she was on the City Council when they decided to cut the tax rate to make the citizens happy. She said she was also on the City Council a few years later when "it did come back and bite us." It hurt in order to catch up because it was put off. She said none of the Council wanted a tax increase, but it must be done to move forward.

Council Member Teamann said if there was another recession, like eight years ago, they probably wouldn't be pushing through with a lot of the projects because there wouldn't be any growth.

Council Member Brown said you don't know when a flood is coming. Council Member Howeth said she was only talking about the tax rate at this point, and paying for the debt that has already been incurred.

<u>Ronald Aycock, 220 E. Houston Street</u>
Mr. Aycock asked a question about the floodplain. He said the City allowed apartments to be built on Woods Street south of Texas Star Bank, and the south end of that area is in the floodplain. They have built that area up and the water will be pushed to the west side of that street, which will create flooding.

Mr. Hefton said people are allowed to bring properties up, out of the floodplain by increasing their base elevation. Mr.

Philpott said there was a small portion, the front of those properties, that was in the floodplain. It was determined that the development already had houses on it and so removing those homes and what they put back, did not increase the floodplain elevation.

Mr. Aycock said when you raise the dirt level, the water will have to go somewhere, and it will be right in their front yard.

Ginny Hampton

Ms. Hampton said she is a small business owner in Sherman. She agreed that the need for infrastructure for flood mitigation is important but questioned how it was delegated out to everyone. She said it especially affected businesses more than homes, and asked how it would affect the Sherman Independent School District.

Whether it's taxes or fees, most of the burden will be on businesses. They use more water than single families. She said she has two businesses, apartment buildings, that use more water than the "big box" stores shown in the slides for stormwater fees. She said they will have to pass the fees along to their customers.

Even a tax increase would affect businesses more than residential homes because of the value. She said they are "stifling businesses from growing." She said the easiest way to raise money is to not approve a tax increase, but to increase the fee for something everyone has to have, water.

Deputy Mayor Sofey said the City is regulated on how they can solve stormwater problems. The only way it can be done is through the stormwater fee. Ms. Hampton said there are three different ways the City can pay for it. With a tax increase, a utility rate increase, or a stormwater fee.

Deputy Mayor Sofey said no, those are three different line items to be used for different projects. Ms. Hampton verified that the proposal was to add a tax increase, a utility rate increase, and a stormwater fee. She asked why businesses were being punished the most.

Deputy Mayor Sofey said every City in the United States pays these fees. It is a fee basis that is done across the board, and Sherman's fees are still very low. He felt the Council could decide whether or not to increase the tax rate, however the stormwater fee is not in question.

It is needed because Sherman has had loss of life, they are not prepared for it, there has been poor planning in the past, and there is a horrible road system. For example, during the flood of 2007, there was only one road open that went east and west in Sherman, and that was US Hwy 82. First responders had one road to cross the City and protect the

citizens. He said he was tired of putting the first responders and the citizens at risk due to flooding. It is a public safety issue.

Mr. Hefton added that the stormwater fee is "value neutral" as to whether it is a residence, a business, or an industry. It is based on how much you contribute to the flooding problem based on the impervious cover.

Ms. Hampton agreed that the first responders do not need to be put in any more harm than they already are. She asked how much the stormwater fee would affect the SISD since they have many larger facilities. Will it be so much that there will be a loss of teachers?

Mr. Hefton said there would be another discussion with the City Council later to consider whether or not the SISD or another government will be exempted from the fee. The City will not charge themselves for the stormwater fee, since that would only go from "one pocket to the other." The SISD does not get "a break" on their water or sewer bill.

He felt that the process used to recommend the increases is sound and it really depends on the "pain threshold." Ms. Hampton felt that more fines and fees devalue the businesses.

Deputy Mayor Sofey said he felt very strongly about the stormwater fee. It needs to be addressed and he felt that Sherman was "on borrowed time." He was in favor of the workshop numbers for this fee.

Council Member Teamann felt it was too much for one year. He felt there was a consensus on a tax increase this year. He felt the utility fee and the utility rate increase were too much at one time. He said Sherman is trying to bring businesses to town and they would be charged the biggest fees.

Mayor Plyler said Sherman's building permit fees are probably the lowest around, so the cost of locating a business in Sherman is significantly less than in other communities. Sherman is trying to stay in front of the curve of growth by purchasing right-of-way and paying for engineering on future projects.

Council Member Couch felt they needed to be focusing on jobs now and he did not feel that businesses needed more fees.

Council Member Brown said the community is suffering now for waiting in the past. He said it needs to be done now, or the costs will double next year.

Council Member Teamann felt it was wise to "push it down the road." He wanted to wait until the City could afford it. Deputy Mayor Sofey said the costs are going up and when

will the City ever be able to afford it. Council Member Couch felt there was new development coming to Sherman and they should let the businesses develop before the fees increase.

Council Member Steele said new businesses that come to Sherman are interested in the quality of life of the community. Many professionals that work in Sherman, live in the communities to the south of us, paying double what the costs are in Sherman. He said when the City cuts taxes, they are basically saying they are cutting services. He said the citizens of Sherman want the amenities. He added that decisions for today cannot be based on "what ifs" of tomorrow.

Council Member Couch said most of the City's budget is derived from sales tax. There are two new businesses coming that will be "super sales tax driven" and he felt the increases would be "putting the cart before the horse."

Mayor Plyler said the fees can always be lowered in the future and the 3.3% tax rate only covers the debt. Sherman's tax rate is second from the bottom now with their peer cities.

Council Member Teamann said he would like to see a list of stormwater projects and a timeline before he "signed off" on fees of any kind. He also wanted to know when the fee would end.

Council Member Howeth asked if there could be a compromise on the stormwater fee. Those new businesses may not come to Sherman as quickly as is expected.

Council Member Brown addressed flood problems that he has dealt with for many years in his neighborhood. He has been a victim of the flooding issues. Sometimes it means paying more taxes. Mr. Aycock expressed concern that the issue was about Council Member Brown's house.

Mr. Hefton said there is a list of priorities that would be addressed if a stormwater fee is enacted. Part of the money would be used for construction of stormwater issues, updating the floodplain maps, and property acquisition that would allow regional detention upstream that would help prevent flooding downstream and would allow travel between east and west Sherman.

Mr. Philpott said the City is not looking to spend all the money real fast. Once there is money to back the program, then they will organize and move forward with the Federal Emergency Management Agency to get grant money to help fund projects. But Sherman has to show that they have money for the projects.

As for the utility rate, Mr. Hefton said every 1% increase generates between $220,000 to $230,000. The staff is projecting an increase of between 3% and 4%, instead of the

5% that was discussed at the budget workshop. This would bring fund balances back to where they need to be. Council Member Steele verified that a 3% increase would get the City "within margin" of where they needed to be.

Council Member Teamann felt the Council could increase the rate for one year and then review it next year and reduce it if possible. Mr. Hefton said the utility rate is reviewed every year. He said normally a City will try to smooth rates out over a period of time.

Mayor Plyler said the City has invested heavily in the Water Treatment Plant and is moving forward with a plan to sell some of the water. This could help stabilize the rate and possibly help lower them in the future.

Council Member Teamann addressed the $54 million in projects that were listed for the stormwater fee. Deputy Mayor Sofey said FEMA grant money would pay between 75% and 90% of those project costs.

Mr. Hefton added that the City would not be doing the entire $54 million worth of projects. The idea is to "take a bite of the elephant now" and do some of the projects that have the most impact. This would be projects such as getting the public safety officers from one side of Sherman to the other; getting some of the severely repetitive loss properties out of the floodplain; and building regional detention. He added that $1 will fund about $6 million in projects.

Mayor Plyler said the fees could be re-evaluated during next year's budget discussions and if the goals aren't being accomplished, the fees could be changed. There are three options on which the staff needs direction tonight.

Mr. Hefton said that the vote tonight had no legal bearing, it just offered direction to the staff as to what to bring back for the proposed budget.

ACTION TAKEN.

Motion by Council Member Steele to direct the staff to bring back a draft budget that reflects a tax rate increase of 3.3 cents. Second by Council Member Brown.

VOTING AYE: Brown, Howeth, Sofey, Steele.
VOTING NAY: Couch, Teamann.
MOTION CARRIED.

ACTION TAKEN.

Motion by Council Member Teamann to not approve a Stormwater Fee. Second by Council Member Couch.

VOTING AYE: Couch, Teamann.
VOTING NAY: Brown, Howeth, Sofey, Steele.
MOTION FAILED.

ACTION TAKEN.
Motion by Deputy Mayor Sofey to approve the proposed Alternate #1 of the Stormwater Fee.
MOTION DIED FOR LACK OF A SECOND.

ACTION TAKEN.
Motion by Council Member Steele to approve Alternate #2 of the Stormwater Fee. Second by Council Member Howeth.
VOTING AYE: Brown, Howeth, Sofey, Steele.
VOTING NAY: Couch, Teamann.
MOTION CARRIED.

ACTION TAKEN.
Motion by Council Member Steele to approve a Utility Rate Increase of 3%. Second by Deputy Mayor Sofey.
VOTING AYE: Brown, Couch, Howeth, Sofey, Steele, Teamann.
VOTING NAY: None.
MOTION CARRIED.

QUARTERLY INVESTMENT REPORT

APPROVE QUARTERLY INVESTMENT REPORT FOR QUARTER ENDED JUNE 30, 2017

The City Council approved the Quarterly Investment Report for the quarter ended June 30, 2017. As of that date, the portfolios were in compliance with applicable State laws and the City's Investment Policy.

The Operating investment portfolio had a book value of about $17.1 million, a decrease of about $0.15 million from the prior quarter of $17.2 million, due to a withdrawal from a Local Government Investment Pool and a maturity of a U.S. Agency Security, and the purchase of a State of Texas Obligation and a U.S. Agency.

The underlying investments were adequately diversified among four different types of securities. This portfolio is appropriately liquid and its weighted-average maturity was about 498 days, up from 447 days from last quarter.

The portfolio yield of 1.213% for the quarter is slightly lower than the benchmark yield of 1.24%. The portfolio value on the City's books is essentially equal to the market value of the overall portfolio.

The debt proceeds portfolio balance of $23.5 million was invested in a Local Government Investment Pool, a U.S. Agency, and an FDIC insured money market account. Transactions in this portfolio included the receipt of interest income and payments for capital projects. The yield of .86% was above the benchmark yield of .84% for this portfolio. Book value and market value were about the same.
CONSENT AGENDA.

REPLAT APPROVAL OF SCR 1 ADDITION, BEING A REPLAT OF A PART OF LOT 8, BLOCK 23 AND A PART OF LOT 4, BLOCK 24, AND PART OF THE FORMER HESTER STREET RIGHT-OF-WAY BETWEEN BLOCKS 23 & 24, B.H. MOORE HEIRS ADDITION, BEING 0.5722 ACRES IN THE SAMUEL BLAGG SURVEY, ABSTRACT NO. 56 AND BEING THE SOUTH 87.5 FEET OF LOT 8, BLOCK 23 AND THE NORTH 100 FEET OF LOT 4, BLOCK 24 OF THE B.H. MOORE HEIRS ADDITION; SHERMAN COLLISION REPAIR, LLC, OWNERS; AND SARTIN & ASSOCIATES, INC., SURVEYOR (1330 AND 1402 SOUTH AUSTIN STREET)

APPROVE REPLAT (1330 & 1402 S. AUSTIN ST)

The City Council approved the Replat of SCR 1 Addition, being a Replat of a part of Lot 8, Block 23 and a part of Lot 4, Block 24, and part of the former Hester Street right-of-way between Blocks 23 and 24, B.H. Moore Heirs Addition. The 0.5722 acre tract is located at 1330 and 1402 South Austin Street, between Olive and Dulin Streets.

The property is zoned R-1 (One Family Residential) and is also located in the O-1.2 (Sam Rayburn) Overlay District. The owners would like to replat two lots and part of the former Hester Street right-of-way 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 LOTS 13 & 14, PRESTON CLUB, THE CLASSICS, PHASE TWO, BEING 0.436 ACRES IN THE DANIEL BICKENBACK SURVEY, ABSTRACT NO. 128 AND BEING ALL OF LOTS 13 AND 14 OF PRESTON CLUB, THE CLASSICS, PHASE TWO; ROSSI REALTY, LLC AND MICHAEL STANLEY, OWNERS; AND HELVEY-WAGNER SURVEYING, SURVEYOR (5012 AND 5016 EAGLE RIDGE TRAIL, FORMERLY 129 AND 141 EAGEL RIDGE TRAIL)

APPROVE REPLAT (PRESTON CLUB, THE CLASSICS, PHASE 2)

The City Council approved the Replat of Lots 13 and 14, Preston Club, The Classics, Phase Two, located at 5012 and 5016 Eagle Ridge Trail, formerly 129 and 141 Eagle Ridge Trail.

The owners of the 0.436 acre tract would like to replat the property by moving the lot lines on two lots. The Planning and Zoning Commission recommended approval of the Replat, subject to the Staff Review Letter.
CONSENT AGENDA.

REPLAT APPROVAL OF LOTS 11, 12, & 13, BLOCK 11, PRESTON CLUB, THE LEGENDS SUBDIVISION, PHASE ONE, BEING 0.459 ACRES IN THE McMULLEN & McGLOIN SURVEY, ABSTRACT NO. 762 AND THE DANIEL BICKENBACK SURVEY, ABSTRACT NO. 128, AND BEING A REPLAT OF LOTS 11, 12 AND 13, BLOCK 11 OF PRESTON CLUB, THE LEGENDS SUBDIVISION, PHASE ONE; ROSSI REALTY, LLC AND CHRISTOPHER AND AMY SWINDELL, OWNERS; AND HELVEY-WAGNER SURVEYING, SURVEYOR

APPROVE REPLAT (PRESTON CLUB, THE LEGENDS)

(3218, 3222 AND 3226 PRESTON CLUB DRIVE, FORMERLY 218, 220 AND 222 PRESTON CLUB DRIVE)
The City Council approved the Replat of Lots 11, 12, and 13, Block 11, Preston Club, The Legends Subdivision, Phase One, being 0.459 acres located at 3218, 3222 and 3226 Preston Club Drive, formerly 218, 220 and 222 Preston Club Drive.

The owners would like to replat three lots into two lots. The Planning and Zoning Commission recommended approval of the Replat, subject to the Staff Review Letter.
CONSENT AGENDA.

REPLAT APPROVAL OF LOT 2, AMERISTATE PLAZA, BEING 3.309 ACRES IN THE T.J. SHANNON SURVEY, ABSTRACT NO. 1137 AND BEING ALL OF LOT 2 OF AMERISTATE PLAZA; SHERMAN HOTELS, LLC, OWNERS; AND UNDERWOOD DRAFTING AND SURVEYING, INC., SURVEYOR (4344 LOY LAKE ROAD) — **APPROVE REPLAT (AMERISTATE PLAZA)**
The City Council approved the Replat of Lot 2, Ameristate Plaza, being 3.309 acres located at 4344 Loy Lake Road. The property is zoned C-1 (Retail Business) and 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.

CITIZENS REQUESTS — **CITIZENS REQUEST**
There were no citizen's requests.

MEDIA QUESTIONS — **MEDIA QUESTIONS**
There were no media questions.

APPOINT/REMOVE OR CONSIDER QUALIFICATIONS TO BOARDS AND COMMISSIONS

KEEP SHERMAN BEAUTIFUL COMMISSION (1) — **KEEP SHERMAN BEAUTIFUL**
ACTION TAKEN.

> **Motion by Council Member Couch to appoint Sarah Whitt to the Keep Sherman Beautiful Commission for a term from July 18, 2017 to July 18, 2019. Second by Council Member Teamann.**

VOTING AYE: Brown, Couch, Howeth, Sofey, Steele, Teamann.
VOTING NAY: None.
MOTION CARRIED.

PARKS AND RECREATION ADVISORY BOARD (1) — **PARKS & REC BOARD**
ACTION TAKEN.

> **Motion by Council Member Steele to reappoint Brian Jones to the Parks and Recreation Advisory Board for a term from May 19, 2017 to May 19, 2019. Second by Council Member Couch.**

VOTING AYE: Brown, Couch, Howeth, Sofey, Steele, Teamann.
VOTING NAY: None.
MOTION CARRIED.

COUNCIL COMMENTS

UTILITY DEPOSITS REFUNDED — **UTILITY DEPOSITS REFUNDED**

Council Member Teamann said he appreciated the staff working to get the utility deposits refunded. Every dollar counts for small businesses.

UTILITY DEPOSITS REFUNDED — **UTILITY DEPOSITS REFUNDED**

Council Member Couch agreed about the refunding of the utility deposits for businesses.

LIGHTS ON THE LAKE — **LIGHTS ON THE LAKE**

Council Member Steele commended the staff for "a job well done" for the Lights on the Lake event. He said it was a great turnout and the "talk of the town."

CITY COUNCIL DISCUSSION — **CITY COUNCIL DISCUSSION**

Deputy Mayor Sofey said he appreciated everyone's input tonight, both the ones you agree with and the ones you don't. He felt the right thing was done and said through the discussion you could tell everyone really cares about Sherman.

CITY COUNCIL DISCUSSION — **CITY COUNCIL DISCUSSION**

Council Member Howeth felt that Washington, D.C. should have watched the City Council tonight. The Council can have disagreements, but they stayed civil and are friends. They all want what's best and get work done and make a decision.

CITY COUNCIL DISCUSSION — **CITY COUNCIL DISCUSSION**

Council Member Brown said the disagreement makes the Council stronger as a unit. He added that he is leaving in the morning for a three week vacation.

CITY COUNCIL DISCUSSION — **CITY COUNCIL DISCUSSION**

Mayor Plyler said he appreciates all the Council Members and all their points of view are important. That's why they are elected to represent the citizens.

ANNOUNCEMENTS — **ANNOUNCEMENTS**

Mayor Plyler announced the following:

- **There are two Hot Summer Nights concerts left this year. Blue Oyster Cult will play Thursday, July 20, and Jr. Boy Jones will play Thursday, July 27.**
- **Battle of the Badges Blood Drive will be held on July 20 at the Fire Department and on July 21 at the Grayson County Courthouse.**
- **On July 27, Texas Roadhouse will host the "Tip a Cop" program to benefit Special Olympics Texas.**

EXECUTIVE SESSION

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

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

SECTION 551.071 –	**CONSULTATION WITH CITY ATTORNEY CONCERNING PENDING OR CONTEMPLATED LITIGATION**
SECTION 551.074 --	**PERSONNEL MATTERS: CONSIDER THE QUALIFICATIONS, APPOINTMENT AND REMOVAL OF MEMBERS TO BOARDS AND COMMISSIONS: CIVIL SERVICE COMMISSION (2)**
	RED RIVER GROUNDWATER CONSERVATION DISTRICT BOARD OF DIRECTORS (1)
	SHERMAN HOUSING AUTHORITY (2)
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 7:35 p.m.

On Motion duly made and carried, the Executive Session recessed at 7:52 p.m. and reconvened in Open Meeting.

OPEN MEETING

OPEN MEETING

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

APPOINT/REMOVE OR CONSIDER QUALIFICATIONS TO BOARDS AND COMMISSIONS

CIVIL SERVICE COMMISSION (2)

CIVIL SERVICE COMMISSION

ACTION TAKEN.

Motion by Council Member Couch to confirm the City Manager's reappointment of Keith Carlisle to the Civil

Service Commission for a term from June 7, 2017 to June 7, 2020, and appointment of Dr. Al Hambrick for a term from July 18, 2017 to July 18, 2020. Second by Deputy Mayor Sofey.

VOTING AYE: Brown, Couch, Howeth, Sofey, Steele, Teamann.
VOTING NAY: None.
MOTION CARRIED.

RED RIVER GROUNDWATER CONSERVATION DISTRICT BOARD OF DIRECTORS (1)

RED RIVER GROUNDWATER CONSERVATION DISTRICT BOARD OF DIRECTORS

ACTION TAKEN.

Motion by Council Member Brown to reappoint David Gattis to the Red River Groundwater Conservation District Board of Directors for a term from August 31, 2017 to August 31, 2021. Second by Council Member Couch.

VOTING AYE: Brown, Couch, Howeth, Sofey, Steele, Teamann.
VOTING NAY: None.
MOTION CARRIED.

SHERMAN HOUSING AUTHORITY (2)

SHERMAN HOUSING AUTHORITY

ACTION TAKEN.

Motion by Council Member Teamann to reappoint Beth Williams and Mike Ditto to the Sherman Housing Authority Board of Directors for a term from June 1, 2017 to June 1, 2019. Second by Council Member Steele.

VOTING AYE: Brown, Couch, Howeth, Sofey, Steele, Teamann.
VOTING NAY: None.
MOTION CARRIED.

ADJOURNMENT

ADJOURNMENT

On Motion duly made and carried, the meeting adjourned at 7:54 p.m.

MAYOR

CITY CLERK