

STATE OF TEXAS

§

June 17, 2013

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 June 17, 2013.

MEMBERS PRESENT:

MAYOR CARY WACKER.

COUNCIL MEMBERS JOHNSON, PLYLER, SMITH, SOFEY, SOFTLY.

MEMBERS ABSENT:

DEPUTY MAYOR PAM HOWETH.

CALL TO ORDER

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

CALL TO ORDER

APPROVE MINUTES

The Council reviewed the Minutes of the Regular City Council Meeting of June 3, 2013. Council Member Smith moved to approve the Minutes as presented; Second by Council Member Johnson. All present voted AYE. MOTION CARRIED.

APPROVE MINUTES

PUBLIC HEARING

FINAL STATEMENT/ACTION PLAN FOR PROGRAM YEAR 2013 COMMUNITY DEVELOPMENT BLOCK GRANT

Mayor Wacker called for the public hearing on the Final Statement/Action Plan for Program Year 2013 Community Development Block Grant.

CDBG FINAL
STATEMENT &
ACTION PLAN

The City of Sherman has been allocated \$311,726 in CDBG funds to address various community development needs for low to moderate income citizens during FY 2013.

No citizens appeared before the City Council to discuss the Final Statement/Action Plan for Program Year 2013 Community Development Block Grant.

INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 5777 (UNDER APPEAL FROM P&Z)

Mayor Wacker called for the Public Hearing of Ordinance 5777:

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 927 AND 929 W. BIRGE STREET (LANDMARK BANK, OWNERS; MIRZA BAIG, PROSPECTIVE BUYER; AND GARY LOWELL, REPRESENTATIVE); PROVIDING FOR A REPEALER.

ORD 5777
ZONE CHANGE FOR
CONVENIENCE STORE
& CLEANERS
(APPEAL FROM P&Z)
(927 & 929 W. BIRGE)

Nancy Aiken Mathieu, 1008 Short Lane

Ms. Mathieu voiced her opposition, and her neighbor's

opposition to the zone change at 927 and 929 West Birge, which is directly adjacent to her home. For years her family has dealt with the commercial businesses at this site, which are located in a residential area.

Ms. Mathieu said her mother previously lived at the residence and was subjected to several electrical fires from the properties, as well as excessive dust and vapors from the dryers and dry cleaning machine.

She said the property is currently owned by a bank and they are requesting a zone change in order to sell it. Ms. Mathieu said she did not feel this location was conducive to a successful commercial business and that these businesses have occupied the property illegally for the past 50 years.

Ms. Mathieu presented the City Council with a petition signed by ten property owners indicating their opposition to the zone change. This petition includes all property owners within 200 feet, as well as others. Two of the residents had originally offered no objection to the zoning, but are now opposing it.

Ms. Mathieu said during the Planning and Zoning Commission Meeting, the prospective owners said they planned to sell beer and wine in the proposed convenience store. Commission Members voted unanimously to deny the request. She added that these properties are currently zoned residential and should remain that way. She asked the Council Members to agree with the Planning and Zoning Commission decision to support the neighborhood and its residents by denying this appeal for a zone change.

James Calhoun, 1115 N. Ricketts

Mr. Calhoun said he has owned property in the neighborhood for many years and was a mail carrier. He said the laundry was always very convenient for him and they did his laundry for many years. He added that everyone living in the neighborhood has seen the convenience store and Laundromat.

Mr. Calhoun presented the City Council with a petition signed by 28 people in the neighborhood that would like to see the stores open for business.

Ms. Mathieu said her signatures are from adjacent property owners within 200 feet of the proposed zone change. She added that the Sherman Independent School District also has a bus stop on Birge Street. Ms. Mathieu said the citizens that signed her petition are on a fixed income and don't have the luxury of shopping at a convenience store or taking their laundry to a Laundromat.

Mr. Calhoun said the citizens that signed his petition also live in the area, along Birge, Wharton, Ricketts and Hunt Streets.

COUNCIL MINUTES – JUNE 17, 2013

No other citizens appeared before the City Council to discuss Ordinance 5777.

INTRODUCTION AND PUBLIC HEARING OF ORDINANCES

Mayor Wacker called for the Public Hearing of Ordinance 5778:

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 USED AUTOMOBILE SALES, SERVICE, TIRE SALES AND SERVICE AND LIGHT MECHANICAL WORK IN A C-1 (RETAIL BUSINESS) DISTRICT/O-1 (75 & 82) OVERLAY DISTRICT AT 1804 NORTH HIGHWAY 75, BEING LOT 1, BLOCK 1, JAMES PLAZA ADDITION (STEVE STARNES, OWNER; DREW BURK, REPRESENTATIVE; RED RIVER AUTO GROUP, TENANT; AND SARTIN & ASSOCIATES, INC., SURVEYORS); 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.

ORD 5778
SUP FOR AUTO &
TIRE SALES, LIGHT
MECHANICAL WORK
(1804 N. HWY 75)

No citizens appeared before the City Council to discuss Ordinance 5778.

Mayor Wacker called for the Public Hearing of Ordinance 5779:

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 USED AUTOMOBILE SALES IN A C-2 (GENERAL COMMERCIAL) DISTRICT AT 901 EAST PECAN STREET, BEING THE SOUTH 68' OF LOTS 1-4, BLOCK 17, CHAFFIN'S 1ST ADDITION (L&DB PARTNERSHIP, OWNERS AND DARREN K. PULS, TENANT); 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.

ORD 5779
SUP FOR AUTO SALES
(901 E. PECAN)

Darren Puls, 1509 E. Magnolia

Mr. Puls said he was available if anyone had any questions about his request for a specific use permit.

No other citizens appeared before the City Council to discuss Ordinance 5779.

The Public Hearing was closed.

ADOPTION OF ORDINANCES

Ordinance 5777

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 927 AND 929 W. BIRGE STREET (LANDMARK BANK, OWNERS;

ORD 5777
ZONE CHANGE FOR
CONVENIENCE STORE
& CLEANERS
(APPEAL FROM P&Z)
(927 & 929 W. BIRGE)

MIRZA BAIG, PROSPECTIVE BUYER; AND GARY LOWELL, REPRESENTATIVE); PROVIDING FOR A REPEALER.

(DENIED)

Council Member Smith said, as a child, he remembered the convenience store located on Birge Street, and felt it would be a convenience to people living in the neighborhood. However, he also understood the concerns of the neighbors that lived within 200 feet of the property.

He asked Ms. Mathieu what she would like to see located on that property. Ms. Mathieu said it should be bulldozed and used for a residence. Council Member Smith asked if she had considered purchasing the property herself. He added that someone has considered purchasing the property. He said something needs to go there and not everyone can be happy. What will happen is that it will remain a dilapidated commercial property that no one wants. He questioned if that was better for the neighborhood.

Mayor Wacker asked about the previous non-conforming use on the property. Scott Shadden, Director of Development Services, explained that the current zoning of the property is residential. When the commercial use ceased, it lost the commercial zoning. Council Member Sofey verified that the property hasn't been used illegally for 50 years. It was an existing nonconforming use and when that use ceased it lost its nonconforming status. Now the property requires a zone change for commercial use.

Council Member Smith said something needs to be done with the property and it won't make everyone happy.

Council Member Plyler said his concern is to rezone a portion of a neighborhood to C-1. He felt there were other ways the business could exist at this location, rather than a zone change. Mr. Shadden said a specific use permit would not be available in a residential district. Council Member Plyler said he did not want to see the property zoned C-1, because the City would lose a lot of control over it.

Council Member Johnson expressed concern that changing the property from residential to commercial might be okay for a convenience store and a Laundromat now, but that leaves the door open for anything to be located there in the future. He was concerned since that is really a residential neighborhood.

Council Member Sofey asked the potential buyers if that was the only businesses they wanted to locate at the site. He said he didn't want to see a vacant building there and would like to see it used.

Roger Baig, 2104 Bois d' Arc Drive
Gary Lowell, 1504 Southridge Lane

Mr. Baig is the prospective buyer of the property and Mr. Lowell is his representative. Council Member Sofey asked if

there were any other opportunities for use of the property that might require a “lighter” zoning, such as office space. Mr. Baig said he is in the convenience store business.

Mr. Lowell said they did a survey in the neighborhood and found that several people traveled to Texoma Parkway for a Laundromat. Council Member Sofey said when the Planning and Zoning Commission or the City Council change the zoning to C-1, they leave the door open for many different types of businesses that could potentially be located in that zoning district. He had hoped there might be another opportunity for a lighter commercial use for the property.

Brandon Shelby, City Attorney, clarified that the property had never been zoned C-1, but was a nonconforming use as long as the businesses were open. The actual zoning is residential.

Council Member Johnson said it was a tough dilemma because you didn’t want a dilapidated building located in a nice residential neighborhood, but you are opening the door to any type of business that would be allowed in a C-1 zoning district. There is a long list of businesses that can be located in a C-1 zoning district and once the zoning is changed, the City would lose the ability to control what is located on the property in the future.

Mayor Wacker explained that a vote of six would be needed to overturn the Planning and Zoning Commission’s decision.

ACTION TAKEN.

Motion by Council Member Plyler to deny Ordinance No. 5777, and uphold the Planning and Zoning Commission decision. Second by Council Member Johnson.

VOTING AYE: Johnson, Plyler, Sofey, Softly.

VOTING NAY: Smith.

MOTION CARRIED TO DENY.

Ordinance 5778

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 USED AUTOMOBILE SALES, SERVICE, TIRE SALES AND SERVICE AND LIGHT MECHANICAL WORK IN A C-1 (RETAIL BUSINESS) DISTRICT/O-1 (75 & 82) OVERLAY DISTRICT AT 1804 NORTH HIGHWAY 75, BEING LOT 1, BLOCK 1, JAMES PLAZA ADDITION (STEVE STARNES, OWNER; DREW BURCK, REPRESENTATIVE; RED RIVER AUTO GROUP, TENANT; AND SARTIN & ASSOCIATES, INC., SURVEYORS); 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.

ORD 5778
SUP FOR AUTO &
TIRE SALES, LIGHT
MECHANICAL WORK
(1804 N. HWY 75)

COUNCIL MINUTES – JUNE 17, 2013

ACTION TAKEN.

Motion by Council Member Smith to approve Ordinance No. 5778, as presented. Second by Council Member Sofey.

VOTING AYE: Johnson, Plyler, Smith, Sofey, Softly.

VOTING NAY: None.

MOTION CARRIED.

Ordinance 5779

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 USED AUTOMOBILE SALES IN A C-2 (GENERAL COMMERCIAL) DISTRICT AT 901 EAST PECAN STREET, BEING THE SOUTH 68' OF LOTS 1-4, BLOCK 17, CHAFFIN'S 1ST ADDITION (L&DB PARTNERSHIP, OWNERS AND DARREN K. PULS, TENANT); 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.

ORD 5779

**SUP FOR AUTO SALES
(901 E. PECAN)**

Council Member Smith verified that the property was currently zoned C-2 and the request was for a specific use permit.

ACTION TAKEN.

Motion by Council Member Sofey to approve Ordinance No. 5779, as presented. Second by Council Member Plyler.

VOTING AYE: Johnson, Plyler, Smith, Sofey.

VOTING NAY: None.

ABSTAIN: Softly.

MOTION CARRIED.

CONSENT AGENDA

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

CONSENT AGENDA

RESOLUTIONS

RESOLUTION NO. 5774 – AUTHORIZING EXECUTION OF A CONTRACT WITH SHARON A. MALONE, MD AS LICENSED MEDICAL DIRECTOR FOR EMERGENCY MEDICAL SERVICES; PROVIDING FOR A STATEMENT OF MEDICAL DIRECTION; PROVIDING FOR AUTOMATIC RENEWAL

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING EXECUTION OF A CONTRACT WITH SHARON A. MALONE, MD AS LICENSED MEDICAL DIRECTOR FOR EMERGENCY MEDICAL SERVICES; PROVIDING FOR A STATEMENT OF MEDICAL DIRECTION; PROVIDING FOR AUTOMATIC RENEWAL.
CONSENT AGENDA.

RES 5774

**EMS MEDICAL
DIRECTOR**

RESOLUTION NO. 5775 – AUTHORIZING PUBLICATION OF THE PROPOSED FINAL STATEMENT/ACTION PLAN FOR

RES 5775

CDBG FINAL

THE COMMUNITY DEVELOPMENT BLOCK GRANT FOR FISCAL YEAR 2013; 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 FISCAL YEAR 2013

STATEMENT

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 FISCAL YEAR 2013; 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 FISCAL YEAR 2013.

CONSENT AGENDA.

RESOLUTION NO. 5776 – AUTHORIZING SUBMISSION OF A JOINT GRANT APPLICATION WITH GRAYSON COUNTY FOR, AND THE ACCEPTANCE OF, A GRANT AWARDED UNDER THE 2013 JUSTICE ASSISTANCE GRANT PROGRAM – CFDA #16.738

RES 5776
JAG GRANT
APPLICATION WITH
GRAYSON COUNTY

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING SUBMISSION OF A JOINT GRANT APPLICATION WITH GRAYSON COUNTY FOR, AND THE ACCEPTANCE OF, A GRANT AWARDED UNDER THE 2013 JUSTICE ASSISTANCE GRANT PROGRAM – CFDA #16.738.

CONSENT AGENDA.

RESOLUTION NO. 5777 – AUTHORIZING EXECUTION OF AN INTERLOCAL AGREEMENT BETWEEN THE CITY OF SHERMAN AND GRAYSON COUNTY FOR GRANT FUNDING TO BE AWARDED BY THE U.S. DEPARTMENT OF JUSTICE UNDER THE 2013 JUSTICE ASSISTANCE GRANT PROGRAM – CFDA #16.738

RES 5777
JAG GRANT
INTERLOCAL
AGREEMENT WITH
GRAYSON COUNTY

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING EXECUTION OF AN INTERLOCAL AGREEMENT BETWEEN THE CITY OF SHERMAN AND GRAYSON COUNTY FOR GRANT FUNDING TO BE AWARDED BY THE U.S. DEPARTMENT OF JUSTICE UNDER THE 2013 JUSTICE ASSISTANCE GRANT PROGRAM – CFDA #16.738.

CONSENT AGENDA.

RESOLUTION NO. 5778 – APPROVING THE GREATER TEXOMA UTILITY AUTHORITY'S INTENTION TO CONTRACT WITH VULCAN INDUSTRIES, INC. FOR REPLACEMENT OF THE EAST BAR SCREEN AT THE CITY OF SHERMAN WASTEWATER TREATMENT PLANT

RES 5778
EAST BAR SCREEN
REPLACEMENT AT
WWTP

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, APPROVING THE GREATER TEXOMA UTILITY AUTHORITY'S INTENTION TO CONTRACT WITH VULCAN INDUSTRIES, INC. FOR THE REPLACEMENT OF

THE EAST BAR SCREEN AT THE CITY OF SHERMAN
WASTEWATER TREATMENT PLANT.
CONSENT AGENDA.

RESOLUTION NO. 5779 – AUTHORIZING EXECUTION OF AN
EASEMENT AND RIGHT-OF-WAY TO GTE SOUTHWEST
INCORPORATED D/B/A VERIZON SOUTHWEST FOR
COMMUNICATION FACILITIES AT THE BLALOCK FIRE
STATION

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
SHERMAN, TEXAS, AUTHORIZING EXECUTION OF AN
EASEMENT AND RIGHT-OF-WAY TO GTE SOUTHWEST
INCORPORATED D/B/A VERIZON SOUTHWEST FOR
COMMUNICATION FACILITIES AT THE BLALOCK FIRE
STATION.

CONSENT AGENDA.

RES 5779
COMMUNICATION
EASEMENT AT
BLALOCK FIRE
STATION

OTHER BUSINESS

RECEIVE PRESENTATIONS FROM SEVERAL MEMBERS OF
COMMUNITY ARTS GROUPS SUPPORTED BY HOTEL/
MOTEL TAX FUNDS

Mayor Wacker thanked citizens for attending the meeting.
She added that the arts hold a significant place in the City of
Sherman and in the overall tourism plan. She also wanted to
“get everyone on the same page.”

HOTEL/MOTEL
TAX FUND
DISCUSSION FROM
COMMUNITY GROUPS

Mayor Wacker felt that citizens had been given an
incomplete picture of the discussion that has been taking
place among Council Members as they face some critical
budget issues. One of the missing pieces concerns the
mission and core values of the tourism program. The core
value is to promote Sherman’s unique heritage, venues, and
activities. While the goals and objectives are to increase
visitor awareness, to foster usage of City facilities, and to
support local arts and humanities programs and other
tourism related groups.

As the Council discussed the funding areas for Hotel/Motel
Tax, they knew they were all important, but it was a
prioritizing exercise. There was never any intention to cut
all the funding to any group, however the City is \$100,000
short in the Hotel/Motel Tax Fund this year.

Mayor Wacker said the overall Hotel/Motel Tax is falling and
there is no longer enough money to fund all the requests
that are coming into the City each year. She reminded
citizens that the Council recognizes the importance of these
groups, as well as all the programs they have been funding
that bring visitors to Sherman.

She added that additional sponsorships were needed for Hot
Summer Nights and the Chamber of Commerce stepped up
and raised an additional \$12,000 for the program. That’s the
kind of discussion that has been going on behind the
scenes to address this critical issue. She urged all groups
to work together to help solve this problem.

COUNCIL MINUTES – JUNE 17, 2013

George Olson, City Manager, explained that the City had previously received a memo from Larry Wall, President of the Sherman Council for the Arts & Humanities, in late May 2013, rescinding his request for funding for SCAH for 2014. Mr. Wall had found some other private anonymous donations to fund the organizations for the upcoming year.

Mayor Wacker reiterated that the City Council is not making any budget decisions at tonight's City Council Meeting.

Webster Crocker, Theatricks Director

Mr. Crocker appeared to express the importance of the arts in the community, as well as funding for the various programs. They realize that there have been economic hardships that have forced everyone to "cut back."

He asked the City Council to consider the effect that these cuts have on the programs that help to make Sherman unique and of value to the citizens. He discussed Sherman, which was previously known as the "Athens of Texas" because of its cultural diversity. SCAH has been instrumental in keeping that cultural diversity alive and bringing these organizations together each year for the Arts Festival.

Mr. Crocker presented various quotes and letters over the years praising the Sherman Community Players and Theatricks, including one from Cary Wacker written in 1992, when she was the President of SCAH.

He urged the City Council and the staff to work together to support SCAH and help invigorate the unique qualities to make Sherman "a beacon in Texas."

Mayor Wacker said that in the past she has been President of the Arts Council, has served as Chairman and Committee Member of Arts Festival, was on the Sherman Preservation League Board, and the Sherman Museum Board.

Dan Steelman, Sherman Museum Executive Director

Mr. Steelman thanked the City Council for their long standing tradition of supporting the arts in Sherman. The City has "staunchly" supported the Sherman Museum for more than 37 years, initially as a City installation, and more recently as an independent organization. The City's efforts, combined with the hard work of volunteers, board members, and staff, have contributed to make the Sherman Museum one of Texoma's finest.

He added that the Sherman Museum is a small museum, and he listed various programs and exhibits that have been featured in the past, such as Dino Days and Toyland. They have also made the Museum more accessible by adding an elevator.

Mr. Steelman said the Sherman Museum has increased tourism in Sherman and had their best year in a decade in terms of visitor count and door donations. Even so, Mr. Steelman said over half of their annual budget comes from the Hotel/Motel Tax Fund.

Any reduction in funding will directly and proportionally impact their ability to serve the public. Installation of the elevator consumed all of their reserve funds. Therefore Hotel/Motel Tax funding cuts will likely result in reductions of hours, services, and personnel, as well as exhibits such as Dino Days.

Mr. Steelman said he was disappointed because the progress of the last few years will be “stymied” if funding is cut. The timing is especially bad because 2014 marks the centennial of the building that the Museum occupies.

He added that during budget presentations last year, the City Council's remarks about the Museum were overwhelmingly favorable, and he hoped they still felt the same. He admitted there were tough decisions for the Council to make since every organization and program has value.

Since these organizations generally operate on a lean budget, Mr. Steelman urged the City Council to be judicious and democratic with their cuts. Since they all benefit from funding during good times, they should all be willing to sacrifice during the tough times. He did not feel that any organization that received Hotel/Motel Tax funding should be exempted except where legal obligations require.

Mr. Steelman said any effective tourism effort requires a team effort. He commended Sherman for their outstanding tourism staff and for the entire staff and Council. He also recognized the dedicated volunteers that work through SCAH and other organizations on the City's behalf, to help make Sherman a better place. He urged the City Council to keep the partnership strong and share the sacrifices equally.

Larry Wall, Sherman Council for the Arts & Humanities, Inc. President

Mr. Wall explained that SCAH is an organization with no infrastructure, no buildings, no rented offices, no telephones, no utility bills, and no paid staff. Their most valuable asset is the 501c3 designation which makes them a non-profit organization which can accept donations that are tax deductible, which is critical to organizing the Arts Festival.

Besides the Arts Festival, grants pass through SCAH and are distributed to other non-profit organizations. All of these eleven non-profit organizations also volunteer to assist with Arts Festival, as a moral imperative. SCAH never charges a dime to the City for putting on Arts Festival.

This year the City will no longer be handling the vendor activities for the Arts Festival and SCAH has had to hire a contractor to perform that job.

He said some believe that the City values the SCAH organizations less than they should but he did not feel this was the case. The cuts are due to a lack of funding, and Mr. Wall said you can't make Hotel/Motel Tax appear "from thin air."

The SCAH organizations are not primarily supported by City funds. SCAH funding is only about 5% of these total revenues from all these organizations. He discussed how possible cuts might be made in the organizations if funding is cut. He considered whether or not Lights on the Lake and Hot Summer Nights are funded entirely from Hotel/Motel Tax funds.

Mayor Wacker said the City receives significant sponsorship money for both of those events. She said the City also has a big investment in the Arts Festival through staff time. Council Member Smith added that even though it's not cash, the City contributes a lot of money to Arts Festival. Mayor Wacker added that there are a lot of costs to the City, such as staff overtime, that may not be reflected on SCAH's books.

Mr. Wall said he felt that Lights on the Lake and Hot Summer Nights are more vulnerable than the Arts Council groups are and it made more sense to consider them a higher priority. He felt that funding for those two programs should not be taken as a lack of value on the arts groups.

Mr. Wall said he felt the City actually had a significant shortfall in funding that would not be a short term problem. He felt the City had probably been spending down reserves and just couldn't continue to do that anymore. At that point, he knew that SCAH needed to look beyond this year for funding.

As a result, Mr. Wall said they have found a donor base that will keep SCAH going for another five to six years. At that time, it is hoped that the City will have the debt service paid off and funding for the SCAH groups can return to normal. He reiterated that the SCAH grants will be at full value for at least the next five to six years.

Mayor Wacker said that is exactly the kind of solution the Council had been discussing, either to come up with new events or new donors to drive revenue up in that fund so the organizations can continue to function at that level. She thanked Mr. Wall for "taking that on."

Council Member Smith explained that the City has a budget that they must stay within. He said he has been on the City Council a long time and he has worked with Mayor Wacker

for many years. He assured everyone that she staunchly defends every one of the organizations on a regular basis. He did not want the misconception out there that she is not 100% behind all the organizations. He took exception to the fact that she was quoted from a comment she made 12 years ago and he felt that was a “dig” at her.

Council Member Smith said he felt the decisions that were being made now should have been made years ago. They tried to put them off to make everyone happy and they hoped that things would “turn around.” But it hasn’t. Now they must face the decisions that were put off five years ago.

He added that there is only so much money. He said it has to happen somewhere at some point in time and if not these organizations, then who. Council Member Smith said he was thrilled that Mr. Wall had found a donor to “take the City’s place.” He applauded Mr. Wall’s work, saying it was awesome.

He said the Council hates to have to make these types of decisions. It is the worse part of the job. Council Member Smith added that it is an honor and a privilege to serve on the Council. He said these are difficult decisions and not everyone will be happy with the decisions made at the upcoming Budget Work Session, but he said the decisions will be made with a lot of thought and compassion, and as much intelligence as possible.

Mayor Wacker added that Council Member Smith has also served in the past on a prior tourism committee and has been very committed. She said the Council is very involved and hear and respect what these representatives have to say. It is a value to the City and the Council is fully committed in doing what they can to resolve the issue and turn it around for the future. Mayor Wacker said the Council is optimistic about the future but there will probably be one more tough year.

The upcoming budget discussions will include some options on ways to address the ongoing decline in Hotel/Motel funding and look at events and exciting ways to draw visitors back to Sherman.

Council Members thanked the citizens for attending the meeting and expressing their concerns about funding for the local organizations.

CITIZENS REQUESTS
HIGH SPEED INTERNET SERVICE

Richard Hose, 301 S. Heritage Parkway, asked the City Council to direct the City Manager to “look into” a problem he is having.

**HIGH SPEED
INTERNET SERVICE**

Mr. Hose lives at the Villas of Parkhaven and when they moved in they were assured that they would have high

speed Internet. Apparently Verizon is the only Internet provider for that location.

He understood that the City has a franchise agreement with Verizon to provide telephone and Internet services in Sherman. Verizon is currently telling Mr. Hose that it will be six months to two years before they can provide high speed Internet to that location.

Many living in the Villas depend on the Internet to conduct their personal or professional business. Mr. Hose said he has not been successful in getting Verizon to install the connections.

He asked the City Council to look into the situation and determine why the citizens can't get the services that have been contracted for with Verizon.

Mayor Wacker asked the City Manager to meet with Mr. Hose on his issues.

MEDIA QUESTIONS

There were no media questions.

MEDIA QUESTIONS

APPOINT/REMOVE OR CONSIDER QUALIFICATIONS TO BOARDS AND COMMISSIONS

KEEP SHERMAN BEAUTIFUL COMMISSION (7)

Mayor Wacker said there will be additional applications coming for the Keep Sherman Beautiful Commission, but she wanted to start with the first appointment.

**KEEP SHERMAN
BEAUTIFUL
COMMISSION**

ACTION TAKEN.

Motion by Council Member Smith to appoint Jennifer Thompson to the Keep Sherman Beautiful Commission for a term from June 18, 2013 to June 18, 2015. Second by Council Member Softly.

VOTING AYE: Johnson, Plyler, Smith, Sofey, Softly.

VOTING NAY: None.

MOTION CARRIED.

COUNCIL COMMENTS

SHERMAN COUNCIL FOR THE ARTS AND HUMANITIES

Council Member Johnson and Council Member Plyler both thanked the members of SCAH for coming out to show their support. The upcoming Budget Work Session will be a tough day for everyone. Decisions will have to be made on many issues.

SCAH

ANNOUNCEMENTS

Mayor Wacker announced the following:

- The Sherman Police Department is currently seeking entry level patrol officers. Applications are available at the Human Resources Office or online at the City's website. The next Civil Service test is scheduled for August 2013.

ANNOUNCEMENTS

COUNCIL MINUTES – JUNE 17, 2013

- The fourth annual Lights on the Lake will be held on July 3, 2013. She invited everyone to attend at Pecan Grove West. The event will include fireworks, music from the Hunter Smith Band and SoundHouse, kid's activities, food, and more. Gates open at 6:00 p.m. and TAPS will run a shuttle service.
- Hot Summer Nights continues this week with bluegrass from the Bluefield Express. Music starts at 7:30 p.m. and is located on the Municipal Building grounds.
- Dino Days is ongoing at the Sherman Museum through August 3, 2013.

ADJOURNMENT

On Motion duly made and carried, the meeting adjourned at 6:09 p.m.

ADJOURNMENT

MAYOR

CITY CLERK