STATE OF TEXAS §

May 5, 2008

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 May 5, 2008.

MEMBERS PRESENT: MAYOR BILL MAGERS; DEPUTY MAYOR CHIP ADAMI. COUNCIL MEMBERS HUGHES, SMITH, T. STEELE, W. STEELE, WACKER.

MEMBERS ABSENT: NONE.

CALL TO ORDER

CALL TO ORDER

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

APPROVE MINUTES

APPROVE MINUTES

The Council reviewed the Minutes of the Regular City Council Meeting of April 21, 2008. Council Member Willie Steele moved to approve the Minutes as presented; Second by Council Member Terrence Steele. All present voted AYE. MOTION CARRIED.

PROCLAMATION

"NATIONAL TOURISM WEEK" – MAY 10-18, 2008

NATIONAL TOURISM WEEK MAY 10-18, 2008

Council Member Terrence Steele presented a proclamation to Shawnda Rains, Tourism Director, proclaiming May 10 through 18, 2008 as "National Tourism Week."

Ms. Rains thanked the City Council for their support of the tourism program. Many exciting events are coming up, including Hot Summer Nights.

"NATIONAL PUBLIC WORKS WEEK" – May 18-24, 2008

NATIONAL PUBLIC WORKS WEEK MAY 18-24, 2008

Council Member Hughes presented a proclamation to Jim Cullen, Street Superintendent, proclaiming May 18 through 24, 2008 as "National Public Works Week."

Mr. Cullen thanked the City Council for their support for the Public Works Department. He presented a poster to the City Council signed by all the Public Works employees.

PUBLIC HEARING

FINAL STATEMENT/ACTION PLAN FOR PROGRAM YEAR 2008 COMMUNITY DEVELOPMENT BLOCK GRANT

COMMUNITY DEVELOPMENT BLOCK GRANT

Mayor Magers asked for any comments or questions concerning the Final Statement/Action Plan for the Community Development Block Grant for Program Year 2008.

No citizens appeared before the City Council to discuss the Final Statement/Action Plan for the Program Year 2008 Community Development Block Grant.

INTRODUCTION AND PUBLIC HEARING OF ORDINANCES

Mayor Magers introduced Ordinance 5531 and called for a public hearing:

ORD 5531
SUP FOR OFF-PREMISE SIGN

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 PHAT VO (OWNER AND MIKE WILSON (REPRESENTATIVE) TO ALLOW A 32 SQUARE FOOT DOUBLE FACED MONUMENT OFF-PREMISE SIGN IN LIEU OF ONE FREESTANDING SIGN PER DEVELOPMENT LOT IN A C-2 (GENERAL COMMERCIAL) DISTRICT AT 1720 GALLAGHER DRIVE, BEING LOT 2-B BLOCK 1 OF THE CENTER AT GALLAGHER DRIVE. 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.

No citizens appeared before the City Council to discuss Ordinance 5531.

Mayor Magers introduced Ordinance 5532 and called for a public hearing:

ORD 5532
SUP FOR IMPOUND LOT

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 WHITMIRE ENTERPRISES, INC. (OWNERS) AND ROBERT ALLEN (TENANT) TO ALLOW AN IMPOUND LOT IN AN M-2 (HEAVY MANUFACTURING) DISTRICT AT 532 EAST KING STREET, BEING 0.458 ACRES IN THE SAMUEL BLAGG SURVEY, ABSTRACT NO. 56. 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.

No citizens appeared before the City Council to discuss Ordinance 5532.

Mayor Magers introduced Ordinance 5533 and called for a public hearing:

ORD 5533
ZONE CHANGE FOR IMPOUND LOT

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 2412 NORTH TRAVIS STREET, BEING 2.37 ACRES IN THE J.B. McANAIR SURVEY, ABSTRACT NO. 763. DR. SHAWN MacDONALD (OWNER), DAVID BACA (ARCHITECT), AND SARTIN & ASSOCIATES (SURVEYOR). PROVIDING FOR A REPEALER.

No citizens appeared before the City Council to discuss Ordinance 5533.

The Ordinances were introduced and the Public Hearing was closed.

CLOSE PUBLIC HEARING

ADOPTION OF ORDINANCES

Ordinance 5531

ORD 5531 SUP FOR OFF-PREMISE SIGN

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 PHAT VO (OWNER AND MIKE WILSON (REPRESENTATIVE) TO ALLOW A 32 SQUARE FOOT DOUBLE FACED MONUMENT OFF-PREMISE SIGN IN LIEU OF ONE FREESTANDING SIGN PER DEVELOPMENT LOT IN A C-2 (GENERAL COMMERCIAL) DISTRICT AT 1720 GALLAGHER DRIVE, BEING LOT 2-B BLOCK 1 OF THE CENTER AT GALLAGHER DRIVE. 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.

Council Member Smith said Dr. Millman expressed concern that the sign might obscure his sign. Scott Shadden, Director of Developmental Services, said Dr. Millman attended the Planning and Zoning Meeting and after reviewing the drawing, he had no problem with the proposed sign.

Ordinance 5532

ORD 5532 SUP FOR IMPOUND LOT

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 WHITMIRE ENTERPRISES, INC. (OWNERS) AND ROBERT ALLEN (TENANT) TO ALLOW AN IMPOUND LOT IN AN M-2 (HEAVY MANUFACTURING) DISTRICT AT 532 EAST KING STREET, BEING 0.458 ACRES IN THE SAMUEL BLAGG SURVEY, ABSTRACT NO. 56. 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.

Ordinance 5533

ORD 5533 ZONE CHANGE FOR IMPOUND LOT

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 2412 NORTH TRAVIS STREET, BEING 2.37 ACRES IN THE J.B. McANAIR SURVEY, ABSTRACT NO. 763. DR. SHAWN MacDONALD (OWNER), DAVID BACA (ARCHITECT), AND SARTIN & ASSOCIATES (SURVEYOR). PROVIDING FOR A REPEALER.

ACTION TAKEN.

> **Motion by Council Member Hughes to approve Ordinance Nos. 5531, 5532, and 5533, as presented. Second by Council Member Terrence Steele.**

VOTING AYE: Adami, Hughes, Smith, T. Steele, W. Steele, Wacker.
VOTING NAY: None.
MOTION CARRIED.

TABLED AT THE APRIL 7, 2008 COUNCIL MEETING:
ADOPTION OF ORDINANCE NO. 5527

ORD 5527 WATER METER BOXES

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AMENDING CHAPTER 13 OF THE CODE OF ORDINANCES, "UTILITIES," ARTICLE 13.07, "WATER, SEWERS AND SEWAGE DISPOSAL," AT SECTIONS 13.07.033 AND 13.07.034, TO MODIFY THE REQUIREMENTS RELATED TO THE INSTALLATION OF WATER SERVICE LINES AND THE PROVISION OF WATER METERS AND METER BOXES. PROVIDING FOR INCLUSION IN THE CODE OF ORDINANCES. PROVIDING FOR SEVERABILITY. PROVIDING FOR A REPEALER.

ACTION TAKEN.
Motion by Deputy Mayor Adami to remove Ordinance 5527 from table for discussion. Second by Council Member Willie Steele.
VOTING AYE: Adami, Hughes, Smith, T. Steele, W. Steele, Wacker.
VOTING NAY: None.
MOTION CARRIED TO REMOVE FROM TABLE.

George Olson, City Manager, explained that originally the proposed ordinance would charge citizens for the larger size meter box. It was found that the way cities charge meter boxes is done very differently between various cities.

At this time, the proposed ordinance would allow the City to require a larger meter box so employees can work on the meters and would also require the use of Type K copper for the connections. There would be no additional cost to the citizen.

Mayor Magers verified that the City Council would address the fee structure at a later date.

Deputy Mayor Adami verified that there are only about 12 of the oversize meter boxes that are installed annually. Council Member Willie Steele verified that water meters two inches or larger must be purchased by the customer. Mr. Olson said that is current practice. The 3x3 inch concrete box with a metal lid costs approximately $1,800.

ACTION TAKEN.
Motion by Deputy Mayor Adami to approve Ordinance No. 5527, as presented. Second by Council Member Wacker.
VOTING AYE: Adami, Hughes, Smith, T. Steele, W. Steele, Wacker.
VOTING NAY: None.
MOTION CARRIED.

CONSENT AGENDA

CONSENT AGENDA

The Council reviewed the Consent Agenda. Council Member Smith asked to remove Item C-2 entitled "Resolution 5200 – Authorizing Publication of the Proposed Final

Statement/Action Plan for the Community Development Block Grant for Fiscal Year 2008," Council Member Willie Steele asked to remove Item C-8 entitled "Resolution 5206 – Rescinding Resolution No. 5144 in it's Entirety and Awarding a Bid to Grand Prairie Ford for the Purchase of Four 2008 Ford Crown Victoria Police Interceptor Vehicles," and Council Member Wacker asked to remove Item D-1 entitled "Request to Advertise – 2007-2008 Street Mill and Overlay Program" from the Consent Agenda for discussion in their regular order of business.

Deputy Mayor Adami moved to approve the Consent Agenda, with the exception of Items C-2, C-8, and D-1, which will be discussed in their regular order of business. Second by Council Member Terrence Steele. All present voted AYE.

RESOLUTIONS

RESOLUTION NO. 5199 – AUTHORIZING EXECUTION OF A CONSULTING SERVICES AGREEMENT WITH DUNKIN SIMS STOFFELS, INC. FOR THE CENTER STREET PARK PROJECT

RES 5199 CENTER STREET PARK PROJECT

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING EXECUTION OF A CONSULTING SERVICES AGREEMENT WITH DUNKIN SIMS STOFFELS, INC. FOR THE CENTER STREET PARK PROJECT.

ACTION TAKEN.

Motion by Council Member Terrence Steele to approve Resolution No. 5199, as presented. Second by Deputy Mayor Adami.

VOTING AYE: Adami, Hughes, Smith, T. Steele, W. Steele, Wacker.
VOTING NAY: None.
MOTION CARRIED.

RESOLUTION NO. 5200 – AUTHORIZING PUBLICATION OF THE PROPOSED FINAL STATEMENT/ACTION PLAN FOR THE COMMUNITY DEVELOPMENT BLOCK GRANT FOR FISCAL YEAR 2008; 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 2008

RES 5200 COMMUNITY DEVELOPMENT BLOCK GRANT

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 2008. 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 2008.

Council Member Smith asked to remove Item C-2 from the Consent Agenda for discussion in its regular order of business.

Council Member Smith said the grant included $63,000 for administration costs. He asked if that was for City personnel. Mr. Olson explained that the cost pays for approximately 100% of one employee and 75% of a second employee. The grant pays strictly for HUD related work.

Council Member Smith felt that was a lot of money to administer the program and he asked if that money could be reallocated to some of the other projects.

Mr. Olson explained that the grant is a HUD grant and the City must follow their rules and regulations. Sherman is required to do the same as the larger cities. While the money appears to be excessive, it fits with the grant.

He felt the real question was how small does the grant get before it's not worth doing. He added that the position does take a full-time employee and some support and he did not feel the allotment should be reduced.

RES 5201
SALE OF PROPERTY
(800 N. BRENTS)

<u>RESOLUTION NO. 5201 – AUTHORIZING EXECUTION OF A DEED WITHOUT WARRANTY TO CALIX PROPERTIES FOR THE CONVEYANCE OF PROPERTY AT 800 NORTH BRENTS STREET</u>
A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING EXECUTION OF A DEED WITHOUT WARRANTY TO CALIX PROPERTIES FOR THE CONVEYANCE OF PROPERTY AT 800 NORTH BRENTS STREET.
CONSENT AGENDA.

RES 5202
SALE OF PROPERTY
(1624 E. KING)

<u>RESOLUTION NO. 5202 – AUTHORIZING EXECUTION OF A DEED WITHOUT WARRANTY TO BARTON CAPITAL, LTD. FOR THE CONVEYANCE OF PROPERTY AT 1624 EAST KING STREET</u>
A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING EXECUTION OF A DEED WITHOUT WARRANTY TO BARTON CAPITAL, LTD. FOR THE CONVEYANCE OF PROPERTY LOCATED AT 1624 EAST KING STREET.
CONSENT AGENDA.

RES 5203
SALE OF PROPERTY
(500 E. LAKE)

<u>RESOLUTION NO. 5203 – AUTHORIZING EXECUTION OF A DEED WITHOUT WARRANTY TO DOUGLASS DISTRIBUTING, INC. FOR THE CONVEYANCE OF PROPERTY IN THE 500 BLOCK OF EAST LAKE STREET</u>
A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING EXECUTION OF A DEED WITHOUT WARRANTY TO DOUGLASS DISTRIBUTING, INC. FOR THE CONVEYANCE OF PROPERTY IN THE 500 BLOCK OF EAST LAKE STREET.
CONSENT AGENDA.

RES 5204
TEXOMA PKWY
SEWER MAIN
REPLACEMENT

<u>RESOLUTION NO. 5204 – AUTHORIZING EXECUTION OF A PROFESSIONAL SERVICES AGREEMENT WITH TIMOTHY L. MORRIS, P.E. D/B/A MORRIS ENGINEERS FOR DESIGN OF THE TEXOMA PARKWAY SEWER MAIN REPLACEMENT BETWEEN GRAND AVENUE AND BROUGHTON STREET</u>
A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING EXECUTION OF A PROFESSIONAL SERVICES AGREEMENT WITH TIMOTHY L. MORRIS, P.E. D/B/A MORRIS ENGINEERS FOR DESIGN OF THE TEXOMA PARKWAY SEWER MAIN REPLACEMENT BETWEEN GRAND AVENUE AND BROUGHTON STREET.
CONSENT AGENDA.

RES 5205
LAKE STREET
CULVERT

<u>RESOLUTION NO. 5205 – AWARDING A BID TO AND AUTHORIZING EXECUTION OF A CONTRACT WITH JERRY PAUL HIGGINS, LTD. TO REPLACE A CULVERT ON LAKE STREET NEAR FIRST STREET</u>
A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AWARDING A BID TO AND AUTHORIZING EXECUTION OF A CONTRACT WITH JERRY PAUL HIGGINS, LTD. TO REPLACE A CULVERT ON LAKE STREET NEAR FIRST STREET.
CONSENT AGENDA.

RES 5206
PURCHASE OF
POLICE VEHICLES

<u>RESOLUTION NO. 5206 – RESCINDING RESOLUTION NO. 5144 IN ITS ENTIRETY AND AWARDING A BID TO GRAND PRAIRIE FORD FOR THE PURCHASE OF FOUR 2008 CROWN VICTORIA POLICE INTERCEPTOR VEHICLES</u>
A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, RESCINDING RESOLUTION NO. 5144 IN ITS ENTIRETY AND AWARDING A BID TO GRAND PRAIRIE FORD FOR THE PURCHASE OF FOUR 2008 FORD CROWN VICTORIA POLICE INTERCEPTOR VEHICLES.

Council Member Willie Steele asked to remove Item C-8 from the Consent Agenda for consideration in its regular order of business.

Council Member Willie Steele verified that the bid was properly advertised and no local dealerships submitted bids. Police Chief Tom Watt confirmed that the purchase was through BuyBoard. Mr. Olson said the local dealerships were asked to bid, however they did not.

REQUEST TO ADV
STREET MILL
& OVERLAY

<u>REQUEST TO ADVERTISE</u>
<u>2007-2008 STREET MILL AND OVERLAY PROGRAM</u>
Council Member Wacker asked to remove Item D-1 from the Consent Agenda for discussion in its regular order of business.

Council Member Wacker said the City has an ambitious slate of street projects this year, in addition to the regular budgeted maintenance projects. She felt the City was "staying ahead" on street maintenance.

ACTION TAKEN.

Motion by Deputy Mayor Adami to approve Resolution Nos. 5200 and 5206 and the request to advertise for the 2007-2008 Street Mill and Overlay Program, as presented. Second by Council Member Wacker.

VOTING AYE: Adami, Hughes, Smith, T. Steele, W. Steele, Wacker.
VOTING NAY: None.
MOTION CARRIED.

<u>ADDENDUM</u>

<u>RESOLUTION 5207 – AUTHORIZING THE PUBLICATION OF THE NOTICE OF PUBLIC HEARING REGARDING THE APPEAL OF THE PLANNING AND ZONING COMMISSION'S DENIAL OF A REQUEST TO AMEND SECTION 12, ORDINANCE NO. 2280 SO AS TO INCUDE CERTAIN PROPERTIES WITHIN THE R-2 (MULTI-FAMILY RESIDENTIAL) DISTRICT AT 1300 WEST TAYLOR STREET, BEING 13.80 ACRES IN THE J.B. McANAIR SURVEY, ABSTRACT NO. 763 (JAROD ANDERSON, OWNER; CHRIS APPLEQUIST, PROSPECTIVE BUYER; AND SARTIN & ASSOCIATES, SURVEYOR) THAT WILL BE HEARD AT THE REGULARLY SCHEDULED CITY COUNCIL MEETING ON JUNE 2, 2008, THAT BEGINS AT 5:00 P.M.</u>

RES 5207
APPEAL OF P&Z DENIAL
(1300 W. TAYLOR)

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING THE PUBLICATION OF THE NOTICE OF PUBLIC HEARING REGARDING THE APPEAL OF THE PLANNING AND ZONING COMMISSION'S DENIAL OF A REQUEST TO AMEND SECTION 12, ORDINANCE NO. 2280, SO AS TO INCLUDE CERTAIN PROPERTIES WITHIN THE R-2 (MULTI-FAMILY RESIDENTIAL) DISTRICT AT 1300 WEST TAYLOR STREET, BEING 13.80 ACRES IN THE J.B. McANAIR SURVEY, ABSTRACT NO. 763 (JAROD ANDERSON, OWNER; CHRIS APPLEQUIST, PROSPECTIVE BUYER; AND SARTIN & ASSOCIATES, SURVEYOR) THAT WILL BE HEARD AT THE REGULARLY SCHEDULED CITY COUNCIL MEETING ON JUNE 2, 2008, THAT BEGINS AT 5:00 P.M.

Mayor Magers explained that the City Council is required to provide public notice of the appeal, which will be heard at the June 2nd City Council Meeting. No action will be taken at the current meeting except to post the resolution saying the issue will be heard at the June 2nd Council Meeting.

ACTION TAKEN.

Motion by Council Member Terrence Steele to approve Resolution No. 5207, as presented. Second by Council Member Wacker.

VOTING AYE: Adami, Hughes, Smith, T. Steele, W. Steele, Wacker.
VOTING NAY: None.
MOTION CARRIED.

REQUEST TO ADVERTISE
TRAVIS STREET WATER MAIN REPLACEMENT

REQUEST TO ADV TRAVIS STREET WATER MAIN REPLACEMENT

The City Council approved the request to advertise for bids to replace the Travis Street Water Main. The existing mains are deteriorated, resulting in frequent breaks and service interruptions.

The project will replace a 6-inch main on Travis Street, between U.S. Highway 75 and Washington Street, with an 8-inch main. The project is funded in this year's Capital Improvement Program.
CONSENT AGENDA.

REPAIRS TO LUELLA 4 WOODBINE WATER WELL

WATER WELL REPAIRS

The City Council approved the request to advertise for a bid to repair the Luella 4 Woodbine Water Well. The pump on the well is failing and needs to be pulled, inspected, and repaired or replaced as required.
CONSENT AGENDA.

CHANGE ORDER NO. 1
WEISINGER WATER WELL, INC.; DORCHESTER 8T WATER WELL REPAIRS; $880.00, INCREASE

CHANGE ORDER WATER WELL REPAIRS

The City Council approved Change Order No. 1, which is a final reconciliatory change order to adjust the final contract amount for repairs to the Dorchester 8T Water Well. The cost to provide an abrasion resistant package on the submersible pump was quoted as $10,880, however the amount transcribed in error to the contract was $10,000, resulting in an $880 deficit. The change yields a final contract price of $244,680.
CONSENT AGENDA.

OTHER BUSINESS
DISCUSS THE CITY OF SHERMAN'S EMPLOYEE GROUP HEALTH INSURANCE FUND

EMPLOYEE GROUP HEALTH INSURANCE

Robby Hefton, Assistant City Manager/CFO, presented a report on the City's Employee Group Health Insurance Fund. The item will also be discussed during the Annual Budget Work Sessions.

Mr. Hefton explained that the City's employee health coverage is mostly self-funded and covers employees, dependents and retirees. The City pays for the employee coverage and subsidizes dependents at about 50% of the cost. They also have a stop loss coverage for individual claims over $100,000 and for total claims to limit risk.

Historically the claims run $3 million to $3.2 million annually, and the fund is historically slightly over-funded.

At the end of FY 2006 the available fund balance was $1.6 million. Claims in FY 2007 were about $700,000 above the normal rate. Projected claims for FY 2008 are projected to be about $900,000 above the normal rate. This will drain the

$1.6 million fund balance by the end of the year. He added that excessive claims are due largely to the high number of large claims. There were six or seven that were in excess of the $100,000 stop loss limit.

Mr. Hefton said the staff does not have a proposal at the present time, however they will bring the issue back during Budget Work Sessions with recommendations on the plan and funding alternatives.

QUARTERLY INVESTMENT REPORT

<u>APPROVE QUARTERLY INVESTMENT REPORT FOR PERIOD ENDING MARCH 31, 2008</u>
The City Council approved the Quarterly Investment Report for the period ending March 31, 2008. The report reflects a portfolio position for the Operating Funds of about $32.4 million. As of March 31, 2008, the City was in compliance with all applicable State laws and the provisions of the internal Investment Policy.

The portfolio remains adequately liquid and its yield of 3.35% for the quarter is higher than the benchmark yield of 1.50%. The market value of the overall portfolio was 100.24% of the book value.

The report also includes the Certificate of Obligation Debt Proceeds, which is new for the quarter and relates to the funds received from the $5 million CO Debt Issue funded in March of 2008.
CONSENT AGENDA.

APPROVE FINAL PLAT COURSIER ADDITON

<u>FINAL PLAT APPROVAL OF THE COURSIER ADDITION, BEING 0.40 ACRES IN THE SAMUEL BLAGG SURVEY, ABSTRACT NO. 56; MICHAEL CUNHA AND RICHARD AND PAULA GARCIA, OWNERS (301, 303, 305, 307, 309 AND 311 WEST KING STREET)</u>
The City Council approved the Final Plat of the Coursier Addition, which is located at the northwest corner of King and Elm Streets. This is the redevelopment of existing property that has never been platted. The owner would like to plat this property into two lots. The Planning and Zoning Commission recommended approval of the Final Plat.
CONSENT AGENDA.

VARIANCE FOR RURAL SUBDIVISION THE CLASSICS – PRESTON CLUB

<u>CONSIDERATION TO ORDINANCE NO. 2684, SECTION 26(B)(2)(b) FOR A VARIANCE TO ALLOW A RURAL TYPE SUBDIVISION WITH LOTS LESS THAN AN ACRE AND A VARIANCE TO SECTION 12(E)(2) WITH NO PUBLIC STREET FRONTAGE IN PRESTON CLUB, THE CLASSICS – PHASE FOUR IN THE CITY OF SHERMAN'S EXTRA TERRITORIAL JURISDICTION IN THE 2100-2400 BLOCKS OF HUDGINS ROAD (HIGHWAY 289 EXTENSION) AND THE 400-500 BLOCKS OF PRESTON CLUB DRIVE, BEING 51.57 ACRES IN THE DANIEL BICKENBACK SURVEY, ABSTRACT NO. 128, THE J.M. THOMAS SURVEY, ABSTRACT NO. 1234, THE HENRY L. DOUGLAS SURVEY, ABSTRACT NO. 368, AND THE JOHN K. MILLER SURVEY, ABSTRACT NO. 819</u>

(ROBERT J. TATE, CHRISTOPHER REHMET, AND CLAIRE REHMET, OWNERS

The City Council approved the request of Robert J. Tate, Christopher Rehmet and Claire Rehmet for special consideration for a variance to allow a rural type subdivision with lots less than an acre and with no public street frontage in Preston Club, The Classics – Phase Four. The subdivision is in the City's extra territorial jurisdiction and is located in the 2100 to 2400 blocks of Hudgins Road (Highway 289 Extension) and the 400 to 500 blocks of Preston Club Drive. The Planning and Zoning Commission recommended approval of the variance.
CONSENT AGENDA.

CITIZENS REQUESTS — CITIZENS REQUESTS

There were no citizen's requests.

MEDIA QUESTIONS — MEDIA QUESTIONS

There were no media questions.

APPOINT/REMOVE OR CONSIDER QUALIFICATIONS TO BOARDS AND COMMISSIONS

PLANNING AND ZONING COMMISSION (1) — PLANNING & ZONING COMMISSION

ACTION TAKEN.

> **Motion by Council Member Hughes to appoint Brad Morgan to the Planning and Zoning Commission for a term from May 6, 2008 to May 6, 2011. Second by Council Member Willie Steele.**

VOTING AYE: Adami, Hughes, Smith, T. Steele, W. Steele, Wacker.
VOTING NAY: None.
MOTION CARRIED.

COUNCIL COMMENTS

SERVICE ON CITY COUNCIL — SERVICE ON CITY COUNCIL

Council Member Hughes said there have been ups and downs during his time on the City Council but he felt the City was moving in the right direction. He also said he had respect for the City employees and he felt the City was in great hands through both the staff and Council.

SERVICE ON CITY COUNCIL — SERVICE ON CITY COUNCIL

Deputy Mayor Adami said he has enjoyed serving with Council Member Terrence Steele and Council Member Hughes and reminded them to call Mayor Magers if they have complaints as citizens.

SERVICE ON CITY COUNCIL — SERVICE ON CITY COUNCIL

Council Member Terrence Steele said it has been a pleasure to serve on the City Council for the past six years. He previously commended the City staff and added that the professionalism they demonstrate is exceptional. He felt it was a high priority to do something for the staff at Budget time.

He said that over the years, the vote he is most proud of is the one to name George Olson as City Manager. He expressed a hope that Mr. Olson would be in the position for a long time. He also thanked the citizens of Sherman for allowing him to serve them over the years.

SERVICE ON CITY COUNCIL

SERVICE ON CITY COUNCIL

Council Member Wacker said the Council will miss both Council Member Terrence Steele and Council Member Curt Hughes, adding it has been a pleasure to serve with them.

MAY 10, 2008 REGULAR ELECTION

MAY 10, 2008 REGULAR ELECTION

Mayor Magers reminded citizens that Early Voting ends Tuesday and the Election will be held on Saturday, May 10, 2008.

He added that it has been a pleasure to serve with Council Member Terrence Steele and Council Member Hughes. The Council has done a tremendous job the last few years. They don't always agree, but they disagree agreeably.

ADJOURNMENT

ADJOURNMENT

On Motion duly made and carried, the meeting adjourned at 5:34 p.m.

____
MAYOR

____
CITY CLERK