STATE OF TEXAS §

May 1, 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 May 1, 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 Mayor David Plyler.

APPROVE MINUTES — **APPROVE MINUTES**

The Council reviewed the Minutes of the Regular City Council Meeting of April 17, 2017. Council Member Couch moved to approve the Minutes as presented; Second by Council Member Howeth. All present voted AYE.
MOTION CARRIED.

PROCLAMATION

"ECONOMIC DEVELOPMENT WEEK" – MAY 8-13, 2017 — **ECONOMIC DEVELOPMENT WEEK (MAY 8-13, 2017)**

Council Member Steele presented a proclamation designating May 8 through 13, 2017 as "Economic Development Week" to Greg Kirkpatrick, Sherman Economic Development Corporation Chairman; John Plotnik, SEDCO President; Frank Gadek, SEDCO Executive Vice President; and Ashton Ghaemi, SEDCO Director of Research & Marketing.

Mr. Kirkpatrick thanked the City Council for the proclamation adding that they have a great week planned to celebrate the event. He recognized the SEDCO staff and their efforts to encourage development in Sherman.

"MOTORCYCLE SAFETY AND AWARENESS MONTH" – MAY 2017 — **MOTORCYCLE SAFETY & AWARENESS MONTH (MAY 2017)**

Council Member Couch presented a proclamation designating May 2017 as "Motorcycle Safety and Awareness Month" to Skee Dodson, Legislative Officer, Texoma Chapter of ABATE; and Tina Dodson, Curtis Henderson, and "Shadow."

Mr. Dodson said the proclamation is requested every year to promote motorcycle awareness in the community. He said 2015 was the deadliest year on highways for all vehicles in 50 years. Texas had a smaller increase in fatalities because they have more pro-active communities. Mr. Dodson thanked the City Council for the proclamation.

SHERMAN BIKE MONTH (MAY 2017)

"SHERMAN BIKE MONTH" – MAY 2017

Council Member Teamann presented a proclamation designating May 2017 as "Sherman Bike Month" to Sholdon Daniels, Parks and Recreation Board Chairman.

Mr. Daniels thanked the City Council and the City of Sherman for being supportive of the bicycle infrastructure request. He said many people will take advantage of the changes, which might include shared bike lanes, dedicated bike lanes or additional signs. He said they appreciate the City trying to make it safer for bicyclists.

Mr. Daniels thanked Theresa Hutchinson, Parks and Recreation Manager; Michael Kelley; and Terry Templeton, for their help in moving forward with the Bike Sherman project.

RES 6212 BICYCLE INFRASTRUCTURE IMPROVEMENTS

RESOLUTION NO. 6212 – DECLARING SUPPORT FOR THE PRIORITIZATION OF CITYWIDE BICYCLE INFRASTRUCTURE IMPROVEMENTS

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, DECLARING SUPPORT FOR THE PRIORITIZATION OF CITYWIDE BICYCLE INFRASTRUCTURE IMPROVEMENTS.

Robby Hefton, City Manager, said this item is a continuation of recognizing "Sherman Bike Month" and the renewed priorities on identifying different aspects of the park facilities and programs offered.

He said Council Members should have a draft copy of the newly updated Parks Master Plan which will be submitted to the City Council at a future Council Meeting. He said the resolution is one of many steps that the City will take to address the need and desire for the infrastructure improvements.

Steve Ayers, Director of Public Services, said the staff is looking at the Parks Master Plan, which will place an emphasis on bikes. They are working with all partners and reviewing the Master Plan, and he said they will be presenting some realistic first steps for the project in the future.

Council Member Teamann said he was very encouraged watching the local City government operate and see the citizen support for bicycle infrastructure improvements.

They have been meeting about adding some bicycle boulevards, which would be a shared roadway space to help interconnect Sherman parks. He said it was encouraging to see the plans that are happening now and the opportunity to build on those in the future.

Mr. Hefton said there are some items that would not be so costly, but would be more of a planning effort. However there

are some more costly items that would be budgetary, such as obtaining right-of-way and constructing actual paths. Those items will probably be discussed during the annual Budget Workshop. He said it is a long-term process.

Council Member Howeth said there are many students that walk to school, because they are older and don't think "biking is cool." She said seeing responsible, adult males biking and speaking about biking might be a good influence for the male students.

Council Member Couch felt it was indicative of a growing City to have this type of infrastructure. He felt it improved the quality of life and promoted the demographics, and would be an important economic development incentive. Council Member Steele agreed saying this would make Sherman more attractive to younger professionals.

ACTION TAKEN.

Motion by Council Member Teamann to adopt Resolution No. 6212, as presented. Second by Council Member Brown.

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

PUBLIC HEARING

ANNEXATION PRESTON CLUB DRIVE

CONDUCT THE SECOND PUBLIC HEARING CONCERNING THE ANNEXATION OF A 459.6 ACRE TRACT OF LAND ON PRESTON CLUB DRIVE, ADJACENT TO THE SHERMAN CITY LIMITS AND IN THE CITY OF SHERMAN'S EXTRATERRITORIAL JURISDICTION

Mr. Hefton said this is the second public hearing that is necessary for the annexation of Preston Club Estates. There is one more final action that will be taken at a Called Meeting on May 22, 2017.

No citizens appeared before the City Council to discuss the annexation of a 459.6 acre tract of land on Preston Club Drive.

ORD 6025 GENERAL OBLIGATION BONDS

INTRODUCTION AND PUBLIC HEARING OF ORDINANCES

Mayor Plyler introduced Ordinance No. 6025 and called for a public hearing:

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING THE ISSUANCE OF "CITY OF SHERMAN, TEXAS, GENERAL OBLIGATION REFUNDING BONDS, SERIES 2017"; LEVYING A CONTINUING DIRECT ANNUAL AD VALOREM TAX FOR THE PAYMENT OF SAID BONDS; RESOLVING OTHER MATTERS INCIDENT AND RELATED TO THE ISSUANCE, SALE, PAYMENT AND DELIVERY OF SAID BONDS; ESTABLISHING PROCEDURES FOR THE SALE AND DELIVERY OF THE BONDS; DELEGATING MATTERS RELATING TO THE SALE AND ISSUANCE OF THE BONDS TO AUTHORIZED CITY

OFFICIALS; AND PROVIDING AN EFFECTIVE DATE; PROVIDING FOR A REPEALER; PROVIDING FOR SEVERABILITY.

Mary Lawrence, Director of Finance, said several weeks ago, Garry Kimball, Managing Director, Specialized Public Finance, notified the City of a savings opportunity by refinancing some older bonds that were at a higher rate.

Mr. Kimball said in addition to assisting the City with the issuance of new bonds, they also monitor the portfolio of existing debt, looking for savings opportunities.

They have identified four previously issued series of bonds, Series 2006, Series 2008, Series 2009, and Series 2009 A, that have an average interest rate of approximately 4%, that go out to 2030. At the current rate, it would allow the City to bring the interest rate down to about 2.55%.

The net savings would be over $500,000, and would be realized over the period of 2018 to 2030, at approximately $40,000 annually. Mr. Kimball said they are not proposing to extend the original maturity date.

Mr. Hefton said Ms. Lawrence actually brought the proposal to the staff after talking with Mr. Kimball. He said they have a great working relationship to save taxpayer dollars. He said Sherman is in a "growth mode" now and talking about expansion plans, but the staff is also looking at ways to save money. Mr. Hefton added that $40,000 per year may not seem like much, but that's an employee, or street material, or more library books. The staff is working to make the tax dollars stretch.

No citizens appeared before the City Council to discuss Ordinance No. 6025.

The Public Hearing was closed.

<u>ADOPTION OF ORDINANCES</u>

<u>Ordinance 6025</u> **ORD 6025 GENERAL OBLIGATION BONDS**

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING THE ISSUANCE OF "CITY OF SHERMAN, TEXAS, GENERAL OBLIGATION REFUNDING BONDS, SERIES 2017"; LEVYING A CONTINUING DIRECT ANNUAL AD VALOREM TAX FOR THE PAYMENT OF SAID BONDS; RESOLVING OTHER MATTERS INCIDENT AND RELATED TO THE ISSUANCE, SALE, PAYMENT AND DELIVERY OF SAID BONDS; ESTABLISHING PROCEDURES FOR THE SALE AND DELIVERY OF THE BONDS; DELEGATING MATTERS RELATING TO THE SALE AND ISSUANCE OF THE BONDS TO AUTHORIZED CITY OFFICIALS; AND PROVIDING AN EFFECTIVE DATE; PROVIDING FOR A REPEALER; PROVIDING FOR SEVERABILITY.

ACTION TAKEN.

Motion by Council Member Couch to adopt Ordinance No. 6025, as presented. Second by Deputy Mayor Sofey.

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

CONSENT AGENDA — **CONSENT AGENDA**

The Council reviewed the Consent Agenda. Deputy Mayor Sofey moved to approve the Consent Agenda, as presented. Second by Council Member Howeth. All present voted AYE.

OTHER BUSINESS

RECEIVE PRESENTATION FROM FINANCE DIRECTOR MARY LAWRENCE ON THE CITY OF SHERMAN'S TAX INCREMENT FINANCING POLICY — **TAX INCREMENT FINANCING POLICY**

Ms. Lawrence said in February 2017, the City Council approved an update to the Tax Increment Financing Policy, which is a method to fund infrastructure in a designated area, with money set aside for that particular purpose.

The "increment" is a captured, appraised value above the base value. As development occurs, the increased value is captured and the tax increment is put into a tax increment fund. The base value taxes stay with the City's general revenue. When the Tax Increment Reinvestment Zone ends, all tax goes back into the City's general revenue fund.

Ms. Lawrence said streets are constructed and the process starts the cycle of development in the designated zone. She said there are two ways of financing. The developer can finance the project and then the City reimburses him or the City can set aside the tax increment. Debt can be used with either method.

Creation of a TIRZ is governed by the Tax Code and Ms. Lawrence outlined the steps to approval. The Council will appoint a board to approve the proposed projects. By partnering with Grayson County, they help pay for part of the infrastructure, and it's a good leverage of the tax dollars. Currently the City has five TIRZ, with none designated as number four.

Ms. Lawrence said the impact of the TIRZ is that it makes the Effective Tax Rate a little higher, the City does loose the incremental tax revenue but there will be some offset by additional sales tax and utility revenue.

Tonight the City Council will consider two interlocal agreements with Grayson County and the appointment of membership to two boards.

Mr. Hefton said two things happen with the TIRZ districts. The first is that an additional ad valorem tax base is generated. However, a "bigger import" is the amount of sales

tax that is generated. He added that for every dollar the City receives in ad valorem taxes, it receives about $4 in sales tax. No sales tax dollars are set aside as part of the tax increment. This sales tax helps keep the property taxes low for the citizens.

He added that it is a tool that the City has to enhance and hasten development in areas that would otherwise not develop or develop more slowly. It has been used strategically by the City, with the first zone being passed in 2003-2004, as Sherman Town Center was being built.

Zone 5 and 6 are the first TIRZs that Grayson County has participated in, which will allow more infrastructure development in these areas.

RESOLUTIONS

RESOLUTION NO. 6213 – AUTHORIZING EXECUTION OF AN AGREEMENT BETWEEN THE CITY OF SHERMAN AND GRAYSON COUNTY TO PARTICIPATE IN THE SHERMAN TAX INCREMENT REINVESTMENT ZONE #5

RES 6213 TAX INCREMENT REINVESTMENT ZONE #5

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING EXECUTION OF AN AGREEMENT BETWEEN THE CITY OF SHERMAN AND GRAYSON COUNTY TO PARTICIPATE IN THE SHERMAN TAX INCREMENT REINVESTMENT ZONE #5.

ACTION TAKEN.

Motion by Council Member Teamann to adopt Resolution No. 6213, as presented. Second by Council Member Steele.

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

RESOLUTION NO. 6214 – AUTHORIZING EXECUTION OF AN AGREEMENT BETWEEN THE CITY OF SHERMAN AND GRAYSON COUNTY TO PARTICIPATE IN THE SHERMAN TAX INCREMENT REINVESTMENT ZONE #6

RES 6214 TAX INCREMENT REINVESTMENT ZONE #6

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING EXECUTION OF AN AGREEMENT BETWEEN THE CITY OF SHERMAN AND GRAYSON COUNTY TO PARTICIPATE IN THE SHERMAN TAX INCREMENT REINVESTMENT ZONE #6.

ACTION TAKEN.

Motion by Council Member Howeth to adopt Resolution No. 6214, as presented. Second by Deputy Mayor Sofey.

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

RESOLUTION NO. 6215 – AUTHORIZING THE ACCEPTANCE OF A CONVEYANCE DOCUMENT FROM ARTEMIO CANTU

RES 6215 PURCHASE OF

PROPERTY IN THE FLOODPLAIN (1309 CHURCHILL WAY)

AND MARIA CANTU FOR THE CONVEYANCE OF PROPERTY LOCATED AT 1309 CHURCHILL WAY, BEING LOTS 22 AND 23, BLOCK 2 OF CHURCHILL PARK ADDITION TO THE CITY OF SHERMAN, TEXAS, AS SHOWN BY PLAT OF RECORD IN VOLUME 2, PAGE 92 OF THE PLAT RECORDS OF GRAYSON COUNTY, TEXAS, BEING MORE PARTICULARLY DESCRIBED IN THE EXHIBIT "A" ATTACHED HERETO AND MADE A PART HEREOF FOR ALL PURPOSES

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING THE ACCEPTANCE OF A CONVEYANCE DOCUMENT FROM ARTEMIO CANTU AND MARIA CANTU FOR THE CONVEYANCE OF PROPERTY LOCATED AT 1309 CHURCHILL WAY, BEING LOTS 22 AND 23, BLOCK 2 OF CHURCHILL PARK ADDITION TO THE CITY OF SHERMAN, TEXAS, AS SHOWN BY PLAT OF RECORD IN VOLUME 2, PAGE 92 OF THE PLAT RECORDS OF GRAYSON COUNTY, TEXAS, BEING MORE PARTICULARLY DESCRIBED IN THE EXHIBIT "A" ATTACHED HERETO AND MADE A PART HEREOF FOR ALL PURPOSES.

Clint Philpott, Director of Engineering, said this is the third house that has been purchased with the FEMA Severe Repetitive Loss Grant that the City received about a year ago.

The grant pays 90% of the value of the home, with the City paying the other 10%. This grant allows the City to purchase property in the floodplain, in hazardous areas. All purchases are voluntary. The City has previously purchased homes on Lamberth Road and McGee Street through this program. Mr. Philpott said there will be several more similar purchases in the coming year.

ACTION TAKEN.

Motion by Council Member Steele to adopt Resolution No. 6215, as presented. Second by Council Member Teamann.

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

RES 6216 CONCESSION STAND IN FAIRVIEW, HAWN & ROSEDALE PARKS

RESOLUTION NO. 6216 – AWARDING A BID TO AND AUTHORIZING EXECUTION OF AN EXCLUSIVE CONCESSION STAND LICENSE AGREEMENT WITH OTIS FOSTER, III AND MAVIS REGINA FOSTER DBA SUGAR BEAR FOR THE OPERATION OF A CONCESSION STAND IN FAIRVIEW, HAWN, AND ROSEDALE PARKS CONSISTENT WITH SCHEDULES PROVIDED BY THE PARKS AND RECREATION DEPARTMENT

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AWARDING A BID TO AND AUTHORIZING EXECUTION OF AN EXCLUSIVE CONCESSION STAND LICENSE AGREEMENT WITH OTIS FOSTER, III AND MAVIS REGINA FOSTER DBA SUGAR BEAR FOR THE OPERATION OF A CONCESSION STAND IN FAIRVIEW, HAWN, AND ROSEDALE PARKS CONSISTENT WITH SCHEDULES

PROVIDED BY THE PARKS AND RECREATION DEPARTMENT.
CONSENT AGENDA.

CHANGE ORDER NO. 1
SOLID WASTE CART BARN CONSTRUCTION PROJECT; JERRY PAUL HIGGINS, LTD; $34,839.00 INCREASE

CHANGE ORDER NO. 1 SOLID WASTE CART BARN

The City Council approved Change Order No. 1 to Jerry Paul Higgins, Ltd., for a $34,839 increase for the Solid Waste Cart Barn Construction Project.

During the initial construction assessment meeting, it was established that there was a need for a more intensive foundation to assure the integrity of the new building. Additional design work was completed by the contractor and their engineer.

This new design will increase the contract by an additional $34,839 to complete, yielding a final contract price of $199,612.
CONSENT AGENDA.

OTHER BUSINESS
RECEIVE PRESENTATION FROM AUSTIN COLLEGE STUDENT SHAWN SLOWINSKI ON FINDINGS FROM A RETAIL SURVEY PERFORMED IN CONJUNCTION WITH THE SHERMAN CHAMBER OF COMMERCE

RETAIL SURVEY

Eddie Brown, President, Sherman Chamber of Commerce, introduced two people that were instrumental in helping with the Retail Survey. He introduced Dr. Martinella Dryburgh, Director of the Austin College Posey Leadership Institute, and Cary Wacker, the Director for the Center for Community and Regional Development.

Mr. Brown introduced Shawn Slowinski, a Senior at Austin College, who presented his Senior Leadership Capstone Project on the Sherman Retail Landscape. Mr. Slowinski partnered with the Chamber of Commerce to study the retail environment in Sherman. This includes "retail leakage" which is business lost in Sherman when residents shop in other cities, and "shopper perceptions" about Sherman.

The survey was sent to Chamber members and contained seven questions. Eighty nine surveys were returned. Mr. Slowinski also provided a "Shopper Survey" with two questions, that received 18 responses during a Coffee with the Mayor event.

He outlined the survey results showing that almost 80% felt there was a good mix of local and national retailers and almost 85% saying there were more retailers in downtown than two years ago. The survey also showed that most respondents wanted more food and specialty retail options in Sherman. He gave examples of the types of businesses that would fall into the various categories.

Mr. Slowinski said the three key findings from the survey were that respondents desire more name brand chain retailers, there is a pattern of wanting more variety across price points, and retail in Sherman has the potential for growth.

Mayor Plyler asked what the most requested restaurant was in the survey. Mr. Slowinski said the most requested was Pei Wei.

Council Member Brown said there is not much entertainment in Sherman for young adults. Currently there is only the skating rink. He said he is working to encourage a business such as Main Event to come to Sherman.

Council Member Couch verified that no socioeconomic status of citizens was captured. The survey was only sent to Chamber of Commerce members.

Mr. Hefton said it wasn't planned, but the timing of the survey coincides with the Council talking about the importance of developing or expanding a commercial and retail base with the two new TIRZs. He said there is room for expansion in Sherman and all that's needed is for the retailer to move here.

DOWNTOWN OCCUPANCY INCENTIVE GRANT APPLICATIONS

CONSIDER APPLICATIONS FOR THE SHERMAN DOWNTOWN OCCUPANCY INCENTIVE GRANT PROGRAM

Nate Strauch, Community and Support Services Manager, introduced the final set of applications for the "Jumpstart the Heart" Occupancy Incentive Program. Three of the applicants attended the meeting to present their business plan.

Amanda Robinson presented her business plan for Board and Brush Sherman, Emmi Wilson presented hers for laurel e., and Sean Vanderveer presented his for The Lots on Travis Street.

Ms. Robinson said Board and Brush is a "do it yourself" instructional workshop for making high quality hand-painted wood signs. The store would be located at 215½ North Travis Street, Suite B. She gave some background about the company.

Ms. Wilson said laurel e. will be a women's ready-to-wear fashion boutique specializing in fashion forward and moderately priced women's clothing and accessories, as well as a small line of gift items. The store will be located at 110 South Crockett Street.

Mr. Vanderveer said The Lots on Travis Street will revive an empty lot at 117 North Travis Street and add a food truck lot to hold space for up to six food trucks or trailers at a time.

Council Members will discuss the applications in Executive Session.

DISCUSSION AND RECAP OF RECENT TEXOMA COUNCIL OF GOVERNMENTS MEETING — **TCOG MEETING**

Council Member Couch serves as Sherman's representative and Vice President, on the Texoma Council of Governments Board of Directors. He presented an update on recent issues at TCOG.

He explained that Dr. Susan Thomas, Executive Director of TCOG, was involved with a subordinate and she failed to inform the Board of that relationship. She also failed to inform the Board of allegations of fraud and abuse within the employee's apartment. She cost the taxpayers $930,000 on a Whistleblower's lawsuit.

Council Member Couch said these issues indicate that her contract does not need to be renewed. He said there are six public officials, one in Grayson County, that "can look their constituents in the eye and say that behavior is okay."

He added that TCOG is responsible for dispersing about $10 million in taxpayer dollars annually to support some of the most vulnerable citizens.

He said, under Dr. Thomas, TCOG has grown larger and less efficient using more tax dollars every single year. Council Member Couch felt that TCOG has lost track of its core mission, which is to serve the taxpayers of Cooke, Grayson, and Fannin Counties. He said there is also "out of control government spending and lack of accountability."

He said it was their job, as representatives of the taxpayers, to make a change at the top, in order to change those things. He said the organization "is the poster child" for government bloat, and features reckless spending, corruption, and unaccountability.

He encouraged Dr. Thomas to step down from her position as Executive Director and if she doesn't he encouraged the Board to "step up to the plate" and vote to remove her.

Currently there are 13 members on the TCOG Board that can vote. One member was out of town, so the vote to remove Dr. Thomas resulted in a six-to-six tie. Grayson County stood united in the vote.

Council Member Couch said all depositions are available to the public. He added that Dr. Thomas must be removed by vote of the Board of Directors. It was tabled until the June 2017 Meeting. Her contract ends August 31, 2017. Council Member Teamann confirmed that a seven person vote would be needed to renew her contract.

CITIZENS REQUESTS — **CITIZENS REQUESTS**

There were no citizens requests.

MEDIA QUESTIONS — MEDIA QUESTIONS

There were no media questions.

APPOINT/REMOVE OR CONSIDER QUALIFICATIONS TO BOARDS AND COMMISSIONS

TAX INCREMENT REINVESTMENT ZONE #5 BOARD (3) — TAX INCREMENT REINVESTMENT ZONE #5

Ms. Lawrence said the next two agenda items are the board appointments for the Tax Increment Reinvestment Zones #5 and #6 that were discussed earlier in the meeting. The Board will be approving the project and financing plan. It is composed of five members, three from the City Council, one from Grayson County, and the City Manager.

Mr. Hefton said the Mayor serves on the TIRZ Boards that have already been appointed for the City.

TAX INCREMENT REINVESTMENT ZONE #6 BOARD (3) — TAX INCREMENT REINVESTMENT ZONE #6

ACTION TAKEN.

> Motion by Council Member Steele to appoint Mayor David Plyler, Deputy Mayor Jason Sofey, and Council Member Shawn Teamann to the Tax Increment Reinvestment Zone #5 Board and to appoint Mayor David Plyler, and Council Members Pam Howeth and Kevin Couch to the Tax Increment Reinvestment Zone #6 for a term from May 2, 2017 to November 2017. Second by Council Member Brown.

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

COUNCIL COMMENTS

DOWNTOWN OCCUPANCY GRANT — DOWNTOWN OCCUPANCY GRANT

Council Member Teamann said he was excited to see the new businesses apply for the Downtown Occupancy Grant.

PROCLAMATIONS — PROCLAMATIONS

Council Member Teamann said he was excited about the proclamations tonight, especially the ones for "Motorcycle Safety and Awareness Month" and "Sherman Bike Month." He was glad to see that the City was continuing to support these activities.

APRIL 2017 BUILDING PERMIT LIST — APRIL BUILDING PERMIT LIST

Council Member Couch said the April 2017 Building Permit List included a $1.5 million car wash, a $250,000 gas station remodel, an $820,000 new store on US Hwy 82, and 15 residential homes with an average value of $180,000. This amounts to a total of about $6 million in private sector investment in the City in one month. He said growth leads to more growth.

SHERMAN INDEPENDENT SCHOOL DISTRICT BOND ELECTION — SISD BOND ELECTION

Council Member Couch said Early Voting on the Sherman

Independent School District Bond Election ends tomorrow. He said opponents of the bond issue have indicated that Sherman isn't growing or that the growth will stop if a new high school is built. He said he voted and "backed the bond" and encouraged other citizens to make their voice heard and keep Sherman growing.

"CRAWS FOR PAWS" EVENT — **CRAWS FOR PAWS EVENT**

Council Member Steele said it's always good when you see young people that grew up in Sherman, moved to other cities, but that want to come back to Sherman to "plant roots."

He said he recently attended a "Craws for Paws" event sponsored by Texoma Arts and Mentoring Program, to help underprivileged children. He asked citizens to encourage the young people and give them good community support.

CRUSHED CONCRETE FOR PROJECTS — **CRUSHED CONCRETE FOR PROJECTS**

Council Member Steele said the City crushes concrete for projects and he asked if they would want concrete from a business that is removing it from their facility.

Mr. Hefton said the City does have an area on Ida Road that is a storage ground for concrete that ultimately gets crushed. The crushed concrete is then used as base for projects. This process costs about half the amount of using other base material and saves taxpayer money. He thought the business owner would need to haul the concrete to the City's facility.

TAX INCREMENT REINVESTMENT ZONES — **TIRZS**

Deputy Mayor Sofey said the TIRZs that are in place in Sherman help with growth. There will be millions of dollars invested in the community in both the newly designated areas.

SISD BOND ELECTION — **SISD BOND ELECTION**

Deputy Mayor Sofey encouraged citizens to vote in the SISD Bond Election.

YOUNG PEOPLE COMING HOME TO SHERMAN — **YOUNG PEOPLE COMING HOME TO SHERMAN**

Council Member Howeth said she was very pleased with the number of young people that are coming home to Sherman. When she has them in class as a senior, they only think about getting out of Sherman.

She said eventually they determine that Sherman was a pretty good place to live and come back to start businesses and families, and some are elected to office. She added that Sherman is a great place to live and raise a family.

YOUNG PEOPLE COMING HOME TO SHERMAN — **YOUNG PEOPLE COMING HOME TO SHERMAN**

Council Member Brown said he was excited about what's going on in Sherman and to see the young people coming back. He said there are incentives to go downtown.

He is still working to bring young adult and family entertainment to Sherman.

GROWTH THROUGH ANNEXATION

GROWTH THROUGH ANNEXATION

Mayor Plyler said they talked about Sherman growing and the annexation on tonight's agenda is to annex nearly 500 acres. Sherman is growing and looking forward to future growth.

HOT SUMMER NIGHTS

HOT SUMMER NIGHTS

Mayor Plyler thanked Sarah McRae Tourism/Main Street Manager, for her hard work in putting together the Hot Summer Nights line-up this year. He said it's probably one of the best in the State. He said he was particularly excited about Three Dog Night and Blue Oyster Cult. There are also some great Texas country bands scheduled.

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

EXECUTIVE SESSION

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: PLANNING AND ZONING COMMISSION (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 6:28 p.m.

On Motion duly made and carried, the Executive Session recessed at 7:03 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.

PLANNING AND ZONING COMMISSION (2) — **PLANNING & ZONING COMMISSION**

ACTION TAKEN.

Motion by Council Member Steele to remove Chris Vellotti and Sam Thorpe from the Planning and Zoning Commission and replace them with David Downtain and Trish Bridges for a full term from May 2, 2017 to May 2, 2019. Second by Council Member Couch.

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

ACTION TAKEN.

Motion by Council Member Couch to appoint Clay Mahone to serve as Chairman of the Planning and Zoning Commission for a term from May 2, 2017 to May 2, 2019. Second by Council Member Teamann.

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

CONSIDER APPLICATIONS FOR THE SHERMAN DOWNTOWN OCCUPANCY INCENTIVE GRANT PROGRAM — **DOWNTOWN OCCUPANCY INCENTIVE GRANT APPLICATIONS**

ACTION TAKEN.

Motion by Council Member Howeth to approve the applications of laurel e. and Board and Brush Sherman, into the Downtown Occupancy Incentive Grant Program, as presented. Second by Council Member Couch.

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 7:04 p.m.

MAYOR _____

_____
CITY CLERK