STATE OF TEXAS §

April 16, 2007

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 April 16, 2007.

MEMBERS PRESENT: **MAYOR BILL MAGERS.**
COUNCIL MEMBERS ADAMI, HUGHES, MARKL, SMITH; WACKER.

MEMBERS ABSENT: **DEPUTY MAYOR TERRENCE STEELE.**

CALL TO ORDER

CALL TO ORDER
Mayor Bill Magers called the meeting to order at 5:02 p.m. The Pledge of Allegiance and Invocation were given by Council Member Curt Hughes.

APPROVE MINUTES

APPROVE MINUTES
The Council reviewed the Minutes of the Called Meeting of March 28, 2007 and the Regular Meeting of April 2, 2007. Council Member Hughes moved to approve the Minutes as presented; Second by Council Member Markl. All present voted AYE.
MOTION CARRIED.

PROCLAMATION
"NATIONAL LIBRARY WEEK" – APRIL 15-21, 2007

NATIONAL LIBRARY WEEK (APRIL 15-21, 2007)

Mayor Magers presented a proclamation to Jacqueline Banfield, Library Director, proclaiming April 15 through 21, 2007 as "National Library Week." Ms. Banfield thanked the City Council for their support of the Library.

"EQUAL PAY DAY" – APRIL 24, 2007

EQUAL PAY DAY (APRIL 24, 2007)

Mayor Magers presented a proclamation to Donna Lorance, BPW President, and Lana Bernardin, BPW Public Relations Chairman, proclaiming April 24, 2007 as "Equal Pay Day." Ms. Bernardin thanked the City Council for their continued support of working women in Sherman.

"SHERMAN TOASTMASTER DAY" – APRIL 27, 2007

SHERMAN TOASTMASTER DAY (APRIL 27, 2007)

Mayor Magers presented a proclamation to Frances Pelley, Member of Toastmasters, proclaiming April 27, 2007 as "Sherman Toastmaster Day." Mrs. Pelley thanked the City Council for the proclamation adding that it was an honor to have a Sherman native representing District 50 of the Toastmasters and to host the Toastmaster's International President this year.

PUBLIC HEARING
CONDUCT THE FIRST PUBLIC HEARING CONCERNING THE ANNEXATION OF APPROXIMATELY 102.12 ACRES OF LAND ON LESLIE LANE IN THE CITY OF SHERMAN'S EXTRA TERRITORIAL JURISDICTION

PUBLIC HEARING ANNEXATION LESLIE LANE

Mayor Magers asked for comments from the public concerning the annexation of approximately 102.12 acres of land on Leslie Lane.

No citizens appeared before the City Council to discuss the annexation of land on Leslie Lane.

ANNEXATION FRIENDSHIP ROAD

<u>CONDUCT THE FIRST PUBLIC HEARING CONCERNING THE ANNEXATION OF APPROXIMATELY 18.46 ACRES OF LAND KNOWN AS THE FRIENDSHIP RANCH ON FRIENDSHIP ROAD IN THE CITY OF SHERMAN'S EXTRA TERRITORIAL JURISDICTION</u>

Mayor Magers asked for comments from the public concerning the annexation of approximately 18.46 acres of land on Friendship Road.

No citizens appeared before the City Council to discuss the annexation of land on Friendship Road.

ANNEXATION HWY 82 & 289

<u>CONDUCT THE FIRST PUBLIC HEARING CONCERNING THE ANNEXATION OF APPROXIMATELY 82.043 ACRES OF LAND AT THE INTERSECTION OF U.S. HIGHWAYS 82 AND 289 IN THE CITIY OF SHERMAN'S EXTRA TERRITORIAL JURISDICTION</u>

Mayor Magers asked for comments from the public concerning the annexation of approximately 82.043 acres of land at the intersection of U.S. Highways 82 and 289.

No citizens appeared before the City Council to discuss the annexation of land at U.S. Highways 82 and 289.

<u>INTRODUCTION AND PUBLIC HEARING OF ORDINANCES</u>

ORD 5456 ABANDON LAND NEAR KNOLLWOOD

Mayor Magers introduced Ordinance 5456 and called for a public hearing:

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, ABANDONING A PORTION OF THE CITY OF SHERMAN'S EXTRATERRITORIAL JURISDICTION LYING ADJACENT TO THE TOWN OF KNOLLWOOD AND GRANTED TO THE CITY OF SHERMAN THROUGH AN AGREED JUDGEMENT SYTLED CITY OF SHERMAN VS. TOWN OF KNOLLWOOD, 15TH JUDICIAL DISTRICT COURT, CAUSE NO. 106-556. PROVIDING FOR SEVERABILITY. PROVIDING FOR A REPEALER.

No citizens appeared before the City Council to discuss Ordinance 5456.

ORD 5457 ELECTION OFFICIALS

Mayor Magers introduced Ordinance 5457 and called for a public hearing:

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, MAKING AN EMERGENCY APPOINTMENT OF ELECTION OFFICIALS FOR AN ELECTION OF THE QUALIFIED VOTERS OF THE CITY OF SHERMAN, TEXAS, ON THE 12TH DAY OF MAY, 2007, FOR

THE PURPOSE OF ELECTING A MAYOR, TWO AT-LARGE CITY COUNCIL MEMBERS, AND FOR CONSIDERING CHARTER AMENDMENTS FOR SAID CITY.

No citizens appeared before the City Council to discuss Ordinance 5457.

Public Hearings were held on the annexations, the Ordinances were introduced and the Public Hearing was closed.

CLOSE PUBLIC HEARING

ADOPTION OF ORDINANCES

Ordinance 5456

ORD 5456 ABANDON LAND NEAR KNOLLWOOD

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, ABANDONING A PORTION OF THE CITY OF SHERMAN'S EXTRATERRITORIAL JURISDICTION LYING ADJACENT TO THE TOWN OF KNOLLWOOD AND GRANTED TO THE CITY OF SHERMAN THROUGH AN AGREED JUDGEMENT STYLED CITY OF SHERMAN VS. TOWN OF KNOLLWOOD, 15^{TH} JUDICIAL DISTRICT COURT, CAUSE NO. 106-556. PROVIDING FOR SEVERABILITY. PROVIDING FOR A REPEALER.

Council Member Adami asked about the background for Ordinance 5456. George Olson, Acting City Manager, explained that there is a one acre portion of land in Sherman's extra territorial jurisdiction that Knollwood would like to develop for apartments.

Mayor Magers explained that Knollwood will be developing apartments and a portion of the parking lot was located in Sherman's ETJ.

Council Member Wacker verified that the previous agreement with Knollwood for various services would not change. Mr. Olson added that there is a resolution on the agenda to address the cost of additional sewer services.

Ordinance 5457

ORD 5457 ELECTION OFFICIALS

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, MAKING AN EMERGENCY APPOINTMENT OF ELECTION OFFICIALS FOR AN ELECTION OF THE QUALIFIED VOTERS OF THE CITY OF SHERMAN, TEXAS, ON THE 12^{TH} DAY OF MAY, 2007, FOR THE PURPOSE OF ELECTING A MAYOR, TWO AT-LARGE CITY COUNCIL MEMBERS, AND FOR CONSIDERING CHARTER AMENDMENTS FOR SAID CITY.

ACTION TAKEN.

Motion by Council Member Markl to approve Ordinance Nos. 5456 and 5457, as presented. Second by Council Member Hughes.

VOTING AYE: Adami, Hughes, Markl, Smith, Wacker.
VOTING NAY: None.
MOTION CARRIED.

CONSENT AGENDA

CONSENT AGENDA

The Council reviewed the Consent Agenda. Council Member Wacker asked to remove Item C-4 entitled "Resolution No. 4996 – Approving Greater Texoma Utility Authority's Contract with Howard Construction, Inc. for the U.S. Highway 82 West, Phase I, Water Main Replacement" and Council Member Smith asked to remove Item C-5 entitled "Resolution 4997 – Awarding a Bid to Sam Pack's Five Star Ford through the Texas Building and Procurement Commission (TBPC) Government Contract for the Purchase of Five 2007 Ford Crown Victoria Police Interceptor Vehicles" from the Consent Agenda for consideration in their regular order of business.

Council Member Markl moved to approve the Consent Agenda, with the exception of Items C-4 and C-5, which will be discussed in their regular order of business. Second by Council Member Wacker. All present voted AYE.

RESOLUTIONS

RESOLUTION NO. 4977 – AUTHORIZING EXECUTION OF AN AGREEMENT WITH THE TOWN OF KNOLLWOOD FOR PARTICIPATION IN THE UPGRADE OF THE EXISTING SEWER MAIN FROM CANYON GROVE ROAD NORTH TO KNOLLWOOD

RES 4977 KNOLLWOOD PARTICIPATION IN SEWER LINE UPGRADE

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING EXECUTION OF AN AGREEMENT WITH THE TOWN OF KNOLLWOOD FOR PARTICIPATION IN THE UPGRADE OF THE EXISTING SEWER MAIN FROM CANYON GROVE ROAD NORTH TO KNOLLWOOD.

Council Member Wacker clarified the agreement. Mr. Olson explained that when the City upgrades the sewer main, Knollwood's cash payment would be credit towards a future payment. Currently there is no timeline for upgrade of the sewer main.

ACTION TAKEN.

Motion by Council Member Markl to approve Resolution No. 4977, as presented. Second by Council Member Hughes.

VOTING AYE: Adami, Hughes, Markl, Smith, Wacker.
VOTING NAY: None.
MOTION CARRIED.

RESOLUTION NO. 4994 – AUTHORIZING THE PURCHASE OF 1,272 RESIDENTIAL SOLID WASTE ROLL OFF CARTS FOR THE SOLID WASTE DEPARTMENT THROUGH THE HOUSTON-GALVESTON AREA COUNCIL OF GOVERNMENTS (H-GAC)

RES 4994 SOLID WASTE CARTS

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING THE PURCHASE OF 1,272 RESIDENTIAL SOLID WASTE ROLL OFF CARTS FOR THE

SOLID WASTE DEPARTMENT THROUGH THE HOUSTON-GALVESTON AREA COUNCIL OF GOVERNMENTS (H-GAC). CONSENT AGENDA.

RES 4995 FAIRVIEW PARK SOCCER FIELD IRRIGATION PROJECT

<u>RESOLUTION NO. 4995 – AWARDING A BID TO AND AUTHORIZING EXECUTION OF A CONTRACT WITH GREENLEAF LANDSCAPE COMPANY OF SHERMAN FOR THE FAIRVIEW PARK SOCCER FIELD IRRIGATION / RENOVATION PROJECT</u>
A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AWARDING A BID TO AND AUTHORIZING EXECUTION OF A CONTRACT WITH GREENLEAF LANDSCAPE COMPANY OF SHERMAN FOR THE FAIRVIEW PARK SOCCER FIELD IRRIGATION / RENOVATION PROJECT.

Mayor Magers asked about the estimated completion time for the project. Mr. Olson said the project would begin as soon as the Texoma Soccer Association completes their Spring season and the contract calls for about 75 days.

ACTION TAKEN.
Motion by Council Member Smith to approve Resolution No. 4995, as presented. Second by Council Member Wacker.
VOTING AYE: Adami, Hughes, Markl, Smith, Wacker.
VOTING NAY: None.
MOTION CARRIED.

RES 4996 U.S. HWY 82 WEST WATER MAIN REPLACEMENT PHASE 1

<u>RESOLUTION NO. 4996 – APPROVING GREATER TEXOMA UTILITY AUTHORITY'S CONTRACT WITH HOWARD CONSTRUCTION, INC. FOR THE U.S. HIGHWAY 82 WEST, PHASE 1, WATER MAIN REPLACEMENT</u>
A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, APPROVING GREATER TEXOMA UTILITY AUTHORITY'S CONTRACT WITH HOWARD CONSTRUCTION, INC. FOR THE U.S. HIGHWAY 82 WEST, PHASE 1, WATER MAIN REPLACEMENT.

Council Member Wacker asked to remove Item C-4 from the Consent Agenda for discussion in its regular order of business.

Council Member Wacker clarified that the current project is the first phase and the only approved phase of the water line extension. Future phases will require additional discussion.

She verified that the bid recommended was the lowest of seven bids and was slightly under the projected estimate. Mayor Magers added that the Greater Texoma Utility Authority approved the contract earlier today.

ACTION TAKEN.
Motion by Council Member Adami to approve Resolution No. 4996, as presented. Second by Council Member Hughes.

VOTING AYE: Adami, Hughes, Markl, Smith, Wacker.
VOTING NAY: None.
MOTION CARRIED.

RES 4997
PURCHASE POLICE VEHICLES

RESOLUTION NO. 4997 – AWARDING A BID TO SAM PACK'S FIVE STAR FORD THROUGH THE TEXAS BUILDING AND PROCUREMENT COMMISSION (TBPC) GOVERNMENT CONTRACT FOR THE PURCHASE OF FIVE 2007 FORD CROWN VICTORIA POLICE INTERCEPTOR VEHICLES
A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AWARDING A BID TO SAM PACK'S FIVE STAR FORD THROUGH THE TEXAS BUILDING AND PROCUREMENT COMMISSION (TBPC) GOVERNMENT CONTRACT FOR THE PURCHASE OF FIVE 2007 FORD CROWN VICTORIA POLICE INTERCEPTOR VEHICLES.

Council Member Smith asked to remove Item C-5 from the Consent Agenda for discussion in its regular order of business.

Council Member Smith wanted to be sure that the notification for advertising bids was getting to local bidders. Mr. Olson said on vehicles and equipment that is produced locally, the City maintains a mailing list for local vendors. Advertisements are also published in the Herald Democrat. He added that one local vendor did submit a bid for police vehicles.

ACTION TAKEN.
Motion by Council Member Markl to approve Resolution No. 4997, as presented. Second by Council Member Adami.
VOTING AYE: Adami, Hughes, Markl, Smith, Wacker.
VOTING NAY: None.
MOTION CARRIED.

RES 4998
AMEND DEVELOPER'S AGREEMENT WITH HOMES BY LAKELAND

RESOLUTION NO. 4998 – AUTHORIZING AN AMENDMENT TO EXHIBIT "C" OF THE DEVELOPMENT AGREEMENT (THE FUTURE COST INSTALLATION AGREEMENT) WITH HOMES BY LAKELAND, LTD., FOR THE FUTURE IMPROVEMENT OF REX CRUISE DRIVE AT SLEEPY HOLLOW ADDITION
A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING AN AMENDMENT TO EXHIBIT "C" OF THE DEVELOPMENT AGREEMENT (THE FUTURE COST INSTALLATION AGREEMENT) WITH HOMES BY LAKELAND, LTD.
CONSENT AGENDA.

RES 4999
RESIDENTIAL TAX ABATEMENT
(700 E. SYCAMORE)

RESOLUTION NO. 4999 – AUTHORIZING THE EXECUTION OF AN AGREEMENT WITH BARTON CAPITAL, LTD. FOR THE ABATEMENT OF AD VALOREM PROPERTY TAXES FOR THE CONSTRUCTION OF A NEW SINGLE-FAMILY RESIDENCE AT 700 EAST SYCAMORE STREET
A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING THE EXECUTION OF AN AGREEMENT WITH BARTON CAPITAL, LTD. FOR THE

ABATEMENT OF AD VALOREM PROPERTY TAXES FOR THE CONSTRUCTION OF A NEW SINGLE-FAMILY RESIDENCE AT 700 EAST SYCAMORE STREET.

RES 5000
RESIDENTIAL TAX ABATEMENT
(724 E. SYCAMORE)

<u>RESOLUTION NO. 5000 – AUTHORIZING THE EXECUTION OF AN AGREEMENT WITH BARTON CAPITAL, LTD. FOR THE ABATEMENT OF AD VALOREM PROPERTY TAXES FOR THE CONSTRUCTION OF A NEW SINGLE-FAMILY RESIDENCE AT 724 EAST SYCAMORE STREET</u>
A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING THE EXECUTION OF AN AGREEMENT WITH BARTON CAPITAL, LTD. FOR THE ABATEMENT OF AD VALOREM PROPERTY TAXES FOR THE CONSTRUCTION OF A NEW SINGLE-FAMILY RESIDENCE AT 724 EAST SYCAMORE STREET.

RES 5001
RESIDENTIAL TAX ABATEMENT
(507 S. HAZELWOOD)

<u>RESOLUTION NO. 5001 – AUTHORIZING THE EXECUTION OF AN AGREEMENT WITH BARTON CAPITAL, LTD. FOR THE ABATEMENT OF AD VALOREM PROPERTY TAXES FOR THE CONSTRUCTION OF A NEW SINGLE-FAMILY RESIDENCE AT 507 SOUTH HAZELWOOD STREET</u>
A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING THE EXECUTION OF AN AGREEMENT WITH BARTON CAPITAL, LTD. FOR THE ABATEMENT OF AD VALOREM PROPERTY TAXES FOR THE CONSTRUCTION OF A NEW SINGLE-FAMILY RESIDENCE AT 507 SOUTH HAZELWOOD STREET.

RES 5002
RESIDENTIAL TAX ABATEMENT
(509 S. HAZELWOOD)

<u>RESOLUTION NO. 5002 – AUTHORIZING THE EXECUTION OF AN AGREEMENT WITH BARTON CAPITAL, LTD. FOR THE ABATEMENT OF AD VALOREM PROPERTY TAXES FOR THE CONSTRUCTION OF A NEW SINGLE-FAMILY RESIDENCE AT 509 SOUTH HAZELWOOD STREET</u>
A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING THE EXECUTION OF AN AGREEMENT WITH BARTON CAPITAL, LTD. FOR THE ABATEMENT OF AD VALOREM PROPERTY TAXES FOR THE CONSTRUCTION OF A NEW SINGLE-FAMILY RESIDENCE AT 509 SOUTH HAZELWOOD STREET.

RES 5003
RESIDENTIAL TAX ABATEMENT
(511 S. HAZELWOOD)

<u>RESOLUTION NO. 5003 – AUTHORIZING THE EXECUTION OF AN AGREEMENT WITH BARTON CAPITAL, LTD. FOR THE ABATEMENT OF AD VALOREM PROPERTY TAXES FOR THE CONSTRUCTION OF A NEW SINGLE-FAMILY RESIDENCE AT 511 SOUTH HAZELWOOD STREET</u>
A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING THE EXECUTION OF AN AGREEMENT WITH BARTON CAPITAL, LTD. FOR THE ABATEMENT OF AD VALOREM PROPERTY TAXES FOR THE CONSTRUCTION OF A NEW SINGLE-FAMILY RESIDENCE AT 511 SOUTH HAZELWOOD STREET.

RES 5004
RESIDENTIAL TAX ABATEMENT
(422 S. MONTGOMERY)

<u>RESOLUTION NO. 5004 – AUTHORIZING THE EXECUTION OF AN AGREEMENT WITH BARTON CAPITAL, LTD. FOR THE ABATEMENT OF AD VALOREM PROPERTY TAXES FOR THE CONSTRUCTION OF A NEW SINGLE-FAMILY</u>

RESIDENCE AT 422 SOUTH MONTGOMERY STREET
A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING THE EXECUTION OF AN AGREEMENT WITH BARTON CAPITAL, LTD. FOR THE ABATEMENT OF AD VALOREM PROPERTY TAXES FOR THE CONSTRUCTION OF A NEW SINGLE-FAMILY RESIDENCE AT 422 SOUTH MONTGOMERY STREET.

RESOLUTION NO. 5005 – AUTHORIZING THE EXECUTION OF AN AGREEMENT WITH BARTON CAPITAL, LTD. FOR THE ABATEMENT OF AD VALOREM PROPERTY TAXES FOR THE CONSTRUCTION OF A NEW SINGLE-FAMILY RESIDENCE AT 426 SOUTH MONTGOMERY STREET

RES 5005 RESIDENTIAL TAX ABATEMENT (426 S. MONTGOMERY)

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING THE EXECUTION OF AN AGREEMENT WITH BARTON CAPITAL, LTD. FOR THE ABATEMENT OF AD VALOREM PROPERTY TAXES FOR THE CONSTRUCTION OF A NEW SINGLE-FAMILY RESIDENCE AT 426 SOUTH MONTGOMERY STREET.

ACTION TAKEN.
> **Motion by Council Member Hughes to approve Resolution Nos. 4999, 5000, 5001, 5002, 5003, 5004, and 5005, as presented. Second by Council Member Smith.**

VOTING AYE: Adami, Hughes, Smith, Wacker.
VOTING NAY: None.
ABSTAIN: Markl.
MOTION CARRIED.

REQUEST TO ADVERTISE
REPLACEMENT OF TWO 3/4-TON TRUCK CHASSIS WITH UTILITY BODIES FOR THE DISTRIBUTION SERVICES DEPARTMENT

REQ TO ADVERTISE TRUCK REPLACEMENT

The City Council approved the request to advertise for bids to replace two ¾-ton truck chassis with utility bodies for the Distribution Services Department.
CONSENT AGENDA.

OTHER BUSINESS
RECEIVE CHIEF ANIMAL CONTROL OFFICER SCOTT PARKER'S REPORT ON THE SHERMAN ANIMAL SHELTER'S ADOPT-A-THON SCHEDULED FOR SATURDAY, MAY 5TH AND SUNDAY, MAY 6TH

ANIMAL SHELTER ADOPT-A-THON

Scott Parker, Chief Animal Control Officer, brought a puppy and kitten to advertise the Sherman Animal Shelter's Annual Adopt-A-Thon, scheduled for May 5 and 6, 2007, from 9 a.m. until 5 p.m. This is the City of Sherman's eleventh year to participate in the national event.

He invited Council Members and citizens to visit the Animal Shelter during the Adopt-A-Thon and to adopt a pet to take home. Almost 50 animals were adopted during last year's event.

RECEIVE PRESENTATION ON THE POSSIBLE USE OF ALTERNATIVE FUELS / BIODIESEL FOR THE CITY OF SHERMAN'S FLEET OPERATIONS

ALTERNATIVE FUELS

Mayor Magers previously asked the City Manager to research the use of alternative fuels for the City's fleet operations. Grayson County currently has attainment status for their air quality.

He felt to maintain this air quality environment, the City should pursue business friendly policies that make environmental sense. Many cities use alternative fuels and he felt Sherman could be proactive in looking at the use of biodiesel. He also urged the Sherman Independent School District and Grayson County to consider the use of alternate fuels.

Mr. Olson said the staff recently met with representatives from Douglass Distributing about the use of biodiesel. Previously the City used propane for some of the City fleet, but that is no longer used.

Currently the City has a contract for the use of gasoline, but that contract expires in September. The staff plans to include the use of biodiesel in the specifications for biding the new contract. He added that some cost savings would be anticipated with the use of biodiesel.

Council Members expressed their support for the use of alternative fuels. Mayor Magers urged that Sherman take the lead in the use of alternative fuels, but encouraged other cities and local entities to participate too.

APPROVE QUARTERLY INVESTMENT REPORT FOR PERIOD ENDING MARCH 31, 2007

QUARTERLY INVESTMENT REPORT

The City Council approved the Quarterly Investment Report for the period ending March 31, 2007. The report reflects a portfolio position with a book value of nearly $33.9 million. The portfolio remains adequately liquid and its yield of 4.95% for the quarter is more than the benchmark yield of 4.86%. The market value of the overall portfolio was 100% of the book value.

As of March 31, 2007, the City was in compliance with all applicable State laws and the provisions of the City's internal Investment Policy.
CONSENT AGENDA.

CONSIDER THE APPOINTMENT OF AN ADVISORY COMMITTEE TO REVIEW THE KEEP SHERMAN BEAUTIFUL COMMISSION BY-LAWS

KEEP SHERMAN BEAUTIFUL REVIEW

ACTION TAKEN.

> **Motion by Council Member Adami to appoint Council Member Cary Wacker to serve as chairman of an Advisory Committee to Review the Keep Sherman Beautiful Commission By-Laws, with Council Member**

John Markl; Council Member Joe Smith; George Olson, Acting City Manager; Ben Uselton, Parks and Recreation Administrator; Theresa Caudle, Neighborhood Services Coordinator; and Jessica Perkins, Project Coordinator, also serving on the Committee. Second by Council Member Hughes.

VOTING AYE: Adami, Hughes, Markl, Smith, Wacker.
VOTING NAY: None.
MOTION CARRIED.

DISCUSSION OF THE NAACP'S USE OF THE CITY'S KERR-EAST BUILDING

NAACP USE OF KERR-EAST BLDG.

ACTION TAKEN.

Motion by Council Member Wacker to remove from table the discussion of the NAACP's use of the City's Kerr-East Building. Second by Council Member Markl

VOTING AYE: Adami, Hughes, Markl, Smith, Wacker.
VOTING NAY: None.
MOTION CARRIED TO REMOVE FROM TABLE.

Mayor Magers explained that the City Council needed to discuss the issue in Executive Session first. The Council will consider the issue after Executive Session.

CITIZENS REQUESTS

CITIZENS REQUESTS

There were no citizens requests.

MEDIA QUESTIONS

ANNEXATION OF PROPERTY AT HIGHWAY 82 AND HIGHWAY 289

ANNEXATION OF PROPERTY AT HWYS 82 & 289

Kathy Williams, Herald Democrat Reporter, asked if any studies had been done to determine if there would be additional costs for infrastructure if the property at Highway 82 and Highway 289 was annexed. She felt it would probably be a fast developing area.

Mr. Olson said the staff is preparing a cost benefit analysis on the annexation, but the City would not spend money to move the infrastructure to the development, the development would come to the City to get the infrastructure.

Scott Shadden, Director of Developmental Services, reiterated that the staff is preparing a cost benefit analysis that will be taken into consideration when the Council considers the annexation.

COUNCIL COMMENTS

INTRODUCTION OF CITY STAFF AT DAIS

INTRODUCTION OF CITY STAFF

Mayor Magers introduced City staff members that are now sitting at the dais during City Council Meetings. Robby Hefton, Director of Administration; Jeff Miller, Director of Public Works and Engineering; and Scott Shadden, Director of Developmental Services; are now sitting at the Council dais.

BATTLE OF THE BADGES BLOOD DRIVE

Council Member Hughes thanked everyone involved with the Battle of the Badges Blood Drive. He verified that the Fire Department won the event this year.

BATTLE OF THE BADGES BLOOD DRIVE

SISTER CITY PROGRAM

Council Member Wacker said Austin College has expressed interest in "ramping up" the Sister City Program. She felt the Council probably needed to discuss the issue in the future.

SISTER CITY PROGRAM

GIVE LOCAL BUSINESSES A CHANCE TO BID

Mayor Magers wanted to be sure the City was giving local businesses a chance to bid on projects. He added that the businesses need to be competitive and follow the rules.

BIDDING BY LOCAL BUSINESSES

THANKS TO MAYOR'S SON

Mayor Magers introduced his son Zachary who attended the Council Meeting, and thanked him for his good behavior.

THANKS TO ZACHARY MAGERS

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

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

EXECUTIVE SESSION

SECTION 551.071 --	**CONSULTATION WITH THE CITY ATTORNEY CONCERNING LEGAL MATTERS**
SECTION 551.071 --	**CONSULTATION WITH THE CITY ATTORNEY CONCERNING PENDING LITIGATION; CITY OF SHERMAN, TEXAS v. CREIGHTON LEMOYNE ESCOE, ET AL.; CAUSE NO. 03-0617**
SECTION 551.074 --	**PERSONNEL MATTERS: DISCUSS THE APPOINTMENT OF A PERMANENT CITY MANAGER**

On Motion duly made and carried, the Open Meeting recessed and reconvened in Executive Session at 5:35 p.m.

On Motion duly made and carried, the Executive Session recessed at 6:10 p.m. and reconvened in Open Meeting.

OPEN MEETING

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

OPEN MEETING

<u>DISCUSSION OF THE NAACP'S USE OF THE CITY'S KERR-EAST BUILDING</u>

NAACP USE OF KERR-EAST BLDG.

ACTION TAKEN.

> **Motion by Council Member Smith to ask the City Attorney to begin lease negotiations with the NAACP for use of the Kerr-East Building, and to place the item on the Executive Session Agenda for the May 7, 2007 Council Meeting for the Council to review the draft. Second by Council Member Wacker.**

VOTING AYE: Adami, Hughes, Markl, Smith, Wacker.
VOTING NAY: None.
MOTION CARRIED.

<u>ADJOURNMENT</u>

ADJOURNMENT

On Motion duly made and carried, the meeting adjourned at 6:11 p.m.

____
MAYOR

____
CITY CLERK