STATE OF TEXAS §

March 19, 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 March 19, 2007.

MEMBERS PRESENT: **MAYOR BILL MAGERS; DEPUTY MAYOR TERRENCE STEELE.**
COUNCIL MEMBERS ADAMI, HUGHES, MARKL, WACKER.

MEMBERS ABSENT: **COUNCIL MEMBER SMITH.**

CALL TO ORDER

CALL TO ORDER

Mayor Bill Magers called the meeting to order at 5:00 p.m. The Pledge of Allegiance and Invocation were given by Acting City Manager Giles Brown.

APPROVE MINUTES

APPROVE MINUTES

The Council reviewed the Minutes of the Regular Meeting of March 5, 2007. Council Member Hughes moved to approve the Minutes as presented; Second by Council Member Adami. All present voted AYE.
MOTION CARRIED.

PROCLAMATION
"RED RIVER FUNTIER DAYS" – MARCH 29-31, 2007

RED RIVER FUNTIER DAYS (MARCH 29-31, 2007)

Deputy Mayor Steele presented a proclamation to Shawnda Rains, Tourism Director, proclaiming March 29 through 31, 2007 as "Red River Funtier Days" in Sherman.

Ms. Rains listed events that will be held in conjunction with Red River Funtier Days and invited Council Members and citizens to attend the events.

CONSENT AGENDA

CONSENT AGENDA

The Council reviewed the Consent Agenda. Mayor Magers removed Item C10 entitled "Resolution 4987 – Authorizing the Purchase of Two Truck Chassis with Utility Bodies through the Houston-Galveston Area Council of Governments (H-GAC) for the Distribution Services Department" from the Consent Agenda for discussion in its regular order of business.

Council Member Adami asked to remove Item C3 entitled "Resolution 4980 – Authorizing the Continued Participation with the Atmos Cities Steering Committee and Authorizing the Payment of 10 Cents Per Capita to the Atmos Cities Steering Committee to Fund Regulatory and Related Activities Related to Atmos Energy Corporation," Item C4 entitled "Resolution 4981 – Authorizing the Continued Participation with the Steering Committee of Cities Served by TXU and Authorizing the Payment of 10 Cents Per Capita to the Steering Committee to Fund Regulatory and Related Activities Related to TXU Electric Delivery," and Item C12

entitled "Resolution 4989 – Awarding a Bid to and Authorizing Execution of a Contract with Diebold Election Systems, Inc. for the Rental of Voting System Machines" from the Consent Agenda for discussion in their regular order of business.

Council Member Markl moved to approve the Consent Agenda, with the exception of Items C3, C4, C10, and C12, which will be discussed in their regular order of business. Second by Deputy Mayor Steele. All present voted AYE.

RESOLUTIONS

RESOLUTION NO. 4978 – RECOGNIZING THAT THE PORTION OF THE HIGHWAY NAMED F.M. 1417, FROM OLD LUELLA ROAD TO F.M. 691, WILL ALSO BE KNOWN AS HERITAGE PARKWAY

RES 4978
NAME FM 1417
HERITAGE PARKWAY

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, RECOGNIZING THAT THE PORTION OF THE HIGHWAY NAMED F.M. 1417, FROM OLD LUELLA ROAD TO F.M. 691, WILL ALSO BE KNOWN AS HERITAGE PARKWAY.

Jeff Miller, Director of Public Works and Engineering, explained that the name change was originally discussed from the City limits at Highway 11 to the City limits at Highway 691. Actually the City limits begin at Old Luella Road instead of Highway 11.

The staff was also concerned as to whether or not the Post Office could deliver mail to two different addresses if F.M. 1417 was used as well as Heritage Parkway. The Post Office is able to assign an "alias" in their computer system and would be able to deliver mail to either address.

Council Member Markl recommended that the name be changed from Highway 75 to Highway 691 and not include the portion to Old Luella Road.

Mr. Miller added that the Texas Department of Transportation will not change the signs on Highway 75 to reflect the Heritage Parkway name. The City will change their street signs. Council Member Wacker verified that the City should be able to change their signs within approximately two or three weeks.

ACTION TAKEN.

> **Motion by Council Member Wacker to approve Resolution 4978, amending the portion of F.M. 1417 that will also be known as Heritage Parkway to the portion between Highway 75 and Highway 691. Second by Deputy Mayor Steele.**

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

RES 4979 RESIDENTIAL TAX ABATEMENT PROGRAM

RESOLUTION NO. 4979 – DECLARING THE CITY OF SHERMAN'S ELIGIBILITY AND INTENTION TO PARTICIPATE IN A RESIDENTIAL TAX ABATEMENT PROGRAM TO PROMOTE DEVELOPMENT / REDEVELOPMENT IN CERTAIN AREAS OF THE CITY; ESTABLISHING GUIDELINES AND CRITERIA
A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, DECLARING THE CITY OF SHERMAN'S ELIGIBILITY AND INTENTION TO PARTICIPATE IN A RESIDENTIAL TAX ABATEMENT PROGRAM TO PROMOTE DEVELOPMENT / REDEVELOPMENT IN CERTAIN AREAS OF THE CITY; ESTABLISHING GUIDELINES AND CRITERIA. CONSENT AGENDA.

RES 4980 ATMOS STEERING COMMITTEE

RESOLUTION NO. 4980 – AUTHORIZING THE CONTINUED PARTICIPATION WITH THE ATMOS CITIES STEERING COMMITTEE AND AUTHORIZING THE PAYMENT OF 10 CENTS PER CAPITA TO THE ATMOS CITIES STEERING COMMITTEE TO FUND REGULATORY AND RELATED ACTIVITIES RELATED TO ATMOS ENERGY CORPORATION
A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING THE CONTINUED PARTICIPATION WITH THE ATMOS CITIES STEERING COMMITTEE AND AUTHORIZING THE PAYMENT OF 10 CENTS PER CAPITA TO THE ATMOS CITIES STEERING COMMITTEE TO FUND REGULATORY AND RELATED ACTIVITIES RELATED TO ATMOS ENERGY CORPORATION.

Council Member Adami asked to remove Items C3 and C4 for discussion in their regular order of business. He asked for clarification on the resolutions.

Mr. Brown explained that both resolutions concern steering committees of other Texas cities, led by the City of Arlington, that share interests relating to charges assessed by ATMOS Energy Corporation and TXU Electric Delivery.

The best results have been realized from the steering committee dealing with TXU, from which the City received over $300,000 back through their participation.

Council Member Adami verified that the cost of participation in the steering committees is 10 cents per capita.

RES 4981 TXU ELECTRIC STEERING COMMITTEE

RESOLUTION NO. 4981 – AUTHORIZING THE CONTINUED PARTICIPATION WITH THE STEERING COMMITTEE OF CITIES SERVED BY TXU AND AUTHORIZING THE PAYMENT OF 10 CENTS PER CAPITA TO THE STEERING COMMITTEE TO FUND REGULATORY AND RELATED ACTIVITIES RELATED TO TXU ELECTRIC DELIVERY
A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING THE CONTINUED PARTICIPATION WITH THE STEERING COMMITTEE OF

CITIES SERVED BY TXU AND AUTHORIZING THE PAYMENT OF 10 CENTS PER CAPITA TO THE STEERING COMMITTEE TO FUND REGULATORY AND RELATED ACTIVITIES RELATED TO TXU ELECTRIC DELIVERY.

ACTION TAKEN.

Motion by Council Member Adami to approve Resolution 4980 and 4981, as presented. Second by Council Member Markl.

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

<u>RESOLUTION NO. 4982 – AWARDING A BID TO AND AUTHORIZING A CONTRACT WITH GREAT AMERICAN SWEEPING, INC. FOR STREET SWEEPING SERVICES</u>

RES 4982 STREET SWEEPING

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AWARDING A BID TO AND AUTHORIZING EXECUTION OF A CONTRACT WITH GREAT AMERICAN SWEEPING, INC. FOR STREET SWEEPING SERVICES.

Council Member Adami asked if the proposed contract was in-line with the budget discussions. Mr. Brown said the street sweeping contract was an initiative that came out of the budget work sessions and is a privatization of the duties.

The City will be keeping some of the equipment because the private contract would be more expensive to call the company out for special street sweeping jobs.

ACTION TAKEN.

Motion by Council Member Adami to approve Resolution 4982, as presented. Second by Council Member Wacker.

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

<u>RESOLUTION NO. 4983 – AUTHORIZING EXECUTION OF A CONTRACT WITH TEAGUE NALL & PERKINS FOR PROFESSIONAL ENGINEERING SERVICES TO DESIGN THE BELDEN STREET WATER MAIN REPLACEMENT PROJECT</u>

RES 4983 BELDEN STREET WATER MAIN REPLACEMENT

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING EXECUTION OF A CONTRACT WITH TEAGUE NALL & PERKINS FOR PROFESSIONAL ENGINEERING SERVICES TO DESIGN THE BELDEN STREET WATER MAIN REPLACEMENT PROJECT.
CONSENT AGENDA.

<u>RESOLUTION NO. 4984 – AUTHORIZING EXECUTION OF A CONTRACT WITH TEAGUE NALL & PERKINS FOR PROFESSIONAL ENGINEERING SERVICES TO DESIGN THE OAK HILL WATER MAIN REPLACEMENT PROJECT</u>

RES 4984 OAK HILL WATER MAIN REPLACEMENT

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING EXECUTION OF A CONTRACT WITH TEAGUE NALL & PERKINS FOR

**PROFESSIONAL ENGINEERING SERVICES TO DESIGN THE OAK HILL WATER MAIN REPLACEMENT PROJECT.
CONSENT AGENDA.**

**RES 4985
ROSS AVE.
SEWER LINE
REPLACEMENT**

<u>RESOLUTION NO. 4985 – APPROVING GREATER TEXOMA UTILITY AUTHORITY TO ENTER INTO A CONTRACT WITH TEAGUE NALL & PERKINS FOR THE ENGINEERING SERVICES ON THE ROSS AVENUE SEWER LINE REPLACEMENT PROJECT</u>
**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, APPROVING GREATER TEXOMA UTILITY AUTHORITY TO ENTER INTO A CONTRACT WITH TEAGUE NALL & PERKINS FOR THE ENGINEERING SERVICES ON THE ROSS AVENUE SEWER LINE REPLACEMENT PROJECT.
CONSENT AGENDA.**

**RES 4986
HILLCREST DR.
WATER MAIN
REPLACEMENT**

<u>RESOLUTION NO. 4986 – APPROVING GREATER TEXOMA UTILITY AUTHORITY TO ENTER INTO A CONTRACT WITH MORRIS ENGINEERS FOR ENGINEERING SERVICES AND UNDERWOOD DRAFTING AND SURVEYING, INC. FOR SURVEYING SERVICES ON THE HILLCREST DRIVE WATER MAIN REPLACEMENT PROJECT</u>
**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, APPROVING GREATER TEXOMA UTILITY AUTHORITY TO ENTER INTO A CONTRACT WITH MORRIS ENGINEERS FOR ENGINEERING SERVICES AND UNDERWOOD DRAFTING AND SURVEYING, INC. FOR SURVEYING SERVICES ON THE HILLCREST DRIVE WATER MAIN REPLACEMENT PROJECT.
CONSENT AGENDA.**

**RES 4987
VEHICLE PURCHASE
(REJECTED RES)**

<u>RESOLUTION NO. 4987 – AUTHORIZING THE PURCHASE OF TWO TRUCK CHASSIS WITH UTILITY BODIES THROUGH THE HOUSTON-GALVESTON AREA COUNCIL OF GOVERNMENTS (H-GAC) FOR THE DISTRIBUTION SERVICES DEPARTMENT</u>
A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING THE PURCHASE OF TWO TRUCK CHASSIS WITH UTILITY BODIES THROUGH THE HOUSTON-GALVESTON AREA COUNCIL OF GOVERN-MENTS (H-GAC) FOR THE DISTRIBUTION SERVICES DEPARTMENT.

Mayor Magers removed Item C10 from the Consent Agenda for consideration in its regular order of business.

Mr. Brown explained that the normal course for purchases is that when the item is available locally, the staff allows local vendors to bid, but when the items are specialized and not available locally, they don't. Traditionally for normal vehicles, local bids are received but are compared to State contracts. The City then recommends the lowest bid.

The two truck chassis are available locally, but the staff failed to send out bids locally. He recommended that the

Council not approve the bid and instruct the staff to use a bid process that will include local vendors, and will compare the bids to the State contract.

Brett Graham, Graham International, appeared with Darrel Ramey, Ramey Chevrolet, and Bob Utter, Bob Utter Ford, to discuss the bidding from local vendors.

He urged the Council to take another look at the bidding process and using the Houston-Galveston Area Council of Governments (H-GAC) to purchase items. H-GAC bids many types of items and then makes these items available to other Cities through the Statewide contract.

The problem is that it totally bypasses the local vendors, who are not interested in supplying vehicles or parts throughout the State of Texas. The deals are so slim in margin that the local vendors cannot justify bidding on H-GAC and having to deliver vehicles to El Paso.

Mr. Graham added that most of the City's truck fleet has been purchased through H-GAC and consists of Mac trucks. Mac trucks are historically known as the low bidder on H-GAC because they offer a stripped-down, low-cost version.

Even though Mac trucks provide the City with a low-cost truck, Mr. Graham said he did not feel this served the City well. There is no local vendor to provide warranty, parts or service for the Mac trucks. To obtain service for the trucks, the City must take them to Irving Boulevard and leave the vehicle for three days to two weeks. He estimated that it cost the City approximately $851 every time a truck was taken to Irving Boulevard for warranty service.

Mr. Graham added that Mac trucks are proprietary, with the cab, chassis, and engine all made by Mac, which increases the cost of parts.

Mr. Graham urged the Council to review the H-GAC process by which vehicles are purchased and asked that the local vendors also be allowed to bid. He felt there was better accountability when local vendors are used.

Mayor Magers verified that the first step was making local vendors aware of items that were being bid. Mr. Graham understood that to purchase equipment on H-GAC, the City is not required to send or publish any notices of intent.

Mr. Brown explained that H-GAC and BuyBoard were both used by the City and completed some of the paperwork, thereby giving a quicker turn-around time for the City. State law allows the City to give a three percent discount for buying locally if a vendor is located within the City limits.

Mr. Graham added that he had discussed the purchase of Mac trucks in detail to alert the Council that there are

ramifications to using the easier "up front" process to purchase these trucks.

Council Member Markl said in the past, the City had a policy that the local vendor didn't have to be the low bidder, and they were still favored if they were within a specified range.

ACTION TAKEN.
Motion by Council Member Hughes to reject Resolution 4987 and rebid the purchase. Second by Council Member Markl.
VOTING AYE: Adami, Markl, Hughes, Steele, Wacker.
VOTING NAY: None.
MOTION CARRIED TO REJECT.

RES 4988
RESIDENTIAL TAX ABATEMENT
(512 N. MAPLE)

RESOLUTION NO. 4988 – AUTHORIZING THE EXECUTION OF AN AGREEMENT WITH HABITAT FOR HUMANITY OF GRAYSON COUNTY FOR THE ABATEMENT OF AD VALOREM PROPERTY TAXES FOR THE CONSTRUCTION OF A NEW SINGLE-FAMILY RESIDENCE AT 512 NORTH MAPLE STREET
A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING THE EXECUTION OF AN AGREEMENT WITH HABITAT FOR HUMANITY OF GRAYSON COUNTY FOR THE ABATEMENT OF AD VALOREM PROPERTY TAXES FOR THE CONSTRUCTION OF A NEW SINGLE-FAMILY RESIDENCE AT 512 NORTH MAPLE STREET.
CONSENT AGENDA.

RES 4989
ELECTION MACHINE RENTAL

RESOLUTION NO. 4989 – AWARDING A BID TO AND AUTHORIZING EXECUTION OF A CONTRACT WITH DIEBOLD ELECTION SYSTEMS, INC. FOR THE RENTAL OF VOTING SYSTEM MACHINES
A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AWARDING A BID TO AND AUTHORIZING EXECUTION OF A CONTRACT WITH DIEBOLD ELECTION SYSTEMS, INC. FOR THE RENTAL OF VOTING SYSTEM MACHINES.

Council Member Adami asked to remove Item C12 from the Consent Agenda for consideration in its regular order of business.

He asked how the price compared with the price paid last year. Linda Ashby, City Clerk, explained that the cost was higher, however additional electronic voting machines were being added to speed the process for voters in the Charter Election.

Council Member Adami verified that the machines were being leased from the same Allen company that was used last year. He asked if the staff tried to work with Grayson County to use their equipment.

Mrs. Ashby explained that she spoke with the company handling the programming and training for the County's machines and they said they were going to "try" to work with cities and school districts, however there was a concern about their success. She felt to ensure a good election, the City should again contract with the same company they used last year.

Mayor Magers explained that the use of electronic voting machines was a Federal mandate and Grayson County spent $800,000 in grant money on their equipment. However, the machines must be reprogrammed for each election and the election workers must be trained on the equipment, which drives up the cost of the election.

Mrs. Ashby verified that one-half of the cost of the election, including the equipment usage, would be paid by the Sherman Independent School District because they have contracted for a joint election with the City.

ACTION TAKEN.
Motion by Council Member Adami to approve Resolution 4989, as presented. Second by Council Member Markl.
VOTING AYE: Adami, Markl, Hughes, Steele, Wacker.
VOTING NAY: None.
MOTION CARRIED.

OTHER BUSINESS

RECEIVE QUARTERLY PROGRESS REPORT FROM SHERMAN ECONOMIC DEVELOPMENT CORPORATION BOARD VICE CHAIRMAN JOE FALLON, JR. AND SEDCO PRESIDENT JOHN BOSWELL

SEDCO QUARTERLY PROGRESS REPORT

Joe Fallon, Jr., Vice Chairman of SEDCO, presented a quarterly progress report on the Board's activities. Mr. Fallon said only two meetings have been held since the last quarterly report.

Since the last report, SEDCO has approved an agreement with Progress Rail for expansion of their property on both the east and west sides. Trees have also been planted on F.M. 1417, near Progress Park.

John Boswell, President of SEDCO, has also attended a trade show and talked with numerous people. SEDCO has made an incentive payment to Consolidated Container for a lease renewal. An incentive has also been completed to Mueller Construction for a water jet cuter, equipment that cuts metal with water.

RECEIVE QUARTERLY REPORT FROM TOURISM DIRECTOR SHAWNDA RAINS

TOURISM DEPT. QUARTERLY REPORT

Shawnda Rains, Tourism Director, presented a quarterly progress report on their activities. She distributed a packet with several marketing items including a new brochure that

will incorporate the theme “Red River, White Stars, and Blue Skies.” All marketing materials will now use the same theme.

Ms. Rains has been working with several bus tour agencies and attended the American Bus Association Marketplace in Grapevine, to meet with over 1,300 tour bus operators and encourage them to bring their groups to Sherman. The Tourism Department also partnered with the Denison Chamber of Commerce to sponsor a booth to sell the entire area.

She also attended the East Texas Tourism Marketplace and visited with a FAM (Familiarization) Tour comprised of 35 tour bus operators. Ms. Rains said they are working with the tour bus operators to set up itineraries for their visits. In April 2007, a bus tour group will be taking a “mystery” trip to visit the Open Air Market in Sherman.

Ms. Rains plans to work with a Houston radio show host that promotes and takes groups on tours to various areas. He is now planning his 2008 tour itineraries.

Red River Funtier Days are scheduled for March 29 through 31, and Hot Summer Nights will begin the first Thursday in June. The Tourism Department will also partner with Theatricks to bring another production to Kidd-Key Auditorium and will help with the entertainment for the Juneteenth Celebration.

Future plans also include a Buck Owens Tribute Concert in Kidd-Key Auditorium that features performers from the Grand ‘Ole Opry.

Deputy Mayor Steele said at tonight’s Council Meeting, the Council adopted the name Heritage Parkway for a portion of F.M. 1417 and he asked if it was too late to make changes to the map in the brochure. Ms. Rains said she has talked with the company and they can make those changes. Council Member Markl also wanted to add the Hawn Splash Park.

Mayor Magers asked Traci Norton, President of the Chamber of Commerce, and John Boswell, President of SEDCO, to consider coordinating their brochures with the Tourism Department and possibly sharing printing costs.

Deputy Mayor Steele commended the Tourism Department for their hard work.

ANNUAL AUDIT

ACCEPT ANNUAL AUDIT REPORT FOR YEAR ENDED SEPTEMBER 30, 2006 FROM DAVIS, KINARD & CO., P.C.
Keith Dagen, Director of Finance, introduced Diane Terrell, Audit Stockholder, from Davis, Kinard & Co., P.C., to present the Annual Audit Report for the year ended September 30, 2006.

Ms. Terrell said this was their first year to perform the City of Sherman's audit and she thanked the Council for the opportunity. They also audited seven other cities this year.

Davis, Kinard & Co. presented an "unqualified" opinion on the audit, which is a "clean" opinion on the financial statements.

Total net assets, assets less liabilities, for Sherman are $130,000,000. Many of these net assets are invested in capital assets, such as buildings and infrastructure. Therefore 74% of the net assets are not available to fund the operations of the City, but represent what is invested in the capital assets.

The City's assets on a government wide basis total $151,000,000, while 21% is unrestricted cash and pooled investments. Of this amount, 70% is also capital assets.

Ms. Terrell said the City had a decrease of $4,000,000 in net assets in governmental activities, which represents a 5% decrease in net assets. Half of this decrease can be attributed to a liability that was recorded during the year for repayment of $1.76 million in sales tax that the City collected over a period of time and must repay over a 10 year period.

Another portion of the decrease represents depreciation expense on governmental activity. The depreciation increased this year by approximately $2.3 million as a result of recording the value of the City streets, which was a requirement of the Governmental Accounting Standards Board (GASB) Statement 34.

The fund balance in the General Fund is $8.2 million, of which $7,873,000 is unreserved. This gives the City approximately 115 days of operations in the fund balance, which is a healthy reserve. Total fund balance for all governmental funds totaled $15.4 million.

In current year activities, the General Fund had a net increase of $1.1 million and the total increase for all governmental funds was $1.7 million. A prior period adjustment was also completed to increase the fund balance to show the accrual of two months of sales tax that is collected for October and November. The fund balance increased by $2.6 million as a result of the two month accrual.

Ms. Terrell said the auditor had no findings to report as a result of the audit of the Federal funds which is also a single audit and there are no advisory comments for management.

Mr. Brown said the Audit Committee has reviewed the report in depth.

ACTION TAKEN.

Motion by Council Member Hughes to accept the Annual Audit Report for the year ended September 30, 2006, as presented. Second by Council Member Markl.

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

NAACP'S USE OF KERR-EAST BLDG. (TABLED)

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

Pamela McGraw, Member of the NAACP, addressed the Council concerning the use of the City's Kerr-East Building. She explained that the NAACP is a non-exclusive organization whose aim is to ensure the political, educational, social, and economic equality of all citizens.

Many years ago the City granted the NAACP permission to use the Kerr-East Building, along with the City. Since that time the City has ceased using the building.

Ms. McGraw asked the City Council for exclusive use of the Kerr-East Building by the NAACP, assuming the cost of utilities and insurance for the facility.

Mayor Magers verified from Deputy Mayor Steele that the NAACP would be responsible for all expenses associated with the use of that building.

George Olson, Director of Community Services and Maintenance, verified that the NAACP was requesting exclusive use of the building. Ms. McGraw said they wanted to use youth groups to man the telephones after school so the facility would be open five days per week and maybe on Saturdays.

Council Member Wacker verified that other groups could still use the facility, but they would contact the NAACP to make arrangements.

Mayor Magers recommended using a flat rate for lease instead of reimbursement for the expenses. Doreen McGookey, City Attorney, asked to review legal issues that might arise from exclusive use of the building by one organization.

Deputy Mayor Steele said the Boy Scouts building at the intersection of Lamar Street and Sam Rayburn Freeway is also a City building and the organization has had a long term contract for lease of the building.

Mr. Olson verified that the Kerr-East Building has not been used by the City for approximately one year.

Mayor Magers recommended tabling the discussion until the next meeting so Ms. McGookey can review legal issues.

ACTION TAKEN.

Motion by Deputy Mayor Steele to table the discussion of the NAACP's continuing use of the City's Kerr-East Building until the next City Council Meeting. Second by Council Member Markl.

VOTING AYE: Adami, Markl, Hughes, Steele, Wacker.
VOTING NAY: None.
MOTION CARRIED TO TABLE.

KEEP SHERMAN BEAUTIFUL COMMISSON

DISCUSSION OF THE KEEP SHERMAN BEAUTIFUL COMMISSION

Council Member Wacker previously asked for information and a plan to revamp the Keep Sherman Beautiful Commission and increase membership to a full roster.

Mr. Olson said there have been ebbs and flows in the Keep Sherman Beautiful Commission and one reason was that the bylaws of the Commission are very cumbersome to the volunteer members. The Commission does raise their own money and maintains an account with the City, which is unusual for an advisory board.

He recommended that the bylaws be simplified and the commission be used to "take care of Sherman" while building back the program. Currently there are three members on the Commission and no appointed chairman.

Mr. Olson recommended appointing a subcommittee composed of Council Members and City staff to review the bylaws and possibly join with other local groups to renew the Commission.

Mayor Magers asked if there were activities that other organizations were doing that could partner with the Keep Sherman Beautiful Commission. Council Member Wacker felt a natural partner for the Commission would be the Shaping Sherman's Future organization. Both organizations have been pursuing many similar types of beautification projects.

Council Member Wacker recommended giving the Keep Sherman Beautiful Commission a specific mission and some focus projects where they can accomplish something within a year's time, that is very visible to the citizens of Sherman. The Council can partner with them by providing staff support or resources, and by hearing their ideas.

Mayor Magers confirmed that Council Member Wacker would chair the subcommittee and asked Council Member Smith and Council Member Markl to serve with her. Mr. Olson will recommend staff members to serve on the subcommittee.

Council Member Wacker asked the staff to gather examples of bylaws from other Cities that might serve as a basis for Keep Sherman Beautiful. She felt a recommendation could be made to the City Council in about one month.

CITIZENS REQUESTS | **CITIZENS REQUESTS**

There were no citizens requests.

MEDIA QUESTIONS | **MEDIA QUESTIONS**

There were no media questions.

CONSIDER THE QUALIFICATIONS, APPOINTMENT AND REMOVAL OF MEMBERS TO BOARDS AND COMMISSIONS: LIBRARY BOARD (1) | **LIBRARY BOAD**

ACTION TAKEN.

Motion by Deputy Mayor Steele to appoint Nan Jones to the Library Board for a term from March 20, 2007 to March 20, 2010. Second by Council Member Markl.

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

COUNCIL COMMENTS

COMMEND FIRE DEPARTMENT | **COMMEND FIRE DEPT.**

Council Member Markl commended the Fire Department for the job they did at the Housing Authority. They kept the fire from spreading to the other units.

COMMEND POLICE AND FIRE DEPARTMENTS | **COMMEND POLICE & FIRE DEPTS.**

Council Member Hughes commended the Police and Fire Departments for their work on the recent vehicle accident on Highway 82.

VACANCIES ON BOARDS AND COMMISSIONS | **VACANCIES ON BOARDS**

Deputy Mayor Steele urged citizens to consider serving on some of the City's boards and commissions that currently have vacancies. Applications are available on the City's website or in the City Clerk's Office.

GILES BROWN'S LAST COUNCIL MEETING | **GILES BROWN'S LAST COUNCIL MTG.**

Council Member Adami thanked Giles Brown, Acting City Manager, for his years of service to the City. Mr. Brown leaves the City to become Vice President of Business Services at Grayson County College.

Council Member Wacker also thanked Mr. Brown for his help in getting through the transition period and for his many contributions to the City.

Mayor Magers said Mr. Brown would be sorely missed but was glad he would be staying in the local community.

DOWNTOWN PARKING METER ENFORCEMENT | **DOWNTOWN PARKING METER ENFORCEMENT**

Mayor Magers commended the parking meter enforcement in the downtown area.

DESIGNATION OF HERITAGE PARKWAY | **DESIGNATION OF HERITAGE PKWY.**

Mayor Magers commended the City Council and developers that initiated the plan to designate F.M. 1417 as Heritage Parkway.

EXECUTIVE SESSION

<u>EXECUTIVE SESSION – IN ACCORDANCE WITH CHAPTER 551, GOVT. CODE, V.T.C.S., (OPEN MEETINGS LAW)</u>
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 THE CITY ATTORNEY CONCERNING LEGAL MATTERS OR CONTEMPLATED LITIGATION**

SECTION 551.074 -- **PERSONNEL MATTERS:**
- **a) DISCUSS PROCESS TO SELECT A PERMANENT CITY MANAGER**
- **b) DISCUSS SALARY ADJUSTMENT FOR THE ACTING CITY MANAGER**

SECTION 551.074 -- **CONSIDER THE QUALIFICATIONS, APPOINTMENT OR REMOVAL OF MEMBERS TO BOARDS AND COMMISSIONS: HISTORICAL PRESERVATION BOARD (2)**

On Motion duly made and carried, the Open Meeting recessed and reconvened in Executive Session at 6:05 p.m.

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

OPEN MEETING

<u>OPEN MEETING</u>
Reconvene into Open Meeting and take action, if any, on items discussed in Executive Session.

HISTORICAL PRESERVATION BOARD

<u>CONSIDER THE QUALIFICATIONS, APPOINTMENT AND REMOVAL OF MEMBERS TO BOARDS AND COMMISSIONS: HISTORICAL PRESERVATION BOARD (2)</u>
ACTION TAKEN.

> **Motion by Council Member Wacker to reappoint Wally Black to the Historical Preservation Board for a term from February 18, 2007 to February 18, 2011 and David Plyler for a term from April 29, 2007 to April 29, 2011. Second by Council Member Adami.**

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

ADJOURNMENT

On Motion duly made and carried, the meeting adjourned at 6:16 p.m.

ADJOURNMENT

MAYOR

CITY CLERK