STATE OF TEXAS §

March 4, 2019

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 4, 2019.

MEMBERS PRESENT: **MAYOR DAVID PLYLER; DEPUTY MAYOR SHAWN TEAMANN.**
COUNCIL MEMBERS HOLLAND, HOWETH, MELTON, STEELE, STEVENSON.

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 Deputy Mayor Shawn Teamann.

APPROVE MINUTES — **APPROVE MINUTES**

The Council reviewed the Minutes of the Regular City Council Meeting of February 18, 2019. Council Member Howeth moved to approve the Minutes, as presented; Second by Council Member Holland. All present voted AYE.
MOTION CARRIED.

INTRODUCTION AND PUBLIC HEARING OF ORDINANCES

ORD 6183
CHARTER REVIEW COMMISSION

Mayor Plyler introduced Ordinance No. 6183 and called for a public hearing:
AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, CREATING A CHARTER REVIEW COMMISSION IN THE CITY; PROVIDING FOR SEVERABILITY; PROVIDING FOR A REPEALER.

Brandon Shelby, City Attorney, explained that the City can amend the Charter every two years. The staff has been reviewing the Charter for any recommended changes, and they have found "a few."

This ordinance creates the Charter Review Commission to review the recommendations of staff and to review the Charter itself to see if they have additional recommendations. Mr. Shelby will then draft the Charter Amendments for the November 2019 Election.

No citizens appeared before the City Council to discuss Ordinance No. 6183.

The Public Hearing was closed.

ADOPTION OF ORDINANCES

Ordinance 6183

ORD 6183
CHARTER REVIEW COMMISSION

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, CREATING A CHARTER REVIEW

COMMISSION IN THE CITY; PROVIDING FOR SEVERABILITY; PROVIDING FOR A REPEALER.

ACTION TAKEN.

Motion by Council Member Howeth to approve Ordinance No. 6183, as presented. Second by Council Member Melton.

VOTING AYE: Holland, Howeth, Melton, Steele, Stevenson, Teamann.
VOTING NAY: None.
MOTION CARRIED.

<u>CONSENT AGENDA</u>

CONSENT AGENDA

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

<u>MAYOR'S APPOINTMENTS TO A CHARTER REVIEW COMMISSION</u>

CHARTER REVIEW COMMISSION

Mayor Plyler moved Item D-1 forward on the agenda for consideration. He appointed Council Members Pam Howeth, Daron Holland, and Josh Stevenson to serve on the Charter Review Commission. He also appointed Council Member Willie Steele to serve as an Alternate to the Commission.

ACTION TAKEN.

Motion by Council Member Steele to confirm the Mayor's appointment of Pam Howeth, Daron Holland, and Josh Stevenson to the Charter Review Commission, and Willie Steele as an Alternate, as presented. Second by Deputy Mayor Teamann.

VOTING AYE: Holland, Howeth, Melton, Steele, Stevenson, Teamann.
VOTING NAY: None.
MOTION CARRIED.

<u>RESOLUTIONS</u>

<u>RESOLUTION NO. 6459 – APPROVING AND AUTHORIZING PUBLICATION OF NOTICE OF INTENTION TO ISSUE CERTIFICATES OF OBLIGATION</u>

RES 6459 CERTIFICATES OF OBLIGATION

A RESOLUTION APPROVING AND AUTHORIZING PUBLICATION OF NOTICE OF INTENTION TO ISSUE CERTIFICATES OF OBLIGATION.

Mary Lawrence, Director of Finance, said this is the first step to issue $20 million in Certificates of Obligation. These CO's only fund street projects, and include the streets needed to support the traffic around the new Sherman High School. Almost 60% of this issuance is for Texas Department of Transportation projects that will be done within the City.

The next Council action will be on April 15, 2019, after the bids are received. At that time, the Council will award the bids. The proceeds will be received about the middle of May 2019.

Deputy Mayor Teamann asked about the $1 million for the McGee Street Extension, west of FM 1417, and asked if that will complete the entire project.

Robby Hefton, City Manager, said that will be for the section from Little Lane to where the bridge crosses Sand Creek. The timing of this project is due to the development of 40 lots west of this area.

The City is moving ahead with this phase because there is development in the area that calls for it. This project is located on the north edge of Bentbrook. The funding will pay for the engineering and construction of the McGee Street Extension.

Clint Philpott, Director of Engineering, said the City is only constructing the south two lanes now, not the four, median-divided lanes.

Council Member Steele verified that the action today is to "shop the bonds." Ms. Lawrence said the bids would be received on April 15, 2019 and the City's Financial Advisor will present the bids and make a recommendation as to which one to award.

Council Member Steele confirmed that these projects are part of last year's budget discussions and were included in the current Capital Improvement Program. The current action is to fund these projects with bonds. The projects themselves have already been discussed and are a part of the budget that was adopted for FY 2018-2019.

Council Member Steele said $19.2 million in bonds were issued in 2018. He asked for an update on those projects and the projects that were to be paid from bonds issued in 2017. Mr. Hefton said updates have been presented on an informal basis, such as with the "flyover" reports.

He said a more formalized status update could be given that details the amount budgeted, status of the project, and the expected completion date.

Council Member Steele said in April the City will issue $20 million in debt and start servicing that debt, but they probably won't start $20 million worth of projects immediately. He asked if there was a way to package those in smaller issues, or if it is better to do more at once.

Mr. Hefton said for this particular issue, the City will begin "writing checks" in May, as soon as the money is available. A large portion will be paid immediately to TxDOT for those projects. The City wants the rest of the money in the bank in order to issue contracts, for projects such as Phase 2 and 3 of West Travis Street.

He added that some projects are a little further out, but only by weeks or a couple of months, not by years. Council Member

Steele said he would like to see an update on the status of the projects and make sure they're being completed in a timely manner.

Deputy Mayor Teamann said, in the last few years the City has issued debt for right-of-way acquisition, and he verified that this money will help complete the projects that the City has been working on for the last couple of years.

Mr. Hefton said TxDOT has been the largest piece of the F.M. 1417 project. Over 25% of the debt that has been issued over the last three years has been on TxDOT projects. This money will complete the TxDOT projects.

There will still be some right-of-way to purchase on Lamberth Road and Washington Street. The goal is to complete the engineering and right-of-way purchase so when the City needs to move forward with the project, it is ready to go. He added that this money will substantially complete the right-of-way acquisition for those projects.

Council Member Howeth asked that the update also include the status of Kessler Boulevard.

Council Member Steele said this bond issue is for $19 million worth of projects that need to be done. The City is growing and these are things that must be done in order for it to grow.

ACTION TAKEN.
Motion by Council Member Steele to approve Resolution No. 6459, as presented. Second by Council Member Stevenson.
VOTING AYE: Holland, Howeth, Melton, Steele, Stevenson, Teamann.
VOTING NAY: None.
MOTION CARRIED.

RES 6460
RETAIL RECRUITMENT PROGRAM

<u>RESOLUTION NO. 6460 – DECLARING THE CITY OF SHERMAN'S ELIGIBILITY AND INTENTION TO PARTICIPATE IN A RETAIL RECRUITMENT PROGRAM TO PROMOTE DEVELOPMENT/REDEVELOPMENT IN CERTAIN AREAS OF THE CITY</u>
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 RETAIL RECRUITMENT PROGRAM TO PROMOTE DEVELOPMENT/ REDEVELOPMENT IN CERTAIN AREAS OF THE CITY.

Mr. Hefton said this is a new program that the staff would like to initiate for a limited time to encourage retail growth. The City is growing and new people are moving here, and it's necessary to have additional services to make Sherman a great place to live and play.

There are certain types of retailers and certain parts of town that they particularly want to focus on, although the program

is for all parts of Sherman. Typically retailers will locate near the major thoroughfares.

An internal team, along with a couple of Council Members, have been formed to target certain retailers to come to Sherman. The idea is to share incremental revenues from these new retailers.

The program would be similar to a Developer's Agreement and to what other cities do to target high quality retailers that generate sales tax. Sales tax is the major component of revenue for the General Fund. The program would encourage retailers to consider Sherman and incentivize them to locate in the community.

Mr. Hefton said the program would be for a short period of time to help get the momentum going for retail development. At a certain point, retail growth "feeds on itself." He asked the Council for approval of the proposed program.

ACTION TAKEN.

Motion by Council Member Stevenson to approve Resolution No. 6460, as presented. Second by Deputy Mayor Teamann.

VOTING AYE: Holland, Howeth, Melton, Steele, Stevenson, Teamann.
VOTING NAY: None.
MOTION CARRIED.

RES 6461 DEVELOPMENT AGREEMENT WITH WESTAR HOME BUILDERS

<u>RESOLUTION NO. 6461 – AUTHORIZING EXECUTION OF A DEVELOPMENT AGREEMENT WITH WESTAR HOME BUILDERS, LLC FOR THE CONSTRUCTION OF PUBLIC FACILITIES IN THE PRESERVE, PHASE II, A 10.264-ACRE DEVELOPMENT OFF OF QUAIL RUN ROAD, WEST OF F.M. 1417 (HERITAGE PARKWAY) IN THE CITY OF SHERMAN</u>

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING EXECUTION OF A DEVELOPMENT AGREEMENT WITH WESTAR HOME BUILDERS, LLC FOR THE CONSTRUCTION OF PUBLIC FACILITIES IN THE PRESERVE, PHASE II, A 10.264-ACRE DEVELOPMENT OFF OF QUAIL RUN ROAD, WEST OF F.M. 1417 (HERITAGE PARKWAY) IN THE CITY OF SHERMAN.

Mr. Philpott said the Development Agreement with Westar Home Builders is to construct streets, water, sewer, and storm drain improvements for approximately 42 lots. This will be the second phase of The Preserve, and there are another two phases that are planned in the future.

ACTION TAKEN.

Motion by Council Member Melton to approve Resolution No. 6461, as presented. Second by Council Member Howeth.

VOTING AYE: Holland, Howeth, Melton, Steele, Stevenson, Teamann.
VOTING NAY: None.
MOTION CARRIED.

RES 6462
FALLON DR. TO DRIPPING SPRINGS RD. EXTENSION

<u>RESOLUTION NO. 6462 – AUTHORIZING EXECUTION OF A PROFESSIONAL SERVICES AGREEMENT WITH McMANUS & JOHNSON CONSULTING ENGINEERS, LLC FOR THE ENGINEERING DESIGN OF THE FALLON DRIVE TO DRIPPING SPRINGS ROAD EXTENSION</u>
A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING EXECUTION OF A PROFESSIONAL SERVICES AGREEMENT WITH McMANUS & JOHNSON CONSULTING ENGINEERS, LLC FOR THE ENGINEERING DESIGN OF THE FALLON DRIVE TO DRIPPING SPRINGS ROAD EXTENSION.

Mr. Philpott said the engineering design contract is to extend Fallon Drive to Dripping Springs Road. There is a 20 acre tract of land that is being developed. There will be a 180,000 square foot warehouse on half of the tract.

In a meeting between the City and the Sherman Economic Development Corporation, it was determined that this extension was necessary, not only for this development, but for future thoroughfares through this industrial park.

Construction funding will be between the City and SEDCO and will be discussed at a future Council Meeting.

ACTION TAKEN.
Motion by Deputy Mayor Teamann to approve Resolution No. 6462, as presented. Second by Council Member Stevenson.
VOTING AYE: Holland, Howeth, Melton, Steele, Stevenson, Teamann.
VOTING NAY: None.
MOTION CARRIED.

RES 6463
CENTRAL BUSINESS DISTRICT GRANT
(124 N. WALNUT)

<u>RESOLUTION NO. 6463 – AUTHORIZING EXECUTION OF AN AGREEMENT WITH SEAN VANDERVEER D/B/A VANDERVEER GROUP, LLC UNDER THE CITY OF SHERMAN'S CENTRAL BUSINESS DISTRICT HISTORIC BUILDING RESTORATION AND IMPROVEMENT GRANT PROGRAM FOR IMPROVEMENTS TO 124 NORTH WALNUT STREET</u>
A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING EXECUTION OF AN AGREEMENT WITH SEAN VANDERVEER D/B/A VANDERVEER GROUP, LLC UNDER THE CITY OF SHERMAN'S CENTRAL BUSINESS DISTRICT HISTORIC BUILDING RESTORATION AND IMPROVEMENT GRANT PROGRAM FOR IMPROVEMENTS TO 124 NORTH WALNUT STREET.

Nate Strauch, Community and Support Services Manager, introduced the application under the City's façade grant program, which is budgeted at $50,000 this year.

The proposed project is for the former Roberts, Sanford & Taylor building. The project qualifies for the maximum matching grant of $25,000, however the applicant received a $15,000 grant for the project last year. This leaves $10,000 in eligible reimbursements for this request.

Deputy Mayor Teaman asked about the timeline for the project. Sean Vanderveer, representing Vanderveer Group, LLC, said they have been working on the design, but had some problems with the engineers. He said his goal was to have the project completed this calendar year.

Mr. Vanderveer said if it became clear that the project would not be completed, he would notify the City that they did not need the grant money, so it wouldn't "tie the money up" for other projects. He felt the project would be great for the downtown area.

ACTION TAKEN.

Motion by Council Member Howeth to approve Resolution No. 6463, as presented. Second by Deputy Mayor Teamann.

VOTING AYE: Holland, Howeth, Melton, Steele, Stevenson, Teamann.
VOTING NAY: None.
MOTION CARRIED.

RES 6464
WATER PUMP REPAIR

<u>RESOLUTION NO. 6464 – AWARDING A BID TO AND AUTHORIZING EXECUTION OF A CONTRACT WITH WEISINGER INCORPORATED FOR REPAIR OF THE LAKE TEXOMA CITY OF SHERMAN PUMP NO. 3</u>

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AWARDING A BID TO AND AUTHORIZING EXECUTION OF A CONTRACT WITH WEISINGER INCORPORATED FOR REPAIR OF THE LAKE TEXOMA CITY OF SHERMAN PUMP NO. 3.
CONSENT AGENDA.

<u>OTHER BUSINESS</u>

CLOSE STREETS
BEAT THE HEAT 5K

<u>CONSIDER REQUEST OF GRAYSON HONORS COLLEGE AND THE GRAYSON COUNTY LAW ENFORCEMENT ASSOCIATION TO TEMPORARILY CLOSE CERTAIN STREETS FOR THE "BEAT THE HEAT 5K RUN/WALK" ON SATURDAY, APRIL 27, 2019 WITH AN ALTERNATE RAIN DATE OF SATURDAY, MAY 4, 2019</u>

The City Council approved the request of Grayson Honors College and the Grayson County Law Enforcement Association to temporarily close certain streets for the "Beat the Heat 5K Run/Walk" on April 27, 2019. The alternate rain date will be May 4, 2019.

The event will require traffic control assistance, barricades, and cones from the City, and accessibility through Rusk Street by emergency and fire vehicles must be maintained at all times throughout the event.
CONSENT AGENDA.

<u>CITIZENS REQUESTS</u>

<u>EXPANSION AT WEST HILL CEMETERY</u>

EXPANSION AT WEST HILL CEMETERY

Ronald Aycock, 220 E. Houston, said at a previous meeting, it was stated that the west boundary for West Hill Cemetery was the creek. He asked what the distance was between the border of the creek and the burial lots.

Mr. Philpott said he did not know exactly, but would get that information and contact him. Mr. Aycock asked for a map that was marked with the boundary.

Mr. Aycock added that he has family members buried in the Veteran's Section, and when it rains, that area floods.

<u>CITY TRANSPARENCY</u>

CITY TRANSPARENCY

Mr. Aycock said Sherman's transparency is "not worth a flip." He has been doing research with the State Comptroller's Office. He said Sherman is in competition with Denison, but Denison has received a "gold star" from the State Comptroller's Office for "what they do."

He asked the Council to list the streets and the amount of money for the projects that would be covered under the Certificates of Obligation that will be issued.

<u>COUNCIL MEETING SOUND QUALITY</u>

COUNCIL MEETING SOUND QUALITY

Peter Tracy, 705 S. Valentine, said the quality of the sound from the Council's mics was good tonight.

<u>MEDIA QUESTIONS</u>

MEDIA QUESTIONS

There were no media questions.

<u>ANNOUNCEMENTS</u>

ANNOUNCEMENTS

Mayor Plyler announced the following:

- **The Celtic Festival will be held on March 23 and March 24, 2019, off of Fallon Drive, near Midway Mall.**
- **The Sherman Service League will host their annual Charity Ball on March 30, 2019. The event raises money for local charities.**
- **Coffee With the Mayor will be held on April 5, 2019 at the Finley Theater. The annual lineup for Hot Summer Nights will be announced at the meeting.**

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

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**
SECITON 551.071 --	**CONSULT WITH THE CITY ATTORNEY ON A MATTER IN WHICH THE DUTY OF THE ATTORNEY TO THE GOVERNMENTAL BODY UNDER THE TEXAS DISCIPLINARY RULES OF PROFESSIONAL CONDUCT OF THE STATE BAR OF TEXAS CLEARLY CONFLICTS WITH THIS CHAPTER**
SECTION 551.087 --	**DELIBERATION 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 5:30 p.m.

On Motion duly made and carried, the Executive Session recessed at 5:49 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.

ADJOURNMENT

ADJOURNMENT
On Motion duly made and carried, the meeting adjourned at 5:50 p.m.

MAYOR

CITY CLERK