STATE OF TEXAS §

February 20, 2012

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 February 20, 2012.

MEMBERS PRESENT: MAYOR BILL MAGERS; DEPUTY MAYOR WILLIE STEELE. COUNCIL MEMBERS HOWETH, PLYLER, SMITH, SOFTLY, WACKER.

MEMBERS ABSENT: NONE.

CALL TO ORDER

CALL TO ORDER
Mayor Magers called the meeting to order at 5:00 p.m. The Pledge of Allegiance and the Invocation were given by Council Member Cary Wacker.

APPROVE MINUTES

APPROVE MINUTES
The Council reviewed the Minutes of the Regular City Council Meeting of February 6, 2012. Council Member Plyler moved to approve the Minutes as presented; Second by Council Member Smith. All present voted AYE.
MOTION CARRIED.

CONSENT AGENDA

CONSENT AGENDA
The Council reviewed the Consent Agenda. Council Member Smith asked to remove Item C-2 entitled "Resolution 5654 – Accepting the proposal of First Texoma National Bank to allow the phased construction of common area improvements in conjunction with the phased sale of building sites within the Austin Landing Subdivision" and Mayor Magers removed Item C-3 entitled "Resolution 5655 – Authorizing execution of an Addendum to the Cable One Commercial Service Agreement dated March 17, 2009, for the City of Sherman's Internet Service."

Council Member Wacker moved to approve the Consent Agenda, with the exception of Item C-2 and C-3, which will be considered during their regular order of business. Second by Council Member Softly. All present voted AYE.

RESOLUTIONS

RES 5653 AUSTIN COLLEGE DEVELOPER'S AGREEMENT (PULLED FROM AGENDA)

RESOLUTION NO. 5653 – AUTHORIZING EXECUTION OF A DEVELOPMENT AGREEMENT WITH AUSTIN COLLEGE FOR THE CONSTRUCTION OF PUBLIC FACILITIES IN THE CITY OF SHERMAN
A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING EXECUTION OF A DEVELOPMENT AGREEMENT WITH AUSTIN COLLEGE FOR THE CONSTRUCTION OF PUBLIC FACILITIES IN THE CITY OF SHERMAN.

Mayor Magers said that Austin College had requested that Resolution No. 5653 be pulled from the Agenda.

RES 5654 PHASED CONSTRUCTION AT AUSTIN LANDING SUBDIVISION

RESOLUTION NO. 5654 – ACCEPTING THE PROPOSAL OF FIRST TEXOMA NATIONAL BANK TO ALLOW THE PHASED CONSTRUCTION OF COMMON AREA IMPROVEMENTS IN CONJUNCTION WITH THE PHASED SALE OF BUILDING SITES WITHIN THE AUSTIN LANDING SUBDIVISION
A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, ACCEPTING THE PROPOSAL OF FIRST TEXOMA NATIONAL BANK TO ALLOW THE PHASED CONSTRUCTION OF COMMON AREA IMPROVEMENTS IN CONJUNCTION WITH THE PHASED SALE OF BUILDING SITES WITHIN THE AUSTIN LANDING SUBDIVISION.

Council Member Smith expressed concern about the City's sidewalk ordinance. He understood that the bank wanted to intermittently build sidewalks in the subdivision.

Mark Gibson, Director of Engineering and Utilities, explained that they would phase construction of the sidewalks in with the sale of lots. Council Member Smith asked if they only sell four houses out of 17 in the first phase, does that mean that only four houses will have sidewalks.

Marilyn Williams, 45 White Dove Trail, Denison
Ms. Williams appeared representing Ebby Halliday Realtors. She said sidewalks are required to be built in front of each house as the builder builds. The builder is required to construct that sidewalk.

This request addresses the common sidewalks that are located on the main boulevard. She added that they are seeing a demand for the size houses they are building and do not feel it will be hard to sell 17 lots.

After the first 17 houses are built, one third of the sidewalks and the handicapped ramps would also be constructed. No additional lots would be sold unless the first sections of sidewalk are constructed.

Council Member Smith verified that the sidewalks that would be constructed later would be in the common area and would not be the same sidewalks that would be constructed in front of the homes. Ms. Williams said it could be if the home is located on the corner but it would mainly be the common areas that are constructed in phases. The subdivision restrictions require that each house constructed will have a sidewalk and the builder must adhere to this restriction.

Mayor Magers verified from Mr. Gibson that the retention pond will be constructed prior to any other construction, which should address drainage issues.

He understood that the retention pond will be constructed first, then they will sell lots one through 17, then 18 through 34, then sidewalks will be constructed. The City will monitor that the subdivision complies with the subdivision standards.

Mr. Gibson said the City would not issue building permits for the second phase if they don't follow through with the construction of the common area sidewalks, as required. Deputy Mayor Steele verified that the Certificate of Occupancy would not be issued until the sidewalk is installed in front of that particular home. Mayor Magers added that this is a very high level of visibility with the City Council.

Mark Burkes, 45 White Dove Trail, Denison
Mr. Burkes appeared representing Ebby Halliday Realtors and Watermark Homes. He said that in the deed restrictions, the builder is required to construct all sidewalks in front of the existing property as well as all landscaping. There can be no foundations exposed to the streets. The Certificate of Occupancy would not be issued until that is complete.

Mayor Magers said the Council is happy that the subdivision is moving forward. Brandon Shelby, City Attorney, confirmed that the staff worked to make the request fit with the City's requirements.

ACTION TAKEN.
Motion by Council Member Smith to approve Resolution No. 5654, as presented. Second by Council Member Wacker.
VOTING AYE: Howeth, Plyler, Smith, Softly, Steele, Wacker.
VOTING NAY: None.
MOTION CARRIED.

RESOLUTION NO. 5655 – AUTHORIZING EXECUTION OF AN ADDENDUM TO THE CABLE ONE COMMERCIAL SERVICE AGREEMENT DATED MARCH 17, 2009, FOR THE CITY OF SHERMAN'S INTERNET SERVICE

RES 5655
CABLE ONE
INTERNET SERVICE

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING EXECUTION OF AN ADDENDUM TO THE CABLE ONE COMMERCIAL SERVICE AGREEMENT DATES MARCH 17, 2009, FOR THE CITY OF SHERMAN'S INTERNET SERVICE.

Mayor Magers asked what the City of Sherman could do with the CableOne Franchise regarding the loss of the Dallas networks. Mr. Shelby said he did not have that answer. Mayor Magers said the answer is "zilch" and he wanted to get it on the record.

This particular resolution is for a Commercial Service Agreement for Internet service. George Olson, City Manager, said it would speed up the City's Internet service.

Mayor Magers reiterated that the City Council is concerned about the CableOne issue but there is not a lot they can do about it.

ACTION TAKEN.
Motion by Deputy Mayor Steele to approve Resolution No. 5655, as presented. Second by Council Member Howeth.
VOTING AYE: Howeth, Plyler, Smith, Softly, Steele, Wacker.
VOTING NAY: None.
MOTION CARRIED.

RES 5656
WWTP
IMPROVEMENTS

RESOLUTION NO. 5656 – ACCEPTING THE CONTRACT WITH RED RIVER CONSTRUCTION COMPANY, INC. AS COMPLETE FOR THE 2010 WASTEWATER TREATMENT PLANT IMPROVEMENTS
A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, ACCEPTING THE CONTRACT WITH RED RIVER CONSTRUCTION COMPANY, INC. AS COMPLETE FOR THE 2010 WASTEWATER TREATMENT PLANT IMPROVEMENTS.
CONSENT AGENDA.

CHANGE ORDER
WWTP
IMPROVEMENTS

CHANGE ORDER NO. 1
2010 WASTEWATER TREATMENT PLANT IMPROVEMENTS; RED RIVER CONSTRUCTION COMPANY, INC.; $285.49 DECREASE
The City Council approved Change Order No. 1, which is a reconciliatory change order to adjust final project costs for the clarifier domes and mixer improvements at the Wastewater Treatment Plant.

The change order results in a decrease of $285.49 in the contract amount, yielding a revised final contract price of $1,423,514.51.
CONSENT AGENDA.

OTHER BUSINESS

CLOSE STREETS
FOR ST. MARY'S
CHURCH

CONSIDER REQUEST OF ST. MARY'S CATHOLIC CHURCH TO TEMPORARILY CLOSE SPARROW LANE BETWEEN TRAVIS STREET AND WALNUT STREET
St. Mary's Catholic Church requested to temporarily close Sparrow Lane between Travis Street and Walnut Street.

Jim Andrews, 2501 Shoreline
Mr. Andrews appeared representing St. Mary's Catholic Church. He explained that St. Mary's Catholic Church and School would like to close Sparrow Lane on Sunday mornings between 8 a.m. and 11 a.m. The children's classes cross Sparrow Lane between the school and the church.

Mayor Magers verified that they will use barricades to block the street at Travis Street and Walnut Street during the specified time.

Don Keene, Director of Public Works, said St. Mary's will provide the barricades, but the City asks that they not park on the street so there would be access for emergency vehicles if needed.

ACTION TAKEN.

Motion by Council Member Smith to approve the request of St. Mary's Catholic Church to temporarily close Sparrow Lane between Travis Street and Walnut Street. Second by Council Member Howeth.

VOTING AYE: Howeth, Plyler, Smith, Softly, Steele, Wacker.
VOTING NAY: None.
MOTION CARRIED.

CLOSE STREETS FOR DSP&R ST. PATRICK'S DAY EVENT

CONSIDER REQUESTS OF DOWNTOWN SHERMAN PRESERVATION & REVITALIZATION TO TEMPORARILY CLOSE WALL STREET (BETWEEN TRAVIS STREET AND MONTGOMERY STREET) AND WALNUT STREET (BETWEEN PECAN STREET AND HOUSTON STREET) FOR A ST. PATRICK'S DAY EVENT AND TO SELL BEER AND WINE TO THE PATRONS OF THE EVENT

Mr. Shelby said the second part of the request includes the sale of beer and wine at the St. Patrick's Day event. This would require the City Council to make an exception to the open container law and the law currently doesn't have a mechanism to make that exception.

He said the City Council could ask the staff to prepare an amendment to allow that an exception be made to that law. An amendment to the ordinance allowing the Council to make an exception could be presented at the next City Council Meeting for consideration.

Council Member Wacker asked that when that amendment is proposed would it be limited to specific areas in Sherman and not just any street. Mr. Shelby said he would present an amendment that would provide a mechanism for the Council to make an exception to the open container law.

Jenel McGrath, 719 N. Crockett

Ms. McGrath appeared representing Jenel McGrath Realty and as a member of Downtown Sherman Preservation & Revitalization. She verified that the open container law would not allow them to sell alcohol on the street even if the vendor has a "festival license." Mr. Shelby said the law would not allow an open container in any public place. He added that it is a City ordinance, not a State law.

Mr. Shelby said cities suspend the open container law all the time for special events, but Sherman's ordinance doesn't have a mechanism to do that at this time. Ms. McGrath expressed concern that DSP&R would need to come back again to request their exception.

ACTION TAKEN.

Motion by Council Member Smith to approve the request of Downtown Sherman Preservation & Revitalization to temporarily close Wall Street, between Travis Street and Montgomery Street, and Walnut Street, between Pecan Street and Houston Street, for a St. Patrick's Day Event, and to allow them to sell beer and wine to patrons of the event, and direct the City Attorney to prepare an amendment to the open container law to allow the Council to make an exception to the law. Second by Council Member Wacker.

VOTING AYE: Howeth, Plyler, Smith, Softly, Steele, Wacker.
VOTING NAY: None.
MOTION CARRIED.

Mr. Olson said the proposed amendment will be presented to the Council at the March 5, 2012 Council Meeting. Mayor Magers added that it was an administrative duty only and would not require DSP&R to attend.

CIP & MPO PROJECT UPDATES

RECEIVE PRESENTATION FROM CITY ENGINEER CLAY BARNETT ON THE CITY OF SHERMAN'S CAPITAL IMPROVEMENT PROJECTS AND THE SHERMAN-DENISON METROPOLITAN PLANNING ORGANIZATION'S ROAD PROJECTS

Clay Barnett, City Engineer, presented an update on the City's Capital Improvement Projects and the Sherman-Denison Metropolitan Planning Organization's Road Projects.

Washington Street is substantially complete and the contractor has 24 days to complete the "punch list." The final completion date should be in mid March. Currently the City has spent a little over $3 million with a total budget of $4 million.

At the present time, Espey Consultants has completed 60% of the Post Oak Creek Flood Protection Plan. One public hearing has been held and a second one is scheduled for March 22, 2012. A total of four public hearings will eventually be held.

Total cost of the study is $333,000 and the Texas Water Development Board is reimbursing 50% of the cost, leaving the City's share at $154,000, including like-kind services. The anticipated completion will be September 12, 2012.

After completion, Mayor Magers verified that the City will get a list of projects along with their costs, prioritized based on benefits. The Council will then need to review the projects.

In 2009, the City applied for a Texas Department of Transportation grant for the Downtown Streetscape Project. The goal was to complete a more pedestrian-friendly plaza around the Square.

During the grant process, TxDOT required that a Historic-Age Resource Reconnaissance Survey be completed, as well as a Programmatic Categorical Exclusion Submission.

Mr. Barnett said the project is estimated at $553,000 and the grant will cover 80% of certain items. The City's portion will cost $170,000. Construction should begin in late May 2012 and should be completed by the Fall.

The Loy Lake Reconstruction Project entails reconstructing Loy Lake Road from U.S. Hwy 82 to Pecan Grove Road, which is the last section between Taylor Street and U.S. Hwy 75 that is not concrete.

There is also a traffic issue with vehicles exiting the Sam's Club parking lot onto Loy Lake Road and entering the intersection at Gallagher Road. A study recommended moving the driveway from its existing location to Gallagher Road which would improve overall traffic flow in the area and allow vehicles easier access to and from Sam's.

Wal-Mart has agreed to contribute $150,000 to the project and complete the parking lot changes that must be done inside their site to move the exit to the proper location. The project is budgeted at $790,000, including the $150,000 from Wal-Mart.

Mr. Barnett said the Sherman-Denison Metropolitan Planning Organization is responsible for planning for transportation projects for a 20 year boundary mostly within Grayson County. One of their two main products is a three-year Transportation Improvement Program (TIP).

He outlined projects that are included in the Transportation Improvement Program, adding that the only one currently underway is the ramp reversal on U.S. Hwy 75, south of F.M. 1417.

Two projects are scheduled for 2012, including the overlay on Texoma Parkway and the widening and signals at Travis Street and U.S. Hwy 82. Mayor Magers added that this project is designed to alleviate traffic congestion at Travis Street and Canyon Grove, near the west entrance to Wal-Mart.

After completion, traffic leaving the Wal-Mart parking lot to go south on Travis Street will be rerouted out of the parking lot to the access road and then to the traffic signal at U.S. Hwy 82, then south on Travis Street.

The 2013 project will be the widening of the bridge at Loy Lake Road and U.S. Hwy 75. The MPO has also approved two projects for 2015, including weaving lanes at U.S. Hwy 75 and Loy Lake Road, and a ramp relocation at U.S. Hwy 75 and F.M. 1417.

Mayor Magers added that the two ramp reversals are being funded solely with Sherman dollars for Sherman businesses. Taxpayer dollars are being used for general purposes and not to help specific businesses.

Mr. Barnett added that the U.S. Hwy 75 ramp reversal project is about 33% complete and TxDOT has committed to return all unused funds to the Sherman Economic Development Corporation.

Mayor Magers explained that Mr. Barnett serves on the technical committee of the MPO and is a great asset for that committee.

DOWNTOWN OVERLAY & DESIGNATION OF ADVISORY COMMITTEE

<u>RECEIVE PRESENTATION FROM CITY ATTORNEY BRANDON S. SHELBY AND CONSIDER THE APPOINTMENT OF AN ADVISORY COMMITTEE TO DEVELOP MINIMUM STANDARDS AND GUIDELINES FOR A DOWNTOWN OVERLAY</u>

Mr. Shelby said at the last Council Meeting, Mayor Magers asked the staff to begin looking at guidelines for a downtown overlay. He said there are many things that can be done to help promote businesses downtown.

Many towns enact restrictions as to what types of businesses can locate in an overlay district. They may want to prohibit sexually oriented businesses or if they want many entertainment venues, they may want to prohibit hospitals or day care facilities.

In order to promote investment in the downtown, Mr. Shelby said they might want to make it easier for businesses to locate downtown by lifting some of the Texoma Alcohol Beverage Commission distance requirements, soften the noise ordinance, provide for outdoor dining, and by lifting some of the fees that would normally be required.

He asked for direction from the City Council as to whether or not the staff should move forward and asked them to appoint a committee to help make decisions concerning the overlay district.

Mayor Magers said the downtown is a mixed use of businesses and one issue is that the TABC requires that if there is a church in downtown Sherman there must be at least 300 feet to the nearest establishment that serves alcohol. If there is a restaurant that wants to sell beer next door to a church, it wouldn't work.

Some of the businesses would also like to have bands perform at their restaurants and outside. The City currently allows dining outside, but there is some question of whether or not a restaurant with a TABC license inside can sell alcohol to their patrons dining outside.

Currently there are no churches in the central core business district of downtown Sherman. This presents an opportunity to allow businesses to co-exist in the downtown environment differently than if they were in a neighborhood.

Mayor Magers asked Lawrence Davis, Chairman of the Planning and Zoning Commission, and David Baca, President of the DSP&R, to serve on a committee to meet with Scott Shadden, Director of Development Services, and determine some requirements for a downtown overlay that could be presented to the City Council at the next Council Meeting.

He said the committee can also review fees that might be hindering development in downtown Sherman. The committee should also discuss boundaries for the overlay district to focus solely on the core businesses. The boundaries should respect the needs of other businesses in downtown Sherman too.

Deputy Mayor Steele asked if a downtown property owner should be included on the committee. Mayor Magers felt the committee should be as appointed and would not be "political".

Ruth Cox, 2341 Canyon Creek
Ms. Cox appeared representing the DSP&R Board of Directors, and is a property owner in downtown Sherman. She said many DSP&R Board Members are downtown property owners. She wanted to see progress on the entertainment district move quickly.

She emphasized that the downtown overlay district would be a core area that would be used for events and activities. She said it should be logical in what the Council is trying to accomplish.

Deputy Mayor Steele agreed that a large committee is not needed, but he felt it would be good to have a property owner also serve on the committee.

RECEIVE FINANCIAL UPDATE FROM ASSISTANT CITY MANAGER/CFO ROBBY HEFTON — **FINANCIAL UPDATE**

Robby Hefton, Assistant City Manager/CFO, presented a financial update for 2011 to lead into the upcoming budget cycle for 2012.

Sales taxes were up slightly for 2011 and utility revenues increased because of the hot, dry summer. A wet, cool summer costs the City over $1 million a year in revenue, while a hot, dry summer gains about a $1 million plus in revenue.

Therefore the year end balances for September 2011 were higher than expected. The target for fund balance is 75 days

and at the end of the fiscal year, the General and Utility Funds had reserves at or above 90 days.

The property tax growth has been flat. There has been some new development but it has been offset by a loss of value in the industrial area with a couple of companies moving.

Mayor Magers asked about the impact the MEMC closing would have. Mr. Hefton said it will be felt partially in the current year and then fully by the 2013 fiscal year.

Mr. Hefton said 2010 was a great year for group health claims, but 2011 was not as good. It was not as bad as 2009, but the staff has concerns. One cause of the increase is that people are utilizing the pharmacy benefit plan so the utilization of drugs has increased. The second cause is some very large claims.

Sales tax for 2012 is also trending up in the 2% to 3% range. Mayor Magers confirmed that 1% of sales tax is about $120,000 per year.

The City budgets for a normal summer for the Utility Fund. If it is a hot, dry summer and citizens water, then revenues will increase, but if it's wet, then revenues will decrease.

Mr. Hefton reiterated that 75% of the revenues in the General Fund are from taxes. Ambulance fees, permits, and transfers make up the remaining revenue in that fund.

The Council reviewed a graph of property tax values from 2002 to the present, showing the normal trend and the spike from Sherman Town Center. For Fiscal Year 2011 there was a loss in value of a little less than 1%. However the property value has increased for 2012.

During the last 10 or 11 years, there was a steep curve with the construction of Sherman Town Center, but as the economy changed the property tax value began to flatten out. Currently the property tax values are about $2.2 billion.

There was steep growth in the sales tax revenue when Sherman Town Center came on line and sales tax revenues increased by over $2 million annually. It plateaued in 2007 and there was a slight decline in 2008. Recovery began in 2009 and 11 of the last 13 months have had positive growth in sales tax. Mr. Hefton said the revenue cycle is "upward sloping" and he noted that the low point in each revenue cycle is up and the slope is positive. He added that the last holiday season had the most revenue that has been generated in the City of Sherman.

At the end of 2011, the General Fund balance was about 79 days and is projected to be about 90 days at the end of 2012. Ninety days is not too much but is on the top end of the range.

For the last four years the City has been putting off capital improvements and purchases. There are some one time capital needs that will be coming up and that will help manage the fund balance.

The Utility Fund balance is at a little more than 90 days. For 2011 the water and sewer utility revenue was up about $1.4 million versus what was budgeted. The staff projects for a normal summer, including the effect of the loss of MEMC and Folgers, and the utility rate increase that has partially been implemented to balance the other issues.

The ending fund balance in the Utility Fund is projected to be $5.2 million to $5.3 million. There are also some capital needs that will be coming up in the Utility Fund, including projects from the Stormwater Study which could cost millions of dollars.

Mr. Hefton said the City has some relief with the increased fund balances but they are cautious because there are also some needs that will be coming up.

Mayor Magers said North Texas Municipal Water District is currently not pumping out of Lake Texoma. The City has a "take or pay" contract, but he asked if that was affecting the revenue source at all. Mr. Hefton said it is a small percentage. They have been paying their minimum "take or pay" amount. Five years ago they were paying the maximum amount, but now they are paying the minimum. It is about 1% of the water revenue now.

In the Solid Waste Fund, both revenues and expenses were very close to the budgeted amount. The fund balance is projected at where it needs to be for the end of 2012.

The Council has committed to making sure the rates are sufficient to cover the projected increases in landfill tipping fees. The Texoma Area Solid Waste Authority has a plan to increase the fees over the next few years to help fund the new cells that they are building.

Mr. Hefton presented a graph of group health claims for the last several years adding that the staff will keep an eye on the trend. He added that by far, it is still best for the City to be self insured. The staff will review the situation every year to determine which plan would be best for the City. The City is still saving hundreds of thousands of dollars annually managing the group health insurance as they are now.

Mayor Magers said the City has been above average on claims for three of the last four years and he asked if that was a trend. Council Member Smith said maybe the average should be increased. Mr. Hefton agreed that maybe the "trend" should be increased if this is the history. The staff

will continue monitoring and making adjustments as needed. A portion of the fund balance will be used to help the insurance fund.

The staff will begin budget hearings in April 2012 for the Fiscal Year 2013 Budget. There are uses for one time fund balances that have been projected. The City has not been paying for capital expenditures and there are some needs.

In 2004 the City replaced water meters and went to an automated system. Cost of this project was $2.3 million. It was estimated to be a 10 year project and this is now year eight. Meter replacement will be an upcoming project in the next few years. Also, the Wastewater Treatment Plant and the Water Treatment Plant have issues that will need to be addressed.

He also felt that a measured approach might need to be used with one-time funds for some type of employee compensation for 2013. They will also discuss the group health fund and there maybe some operational changes, such as the GIS system, that need to be addressed. Another priority will be funding for the General and Utility Capital Improvement Funds.

A Budget Planning Meeting has tentatively been set for April 27, 2012 with the City Council and he asked them to check their calendar to see if they will be available. He also said the Budget Workshop is planned for the week of June 18, 2012 and may take more than the usual one day.

CITIZENS REQUESTS

CITIZENS REQUESTS

There were no citizen's requests.

MEDIA QUESTIONS

MEDIA QUESTIONS

There were no media questions.

COUNCIL COMMENTS

LADY BEARCATS BASKETBALL TEAM

LADY BEARCATS BASKETBALL TEAM

Council Member Softly said both the Lady Bearcats Basketball Team and the Boys Basketball Team are doing well this season.

SHERMAN WATER

SHERMAN WATER

Council Member Smith referenced that the water revenue was up this year. During the past summer's drought, many other cities across Texas were under water restrictions. This City Council and Council's in the past thought about that and bought the water that was available so Sherman would not have water restrictions.

TEX-21 TRANSPORTATION SUMMIT

TEX-21 TRANSPORTATION SUMMIT

Mayor Magers said he and Deputy Mayor Steele recently attended a Tex-21 Transportation Summit, which is a lobbying organization for municipalities. Sherman joined the organization several months ago.

The organization also has a 75/69 Corridor Committee designed to bring Congressional high visibility impact status to U.S. Hwy 75, north to U.S. Hwy 69, moving north into Oklahoma. This designation would be a precursor to Interstate status.

The Committee established a route of the proposed highway and will take an inventory of the assets. Prior to Sherman joining the organization, all the cities involved were in Collin County. Since Sherman joined, other entities joining or in the process of joining include Denison; McAlister, Oklahoma; Durant, Oklahoma; Atoka, Oklahoma; and Grayson County.

Mayor Magers said transportation is very important to the development of Sherman, and the Council is working regionally to bring that to the forefront. He thanked the City Council for joining the Committee. Sherman's vote counts just as much as the other cities involved.

EXECUTIVE SESSION

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.

SECTION 551.072	**DELIBERATION REGARDING REAL PROPERTY: DELIBERATE REGARDING THE PURCHASE, EXCHANGE, LEASE OR VALUE OF REAL PROPERTY 1424 WEST TAYLOR STREET**
SECTION 551.074	**PERSONNEL MATTERS CONSIDER THE QUALIFICATION, APPOINTMENT AND REMOVAL OF MEMBERS TO BOARDS AND COMMISSIONS: PLANNING AND ZONING COMMISSION (2)**
SECTION 551.087	**DELIBERATION REGARDING ECONOMIC DEVELOPMENT NEGOTIATIONS: DELIBERATE REGARDING COMMERCIAL OR FINANCIAL INFORMATION THAT THE CITY HAS RECEIVED FROM BUSINESS PROSPECTS AND DELIBERATE ANY OFFERS OR INCENTIVES TO THE BUSINESS PROSPECTS, INCLUDING THE FOLLOWING:**

PROPERTY AT 4344 LOY LAKE ROAD, SHERMAN, TEXAS

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 7:03 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.

PLANNING & ZONING COMMISSION

<u>APPOINT/REMOVE OR CONSIDER QUALIFICATIONS TO BOARDS AND COMMISSIONS:</u>
<u>PLANNING AND ZONING COMMISSION (2)</u>
ACTION TAKEN.
Motion by Council Member Plyler to appoint Sam Thorpe and Joe Gilbert to the Planning and Zoning Commission for a term from February 21, 2012 to February 21, 2015. Second by Council Member Wacker.
VOTING AYE: Howeth, Plyler, Smith, Steele, Wacker.
VOTING NAY: None.
MOTION CARRIED.

ADJOURNMENT

<u>ADJOURNMENT</u>
On Motion duly made and carried, the meeting adjourned at 7:04 p.m.

____
MAYOR

____
CITY CLERK