STATE OF TEXAS §

February 20, 2007

COUNTY OF GRAYSON §

BE IT REMEMBERED THAT A Called 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, 2007.

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

MEMBERS ABSENT: **NONE.**

CALL TO ORDER

Mayor Bill Magers called the meeting to order at 5:02 p.m. The Pledge of Allegiance was led by Phillip Daniel, Boy Scout with Troop 66, and the Invocation was given by Council Member John Markl.

APPROVE MINUTES

The Council reviewed the Minutes of the Called Meeting of January 30, 2007 and the Regular Meeting of February 5, 2007. Council Member Hughes moved to approve the Minutes as presented; Second by Council Member Markl. All present voted AYE.
MOTION CARRIED.

INTRODUCTION AND PUBLIC HEARING OF ORDINANCES

ORD 5444
REGULAR ELECTION
MAY 12, 2007

Mayor Magers introduced Ordinance 5444 and called for a public hearing:
AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, ORDERING 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 AND TWO AT-LARGE CITY COUNCIL MEMBERS FOR SAID CITY. PROVIDING THAT SAID ELECTION SHALL BE HELD JOINTLY WITH THE SHERMAN INDEPENDENT SCHOOL DISTRICT. DESIGNATING ELECTION PRECINCTS. APPOINTING ELECTION OFFICIALS. PROVIDING FOR NOTICE OF SAID ELECTION. PROVIDING FOR THE USE OF DIRECT RECORDING ELECTRONIC VOTING EQUIPMENT. PROVIDING FOR EARLY VOTING.

No citizens appeared before the City Council to discuss Ordinance 5444.

ORD 5445
SPECIAL ELECTION
MAY 12, 2007

Mayor Magers introduced Ordinance 5445 and called for a public hearing:
AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, CALLING A SPECIAL ELECTION OF THE QUALIFIED VOTERS OF THE CITY OF SHERMAN, TEXAS, ON THE 12TH DAY OF MAY, 2007, FOR THE PURPOSE OF AMENDING THE CITY CHARTER OF THE CITY OF

SHERMAN, TEXAS, PROVIDING FOR NOTICE OF SAID ELECTION. DESIGNATING ELECTION PRECINCTS. APPOINTING ELECTION OFFICIALS. PROVIDING FOR THE USE OF DIRECT RECORDING ELECTRONIC VOTING EQUIPMENT. PROVIDING FOR EARLY VOTING.

No citizens appeared before the City Council to discuss Ordinance 5445.

ORD 5446
CENTRAL BUSINESS DISTRICT USE OF SIDEWALKS

Mayor Magers introduced Ordinance 5446 and called for a public hearing:
AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AMENDING CHAPTER 3 OF THE CODE OF ORDINANCES, "BUILDING REGULATIONS," AT ARTICLE 3.10, "STREETS AND SIDEWALKS," TO AMEND SECTION 3.10.002, "OBSTRUCTIONS GENERALLY" AND TO ADD SECTION 3.10.0021, "USE OF PUBLIC WAY IN THE CENTRAL BUSINESS DISTRICT." PROVIDING FOR INCLUSION IN THE CODE OF ORDINANCES. PROVIDING A REPEALER CLAUSE.

No citizens appeared before the City Council to discuss Ordinance 5446.

CLOSE
PUBLIC HEARING

The Ordinances were introduced and the Public Hearing was closed.

<u>ADOPTION OF ORDINANCES</u>

ORD 5444
REGULAR ELECTION MAY 12, 2007

Ordinance 5444
AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, ORDERING 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 AND TWO AT-LARGE CITY COUNCIL MEMBERS FOR SAID CITY. PROVIDING THAT SAID ELECTION SHALL BE HELD JOINTLY WITH THE SHERMAN INDEPENDENT SCHOOL DISTRICT. DESIGNATING ELECTION PRECINCTS. APPOINTING ELECTION OFFICIALS. PROVIDING FOR NOTICE OF SAID ELECTION. PROVIDING FOR THE USE OF DIRECT RECORDING ELECTRONIC VOTING EQUIPMENT. PROVIDING FOR EARLY VOTING.

ACTION TAKEN.
Motion by Council Member Wacker to approve Ordinance No. 5444, as presented. Second by Deputy Mayor Steele.
VOTING AYE: Adami, Markl, Hughes, Smith, Steele, Wacker.
VOTING NAY: None.
MOTION CARRIED.

ORD 5445
SPECIAL ELECTION MAY 12, 2007

Ordinance 5445
AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, CALLING A SPECIAL ELECTION OF THE QUALIFIED VOTERS OF THE CITY OF SHERMAN, TEXAS, ON THE 12TH DAY OF MAY, 2007, FOR THE PURPOSE OF AMENDING THE CITY CHARTER OF THE CITY OF

SHERMAN, TEXAS, PROVIDING FOR NOTICE OF SAID ELECTION. DESIGNATING ELECTION PRECINCTS. APPOINTING ELECTION OFFICIALS. PROVIDING FOR THE USE OF DIRECT RECORDING ELECTRONIC VOTING EQUIPMENT. PROVIDING FOR EARLY VOTING.

Doreen McGookey, City Attorney, described the proposed Charter Amendments that were previously discussed by the City Council. She presented an amended version with four consecutive terms instead of six consecutive terms, which would correspond to the change to two consecutive three year terms.

In general, Amendment 1 allowed language for staggered elections with three year terms. With this proposal, District 1 and District 3 would continue on a two year term of office and District 2 and District 4 would have a three year term of office. This would achieve staggered terms for all offices over a three year period. Amendment 2 changes the terms of office in accordance with the staggering schedule.

Amendment 3 makes the change in the terms of office contiguous throughout the Charter. Amendment 4 changes the portion of the Charter that prohibited Council Members from talking with City employees or officers to permit inquiries. This allows Council Members to ask questions but not direct employees.

Amendment 5 and Amendment 6 would allow a majority vote of the City Council to remove the City Manager and the City Attorney, respectively, instead of a "super majority."

Amendment 7 requires that if an employee or officer of the City has a business relationship with the City, any work done should be approved by the City Council prior to being done. It does not apply if it is in the normal scope of the employees' duties, such as a reimbursement.

Council Member Adami verified that the proposed amendment would not allow any business relationship for any amount of money. He and Council Member Smith felt that there should be a specific amount designated such as "anything over $500." Ms. McGookey said several amounts were previously discussed, however the last direction the Council made was for the approval of any amount.

Council Member Adami asked if that would put the Council in a position of making management decisions. Ms. McGookey did not believe that would cause the Council to make management decisions but would allow for the transparency they previously discussed.

Deputy Mayor Steele agreed that a small dollar amount should be included for services that are under a specific

amount. Council Members agreed that a $500 minimum amount should be included before the Council would be required to approve the expenditure.

ACTION TAKEN.

Motion by Deputy Mayor Steele to approve Ordinance No. 5445, as presented. Second by Council Member Smith.

VOTING AYE: Adami, Hughes, Smith, Steele, Wacker.
VOTING NAY: Markl.
MOTION CARRIED.

Council Member Markl voted against the passage of Ordinance 5445, however he said his opposition was to Amendments 1, 2, 3, 5, and 6.

ORD 5446 CENTRAL BUSINESS DISTRICT USE OF SIDEWALKS

Ordinance 5446
AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AMENDING CHAPTER 3 OF THE CODE OF ORDINANCES, "BUILDING REGULATIONS," AT ARTICLE 3.10, "STREETS AND SIDEWALKS," TO AMEND SECTION 3.10.002, "OBSTRUCTIONS GENERALLY" AND TO ADD SECTION 3.10.0021, "USE OF PUBLIC WAY IN THE CENTRAL BUSINESS DISTRICT." PROVIDING FOR INCLUSION IN THE CODE OF ORDINANCES. PROVIDING A REPEALER CLAUSE.

Council Member Smith explained that the ordinance was designed to assist downtown merchants. Currently they are not allowed to place signs in front of their businesses to advertise sales. In addition, a restaurant downtown could not place tables and chairs on the sidewalk to provide outside dining.

He felt the downtown merchants wanted the changes and felt it would be an asset to the area.

Council Member Markl verified that the signs would be limited by size and would be located only in front of the specific business. Council Member Wacker verified that vendors could still be located on the sidewalk and that the ordinance includes accommodations for special events.

ACTION TAKEN.

Motion by Council Member Smith to approve Ordinance No. 5446, as presented. Second by Council Member Hughes.

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

CONSENT AGENDA

<u>CONSENT AGENDA</u>
The Council reviewed the Consent Agenda. Council Member Adami asked to remove Item D-1 entitled "Request to Advertise – Purchase of Five Police Patrol Vehicles" from the Consent Agenda for consideration in its regular order of

business. Council Member Wacker asked to remove Item D-2 entitled "Request to Advertise – Highway 82 West Water Main Construction" and Item D-4 entitled "Request to Advertise – Fairview Park and Martin Luther King, Jr. Park Hike/Bike Trail Projects" form the Consent Agenda for consideration in its regular order of business.

Council Member Markl moved to approve the Consent Agenda, except for Items D-1, D-2, and D-4, which will be considered in their regular order of business. Second by Deputy Mayor Steele. All present voted AYE.

RESOLUTIONS

RESOLUTION NO. 4963 – OPPOSING THE EFFORTS OF THE TCEQ TO MANDATE A GROUNDWATER CONSERVATION DISTRICT IN GRAYSON COUNTY BASED ON AN INADEQUATE DRAFT REPORT

RES 4963 TCEQ RECOMMENDATION OF GROUND WATER CONSERVATION DISTRICT

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, OPPOSING THE EFFORTS OF THE TCEQ TO MANDATE A GROUNDWATER CONSERVATION DISTRICT IN GRAYSON COUNTY BASED ON AN INADEQUATE DRAFT REPORT.

Jerry Chapman, Executive Director of the Greater Texoma Utility Authority, said he just attended a meeting where the Texas Agricultural Extension Service had been invited to discuss how to create a ground water district in the adjoining counties.

The issue is very important and Sherman, as a large water user, would be impacted by creation of the district. He plans to meet with other area water providers to formulate a strategy to respond to the Texas Commission on Environmental Quality.

They would also like to invite the writers of the Draft Report to Grayson County to ask questions about the information contained in the report and to give them additional information that was omitted from the report.

Mr. Chapman added that there was a substantial amount of information that was not considered in the Draft Report. For example, the report did not take into account the Texas Water Development Board's recent Ground Water Availability Model which states in its conclusion that there is about the same amount of water in the Trinity Aquifer today as there was 50 years ago. The artesian effect has diminished the pressure over the years.

Sherman is also taking only 4.4 million gallons per day instead of 10 or 11 million gallons per day which should make a difference. Council Member Smith wanted to be sure that all the past water planning to supply Sherman's needs was not lost.

Mayor Magers verified that the proposed resolution was to offer opposition to a ground water district.

ACTION TAKEN.

Motion by Council Member Markl to approve Resolution 4963, as presented. Second by Deputy Mayor Steele.

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

RESOLUTION NO. 4964 – AUTHORIZING EXECUTION OF A JOINT ELECTION AGREEMENT WITH THE CITY OF SHERMAN AND THE SHERMAN INDEPENDENT SCHOOL DISTRICT TO HOLD A JOINT ELECTION ON MAY 12, 2007

RES 4964
JOINT ELECTION AGREEMENT WITH SISD

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING EXECUTION OF A JOINT ELECTION AGREEMENT WITH THE CITY OF SHERMAN AND THE SHERMAN INDEPENDENT SCHOOL DISTRICT TO HOLD A JOINT ELECTION ON MAY 12, 2007.
CONSENT AGENDA.

RESOLUTION NO. 4965 – AUTHORIZING ACCEPTANCE AND EXECUTION OF AN AGREEMENT WITH THE TEXAS DEPARTMENT OF TRANSPORTATION FOR AN AVIATION DIVISION ROUTINE AIRPORT MAINTENANCE PROGRAM (RAMP) GRANT FOR THE SHERMAN MUNICIPAL AIRPORT

RES 4965
AVIATION RAMP GRANT

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING ACCEPTANCE AND EXECUTION OF AN AGREEMENT WITH THE TEXAS DEPARTMENT OF TRANSPORTATION FOR AN AVIATION DIVISION ROUTINE AIRPORT MAINTENANCE PROGRAM (RAMP) GRANT FOR THE SHERMAN MUNICIPAL AIRPORT.

Mayor Magers verified that the grant included keeping the Airport open for 20 years. Jeff Miller, Director of Public Works and Engineering, explained that the grant would be used for routine maintenance including building additional perimeter fence for security, adding a pitched roof to a currently flat roof building, and trimming trees to meet FAA compliance in the safety zones around the runway.

The total amount of the agreement is $60,000 and the State will reimburse the City for $30,000. The City's portion will be paid from the Airport budget.

ACTION TAKEN.

Motion by Council Member Hughes to approve Resolution 4965, as presented. Second by Council Member Markl.

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

RESOLUTION NO. 4966 – AWARDING A BID TO AND AUTHORIZING EXECUTION OF A CONTRACT WITH DUN-ALL CLEANING FOR PARK RESTROOM CLEANING

RES 4966
PARK RESTROOM CLEANING

SERVICES
A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AWARDING A BID TO AND AUTHORIZING EXECUTION OF A CONTRACT WITH DUN-ALL CLEANING FOR PARK RESTROOM CLEANING SERVICES.
CONSENT AGENDA.

RESOLUTION NO. 4967 – AWARDING A BID TO AND AUTHORIZING EXECUTION OF A CONTRACT WITH HOWARD CONSTRUCTION, INC. FOR THE DEXTER STREET WATER MAIN REPLACEMENT

RES 4967 DEXTER STREET WATER MAIN

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AWARDING A BID TO AND AUTHORIZING EXECUTION OF A CONTRACT WITH HOWARD CONSTRUCTION, INC. FOR THE DEXTER STREET WATER MAIN REPLACEMENT.
CONSENT AGENDA.

RESOLUTION NO. 4968 – 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 LOCKHART STREET WATER MAIN REPLACEMENT PROJECT

RES 4968 LOCKHART STREET WATER MAIN

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 LOCKHART STREET WATER MAIN REPLACEMENT PROJECT.
CONSENT AGENDA.

RESOLUTION NO. 4969 – ABANDONING A TWENTY FOOT (20') DRAINAGE & UTILITY EASEMENT LOCATED AT LOTS 1 AND 2 OF THE PARK PLAZA ADDITION

RES 4969 ABANDON DRAINAGE & UTILITY EASEMENT (PARK PLAZA ADDITION)

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, ABANDONING A CITY DRAINAGE AND UTILITY EASEMENT, VOLUME 1940, PAGE 60, BEING LOT 1 AND LOT 2 OF THE PARK PLAZA ADDITION.
CONSENT AGENDA.

RESOLUTION NO. 4970 – AUTHORIZING THE EXECUTION OF AN AGREEMENT WITH NOE LOPEZ FOR THE ABATEMENT OF AD VALOREM PROPERTY TAXES FOR THE CONSTRUCTION OF TWO NEW TWO-FAMILY DUPLEXES AT 704 AND 706 NORTH HARRISON STREET

RES 4970 RESIDENTIAL TAX ABATEMENT (704 & 706 N. HARRISON)

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING THE EXECUTION OF AN AGREEMENT WITH NOE LOPEZ FOR THE ABATEMENT OF AD VALOREM PROPERTY TAXES FOR THE CONSTRUCTION OF TWO NEW TWO-FAMILY DUPLEXES AT 704 AND 706 NORTH HARRISON STREET.
CONSENT AGENDA.

REQ TO ADVERTISE POLICE PATROL VEHICLES

REQUEST TO ADVERTISE
PURCHASE OF FIVE POLICE PATROL VEHICLES

Council Member Adami asked to remove Item D-1 from the Consent Agenda for consideration in its regular order of business. At an earlier meeting, the Council pulled the item until they reviewed changes that might need to be made to the Police and Fire salary structure.

He added that the vehicles are subject to wear and tear and need to be replaced. He originally suggested delaying the request to advertise and the purchase of the vehicles for nine months, which would move the purchase to the next budget year. This would allow flexibility in the current budget to address salary or compensation issues.

Council Member Adami asked committee members if they planned to address these salary issues during the current budget year or during next budget year. Mayor Magers said they would probably be addressed during the next budget year.

Mayor Magers said he previously asked how the staff determined when to replace a police car. In the past, the vehicles have been replaced at approximately 100,000 miles. He cited two studies, one from the Illinois State Police and one from Police Fleet Manager, which state the standard is that most police vehicles are replaced between 75,000 and 100,000 miles.

Based on the studies and the recommendation that compensation issues be addressed during the next budget year, Mayor Magers supported moving forward with advertising for new police vehicles.

Council Member Markl added that while the Council considers taking the vehicles out of police service at 100,000 miles, they are still rotated to other departments before they are finally sold at auction.

Council Member Adami verified that the average cost for the vehicles is approximately $22,000 to $25,000 each. This purchase does include one Tahoe, which might be more expensive. According to Acting City Manager Giles Brown, the total cost for the vehicles will be $125,000 to $140,000.

ACTION TAKEN.

> **Motion by Council Member Wacker to approve the request to advertise for the purchase of five police patrol vehicles, as presented. Second by Council Member Markl.**

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

HIGHWAY 82 WEST WATER MAIN CONSTRUCTION

HWY 82 WATER MAIN

Council Member Wacker asked to remove Item D-2 from the Consent Agenda for consideration in its regular order of business.

She asked the staff to provide background on what the benefit will be to the City to expand facilities in the direction of Highway 82 West prior to expanding in other directions. She expressed concern that there are other areas with higher growth at the current time.

Council Member Markl said they are "breaking ground" on the Highway 289 extension in that same area.

Mayor Magers verified that phase 1 of the project will be to construct the water main to Lamberth Road. Future phases of the project would need to be approved and would move the water main farther west. He added that the Council has recently received a request to annex an area of land at the intersection of what will be Highway 289 and S.H. 82.

Council Member Wacker asked the staff to anticipate development in that area and how long they felt it would be before the City could see a return on their investment.

Mr. Brown felt the proposed development at S.H. 82 and Highway 289 would probably happen. The staff proposal was to fund the first phase of the water main extension. A report will be presented during the next budget work sessions to discuss various corridors and the criteria that would drive development in those areas.

Council Member Wacker wanted to be sure the Council prioritized the projects to best benefit the City of Sherman. Council Member Adami verified that the three phase project covered one mile for each phase and if totally completed would take water service to Highway 289.

ACTION TAKEN.

> **Motion by Council Member Smith to approve the request to advertise for the construction of the Highway 82 West water main, as presented. Second by Council Member Hughes.**

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

CITY-WIDE BOULEVARD AND RIGHT-OF-WAY MOWING

R-O-W MOWING

The City Council approved the request to advertise for the annual mowing of City boulevards, islands, and street right-of-ways. The FY 2006-2007 Budget includes funding to privatize the mowing of certain street islands and

thoroughfares, and collector and boulevard streets. The professional mowing of the entrances into the City and the highly traveled streets will help enhance the City's image.
CONSENT AGENDA.

<u>FAIRVIEW PARK AND MARTIN LUTHER KING, JR. PARK HIKE/BIKE TRAIL PROJECTS</u>

HIKE/BIKE TRAILS

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

She asked about the width of the proposed trail. George Olson, Director of Community Services and Maintenance, said the project will add 5,000 linear feet and the trail will be eight feet wide. The current trail is about five feet wide and drops to four feet when sidewalks are used.

Council Member Wacker asked if the other trail needed to be upgraded to eight feet in width. Mr. Olson said with a bike trail, the eight feet width is really needed. The trail will have a low water crossing for bicycle traffic and a pedestrian bridge for walking. Mayor Magers verified that the new trail would tie into the existing trail.

Mr. Olson added that both trails will be lighted but with directional lights so they don't encroach on the neighborhood.

ACTION TAKEN.

> **Motion by Council Member Smith to approve the request to advertise for the Fairview Park and Martin Luther King, Jr. Park Hike/Bike Trail Projects, as presented. Second by Council Member Markl.**

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

<u>FAIRVIEW PARK SOCCER FIELD IRRIGATION/RENOVATION PROJECT</u>

SOCCER FIELD IRRIGATION/ RENOVATION

The City Council approved the request to advertise for the Fairview Park Soccer Field Irrigation/Renovation Project. The FY 2006-2007 Budget includes funds for the irrigation and renovation of the soccer field areas north of the primary park road, POW/MIA Lane, as well as to Field #6, which is the lighted field immediately west of Veteran's Baseball Field.
CONSENT AGENDA.

<u>OTHER BUSINESS</u>

<u>CONSIDER REQUEST OF AUSTIN COLLEGE STUDENT MARIELLE REMILLARD TO TEMPORARILY CLOSE CERTAIN STREETS FOR THE FIRST ANNUAL "WATERCAN WALK FOR WATER" EVENT ON SATURDAY, MARCH 24, 2007</u>

CLOSE STREETS FOR AUSTIN COLLEGE WATERCAN WALK FOR WATER

The City Council approved a request from Austin College to close the intersection of Center Street and Binkley Park Drive for the first annual "WaterCan Walk for Water" on Saturday, March 24, 2007.

**The charitable event will be held at Herman Baker Park and will include a 6K fun run/walk between Binkley Park and Herman Baker Park. The City will provide traffic control assistance, barricades, and emergency medical support.
CONSENT AGENDA.**

QUARTERLY FINANCIAL REPORT

<u>APPROVE QUARTERLY FINANCIAL REPORT FOR PERIOD ENDING DECEMBER 31, 2006</u>
Keith Dagen, Director of Finance, presented the Quarterly Financial Report for the period ending December 31, 2006.

Revenues are presented on a cash basis in the General Fund, General Improvement Fund, and the Hotel/Motel Tax Fund. The Utility Fund, Utility Improvement Fund, and the Solid Waste Fund are presented on a modified accrual basis.

Mayor Magers asked about the City's assumption of bad debt for the utilities. Mr. Dagen said bad debt is evaluated annually and an assumption is made at that time.

Mr. Dagen said currently revenues and expenses are about where expected. Revenues for the General Fund are at about 27.20% of the budget, while expenses are at 23.32%.

Currently court fines are low and are projected to end about $235,000 below the budgeted amount. This is mainly due to staffing issues in the Police Department and probably will not be corrected until the staff can be brought to full force.

Mr. Brown added that the Police Department has not been able to write the amount of tickets that was expected through the Traffic Safety Unit. Council Member Adami asked if expenses are also lagging. Mr. Brown said they are lagging somewhat, however there is a lot of overtime. Expenses are expected to meet the budgeted amount, however the revenue is not expected to meet the budgeted amount.

Mr. Dagen added that, in the Utility Fund, the City has not been billed for electrical costs for the pumps at Lake Texoma for the first three months of the year, which will be approximately $60,000.

Expenses are also higher in the Solid Waste Fund, but it is mainly a timing issue with the purchase of automated containers.

ACTION TAKEN.

> **Motion by Council Member Markl to approve the Quarterly Financial Report for the period ending December 31, 2006, as presented. Second by Deputy Mayor Steele.**

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

CITIZENS REQUESTS

There were no citizen's requests.

CITIZENS REQUESTS

MEDIA QUESTIONS

There were no media questions.

MEDIA QUESTIONS

TABLED AT JANUARY 16, 2007 COUNCIL MEETING:
APPOINT/REMOVE OR CONSIDER THE QUALIFICATIONS, TO BOARDS AND COMMISSIONS:
AIRPORT ADVISORY BOARD (4)

AIRPORT ADVISORY BOARD

ACTION TAKEN.

> **Motion by Council Member Hughes to remove from table the item to appoint/remove or consider the qualifications to the Airport Advisory Board. Second by Council Member Adami.**

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

ACTION TAKEN.

> **Motion by Council Member Markl to reappoint Ross Richardson and Robert G. "Bob" Nunn to the Airport Advisory Board for a term from January 18, 2007 to January 18, 2009 and to appoint Donald Makinson, Luke Motley IV, and W. Cody Stapp to the Airport Advisory Board for a term from February 21, 2007 to February 21, 2009. Second by Council Member Wacker.**

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

COUNCIL COMMENTS
TXU COAL PLANT

TXU COAL PLANT

Council Member Wacker addressed letters she has received from citizens that are in favor of the construction of the coal plant in Savoy because they are concerned about a possible shortage of electricity. She told citizens that the Council is carefully considering both sides of the issue, but at this time they don't really have a direct voice in the process. She thanked citizens for writing to Council Members to tell them their feelings on the issue.

BOYS CLUB BASKETBALL TOURNAMENT

BOYS CLUB BASKETBALL TOURNAMENT

Mayor Magers said he and Council Member Hughes were at opposite sides in a recent Boys Club Basketball Tournament, and he praised the sportsmanship at the game. He added that Council Member Hughes spends a lot of time coaching Boys Club basketball and he commended him for his dedication.

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

EXECUTIVE SESSION

THE CITY COUNCIL WILL NOW HOLD AN EXECUTIVE SESSION PURSUANT TO THE PROVISIONS OF THE OPEN MEETINGS LAW, CHAPTER 551, GOVERNMENT CODE,

VERNONS TEXAS CODES ANNOTATED, IN ACCORDANCE WITH THE AUTHORITY CONTAINED IN THE FOLLOWING SECTIONS.

SECTION 551.071 -- **CONSULTATION WITH THE CITY ATTORNEY CONCERNING LEGAL MATTERS OR CONTEMPLATED LITIGATION**

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**

On Motion duly made and carried, the Open Meeting recessed and reconvened in Executive Session at 5:47 p.m.

On Motion duly made and carried, the Executive Session recessed at 6:03 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.

ADJOURNMENT

<u>ADJOURNMENT</u>
On Motion duly made and carried, the meeting adjourned at 6:04 p.m.

____
MAYOR

____
CITY CLERK