STATE OF TEXAS §

February 7, 2011

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 7, 2011.

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

MEMBERS ABSENT: NONE.

CALL TO ORDER

CALL TO ORDER

Mayor Magers called the meeting to order at 5:02 p.m. The Pledge of Allegiance and the Invocation were given by Mayor Bill Magers.

APPROVE MINUTES

APPROVE MINUTES

The Council reviewed the Minutes of the Regular City Council Meeting of January 17, 2011. Council Member Wacker moved to approve the Minutes as presented; Second by Council Member Softly. All present voted AYE.
MOTION CARRIED.

INTRODUCTION AND PUBLIC HEARING OF ORDINANCES

ORD 5682
SPEED LIMITS
ON S.H. 289

Mayor Magers introduced Ordinance 5682 and called for a public hearing:
AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, ESTABLISHING MAXIMUM, REASONABLE AND PRUDENT RATES OF SPEED ON CERTAIN PORTIONS OF S.H. 289 IN THE CITY OF SHERMAN; FIXING PENALTIES FOR VIOLATION THEREOF; PROVIDING FOR SEVERABILITY; PROVIDING FOR A RELEALER.

No citizens appeared before the City Council to discuss Ordinance 5682.

ORD 5683
SPEED LIMITS
IN SCHOOL ZONES

Mayor Magers introduced Ordinance 5683 and called for a public hearing:
AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AMENDING ORDINANCE NO. 3031 AT SECTION 1, SUBSECTIONS (6) AND (7), TO ESTABLISH MAXIMUM, REASONABLE AND PRUDENT RATES OF SPEED IN A SCHOOL ZONE ON PORTIONS OF SOUTH BURDETTE AVENUE AND SOUTH ANDREWS AVENUE IN THE CITY OF SHERMAN; FIXING PENALTIES FOR VIOLATION HEREOF; PROVIDING FOR SEVERABILITY; PROVIDING FOR A REPEALER.

No citizens appeared before the City Council to discuss Ordinance 5683.

ORD 5684
STOP SIGN AT SILVERADO TRAIL & CANYON CREEK

Mayor Magers introduced Ordinance 5684 and called for a public hearing:
AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, PROVIDING FOR A PERMANENT "STOP" SIGN AT THE INTERSECTION OF SILVERADO TRAIL AND CANYON CREEK DRIVE WITHIN THE CITY LIMITS OF THE CITY OF SHERMAN; PROVIDING FOR A PENALTY PROVISION; PROVIDING FOR SEVERABILITY; PROVIDING FOR A REPEALER.

No citizens appeared before the City Council to discuss Ordinance 5684.

ORD 5685
NO PARKING SIGNS ON NORTH LUCKETT

Mayor Magers introduced Ordinance 5685 and called for a public hearing:
AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, PROVIDING FOR PERMANENT "NO PARKING" SIGNS RESTRICTING PARKING ALONG THE EAST AND WEST SIDES OF THE 1200 BLOCK OF NORTH LUCKETT STREET WITHIN THE CITY LIMITS OF THE CITY OF SHERMAN; PROVIDING FOR A PENALTY PROVISION; PROVIDING FOR REPEALER. PROVIDING FOR SEVEABILITY.

No citizens appeared before the City Council to discuss Ordinance 5685.

ORD 5686
ZONE CHANGE FOR GRAYSON COUNTY JAIL

Mayor Magers introduced Ordinance 5686 and called for a public hearing:
AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AMENDING SECTION 12, ORDINANCE NO. 2280, SO AS TO INCLUDE CERTAIN PROPERTIES WITHIN THE C-1 (RETAIL BUSINESS) DISTRICT AT 200 SOUTH CROCKETT STREET AND 207 WEST CHERRY STREET (GRAYSON COUNTY, OWNERS; WIGINTON, HOOKER, JEFFRY, P.C., ARCHITECTS; DONALD F. OLSON, REPRESENTATIVE; SARTIN AND ASSOCIATES, INC., SURVEYORS); PROVIDING FOR A REPEALER.

No citizens appeared before the City Council to discuss Ordinance 5686.

ORD 5687
SUP FOR AUTO SALES (438 W. HOUSTON)

Mayor Magers introduced Ordinance 5687 and called for a public hearing:
AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AMENDING SECTION 8, SUBSECTION (5)(A), ORDINANCE NO. 2280, SO AS TO GRANT A SPECIFIC USE PERMIT TO ALLOW AUTOMOBILE SALES IN A C-1 (RETAIL BUSINESS) DISTRICT AT 438 WEST HOUSTON STREET, BEING 0.271 ACRES IN THE J.B. McANAIR SURVEY, ABSTRACT NO. 763 (TEXOMA S&D PROPERTIES, OWNERS; KURT HIMMELREICH, REPRESENTATIVE); PROVIDING FOR A REPEALER; PROVIDING THAT THIS SPECIFIC USE PERMIT SHALL BE GRANTED SUBJECT TO CERTAIN CONDITIONS; PROVIDING A PENALTY NOT TO EXCEED $2,000.

Kurt Himmelreich, Representative, was available to answer any questions the Council Members might have.

No citizens appeared before the City Council to discuss Ordinance 5687.

Mayor Magers introduced Ordinance 5688 and called for a public hearing:
AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AMENDING SECTION 8, SUBSECTION (5)(A), ORDINANCE NO. 2280, SO AS TO GRANT A SPECIFIC USE PERMIT TO ALLOW AUTOMOBILE SALES IN A C-1 (RETAIL BUSINESS) DISTRICT AT 1908 EAST LAMAR STREET, BEING LOT 1, BLOCK 1, EASTSIDE BUSINESS PARK (LAZY L. ENTERPRISES, OWNER; ROBERT BRANDS, REPRESENTATIVE); PROVIDING FOR A REPEALER; PROVIDING THAT THIS SPECIFIC USE PERMIT SHALL BE GRANTED SUBJECT TO CERTAIN CONDITIONS; PROVIDING A PENALTY NOT TO EXCEED $2,000.

ORD 5688
SUP FOR
AUTO SALES
(1908 E. LAMAR)

No citizens appeared before the City Council to discuss Ordinance 5688.

The Public Hearing was closed.

<u>ADOPTION OF ORDINANCES</u>

Ordinance 5682
AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, ESTABLISHING MAXIMUM, REASONABLE AND PRUDENT RATES OF SPEED ON CERTAIN PORTIONS OF S.H. 289 IN THE CITY OF SHERMAN; FIXING PENALTIES FOR VIOLATION THEREOF; PROVIDING FOR SEVERABILITY; PROVIDING FOR A RELEALER.

ORD 5682
SPEED LIMITS
ON S.H. 289
(TABLED)

Council Member Adami said he understood they had completed a speed check on a portion of S.H. 289 and he asked if they wanted to set the speed at 60 mph throughout the entire part that runs through Sherman.

Don Keene, Executive Director – Planning and Public Works, explained that the request is through both the City limits and includes about a third of a mile at the Hwy 289 and Hwy 82 intersection.

The request is due to a distance visibility issue and the fact that there are vehicles crossing lanes of traffic at the intersection. Because of this situation, the Texas Department of Transportation felt that it was safer to reduce the speed limit from 70 mph to 60 mph. The speed reduction is basically from Sherman's south City limits to the north City limits.

Council Member Adami said he drove the area recently, but it is sparsely populated and didn't seem necessary. Deputy Mayor Steele verified that the request originated with

TxDOT. George Olson, City Manager, added that the location is at the overpass.

Council Member Adami asked if caution signs and a temporary slowing down could be used instead of the speed reduction. He felt that the issue should be tabled until the Council had additional information.

Deputy Mayor Steele asked if it would be similar to the situation at Hwy 56, where Southmayd has dropped the speed from 70 mph to 55 mph and then it resumes back to 70 mph. Council Member Wacker added that Sherman's change would be for a much shorter stretch of highway.

Mayor Magers said the difference is that in Southmayd, Hwy 289 goes over Hwy 56 and vehicles are coming down a ramp and are not required to turn across a lane of traffic. In Sherman vehicles must turn across a left hand lane of traffic.

He explained that if a vehicle is traveling north on Hwy 289 and wants to turn west on Hwy 82, it must come over the hill, stop, and turn across the lane of traffic to make that corner. TxDOT wanted to slow the traffic down to 60 mph so everyone will be aware of the left turn. He added that the same thing is true at Hwy 82 and Hwy 289.

Council Member Adami asked if the speed change was the only thing that could be done or are there caution signs that could be used in lieu of the speed change.

Deputy Mayor Steele verified that TxDOT has completed a study on the situation and that they have sent a letter to the City of Sherman with this recommendation.

Mayor Magers asked what liability the City would have if TxDOT makes a recommendation and the City does something else. Brandon Shelby, City Attorney, said it would open the City up to scrutiny, but he didn't know if it opened them up to additional liability.

Mayor Magers said the City could look into alternatives that would be approved by TxDOT. Mr. Olson said the staff will discuss possible alternatives with TxDOT.

ACTION TAKEN.

Motion by Council Member Adami to table Ordinance No. 5682, until more information is obtained. Second by Deputy Mayor Steele.

VOTING AYE: Adami, Howeth, Smith, Softly, Steele, Wacker.
VOTING NAY: None.
MOTION CARRIED TO TABLE.

Ordinance 5683
AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AMENDING ORDINANCE NO. 3031 AT

ORD 5683
SPEED LIMITS
IN SCHOOL ZONES

SECTION 1, SUBSECTIONS (6) AND (7), TO ESTABLISH MAXIMUM, REASONABLE AND PRUDENT RATES OF SPEED IN A SCHOOL ZONE ON PORTIONS OF SOUTH BURDETTE AVENUE AND SOUTH ANDREWS AVENUE IN THE CITY OF SHERMAN; FIXING PENALTIES FOR VIOLATION HEREOF; PROVIDING FOR SEVERABILITY; PROVIDING FOR A REPEALER.

Ordinance 5684
AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, PROVIDING FOR A PERMANENT "STOP" SIGN AT THE INTERSECTION OF SILVERADO TRAIL AND CANYON CREEK DRIVE WITHIN THE CITY LIMITS OF THE CITY OF SHERMAN; PROVIDING FOR A PENALTY PROVISION; PROVIDING FOR SEVERABILITY; PROVIDING FOR A REPEALER.

ORD 5684
STOP SIGN AT SILVERADO TRAIL & CANYON CREEK

Ordinance 5685
AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, PROVIDING FOR PERMANENT "NO PARKING" SIGNS RESTRICTING PARKING ALONG THE EAST AND WEST SIDES OF THE 1200 BLOCK OF NORTH LUCKETT STREET WITHIN THE CITY LIMITS OF THE CITY OF SHERMAN; PROVIDING FOR A PENALTY PROVISION; PROVIDING FOR REPEALER. PROVIDING FOR SEVEABILITY.

ORD 5685
NO PARKING SIGNS ON NORTH LUCKETT

Ordinance 5686
AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AMENDING SECTION 12, ORDINANCE NO. 2280, SO AS TO INCLUDE CERTAIN PROPERTIES WITHIN THE C-1 (RETAIL BUSINESS) DISTRICT AT 200 SOUTH CROCKETT STREET AND 207 WEST CHERRY STREET (GRAYSON COUNTY, OWNERS; WIGINTON, HOOKER, JEFFRY, P.C., ARCHITECTS; DONALD F. OLSON, REPRESENTATIVE; SARTIN AND ASSOCIATES, INC., SURVEYORS); PROVIDING FOR A REPEALER.

ORD 5686
ZONE CHANGE FOR GRAYSON COUNTY JAIL

Ordinance 5687
AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AMENDING SECTION 8, SUBSECTION (5)(A), ORDINANCE NO. 2280, SO AS TO GRANT A SPECIFIC USE PERMIT TO ALLOW AUTOMOBILE SALES IN A C-1 (RETAIL BUSINESS) DISTRICT AT 438 WEST HOUSTON STREET, BEING 0.271 ACRES IN THE J.B. McANAIR SURVEY, ABSTRACT NO. 763 (TEXOMA S&D PROPERTIES, OWNERS; KURT HIMMELREICH, REPRESENTATIVE); PROVIDING FOR A REPEALER; PROVIDING THAT THIS SPECIFIC USE PERMIT SHALL BE GRANTED SUBJECT TO CERTAIN CONDITIONS; PROVIDING A PENALTY NOT TO EXCEED $2,000.

ORD 5687
SUP FOR AUTO SALES (438 W. HOUSTON)

ACTION TAKEN.

Motion by Council Member Wacker to approve Ordinance Nos. 5683, 5684, 5685, 5686, and 5687, as presented. Second by Council Member Adami.

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

ORD 5688 SUP FOR AUTO SALES (1908 E. LAMAR)

Mayor Magers recused himself from the discussion and vote on Ordinance 5688. Deputy Mayor Steele took the gavel.

Ordinance 5688
AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AMENDING SECTION 8, SUBSECTION (5)(A), ORDINANCE NO. 2280, SO AS TO GRANT A SPECIFIC USE PERMIT TO ALLOW AUTOMOBILE SALES IN A C-1 (RETAIL BUSINESS) DISTRICT AT 1908 EAST LAMAR STREET, BEING LOT 1, BLOCK 1, EASTSIDE BUSINESS PARK (LAZY L. ENTERPRISES, OWNER; ROBERT BRANDS, REPRESENTATIVE); PROVIDING FOR A REPEALER; PROVIDING THAT THIS SPECIFIC USE PERMIT SHALL BE GRANTED SUBJECT TO CERTAIN CONDITIONS; PROVIDING A PENALTY NOT TO EXCEED $2,000.

ACTION TAKEN.
Motion by Council Member Howeth to approve Ordinance No. 5688, as presented. Second by Council Member Adami.
VOTING AYE: Adami, Howeth, Smith, Softly, Steele, Wacker.
VOTING NAY: None.
ABSTAIN: Magers.
MOTION CARRIED.

Deputy Mayor Steele returned the gavel to Mayor Magers.

CONSENT AGENDA

<u>CONSENT AGENDA</u>
The Council reviewed the Consent Agenda. Mayor Magers removed Item C-4 entitled "Resolution 5564 – Authorizing the Purchase of Mobile Computer Aided Dispatch (CAD) Software Licenses, Rugged Laptops, and Services for the Sherman Fire Department" from the Consent Agenda for consideration in its regular order of business.

Council Member Wacker moved to approve the Consent Agenda, with the exception of Item C-4, which will be considered in its regular order of business. Second by Council Member Softly. All present voted AYE.

<u>RESOLUTIONS</u>

RES 5561 JAG GRANT

<u>RESOLUTION NO. 5561 – AUTHORIZING EXECUTION OF A MEMORANDUM OF UNDERSTANDING WITH GRAYSON COUNTY FOR FY 2007 EDWARD BYRNE MEMORIAL JUSTICE ASSISTANCE GRANT ("JAG") FUNDS DISTRIBUTED BY THE U.S. DEPARTMENT OF JUSTICE</u>
A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING EXECUTION OF A MEMORANDUM OF UNDERSTANDING WITH GRAYSON COUNTY FOR FY 2007 EDWARD BYRNE MEMORIAL JUSTICE ASSISTANCE GRANT ("JAG") FUNDS DISTRIBUTED BY THE U.S. DEPARTMENT OF JUSTICE.

Mayor Magers confirmed that the grant is not costing the Sherman taxpayers any money.

ACTION TAKEN.
Motion by Council Member Adami to approve Resolution No. 5561, as presented. Second by Council Member Smith.
VOTING AYE: Adami, Howeth, Smith, Softly, Steele, Wacker.
VOTING NAY: None.
MOTION CARRIED.

RES 5562 LIFT STATION STUDY & DESIGN PROJECT

RESOLUTION NO. 5562 – AUTHORIZING EXECUTION OF A PROFESSIONAL ENGINEERING SERVICES AGREEMENT WITH FREEMAN-MILLICAN, INC. FOR THE 2011 LIFT STATION STUDY AND DESIGN PROJECT
A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING EXECUTION OF A PROFESSIONAL ENGINEERING SERVICES AGREEMENT WITH FREEMAN-MILLICAN, INC. FOR THE 2011 LIFT STATION STUDY AND DESIGN PROJECT.
CONSENT AGENDA.

RES 5563 DEVELOPMENT AGREEMENT (PEBBLEBROOK, PHASE 1 ADDITION)

RESOLUTION NO. 5563 – AUTHORIZING EXECUTION OF A DEVELOPMENT AGREEMENT WITH STEEPLE CHASE FARMS SUMMIT, LP FOR THE CONSTRUCTION OF PUBLIC FACILITIES IN THE ESTATES OF PEBBLEBROOK, PHASE I ADDITION TO THE CITY OF SHERMAN
A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING EXECUTION OF A DEVELOPMENT AGREEMENT WITH STEEPLE CHASE FARMS SUMMIT, LP FOR THE CONSTRUCTION OF PUBLIC FACILITIES IN THE ESTATES OF PEBBLEBROOK, PHASE 1 ADDITION TO THE CITY OFSHERMAN.
CONSENT AGENDA.

RES 5564 CAD SYSTEMS FOR FIRE DEPT.

RESOLUTION NO. 5564 – AUTHORIZING THE PURCHASE OF MOBILE COMPUTER AIDED DISPATCH (CAD) SOFTWARE LICENSES, RUGGED LAPTOPS, AND SERVICES FOR THE SHERMAN FIRE DEPARTMENT
A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING THE PURCHASE OF MOBILE COMPUTER AIDED DISPATCH (CAD) SOFTWARE LICENSES, RUGGED LAPTOPS, AND SERVICES FOR THE SHERMAN FIRE DEPARTMENT.

Mayor Magers removed Item C-4 from the Consent Agenda for discussion in its regular order of business.

Robby Hefton, Assistant City Manager/CFO, said several departments have been working together on a project that started out to improve the ambulance billing and collection system. Initially the staff was trying to do a better job of collecting ambulance revenues and needed better reporting and response from the company contracted to provide the service.

While the staff looked at alternatives for the billing, they recognized that billing is connected with patient records and with the CAD system and all the pieces are tied together.

After months of work by Mary Lawrence, Controller; Kay Thomas, Systems Manager; Jeff Jones, Fire Chief; and others, they have come up with a recommendation that, on a conservative basis will save $50,000 a year, and could save up to $80,000 or $90,000 a year for the City. The recommendation will also improve the collection system, provide better data, and will provide for a more efficient and effective patient management.

Chief Jones presented the medical side of the project, adding that two projects were underway that they felt would improve their efficiency and maximize their resources.

The staff is currently in the process of changing EMS patient reporting and billing providers. With the new system, the City of Sherman will own the hardware which will give them more control and allow them to customize the reports and billing statements, and provide a better service to the customers.

There will be some costs associated with the change during the first year, however they are expecting savings of $80,000 during the second year. Mayor Mages asked if the savings were from better collections or from lower administrative costs.

Chief Jones said the City currently pays about 10.5% of collections to the vendor for patient billing and patient records retention. Moving those to a different provider, doing some of the program in-house, and the City owning the equipment will result in the City's cost savings.

Mayor Magers asked if additional staff would need to be added for the program. Mr. Hefton said the initial plan is not to add staff because they feel that the existing staff can handle it. If staff is needed, he felt it would only require part-time staff, which would lower the savings to $50,000 annually. If they don't need to hire staff, the savings would be in the $80,000 to $90,000 range.

Chief Jones said both systems will be on line by April 1, 2011, but a duplicate will be run for the first month. The City will be on the new system only starting May 1, 2011.

Chief Jones said the second project is adding mobile data terminals to the fire apparatus. This system will tie in with the existing Police CAD system and will integrate with the occupancy information, which identifies critical resources and special needs occupancies while in route to the call.

In January 2011 the City Council accepted the grant award that funded this project. The current agenda item is to

approve the expenditure to purchase the hardware and software. The project is expected to be completed and online by May 1, 2011.

ACTION TAKEN.

Motion by Council Member Wacker to approve Resolution No. 5564, as presented. Second by Council Member Adami.

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

OTHER BUSINESS

RECEIVE PRESENTATION FROM ENGINEERING AND PUBLIC WORKS DIRECTOR MARK GIBSON ON A DRAFT WATER MANAGEMENT STRATEGY FOR THE CITY OF SHERMAN

DRAFT WATER MANAGEMENT STRATEGY

Mark Gibson, Director of Engineering and Public Works, presented the Draft Water Management Plan for the City of Sherman. Besides Mr. Gibson, staff working on the plan included Mr. Hefton; Mr. Olson; Mr. Keene; Scott Shadden, Director of Development Services; and Jerry Chapman, Greater Texoma Utility Authority General Manager.

The major parts of the plan include available water resources, the current water demand, future water available, limiting factors, policy guidelines, and contracts.

Currently the City has approximately 49 mgd of water available including 10 mgd from ground water, 35 mgd from surface water, and 4 mgd from the Wastewater Treatment Plant effluent. The existing water demands are 5 mgd in ground water, 5 mgd in treated surface water, a contract for 5 mgd of raw water to start next year for Panda Energy, and 10 to 20 mgd of raw water for the North Texas Municipal Water District (NTMWD).

Mr. Gibson said the City's contract customers are the Marilee Special Utility District, the City of Knollwood, and the NTMWD. There is also an emergency supply contract with Pink Hill and Starr Water Supply Corporations.

Of Sherman's available water, approximately 70% is surface water, about 20% is ground water, and about 10% is Wastewater Treatment effluent. Sherman also sells NTMWD additional surface water that is available. Another 5 mgd is reserved for future growth, which leaves about 4 mgd excess at the present time.

Mayor Magers added that if Panda Energy does not come on line, that would free up another 5 mgd of water. Mr. Gibson added that NTMWD's current contract runs through 2015. Mayor Magers said the City could have up to 16 mgd available, from the 7 mgd extra to NTMWD, 5 mgd from

Panda, and the excess 4 mgd, if someone wanted to pay market for the water. Council Member Adami added that there would also be 4 mgd of effluent available.

Mr. Gibson also discussed limiting factors for the available water, such as the pipeline capacity, the Treatment Plant capacity, and the well capacity. There is also discussion about the way ground water is used.

He discussed policy guidelines that need to be addressed in the Water Management Plan and said the policy should be reviewed every two years or as needed. It should also establish criteria for infrastructure improvements, with planning beginning when the Water Treatment Plant is at 75% capacity and construction beginning when the Plant is at 90% capacity. Mr. Gibson recommended reserving ground water for City of Sherman use only.

He outlined items that need to be included in contracts for water usage, including escalators, terms, and flexibility, and said they should be used to protect the City's interest. Mr. Gibson said the Plan should also be designed on the premise that it is a "sellers" market.

Mayor Magers verified that an industry would be considered a large water user if they used 700,000 gd. Mr. Gibson said today, the City could sell 11 mgd of raw surface water, 2.5 mgd of treated surface water, and 4 mgd of effluent. The NTMWD contract expires in 2015.

He added that the present Plan is a draft and the staff will bring back their proposal as a formal Plan with any suggestions that the City Council would like to make.

Mayor Magers said selling water is a "tool" for the City. He asked Mr. Chapman if he felt that when the NTMWD contract expires, they will still need water. Mr. Chapman felt the inter basin transfer might be of value to them.

Mayor Magers said effluent is an asset and it is very close to the Blalock Industrial District. He expressed concern about how the Legislature would handle the future distribution of ground water.

Mr. Olson said the staff would continue to work on the policies and guidelines and a Plan would be brought back for the Council's consideration at a later date.

QUARTERLY INVESTMENT REPORTS

<u>APPROVE QUARTERLY INVESTMENT REPORTS FOR PERIOD ENDING DECEMBER 31, 2010</u>

The City Council approved the Quarterly Investment Report for the period ending December 31, 2010. As of December 31, 2010, both the Operating Portfolio and the Debt Proceeds Portfolio were in compliance with applicable State laws and the City's Investment Policy.

The Operating Portfolio had a book value of about $18.8 million, down about $1 million from three months ago due to seasonally slow property tax collections during the period. This portfolio is appropriately liquid and its weighted-average maturity decreased to about 184 days, down from 192 days last period, because of investment purchases during the quarter.

The portfolio yield of 0.69% for the quarter is higher than the benchmark yield of 0.23%. The portfolio value on the City's books is essentially equal to the market value of the overall portfolio.

The Debt Proceeds Portfolio balance decreased about $0.8 million due to payments made for construction projects during the period. The portfolio remains adequately liquid, with all of the funds available within one day. Its yield of 0.18% for the quarter is slightly lower than the benchmark yield of 0.23%. The portfolio value on the City's books is essentially equal to the market value of the overall portfolio.
CONSENT AGENDA.

SCHEDULE SECOND LONG-TERM PLANNING MEETING

<u>CONSIDER SCHEDULING THE CITY COUNCIL'S SECOND LONG-TERM PLANNING MEETING FOR WEDNESDAY, FEBRUARY 23, 2011</u>
Council Members discussed possible dates for the Second Long-Term Planning Meeting.

ACTION TAKEN.
> **Motion by Council Member Wacker to schedule the City Council's Second Long-Term Planning Meeting for Thursday, March 3, 2011 at 12 noon. Second by Deputy Mayor Steele.**

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

APPROVE REPLAT GRAYSON COUNTY JUSTICE CENTER

<u>REPLAT APPROVAL OF GRAYSON COUNTY JUSTICE CENTER, A REPLAT OF BLOCK 6 AND PART OF BLOCK 9 OF ORIGINAL TOWN PLAT, TOGETHER WITH THAT PORTION OF JONES STREET LYING BETWEEN SAID BLOCK 6 AND 9; GRAYSON COUNTY, OWNERS; WIGINTON, HOOKER, JEFFRY, P.C., ARCHITECTS; DONALD F. OLSON, REPRESENTATIVE; SARTIN AND ASSOCIATES, INC., SURVEYORS (200 SOUTH CROCKETT AND 207 WEST CHERRY STREETS)</u>
The City Council approved the Replat of Grayson County Justice Center, a Replat of Block 6 and part of Block 9 of the Original Town Plat, together with that portion of Jones Street lying between Blocks 6 and 9 located at 200 South Crockett and 207 West Cherry Streets.

Grayson County, the owners, would like to Replat the property into one lot to expand the Grayson County

Detention Facility and Courthouse. The Planning and Zoning Commission recommended approval of the Replat. CONSENT AGENDA.

APPROVE FINAL PLAT DR. SWAMY ADDITION

<u>FINAL PLAT APPROVAL OF DR. SWAMY ADDITION, PHASE 1, LOTS 1-9, BLOCK A; BEING 16.084 ACRES IN THE WILLIAM MILLIGAN SURVEY, ABSTRACT NO. 875 AND THE DAVID HARRISON SURVEY, ABSTRACT NO. 587; ONE GANESHA, LTD, OWNERS; WINKELMANN & ASSOCIATES, INC., ENGINEERS/SURVEYORS (6000-6100 BLOCKS OF U.S. HIGHWAY 75 NORTH AND 1500-1600 BLOCKS OF F.M. 691 EAST)</u>
The City Council approved the Final Plat of Dr. Swamy Addition, Phase 1, Lots 1 through 9, Block A, located in the 6000 to 6100 blocks of U.S. Highway 75 North and the 1500 to 1600 blocks of F.M. 691 East.

One Ganesha, LTD, the owners, would like to plat the property into nine lots for commercial development. The Planning and Zoning Commission recommended approval of the Final Plat.
CONSENT AGENDA.

APPROVE SITE PLAN FISHER CONTROL'S SMOKER'S SHELTER

<u>SITE PLAN APPROVAL FOR FISHER CONTROLS UNDER ORDINANCE NO. 2252, ARTICLE IV, SECTION 410(2)(J) FOR A SMOKER'S SHELTER AND AWNING, AND AN EXCEPTION TO ORDINANCE NO. 2252, ARTICLE IV, SECTION 410(2)(J) TO ALLOW PAINTED "R" TYPE PANELS ON A SMOKER'S SHELTER AND AWNING IN THE BLALOCK INDUSTRIAL PARK DISTRICT AT 4725 U.S. HIGHWAY 75 SOUTH</u>
The City Council approved the Site Plan for a smoker's shelter and awning and an Exception to allow painted "R" type panels on a smoker's shelter and awning in lieu of the permitted building facing and construction materials in the Blalock Industrial Park.

The request was made by Fisher Controls and concerns property located at 4725 U.S. Highway South, being 33 acres in the Sherod Dunman Survey, Abstract No. 329. The Planning and Zoning Commission approved the Site Plan and the Exception and forwarded it to the City Council for their consideration.
CONSENT AGENDA.

CITIZENS REQUESTS

<u>CITIZENS REQUESTS</u>
There were no citizens' requests.

MEDIA QUESTIONS

<u>MEDIA QUESTIONS</u>
There were no media questions.

<u>COUNCIL COMMENTS</u>

WEATHER

<u>WEATHER</u>
Council Member Howeth said she was glad to be out of the house after the bad weather.

JOHN GRISHAM NOVEL

JOHN GRISHAM NOVEL
Mayor Magers read a passage from John Grisham's new novel "The Confession." The author mentions Sherman, Texas and a location on Highway 82 West "outside of Sherman." He said the City is mentioned on page 198 in the book.

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 551.071	**CONSULTATION WITH CITY ATTORNEY CONCERNING PENDING OR CONTEMPLATED LITIGATION:** **RECEIVE THE CITY ATTORNEY'S BRIEFING ON PENDING LITIGATION**
SECTION 551.074	**PERSONNEL MATTERS CONSIDER THE QUALIFICATION, APPOINTMENT AND REMOVAL OF MEMBERS TO BOARDS AND COMMISSIONS:** **HISTORICAL PRESERVATION BOARD (1)**

On Motion duly made and carried, the Open Meeting recessed and reconvened in Executive Session at 5:45 p.m.

On Motion duly made and carried, the Executive Session recessed at 5:59 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.

CONSIDERATION OF SETTLEMENT

CONSIDERATION OF SETTLEMENT DISCUSSED IN EXECUTIVE SESSION
ACTION TAKEN.

> **Motion by Council Member Smith to approve the settlement in the Charles E. Anderson, et.al. v. City of Sherman, et.al., Cause No. 4:10-cv-206 lawsuit. Second by Council Member Wacker.**

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

APPOINT/REMOVE OR CONSIDER QUALIFICATIONS TO BOARDS AND COMMISSIONS:
HISTORICAL PRESERVATION BOARD (1)

HISTORICAL PRESERVATION BOARD

ACTION TAKEN.

Motion by Council Member Smith to reappoint Wally Black, to the Historical Preservation Board for a term from February 18, 2011 to February 18, 2015. Second by Council Member Wacker.

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

ADJOURNMENT

ADJOURNMENT

On Motion duly made and carried, the meeting adjourned at 6:03 p.m.

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MAYOR

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CITY CLERK