

STATE OF TEXAS §
 February 3, 2020
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 3, 2020.

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

MEMBERS ABSENT: NONE.

CALL TO ORDER

Mayor Plyler called the meeting to order at 5:00 p.m. The Pledge of Allegiance and Invocation were given by Mayor David Plyler.

CALL TO ORDER

APPROVE MINUTES

The Council reviewed the Minutes of the Called City Council Meeting of January 21, 2020. Council Member Howeth moved to approve the Minutes, as presented; Second by Council Member Holland; All present voted AYE.
MOTION CARRIED.

APPROVE MINUTES

SPECIAL RECOGNITION

Clint Philpott, Assistant City Manager, introduced Wayne Lee, the City's new Director of Engineering. Mr. Lee came from the City of Irving, and had served almost 29 years there. He said the staff looks forward to using Mr. Lee's expertise in growing the City of Sherman. Mayor Plyler welcomed Mr. Lee to the City staff.

SPECIAL
RECOGNITION

CITIZEN'S REQUESTS

HOMELESS ON PEYTON STREET

Nathan Wieck, 826 Starlight Drive, said over the last four months, he is aware of at least four burglaries in the Starlight Addition. He recently contacted the City Manager, and said he is aware of a plan of action for the individuals on Peyton Street.

HOMELESS ON
PEYTON ST.

He did feel that he needed to voice his concern, because there are many older adults living in the Starlight Addition. He appreciated the City taking action, but felt there needed to be a long term solution.

Mayor Plyler introduced Ordinance No. 6280 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 U.S. HIGHWAY 75 AND U.S. HIGHWAY 82 IN THE CORPORATE LIMITS OF SHERMAN, GRAYSON COUNTY, TEXAS; FIXING PENALTIES FOR VIOLATION THEREOF; DECLARING AN EMERGENCY; PROVIDING FOR SEVERABILITY; PROVIDING FOR A REPEALER.

ORD 6280
SPEED LIMITS ON
HWY 75 & HWY 82

COUNCIL MINUTES – FEBRUARY 3, 2020

Mr. Philpott said the ordinance will reduce the speed limits to 60 miles per hour, along Hwy 75 and Hwy 82. The changes will be in effect on Hwy 75, starting south of FM 1417 and extend north to the Loy Lake Road Bridge. On Hwy 82 the speed reduction will start between Texoma Parkway and Loy Lake Bridge, and extend west past Travis Street Bridge.

The new speed limit will increase safety and awareness during construction on the highways. The staff felt it was best to make all the necessary speed reductions at the same time, instead of piecemeal.

After the construction is complete on the Hwy 75, Hwy 82 Interchange and the Hwy 75 GAP Project, the speed limit will be reevaluated and changed to meet the current standards.

No citizens appeared before the City Council to discuss Ordinance No. 6280.

Mayor Plyler introduced Ordinance No. 6281 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 AN INPATIENT HOSPITAL IN A C-1 (RETAIL BUSINESS) DISTRICT/O-1 (75 & 82) OVERLAY DISTRICT AT 2022 NORTH HIGHWAY 75, BEING LOT 2, BLOCK 2, INDEPENDENCE SQUARE ADDITION, SECTION THREE, A REPLAT OF PART OF LOT 1, BLOCK 2 (MEDISTAR CORPORATION, OWNERS; MARK JANG, REPRESENTATIVE, KAIM ASSOCIATES, INC., ARCHITECT; KRG CIVIL ENGINEERS, INC., CIVIL ENGINEER; AND UNDERWOOD DRAFTING AND SURVEYING, SURVEYOR); PROVIDING FOR A REPEALER CLAUSE; PROVIDING THAT THIS SPECIFIC USE PERMIT SHALL BE GRANTED SUBJECT TO CERTAIN CONDITIONS; PROVIDING A PENALTY NOT TO EXCEED \$2,000.00.

ORD 6281
SUP FOR
INPATIENT HOSPITAL
(2022 N. HWY 75)

Scott Shadden, Director of Development Services, said this project is located on the west side of Hwy 75, north of Taylor Street, and includes a 9,300 square foot addition, to the existing Emergency Room, to convert it to a Specialty Hospital.

The Planning and Zoning Commission recommended approval of the Specific Use Permit, subject to the Staff Review Letter.

Kelly Gomez, KRG Civil Engineers, 2150 South Central Expressway, Suite 200, McKinney, Texas

Mr. Gomez appeared in support of the project and was available if the Council had any questions.

No other citizens appeared before the City Council to discuss Ordinance No. 6281.

Mayor Plyler introduced Ordinance No. 6282 and called for a public hearing:

ORD 6282
ABANDON ROW

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, CLOSING AND ABANDONING THE PLATTED RIGHT-OF-WAY BEING J. FIELDING CIRCLE, EAST OF REX CRUSE DRIVE, AS SHOWN ON PLAT IN VOLUME 1, PAGE 109 OF THE PLAT RECORDS OF GRAYSON COUNTY, TEXAS, DEDICATING OWNERSHIP OF SAID RIGHT-OF-WAY TO THE SURROUNDING OWNER, NORTH PARK BAPTIST CHURCH, BEING MORE PARTICULARLY DESCRIBED AND SHOWN IN THE EXHIBIT "A" ATTACHED HERETO AND MADE A PART HEREOF FOR ALL PURPOSES.

REX CRUSE DR.

Mr. Philpott said the original right-of-way was dedicated by plat in 1960, for residential development. The cul-de-sac street and the lots were never developed, and at some point the church was built.

The church would now like to expand, and abandoning the right-of-way "cleans up" the site for the lender and will allow them to expand.

No citizens appeared before the City Council to discuss Ordinance No. 6282.

The Public Hearing was closed.

ADOPTION OF ORDINANCES

Ordinance 6280

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ORD 6280
SPEED LIMITS ON
HWY 75 & HWY 82

Ordinance 6281

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ORD 6281
SUP FOR
INPATIENT HOSPITAL
(2022 N. HWY 75)

Ordinance 6282

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, CLOSING AND ABANDONING THE PLATTED RIGHT-OF-WAY BEING J. FIELDING CIRCLE, EAST OF REX CRUSE DRIVE, AS SHOWN ON PLAT IN VOLUME 1, PAGE 109 OF THE PLAT RECORDS OF GRAYSON COUNTY, TEXAS, DEDICATING OWNERSHIP OF SAID RIGHT-OF-WAY TO THE SURROUNDING OWNER, NORTH PARK BAPTIST CHURCH, BEING MORE PARTICULARLY DESCRIBED AND SHOWN IN THE EXHIBIT "A" ATTACHED HERETO AND MADE A PART HEREOF FOR ALL PURPOSES.

ORD 6282
ABANDON ROW
REX CRUSE DR.

ACTION TAKEN.

Motion by Council Member Stevenson to adopt Ordinance Nos. 6280, 6281, and 6282, as presented. Second by Council Member Teamann.

VOTING AYE: Holland, Howeth, Melton, Steele, Stevenson, Teamann.

VOTING NAY: None.

MOTION CARRIED.

CONSENT AGENDA

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

CONSENT AGENDA

RESOLUTION NO. 6583 – RELATING TO GREATER TEXOMA UTILITY AUTHORITY CONTRACT REVENUE BONDS, SERIES 2020 (CITY OF SHERMAN PROJECT); AND APPROVING THE ISSUANCE THEREOF AND THE FACILITIES TO BE CONSTRUCTED OR ACQUIRED BY SUCH AUTHORITY

A RESOLUTION BY THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, RELATING TO GREATER TEXOMA UTILITY AUTHORITY CONTRACT REVENUE BONDS, SERIES 2020 (CITY OF SHERMAN PROJECT); AND APPROVING THE ISSUANCE THEREOF AND THE FACILITIES TO BE CONSTRUCTED OR ACQUIRED BY SUCH AUTHORITY.

RES 6583
GTUA REVENUE
BONDS
WWTP PROJECTS

Mary Lawrence, Director of Finance, said these bonds are issued through the Texas Water Development Board's Clean Water State Revolving Fund, which is 20-year debt. All projects were approved in the City's 2020 Budget. The City received a .29% interest rate on the bonds, due to a Water Development Board subsidy of about 1.65%.

Drew Satterwhite, General Manager, Greater Texoma Utility Authority, was available to answer questions.

Deputy Mayor Steele confirmed that the total amount was \$13.5 million, and asked what projects were included. Ms. Lawrence said most of the projects are repairing or replacing things at the Wastewater Treatment Plant. One of the larger projects is the Brine Line at the Water Treatment Plant that takes the waste to a lift station for treatment.

COUNCIL MINUTES – FEBRUARY 3, 2020

ACTION TAKEN.

Motion by Council Member Melton to adopt Resolution No. 6583, as presented. Second by Council Member Stevenson.

VOTING AYE: Holland, Howeth, Melton, Steele, Stevenson, Teamann.

VOTING NAY: None.

MOTION CARRIED.

RESOLUTION NO. 6584 – AUTHORIZING EXECUTION OF A LAW ENFORCEMENT OFFICER INTERLOCAL AGREEMENT BETWEEN THE CITY OF SHERMAN, TEXAS, AND THE CITY OF DENISON, TEXAS

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING EXECUTION OF A LAW ENFORCEMENT OFFICER INTERLOCAL AGREEMENT BETWEEN THE CITY OF SHERMAN, TEXAS, AND THE CITY OF DENISON, TEXAS.

RES 6584
POLICE OFFICERS
FOR HWY 75
IMPROVEMENTS
(FROM DENISON)

RESOLUTION NO. 6585 – AUTHORIZING EXECUTION OF A LAW ENFORCEMENT OFFICER INTERLOCAL AGREEMENT BETWEEN THE CITY OF SHERMAN, TEXAS, AND THE CITY OF HOWE, TEXAS

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING EXECUTION OF A LAW ENFORCEMENT OFFICER INTERLOCAL AGREEMENT BETWEEN THE CITY OF SHERMAN, TEXAS, AND THE CITY OF HOWE, TEXAS.

RES 6585
POLICE OFFICERS
FOR HWY 75
IMPROVEMENTS
(FROM HOWE)

RESOLUTION NO. 6586 – AUTHORIZING EXECUTION OF A LAW ENFORCEMENT OFFICER INTERLOCAL AGREEMENT BETWEEN THE CITY OF SHERMAN, TEXAS, AND THE CITY OF VAN ALSTYNE, TEXAS

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING EXECUTION OF A LAW ENFORCEMENT OFFICER INTERLOCAL AGREEMENT BETWEEN THE CITY OF SHERMAN, TEXAS, AND THE CITY OF VAN ALSTYNE, TEXAS.

RES 6586
POLICE OFFICERS
FOR HWY 75
IMPROVEMENTS
(FROM VAN ALSTYNE)

RESOLUTION NO. 6587 – AUTHORIZING EXECUTION OF A LAW ENFORCEMENT OFFICER INTERLOCAL AGREEMENT BETWEEN THE CITY OF SHERMAN, TEXAS, AND THE CITY OF POTTSBORO, TEXAS

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING EXECUTION OF A LAW ENFORCEMENT OFFICER INTERLOCAL AGREEMENT BETWEEN THE CITY OF SHERMAN, TEXAS, AND THE CITY OF POTTSBORO, TEXAS.

RES 6587
POLICE OFFICERS
FOR HWY 75
IMPROVEMENTS
(FROM POTTSBORO)

Jason Jeffcoat, Assistant Police Chief, said the Police Department was contacted about a month ago asking them to provide traffic control for lane closures on the Hwy 75 project. Zachry Construction said they will need about 9,000 total hours from law enforcement, to provide these services.

There needs will vary from 3 officers to 15 officers at a time for a full lane closure. Sherman is a smaller department and cannot fill all those positions.

Other local agencies were approached about providing officers under an interlocal agreement, for the construction project. Under these agreements, the respective City would pay their own officers, they would invoice the City of Sherman, who would then invoice Zachry Construction. Zachry would reimburse Sherman, and Sherman would reimburse the specific City. They are still finalizing the terms of the contract with Zachry.

Council Member Howeth confirmed that the City would not be paying for the additional officers, but would be reimbursed for the officers and the equipment.

Council Member Melton asked what the officers would be doing. Assistant Chief Jeffcoat said they would be providing traffic control only. They would be sitting in the vehicle with red lights flashing, diverting traffic for lane closures, in the construction area. She asked if they would be using their department's police vehicles.

Assistant Chief Jeffcoat said there would be an option to use a Sherman police vehicle, but if they do, the City would bill for the use of the vehicle too. The City will be reimbursed, through Zachry Construction, for \$16 per hour and the use of the City's vehicles.

Council Member Teamann confirmed that the officers would be used only for safety and not for traffic enforcement. Robby Hefton, City Manager, clarified that there would be no traffic enforcement "through those officers." Sherman officers will provide traffic enforcement.

Mayor Plyler encouraged citizens to slow down and consider alternate routes during the highway construction project.

ACTION TAKEN.

Motion by Council Member Teamann to adopt Resolution Nos. 6584, 6585, 6586, and 6587, as presented. Second by Council Member Stevenson.

VOTING AYE: Holland, Howeth, Melton, Steele, Stevenson, Teamann.

VOTING NAY: None.

MOTION CARRIED.

RESOLUTION NO. 6588 – AWARDING A BID TO AND AUTHORIZING EXECUTION OF A CONTRACT WITH LYNN VESSELS CONSTRUCTION, LLC BASED ON AN INVITATION TO BID FOR CONSTRUCTION OF THE MOORE STREET FROM WEST TRAVIS STREET TO PARK AVENUE PROJECT

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AWARDING A BID TO AND AUTHORIZING EXECUTION OF A CONTRACT WITH LYNN VESSELS

**RES 6588
MOORE STREET
CONSTRUCTION**

CONSTRUCTION, LLC BASED ON AN INVITATION TO BID FOR CONSTRUCTION OF THE MOORE STREET FROM WEST TRAVIS STREET TO PARK AVENUE PROJECT.

Mr. Philpott said this resolution will award the bid for the construction of Moore Street, from West Travis Street north to Park Avenue. This phase only includes the west two lanes of a four-lane, median divided thoroughfare.

The engineering estimate was about \$2 million for the project. Three bids were received, with the lowest bid submitted by Lynn Vessels Construction, for \$1.3 million. The project should begin in March 2020 and be complete by August 2020.

ACTION TAKEN.

Motion by Council Member Stevenson to adopt Resolution No. 6588, as presented. Second by Deputy Mayor Steele.
VOTING AYE: Holland, Howeth, Melton, Steele, Stevenson, Teamann.

VOTING NAY: None.

MOTION CARRIED.

RESOLUTION NO. 6589 – AUTHORIZING THE ACCEPTANCE OF CONVEYANCE DOCUMENTS FROM CALADIUM INVESTMENTS, LLC FOR THE CONVEYANCE AND ACQUISITION OF APPROXIMATELY 0.6092 ACRES OF LAND, MORE OR LESS, IN THE ELIZABETH JONES SURVEY, ABSTRACT NO. 625, BEING MORE PARTICULARLY DESCRIBED IN THE EXHIBIT “A” ATTACHED HERETO AND MADE A PART HEREOF FOR ALL PURPOSES, PROPERTY BEING LOCATED IN THE CITY OF SHERMAN, COUNTY OF GRAYSON, STATE OF TEXAS

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING THE ACCEPTANCE OF CONVEYANCE DOCUMENTS FROM CALADIUM INVESTMENTS, LLC FOR THE CONVEYANCE AND ACQUISITION OF APPROXIMATELY 0.6092 ACRES OF LAND, MORE OR LESS, IN THE ELIZABETH JONES SURVEY, ABSTRACT NO. 625, BEING MORE PARTICULARLY DESCRIBED IN THE EXHIBIT “A” ATTACHED HERETO AND MADE A PART HEREOF FOR ALL PURPOSES, PROPERTY BEING LOCATED IN THE CITY OF SHERMAN, COUNTY OF GRAYSON, STATE OF TEXAS.

ACTION TAKEN.

Motion by Council Member Teamann to table Resolution No. 6589, as presented. Second by Council Member Holland.

VOTING AYE: Holland, Howeth, Melton, Steele, Stevenson, Teamann.

VOTING NAY: None.

MOTION CARRIED TO TABLE.

RESOLUTION NO. 6590 – AUTHORIZING EXECUTION OF A PROFESSIONAL ENGINEER SERVICES AGREEMENT WITH FREEMAN-MILLICAN, INC. FOR DESIGN OF THE SHERMAN

RES 6589
ROW ACQUISITION
FOR FM 1417
WIDENING PROJECT
(TABLED)

RES 6590
FIRST ST. TO
ROSEDALE SEWER

FIRST STREET TO ROSEDALE SEWER REPLACEMENT PROJECT

REPLACEMENT 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 DESIGN OF THE SHERMAN FIRST STREET TO ROSEDALE SEWER REPLACEMENT PROJECT.
CONSENT AGENDA.

RESOLUTION NO. 6591 – AUTHORIZING EXECUTION OF A DRAINAGE AGREEMENT WITH GO PROPERTIES 7, LLC

RES 6591
DRAINAGE
AGREEMENT
(GOLDEN OWENS
ADDITION)

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING EXECUTION OF A DRAINAGE AGREEMENT WITH GO PROPERTIES 7, LLC.
CONSENT AGENDA.

OTHER BUSINESS

IMPACT FEES

RECEIVE IMPACT FEE PRESENTATION FROM JEFF WHITACRE, VICE PRESIDENT OF KIMLEY-HORN AND ASSOCIATES, INC.

Mr. Hefton said the staff started looking at impact fees several months ago. With the level of development that is going on and the other challenges that the State Legislature is imposing, it is probably time to consider implementing impact fees. He said impact fees are normal for developing cities, but it is a new concept for the City of Sherman.

Jeff Whitacre, Vice President of Kimley-Horn and Associates, Inc., explained that impact fees are a one-time fee for new development that helps a City pay for growth, and is not assessed on existing homeowners. It's for new development, new businesses, new growth, that put a demand on the system. It's a funding tool for infrastructure systems.

Mr. Whitacre said there are two types of infrastructure needs. There are existing needs and growth needs. Existing needs include maintenance and operations, which are usually paid from the General Fund and not intended for impact fees, and complete reconstruction, which are usually paid from Capital Funds. Growth needs are capital needs and have to deal with growth and capacity of the infrastructure.

He said infrastructure funding is important for growth because these costs greatly exceed traditional tax and fee collection rates in a fast-growing City. Federal and State funding no longer keeps up with the needs and funding mechanisms for infrastructure are limited in Texas. The logical assumption is that growth should pay for growth.

Components that must be addressed for an impact fee include land use assumptions, master infrastructure plans, capital improvement plans, service areas, service units, maximum fees, and the results. He discussed the data used to provide these components.

Impact fees for roads are limited to the corporate limits of the City and cannot include roads in the Extra Territorial Jurisdiction. They can be used for capital improvement planning, including design, construction, legal, fiscal, and right-of-way costs.

Mr. Whitacre discussed what types of costs are recoverable through an impact fee and what types are not recoverable. Costs that are not recoverable include capital improvements that are not identified in the CIP, operations and maintenance costs, improvements to remedy existing deficiencies, administrative and operational costs of the City, and not-CIP debt service. A City can fund projects, but not staff.

He added that funds collected within a service area must be spent on projects within the same service area within 10 years.

Sherman's water and sewer service area would probably be the entire City. The transportation service area is limited to a six-mile trip length, and cannot include the ETJ. He felt Sherman would probably have five transportation service areas. The drainage service area could be citywide and regional.

Mr. Whitacre discussed the definition of a service area and how the impact fees are calculated for each. The final calculation is total cost divided by growth. According to the State, a City can do a detailed credit calculation or take 50% of the amount. Ultimately the actual impact fee will be established by the City Council.

Once the impact fee is approved, the City can start charging, however, Mr. Whitacre said if someone has already platted the property, they have a year grace period. Mr. Hefton confirmed that if they have not platted, there is no grace period and the impact fee would be charged immediately.

There are some checks and balances for the program, and Mr. Whitacre said a Capital Improvement Advisory Committee is required but can be comprised of Planning and Zoning Commission Members.

He discussed results of the system, but ultimately it is to pay for infrastructure from growth in the community, through a predictable, equitable, consistent, and legal system of fees.

Mr. Whitacre said the process to enact impact fees generally takes between 9 and 12 months and would cost approximately \$150,000. This would include the study, setting up an advisory committee, reviewing the land use and master plan, the calculations, and holding two public hearings.

Mr. Hefton said, in terms of cost recovery, impact fees can also look back retroactively. There is a mechanism to recapture previous costs for a "reasonable" time period. The City has spent \$60 million in debt that has been issued over the last five

years, and there might be a portion of that money that could be recaptured.

Council Member Melton asked for clarification on how the City would “go back” and recapture past cost. Mr. Hefton said the City would add up all the costs that they want to recover, and the entire recovery is in the future. Past development would not be charged, but the cost would be recouped from future development.

Deputy Mayor Steele asked about current and past debt service. Council Member Teamann said impact fees are not a guaranteed payment structure, and asked if there are restrictions on how much could be taken out for bonds. Mr. Whitacre said impact fees are typically not used for bonds. A backup plan would be required for that.

To clarify, Mr. Hefton said the City would probably want any general debt issued be tax supported debt, which would ensure the best financing rate for that debt. They could use whatever source of repayment they wanted, but when it was issued, it should be tax supported.

Council Member Stevenson asked about the process to increase the impact fees at a later date. Mr. Whitacre said it would be updated the same way any other City ordinance is updated. The study itself should be updated every five years.

**RECEIVE COMMUNITY AND SUPPORT SERVICES MANAGER
NATE STRAUCH’S PRESENTATION REGARDING THE CITY OF
SHERMAN’S “QUALITY NEIGHBORHOODS PROGRAM”**

Nate Strauch, Community and Support Services Manager, presented an update on the Quality Neighborhood Program, which was established in 2018. Since that time, they have hired a crew to provide in-house demolitions.

**QUALITY
NEIGHBORHOOD
PROGRAM
UPDATE**

Chip Matthews was hired in May 2018 as the Neighborhood Quality Coordinator, to head-up the City’s substandard demolition program, take over substantial portions of the Community Development Block Grant, and to cross-train with code enforcement.

Equipment was purchased for the in-house demolition crew, including an excavator, skid-steer, dump truck, and trailer. These one-time purchases totaled \$490,000, but the estimated savings for the in-house demolition is approximately \$2,000 per property.

The goal is to tear down 100 substandard structures every year. At that rate, he felt within seven to ten years, they would be running out of substandard structures. With current data, demolishing 100 structures each year should cost approximately \$402,000, a little more than was anticipated. They had budgeted \$1,300 per house for tipping fees, but they are costing closer to \$1,700.

Mr. Strauch showed a map of demolitions that have been done in the last eight months. Most of the demolitions have been on the east side of Sherman, because those are older homes, but they are touching every portion of the City.

He showed before and after photos of several of the homes that have been demolished through the Quality Neighborhood Program.

Council Member Melton confirmed that the City is not only tearing down the house, but is taking a lot of additional trash to the landfill too. Mr. Strauch said typically these houses have outbuildings, junked vehicles, and refuse inside and outside the house. He said the goal is to get buildable lots.

Mr. Hefton said the staff would take photos of the houses that are now being built on these lots and provide an update to the Council during the Budget Work Session this year. The City is not only cleaning up the community, but these properties are being put back on the tax rolls. He said it is a great program and has been a great success. Mr. Strauch said over a dozen properties where they have torn down houses now have new homes on them.

Council Member Melton clarified that the City is tearing the structure down, cleaning up the lot, and making it a buildable lot, but the property owner still owns it and can sell it.

Deputy Mayor Steele said of the \$402,000 that the program is costing, the City is clearing these lots, the owner can sell it, and it goes back on the tax roll. He asked if there was any way for the City to recoup the cost. Chip Matthews, Neighborhood Services Superintendent, explained the procedure if there was a tax lien on the property.

Mr. Strauch said many times these houses have absentee ownership. Council Member Melton confirmed that they are contacting the owner before the house is demolished.

Deputy Mayor Steele asked if there was a way to put the City's cost on the lot. Brandon Shelby, City Attorney, said it was a policy decision to not try to recover the cost. The City can ask for a civil penalty to be assessed, but that would deter voluntary compliance. He said probably 99% of the houses that are being demolished, are through voluntary compliance.

Mr. Strauch said the goal of the program was not to get paid for tearing the houses down, but to get them down quickly. The end goal is to have new houses built on the lots. He said it would be great if the program paid for itself, and there are some cost savings that are being realized that are helping pay for the program.

Mr. Hefton said, right now, the City has a great rate of voluntary compliance. However, at some point in the future, if, somewhere in the 700 additional houses that have been

identified for the program, that becomes a problem, and the City needs to get a court order for compliance, they might want to assess a fee. It is a policy decision.

Mr. Shelby added that, if a property is rebuilt, the City does recover taxes over time. If a property owner can't afford to keep a property up, they probably can't afford to pay the taxes either.

Deputy Mayor Steele confirmed that 70 houses have been demolished in the last eight months. Mr. Strauch said it takes about 11 years to recoup the City's cost through property taxes alone. He said the process was used to take the demolitions through the court instead of before the City Council.

Council Member Stevenson asked how many times the City has identified a house and it has been remediated by the property owner. Mr. Matthews said that has happened four out of 150 times.

In review, Mr. Strauch said the City has decreased their cost per structure, with one-fourth of the ongoing costs paid by the Federal government. The pace has also quickened from three to four houses per month to five to seven per month, and they are not working under contractor timeframes. The crew has also been used for several City demolitions.

Within eight months, the City has saved about \$41,000 versus the same number of demolitions using outside contractors. The program is working and paid the salary for one plus full-time employee. He felt eventually two or three of the positions will be fully funded by the savings. He added that over 20 structures have already been signed over and are awaiting demolition. There are more than 750 houses that are still out there that have not been approached.

Council Member Melton confirmed that property owners are actually coming to the City to request this assistance. Council Member Howeth confirmed that the City is working with the Fire Marshall on a plan to remove burned out houses. Council Member Teamann confirmed that six of the substandard structures have caught fire this year.

Mr. Matthews said that court ordered demolitions take priority over everything, and said he is currently 38 behind. Mr. Strauch said if the judge orders an abatement, the City's hands are tied and the order needs to be followed.

Council Member Teamann said he would like the staff to focus on commercial property. Mr. Strauch said a problem with commercial property is asbestos abatement. Mr. Hefton said some cities try to recover their costs on the demolition of commercial properties. Mr. Strauch added that the demolition of residential property is much cheaper than the demolition of commercial property.

CONSIDER CALLING A SPECIAL MEETING OF THE CITY COUNCIL FOR A TRAINING WORKSHOP TO BE CONDUCTED BY E. ALLEN TAYLOR, JR., FOUNDING PARTNER OF TAYLOR, OLSON, ADKINS, SRALLA AND ELAM, LLP ON WEDNESDAY, FEBRUARY 12, 2020

SET CALLED MTG
PLANNING &
ZONING TRAINING
(FEB. 12, 2020)

Mr. Hefton said this meeting would be for the Council's annual training and would include updates as well as different items for discussion.

ACTION TAKEN.

Motion by Council Member Melton to schedule a Called Meeting of the City Council for February 12, 2020, at 11:00 a.m., for a Training Workshop, as presented. Second by Council Member Howeth.

VOTING AYE: Holland, Howeth, Melton, Steele, Stevenson, Teamann.

VOTING NAY: None.

MOTION CARRIED.

SITE PLAN AND VARIANCE APPROVAL TO ORDINANCE NO. 2252, ARTICLE IV, SECTION 410 (2)(J) AND (2)(G)(2) FOR A GLOBITECH POWER GENERATION FACILITY AND IMPROVEMENTS WITH A 10' REAR SETBACK IN LIEU OF THE REQUIRED 55.7' IN THE BLALOCK INDUSTRIAL PARK AT 200 WEST F.M. 1417 (HERITAGE PARKWAY)

APPROVE SITE PLAN
& VARIANCE FOR
GLOBITECH POWER
GENERATION
FACILITY

The City Council approved the Site Plan and Variance to Ordinance 2252, Article IV, Section 410 (2)(j) and (2)(g)(2) for a GlobiTech Power Generation Facility and improvements with a 10' rear setback in lieu of the required 55.7' at 200 West F.M. 1417, which is in the Blalock Industrial Park.

The project would improve the quality and reliability of the power system serving the GlobiTech Facility. During 2017, GlobiTech experienced 15 utility outages and was told the utility had done everything they could to improve reliability of the distribution feeders serving the facility.

The generation equipment will be capable of operating in parallel with the utility or in island mode, disconnected from the utility. The equipment will be natural gas fueled engine generators and will operate less than 200 hours per year. The proposed layout has chain link fencing and a small portion of the spare transformer located within the setback area requiring a variance.

CONSENT AGENDA.

REPLAT APPROVAL OF BLUEBONNET PETZ ADDITION, BEING A REPLAT OF ALL OF LOTS 8 & 9, BLOCK 1 OF THE PRESTON MEADOWS SUBDIVISION IN THE CITY OF SHERMAN'S EXTRA TERRITORIAL JURISDICTION (ETJ), BEING ALL OF LOTS 8 & 9, BLOCK 1, PRESTON MEADOWS SUBDIVISION, CONTAINING 2.926 ACRES IN THE ROBERT ATCHISON SURVEY, ABSTRACT NO. 28; MATTHEW PETZ, OWNER, AND CBG SURVEYING TEXAS, LLC, SURVEYOR (59 AND 101 BLUEBONNET LANE)

APPROVE REPLAT
BLUEBONNET PETZ
ADDITION (ETJ)

COUNCIL MINUTES – FEBRUARY 3, 2020

The City Council approved a Replat of Bluebonnet Petz Addition, in the Preston Meadows Subdivision, in the City's Extra Territorial Jurisdiction. The 2.926 acre tract is located at 59 and 101 Bluebonnet Lane, east of SH 289 and south of SH 56.

The owner recently purchased the property next door to his and would like to move the lot lines enlarging one of the lots. The Planning and Zoning Commission recommended approval of the Replat, subject to the Staff Review Letter.
CONSENT AGENDA.

MEDIA QUESTIONS

There were no media questions.

MEDIA QUESTIONS

APPOINT/REMOVE OR CONSIDER QUALIFICATIONS TO
BOARDS AND COMMISSIONS

PARKS AND RECREATION ADVISORY BOARD (3)
ACTION TAKEN.

Motion by Council Member Teamann to reappoint Michael Waitt for a term from November 17, 2019 to November 17, 2021; to reappoint Michael Kelly to a term from December 19, 2019 to December 19, 2021; and to appoint Michele Casey to a term from February 4, 2020 to February 4, 2022, as presented. Second by Council Member Holland.

VOTING AYE: Holland, Howeth, Melton, Steele, Stevenson, Teamann.

VOTING NAY: None.

MOTION CARRIED.

PARKS & REC
ADVISORY BOARD

COUNCIL COMMENTS

WORLD READ ALOUD DAY

Council Member Melton said February 5, 2020, is "World Read Aloud Day" and she encouraged everyone to read aloud, or to visit one of the schools and read to the children.

WORLD READ
ALoud DAY

ANNOUNCEMENTS

Mayor Plyler announced the following:

- Coffee With the Mayor will be held on February 7, 2020, at 8:00 a.m., at St. Mary's School. There will be a very special program.
- On February 12, 2020, at 7:00 p.m., the Temptations Revue featuring Nate Evans will be held in Kidd-Key Auditorium as part of the Black History Month festivities.
- Sherman Main Street Committee will host their annual Mardi Gras Celebration on February 22, 2020, in Downtown Sherman.

ANNOUNCEMENTS

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,

EXECUTIVE SESSION

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

SECTION 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 6:10 p.m.

On Motion duly made and carried, the Executive Session recessed at 6:46 p.m. and reconvened in Open Meeting.

OPEN MEETING

Reconvene into Open Meeting and take action, if any, on items discussed in Executive Session.

OPEN MEETING

ADJOURNMENT

On Motion duly made and carried, the meeting adjourned at 6:47 p.m.

ADJOURNMENT

MAYOR

CITY CLERK