REGULAR CITY COUNCIL MEETING
6:30 P.M., TUESDAY, JANUARY 20, 1998

The Canton City Council met at the above-named date and time in the City Hall Council Chambers with Mayor Don Hackney presiding. Those present were Charles Lide, Ron Sanford, Jimmy Peace, and Jack Etheridge. Councilman Ronnie Fugate was absent.

Discussion and action were as follows:

1. CALL TO ORDER AND ANNOUNCE QUORUM - Mayor Don Hackney

2. MAYOR'S WELCOME by Mayor Don Hackney.

3. INVOCATION was given by Councilman Charles Lide, and the pledge of allegiance was led by Mayor Hackney.

4. GUEST ITEMS - Mayor Hackney announced that there were no guest items for this meeting.

5. APPROVE MINUTES OF DECEMBER 16, 1997 CITY COUNCIL MEETINGS – Councilman Etheridge moved that the proposed Minutes be approved. Councilman Sanford seconded, and all were in favor.

6. APPROVE CITY OF CANTON FINANCIAL STATEMENTS FOR DECEMBER, 1997 - City Manager Johnny Mallory read the totals from the December Financial Statements. Councilman Etheridge moved that the financial statements be approved as presented. Councilman Lide seconded, and all were in favor.

7. CONSIDER ACCEPTANCE OF 1996-1997 FINANCIAL AUDIT – Dale Hester introduced Mike Conway, CPA, audit specialist of Hester, Conway & Co. Mr. Conway distributed copies of the audit to the Council and reported that the audit letter was an unqualified opinion. Mr. Conway brought several amounts to the attention of the Council in both governmental and proprietary fund types. He also commended the City for expending funds very close to the amounts budgeted. Mr. Conway pointed out that the City's First Monday enterprise is a unique and singular situation. He cautioned that perhaps First Monday proceeds should be used to subsidize the general fund instead of water and sewer. He explained that water and sewer, as an enterprise itself, should establish rates to pay for itself. He pointed out that because it is a product that is sold, undercharging may create over-use. Mr. Conway noted that a separate report will be issued for the Canton Economic Development Corporation. Councilman Etheridge moved that the audit be accepted. Councilman Sanford seconded, and all were in favor.

8. DISCUSS AND CONSIDER CONSTRUCTION OF RESTROOM FACILITIES AT FIRST MONDAY PARK – First Monday General Manager Al Campbell presented another bid from a contractor utilizing masonry construction for the restroom facility instead of metal. Mr. Campbell suggested that the Council consider using City staff for the pad work and electrical and contract out the remainder of the construction. Mayor Hackney noted that the latest bid appeared to be approximately $67 per square foot with the possibility of a further reduction if the City

contracts out the construction. Mr. Campbell suggested that the City proceed with construction of the combination men's/women's facility and delay construction of the proposed restroom facility in the hill area. Councilman Peace asked about the length of time to construct this type of facility. Mr. Campbell estimated that, weather permitting, construction should be completed in approximately 120 days. Councilman Etheridge moved that the City proceed with construction of the combination facility utilizing City staff and contracting out other necessary elements of the construction. Councilman Peace seconded, and all were in favor.

9. DISCUSS AND CONSIDER COLLECTIONS CONTRACT BETWEEN CITY OF CANTON AND VAN ZANDT COUNTY APPRAISAL DISTRICT – City Manager Johnny Mallory explained that the Appraisal District's proposed contract is basically to conduct property appraisals since the City does not have any tax to be collected. Councilman Sanford moved that the Contract be approved. Councilman Lide seconded, and all were in favor.

10. DISCUSS AND ACT ON ORDINANCE APPROVING RETAIL BASE RATE REDUCTIONS FOR TEXAS UTILITIES ELECTRIC COMPANY – Mr. Mallory explained that the Public Utilities Commission has ordered TU Electric to refund approximately $263 million. The Steering Committee has proposed this Ordinance to accept the refund and to also join the member cities in requesting a larger rate reduction. Councilman Etheridge moved that the Ordinance be adopted. Councilman Lide seconded, and all were in favor.

11. FIRST PUBLIC HEARING ON ANNEXATION OF TWO TRACTS LOCATED ON HIGHWAY 64 EAST AND TWO TRACTS LOCATED ON FM 17 OWNED BY FRANK CORRY, INCLUDING ANY CONTIGUOUS ROADWAY AND RIGHT-OF-WAY – Mayor Hackney opened the public hearing at 6:55 p.m. Mr. Mallory addressed the schedule of the second public hearing and the final adoption of an annexation ordinance. There being no comments concerning the proposed annexation, Mayor Hackney closed the public hearing at 6:57 p.m.

12. DISCUSS AND CONSIDER RESOLUTION TO APPLY FOR STATE GRANT FOR DRUG ENFORCEMENT OFFICER – Police Chief Ron Carroll informed the Council that this was the second year of a state grant to fund the salary for a drug enforcement officer. This grant will fund 60% of the officer's salary. Councilman Etheridge moved that the Council adopt the proposed Resolution authorizing the City Manager and the Police Chief to make application to the Governor's Criminal Justice Division for grant on a percentage basis of 60/40 with $22,083.00 to be funded by the Governor's Office and $14,722.00 by the City of Canton. Councilman Sanford seconded, and all were in favor.

13. DISCUSS AND CONSIDER APPOINTMENT TO PLANNING & ZONING COMMISSION – Upon consensus of the Council, this matter was tabled to the next meeting.

14. DISCUSS AND CONSIDER REGULATIONS REQUIRING HOUSE NUMBERING – Mr. Mallory reported that the equipment is now in for the Explorer Post to begin putting house numbers on curbs. He also informed the Council that Trinity Mother Frances has agreed to donate $1,000 toward the house numbering project which funds will be used to purchase metal numbers for houses where there are no curbs. Mr. Mallory explained that the Explorers will be using this as a fundraising project, requesting $3 per house. However, numbers will still be

installed even for homes where no contribution is made. Mr. Mallory stated that official 9-1-1 addresses will be used.

15. DISCUSS AND CONSIDER STATUS OF STREET REPAIRS – Mr. Mallory announced that the engineering report has been received for proposed improvements to Mill Creek and Murrey Streets. Water and sewer lines are to be replaced on Mill Creek and underground storm drains will be installed. It is anticipated that the entire project will be put out for bids through one contract. Approval from TxDOT will be necessary to take water drainage to the west side of Highway 198. Mr. Mallory stated that it will be necessary to completely close Mill Creek.

Mr. Mallory further stated that water lines on Big Rock have been completed and are being tested. The sewer line will be replaced next. It is anticipated that all utilities will be completed in time to advertise for bids in February to complete the street. The Council would then award the bid in March.

Weather conditions have hampered work on the sewer line on Cherry Creek and Old Kaufman Road Mr. Mallory reported. Public Works Director Pete Lucas announced that the last manhole had been set the day before and crews were completing clean up work around the site at Lakeside Baptist Church. Remaining dirt in the area will be spread and leveled.

16. DISCUSSION PERTAINING TO OLD AND NEW BUSINESS FOR PLACEMENT ON FUTURE AGENDAS – Councilman Lide announced that, although he did not have a matter for future agendas, he wanted to challenge the City to consider the health of its employees. Councilman Lide asked that the City consider declaring city offices and buildings smoke free.

There were no items for future agendas. Mr. Mallory announced that a Council briefing would be scheduled for Saturday, January 24, 1998, at 8:00 a.m.

17. ADJOURN - There being no further business to come before the Council, Councilman Sanford moved that the meeting be adjourned. Councilman Etheridge seconded, and all were in favor.

Don Hackney, Mayor

ATTEST:

Rhita Koches, City Secretary

SPECIAL CALLED CITY COUNCIL MEETING
8:00 A.M., SATURDAY, JANUARY 24, 1998

The Canton City Council met at the above named date and time in the City Hall Council Chambers. Members present were Mayor Don Hackney, Charles Lide, Ron Sanford, and Jack Etheridge. Councilmen Ronnie Fugate and Jimmy Peace was absent.

Discussion and action were as follows:

CALL TO ORDER AND ANNOUNCE QUORUM - Mayor Hackney called the meeting to order at 8:30 a.m. and declared that a quorum was present.

DISCUSS AND CONSIDER AWARDING BID FOR 1998 PICKUP TRUCK – City Manager Johnny Mallory presented that following bids to the Council:

	1998 Ford 4x4 Pickup	1998 Ford 4x2 Pickup
Canton Motors, Inc.	$18,908.00	$15,771.00
Barrett GMC	$18,169.98	$15,364.98
Lewis Chevrolet	$18,250.00	$15,995.00

Councilman Sanford moved that the bid be awarded to Canton Motors, Inc., for a 1998 Ford 4x2 pickup. Councilman Etheridge seconded, and all were in favor.

EXECUTIVE SESSION FOR CONFERENCE WITH EMPLOYEES TO RECEIVE INFORMATION AND/OR QUESTION EMPLOYEES (Section 551.075) - The Council adjourned into Executive Session at 8:40 a.m. pursuant to the provision of the Open Meetings Law, Chapter 551, Govt. Code, Vernon's Texas Codes Annotated, in accordance with the authority contained in Section 551.075. During this briefing, members of the Council heard presentations and questioned employees regarding street improvements and repairs, water and sewer matters, and ordinance violations.

RECONVENE TO OPEN SESSION TO TAKE ANY ACTION REQUIRED PURSUANT TO DISCUSSIONS IN EXECUTIVE SESSION - The Council returned to open session at 9:35 a.m. with no action taken. During this meeting, members of the Council did not deliberate public business or agency policy which affected public business.

ADJOURN - There being no further business to come before the Council, Councilman Lide moved that the meeting be adjourned. Councilman Jack Etheridge seconded, and all were in favor.

Don Hackney, Mayor

ATTEST:

Rhita Koches, City Secretary

REGULAR CITY COUNCIL MEETING
6:30 P.M., TUESDAY, FEBRUARY 17, 1998

The Canton City Council met at the above-named date and time in the City Hall Council Chambers with Mayor Don Hackney presiding. Those present were Councilmen Ronnie Fugate, Charles Lide, Ron Sanford, and Jack Etheridge. Councilman Jimmy Peace was absent.

Discussion and action were as follows:

1. CALL TO ORDER AND ANNOUNCE QUORUM - Mayor Don Hackney

2. MAYOR'S WELCOME by Mayor Don Hackney.

3. INVOCATION was given by Councilman Ronnie Fugate.

4. PLEDGE OF ALLEGIANCE – City Manager Johnny Mallory led the Pledge of Allegiance.

5. GUEST ITEMS - Mayor Hackney announced that there were no guest items for this meeting.

6. DISCUSS AND CONSIDER ADOPTION OF PROCLAMATION NAMING MARCH 12, 1998, AS PRIME FAMILY TIME – City Secretary Rhita Koches informed the Council that Tommy Phillips, Van Zandt County Agriculture Extension Agent, had requested that all local governing bodies in Van Zandt County proclaim March 12th as Prime Family Time. The purpose of the designation is to encourage families to spend quality time together. Councilman Fugate moved that the Proclamation be adopted. Councilman Etheridge seconded, and all were in favor.

7. DISCUSS AND CONSIDER ADOPTION OF RESOLUTION NAMING HARRY G. CUNNINGHAM, GRAND MASTER OF MASONS IN TEXAS, AS HONORARY CITIZEN OF THE CITY OF CANTON – Councilman Jack Etheridge moved that the Resolution be adopted by the Council. Councilman Lide seconded, and all were in favor.

8. CONSIDER APPROVAL MINUTES OF JANUARY 20 AND JANUARY 24, 1998 MEETINGS - Councilman Etheridge moved that the proposed Minutes be approved. Councilman Sanford seconded, and all were in favor.

9. CONSIDER APPROVAL JANUARY 1998 FINANCIAL STATEMENTS – City Manager Johnny Mallory read the totals from the January Financial Statements. Councilman Etheridge moved that the financial statements be approved as presented. Councilman Lide seconded, and all were in favor.

10. DISCUSS AND CONSIDER AMENDMENTS TO PLAT OF LAKE MEADOW SUBDIVISION – Mr. Mallory explained that the developers of Lake Meadow Subdivision have requested that the plat of the subdivision be amended to combine a drainage easement, to change references to Trinity Valley Electric to TU Electric, and to add a landscaping easement. Councilman Etheridge moved that the amendments to the plat be approved. Councilman Fugate seconded, and all were in favor.

11. SECOND PUBLIC HEARING ON ANNEXATION OF TWO TRACTS LOCATED ON HIGHWAY 64 EAST AND TWO TRACTS LOCATED ON FM 17 OWNED BY FRANK CORRY, INCLUDING ANY CONTIGUOUS ROADWAY AND RIGHT-OF-WAY – Mayor Hackney convened the second public hearing on annexation at 6:45 p.m. There being no comments, the public hearing was closed at 6:46 p.m.

12. CALL OF GENERAL ELECTION FOR MAY 2, 1998 TO ELECT THREE COUNCILMEMBERS – Councilman Lide moved that the election be called. Councilman Etheridge seconded, and all were in favor.

13. DISCUSS AND CONSIDER APPOINTMENT OF DIRECTORS TO THE ECONOMIC DEVELOPMENT CORPORATION – Mr. Mallory informed the Council that four directors had

drawn one year terms and it was necessary to make four two-year appointments. Councilman Fugate commended the CEDC on its accomplishments. He then suggested that the CEDC consider scheduling their meetings at a more convenient time. Councilman Fugate moved that Johnny Mallory, David King, Joe Groves, and Kenneth Pruitt be re-appointed to the CEDC Board of Directors for two-year terms. Councilman Etheridge seconded, and all were in favor. Councilman Lide asked what was being done for the downtown merchants who supported the sales tax election. Mr. Mallory reported that community enhancement grants had been awarded to several organizations for visible capital improvements. However, no request had been received from the downtown merchants. Mr. Mallory further stated that two businesses are off the ground with one already employing sixty people.

14. DISCUSS AND CONSIDER APPOINTMENT TO PLANNING AND ZONING COMMISSION – After discussion, it was the consensus of the Council to table this appointment until after the general election in May when Board appointments will be considered.

15. DISCUSS AND CONSIDER AWARDING BID FOR USED DUMP TRUCK – Mr. Mallory presented the bid of Glosser Equipment Company in the amount of $29,000 for a 1991 GMC topkick dump truck. Public Works Director Pete Lucas advised the Council that the truck had been inspected by the City's mechanic and appeared to be in good condition. He added that the truck had low mileage. Councilman Fugate moved that the bid be awarded to Glosser Equipment Company. Councilman Sanford seconded, and all voted in favor.

16. DISCUSS AND CONSIDER APPROVAL OF RESOLUTION TO APPLY FOR FEDERAL GRANT FOR LAW ENFORCEMENT OFFICER – Police Chief Ron Carroll informed the Council that he had applied for this grant last Fall. The grant provides funding on a 75%-25% basis and will be worth approximately $66,000 over a three year period. Councilman Etheridge moved that the resolution be approved. Councilman Sanford seconded, and all were in favor.

17. DISCUSS AND CONSIDER APPROVAL OF LONG-TERM LEASE AGREEMENT FOR FIRST MONDAY VENDORS – First Monday General Manager Al Campbell directed the Council's attention to the previously proposed Lease Agreement. Mr. Campbell recommended that the proposed Lease Agreement be approved and stated that local banks have approved the form, as well as several vendors. Councilman Etheridge moved that the Lease Agreement be adopted. Councilman Sanford seconded, and all were in favor.

18. DISCUSS AND CONSIDER DESGINATION OF AREA FOR FIRST MONDAY VENDOR PARKING – Mr. Campbell presented a map of the First Monday park marking an area behind the Senior Citizens' Building across Rows 10, 11, and 12 and suggested extending parking approximately 100 feet into that area. He stated that this would extend the parking area manned by the Canton Volunteer Fire Department and would bring additional shoppers to that area. He then pointed out another area marked on the map between Rows 1A and 6 and across Rows 4 – 7 and Rows 9 – 12. Mr. Campbell suggested that this area be converted to vendor parking which would allow vendors to purchase a parking pass. Mr. Campbell stated that there were very few vendors in that area and suggested visiting with those vendors about re-locating. Councilman Lide asked if this was the same area previously designated for animal sales. Mr. Campbell reported that there had been very little interest from animal vendors. Mr. Campbell said that, after meeting with the potential displaced vendors, he will report back to the Council. Councilman Fugate noted that he thought a vendor parking area would be helpful and would also be income producing. He pointed out that a vendor parking area could reduce illegal parking. Councilman Fugate also commented that additional parking needs to be developed on FM 859 and at the Civic

Center. Upon questioning from Councilman Sanford, Mr. Campbell stated that maybe a dozen vendors would be displaced.

19. DISCUSSION PERTAINING TO OLD AND NEW BUSINESS FOR PLACEMENT ON FUTURE AGENDAS – There were no items for future agendas.

Mr. Mallory announced that a Council briefing would be scheduled for Saturday, February 21, 1998, at 8:00 a.m.

20. ADJOURN - There being no further business to come before the Council, Councilman Sanford moved that the meeting be adjourned. Councilman Etheridge seconded, and all were in favor.

Don Hackney, Mayor

ATTEST:

Rhita Koches, City Secretary

SPECIAL CALLED CITY COUNCIL MEETING
8:00 A.M., SATURDAY, FEBRUARY 21, 1998

The Canton City Council met at the above named date and time in the City Hall Council Chambers. Members present were Mayor Don Hackney, Ronnie Fugate, Charles Lide, Jimmy Peace, Ron Sanford, and Jack Etheridge.

Discussion and action were as follows:

CALL TO ORDER AND ANNOUNCE QUORUM - Mayor Hackney called the meeting to order at 8:00 a.m. and declared that a quorum was present.

EXECUTIVE SESSION FOR CONFERENCE WITH EMPLOYEES TO RECEIVE INFORMATION AND/OR QUESTION EMPLOYEES (Section 551.075) - The Council adjourned into Executive Session at 8:07 a.m. pursuant to the provision of the Open Meetings Law, Chapter 551, Govt. Code, Vernon's Texas Codes Annotated, in accordance with the authority contained in Section 551.075. During this briefing, members of the Council heard presentations and questioned employees regarding street improvements and repairs, water and sewer matters, parks, and First Monday operations.

RECONVENE TO OPEN SESSION TO TAKE ANY ACTION REQUIRED PURSUANT TO DISCUSSIONS IN EXECUTIVE SESSION - The Council returned to open session at 9:42 a.m. with no action taken. During this meeting, members of the Council did not deliberate public business or agency policy which affected public business.

ADJOURN - There being no further business to come before the Council, Councilman Etheridge moved that the meeting be adjourned. Councilman Peace seconded, and all were in favor.

Don Hackney, Mayor

ATTEST:

Rhita Koches, City Secretary

REGULAR CITY COUNCIL MEETING
6:30 P.M., TUESDAY, MARCH 17, 1998

The Canton City Council met at the above-named date and time in the City Hall Council Chambers with Mayor Don Hackney presiding. Those present were Councilmen Ronnie Fugate, Charles Lide, Ron Sanford, Jimmy Peace, and Jack Etheridge.

Discussion and action were as follows:

1. CALL TO ORDER AND ANNOUNCE QUORUM - Mayor Don Hackney

2. MAYOR'S WELCOME by Mayor Don Hackney.

3. INVOCATION was given by Councilman Ronnie Fugate.

4. PLEDGE OF ALLEGIANCE – Canton High School Drum Major Leanna Gutierrez led the Pledge of Allegiance.

5. GUEST ITEMS - Mayor Hackney recognized Merillee McLemore who addressed the Council on behalf of First Monday vendors. Mrs. McLemore commended the Council for the construction of the new pavilion and new road. She also brought the Council's attention to a vendor on Row 11 whose booth blocks two bridge crosswalks. It was also requested that the remaining dirt area between the east end of the pavilion and Larry Cox's improvements be filled with concrete. Mrs. McLemore said that pavilion vendors have suggested the placement of something like an old-time popcorn vendor or ice cream stand in the center of the pavilion.

6. CONSIDER APPROVAL OF MINUTES OF FEBRUARY 17 AND FEBRUARY 21, 1998 MEETINGS - Councilman Etheridge moved that the proposed Minutes be approved. Councilman Fugate seconded, and all were in favor.

7. CONSIDER APPROVAL FEBRUARY 1998 FINANCIAL STATEMENTS – City Manager Johnny Mallory read the totals from the February Financial Statements. Councilman

Etheridge moved that the financial statements be approved as presented. Councilman Lide seconded, and all were in favor.

8. DISCUSS AND CONSIDER EXTENSION OF CANTON VOLUNTEER FIRE DEPARTMENT PARKING LOT AND CREATION AND DESIGNATION OF AREA FOR FIRST MONDAY VENDOR PARKING – First Monday General Manager Al Campbell followed up on the Council's February 17th consideration of extending the parking area located near the Senior Citizens' Center. Mr. Campbell stated that he had visited with those vendors in the area about re-locating to other areas.

Mayor Hackney then recognized First Monday vendor Don Lawrence. Mr. Lawrence stated that he had been a First Monday vendor since March of 1967 when lot rental was $4. He requested that the a steering committee be appointed to research the parking issue and that any parking in the hill area be limited to shoppers as opposed to designating the area as vendor parking. Councilman Sanford and Mr. Campbell responded that the First Monday Committee has investigated this issue for several months. Mr. Lawrence then stated that buses from Houston and other areas had, in the past, unloaded at the Main Gate. Mr. Campbell said that the West Gate off FM 859 was the only place with room to bring in buses. Councilman Sanford stated that he would like to see the parking extension tried as recommended by the First Monday Committee and reminded the Council that the designated parking areas could always be changed. Mr. Fugate expressed concern over the location of the proposed vendor parking. Councilman Sanford moved that the parking area be extended as proposed. Councilman Etheridge seconded. Councilmen Jimmy Peace, Ron Sanford, and Jack Etheridge. Councilmen Charles Lide and Ronnie Fugate voted against, and the motion carried.

9. DISCUSS AND CONSIDER ADVERTISING PROPOSAL FROM TAYJON MARKETING – Mr. Campbell presented the proposal of TayJon Marketing for First Monday advertising. He explained that TayJon has conducted research and reviewed previously obtained demographics to identify a target market. The proposal utilizes budgeted advertising funds. Mr. Campbell explained that TayJon is also coordinating corporate sponsorships. Councilman Etheridge moved that the City proceed with the advertising proposal of TayJon Marketing. Councilman Sanford seconded, and all were in favor.

10. DISCUSS AND CONSIDER ADOPTION OF ANNEXATION ORDINANCE FOR TWO TRACTS LOCATED ON HIGHWAY 64 EAST AND ONE TRACT LOCATED ON FM 17 OWNED BY FRANK CORRY, INCLUDING ANY CONTIGUOUS ROADWAY AND RIGHT-OF-WAY – City Manager Johnny Mallory announced that the two public hearings on this annexation have been conducted. Councilman Fugate moved that the Annexation Ordinance be adopted, and Councilman Etheridge seconded. Councilman Sanford abstained from voting due to a potential conflict of interest. Councilmen Etheridge, Lide, and Fugate voted in favor. Councilman Peace voted against, and the motion carried.

11. DISCUSS AND CONSIDER ACCEPTANCE OF ANNEXATION PETITION FOR 20.425 ACRE TRACT LOCATED OFF HIGHWAY 64 EAST OWNED BY BRUCE DAVIS, DEBORAH DAVIS, AND MARY JULIA KING, INCLUDING ANY CONTIGUOUS ROADWAY AND RIGHT-OF-WAY – Mr. Mallory presented the annexation petition and a plat of the property proposed for annexation. Councilman Etheridge moved to accept the petition.

Councilman Fugate seconded. Councilmen Fugate, Lide, Sanford, and Etheridge voted in favor. Councilman Peace voted against, and the motion carried.

Councilman Fugate temporarily excused himself from the meeting.

12. DISCUSS AND CONSIDER APPOINTMENT OF ELECTION JUDGE AND DESIGNATION OF POLLING PLACE FOR GENERAL ELECTION ON MAY 2, 1998 – Councilman Etheridge moved that Mary Wages be appointed to serve as Election Judge, that the Election Judge's appointment of four tellers be approved, and that City Hall be designated as the polling place for the May 2, 1998 General Election. Councilman Peace seconded. Councilmen Lide, Peace, Sanford, and Etheridge voted in favor, and the motion carried.

Councilman Fugate returned to the meeting.

13. DISCUSS AND CONSIDER AWARDING BID FOR PAVING AND DRAINAGE IMPROVEMENTS ON BIG ROCK STREET – Mr. Mallory reported on bids opened March 2, 1998, for improvements on Big Rock Street and noted that the Adams Brothers' bid of $449,108.40 was the low bid. Councilman Peace moved that the contract be awarded to Adams Brothers of Athens, Texas. Councilman Etheridge seconded, and all were in favor.

14. DISCUSS AND CONSIDER AWARDING BID FOR STREET DRAINAGE, UTILITY IMPROVEMENTS, AND DRAINAGE ON MILL CREEK ROAD AND MURREY STREET – Mr. Mallory reported on bids opened March 2, 1998, for improvements on Mill Creek Road and Murrey Street and noted that the Adams Brothers' bid of $441,524.75 was the low bid. Councilman Fugate moved that the contract be awarded to Adams Brothers of Athens, Texas. Councilman Etheridge seconded, and all were in favor.

15. DISCUSSION PERTAINING TO OLD AND NEW BUSINESS FOR PLACEMENT ON FUTURE AGENDAS – Councilman Fugate requested that City staff develop figures for costs associated with a clean up week. Mr. Mallory announced that a Council Briefing with City staff would be held Saturday, March 21, 1998.

16. ADJOURN - There being no further business to come before the Council, Councilman Etheridge moved that the meeting be adjourned. Councilman Sanford seconded, and all were in favor.

Don Hackney, Mayor

ATTEST:

Rhita Koches, City Secretary

SPECIAL CALLED CITY COUNCIL MEETING
8:00 A.M., SATURDAY, MARCH 21, 1998

The Canton City Council met at the above named date and time in the City Hall Council Chambers. Members present were Mayor Don Hackney, Ronnie Fugate, Charles Lide, Ron Sanford, and Jack Etheridge. Councilman Jimmy Peace was absent.

Discussion and action were as follows:

CALL TO ORDER AND ANNOUNCE QUORUM - Mayor Hackney called the meeting to order at 8:10 a.m. and declared that a quorum was present.

EXECUTIVE SESSION FOR CONFERENCE WITH EMPLOYEES TO RECEIVE INFORMATION AND/OR QUESTION EMPLOYEES (Section 551.075) - The Council adjourned into Executive Session at 8:10 a.m. pursuant to the provision of the Open Meetings Law, Chapter 551, Govt. Code, Vernon's Texas Codes Annotated, in accordance with the authority contained in Section 551.075. During this briefing, members of the Council heard presentations and questioned employees regarding street improvements and repairs, water and sewer matters, animal shelter, and First Monday operations.

RECONVENE TO OPEN SESSION TO TAKE ANY ACTION REQUIRED PURSUANT TO DISCUSSIONS IN EXECUTIVE SESSION - The Council returned to open session at 9:25 a.m. with no action taken. During this meeting, members of the Council did not deliberate public business or agency policy which affected public business.

ADJOURN - There being no further business to come before the Council, Councilman Etheridge moved that the meeting be adjourned. Councilman Sanford seconded, and all were in favor.

Don Hackney, Mayor

ATTEST:

Rhita Koches, City Secretary

REGULAR CITY COUNCIL MEETING
6:30 P.M., TUESDAY, APRIL 21, 1998

The Canton City Council met at the above-named date and time in the City Hall Council Chambers with Mayor Don Hackney presiding. Those present were Councilmen Ronnie Fugate, Charles Lide, and Ron Sanford. Councilmen Jimmy Peace and Jack Etheridge were absent.

Discussion and action were as follows:

1. CALL TO ORDER AND ANNOUNCE QUORUM - Mayor Don Hackney

2. MAYOR'S WELCOME by Mayor Don Hackney.

3. INVOCATION was given by Councilman Ronnie Fugate.

4. PLEDGE OF ALLEGIANCE –The Pledge of Allegiance was led by Canton High School student Rachel Green.

5. GUEST ITEMS - Mayor Hackney announced that no Guest Items had been received.

6. DISCUSS AND CONSIDER ADOPTION OF PROCLAMATION NAMING APRIL AS CHILD ABUSE PREVENTION MONTH – Councilman Sanford moved that the proposed Proclamation naming April as Child Abuse Prevention Month be adopted. Councilman Fugate seconded, and all were in favor.

7. CONSIDER APPROVAL OF MINUTES OF MARCH 17 AND MARCH 21, 1998 MEETINGS - Councilman Lide moved that the proposed Minutes be approved. Councilman Sanford seconded, and all were in favor.

8. CONSIDER APPROVAL OF MARCH 1998 FINANCIAL STATEMENTS – City Manager Johnny Mallory read the totals from the March 1998 Financial Statements. Councilman Fugate moved that the financial statements be approved as presented. Councilman Lide seconded, and all were in favor.

9. DISCUSS AND CONSIDER TRANSFER OF 80 ACRES TO CANTON ECONOMIC DEVELOPMENT CORPORATION FOR DEVELOPMENT AND ADOPTION OF RESOLUTION APPROVING TRANSFER – Mr. Mallory directed the Council's attention to a proposed Resolution which provides for the conveyance of an 80 acre tract owned by the City of Canton. Mr. Mallory recommended that the property be conveyed to the Canton Economic Development Corporation for development of residential tracts. Councilman Fugate moved that the Resolution be adopted and that the Mayor and/or City Manager be authorized to execute any and all documents necessary to implement the Resolution. Councilman Sanford seconded, and all were in favor.

10. FIRST PUBLIC HEARING ON ANNEXATION OF 20.425 ACRE TRACT LOCATED OFF HIGHWAY 64 EAST OWNED BY BRUCE DAVIS, DEBORAH DAVIS, AND MARY JULIA KING, INCLUDING ANY CONTIGUOUS ROADWAY AND RIGHT-OF-WAY – Mayor Hackney opened the public hearing at 6:37 p.m. Property owner Bruce Davis announced that he was available to answer any questions. There being no further comments, the public hearing was closed at 6:38 p.m.

11. DISCUSS AND CONSIDER SHUTTLE ROUTE FROM FM 859 PARKING AREA TO LOG CABIN – Councilman Fugate suggested that the shuttle be utilized to transport First Monday shoppers from the FM 859 parking area to the Log Cabin. Mr. Campbell stated that there may need to be some improvements made to provide a turn-around area in the parking lot.

12. DISCUSS AND CONSIDER ADOPTION OF POLICY REGARDING APPEALS PROCESS FOR REMOVAL AND/OR NON-RENEWAL OF FIRST MONDAY LOT RENTALS – Mr. Campbell explained that City Attorney Richard Davis had recommended the adoption of a "due process" policy to provide an appeals process for vendors who are removed or non-renewed due to violation of First Monday Policies and Procedures. Councilman Sanford moved that the following policy be adopted:

First Monday
Policy and Procedures for
Termination of Lot Rentals

Upon determination by First Monday management that a vendor has failed to comply with First Monday Policies and Procedures as adopted by the City Council, management shall notify said vendor in writing , addressed to the last known address provided by the vendor, that the vendor space rental will not be renewed for the following market. Such written notice shall:

Describe the vendor's violation of First Monday Policies and Procedures

Inform the vendor of his right to appeal management's decision to the City Council's First Monday Committee in writing addressed to City Hall within ten days from receipt of the written notice

Upon receipt of a written appeal, the First Monday Committee, at its option, may schedule a meeting with management and the vendor to review the matter. The First Monday Committee shall notify the vendor, in writing, of their determination of the appeal.

Councilman Fugate seconded, and all were in favor.

13. DISCUSS AND CONSIDER SALE OF WEST HALF OF THE UNIMPROVED PORTION OF LIVE OAK STREET FROM STATE HIGHWAY 64 TO THE NORTH LINE OF TYLER STREET TO ADJACENT PROPERTY OWNER TODD GROVES – Mr. Mallory

explained to the Council that in May of 1983 the Council had moved to sell the unimproved portion of Live Oak Street from Highway 64 to the north line of Tyler Street to James Tunnell and Leon Pierce. A deed from the City of Canton conveying the east half of the subject tract to Mr. Pierce was filed in the Land Records of Van Zandt County. However, Elliott & Waldron Abstract Company reports that no deed to Mr. Tunnell for the west half of this tract has been recorded. Mr. Todd Groves has now purchased the tract at the corner of Highways 19 and 64 and is desirous of purchasing the adjacent portion of Live Oak Street. Councilman Fugate moved that the tract be sold to Todd and Shelly Groves for the sum of $300. Councilman Lide seconded, and all were in favor.

14. DISCUSS AND CONSIDER ADOPTION OF RESOLUTION REGARDING THE CREATION OF A FIRE PREVENTION DISTRICT – Mr. Mallory explained the request for the designation of a fire prevention district. Johnny Higginbotham explained the designation of the district and stated that proponents would be seeking County approval. The measure would then be the subject of a public hearing and an election in August. Councilman Sanford moved that the resolution consenting to the inclusion of Canton's extraterritorial jurisdiction in the fire district subject to future annexation and the exclusion of the City of Canton. Councilman Fugate seconded, and all were in favor.

15. DISCUSS AND CONSIDER ADOPTION OF VAN ZANDT COUNTY MUTUAL AID AGREEMENT – Mr. Mallory explained that the proposed mutual aid agreement provided for the cooperation of the various law enforcement agencies within Van Zandt County. Mayor Hackney recommended the Council's approval of the agreement. Councilman Fugate moved that the agreement be approved. Councilman Sanford seconded, and all were in favor.

16. DISCUSS AND CONSIDER APPROVAL OF PLACEMENT OF UTILITY IMPROVEMENTS ON ARNOLD PAUL ROAD ACROSS MILL CREEK LAKE TO FM 2909 – Mr. Mallory presented a plat of the Mill Creek Lake area illustrating T U Electric's proposed location of power poles to extend their improvements from the water plant on Arnold Paul Road to the new Lake Meadows Subdivision on VZCR 2909. Councilman Fugate moved that the proposed plat be approved. Councilman Sanford seconded, and all were in favor. Councilman Fugate then moved that City Manager Johnny Mallory be authorized to execute an easement to T U Electric. Councilman Lide seconded, and all were in favor.

17. DISCUSS AND CONSIDER ESTABLISHING LOCATION FOR HISTORIC FIRE SIREN – Mayor Hackney stated that the old fire siren which was removed from the water tower had been around since the 1920's and suggested that the Council designate a suitable site with a plaque explaining the use of the siren. Councilman Fugate explained the past locations and use of the siren and proposed that the siren be placed on a concrete pedestal under the old water tower downtown. Mr. Mallory confirmed that the area may need to be mowed but would be a secure area. Councilman Fugate moved that the fire siren be placed under the water tower with an appropriate plaque and protection. Councilman Sanford seconded, and all were in favor.

18. DISCUSSION PERTAINING TO OLD AND NEW BUSINESS FOR PLACEMENT ON FUTURE AGENDAS – There were no requests for items to be placed on future agendas.

19. ADJOURN – There being no further business to come before the Council, Councilman Sanford moved that the meeting be adjourned. Councilman Lide seconded, and all were in favor.

Don Hackney, Mayor

Rhita Koches, City Secretary

SPECIAL CALLED CITY COUNCIL MEETING
1:30 P.M., THURSDAY, MAY 7, 1998

The Canton City Council met at the above named date and time in the City Hall Council Chambers. Members present were Mayor Don Hackney, Ronnie Fugate, Ron Sanford, and Charles Lide. Councilmen Jimmy Peace and Jack Etheridge were absent.

Discussion and action were as follows:

CALL MEETING TO ORDER - Mayor Don Hackney called the meeting to order.

CANVASS MAY 2, 1998 GENERAL ELECTION RETURNS - The Council canvassed the election returns for the May 2, 1998 election of the three Council members. After the Council canvassed the results of the election, Councilman Sanford made a motion to accept the returns as presented by the Election Judge with the results being as follows:

CANDIDATE	OFFICE	# OF VOTES
Jim C. Taylor	Council member	63
D. G. (Hoss) Williams	Council member	278
Raymond Pruitt	Council member	257
Charles E. Lide	Council member	176
Robert (Bob) Ernst	Council member	72
Tom Giles	Council member	101
TOTAL NUMBER OF VOTES CAST:		369

Councilman Fugate seconded the motion, and all were in favor.

ADJOURN - There being no further items for discussion, Councilman Fugate moved that the meeting be adjourned. Councilman Sanford seconded, and all were in favor.

Don Hackney, Mayor

Rhita Koches, City Secretary

SPECIAL CALLED CITY COUNCIL MEETING
8:00 A.M., SATURDAY, MAY 9, 1998

The Canton City Council met at the above named date and time in the City Hall Council Chambers. Members present were Mayor Don Hackney, Ronnie Fugate, Charles Lide, and Ron Sanford. Councilmen Jimmy Peace and Jack Etheridge were absent.

Discussion and action were as follows:

CALL TO ORDER AND ANNOUNCE QUORUM - Mayor Hackney called the meeting to order at 8:05 a.m. and declared that a quorum was present.

DISCUSS AND CONSIDER NEW FIRST MONDAY PAVILION – Councilman Sanford reported that the First Monday Committee has researched the feasibility of constructing a second pavilion to be located south of the First Monday Pavilion No. 1. In response to a question from Councilman Fugate, First Monday General Manager Al Campbell stated that construction could be from the current fiscal year's budget using the same plans engineered for the original pavilion structure. Following discussion, Councilman Lide moved that Mr. Campbell be authorized to proceed with construction of a second pavilion structure. Councilman Sanford seconded, and all were in favor.

EXECUTIVE SESSION FOR CONFERENCE WITH EMPLOYEES TO RECEIVE INFORMATION AND/OR QUESTION EMPLOYEES (Section 551.075) - The Council adjourned into Executive Session at 8:25 a.m. pursuant to the provision of the Open Meetings Law, Chapter 551, Govt. Code, Vernon's Texas Codes Annotated, in accordance with the authority contained in Section 551.075. During this briefing, members of the Council heard presentations and questioned employees regarding water and sewer matters, street improvements and repairs, and First Monday operations.

RECONVENE TO OPEN SESSION TO TAKE ANY ACTION REQUIRED PURSUANT TO DISCUSSIONS IN EXECUTIVE SESSION - The Council returned to open session at 9:25 a.m. with no action taken. During this meeting, members of the Council did not deliberate public business or agency policy which affected public business.

ADJOURN - There being no further business to come before the Council, Councilman Lide moved that the meeting be adjourned. Councilman Fugate seconded, and all were in favor.

Don Hackney, Mayor

Rhita Koches, City Secretary

SPECIAL CALLED CITY COUNCIL MEETING
8:00 A.M., SATURDAY, MAY 16, 1998

The Canton City Council met at the above named date and time in the City Hall Council Chambers. Members present were Mayor Don Hackney, Ronnie Fugate, Charles Lide, Jack Etheridge, and Ron Sanford. Councilman Jimmy Peace was absent. Councilmen-elect Raymond Pruitt and D. G. (Hoss) Williams were also present.

Discussion and action were as follows:

CALL TO ORDER AND ANNOUNCE QUORUM - Mayor Hackney called the meeting to order at 8:00 a.m. and declared that a quorum was present.

EXECUTIVE SESSION FOR CONFERENCE WITH EMPLOYEES TO RECEIVE INFORMATION AND/OR QUESTION EMPLOYEES (Section 551.075) - The Council adjourned into Executive Session at 8:00 a.m. pursuant to the provision of the Open Meetings Law, Chapter 551, Govt. Code, Vernon's Texas Codes Annotated, in accordance with the authority contained in Section 551.075. During this briefing, members of the Council heard presentations and questioned employees regarding the Canton Police Department.

RECONVENE TO OPEN SESSION TO TAKE ANY ACTION REQUIRED PURSUANT TO DISCUSSIONS IN EXECUTIVE SESSION - The Council returned to open session at 8:58 a.m. with no action taken. During this meeting, members of the Council did not deliberate public business or agency policy which affected public business.

ADJOURN - There being no further business to come before the Council, Councilman Lide moved that the meeting be adjourned. Councilman Sanford seconded, and all were in favor.

Don Hackney, Mayor

ATTEST:

Rhita Koches, City Secretary

REGULAR CITY COUNCIL MEETING
6:30 P.M., TUESDAY, MAY 19, 1998

The Canton City Council met at the above-named date and time in the City Hall Council Chambers with Mayor Don Hackney presiding. Those present were Councilmen Ronnie Fugate, Charles Lide, Ron Sanford and Jack Etheridge. Councilman Jimmy Peace was absent.
Discussion and action were as follows:

1. CALL TO ORDER AND ANNOUNCE QUORUM - Mayor Don Hackney

2. MAYOR'S WELCOME by Mayor Don Hackney.

3. INVOCATION was given by Councilman Ronnie Fugate.

4. PLEDGE OF ALLEGIANCE –The Pledge of Allegiance was led by Canton High School senior and First Monday scholarship recipient Jill Cortez. Following the pledge, Miss Cortez thanked the Council for assisting her with her college education.

5. OATH OF OFFICE ADMINISTERED TO ELECTED COUNCIL MEMBERS AND MAYOR BY MUNICIPAL COURT JUDGE BRENDA SANFORD - Judge Brenda Sanford administered the oath of office to newly elected Council members Charles Lide, Raymond Pruitt, and D. G. (Hoss) Williams. Mayor Hackney then presented a plaque to outgoing Councilman Jack Etheridge and thanked him for his service to the Council and the City of Canton.

6. APPOINTMENT OF MAYOR PRO TEM - Ronnie Fugate was unanimously elected as Mayor Pro Tem on a motion made by Councilman Sanford and seconded by Councilman Pruitt.

7. GUEST ITEMS – Mayor Hackney recognized Joe Melia and advised Mr. Melia that his request to videotape the Council meeting was being granted if he agreed to comply with the following requirements: video equipment to be set up on the back row in the corner of the room, near the wall, so as to not obstruct the view of anyone; equipment to be left running at all times; no lights other than the lighting provided in the Council room; and no participation in the meeting. When asked whether he would comply with the Council's requirements, Mr. Melia stated that he would but then asked if he would be allowed to speak on issues he had signed up to address as guest items. Mayor Hackney strongly cautioned Mr. Melia about his ongoing harassment at the meetings of the school district and county commissioners as well as his use of profanity.

8. CONSIDER APPROVAL OF MINUTES OF APRIL 21, MAY 7 AND MAY 9, 1998 MEETINGS – Councilman Fugate moved that the Minutes of the April 21, May 7, and May 9, 1998 Council meetings be approved as presented. Councilman Sanford seconded, and all were in favor.

9. CONSIDER APPROVAL OF APRIL 1998 FINANCIAL STATEMENTS - City Manager Johnny Mallory read the totals from the April 1998 Financial Statements. Councilman Williams questioned a payment to American Express in the amount of $4,398. Mr. Mallory explained that American Express cards were used for various things and that he could pull the invoice to provide details of the charges. Councilman Williams then stated that he had nineteen (19) dates he wanted to check. Mayor Hackney suggested that Councilman Williams meet with Mr. Mallory to review his questions. Councilman Lide moved that the financial statements be approved as presented. Councilman Fugate seconded, and all were in favor.
Mayor Hackney then announced that Agenda Item No. 16 would be taken out of order so that a member of the audience could report on the outcome of that item to another meeting.

16. DISCUSS AND CONSIDER AGREEMENT WITH VAN ZANDT COUNTRY CLUB FOR DISPOSITION OF SEWER PLANT EFFLUENT – Mr. Mallory explained that the Country Club was in need of water for the golf course and had proposed pumping Type I water from the City's wastewater treatment plant. Mr. Mallory reported that Type II water cannot be used primarily due to its turbidity. He said that the City of Canton can produce Type I water 90% of the time. If at any time the water tests at Type II, pumping will cease. Mr. Mallory explained that an agreement had been proposed for a term of five years at no cost to the City of Canton. He also informed the Council that the agreement was to be presented to the Country Club's Board and would then be submitted to the Texas Natural Resources Conservation Commission for approval. He stated that tests would be conducted at the City's wastewater treatment plant twice per week. Councilman Sanford moved that the agreement be approved. Councilman Lide seconded, and all were in favor. Kenneth Pruitt thanked the Council for their attention to the Country Club's request and stated that he would present the agreement to the Club's Board that evening.

10. DISCUSS AND CONSIDER CONSTRUCTION OF SIGN FOR CANTON CIVIC CENTER – First Monday General Manager Al Campbell presented drawings for a proposed 6'x14' double-faced internally illuminated sign on a 15' stand to be constructed at the Highway 64 entrance to the Canton Civic Center. Mr. Campbell explained that, due to the projected cost of this sign, it would be necessary to seek bids. He stated that, with the new red light up the hill on Highway 64, a sign of this proportion would be in direct line of sight. Councilman Lide asked about programming the message center on the sign, and Mr. Campbell explained that City staff would be trained to program the messages. Mr. Campbell polled the Council on the proposed color of the sign, and it was discussed that the blue color proposed would match the Civic Center as well as the new bandstand. Councilman Fugate moved that Mr. Campbell be authorized to proceed with putting the project out for bids. Councilman Sanford seconded, and all were in favor.

11. SECOND PUBLIC HEARING ON ANNEXATION OF 20.425 ACRE TRACT LOCATED OFF HIGHWAY 64 EAST OWNED BY BRUCE DAVIS, DEBORAH DAVIS, AND MARY JULIA KING, INCLUDING ANY CONTIGUOUS ROADWAY AND RIGHT-OF-WAY – Mayor Hackney opened the public hearing at 6:53 p.m. and recognized Joe Melia. Mr. Melia stated that he did not think it would be a good idea for "Willie's Mountain" to be tied into the City of Canton. There being no further comments, the public hearing was closed at 6:54 p.m. Mr. Mallory stated that the Annexation Ordinance would be considered by the Council on June 16, 1998.

12. DISCUSS AND CONSIDER APPOINTMENTS TO PLANNING & ZONING COMMISSION – City Secretary Rhita Koches informed the Council that Lynn Etheridge and Clifford Caviness had agreed to be re-appointed to the Commission and that Lucia Deen had agreed to accept an appointment. Councilman Fugate moved that Lynn Etheridge and Clifford Caviness be re-appointed to the Commission and that Lucia Deen be appointed as a new member of the Commission. Councilman Lide seconded, and all were in favor.

13. DISCUSS AND CONSIDER APPOINTMENTS TO BOARD OF ADJUSTMENT – Mrs. Koches reported that Ben Shirey had requested that he not be re-appointed to the Board, Harry Minton and Alton Smith had agreed to be re-appointed, and Ed Morzak had agreed to accept an appointment. Councilman Pruitt moved that Harry Minton, Alton Smith, and Ed Morzak be appointed to the Board of Adjustment. Councilman Fugate seconded, and all were in favor.

14. DISCUSS AND CONSIDER WATER TAP OUTSIDE CITY LIMITS ON FM 2909 FOR DON BAKER – Mr. Mallory explained that Mr. Baker planned to build a house on FM 2909 and has requested permission for a tap on the eight inch water line which has been constructed for water to the Lake Meadows Subdivision. Mr. Mallory stated that, pursuant to the City's Reimbursement Agreement with Lake Meadows Joint Venture, Mr. Baker would have to pay the City's outside water tap fee of $800 in addition to a $1,200 fee to Lake Meadows. Councilman Fugate moved that the request be approved. Councilman Lide seconded, and all were in favor.

15. DISCUSS AND CONSIDER DATE FOR GENERAL CLEAN-UP AND CITY PICK UP – Mr. Mallory explained that City crews would be utilized to pick up large items on June 3-4, 1998. He explained that the City is unable to pick up refrigerators, freezers, or air conditioners with compressors, tires, batteries, or paint. Councilman Lide asked about the frequency of this service. Mr. Mallory stated that he would like to review the matter after the June 3-4 pickup. It was the consensus of the Council that this was a one-time service. Councilman Fugate moved that the City proceed with the proposed June 3-4, 1998, clean up. Councilman Sanford seconded, and all were in favor.

17. DISCUSS AND CONSIDER SALE OF WATER TANK AT MILL CREEK – Mr. Mallory informed the Council that a bid of $4,000 had been received for the 20,000 gallon bolted water tank located at Mill Creek. He stated that pumping had been discontinued some time ago. Mr. Mallory said that it may be necessary to use the tank in connection with providing reclaimed water to the Van Zandt Country Club. Councilman Lide asked about the City's easement on the property where the tank is located. Mr. Mallory stated that the easement would no longer be needed by the City. Councilman Lide moved that Mr. Mallory be authorized to dispose of the water tank, at his discretion, by selling it or using it for the Country Club project. Councilman Fugate seconded, and all were in favor.

18. DISCUSS AND CONSIDER ADOPTION OF POLICY AND AMENDMENT TO PERSONNEL HANDBOOK & POLICY MANUAL REGARDING EMPLOYEE USE OF CITY VEHICLES – Mr. Mallory explained that the proposed policy would allow City employees who live inside the city limits to take City vehicles assigned to them home. Employees who live outside the city limits would only be allowed to take a City vehicle home if they are on call. Councilman Sanford moved that the following policy be adopted:

> City vehicles may be taken outside the city limits only on official City business. A supervisor or employee who lives inside the city limits may take a City vehicle home for the evening; however, said vehicle may not be used for personal use. Those employees who live outside the city limits may take a vehicle home only if they are the person designated on call for that evening for their

respective department. Vehicles taken outside the city limits by others will be at the discretion of management.

Employees who drive a vehicle on City business must, in addition to meeting any other requirements contained herein, exercise due diligence to drive safely and to maintain the security of the vehicle and its contents. Drivers must also make sure that the vehicle meets any City or legal standards for insurance, maintenance, and safety. Employees are responsible for any driving infractions or fines that result from their driving and must report them to their supervisors.

Councilman Fugate seconded, and all were in favor.

19. DISCUSS AND CONSIDER ALL MATTERS PERTAINING TO CANTON POLICE DEPARTMENT – Mayor Hackney stated that Councilman Pruitt had requested this agenda item. Councilman Pruitt asked about the Police Department's policy for unlocking car doors. Chief of Police Ron Carroll stated that the Council had previously voted, at the request of a Councilman and area locksmiths, to cease opening car doors unless there was an emergency such as a child inside a vehicle. Mayor Hackney stated that there was also a question as to the City's liability for any damage incurred while opening vehicles. Councilman Pruitt asked if the policy was adhered to strictly. Chief Carroll stated that his department would be glad to do whatever the Council wants. At the suggestion of Mayor Hackney, Councilman Pruitt asked that this matter be placed on the agenda for the next Council meeting.
Councilman Pruitt then asked if the Police Department's Monthly Report which is distributed to the Council could be broken down by shifts. Chief Carroll stated that it could and he would do so for the next month's report.

Councilman Pruitt then stated that he realized there were a lot of "men" working in the department and that some were on grants. He asked about the breakdown of those grants. Chief Carroll explained the terms of the grants. Mr. Mallory stated that there is currently one state grant and three federal grants. Councilman Williams asked if the City is required to pick up the expense of that officer at the expiration of the grant. Mr. Mallory and Chief Carroll said that was not the case. Councilman Lide asked if reserve officers were compensated, and Mr. Mallory said that they are not. He said that, for the most part, they are just trying to maintain their certification.

Councilman Pruitt then stated that his other concerns should probably be addressed privately. Mayor Hackney asked if it was a matter for executive session or if he could meet with Mr. Mallory. Councilman Pruitt stated that he would meet with Mr. Mallory.

20. DISCUSSION PERTAINING TO OLD AND NEW BUSINESS FOR PLACEMENT ON FUTURE AGENDAS – Mr. Mallory informed the Council that the Van Zandt County Fair Association had requested the use of a City golf cart and water truck during the County Fair in June. There were no objections by the Council.

Councilman Pruitt's request to reconsider unlocking car doors was the only item to be placed on future agendas.

21. ADJOURN – There being no further business to come before the Council, Councilman Sanford moved that the meeting be adjourned. Councilman Fugate seconded, and all were in favor.

Don Hackney, Mayor

ATTEST:

Rhita Koches, City Secretary

SPECIAL CALLED MEETING OF THE CANTON CITY COUNCIL
8:00 A.M. SATURDAY, JUNE 6, 1998
290 EAST TYLER STREET CANTON, TEXAS 75103

The Canton City Council met at the above named date and time in the City Hall Council Chambers. Members present were Mayor Don Hackney, Ronnie Fugate, Charles Lide, Raymond Pruitt and Ron Sanford. Councilman Hoss Williams was absent.

Discussion and action were as follows:

CALL TO ORDER AND ANNOUNCE QUORUM - Mayor Hackney called the meeting to order at 8:05 a.m. and declared that a quorum was present.

EXECUTIVE SESSION FOR CONFERENCE WITH EMPLOYEES TO RECEIVE INFORMATION AND/OR QUESTION EMPLOYEES (Section 551.075) - The Council adjourned into Executive Session at 8:05 a.m. pursuant to the provision of the Open Meetings Law, Chapter 551, Govt. Code, Vernon's Texas Codes Annotated, in accordance with the authority contained in Section 551.075. During this briefing, members of the Council heard presentations and questioned employees regarding water and sewer matters, street improvements and repairs, and First Monday operations.

RECONVENE TO OPEN SESSION TO TAKE ANY ACTION REQUIRED PURSUANT TO DISCUSSIONS IN EXECUTIVE SESSION - The Council returned to open session at 9:07 a.m. with no action taken. During this meeting, members of the Council did not deliberate public business or agency policy which affected public business.

ADJOURN - There being no further business to come before the Council, Councilman Lide moved that the meeting be adjourned. Councilman Fugate seconded, and all were in favor.

ATTEST:

Rhita Koches, City Secretary

Don Hackney, Mayor

REGULAR CITY COUNCIL MEETING
6:30 P.M., TUESDAY, JUNE 16, 1998

The Canton City Council met at the above-named date and time in the City Hall Council Chambers with Mayor Don Hackney presiding. Those present were Councilmen Ronnie Fugate, Charles Lide, Ron Sanford and Raymond Pruitt. Councilman Hoss Williams arrived during presentation of Agenda Item No. 7.

Discussion and action were as follows:

1. CALL TO ORDER AND ANNOUNCE QUORUM - Mayor Don Hackney

2. MAYOR'S WELCOME by Mayor Don Hackney.

3. INVOCATION was given by Councilman Ronnie Fugate.

4. PLEDGE OF ALLEGIANCE –The Pledge of Allegiance was led by Councilman Lide.

5. GUEST ITEMS – Mayor Hackney announced that there were no guest items.

6. CONSIDER APPROVAL OF MINUTES OF MAY 16, 1998 AND MAY 19, 1998 MEETINGS – Councilman Lide moved that the Minutes of the May 16 and May 19, 1998 Council meetings be approved as presented. Councilman Sanford seconded, and all were in favor.

7. CONSIDER APPROVAL OF MAY 1998 FINANCIAL STATEMENTS – City Manager Johnny Mallory read the totals from the May 1998 Financial Statements. Mr. Mallory noted that bond payments will be due in July and August. Councilman Fugate moved that the financial statements be approved as presented. Councilman Lide seconded, and all were in favor.

8. DISCUSS AND CONSIDER AWARDING BID FOR 1999 CHASSIS FOR CANTON VOLUNTEER FIRE DEPARTMENT – Mr. Mallory read the tabulation of bids received:

Metro Ford Truck Sales, Inc. Dallas, Texas	$34,102.00
Pegues Hurst Motor Company Longview, Texas	$33,500.68

Mr. Mallory explained that the Canton Volunteer Fire Department was requesting that the City pay half of the cost of this new vehicle. CVFD Representative Mike McLemore confirmed that request and added that he had obtained estimates to refurbish and re-mount an old bed for this new chassis. He estimated the cost of transferring an old bed to be $18,000 to $19,000 and the cost of a new bed to be between $30,000 and $40,000. Mr. Mallory estimated the total cost of this vehicle to be approximately $52,000. He suggested purchasing the chassis on Ford Motor Credit's purchase plan over three years with payments on a 50-50 basis with the Fire Department.

Councilman Fugate moved that the bid of Pegues Hurst Motor Company be accepted. Councilman Pruitt seconded, and all were in favor.

9. DISCUSS AND CONSIDER ACCEPTANCE OF PETITION FOR ANNEXATION FROM DEBORAH MCGREGER, MICHAEL MCGREGER, AND MICHAEL COX FOR TRACT LOCATED AT RT. 6, BOX 145 AND BOX 146 (FM 859) - Mr. Mallory presented an overhead plat of the subject tract. Councilman Fugate moved that the petition for annexation be accepted. Councilman Pruitt seconded, and all were in favor.

10. DISCUSS AND CONSIDER ADOPTION OF ORDINANCE ANNEXING 20.425 ACRE TRACT LOCATED OFF HIGHWAY 64 EAST OWNED BY BRUCE DAVIS, DEBORAH DAVIS, AND MARY JULIA KING, INCLUDING ANY CONTIGUOUS ROADWAY AND RIGHT-OF-WAY – Mr. Mallory presented an overhead plat of the subject tracts including the 20.425 acre tract ("the Mountain") and a 0.5 acre tract ("Chicken Bob's") owned by Frank and Norma Corry on FM 17. Councilman Fugate moved that the Ordinance be adopted. Councilman Sanford seconded, and all voted in favor of the motion.

11. DISCUSS AND CONSIDER REQUEST FOR SEWER TAP ON HIGHWAY 64 EAST FROM NORMA JEAN CORRY – Mrs. Corry stated that she had visited with Mr. Mallory and received the measurements and figures for sewer service to property on Highway 64 which was recently annexed. Councilman Fugate stated that he had also talked with Mrs. Corry and assured her that the City would provide her with an estimate of the cost of this service as well as a time for installation. Mr. Mallory stated that the property is now located inside the city limits and Council approval was not necessary for the tap.

12. DISCUSS AND CONSIDER REQUEST OF BUFFALO VILLAGE (CARL PACE) TO CLOSE BUFFALO STREET FROM TERRELL TO GROVES ON SATURDAY, JULY 4, 1998, FROM 5:00 P.M. TO 9:30 P.M. – Councilman Lide moved that the request of Buffalo Village to close Buffalo Street from Terrell to Groves on July 4th from 5:00 p.m. to 9:30 p.m. be granted. Councilman Sanford seconded, and all voted in favor of the motion.

13. DISCUSS AND CONSIDER PRESENTATION AND PETITION BY FIRST MONDAY VENDOR JIM TURNER REGARDING PROPOSED LOCATION OF NEW PAVILION – Mayor Hackney recognized Jim Turner, a First Monday vendor for four years from Wood County. Mr. Turner told the Council that vendors had been told in the past that the hill area was to be promoted as a historical area. He then presented a petition signed by numerous vendors and shoppers requesting the Council's reconsideration of the plan to construct a "twin" to the new pavilion. He cited the Council's past reconsideration of items such as lot rental based on foot traffic and the sale of animals on the hill. Mr. Turner stated that he was "anti-pavilion" and "pro-environment." Mr. Turner said he felt the First Monday experience was a triangle with consisting of the City, the buyer, and the seller. Of the three, he said that the buyer and seller are most important, and it was his opinion that, of those two, the seller was the most important. He stated that he was concerned about what he felt was the lack of a relationship between the City and the vendors. He said that old vendors are asking to maintain the old historic part of First Monday, and the City keeps pouring concrete and pulling trees. Mr. Turner asked who benefits

from the construction of a pavilion. He said he did not think the outside vendors were benefited, and the vendors inside the pavilion had to pay exorbitant rent and did not get the experience of meeting with people. He said he did not feel the shoppers benefit from a pavilion because they have to pay exorbitant prices. He stated that the owners of the pavilion are the only ones to benefit. Mr. Turner then stated that, traditionally, a city is charged with providing basic services which requires taxing the citizens. He said that Canton seems to be more concerned with getting more money. He cited a recent press release which noted a 15% increase in sales tax paid to the City of Canton over the same month last year. He said it was his understanding that the Pavilion No. 1 is full with a waiting list. Mr. Turner asked whether, with all the additional income, the City of Canton is moving from government to free enterprise. Mr. Turner then addressed what he considered to be the loss to the environment which would result from the construction of a new pavilion. He contradicted the estimate of 33 trees to be removed and said that it appears that a total of 51 trees will be destroyed. Mr. Turner presented the Council with pictures of the area. He asked that the City not construct any more pavilions but, if a pavilion was to be built, that the City seek input from vendors and seek professional help as to placement of the pavilion. He also asked that, if the Council felt the signatures presented were insufficient, a number of necessary signatures be established with a reasonable time granted to obtain the signatures. Mayor Hackney asked to keep the packet of signatures and photos presented by Mr. Turner and thanked him for his presentation.

14. DISCUSS AND CONSIDER ALLOWING OWNERS OF PERMANENT STRUCTURES IN FIRST MONDAY PARK TO SUBLET – Councilman Sanford stated that he felt anyone willing to invest $15,000 to $20,000 to construct a building should be allowed to sub-let. Councilman Fugate stated that a limit to the number of buildings should be established. Councilman Sanford stated that an area for constructing buildings has already been designated and that guidelines for construction have already been adopted. Councilman Lide questioned whether the City would have any control over what is sold, and Councilman Sanford stated that the City does not have that control now. Councilman Sanford moved that owners of permanent structures be permitted to sub-let those lots. Councilman Pruitt seconded the motion. Councilmen Sanford, Pruitt, and Williams voted in favor of the motion, and Councilmen Lide and Fugate voted against the motion. The motion carried.

15. EXECUTIVE SESSION FOR DELIBERATIONS REGARDING REAL PROPERTY (SEC. 551.072) – The Council adjourned into Executive Session at 7:15 p.m. to discuss the potential sale of the 10 acre tract located on Hwy. 243 owned by the City.

16. EXECUTIVE SESSION FOR DELIBERATIONS REGARDING PERSONNEL MATTERS (SEC. 551.074) – The Council then reviewed pending personnel matters.

17. RECONVENE INTO OPEN SESSION AND CONSIDER ACTION, IF ANY, ON ITEMS DISCUSSED IN EXECUTIVE SESSION – The Council returned to Open Session at 8:20 p.m. with no action taken.

18. DISCUSSION PERTAINING TO OLD AND NEW BUSINESS FOR PLACEMENT ON FUTURE AGENDAS – Councilman Lide requested that the City proceed with forcible annexation of property on Mill Creek Road which is not currently located inside the city limits.

19. ADJOURN – There being no further business to come before the Council, Councilman Sanford moved that the meeting be adjourned. Councilman Lide seconded, and all were in favor.

Don Hackney, Mayor

ATTEST:

Rhita Koches, City Secretary

SPECIAL CALLED MEETING
CANTON CITY COUNCIL
SATURDAY, JULY 18, 1998
8:00 A.M.
290 EAST TYLER STREET
CANTON, TEXAS 75103

The Canton City Council met at the above-named date and time in the City Hall Council Chambers. Members present were Mayor Don Hackney, Ronnie Fugate, Charles Lide, Raymond Pruitt and Ron Sanford. Councilman Hoss Williams was absent.

Discussion and action were as follows:

CALL TO ORDER AND ANNOUNCE QUORUM - Mayor Hackney called the meeting to order at 8:05 a.m. and declared that a quorum was present.

EXECUTIVE SESSION FOR CONFERENCE WITH EMPLOYEES TO RECEIVE INFORMATION AND/OR QUESTION EMPLOYEES (Section 551.075) - The Council adjourned into Executive Session at 8:07 a.m. pursuant to the provision of the Open Meetings Law, Chapter 551, Govt. Code, Vernon's Texas Codes Annotated, in accordance with the authority contained in Section 551.075. During this briefing, members of the Council heard presentations and questioned employees regarding water and sewer matters, street improvements and repairs, police department matters, animal control, employee handbook issues, and First Monday operations.

RECONVENE TO OPEN SESSION TO TAKE ANY ACTION REQUIRED PURSUANT TO DISCUSSIONS IN EXECUTIVE SESSION - The Council returned to open session at 9:15 a.m. with no action taken. During this meeting, members of the Council did not deliberate public business or agency policy which affected public business.

ADJOURN - There being no further business to come before the Council, Councilman Sanford moved that the meeting be adjourned. Councilman Lide seconded, and all were in favor.

Don Hackney, Mayor

ATTEST:

Rhita Koches, City Secretary

REGULAR CITY COUNCIL MEETING
6:30 P.M., TUESDAY, JULY 21, 1998

The Canton City Council met at the above-named date and time in the City Hall Council Chambers with Mayor Don Hackney presiding. Those present were Councilmen Ronnie Fugate, Charles Lide, Ron Sanford and Raymond Pruitt. Councilman Hoss Williams arrived during presentation of Agenda Item No. 5.

Discussion and action were as follows:

1. CALL TO ORDER AND ANNOUNCE QUORUM - Mayor Don Hackney

2. MAYOR'S WELCOME by Mayor Don Hackney.

3. INVOCATION was given by Councilman Ronnie Fugate.

4. PLEDGE OF ALLEGIANCE –The Pledge of Allegiance was led by Mayor Hackney.

5. GUEST ITEMS – Mayor Hackney recognized Mr. Jim Gates, a First Monday vendor. Mr. Gates stated that he wanted the Council to be aware of recreational vehicles parking behind booths in the City's Pavilion. Mr. Turner said that the air conditioners from these vehicles were throwing breakers and causing electrical problems. Mayor Hackney asked whether Mr. Turner had addressed these concerns with First Monday General Manager Al Campbell. When Mr. Gates said he had not, Mayor Hackney encouraged him to do so since that is Mr. Campbell's primary duty. Mr. Gates recommended that the parking be moved so that they are parking campers behind their own booths.

Mayor Hackney then recognized Shirley Williams, a First Monday vendor from Rockwall. Ms. Williams stated that she had been a vendor since the early 1980s and expressed her concern about the loss of trees due to the construction of a new pavilion. She said she has seen vendors leaving the Arbors sick from the heat. Mayor Hackney explained that the City would be re-planting two trees for each tree removed during construction of the new pavilion. Ms. Williams said she did not understand the decision to cut down trees to build what will be a sauna bath.

Mayor Hackney next recognized Mr. Jim Turner, a First Monday vendor from Hawkins. Mr. Turner stated that he would like address the removal of trees to construct a pavilion. Mayor Hackney stated that this issue had previously been visited by the Council, that a decision had been reached, and the pavilion would be built. Mr. Turner said he wanted to make public the results of his survey concerning the removal of trees. Mayor Hackney suggested that he meet with a reporter who was present at the meeting. Mr. Turner stated that he would like to present the results of an organized petition drive. Mayor Hackney again explained that the issue had been voted on and ask Mr. Turner to be seated. Mr. Turner requested that he be given one minute. He then explained that Mattie Lawrence had obtained 130 signatures and ten had been deleted as duplicates. An additional 930 signatures had been obtained for a total of 1,050 signatures, including 12 "citizens of Canton." Mayor Hackney stated that, unless he was instructed differently by the Council, the Council's earlier decision stands.

6. CONSIDER APPROVAL OF MINUTES OF JUNE 6, 1998 AND JUNE 16, 1998 MEETINGS – Councilman Fugate moved that the Minutes of the June 6 and June 16, 1998 Council meetings be approved as presented. Councilman Pruitt seconded, and all were in favor.

7. CONSIDER APPROVAL OF JUNE 1998 FINANCIAL STATEMENTS – City Manager Johnny Mallory read the totals from the June 1998 Financial Statements. Councilman Pruitt moved that the financial statements be approved as presented. Councilman Fugate seconded, and all were in favor.

8. REVIEW OF SCHEDULE FOR REMOTE CONTROL BOATS ON LAKE CANTON – First Monday General Manager Al Campbell reported that, in response to concerns from residents of the area, he had met with the remote control boat group. They have discussed holding their events on a quarterly basis and questioned what the quarter would be. Their schedule is March through November. Mayor Hackney explained to the representatives of the group in attendance that the Council had heard concerns by residents near the lake about the frequency of the races but would not necessarily hold them to one race per quarter. Mr. Campbell suggested that the group prepare a schedule for their upcoming season and present it to the City for approval prior to publication. Mr. Giles, a representative of the remote control boat group, said that their races are usually on Sundays only. For large events, the races run two days. The group held two of those events last year because another club needed to use the facilities available at Lake Canton. Councilman Fugate explained that some of the citizens had complained because they were unable to swim during races. He said the citizens had also reported that the remote control group had always been nice to them. Mr. Giles explained that their schedule currently called for races July 26th, August 23rd, September 20th, October 18th, and November 22nd. He said that they would scratch some of those events and go with only two more races.

9. DISCUSS AND CONSIDER HOURS FOR EARLY SET-UP FOR VENDORS IN PERMANENT STRUCTURES – Councilman Pruitt explained that, since allowing vendors with permanent structures to begin set-up at 9:00 a.m. Wednesday, vendors in the pavilions have requested that they also be allowed to begin set-up at that time. He acknowledged that this may interfere with some of the last-minute clean up in the First Monday park. Mr. Campbell stated that as days are added, expenses increase.

Councilman Pruitt moved that all vendors located inside permanent structures be allowed access to their booths to begin set-up at 9:00 a.m. on Wednesday before First Monday weekend with no sales being conducted until Thursday. Councilman Sanford seconded. Councilmen Ronnie Fugate, Raymond Pruitt, Ron Sanford, and Hoss Williams voted in favor. Councilman Charles Lide voted against the motion, and the motion carried.

10. DISCUSS AND CONSIDER ADOPTION OF CITY POLICY ON SEXUAL HARASSMENT – City Manager Johnny Mallory explained that the City's public official liability insurance carrier has required the adoption of a written policy regarding sexual harassment. Councilman Fugate moved that the following policy be adopted:

SEXUAL HARASSMENT

It is the policy of the City of Canton to utilize positive and professional personnel practices designed to ensure the full realization of equal employment opportunity without regard to race, color, age, religion, sex or national origin, including freedom from sexual harassment.

A. Forbidden is harassment of a sexual, racial, ethnic, or religious nature. Such harassment includes unsolicited remarks, gestures or physical contact, display or circulation of written materials or pictures derogatory to either gender or to racial, ethnic or religious groups.

B. Specifically, no supervisor shall threaten or insinuate, either explicitly or implicitly, that an employee's refusal to submit to sexual advances will adversely affect the employee's employment, evaluation, wages, advancement, assigned duties, shifts, or any other condition of employment or career development.

C. Other sexual harassing conduct in the workplace, whether committed by supervisors or non-supervisory personnel, is also prohibited. This includes:

1. Repeated offensive sexual flirtations, advances, or propositions;
2. Continual or repeated verbal abuse of a sexual nature;
3. Graphic verbal commentaries about an individual's body; or
4. Sexually suggestive objects or pictures

D. Any employee or applicant that feels that he or she has been discriminated against due to his or her sex should report, such incidents to his or her immediate supervisor, without fear of reprisal. Confidentiality will be maintained.

E. In determining whether alleged conduct constitutes sexual harassment, the totality of the circumstances, the nature of the harassment, and the context in which alleged incidents occurred will be investigated.

F. Where an investigation confirms the allegation, prompt corrective action will be taken.

G. The City of Canton considers sexual harassment to be a major offense which can result in the suspension or termination of the offender.

Councilman Pruitt seconded the motion, and all were in favor.

11. DISCUSS AND CONSIDER ADOPTION OF CITY POLICY ON GRIEVANCE PROCEDURE – Mr. Mallory stated that, although the City had always had a method for resolving employees' grievances, there was no written policy. He explained that the City's public official liability insurance carrier has required the adoption of a written policy regarding grievances. Councilman Williams questioned whether City employees had been given an opportunity to review the proposed policy. Mr. Mallory responded that they had not, and it was determined that the policy would be presented to the employees for their input and then presented to the Council again.

12. DISCUSS AND CONSIDER ADOPTION OF RESOLUTION APPROVING TEMPORARY CONSTRUCTION SPEED ZONE FOR DURATION OF IH 20 AND SH 19 CONSTRUCTION – Mr. Mallory explained that the Texas Department of Transportation has requested that the Council adopt a resolution for a construction speed zone during the constructing of the SH 19 bridge. Mr. Mallory said that the speed limit would be reduced from 70 mph to 55 mph when posted. Councilman Sanford moved that the following Resolution be adopted:

RESOLUTION FOR TEMPORARY CONSTRUCTION SPEED ZONE

WHEREAS, the Texas Department of Transportation has scheduled the major reconstruction of the State Highway 19 bridge across Interstate 20; and

WHEREAS, the current speed limit in the immediate area of the planned construction would create an unsafe environment for workers, drivers, and pedestrians; and

WHEREAS, the Texas Department of Transportation has requested the establishment of a construction speed zone in the area of the construction;

NOW, THEREFORE, BE IT RESOLVED that the CITY OF CANTON does hereby authorize the establishment of a construction speed zone reducing the speed from 70 mph to 55 mph with such reduction to be posted when conditions warrant and enforced only when posted.

Councilman Lide seconded, and all were in favor.

13. DISCUSS AND CONSIDER EXTENSION OF SEWER LINE OUT WEST COLLEGE STREET – Mr. Mallory reported that several property owners have requested that sewer services be extended out West College. Mr. Mallory said that the property cannot be annexed at this time because it is not adjacent to the current city limits. He further explained that the residents in the

area have agreed to pay 100% of the cost which is estimated to be approximately $20,000. The Council would need to establish a sewer rate for service outside the city limits which Mr. Mallory recommended to be one and one-half times the city's usual rate. Councilman Fugate moved that the services be extended based on the residents' payment of 100% of the cost and their agreement to be annexed inside the city limits when possible and that the outside the city sewer rate be set at one and one-half times the inside the city rate. Councilman Pruitt seconded, and all were in favor.

14. DISCUSS AND CONSIDER PERMITS FOR BOATS ON MILL CREEK LAKE – Councilman Pruitt said that the subject of boat permits had been brought to his attention as a means of raising funds for improvements at Mill Creek Lake. Councilman Fugate noted that the Council had addressed this issue several years ago and found that it could be accomplished. He requested, however, that the permits be free to citizens of Canton. Councilman Pruitt moved that City of Canton Ordinance No. 94-13 be amended to require all boats on Mill Creek Reservoir to have permits to be issued at a cost of $25 for a one year period; that said permits shall be free to the citizens of Canton, Texas; that the existing penalty provisions of Ordinance 94-13 apply to any failure to comply with this amendment; and that such amendment become effective October 1, 1998. Councilman Fugate seconded the motion. Councilmen Fugate, Lide, Sanford, and Pruitt voted in favor of the motion. Councilman Williams voted against the motion, and the motion carried.

15. DISCUSS AND CONSIDER ACCEPTANCE OF ANNEXATION PETITIONS FOR 0.68 ACRE TRACT ON FM 859 OWNED BY ST. THERESE CATHOLIC CHURCH, A 27.67 ACRE TRACT ON FM 859 OWED BY MAURICE EUBANK AND TRILATERAL ENTERPRISES, INC., AND A 31.41 ACRE TRACT ON FM 859 OWNED BY THE CANTON ECONOMIC DEVELOPMENT CORPORATION, INCLUDING ANY AND ALL ROADWAY AND RIGHT-OF-WAY ADJACENT AND CONTIGUOUS TO SAID TRACTS – City Manager Johnny Mallory stated that the purpose of these annexations is to bring the proposed industrial park into the city limits. He explained that the primary tract of St. Therese Catholic Church was annexed in June of 1997 and is the northern city limits out FM 859. The Church subsequently purchased another small tract north of the annexed property and is requesting annexation of that additional tract. The Eubank family has requested annexation of a portion of the tract they own north of the Church. The Canton Economic Development Corporation has requested annexation of the 31 acre tract which is the proposed site of the Canton Industrial Park. Mr. Mallory also informed the Council that the Eubank and CEDC annexations are conditioned on obtaining zoning of the 31 acre industrial park as G1 (General Industrial). Councilman Sanford moved that the annexation petitions be accepted and that the annexation process be initiated. Councilman Lide seconded, and all were in favor.

16. FIRST PUBLIC HEARING ON ANNEXATION OF APPROXIMATELY FIVE ACRES LOCATED AT RT. 6, BOX 145 AND BOX 146 (FM 859) OWNED BY DEBORAH MCGREGER, MICHAEL MCGREGER, AND MICHAEL COX - Mayor Hackney opened the public hearing at 7:20 p.m. There being no comments, the public hearing was closed at 7:21 p.m.

17. EXECUTIVE SESSION FOR DELIBERATIONS REGARDING REAL PROPERTY (SEC. 551.072) - The Council adjourned into Executive Session at 7:25 p.m. to consider the proposed sale of real property owned by the City of Canton.

18. EXECUTIVE SESSION FOR DELIBERATIONS REGARDING PERSONNEL MATTERS (SEC. 551.074) – The Council's Executive Session moved to deliberations regarding personnel matters at 7:55 p.m. At the request of the Council, the City staff members were excused from the session.

19. RECONVENE INTO OPEN SESSION AND CONSIDER ACTION, IF ANY, ON ITEMS DISCUSSED IN EXECUTIVE SESSION - At 8:20 p.m. the Council returned to open session. Councilman Ron Sanford moved that the City's organizational chart be amended to create the position of an Assistant City Manager to be under the supervision of the City Manager and that the position of First Monday General Manager be moved under the supervision of the City Manager. Councilman Pruitt seconded the motion. Councilmen Sanford, Pruitt, and Williams voted in favor of the motion. Councilmen Fugate and Lide voted against the motion. The motion carried.

20. DISCUSSION PERTAINING TO OLD AND NEW BUSINESS FOR PLACEMENT ON FUTURE AGENDAS – Councilman Fugate requested that Mr. Mallory contact the engineer who drew up the plans for a proposed swimming pool several years ago. Councilman Pruitt requested that the Council address the FM 859 parking lot and the possibility of leasing the Tarpley-Duke property.

21. ADJOURN – There being no further business to come before the Council, Councilman Williams moved that the meeting be adjourned. Councilman Lide seconded, and all were in favor. The meeting adjourned at 8:25 p.m.

Don Hackney, Mayor

ATTEST:

Rhita Koches, City Secretary

SPECIAL CALLED MEETING
CANTON CITY COUNCIL
6:00 P.M., TUESDAY, AUGUST 4, 1998
CITY HALL, 290 E. TYLER STREET, CANTON, TEXAS

CALL TO ORDER AND ANNOUNCE QUORUM - The Canton City Council met at the above-named date and time in the City Hall Council Chambers. Members present were Mayor Don

Hackney, Ronnie Fugate, Charles Lide and Ron Sanford. Councilman Pruitt arrived prior to the budget workshop. Councilman Hoss Williams was absent.

Discussion and action were as follows:

CALL TO ORDER AND ANNOUNCE QUORUM - Mayor Hackney called the meeting to order at 6:00 p.m. and declared that a quorum was present.

FIRST PUBLIC HEARING ON ANNEXATION OF 0.68 ACRE TRACT ON FM 859 OWNED BY ST. THERESE CATHOLIC CHURCH, A 27.67 ACRE TRACT ON FM 859 OWED BY MAURICE EUBANK AND TRILATERAL ENTERPRISES, INC., AND A 31.41 ACRE TRACT ON FM 859 OWNED BY THE CANTON ECONOMIC DEVELOPMENT CORPORATION, INCLUDING ANY AND ALL ROADWAY AND RIGHT-OF-WAY ADJACENT AND CONTIGUOUS TO SAID TRACTS – Mayor Hackney opened the public hearing at 6:04 p.m. There being no comments, the public hearing was closed at 6:04 p.m.

SECOND PUBLIC HEARING ON ANNEXATION OF APPROXIMATELY FIVE ACRES LOCATED AT RT. 6, BOX 145 AND BOX 146 (FM 859) OWNED BY DEBORAH MCGREGER, MICHAEL MCGREGER, AND MICHAEL COX - – Mayor Hackney opened the public hearing at 6:05 p.m. There being no comments, the public hearing was closed at 6:05 p.m.

DISCUSSION AND WORKSHOP PERTAINING TO PROPOSED 1998-1999 BUDGET – City Manager Johnny Mallory addressed the Council regarding proposed items to be considered in the budget and requested input from the Council for items beyond normal operations. Mr. Mallory outlined new regulatory mandates and the estimated cost to the City in complying with those regulations. The Council discussed current rates charged by the City and services which are provided without charge. The Council heard various options for improving the City's water supply.

Councilman Fugate expressed his desire to make improvements at the parks. He said that Tonda Hatfield has agreed to serve on a citizens committee to make suggestions and recommendations concerning the parks. Mr. Fugate explained that, in lieu of a swimming pool, he would like to explore the concept of developing a swimming area at Mill Creek Lake. He suggested obtaining recommendations from an engineer for a retaining wall and swimming beach area. He said he was optimistic that the Canton Economic Development Corporation would be willing to assist with funding such a facility.

Councilman Fugate also suggested that the Council's Street Committee needs to meet to make recommendations for budget purposes. Mr. Mallory said that the current schedule provided for improvements to the end of Forrest, Denise Street, Oak Street, Shady Lane, Elm, Wills Point, Desert Willow, and Cherry Creek at Old Kaufman.

ADJOURN – There being no further business to come before the Council, Councilman Sanford moved that the meeting be adjourned. Councilman Pruitt seconded, and all were in favor.

Don Hackney, Mayor

ATTEST:

Rhita Koches, City Secretary

SPECIAL CALLED MEETING
CANTON CITY COUNCIL
CITY OF CANTON, TEXAS
6:00 P.M., TUESDAY, AUGUST 11, 1998
CITY HALL, 290 E. TYLER STREET
CANTON, TEXAS

CALL TO ORDER AND ANNOUNCE QUORUM - The Canton City Council met at the above-named date and time in the City Hall Council Chambers. Members present were Mayor Don Hackney, Ronnie Fugate, Charles Lide, Raymond Pruitt and Ron Sanford. Councilman Hoss Williams was absent.

Discussion and action were as follows:

CALL TO ORDER AND ANNOUNCE QUORUM - Mayor Hackney called the meeting to order at 6:00 p.m. and declared that a quorum was present.

DISCUSS AND CONSIDER AWARDING BID ON SITE WORK FOR PAVILION NO. 2 – City Manager Johnny Mallory informed the Council that two bids had been received for the site preparation for construction of the new pavilion:

Walker & Associates and Hoffman	$267,230.00
Henderson Striping	$255,023.50

Councilman Sanford moved that the bid be awarded to Henderson Striping. Councilman Pruitt seconded, and all were in favor.

DISCUSS AND CONSIDER AWARDING BID ON BUILDING CONSTRUCTION FOR PAVILION NO. 2 – Mr. Mallory informed the Council that only one bid was received for the construction of the pavilion:

IDG (Interior Design Group) $111,101.00

Mr. Mallory stated that this bid was approximately $6,000 higher than the cost of constructing the first pavilion. He stated that the increase was due, in part, to a ridge vent to be included in the second pavilion. In addition, change orders will be necessary to provide for additional electrical circuits. Councilman Fugate moved that the bid be awarded to IDG. Councilman Lide seconded, and all were in favor.

DISCUSS AND CONSIDER AUTHORIZATION OF MAYOR AND/OR CITY MANAGER TO EXECUTE DOCUMENTATION NECESSARY TO FINANCE SITE WORK AND CONSTRUCTION OF PAVILION NO. 2 – Mr. Mallory explained that it would be necessary to finance construction of the pavilion, and based on past experience, The Bank of Van Zandt would require Council authorization of such financing. Councilman Fugate moved that Mayor Don Hackney or City Manager Johnny Mallory be authorized to execute any loan documentation necessary on behalf of the City of Canton. Councilman Sanford seconded, and all were in favor.

DISCUSS AND CONSIDER ACCEPTANCE OF BID FOR THE SALE OF CITY'S 10.19 ACRE TRACT LOCATED ON HWY. 243 IN CANTON, VAN ZANDT COUNTY, TEXAS – Mr. Mallory informed the Council that only on bid had been received for the sale of the City's 10.19 acre tract:

Jerry F. Burns $300,000.00

Councilman Fugate moved that the bid of Jerry F. Burns be accepted and that the Council adopt the following Ordinance authorizing the sale of said property:

ORDINANCE NO. 98-06

AN ORDINANCE ACCEPTING THE BID FOR THE PURCHASE OF A 10.19 ACRE TRACT LOCATED IN THE STOCKWELL SURVEY, CANTON, VAN ZANDT COUNTY, TEXAS, AUTHORIZING THE SALE OF SAID PROPERTY, AND DIRECTING THE MAYOR TO EXECUTE THE DOCUMENTS NECESSARY TO CONVEY SAID PROPERTY

WHEREAS, the City Council desires to sell that one certain 10.19 acre tract located in the Stockwell Survey, Canton, Texas, and more particularly described by metes and bounds in "Exhibit A" attached hereto and made a part hereof; and

WHEREAS, advertisements for bids for the sale of such property were published July 23 and July 30, 1998, in the "Canton Herald" as evidenced by the Affidavit of Publisher, a copy of which is attached hereto and made a part hereof as "Exhibit B"; and

WHEREAS, all bids received were opened on Friday, August 7, 1998, at 10:00 a.m., and the City Council has reviewed said bids.

NOW, THEREFORE BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF CANTON, TEXAS:

That the said property be sold to Jerry F. Burns, and

That the Mayor of the City of Canton is hereby directed to execute any and all documentation necessary to convey said property.

Councilman Sanford seconded the motion. Councilmen Fugate, Sanford, and Pruitt voted in favor of the motion. Councilman Lide voted against the motion and the motion carried.

ADJOURN – Prior to adjourning, Mayor Hackney requested the Council's indulgence in moving the Council's regular meeting in September to the fourth Tuesday, September 22, 1998. All were in agreement. There being no further business to come before the Council, Councilman Sanford moved that the meeting be adjourned. Councilman Lide seconded, and all were in favor.

Don Hackney, Mayor

ATTEST:

Rhita Koches, City Secretary

REGULAR MEETING
CANTON CITY COUNCIL
CITY OF CANTON, TEXAS
6:30 P.M., TUESDAY, AUGUST 18, 1998
CITY HALL, 290 E. TYLER STREET
CANTON, TEXAS

The Canton City Council met at the above-named date and time in the City Hall Council Chambers with Mayor Don Hackney presiding. Those present were Councilmen Ronnie Fugate, Charles Lide, Ron Sanford, Raymond Pruitt, and Hoss Williams.

Discussion and action were as follows:

CALL TO ORDER AND ANNOUNCE QUORUM - Mayor Don Hackney

MAYOR'S WELCOME by Mayor Don Hackney.

INVOCATION was given by Councilman Ronnie Fugate.

PLEDGE OF ALLEGIANCE –The Pledge of Allegiance was led by Mayor Hackney.

GUEST ITEMS – Mayor Hackney recognized Bonnie Tarver who asked to address the Council regarding the construction of a swimming pool or a swimming area at Mill Creek Lake. She stated that she had appeared before the Council several years ago regarding a youth center. She commended the Council on the appearance of the City Park. Mayor Hackney explained that

there was a possibility of obtaining funds from the Canton Economic Development Corporation; however, the request for those funds must be made by a formal group with a written plan. He said that it was his understanding that the group had also been referred to YMCA representatives. Mayor Hackney explained that cities are charged with certain responsibilities. He stated that, while the City of Canton handles matters such as water, streets, and trash collection fairly well, matters such as swimming pools and youth centers are beyond the realm of matters the City can manage well. Councilman Fugate told Mrs. Tarver that he concurred with her opinion that children are the City's number one asset, but most of the Council would agree that streets are the number one complaint received. He also cited vandalism as one of the biggest problems at Mill Creek Lake. Mrs. Tarver said that she would follow up with City staff to get some information and contacts for a youth center.

CONSIDER APPROVAL OF MINUTES OF JULY 18 AND JULY 21, 1998 MEETINGS – Councilman Williams moved that the Minutes of the July 18th and July 21st, 1998 Council meetings be approved. Councilman Pruitt seconded, and all were in favor.

CONSIDER APPROVAL OF JULY 1998 FINANCIAL STATEMENTS - City Manager Johnny Mallory read the totals from the July 1998 Financial Statements. Councilman Fugate moved that the financial statements be approved as presented. Councilman Lide seconded, and all were in favor.

DISCUSS AND CONSIDER ADOPTION OF CITY POLICY ON GRIEVANCE PROCEDURE - Mr. Mallory explained to the Council that the proposed policy had been presented to City employees for input. Two proposals were presented to the Council: one with three steps and one with a fourth step that included an appeal to the Council. Councilman Fugate moved that proposal number two providing for a four-step process be approved. Councilman Sanford seconded, and all were in favor.

DISCUSS AND CONSIDER APPROVAL OF EMPLOYEES' SICK LEAVE BANK PROPOSED BY THE EMPLOYEES OF THE CITY OF CANTON – Mr. Mallory explained that, after several months' consideration, the City employees had proposed a plan for a sick leave bank. Because the bank provides for the accrual of City benefits to an employee receiving sick leave time from the bank, Council approval was requested for the concept. Councilman Sanford moved that the Council approve the concept of an employee sick leave bank and the provisions of Section e of the plan. Councilman Fugate seconded, and all were in favor.

SECOND PUBLIC HEARING ON ANNEXATION OF 0.68 ACRE TRACT ON FM 859 OWNED BY ST. THERESE CATHOLIC CHURCH, A 27.67 ACRE TRACT ON FM 859 OWED BY MAURICE EUBANK AND TRILATERAL ENTERPRISES, INC., AND A 31.41 ACRE TRACT ON FM 859 OWNED BY THE CANTON ECONOMIC DEVELOPMENT CORPORATION, INCLUDING ANY AND ALL ROADWAY AND RIGHT-OF-WAY ADJACENT AND CONTIGUOUS TO SAID TRACTS - Mayor Hackney opened the public hearing at 6:50 p.m. There being no comments, the public hearing was closed at 6:51 p.m.

DISCUSS AND CONSIDER ADOPTION OF ANNEXATION ORDINANCE ON ANNEXATION OF APPROXIMATELY FIVE ACRES LOCATED AT RT. 6, BOX 145 AND BOX 146 (FM 859) OWNED BY DEBORAH MCGREGER, MICHAEL MCGREGER, AND

MICHAEL COX - Councilman Fugate moved that Annexation Ordinance No. 98-04 be adopted by the Council. Councilman Pruitt seconded, and all were in favor.

DISCUSS AND CONSIDER APPLICATION FOR SOLICITOR'S PERMIT FILED BY L. ROBERT DEWESTER, II – Mr. DeWester addressed the Council and stated that he would like to share an opportunity to purchase certain types of insurance coverage with his neighbors. Councilman Williams moved that Mr. DeWester's application be granted. The motion died for lack of a second. Mayor Hackney informed Mr. DeWester that his request had effectively been denied by the Council.

DISCUSS AND CONSIDER ADOPTION OF TMRS UPDATED SERVICE CREDIT ORDINANCE – Mr. Mallory explained to the Council that the benefit of updated service credits would allow re-calculate benefits for both present and future retirees based on average monthly salary for the most recent three year period. He also informed the Council that the proposed Ordinance was being proposed on an annual repeating basis so that the City will not have to adopt an ordinance each year to authorize such re-calculations. Councilman Sanford moved that Ordinance No. 98-05 be adopted authorizing TMRS updated service credit. Councilman Fugate seconded. Councilman Williams abstained from discussion and voting. Councilmen Fugate, Lide, Pruitt, and Sanford voted in favor, and the motion carried.

DISCUSS AND CONSIDER RECOMMENDATION OF PLANNING AND ZONING COMMISSION ON REQUEST TO CHANGE ZONING OF 4.39 ACRE TRACT AT 801 WEST DALLAS FROM B-1 TO B-2 – Mr. Mallory reported that the Planning and Zoning Commission had met and recommended to the Council that the requested zoning change be granted. Councilman Sanford moved that the subject tract be re-zoned B-2. Councilman Pruitt seconded, and all were in favor.

DISCUSS AND CONSIDER DEVELOPMENT OF SWIMMING AREA AT MILL CREEK LAKE – Mr. Mallory informed the Council that he had conferred with Neil Velvin, an engineer from Athens, regarding improvements to the swimming area at Mill Creek Lake. A backhoe on pontoons will be brought in to clear out lily pads. Although no soil testing has yet been conducted, Mr. Velvin has preliminarily recommended using pea gravel for the beach instead of sand. The Council then discussed construction of a retaining wall and a partition of some kind to designate the swimming area.

DISCUSS AND CONSIDER APPROVAL OF APPOINTMENT OF A CITY PARK COMMITTEE – Councilman Fugate reported that Tonda Hatfield had agreed to serve on the Parks Committee with Councilmen Fugate and Pruitt and that she would be making some recommendations to the Committee.

DISCUSS AND CONSIDER AWARDING BID ON CONSTRUCTION OF SIGN FOR CANTON CIVIC CENTER – The Council was informed that only one bid was received for the Civic Center sign, and that bid was for $29,500 from Lone Star Sign Service. Councilman Sanford moved that the bid be accepted. Councilman Lide seconded, and all were in favor.

DISCUSS AND CONSIDER AUTHORIZATION OF MAYOR AND/OR CITY MANAGER TO EXECUTE QUITCLAIM DEED CONVEYING A 0.228 TRACT ON WOODLAND DRIVE TO NELLIE L. JACKSON – Mr. Mallory explained that the Jacksons had constructed a house over their property line. Since their plat indicated that the adjacent property was to be a

park area, Mrs. Jackson has filed suit against the City claiming ownership of that portion of the adjacent property where the house is built. Mr. Mallory further explained that a title search had revealed that the City owned no interest in the adjacent property. To resolve the suit, Mrs. Jackson's attorney, Richard L. Ray, had proposed that Mrs. Jackson pay $500 for a quitclaim deed from the City of Canton. Councilman Fugate moved that Mayor Don Hackney or City Manager Johnny Mallory be authorized to execute a quitclaim deed to such property to Mrs. Jackson for her payment to the City of $500 in settlement of her claim. Councilman Pruitt seconded, and all were in favor.

EXECUTIVE SESSION FOR DELIBERATIONS REGARDING REAL PROPERTY (SEC. 551.072) - The Council adjourned into Executive Session at 7:20 p.m. to consider the proposed purchase of real property on behalf of the City of Canton.

EXECUTIVE SESSION FOR DELIBERATIONS REGARDING PERSONNEL MATTERS (SEC. 551.074) – The Council's Executive Session moved to deliberations regarding personnel matters at 7:45 p.m. Members of the Council determined that there was no necessity for an executive session regarding personnel matters at this time.

RECONVENE INTO OPEN SESSION AND CONSIDER ACTION, IF ANY, ON ITEMS DISCUSSED IN EXECUTIVE SESSION - At 7:45 p.m. the Council returned to open session with no action taken.

DISCUSSION PERTAINING TO OLD AND NEW BUSINESS FOR PLACEMENT ON FUTURE AGENDAS – Councilman Pruitt requested that the following subjects be included on the Council's next regular agenda: First Monday parking at the FM 859 lot, billboard advertising, and the appointment of a committee consisting of Councilmen Fugate and Pruitt and staff member Julie Jackson to review First Monday advertising.

ADJOURN – There being no further business to come before the Council, Councilman Pruitt moved that the meeting be adjourned. Councilman Sanford seconded, all voted in favor, and the meeting was adjourned at 7:46 p.m.

Don Hackney, Mayor

ATTEST:

Rhita Koches, City Secretary

SPECIAL CALLED MEETING
CANTON CITY COUNCIL
8:00 A.M., SATURDAY, SEPTEMBER 5, 1998
CITY HALL, 290 E. TYLER STREET, CANTON, TEXAS

CALL TO ORDER AND ANNOUNCE QUORUM - The Canton City Council met at the above-named date and time in the City Hall Council Chambers. Members present were Mayor Don Hackney, Ronnie Fugate, Charles Lide, Raymond Pruitt and Ron Sanford. Councilman Hoss Williams was absent.
Discussion and action were as follows:

CALL TO ORDER AND ANNOUNCE QUORUM - Mayor Hackney called the meeting to order at 8:03 a.m. and declared that a quorum was present.

DISCUSSION AND WORKSHOP PERTAINING TO PROPOSED 1998-1999 BUDGET – City Manager Johnny Mallory presented a comparison of the proposed 1998-1999 budget to the current fiscal year budget. The Council was informed that transfers from First Monday of approximately $1,000,000 have been budgeted. Most of that amount will be used for debt service for payments on the new pavilions and restroom at First Monday. The proposed budget does not project a rate increase in water or sewer. However, the water and sewer fund requires a transfer from First Monday of $200,000 to break even. The proposed budget allows for a one-step raise for employees which averages approximately 3% and a 20% increase in health insurance.

Budgeted capital improvements include mowers and front end loader for First Monday, two police cars, two administrative vehicles, an upgrade to the City's computer system for Year 2000 compliance, a couple of miles of pipe, ongoing repairs to the sewer system, improvements at the water plant to comply with new TNRCC regulations.

Mr. Mallory proposed a water rate increase of 15% except for minimum users. He said that an average of 438 users out of approximately 1,800 use only the minimum number of gallons. There are 1,362 users that are consistently over the minimum usage. He proposed that the minimum sewer rate remain at $5.00 with the next level of usage increasing from $8 to $10. That increase would effect approximately 1,100 users.

Mr. Mallory stated that the City would probably need another water tower in the next three years. He explained that the tower would probably be placed at the Industrial Park on FM 859 since the tower would be needed on that side of town.

Two cars formerly used by the Police Department have been transferred to First Monday and are currently used to transport visitors from the airport. Johnny Mallory's vehicle has approximately 81,000 miles and Al Campbell's vehicle has approximately 120,000 miles.

Councilman Fugate expressed his concern over a water rate increase and said he still felt that the few are burdening the many. Mr. Mallory explained that usage is not causing the problem but rather the federal and state mandates are costing the City additional funds.

Councilman Pruitt stated that he would not be in favor of a water rate increase until other areas are cut. He expressed concern over a cut in the amounts budgeted to Parks and Streets. Mr. Mallory explained that street improvements were taken from bond funds still on hand.

Mayor Hackney noted that Canton's water rates are the lowest in the County, and we currently don't charge enough to cover our expenses.

The Council then discussed charging residents for certain services such as brush pick-up and sewer calls.

Councilman Pruitt asked about the engineer's proposal for the swimming area. Mr. Mallory said that approximately $10,000 was being spent to clean out the lily pads. It is estimated that a retaining wall and beach area will cost approximately $100,000. Mr. Fugate said that he wants to meet with the engineer to develop a plan and then present a plan to the Canton Economic Development Corporation for community enhancement assistance. Mr. Mallory will contact Neil Velvin to schedule a meeting with Councilman Fugate. He also suggested an RV park at Mill Creek Lake since there is now water, sewer, and electricity to that area. The Council also discussed the possibility of a concession stand at the lake which could be leased to a private operator. Mr. Mallory said he would look at revisions to the proposed budget to increase parks by $100,000.

Councilman Pruitt said he would like to seen more money budgeted for First Monday advertising. He also suggested that the City consider a cafeteria-style plan for health insurance benefits. Mr. Mallory said that he has already met with the City's current insurance agent and asked for proposals.

Since the public hearing on the budget will be September 22, 1998, the Council will conduct another budget workshop on Thursday, September 10, 1998, at 6:00 p.m.

ADJOURN – There being no further business to come before the Council, Councilman Pruitt moved that the meeting be adjourned. Councilman Lide seconded, and all were in favor.

Don Hackney, Mayor

ATTEST:

Rhita Koches, City Secretary

SPECIAL CALLED MEETING
CANTON CITY COUNCIL
CITY OF CANTON, TEXAS
6:00 P.M., THURSDAY, SEPTEMBER 10, 1998
CITY HALL, 290 E. TYLER STREET
CANTON, TEXAS

CALL TO ORDER AND ANNOUNCE QUORUM - The Canton City Council met at the above-named date and time in the City Hall Council Chambers. Members present were Mayor Pro Tem Ronnie Fugate, Charles Lide, Raymond Pruitt and Ron Sanford. Mayor Don Hackney and Councilman Hoss Williams were absent.

Discussion and action were as follows:

CALL TO ORDER AND ANNOUNCE QUORUM - Mayor Pro Tem Fugate called the meeting to order at 6:18 p.m. and declared that a quorum was present.

DISCUSS AND CONSIDER ADOPTION OF RESOLUTION FOR FINANCING CONSTRUCTION OF SECOND PAVILION – City Manager Johnny Mallory read the proposed resolution:

Resolution 98-06

BE IT REMEMBERED that on the 10th day of September, 1998, the City Council of the City of Canton, Van Zandt County, Texas, duly considered and adopted the following resolution:

WHEREAS, the City of Canton is in need of a second pavilion to promote its "First Monday Trade Days" event; and

WHEREAS, the Canton City Council finds that a second pavilion will serve an essential public purpose; and

WHEREAS, the construction cost of a pavilion is approximately $400,000.00; and

WHEREAS, the City of Canton has sufficient unrestricted resources or income for fiscal year 1998-1999 to fund the construction cost of the pavilion; and

WHEREAS, the Canton City Council finds that it is in the best interests of the City of Canton to construct the pavilion and to finance the cost of construction with an interim construction loan from The Bank of Van Zandt; and

WHEREAS, the City of Canton has reviewed the terms and conditions and the form of the loan documents of the proposed $400,000.00 interim construction loan from The Bank of Van Zandt.

NOW, THEREFORE, BE IT RESOLVED that the Canton City Council authorizes the Honorable Don Hackney, Mayor of the City of Canton, or Johnny Mallory, City Manager of the City of Canton, to execute on behalf of the City of Canton, all loan documents necessary to complete a $400,000.00 interim construction loan from The Bank of Van Zandt.

Adopted this the 10th day of September, 1998.

Councilman Sanford moved that the resolution be adopted. Councilman Lide seconded, and all were in favor.

DISCUSSION AND WORKSHOP PERTAINING TO PROPOSED 1998-1999 BUDGET – City Manager Johnny Mallory reported that, due to major sewer line problems which had developed in the preceding days, any anticipated surplus in the 1998-99 budget would probably be directed to re-construct lines. The various options and costs for alleviating the problem with the line were discussed.

The Council then reviewed the purchase or lease of vehicles to be budgeted for the next fiscal year. Mr. Mallory said that the proposed budget represented an increase of approximately 6% over last year's budget. He noted that the budget also included approximately $40,000 for a new computer system at City Hall.

The Council then discussed the budget for parks. Mr. Mallory said that he would get in touch with engineer Neil Velvin and scheduled a meeting with Councilman Fugate to review the options for the swimming area at Mill Creek Lake. Councilman Fugate stated that he would like to develop a long-range plan for the parks which might take two or three years to accomplish.

Mr. Mallory stated that the sewer line improvements could be delayed, but that was not his recommendation. Councilman Sanford concurred that the sewer line matter should be addressed right away. Mr. Mallory also explained that the proposed budget was not based on any increases in water and sewer rates. He said that he is not yet sure of the carry-over which may be available from the current fiscal year.

When asked about delaying the purchase of a computer system, Mr. Mallory stated that the new system was a necessity. Councilman Fugate outlined his understanding from the original budget workshop of the proposed expenditures for capital improvements including two police cars, a truck, a tractor with loader, scrubber, garbage pickup equipment, and water line. Mr. Mallory said that, after seeing a demonstration of the garbage pickup equipment, he did not think it would serve our purposes.

Councilmen Fugate and Sanford suggested the installation of some kind of landscaping in front of the new bandstand.

Councilman Fugate asked Mr. Mallory if the plan is to go ahead and pursue correcting the sewer line problems. Mr. Mallory responded affirmatively.

ADJOURN – There being no further business to come before the Council, Councilman Lide moved that the meeting be adjourned. Councilman Pruitt seconded, all voted in favor, and the meeting adjourned at 7:51 p.m.

ATTEST:

Rhita Koches

Rhita Koches, City Secretary

Don Hackney

Don Hackney, Mayor

REGULAR MEETING
CANTON CITY COUNCIL
6:30 P.M., TUESDAY, SEPTEMBER 22, 1998
CITY HALL, 290 E. TYLER STREET, CANTON, TEXAS

CALL TO ORDER AND ANNOUNCE QUORUM - The Canton City Council met at the above-named date and time in the City Hall Council Chambers. Members present were Mayor Don Hackney, Ronnie Fugate, Hoss Williams, Ron Sanford, Charles Lide and Raymond Pruitt.

Discussion and action were as follows:

CALL TO ORDER AND ANNOUNCE QUORUM - Mayor Hackney called the meeting to order at 6:30 p.m. and declared that a quorum was present.

MAYOR'S WELCOME by Mayor Don Hackney.

INVOCATION was given by Councilman Ronnie Fugate.

PLEDGE OF ALLEGIANCE –The Pledge of Allegiance was led by Mayor Hackney.

GUEST ITEMS – Mayor Hackney recognized Mr. Rusty Wilson who presented plans for improvements to the soccer fields at the City Park. The lowest estimate for materials to replace the fence was $8456. Materials to restore the exterior of the concession stand are estimated to cost $2,126. Mr. Wilson stated that soccer parents are willing to provide volunteer labor to make repairs. He asked the Council to consider funding those two items and stated that the group will also be requesting funding from the Canton Economic Development Corporation. Mayor Hackney explained that the Council can take no action for a guest item, but they would address the matter with the City Manager.

PROCLAMATION OF OCTOBER 2, 1998, AS AARP DAY IN CANTON, TEXAS – Councilman Lide moved that a Proclamation be adopted naming October 2, 1998 as AARP Day in Canton. Councilman Sanford seconded, and all were in favor. Mayor Hackney then presented the proclamation to Mrs. Doris Burns.

PROCLAMATION OF OCTOBER 25, 1998, GREAT DAY IN THE MORNING DAY IN CANTON, TEXAS – Councilman Fugate moved that a Proclamation be adopted naming October 25, 1998, as Great Day in the Morning Day in Canton. Councilman Lide seconded, and all were in favor. Mayor Hackney presented the proclamation to Mark Moore on behalf of the Van Zandt County Baptist Association.

CONSIDER APPROVAL OF MINUTES OF AUGUST 4TH, 11TH, 18TH, AND SEPTEMBER 5TH AND 10TH, 1998 MEETINGS – Councilman Fugate noted that the Minutes of the September 10th meeting should reflect that Mayor Hackney was not present. Councilman Sanford moved that the Minutes be approved as amended. Councilman Fugate seconded. Councilmen Fugate, Lide, Sanford, and Pruitt voted in favor of the Motion and the motion carried. Councilman

Williams stated that he had not been present at some of the meetings and would abstain from voting.

CONSIDER APPROVAL OF AUGUST 1998 FINANCIAL STATEMENTS – Mr. Mallory read the totals from the August 1998 Financial Statements. Councilman Pruitt moved that the Financial Statements be approved as presented. Councilman Sanford seconded, and all were in favor.

DISCUSS AND CONSIDER ADOPTION OF PROPOSED SERVICE AGREEMENT BETWEEN THE CITY OF CANTON AND THE CANTON CHAMBER OF COMMERCE – Mr. Mallory explained that the contract sets out the duties to be performed by the Chamber and the 60/40 split of the hotel/motel occupancy tax. Councilman Pruitt stated that he had a problem with a three year contract and would recommend a one-year term. Councilman Sanford said that he agreed. Mayor Hackney recognized Eric Jontra who was present on behalf of the Chamber. Mr. Jontra said that he was not aware that the contract was long term and he saw no problem for the Chamber's Board of Directors with a one-year agreement. Mr. Jontra told the Council that the Chamber's Board had recently be addressing more interaction between the Chamber and the City. The Chamber Board has voted to increase its Board to create two additional non-voting, advisory positions to be filled by the sitting Mayor and the secretary to the First Monday Manager. He said that those two new Board members would be encouraged to attend and participate in the Board's meetings on the second Friday of each month. He explained that the two positions were non-voting because the Board's voting members are paid members. Mr. Jontra said that, from this point on, there will be a representative from the Chamber at each Council meeting to report on the Chamber's activities for the month. He expressed the Chamber's appreciation to the City for the funding received.

Councilman Pruitt moved that the proposed Service Agreement be approved for a term of one year. Councilman Sanford seconded, and all were in favor.

PUBLIC HEARING ON PROPOSED BUDGET FOR FISCAL YEAR BEGINNING OCTOBER 1, 1998, AND ENDING SEPTEMBER 30, 1999 – Mayor Hackney opened the Public Hearing on the proposed budget at 6:55 p.m. Mr. Mallory told the Council that the proposed budget provides for $6,129,420 in revenues and $6,070,233 in expenses with a surplus of approximately $60,000. Mayor Hackney recognized Mr. Brad Allen who asked whether the budget included funding for the fence at the soccer field. Mayor Hackney explained that, while there is a budget for parks, there are no specific projects itemized in the budget. The Public Hearing was closed at 6:56 p.m.

DISCUSS AND CONSIDER ADOPTION OF PROPOSED 1998-1999 BUDGET – Councilman Williams stated that he had not attended any of the budget meetings and asked whether the budget included raises for all employees. Mr. Mallory confirmed that it did, and Councilman Williams said that he objected to that. Councilman Williams also stated that he felt First Monday Manager Al Campbell deserved a new car due to the mileage on his current City vehicle. Mr. Mallory explained that an earlier draft of the proposed budget included new cars for the City Manager and the First Monday Manager but those items have been deleted from the budget before the Council.

Councilman Lide moved that the budget be adopted as proposed. The motion died for lack of a second.

The Council then began to discuss the necessity for scheduling another meeting to adopt a budget. Councilman Lide asked why, after all of the Council's budget workshops, the budget could not be approved. He asked the other Council members to express their problems with the proposed budget now to determine what it will take to pass a budget. Councilman Pruitt said he wanted a 5% decrease in the budget. Councilman Sanford said he did not think the proposed budget could be cut 5%, but he would like to see a 2% decrease. Councilman Fugate said he would accept responsibility for the Council workshop when he presided on September 10th. He said he felt there were problems at that time that could not be resolved.

The Council scheduled a meeting for Saturday, September 26th at 8:00 a.m.

DISCUSS AND CONSIDER AWARDING BANK DEPOSITORY CONTRACT – Mr. Mallory reported to the Council that three bids had been received: The Bank of Van Zandt, First National Bank of Athens, and First National Bank of Canton. He said it appeared that the best rate would be from The Bank of Van Zandt and that would be his recommendation to the Council.

Councilman Fugate moved that the bank depository bid be awarded to The Bank of Van Zandt. Councilman Lide seconded, and all were in favor.

Richard Hanes of The Bank of Van Zandt addressed the Council and expressed the Bank's appreciation for the confidence the City has placed in The Bank. He told the Council that The Bank has recently been purchased and merged with American National Bank-Terrell. Although The Bank will remain separate for the foreseeable future, the merger will allow them to bring more banking products to the community.

DISCUSS AND CONSIDER REQUEST BY PAT DAUGHERTY FOR WATER TAP OUTSIDE CITY LIMITS ON HIGHWAY 19 SOUTH (Lake Meadow line) – Councilman Fugate moved that the request for a water tap be granted. Councilman Pruitt seconded the motion. Councilmen Fugate, Pruitt, Sanford, and Williams voted in favor. Councilman Lide voted against the motion, and the motion carried.

DISCUSS AND CONSIDER ADOPTION OF ANNEXATION ORDINANCE ON ANNEXATION OF 0.68 ACRE TRACT ON FM 859 OWNED BY ST. THERESE CATHOLIC CHURCH, A 27.67 ACRE TRACT ON FM 859 OWED BY MAURICE EUBANK AND TRILATERAL ENTERPRISES, INC., AND A 31.41 ACRE TRACT ON FM 859 OWNED BY THE CANTON ECONOMIC DEVELOPMENT CORPORATION, INCLUDING ANY AND ALL ROADWAY AND RIGHT-OF-WAY ADJACENT AND CONTIGUOUS TO SAID TRACTS – Mr. Mallory announced that the requisite public hearings had been conducted with no opposition expressed. Councilman Sanford moved that the annexation ordinance be adopted. Councilman Lide seconded the motion, and all were in favor.

DISCUSS AND CONSIDER RECOMMENDATION OF PLANNING AND ZONING COMMISSION ON PLAT APPROVAL OF CANTON INDUSTRIAL PARK – Mr. Mallory reported to the Council that the Planning and Zoning Commission had reviewed the proposed plat and recommended approval. Councilman Fugate asked about which lot was being set aside for a potential fire substation. Mr. Mallory said that the CEDC Board had discussed setting aside Lot 11 for a fire substation as well as any necessary utility improvements.

DISCUSS AND CONSIDER REQUEST OF CANTON ECONOMIC DEVELOPMENT CORPORATION FOR WAIVER OF FEE FOR ZONING CHANGE FOR INDUSTRIAL PARK – Councilman Pruitt moved that the $100 filing fee for the CEDC's request for a zoning change be waived. Councilman Fugate seconded, and all were in favor.

DISCUSS AND CONSIDER ACCEPTANCE OF ANNEXATION PETITION FROM W. L. GUNN FOR 13.5 ACRE TRACT LOCATED ON VZ COUNTY ROAD 3101 (WYNNE ROAD) – Mr. Mallory presented a plat of the 13.5 acre tract located on Van Zandt County Road 3101. Councilman Fugate asked whether it would be possible to provide sewer services to that tract. Mr. Mallory said it appears the sewer would gravity flow, but it would certainly sewer with lift stations. Councilman Williams moved that the petition be accepted. Councilman Fugate seconded, and all were in favor.

DISCUSS AND CONSIDER ACCEPTANCE OF ANNEXATION PETITION FROM HACKNEY PARTNERS, LTD., FOR 9.26 ACRE TRACT LOCATED ON HWY. 243 – Mr. Mallory presented a plat of the 9.26 acre tract. Mayor Hackney told the Council that he and his brother own the subject tract. He said that they are requesting annexation to allow John Crow Pontiac to be annexed later. Councilman Sanford moved that the petition be accepted. Councilman Pruitt seconded, and all were in favor.

DISCUSS AND CONSIDER DEVELOPMENT OF DOWNTOWN PLAZA AREA – Councilman Fugate said he would like to see a downtown plaza area developed on the vacant lot at the corner of Buffalo and Highway 64. He said it was his understanding that the property was currently leased on a month-to-month basis. He then recognized Donna Thompson and asked her to present her proposal to the Council.

Mrs. Thompson told the Council that the Canton Merchants Association was already in the process of formulating a 5-year plan to present to the Canton Economic Development Corporation. The first phase of that plan would include the construction of a replica of the County's first Courthouse building. The facility would house public restrooms, a self-serve visitor information center, and a self-serve museum. She explained that if a project such as this could be completed, grant monies were available for additional improvements. She told the Council that Canton has been nominated as an All American City. While there is no funding involved, the designation would provide substantial advertising.

Councilman Fugate stated that this project would require the purchase of the property, and it was his understanding that the owner is willing to sell. Mrs. Thompson said she had been told in the past that the property was tied up in litigation. The Canton Merchants Association has researched

the matter and found that it is not. Additionally, the owner has confirmed that there is no pending litigation.

Mayor Hackney said he would like to see the Council adopt a resolution to support the efforts of the Canton Merchants Association. Councilman Fugate so moved, Councilman Lide seconded, and all were in favor.

DISCUSS AND CONSIDER IMPROVEMENTS TO PARKS – Councilman Fugate requested that Parks Committee member Tonda Hatfield report to the Council. Mrs. Hatfield said she had researched several companies and found the PlayWell Group to offer the most services for the price. She told the Council she had a list of recommendations that had been compiled with the assistance of Cheri Wood, a certified product safety inspector, from the PlayWell Group. Mrs. Wood reported that she had conducted a general inspection and found the park area to have good visibility and drainage. She said the existing equipment appeared to have been properly located far enough away from the lake. However, she did find a problem with surfacing and recommended different types of surfaces such as pea gravel and wood chips that won't pack down. She submitted a proposal which includes the most commonly requested pieces of play equipment and approximately $2,700 for ground material. She also recommended additional paving and signage. Councilman Fugate said that the proposal would be considered at the Council's meeting Saturday.

Lisa Hutcherson then urged the Council to consider repairing the fence at the soccer fields in an effort to keep children inside the park. Councilman Fugate then asked Rusty Wilson about the fees currently paid to the Van Soccer Association. Mr. Wilson explained that approximately $7,000 is paid to Van for registration fees. Councilman Fugate asked if any of those funds would be available for improvements by the Canton Soccer Association. Mr. Wilson said that most of the funds go to the North Texas Association for liability insurance. Councilman Fugate asked if the organization would become self-sufficient once the Canton Soccer Association was organized and conducting games. Mr. Wilson said that would not be the case because fees would still have to be paid to the North Texas Association for insurance. Councilman Pruitt asked what would be necessary to activate a Canton Soccer Association. Mr. Wilson said they would need to upgrade the fields to a condition where other teams would play in Canton. They presently have to travel to other fields. He said the Canton fields have safety issues and are not regulation size. He said the association has been established but cannot sponsor games due to the safety issues. He said that when they are able to play in Canton, more than half of the games will be in Canton. Mr. Allen explained that registration fees go to insurance, chalk, trophies, and officials. Other funding has to come from sponsors and fundraising activities.

DISCUSS AND CONSIDER FIRST MONDAY PARKING AT THE FM 859 LOT – Councilman Pruitt said he would like to see some improvements to the parking area. He noted that construction on the I-20 bridge would provide an excellent opportunity to attract shoppers to the FM 859 lot. The tram has been in operation for the last two months. Councilman Pruitt said he would continue to work with Mr. Mallory on improvements in that area.

DISCUSS AND CONSIDER BILLBOARD ADVERTISING FOR FIRST MONDAY – Councilman Pruitt said he would like to see a reference to the FM 859 parking lot on First

Monday billboards. Donna Thompson told the Council that the Canton Merchants Association had also included billboards in their five-year plan, and they would like to have the downtown merchants mentioned.

DISCUSS AND CONSIDER APPOINTMENT OF A FIRST MONDAY ADVERTISING COMMITTEE – Councilman Pruitt asked that a committee be appointed to review the advertising for First Monday. He recommended that the committee consist of Julie Jackson, Ron Sanford, and Ronnie Fugate. He suggested that the committee meet with Joe Collins of the Chamber of Commerce to discuss various travel shows. Mayor Hackney announced that he was appointing the First Monday advertising committee to include the members set out above.

DISCUSS AND CONSIDER REPEAL OF ORDINANCE 91-2 PROVIDING FOR THE CREATION OF THE OFFICE OF GENERAL MANAGER – Mayor Hackney announced that, due to recent reorganizations within the City structure, the First Monday Manager no longer reports to the Council. Councilman Pruitt moved that the ordinance be repealed. Councilman Sanford seconded, and all were in favor.

DISCUSS AND CONSIDER ADOPTION OF REVISION TO CITY SALARY CHART – Mayor Hackney explained that the proposed revision to the City's salary chart provides for an additional level for the position of City Manager. Councilman Pruitt asked if this item could be moved to the Council's Saturday morning agenda when the Council will be addressing budget matters. It was the consensus of the Council that the item be moved to Saturday, September 26, 1998.

DISCUSSION PERTAINING TO OLD AND NEW BUSINESS FOR PLACEMENT ON FUTURE AGENDAS – Mayor Hackney stated that the consideration and passage of a proposed budget would be included on the September 26th agenda along with the revision to the City's salary chart. At the request of Councilman Pruitt, it was the consensus of the Council that the September 26th meeting be moved to 7:00 a.m.

ADJOURN – There being no further business to come before the Council, Councilman Pruitt moved that the meeting be adjourned. Councilman Sanford seconded, and the meeting was adjourned.

Don Hackney

Don Hackney, Mayor

ATTEST:

Rhita Koches

Rhita Koches, City Secretary

CALLED MEETING
CANTON CITY COUNCIL
7:00 A.M., SATURDAY, SEPTEMBER 26, 1998
CITY HALL, 290 E. TYLER STREET, CANTON, TEXAS

CALL TO ORDER AND ANNOUNCE QUORUM - The Canton City Council met at the above-named date and time in the City Hall Council Chambers. Members present were Mayor Don Hackney, Ronnie Fugate, Raymond Pruitt Hoss Williams, and Ron Sanford. Councilman Charles Lide was absent.

Discussion and action were as follows:

CALL TO ORDER AND ANNOUNCE QUORUM - Mayor Hackney called the meeting to order at 7:00 a.m. and declared that a quorum was present.

DISCUSS AND CONSIDER ADOPTION OF PROPOSED 1998-1999 BUDGET – Mayor Hackney informed the Council that he had asked City Manager Johnny Mallory to prepare and propose a realistic budget. He then asked the Council to present their concerns.

Councilman Fugate stated that he felt a budget was passed each year, and three months later it was disregarded. He stated that he opposed the City's animal shelter taking in animals from all over the County. He said he would like the Council to consider no longer accepting animals from outside the City of Canton. He also suggested that the Animal Control Department might be better utilized if it was taken out of the Police Department and returned to the Street Department. Councilman Fugate then asked for some assurance that the City of Canton has a drug enforcement officer on the job if the local drug enforcement officer is working out of town. He said he had come to the meeting prepared to vote on the budget.

Mr. Mallory said that the Council had suggested cutting the previously proposed budget 5% or 2%. He said he could not realistically cut 5%, but he was able to reduce the budget by $50,000. He stated that the budget should be a plan that is diligently pursued. He noted that the City met the budget for this fiscal year. Mr. Mallory then informed the Council that the City's drug enforcement officer had just made a case which resulted in the seizure of 170 acres of land and $99,000 cash. He said that the officer had worked 18 to 24 months on the case which also removed a certain amount of cocaine and methamphetamine off the street. If the seizure is upheld by the Courts, the DEA, Van Zandt County Sheriff's Department, and the Auto Task Force will receive a small percentage of the assets seized due to their assistance in the case. With grant monies and proceeds from seizures, the drug enforcement officer basically costs the City nothing. He noted that the Animal Control revenue is approximately $13,000 which helps to offset the department's expense of approximately $45,000 per year. He said that he thought the proposed budget, as revised, was realistic.

Councilman Pruitt concurred with Councilman Fugate regarding Animal Control and asked who had actually made the drug case. Mr. Mallory stated that the City's drug enforcement officer was responsible for the case.

Mr. Mallory then asked if the Council was directing that the Animal Shelter be closed. Councilman Pruitt said that he would like to see it limited to City of Canton residents' use. Mr. Mallory explained that the County occasionally calls for assistance in cases of neglect or abuse. Councilman Pruitt stated that he did not have a problem with an individual from outside the City bringing in an animal, but he objected to other cities gathering animals and bringing them to the Canton facility.

Councilman Pruitt then asked where Mr. Mallory had been able to cut $50,000. Mr. Mallory said he cut some $3,000 from the training provided in the General Fund by cutting this year's attendance at the Texas Municipal League Convention in San Antonio. Councilman Pruitt voiced his disagreement with cutting TML and suggested that Mr. Mallory find that $3,000 somewhere else.

Councilman Sanford stated that he concurred with the views of Councilmen Fugate and Pruitt. He said he had suggested a 2% cut and it appeared that the cut was less than 1%. He said he was prepared to vote.

Councilman Williams said that he agreed with the other members of the Council regarding the Animal Control department. He also stated that he had never liked grant programs in the Police Department. Councilman Williams said that, in the 20+ years he worked for the City of Canton, he never went by the budget. Mayor Hackney stated that the budget is supposed to be a measure to gauge the progress of the City. Mr. Mallory suggested that the Council look back at the City's audits for the last seven years to confirm that the City has complied with the budget. He also reminded the Council that the annual audit will begin in October. Mr. Mallory said that he had interviewed the accounting firm of Hester, Conway and Company. There were no objections from the Council to engaging said accounting firm.

Councilman Fugate stated that he would prefer that there be no cuts in services to the citizens. Mr. Mallory said that City crews will not do any capital improvements to streets. The City's equipment is not satisfactory for street work. He reminded the Council that repairs to and replacement of the sewer line that recently broke will cost approximately $100,000. He also advised the Council that the engineer needs a topographical survey of the park area to make recommendations on the swimming area. That survey will cost approximately $2,000.

Councilman Pruitt asked the percentage of the increase in this year's budget over the prior year. Mr. Mallory stated that he had budgeted for an increase of approximately 5% in both expenses and revenue.

Councilman Pruitt moved that the budget be approved with the following amendments: no animals from outside the City to be accepted at the animal shelter and eliminating the drug enforcement officer. Councilman Williams seconded the motion. Councilmen Pruitt and Williams voted in favor of the motion. Councilmen Fugate and Sanford voted against the motion. Mayor Hackney broke the tie by voting against the motion. The motion failed.

Councilman Fugate moved that the proposed budget be approved with no animals from outside the City to be accepted at the animal shelter. Councilman Sanford seconded the motion. Councilmen Fugate and Sanford voted in favor of the motion. Councilmen Williams and Pruitt voted against the Motion. Mayor Hackney broke the tie by voting in favor of the motion. The motion carried.

DISCUSS AND CONSIDER ADOPTION OF REVISION TO CITY SALARY CHART – Mayor Hackney announced that the proposed revision to the City's Salary Chart was a result of re-structuring in the last few months and the assignment of additional duties to the City Manager. Councilman Sanford moved that the revised Salary Chart be adopted effective October 1, 1998. Councilman Fugate seconded the motion. Councilmen Fugate, Pruitt, and Sanford voted in favor of the motion. Councilman Williams voted against the motion, and the motion carried.

Councilman Fugate requested that the City Manager and Police Chief look into moving the animal control officer to the Parks Department. Mr. Mallory said that the animal control officer is dispatched by the police department, and that was the reason for assigning the officer to that department. He also explained that the animal control officer is called out after hours. Mr. Mallory said at this point the officer would not have time to work in parks; however, he will review the matter again in three months after cutting out animals from other towns. Councilman Williams stated that he thought hiring an animal control officer was the best thing the City ever did.

Mr. Mallory reminded the Council that a Special Called Meeting to set the tax rate has been set for Tuesday, September 29, 1998.

ADJOURN – There being no further business to come before the Council, Councilman Sanford moved that the meeting be adjourned. Councilman Fugate seconded, and all were in favor.

Don Hackney, Mayor

ATTEST:

Rhita Koches, City Secretary

CALLED MEETING
CANTON CITY COUNCIL
6:00 P.M., TUESDAY, SEPTEMBER 29, 1998
CITY HALL, 290 E. TYLER STREET, CANTON, TEXAS

CALL TO ORDER AND ANNOUNCE QUORUM - The Canton City Council met at the above-named date and time in the City Hall Council Chambers. Members present were Mayor Don

Hackney, Ronnie Fugate, Hoss Williams, and Ron Sanford. Councilmen Charles Lide and Raymond Pruitt were absent.

Discussion and action were as follows:

CALL TO ORDER AND ANNOUNCE QUORUM - Mayor Hackney called the meeting to order at 6:00 p.m. and declared that a quorum was present.

DISCUSS AND CONSIDER ADOPTING ORDINANCE LEVYING TAX RATE FOR FISCAL YEAR BEGINNING OCTOBER 1, 1998 AND ENDING SEPTEMBER 30, 1999 – City Manager Johnny Mallory announced that the effective tax rate as set by the Chief Appraiser of Van Zandt County would be zero. Councilman Sanford moved that the following ordinance be adopted:

ORDINANCE NO. 98-09

AN ORDINANCE LEVYING TAXES FOR ALL TAXABLE PROPERTY IN THE CITY OF CANTON, TEXAS FOR THE ENSUING FISCAL YEAR COMMENCING ON OCTOBER 1, 1998, AND ENDING SEPTEMBER 30, 1999.

WHEREAS, the City Council of the City of Canton, Texas met in a called session at 6:00 o'clock p.m., on September 29, 1998, and after having heard and adopted the Annual Budget for the City of Canton, Texas, for the ensuing 1998-1999 fiscal year, and it having been determined that a tax rate of $0.00 per $100.00 valuation will support and ensure the payment of all proposed expenses and liabilities of the City for the ensuing 1998-1999 fiscal year as set forth in the Annual Budget adopted September 26, 1998, in a special called meeting of the City Council; and

WHEREAS, the proposed tax rate and increase or decrease, if any, does not exceed the requirements imposed by law;

NOW THEREFORE BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF CANTON, TEXAS:

SECTION 1.

A tax is hereby levied in the amount of $0.00 per $100.00 valuation against all taxable property in the City of Canton, Texas to defray all expenses and liabilities of the City and for the purposes specified in the Annual Budget duly adopted for the ensuing fiscal year beginning October 1, 1998, and ending September 30, 1999.

SECTION 2.

That all ordinances or parts of ordinances in conflict herewith be and the same are hereby repealed to the extent of such conflict.

SECTION 3.

If for any reason any section, paragraph, subdivision, clause, phrase, word or provision of this ordinance, shall be held invalid or unconstitutional by final judgment of a court of competent jurisdiction, it shall not effect any other section, paragraph, subdivision, clause, phrase, word, or provision hereof given full force and effect for its purpose.

SECTION 4.

This Ordinance shall become effective and in full force and effect October 1, 1998.

PASSED, ADOPTED, AND APPROVED on this the 29th day of September, 1998.

Councilman Williams seconded, and all voted in favor.

DISCUSS AND CONSIDER REPEAL OF AMENDMENT TO ORDINANCE 94-13 REQUIRING PERMITS FOR BOATS ON MILL CREEK LAKE (ADOPTED JULY 21, 1998) – Mr. Mallory notified the Council that the City's marine officer had been advised that boat permits are regulated by state law, and local permits are prohibited. Councilman Fugate moved that the Ordinance regarding boat permits adopted on July 21, 1998, be repealed. Councilman Williams seconded, and all were in favor.

DISCUSS AND CONSIDER AMENDMENT TO ORDINANCE 94-13 TO ESTABLISH A LAUNCH FEE AT MILL CREEK LAKE – Councilman Sanford moved that an amendment to Ordinance 94-13 be adopted to establish a launch fee to be free for residents of the City of Canton and $25 per year for all others and a one-day launch permit for a fee of $3 per day. Councilman Fugate seconded, and all were in favor.

PRESENTATION BY TAYJON MARKETING REGARDING FIRST MONDAY AND TOURISM ADVERTISING – Mayor Hackney recognized Eric Jontra to update the Council on advertising pursuant to the City's contract with Tayjon Marketing. Mr. Jontra presented the Council copies of an article from the current issue of *Texas Monthly* magazine. He explained that he could take not credit for the article but wanted the Council to be aware of the value and impact of such free advertising. He said that *Texas Monthly* had been contacted regarding advertising, but it was cost prohibitive since one ad would have used most of the City's annual advertising budget.

Mr. Jontra explained that a budget of $9,000 to $10,000 per month had been established. He said that television coverage was the most effective. However, one 30 second commercial on Dallas' Channel 8 news costs approximately $5,000. He said it was determined that radio was the most economical method of advertising for the City's budget. He said that Tayjon then reviewed the demographics information provided by the City. Target markets selected were Dallas, Fort Worth, Waco, Tyler, Longview, and Austin. He said that no air time was purchased in Austin in June, July and August due to the extreme heat. He said it would also be his recommendation that no air time be purchased for January and February due to weather conditions. Mr. Jontra said that the City pays for its advertising to the radio station which in turn pays him a commission of 15%. He then played an audio tape of some of the commercials created and played to advertise First Monday.

Councilman Fugate said he wondered, and was asking on behalf of Councilman Pruitt, why there was no advertising in the Houston market. Mr. Jontra explained that the Houston market was very expensive, and he estimated advertising there to be 25% higher than in Dallas. He said the demographics reflect that 65% of First Monday shoppers come from the Dallas-Fort Worth area, so 65% of the advertising budget goes to the Dallas area. Mr. Jontra said he has been investigating corporate sponsorships with the hope of bringing in some income to offset advertising costs. If additional funds become available, his first recommendation would be to

advertise in Houston. He estimated that it would cost $3,000 to $4,000 per month to buy Houston advertising.

Mr. Jontra informed the Council that Channel 21 out of Dallas will broadcast from First Monday during the November market. He also told the Council about an arrangement with *Dallas Morning News* allowing them to place racks in the First Monday Park in exchange for advertising First Monday on their newsstands from Texarkana to Corsicana.

Mayor Hackney and the Council expressed their approval of Tayjon's services.

ADJOURN – There being no further business to come before the Council, Councilman Fugate moved that the meeting be adjourned. Councilman Williams seconded, and all were in favor.

Don Hackney, Mayor

ATTEST:

Rhita Koches, City Secretary

CALLED MEETING OF CANTON CITY COUNCIL
CITY OF CANTON, TEXAS
8:00 A.M., SATURDAY, OCTOBER 17, 1998
CITY HALL, 290 E. TYLER STREET
CANTON, TEXAS

CALL TO ORDER AND ANNOUNCE QUORUM - The Canton City Council met at the above-named date and time in the City Hall Council Chambers. Members present were Mayor Don Hackney, Ronnie Fugate, Charles Lide, and Ron Sanford. Councilmen Raymond Pruitt and Hoss Williams were absent.

Discussion and action were as follows:

CALL TO ORDER AND ANNOUNCE QUORUM - Mayor Hackney called the meeting to order at 8:00 a.m. and declared that a quorum was present.

PRESENTATION BY EXECUTIVE DIRECTOR OF CANTON ECONOMIC DEVELOPMENT CORPORATION; REVIEW, CONSIDER, AND DISCUSS PRELIMINARY PLAT OF PROPOSED RESIDENTIAL SUBDIVISION – Mayor Hackney recognized Bob Alexander, Executive Director of the Canton Economic Development Corporation. Mr. Alexander presented a proposed plat for the development of an 80 acre tract on Cherry Creek near Old City Lake. The proposed plat provides for the development of three areas for residential construction. Mr. Alexander explained that Unit I will need a new zoning classification with

reduced setbacks to allow for the construction of larger homes on smaller lots. He stated that Unit II has been designed for 1200 to 1600 square feet homes and Unit III will be for homes with a minimum of 1800 to 2000 square feet. Mr. Alexander informed the Council that he had selected the proposed street names of Hackney and Travis to acknowledge the contributions of those individuals in the development of the City's First Monday location. He was also suggesting naming a street "Peace" due to pending requests to have a street named for that family. Mayor Hackney announced that he was "neither pro nor con" on the street names proposed. Councilman Fugate asked about utilities for lighting on the proposed jogging trail. Mr. Alexander explained that he had already met with the various utility companies regarding services. He said he anticipated installation of underground utilities. Councilman Lide asked whether any frontage was being reserved for commercial development such as a convenience store or dry cleaners. Mr. Alexander conveyed the CEDC Board's opposition to the inclusion of commercial property in the tract. After further discussion, it was the consensus of the Council that the area would not support a commercial venture. Mr. Alexander explained that he anticipated that the old VFW Building would be removed and asked for the Council's input on use of the site or remaining slab. It was the consensus of the Council that the building could not be salvaged and should be removed. Mr. Alexander explained that deed restrictions would be adopted providing that no boats, trailers, or recreational vehicles could be parked overnight on the street and must be enclosed. He said he anticipated the streets to be 37 to 40 feet wide with curbs and gutter. Lots will be sold at market value based on comparable sales in the area. Mr. Alexander told the Council that Walker & Associates is the engineering firm for the development, and they are estimating cost of development to be approximately $1.5 million. The Council recommended the requirement of side-entry garages and that driveways be asphalt or concrete with no oil sand. It was also the consensus of the Council that a new zoning classification be recommended to the Planning & Zoning Commission. In response to reports that the Board was considering development of the tract in stages, it was the consensus of the Council that the entire tract be developed as proposed. Mayor Hackney thanked Mr. Alexander for including the Council in the planning stages of this development, and Mr. Alexander expressed his gratitude for the Council's input.

EXECUTIVE SESSION FOR CONFERENCE WITH EMPLOYEES TO RECEIVE INFORMATION AND/OR QUESTION EMPLOYEES (Section 551.075) - The Council adjourned into Executive Session at 8:50 a.m. pursuant to the provision of the Open Meetings Law, Chapter 551, Govt. Code, Vernon's Texas Codes Annotated, in accordance with the authority contained in Section 551.075. During this briefing, members of the Council heard presentations and questioned employees regarding park improvements, water and sewer matters, animal control operations, transfer station repairs, traffic control, solid waste disposal, pending litigation, street improvements and repairs, and First Monday operations.

RECONVENE TO OPEN SESSION TO TAKE ANY ACTION REQUIRED PURSUANT TO DISCUSSIONS IN EXECUTIVE SESSION - The Council returned to open session at 9:15 a.m. with no action taken. During this meeting, members of the Council did not deliberate public business or agency policy which affected public business.

ADJOURN - There being no further business to come before the Council, Councilman Sanford moved that the meeting be adjourned. Councilman Lide seconded, and all were in favor.

Don Hackney, Mayor

ATTEST:

Rhita Koches, City Secretary

REGULAR MEETING
CANTON CITY COUNCIL
6:30 P.M., TUESDAY, OCTOBER 20, 1998
CITY HALL, 290 E. TYLER STREET, CANTON, TEXAS

CALL TO ORDER AND ANNOUNCE QUORUM - The Canton City Council met at the above-named date and time in the City Hall Council Chambers. Members present were Mayor Don Hackney, Ronnie Fugate, Ron Sanford, Charles Lide and Raymond Pruitt. Councilman Hoss Williams was absent.

Discussion and action were as follows:

CALL TO ORDER AND ANNOUNCE QUORUM - Mayor Hackney called the meeting to order at 6:30 p.m. and declared that a quorum was present.

MAYOR'S WELCOME by Mayor Don Hackney.

INVOCATION was given by Councilman Ronnie Fugate.

PLEDGE OF ALLEGIANCE –The Pledge of Allegiance was led by Mayor Hackney.

GUEST ITEMS – Mayor Hackney recognized Joe Collins, Director of the Canton Chamber of Commerce. Mr. Collins reported on the success of the Chamber's recent attendance at various travel shows in Austin and San Antonio. He explained the procedure for preparing bags to be distributed at shows and announced that the Mayor has agreed to attend some of the future shows.

CONSIDER APPROVAL OF MINUTES OF SEPTEMBER 22, 26, 29, 1998 MEETINGS - Councilman Fugate moved that the Minutes be approved as amended. Councilman Lide seconded, and all voted in favor.

CONSIDER APPROVAL OF SEPTEMBER 1998 FINANCIAL STATEMENTS - Mr. Mallory read the totals from the September 1998 Financial Statements. Councilman Pruitt moved that the

Financial Statements be approved as presented. Councilman Sanford seconded, and all were in favor.

FIRST PUBLIC HEARING ON ANNEXATION OF 13.5 ACRE TRACT LOCATED ON VZ COUNTY ROAD 3101 (WYNNE ROAD) OWNED BY W. L. GUNN – Mayor Hackney opened the public hearing at 6:43 p.m. There being no comments for the public, the hearing was closed at 6:44 p.m.

FIRST PUBLIC HEARING ON ANNEXATION OF 9.26 ACRE TRACT LOCATED ON HWY. 243 OWNED BY HACKNEY PARTNERS, LTD. - Mayor Hackney opened the public hearing at 6:44 p.m. There being no comments for the public, the hearing was closed at 6:45 p.m.

DISCUSS AND CONSIDER REQUEST FROM CANTON MERCHANTS ASSOCIATION REGARDING DOWNTOWN IMPROVEMENTS AND UTILIZATION OF OLD POLICE DEPARTMENT BUILDING AT 150 WEST TERRELL STREET, CANTON, TEXAS – Councilman Fugate reminded the Council of recent efforts to purchase property downtown for a visitors information center. He advised that the Canton Merchants Association had been told that the property was not for sale but was available for lease. Due to the nature of the structure to be built, it was determined that a lease was not feasible. Councilman Fugate moved that the City make the old police department building at 150 West Terrell Street available to the Canton Merchants Association, rent-free, with the Association assuming responsibility for all maintenance of the building and obtaining liability insurance, utilities to be paid by the City up to $200, and major repairs (such as roof) to be made subject to Council approval only. Councilman Sanford seconded the motion, and all voted in favor. Canton Merchants Association representative Donna Thompson thanked the Council and acknowledged the Association's agreements to the terms of their use of the building as outlined by Councilman Fugate.

DISCUSS AND CONSIDER NAMING CITY'S PAVILION(S) – After reviewing numerous names suggested, Councilman Fugate moved that the pavilion be named "First Monday Trade Center I." Councilman Sanford seconded the motion, and all voted in favor.

DISCUSS AND CONSIDER APPROVAL OF AGREEMENT FOR THE INSTALLATION OF AN AUTOMATIC TELLER MACHINE AT THE FIRST MONDAY PARK – City Secretary Rhita Koches presented the proposals of The Bank of Van Zandt and International Merchant Services, Inc., for the installation of an automatic teller machine at the First Monday Park. The Council reviewed the options of using the City's funds to support ATM transactions or using bank funds. The locations recommended by each vendor were also reviewed. Councilman Pruitt moved that the City enter into an agreement with The Bank of Van Zandt for the installation of an automatic teller machine. Councilman Sanford seconded, and all were in favor.

DISCUSS AND CONSIDER APPROVAL OF FIRST MONDAY POLICIES AND PROCEDURES – Julie Jackson presented the proposed 1999 Vendor Information brochure and outlined the changes which had been made in the "First Monday Policies & Procedures" pursuant to Council action. Councilman Pruitt moved that the brochure, including the "First Monday Policies & Procedures," be approved and adopted. Councilman Sanford seconded, and all were in favor.

DISCUSS AND CONSIDER INSTALLATION OF THREE-WAY STOP SIGN TO BE LOCATED AT THE INTERSECTION OF DENISE STREET AND FORREST STREET – Mr.

Mallory informed the Council that a resident on Forrest Street had requested the installation of a stop sign in an attempt to slow traffic on Forrest. Mr. Mallory concurred that traffic control measures were necessary in the area. Councilman Fugate moved that an additional stop sign be placed at the intersection of Forrest Street and Denise Street for a three-way stop at that location. Councilman Lide seconded the motion, and all were in favor.

DISCUSSION PERTAINING TO OLD AND NEW BUSINESS FOR PLACEMENT ON FUTURE AGENDAS – There were no items to be placed on future agendas.

ADJOURN – There being no further business to come before the Council, Councilman Fugate moved that the meeting be adjourned. Councilman Lide seconded, and the meeting was adjourned.

Don Hackney, Mayor

ATTEST:

Rhita Koches, City Secretary

CALLED MEETING OF CANTON CITY COUNCIL
CITY OF CANTON, TEXAS
8:00 A.M., SATURDAY, NOVEMBER 14, 1998
CITY HALL, 290 E. TYLER STREET
CANTON, TEXAS

CALL TO ORDER AND ANNOUNCE QUORUM - The Canton City Council met at the above-named date and time in the City Hall Council Chambers. Members present were Mayor Don Hackney, Charles Lide, Ron Sanford, Raymond Pruitt and Hoss Williams. Councilman Ronnie Fugate was absent.

Discussion and action were as follows:

CALL TO ORDER AND ANNOUNCE QUORUM - Mayor Hackney called the meeting to order at 8:00 a.m. and declared that a quorum was present.

EXECUTIVE SESSION FOR CONFERENCE WITH EMPLOYEES TO RECEIVE INFORMATION AND/OR QUESTION EMPLOYEES (Section 551.075) - The Council adjourned into Executive Session at 8:00 a.m. pursuant to the provision of the Open Meetings Law, Chapter 551, Govt. Code, Vernon's Texas Codes Annotated, in accordance with the authority contained in Section 551.075. During this briefing, members of the Council heard presentations and questioned employees regarding water and sewer matters, First Monday operations, and administrative personnel matters.

RECONVENE TO OPEN SESSION TO TAKE ANY ACTION REQUIRED PURSUANT TO DISCUSSIONS IN EXECUTIVE SESSION - The Council returned to open session at 9:05 a.m. with no action taken. During this meeting, members of the Council did not deliberate public business or agency policy which affected public business.

ADJOURN - There being no further business to come before the Council, Councilman Sanford moved that the meeting be adjourned. Councilman Lide seconded, and all were in favor.

Don Hackney, Mayor

ATTEST:

Rhita Koches, City Secretary

REGULAR MEETING
CANTON CITY COUNCIL
6:30 P.M., TUESDAY, NOVEMBER 17, 1998
CITY HALL, 290 E. TYLER STREET, CANTON, TEXAS

CALL TO ORDER AND ANNOUNCE QUORUM - The Canton City Council met at the above-named date and time in the City Hall Council Chambers. Members present were Mayor Don Hackney, Ronnie Fugate, Ron Sanford, Charles Lide, Hoss Williams, and Raymond Pruitt.

Discussion and action were as follows:

CALL TO ORDER AND ANNOUNCE QUORUM - Mayor Hackney called the meeting to order at 6:30 p.m. and declared that a quorum was present.

MAYOR'S WELCOME by Mayor Don Hackney.

INVOCATION was given by Councilman Ronnie Fugate.

PLEDGE OF ALLEGIANCE –The Pledge of Allegiance was led by Mayor Hackney.

GUEST ITEMS – Mayor Hackney recognized Joe Collins, Director of the Canton Chamber of Commerce. Mr. Collins reported on the upcoming Christmas Parade and trade shows scheduled for Dallas and Houston. He also advised the Council of Van Zandt County Day in Austin in March of 1999.

CONSIDER APPROVAL OF MINUTES OF OCTOBER 17 AND 20, 1998 MEETINGS - Councilman Fugate moved that the Minutes be approved. Councilman Lide seconded, and all voted in favor.

CONSIDER APPROVAL OF OCTOBER 1998 FINANCIAL STATEMENTS - Mr. Mallory read the totals from the October 1998 Financial Statements. Councilman Lide moved that the Financial Statements be approved as presented. Councilman Sanford seconded, and all were in favor.

DISCUSS AND CONSIDER REQUEST BY EARL POST, JR., FOR CITY OF CANTON TO CO-SPONSOR THE FIRE FESTIVAL IN MARCH OR APRIL OF 1999 – Mr. Mallory advised the Council that, in the past, the City has donated the use of the Civic Center for this event. Councilman Fugate moved that the City co-sponsor the Fire Festival by donating the use of the Civic Center, subject to availability. Councilman Pruitt seconded, and all were in favor.

SECOND PUBLIC HEARING ON ANNEXATION OF 13.5 ACRE TRACT LOCATED ON VZ COUNTY ROAD 3101 (WYNNE ROAD) OWNED BY W. L. GUNN – Mayor Hackney opened the public hearing at 6:37 p.m. There being no comments for the public, the hearing was closed at 6:38 p.m.
SECOND PUBLIC HEARING ON ANNEXATION OF 9.26 ACRE TRACT LOCATED ON HWY. 243 OWNED BY HACKNEY PARTNERS, LTD. - Mayor Hackney opened the public hearing at 6:38 p.m. There being no comments for the public, the hearing was closed at 6:39 p.m. Councilman Williams temporarily excused himself from the meeting.

DISCUSS AND CONSIDER ACCEPTANCE OF PETITION FOR ANNEXATION OF 1.3 ACRES LOCATED ON HIGHWAY 243 EAST OWNED BY JOHN W. CROW – Mr. Mallory informed the Council that Mr. Crow has already paid to have water lines installed in the area. The installation of sewer to the property would be the expense of the property owner. Mr. Mallory explained that Mr. Crow was primarily interested in seeking police protection for his business. Councilman Fugate moved that the petition be accepted. Councilman Pruitt seconded, and all were in favor.

Councilman Williams returned to the meeting.

DISCUSS AND CONSIDER RECOMMENDATION OF PLANNING AND ZONING COMMISSION ON ZONING CHANGE FOR 31.41 ACRE TRACT ON FM 859 OWNED BY CANTON ECONOMIC DEVELOPMENT CORPORATION FROM RA TO GI-1 – Mr. Mallory reported that the Planning and Zoning Commission unanimously voted to recommend the requested zoning change for the Canton Industrial Park. Councilman Sanford moved that the zoning change be approved. Councilman Lide seconded, and all were in favor.

DISCUSS AND CONSIDER RECOMMENDATION OF PLANNING AND ZONING COMMISSION ON ZONING CHANGE FOR 8.42 ACRES AND ADJACENT TRACT ORIGINALLY CONTAINING 20 ACRES ON CHERRY CREEK OWNED BY GEORGE AND MARY PITTS FROM RA AND R-2 TO MF-1 AND R-2 – Mr. Mallory reported that the

Planning and Zoning Commission unanimously voted to recommend the requested zoning change. Mayor Hackney recognized Eric Cliburn who asked to speak on behalf of property owners in the area of the requested change. A petition signed by area property owners opposed to the zoning request had been provided to the Council. Mr. Cliburn said the area residents would like to see a specific plan for the property. He stated that the decision to change the zoning should be based on facts. He said that he had been told that the only opinions that mattered were the property owners within 200 feet of the subject property. However, he felt there were more people affected by this requested change. He stated that the Planning and Zoning's decision appeared to be based only on the basis that they did not want to slow Canton's growth. He state that the most important impact would be that any future developer could build anything allowable within Multi-Family zoning. Mr. Cliburn suggested that re-zoning should only be granted after specific plans for development are presented. He then suggested that an apartment complex of 500 units could be built on the property as opposed to only 120 homes under R-2 zoning. He also cited the property owners' concern that the only entrance to the site is from Cherry Creek, which he stated was not a major road. Mr. Cliburn estimated that the traffic impact could be 500 to 800 additional cars per day. He questioned whether existing utilities could support the improvements. Mr. Cliburn told the Council that the Planning and Zoning Commission had observed that the site could be a great opportunity for senior housing community; however, without specific plans, Mr. Cliburn said there is no way to know what will be built. He also suggested that the 200 foot R-2 buffer zone was primarily to minimize the number of notices of the requested zoning change. He asked the Council to question who benefits from the requested zoning change – the City of Canton or the owners of the property. Mr. Cliburn then asked that the Council vote against the request which he felt was speculative re-zoning.

Councilman Lide stated that he thought those in opposition to the request were effectively denying people who cannot afford to buy homes a place in Canton. He said that he did not think the City could put up a gate. He said he was hearing if you buy a home, okay, but we don't want apartments. Councilman Lide also cited the shortage of available rental property in the City of Canton. Upon questioning from Councilman Lide about problems with the Westwood apartment complex, Mr. Cliburn stated that he did not have a problem with any apartments. However, he did not feel this was the right location for apartments. He also stated that he did not have a problem with a planned retirement community. He said that he was opposing speculative re-zoning since no one has any idea what will be developed on the property.

Councilman Lide asked whether the City has a master plan for zoning. Mr. Mallory explained that the East Texas Council of Governments prepared Canton's zoning ordinance as well as zoning ordinances for many East Texas communities. He said that a master plan was generally prepared in conjunction with the proposed ordinance. However, he has been unable to locate such a plan for Canton.

Cindy Malouf addressed the Council on behalf of the property owners, George and Mary Pitts. Mrs. Malouf said that she lives on Cherry Creek and her sister lives on Lisa Circle. She said that there names were not on any of the petitions presented for the reason that they were not approached nor did they have the opportunity to respond. She said that while she liked the fact that there was little traffic on Cherry Creek, she knew that things were going to change. She

suggested that the area residents had forgotten that they live on a City street. She said that it was her understanding that the City scheduled street repairs and improvements based on the density of traffic. She also reminded property owners that their property lines are approximately ten feet further from the street to allow for larger streets and that all street improvements are made without a City property tax. Mrs. Malouf said that it was her understanding that the City's water and sewer services were supplemented because the fees charged did not cover the cost of those services. She said that residents have all of the benefits of living inside the city limits without paying City property taxes. Mrs. Malouf observed that there is a limited amount of vacant land inside the city limits and that the subject property is one of the largest privately owned tracts inside the city limits. She said that requiring only R-2 construction on this tract is effectively cutting out a section of the community that cannot purchase a home since a moderate home is costing $80,000 to $90,000. Mrs. Malouf said that she had contacted both of Canton's apartment complexes and was told that there was only one vacancy between the two. Mrs. Malouf suggested that this zoning decision will not get any easier. She said that there will probably still be opposition should a decision be delayed to wait for a plan for the development of the property. She stated that doing so would also transfer the property value to a new owner instead of allowing the current owner to realize any increase in the property's value. In response to Mr. Cliburn's earlier question as to whether this was the best location, Mrs. Malouf stated that no one could know that since the very best location may never come before the Council. She also explained that, if the zoning request was granted, the property owners would still have to go through the site plan approval process. She suggested that the time to oppose would be when the plan is presented. She stated that the question before the Council should be "Why not re-zone?" She said this was one of the largest tracts available and it was already inside the city limits. She also cited the City's inspection process as a means of controlling the construction. Mrs. Malouf said she agreed with Mr. Cliburn that speculation and emotion should not be a consideration in this matter. She said that the Council should look at adherence to the City's Planning and Zoning Ordinance and that the landowners had complied.

Mayor Hackney advised the Council that, due to the Planning and Zoning Commission's unanimous vote, a 4/5ths vote would be required to overturn the Commission's recommendation. Councilman Sanford said that the Commission was to be commended for their consideration of this request. He then stated that he was concerned about a potential traffic burden on Cherry Creek. Councilman Fugate also voiced concerns about the state of Cherry Creek and additional traffic. He also commended the Commission for their decision. Councilman Fugate then said that he had problems with some of the concerns raised by area property owners. He suggested that the Council send the matter back to Planning and Zoning to consider those concerns. Councilman Williams stated that he had contacted five different local men whose opinions he valued, and they had advised him to have the matter tabled or to vote against the zoning change. Councilman Sanford then moved that the request be denied. Councilman Fugate seconded the motion. Councilmen Fugate, Sanford, Pruitt, and Williams voted in favor of the motion and Councilman Lide voted against. The motion carried by the required four-fifths.

DISCUSS AND CONSIDER ADOPTION OF CANTON HERALD AS OFFICIAL NEWSPAPER OF CITY OF CANTON – Mr. Mallory explained that the City is required by statute to designate an official newspaper each year. Councilman Sanford moved that the Canton

Herald be adopted as the official newspaper of the City of Canton. Councilman Fugate seconded, and all were in favor.

DISCUSS AND CONSIDER UPDATE ON STREET CONDITIONS, REPAIRS, AND IMPROVEMENTS – Mr. Mallory updated the Council on the status of street improvements on College, Murrey, Mill Creek, Big Rock, Tanglewood, Oak, Forrest, and Denise.

DISCUSS AND CONSIDER PARK EQUIPMENT AND IMPROVEMENTS – Councilman Fugate asked Tonda Hatfield to address the Council. Mrs. Hatfield reminded the Council that a proposal had been presented a couple of months ago. She suggested that the City go ahead with the purchase of the requested playground equipment to take advantage of a discount in the price. She reminded the Council that the equipment order did not include surfacing and that some of the existing equipment should be removed. Councilman Fugate said that he had spoken with Mr. Mallory about the need to order the equipment before the price increase. He also requested a detailed layout from Mr. Wood, the representative from the Playwell Group. Councilman Fugate moved that the City proceed with the purchase of the requested equipment. Councilman Pruitt seconded, and all voted in favor.

DISCUSS AND CONSIDER INSTALLATION OF SEWER LINE ON ETHERIDGE ROAD – Councilman Williams said that he had been approached by Horace Etheridge who said he was told he could have sewer services if his property was annexed into the city limits. He said that Mr. Etheridge had told him he was originally quoted one price, but the price continues to increase. Councilman Williams said he would like to know why Mr. Etheridge still does not have his sewer line. Mr. Mallory informed the Council that the lower price quoted for sewer was for a lift station at each house which Mr. Etheridge did not want. Mr. Mallory explained that the road bore will be approximately $6,000, the two manholes were $1,500 each with an estimated total cost of $17,885. Mr. Mallory explained that lift pumps could be installed inside the existing septic system and each house on the line would have to have a lift pump. The cost would be approximately $5,000 per house. Mr. Mallory further explained that the City would pay for the installation of the sewer line to the corner, and each lot owner would have to pay for the line to their property and for the lift pump.

DISCUSS AND CONSIDER AMENDMENT TO ORDINANCE 96-06 ADOPTING CURRENT STANDARD CODES RELATING TO INSPECTION ACTIVITIES – Mr. Mallory explained that the purpose of the proposed ordinance was to keep the City's codes up to date. Councilman Lide moved that the proposed amendment to Ordinance No. 96-06 be adopted:

AMENDMENT TO ORDINANCE NO. 96-06

AN AMENDMENT TO THE ORDINANCE ADOPTING VARIOUS STANDARD CODES RELATING TO INSPECTION ACTIVITIES OF THE CITY OF CANTON, TEXAS; CREATING THE OFFICE OF BUILDING INSPECTOR; PROVIDING FOR ENFORCEMENT AND ADMINISTRATION OF BUILDING PROVISIONS AS PROVIDED IN SAID CODES; PROVIDING A PENALTY NOT TO EXCEED $200.00 FOR EACH VIOLATION THEREOF; PROVIDING FOR PUBLICATION AND ORDAINING OTHER MATTERS RELATED TO THE FOREGOING.

WHEREAS, the present ordinances regulating the construction and alteration of buildings, installation and alteration of electric wiring, and installation and alteration of plumbing should be updated; and

WHEREAS, the adoption of such codes is required for public safety, health and general welfare;

NOW THEREFORE BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF CANTON, TEXAS.

SECTION 1. ADOPTION OF CODES
That there is hereby adopted by the City of Canton for the purpose of establishing rules and regulations for the construction, alteration, and removal of buildings, electric wiring, and plumbing, the following codes by reference as though they were copied herein fully:

- Standard Amusement Device Code - 1985 Edition
- Standard Building Code - 1997 Edition
- Standard Existing Building Code - 1988 Edition with 1991/1994 Revisions
- Standard Fire Prevention Code - 1997 Edition
- Standard Gas Code - 1997 Edition
- Standard Housing Code - 1991 Edition with 1992/1994 Revisions
- Standard Plumbing Code - 1997 Edition
- Standard Private Sewage Disposal Code – 1997 Edition
- Standard Swimming Pool Code - 1991 Edition with 1993/1994 Revisions
- Standard Unsafe Building Abatement Code - 1985 Edition
- National Electrical Code NFPA70 – 1999 Edition
- CABO One and Two Family Dwelling Code – 1995 Edition with 1996/1997 Revisions

SECTION 2. PENALTIES:
Any person, firm or corporation found guilty of violating any of the provisions of this ordinance shall be subject to a fine not to exceed two hundred dollars ($200.00), together with the costs of such prosecution. Each day during which a violation continues shall be considered a separate offense.

SECTION 3. EFFECTIVE DATE:
All other sections of Ordinance 96-06 are hereby ratified and confirmed and shall remain in full force and effect.

The City Manger of the City of Canton is hereby authorized and directed to cause a true and correct copy of the caption, penalties, and effective date of this ordinance to be published in a newspaper having general circulation in the City of Canton, Texas prior to its effective date.

Following the publication, this ordinance shall be in full force and effect. All ordinances or parts of ordinances conflicting with any of the provisions of this ordinance are hereby repealed.

SECTION 4. SAVINGS CLAUSE:
That if any provision or any section of this ordinance shall be held to be void or unconstitutional, such holding shall in no way affect the validity of the remaining provisions or sections of this ordinance, which shall remain in full force and effect.

Councilman Fugate seconded the motion, and all voted in favor.

DISCUSS AND CONSIDER AMENDMENT TO ORDINANCE 94-13 (RULES AND REGULATIONS PERTAINING TO PUBLIC USE) REGARDING LAUNCH FEE AT MILL CREEK LAKE – Councilman Fugate reminded the Council that launch permits are free to

residents of Canton and suggested that free permits also be extended to residents of Van Zandt County. Councilman Fugate moved that boat launch permits be free to residents of Van Zandt County. The motion died for lack of a second.

DISCUSS AND CONSIDER APPROVAL OF PARTICIPANTS IN WEST GATE FIRST MONDAY PARKING (FM 859) – First Monday General Manager Al Campbell reviewed the list of local organizations who had applied to participate in First Monday parking. Councilman Pruitt moved that the list of organizations be approved. Councilman Sanford seconded, and all were in favor.

DISCUSS AND CONSIDER REVISIONS TO TERMS OF LONG-TERM LEASE AGREEMENTS FOR VENDORS WITH PERMANENT STRUCTURES – Councilman Sanford said that he had visited with some of the vendors with permanent structures who pay one and a half times the lot rate, and they now have the additional expenses of taxes and insurance. Councilman Sanford said that he would recommend the Council drop the additional one-half and go back to the straight lot rental rate with the vendor paying for utilities. He stated that they should be given the choice of their original lease agreements or executing new leases at the revised rate. Councilman Sanford moved that the lot rate for vendors with permanent structures be reduced to the straight lot rental rate. Councilman Pruitt seconded, and all were in favor.

EXECUTIVE SESSION FOR DELIBERATIONS REGARDING POTENTIAL PURCHASE OF REAL PROPERTY (SEC. 551.072) - The Council adjourned into Executive Session at 7:45 p.m. to consider the proposed purchase of real property on behalf of the City of Canton.

RECONVENE INTO OPEN SESSION AND CONSIDER ACTION, IF ANY, ON ITEMS DISCUSSED IN EXECUTIVE SESSION - At 8:15 p.m. the Council returned to open session with no action taken.

DISCUSSION PERTAINING TO BUSINESS FOR PLACEMENT ON FUTURE AGENDAS – There were no items to be placed on future agendas.

ADJOURN – There being no further business to come before the Council, Councilman Fugate moved that the meeting be adjourned. Councilman Lide seconded, and the meeting was adjourned.

Don Hackney, Mayor

ATTEST:

Rhita Koches, City Secretary

REGULAR MEETING
CANTON CITY COUNCIL
6:30 P.M., TUESDAY, DECEMBER 15, 1998
CITY HALL, 290 E. TYLER STREET, CANTON, TEXAS

CALL TO ORDER AND ANNOUNCE QUORUM - The Canton City Council met at the above-named date and time in the City Hall Council Chambers. Members present were Mayor Don Hackney, Ronnie Fugate, Ron Sanford, Charles Lide, Hoss Williams, and Raymond Pruitt.

Discussion and action were as follows:

CALL TO ORDER AND ANNOUNCE QUORUM - Mayor Hackney called the meeting to order at 6:30 p.m. and declared that a quorum was present.

MAYOR'S WELCOME by Mayor Don Hackney.

INVOCATION was given by Councilman Ronnie Fugate.

PLEDGE OF ALLEGIANCE –The Pledge of Allegiance was led by Mayor Hackney.

With the consent of the Council, Mayor Hackney announced that the following agenda item would be taken out of order.

PRESENTATION BY TAYJON MARKETING REGARDING FIRST MONDAY AND TOURISM ADVERTISING – Mayor Hackney recognized Eric Jontra who updated the Council on the activities of TayJon Marketing in connection with First Monday advertising. Mr. Jontra reminded the Council of the terms of his agreement which provides for review in January to consider renewal in March. He explained that advertising through TayJon does not cost the City anything since radio stations pay the agency a commission. He stated that the staff of TayJon has 35 to 40 years experience in marketing and broadcasting. He said the TayJon has taken the First Monday advertising budget allotted to them and attempted to invest those dollars wisely. In researching the best use of those funds, TayJon considered television, print, and radio advertising. It was determined that radio advertising would allow the most people to hear the message the most times. Mr. Jontra presented a handout of the locations, radio stations, and number of persons reached. He said that according to information provided by the various radio stations, the current advertising schedule reaches over a million people per month.

Mr. Jontra said that he would recommend changes to First Monday's billboard advertising. He said he would like to be involved in revisions to the graphics on the billboards. It was his opinion that billboards would reach a lot of people. However, people have to physically be in the location of the billboard. He stated that you can reach people by radio without them being in a particular location. He explained that print advertising in "Texas Monthly" or "D Magazine" runs from $7,500 for a quarter page ad to $15,000 for a full page ad. He said that First Monday's current advertising plan reaches its market at a cost of less than a penny per person. He explained that research has previously determined that the First Monday market is

female, 35 to 54 years of age. The stations selected for advertising are the leaders in their markets for that group.

Mr. Jontra reported that, with the skyrocketing use of the internet, the "fmcanton.com" website has taken a lot of hits. He noted that the website exposure costs only $40 per month.

Mr. Jontra said that he would recommend light advertising in January and February and heavier coverage in March, April, and May. It would be his recommendation that advertising not be placed in the Austin and Waco markets during the hottest summer months. He said that obviously the heaviest advertising would be for the October, November, and December markets.

Mr. Jontra said that in the event the contract with TayJon is renewed, he would meet with First Monday General Manager Al Campbell to determine the budget funds available and then make a proposal for the stations and markets to buy advertising.

Mayor Hackney inquired whether there had been any interest in corporate sponsorships. Mr. Jontra said that there has been positive response from major companies but they will have to include funding in their 1999 budgets. Mr. Jontra explained that First Monday advertising is considered non-traditional, and TayJon will just need to stay in touch with those potential sponsors. He said that there could already be sponsorships in place through casinos, alcohol, and tobacco companies. However, he explained that it was his feeling that First Monday and the City would best be served by affiliations with a different type of businesses.

Councilman Pruitt suggested that a meeting be scheduled with Al Campbell, Mayor Hackney and Councilman Pruitt to discuss advertising plans. Mr. Jontra voiced his agreement to having the First Monday advertising committee meet to help formulate an advertising plan. Mayor Hackney thanked Mr. Jontra for his presentation.

GUEST ITEMS – Mayor Hackney recognized Joe Collins, Director of the Canton Chamber of Commerce. Mr. Collins reported that arrangements had been made to have Councilman and Mrs. Pruitt attend the travel show in McAllen. Mr. Collins reviewed the activities of the Chamber during 1998 and announced that reservations had been made for the Houston, Dallas, and Austin shows in 1999.

Mayor Hackney recognized Bob Werner, a First Monday vendor, who advised the Council that an adjacent vendor whose lot size has been reduced due to construction in the area. He said that, due to a lack of space, this vendor extends his lot into the aisle which adversely affects the flow of traffic. He stated that this vendor needs to stay within the boundaries of his lot or be moved. Mayor Hackney then asked whether Mr. Werner had discussed this matter with Al Campbell, and he responded that he had not. Mayor Hackney said that the matter will be directed to Mr. Campbell. Mr. Werner said that the adjacent vendor is paying rent for two lots, but he will probably not set up for the next few months.

CONSIDER APPROVAL OF MINUTES OF NOVEMBER 14 AND NOVEMBER 17, 1998 MEETINGS - Councilman Williams directed the Council's attention to the Minutes of November 17, 1998, and questioned the inclusion of a reference to his absence during a portion of that meeting. Councilman Williams stated that he had discussed this matter with numerous prior Council members and Mayors. City Secretary Rhita Koches stated that the Minutes were written

to reflect the members of the governing body who are present for any vote taken by the Council as well as the vote of those Council members. Councilman Fugate moved that the Minutes be approved. Councilman Lide seconded, and Councilmen Fugate, Lide, Pruitt, and Sanford voted in favor. Councilman Williams voted against. The motion to approve the Minutes carried.

CONSIDER APPROVAL OF NOVEMBER 1998 FINANCIAL STATEMENTS - Mr. Mallory read the totals from the November 1998 Financial Statements. Councilman Pruitt moved that the Financial Statements be approved as presented. Councilman Fugate seconded, and all were in favor.

DISCUSS AND CONSIDER AWARDING BID FOR PURCHASE OF COMPUTER SYSTEM FOR CITY HALL - Mr. Mallory directed the Council's attention to the bid tabulations for computer hardware:

Cygnus	$18,931.00
CPS	$21,196.00

Mr. Mallory explained that updated software and cabling would be purchased from CPS which would bring the estimated cost to approximately $33,800. He said that it would be his recommendation to accept the bid of Cygnus for the computer hardware and to purchase the software from CPS. He explained that $40,000 had been budgeted for this project. Councilman Lide moved to accept the recommendation of Mr. Mallory and that the bid for the purchase of computer hardware be awarded to Cygnus with software to be purchased from CPS. Councilman Fugate seconded, and all were in favor.

DISCUSS AND CONSIDER ADOPTION OF ANNEXATION ORDINANCE FOR ANNEXATION OF 13.5 ACRE TRACT LOCATED ON VZ COUNTY ROAD 3101 (WYNNE ROAD) OWNED BY W. L. GUNN – Councilman Pruitt moved that the annexation ordinance be approved. Councilman Sanford seconded, and Councilmen Fugate, Lide, Pruitt and Sanford voted in favor. The motion carried.

DISCUSS AND CONSIDER ADOPTION OF ANNEXATION ORDINANCE FOR ANNEXATION OF 9.26 ACRE TRACT LOCATED ON HWY. 243 OWNED BY HACKNEY PARTNERS, LTD. - Councilman Fugate moved that the annexation ordinance be approved. Councilman Lide seconded, and Councilmen Fugate, Lide, Pruitt, and Sanford voted in favor. The motion carried.

FIRST PUBLIC HEARING ON ANNEXATION OF 1.3 ACRES LOCATED ON HIGHWAY 243 EAST OWNED BY JOHN W. CROW - Mayor Hackney opened the public hearing at 7:12 p.m. There being no comments for the public, the hearing was closed at 7:12 p.m.

DISCUSS AND CONSIDER ADOPTION OF REGULATIONS PERTAINING TO THE PARKING AND STORAGE OF TRAVEL AND CAMPING TRAILERS – Councilman Lide stated that the City regulates junked cars and suggested that some type of regulations be adopted to regulate the storage of trailers in front yards. Councilman Pruitt asked whether the Council could adopt and enforce such regulations. Mr. Mallory said that the Council's authority is based

on the health, safety and welfare of the citizens. He said that these type of storage issues are usually handled through deed restrictions. Mr. Mallory said that the City has been successful in having trailers moved from the street due to safety issues. Mr. Mallory said that he will research this matter further and attempt to get an opinion from the Texas Municipal League. He told the Council that he and his staff had researched this matter prior to this meeting and had been unable to locate a proposed Ordinance relating to this issue. Councilman Williams stated that he did not believe the Police Department should be charged with the responsibility of enforcing these types of regulations.

DISCUSS AND CONSIDER UPDATE ON STREET CONDITIONS, REPAIRS, AND IMPROVEMENTS – Councilman Pruitt asked Mr. Mallory to update the Council on equipment the City no longer has. Mr. Mallory said that the City had leased certain equipment which was costing approximately $7,000 per month. He said that equipment has been returned and that expense was removed from the budget. He explained that there are enough funds in Capital Improvements for street repairs this year. He suggested that next year it may be necessary to put money back in to the budget for street improvements. Mr. Mallory said that some of the lease payments for equipment were made from Capital Improvements when the equipment was used accordingly. However, when the equipment was used for First Monday, it was charged to First Monday. Mr. Mallory advised the Council that water and sewer have had to be replaced on every street improvement project. The City owns some equipment which is adequate for First Monday repairs at this time. Mr. Mallory then presented an update on the construction on Big Rock, Mill Creek, and Murrey. Councilman Pruitt stated that he wanted it clarified that the street budget had not been cut. Mr. Fugate concurred and said that he had also received complaints due to a misunderstanding that the street budget had been reduced.

DISCUSS AND CONSIDER ADOPTION OF GUIDELINES FOR FIRST MONDAY TRADE CENTER – Mr. Campbell presented the proposed guidelines. Councilman Pruitt moved that the Guidelines be approved as attached hereto and made a part hereof. Councilman Sanford seconded, and all were in favor.

DISCUSS AND CONSIDER ADOPTION OF RULES FOR FIRST MONDAY TRADE DAYS VENDORS AT CANTON CIVIC CENTER – Mr. Mr. Campbell presented the proposed guidelines. Councilman Pruitt moved that the following Guidelines be approved:

FIRST MONDAY TRADE DAYS
CANTON CIVIC CENTER
INDOOR ANTIQUES & COLLECTIBLES MARKET

RENTAL INFORMATION

THE FOLLOWING RULES APPLY TO EACH VENDOR. ANY FAILURE TO COMPLY WITH LISTED RULES MAY RESULT IN REMOVAL FROM THE PREMISES AND/OR LOSS OF LEASED SPACE UPON MANAGEMENT'S DISCRETION.

SALES

1. Space rental shall be for the sale of antiques and collectibles only. No reproductions or new merchandise. Eighty percent (80%) of the collectibles must be at least 20 years old. No merchandise currently available wholesale or retail is allowed. Management reserves the right to

restrict the sale and/or display of items.

2. Each vendor is required to have a Texas Sales Tax Permit. Contact 1-800-252-5555 for information. The current tax rate is 8 1/4 %.

SPACE RENTAL

3. Rates for the First Monday Weekend (includes electricity)

10' x 10' -- $125.00 (All spaces are 10' across the front. The difference is the depth.)

10' x 12' -- $150.00

10' x 14' -- $175.00

4. Space is rented on a monthly basis. To apply, please return the attached application to First Monday, City of Canton, P.O. Box 245, Canton, Texas 75103, Attn: Julie Jackson. You may reserve by phone and mail in your payment. **Please call Julie Jackson at (903) 567-2826 beginning Wednesday, one week after First Monday, to check on available space for the next show.** Once reserved, you have first option to renew your space.
5. **The deadline for space renewal is Friday following First Monday.** Spaces will be released if payment is not received by that date. Please notify management as soon as possible, if you do not plan to renew.
6. If a vendor is unable to make a show and wishes to keep his space, building management will try to fill the space (maximum two times per year.) You must pay your renewal to hold your space. If the space is rented by management, you will be credited for the following month. There will be no refunds or credits if management is unable to lease your space. This service is provided to offer you flexibility in the event of an emergency and to keep the building full for expectant customers. Any vendor missing more than two months a year, will loose his space.
7. First Monday lot receipts are issued for the sole purpose of admitting said vendor only in the building. Any changes or addition of partners must be made through management. **Unauthorized sharing of space or sub-leasing by the vendor is prohibited.**

BUILDING HOURS

Open To Vendors	9:00 a.m.-1:00 p.m.	Wednesday (Early Set-up for pre-paid Vendors Only)
	1:00 p.m. - 7:30 p.m.	Wednesday (Early Set-up for all Vendors)
	7:30 a.m. - 7:30 p.m.	Thursday - Monday
Open To Public	8:00 a.m. - 7:00 p.m.	Thursday - Monday

8. No selling allowed until Thursday morning.
9. All vendors are asked to be set -up by 8:00 a.m. Friday.
10. All vendors are asked to remain open at least 8:00 a.m. to 5:00 p.m. each day through Sunday. If you must pack up and leave early, please have your neighbors fill in your space. If Monday is a holiday, many vendors remain open on Monday.
11. All merchandise must be removed from the premises by 8:00 a.m. Tuesday.

SET-UP & DISPLAYS

12. All displays, merchandise and seating must remain within the designated lines of the leased space. Building Fire Codes require us to keep aisles and exits open and free from obstructions. Please set up payment areas, if any, inside your booth.
13. 8' or 6' tables and chairs may be rented from management for the weekend at $5.00/table and $1.00/chair. Vendors are responsible for furnishing table covers. Tables ordered in advance will be at your space upon arrival.
14. No staples, tacks, nails, etc. will be used in the building's walls or on poles. Individuals are responsible for any damage they cause to the building (above normal wear and tear). Remember, tape, wire and leaning objects will damage paint. Please help us keep the building in good condition.
15. Vendors must use a 3-prong extension cord when utilizing electrical outlets. Please turn off or unplug all lights and lamps every night. Outlets are located on the walls or in the floor between every other space. Please keep all extension cords out of public walkways to avoid accidents.
16. Upon departure, all vendors are required to leave their space clean and their trash bagged.

LOADING ZONES

17. Any entrance may be used for loading and unloading on Wednesday, Thursday and after 4:00 p.m. on Sunday. All entrances except on the east side of the building may be used at any time during building hours.
18. **No vehicles are allowed to park or load on the east side of the building beginning Friday morning until 4:00 p.m. Sunday.** During loading times only, vehicles may park along the curb. Fence line parking is prohibited at all times.
19. Please be considerate when loading and unloading. Do not block driving lanes and allow space for dollies and carts to pass through the entrances. Park at the entrances and curbs only long enough to get your merchandise in the building. Please move your vehicle **before** unpacking/packing.
20. Carts are available at the doors for vendor use. Please return them to the door areas as soon as your merchandise is unloaded so that other vendors can use them.

VEHICLE PASSES AND PARKING

21. Vendor passes will be issued each month for the purpose of identifying vendor vehicles. Each vehicle must have a pass visible when entering and while parked in the First Monday Park.
22. Parking on the concrete lot surrounding the building is for building vendors only. You are allowed one vehicle pass per rented space. Parking for additional vehicles, trailers and oversized vehicles is available south of the building parking lot under the trees. Space is a premium--please park all trailers off the lot south of the building.
23. Vehicles parked in the fire lanes or in the RV Park will be towed and ticketed at the owner's expense. Vehicles without a vendor pass designated for building vendors will also be towed and/or ticketed at the owner's expense.
24. Merchandise Pick-Up Passes will be issued at the vendor's request. These passes are to be given to customers purchasing large or heavy merchandise, allowing them to drive to the civic center for the sole purpose of picking up their merchandise.
25. Unauthorized use of Vendor and Merchandise Pick-Up Passes is strictly prohibited. Any violations may result in the loss of leased space.

CAMPING

26. The northern-most row of the civic center parking lot is reserved for small campers, vans and trucks requiring electricity and water hook-ups. The spaces may be rented on a first-come, first-served basis for $10.00 for the weekend (Wed.-Sun.) There is a $10.00 fee per additional night. **No oversized vehicles allowed.**
27. RVs may reserve space in the Canton RV Park on the west side of the building by calling (903) 567-6556 one month in advance beginning on Tuesday after First Monday weekend. Full hook-ups are $20.00 per night, 3 nights minimum. Cable not included. RV spots must be renewed by the first Monday, one month in advance. Civic Center vendors with RV spots may renew their space along with their building space as long as they meet the deadline. Any RV spot not renewed by the first Monday of the month will be released.
28. Additional RV hook-ups (water and electricity only) are available south of the Log Cabin West Gate Office on a first-come, first-served basis beginning Wednesday prior to First Monday. The fee is $15.00 per night. Cable TV not included. Full hook-ups are available for $20.00 per night on the north side of the Log Cabin office beginning Thursday mid-morning.

BUILDING SECURITY

29. The building is locked daily from 7:30 p.m. until 7:30 a.m. with a security guard on premises.
30. The City of Canton is not responsible for the loss or damage of any merchandise or property located on the premises. Merchandise left unattended is done so entirely at the owner's risk.

BUILDING RESTRICTIONS

31. No smoking inside the building.
32. No alcoholic beverages in the building or on the premises.
33. No pets inside the building.
34. No vehicles inside the building.

Councilman Sanford seconded, and all were in favor.

EXECUTIVE SESSION FOR DELIBERATIONS REGARDING POTENTIAL PURCHASE OF REAL PROPERTY (SEC. 551.072) - The Council adjourned into Executive Session at 7:40 p.m. to consider the proposed purchase of real property on behalf of the City of Canton.

EXECUTIVE SESSION FOR DELIBERATIONS REGARDING PERSONNEL MATTERS (Section 551.074) – The Council moved to discussion of personnel matters at 7:55 p.m.

RECONVENE INTO OPEN SESSION AND CONSIDER ACTION, IF ANY, ON ITEMS DISCUSSED IN EXECUTIVE SESSION - At 8:15 p.m. the Council returned to open session with no action taken.

ADJOURN – There being no further business to come before the Council, Councilman Fugate moved that the meeting be adjourned. Councilman Lide seconded, and the meeting was adjourned.

Don Hackney, Mayor

ATTEST:

Rhita Koches, City Secretary

REGULAR MEETING
CANTON CITY COUNCIL
6:30 P.M., TUESDAY, JANUARY 19, 1999
CITY HALL, 290 E. TYLER STREET, CANTON, TEXAS

CALL TO ORDER AND ANNOUNCE QUORUM - The Canton City Council met at the above-named date and time in the City Hall Council Chambers. Members present were Mayor Don Hackney, Ronnie Fugate, Ron Sanford, Charles Lide, Hoss Williams, and Raymond Pruitt. Discussion and action were as follows:

CALL TO ORDER AND ANNOUNCE QUORUM - Mayor Hackney called the meeting to order at 6:30 p.m. and declared that a quorum was present.

MAYOR'S WELCOME by Mayor Don Hackney.

INVOCATION was given by Councilman Ronnie Fugate.