

**REGULAR MEETING
CANTON CITY COUNCIL
6:30 P.M., TUESDAY, JANUARY 18, 2000
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. Members present were Mayor Don Hackney, Beverly Hutcherson, Charles Lide, Ron Sanford, Raymond Pruitt and Rusty Wilson.

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 was given by Mayor Don Hackney

INVOCATION - The invocation was given by Mayor Don Hackney.

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

GUEST ITEMS - There were no guest items to come before the Council.

DISCUSS AND CONSIDER APPROVING MINUTES OF DECEMBER 14, DECEMBER 28, 1999 AND JANUARY 1, 2000 MEETINGS - Councilmember Pruitt moved that the Minutes be approved as presented. Councilmember Sanford seconded, and all voted in favor.

DISCUSS AND CONSIDER APPROVING DECEMBER 1999 FINANCIAL STATEMENTS - City Manager Johnny Mallory read the totals from the December 1999 financial statements. Councilmember Hutcherson moved that the Financial Statements be approved. Councilmember Sanford seconded, and all voted in favor.

SECOND PUBLIC HEARING ON ANNEXATION OF 2 ACRES ON NORTH I-20 SERVICE ROAD OWNED BY MIKE AND SARAH VAN DEUSEN - Mayor Hackney opened the public hearing on the subject annexation at 6:34 p.m. and asked for comments. There being no comments from the public, the hearing was closed at 6:35 p.m.

DISCUSS AND CONSIDER APPROVAL OF PARTICIPANTS IN WEST GATE FIRST MONDAY PARKING (FM 859) - First Monday General Manager Al Campbell told the Council that Canton ISD has notified him that they will not be able to assume responsibility for FM 859 parking assignments. A list of past participants was presented to the Council. Mr. Campbell explained that February parking dates have been filled and, upon Council approval of the list of participants, a drawing will be conducted. Councilmember Hutcherson stated that any group that does not show up for parking should lose the privilege. Mr. Campbell said that the City will manage parking for January, February, July and August since those seem to be the hardest months to fill.

Councilmember Hutcherson moved that the list be approved and that all participants draw for parking dates. Councilmember Sanford seconded, and all voted in favor.

DISCUSS AND CONSIDER REVISION OF ORDINANCE NO. 99-09 (POLICIES AND PROCEDURES FOR THE OPERATION OF THE CITY OF CANTON'S FIRST MONDAY TRADE DAYS) PERTAINING TO TRANSFER FEES – Councilmember Pruitt said that he had visited with First Monday Operations Manager Rayford Hutcherson and was concerned about treating all vendors fairly. He acknowledged that substantial revenue is generated by transfer fees but questioned whether some vendors are transferring their businesses without City approval. Mr. Mallory told the Council that City staff makes every effort to prevent that from happening. Mr. Hutcherson explained that some vendors have paid considerable sums to purchase food concession stands. Councilmember Wilson noted that a \$500 transfer fee is probably not a big deal in a \$20,000 sale of a concession. Mr. Campbell explained that a bill of sale and inventory are required in order to transfer a lot. Mr. Mallory confirmed that transfers in the last fiscal year generated approximately \$20,000. Mr. Hutcherson noted that one of the dealers who will be displaced by the new pavilion has only recently purchased the business. Councilmember Wilson stated that the vendors should understand that improvements need to be made on the City's property. Mr. Hutcherson said he would prefer that there be no transfer fee. Councilmember Pruitt suggested that Mr. Campbell and Mr. Hutcherson continue to review and work on this situation and bring it back to the Council if necessary.

DISCUSS AND CONSIDER ENGINEERING AND CONSTRUCTION OF PAVILION AT FIRST MONDAY PARK – Mr. Mallory said that he does not yet have the engineering plans on the proposed pavilion and estimated that soil testing and engineering will cost approximately \$60,000 to \$70,000. Councilmember Wilson said that he has concerns about how much the City's current engineer values that business. The Council discussed the necessity for soil testing for any elevated construction and various locations for a food court area. Councilmember Wilson moved to proceed with soil testing.

Councilmember Lide expressed his disagreement with the construction of any additional pavilion and cited other needs in the community such as a community center and a new city hall. He suggested that the citizens have lost a proposed downtown park and a new city hall and should not be punished further just to build another pavilion. He then asked if the City planned to hire someone to run the new pavilion and handle security. Mayor Hackney explained that Julie Jackson now handles the Civic Center and the two existing pavilions. Councilmember Lide said that the City did not necessarily need another pavilion just because Henry Lewis is building one.

Councilmember Sanford asked for a clarification of the pending motion and whether soil testing would be done regardless of the cost. Mr. Mallory said that an estimate could be obtained from the engineer. Councilmember Sanford suggested that the Council proceed with the pavilion as originally designed and construct a separate food court just north of the blue bathroom. He said that he would like to see the Council move on with this pavilion now.

Councilmember Hutcherson asked how many vendors are on the waiting list for pavilion spaces. Julie Jackson said that she has maintained the list from the City's first two pavilions although some of those vendors have now been placed. She said there are approximately 425 on the list.

Mr. Hutcherson asked if it was necessary to be so stringent in requiring vendors to come to each monthly market. Councilmember Wilson asked whether vendors could be given a month when

they did not have to set up. Mrs. Jackson said that would not be fair to the vendors who do set up each month. Mr. Mallory said that attempts are always made to fill vacant spaces. Mr. Campbell explained that exceptions are made in the event of emergencies. Councilmember Wilson said he would amend his motion to move to find out what construction costs will be. Councilmember Sanford seconded. Councilmembers Wilson, Sanford, Pruitt, and Hutcherson voted in favor. Councilmember Lide voted against, and the motion carried. Mr. Mallory said it would be important to get moving as soon as possible. Councilmember Wilson suggested that Phil Elledge, another engineer, be contacted for his input.

DISCUSS AND CONSIDER REQUEST BY PAT WRIGHT FOR WATER TAP OUTSIDE CITY LIMITS LOCATED WEST OF HIGHWAY 17 AND NORTH OF THE MOUNTAIN – Mr. Mallory explained that the customer was aware she would be responsible for costs in getting water to her property. Councilmember Pruitt moved that the request be granted. Councilmember Sanford seconded. Councilmembers Wilson, Sanford, Pruitt, and Hutcherson voted in favor. Councilmember Lide voted against, and the motion carried.

DISCUSS AND CONSIDER STATUS OF CITY PARK IMPROVEMENTS – City Secretary Rhita Koches reported that the additional plastic timbers have been ordered for the playground. Councilmember Lide moved that City purchase shredded hardwood fiber and obtain estimates for re-finishing the old City water tower. Councilmember Pruitt seconded, and all voted in favor.

DISCUSS AND CONSIDER APPROVAL OF PROPOSED BYLAWS FOR SENIOR CITIZENS ADVISORY BOARD – Councilmember Lide updated the Council on the re-organization of the Senior Citizens Advisory Board. Mayor Hackney commended Councilmember Lide and his wife, Martha, for their efforts in handling a very sensitive area. Councilmember Lide moved that the proposed Bylaws be approved. Councilmember Pruitt seconded, and all voted in favor.

DISCUSS AND CONSIDER AMENDMENTS TO ORDINANCE NO. 99-16 (WATER AND SEWER RATES) – Mr. Mallory told the Council that he had computed revenue with a \$16 cap on sewer which would produce \$70,000. He reminded the Council that the City does not collect enough for the Water and Sewer Departments to pay expenses. Mayor Hackney noted that approximately \$2,000,000 in improvements will be necessary in the next five years. Councilmember Wilson stated that he would like to see a cap on sewer at either \$16 or \$18 or a summer cap from May through September. He moved that a cap of \$16 be set on residential sewer rates effective with the City's next water billing. Councilmember Hutcherson seconded, and all voted in favor.

DISCUSS AND CONSIDER PURCHASE OF GARBAGE TRUCK FOR FIRST MONDAY – Mr. Mallory explained that the subject vehicle is a 1984 Ford C-8000 with a diesel engine. This garbage truck would be used for brush pick up and other functions in addition to First Monday. Councilmember Sanford moved that the City purchase a 1984 Ford C-8000 garbage truck from Davis Truck & Equipment Co., Inc., in Clifton, Texas, for the sum of \$19,500. Councilmember Wilson seconded, and all voted in favor.

DISCUSS AND CONSIDER PROVISIONS OF ORDINANCE 94-04 (SUBDIVISION REGULATIONS) PERTAINING TO CONSTRUCTION OF STREETS – Councilmember Pruitt told the Council about complaints he has received pertaining to the developer's failure to complete construction of the street in Cherry Grove Subdivision. Councilmember Hutcherson

moved that the developer be notified in writing that no building permits will be issued until the street is finished according to City specifications set out in Ordinance 94-04. Councilmember Pruitt seconded, and all voted in favor

DISCUSS AND CONSIDER ACCEPTANCE OF ARNOLD PAUL ROAD AS A DEDICATED CITY STREET - Mr. Mallory reported that City staff has investigated and found no prohibition against the dedication of Arnold Paul Road as a public street. Councilmember Sanford moved to accept Arnold Paul Road as a dedicated city street. Councilmember Wilson seconded, and all voted in favor

DISCUSS AND CONSIDER STATUS OF STREET CONSTRUCTION AND IMPROVEMENTS - Mr. Mallory reported on the status of pending street projects on Stacy, Meadow, Denise, and Oak Streets.

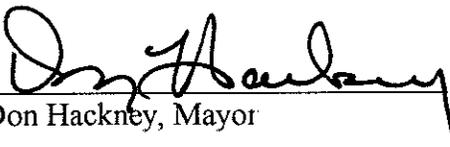
DISCUSS POSSIBLE USE OF ECONOMIC DEVELOPMENT SECTION 4B HALF CENT SALES TAX PROCEEDS FOR INFRASTRUCTURE - Mr. Mallory told the Council that the sales tax issue was passed for community enhancement and economic development. The Council has adopted a Resolution which established Guidelines for the allocation of those tax proceeds. The Council discussed conducting a public hearing prior to the adoption of any resolution changing or setting new allocation percentages. Councilmember Wilson requested an update on Canton Economic Development Corporation activity and the status of the Industrial Park. Councilmember Sanford said that he has received numerous requests concerning street improvements. Mayor Hackney announced that a public hearing would be conducted on this issue on Thursday, January 27, 2000, at 7:00 p.m.

EXECUTIVE SESSION FOR DELIBERATIONS REGARDING PERSONNEL MATTERS (Section 551.074) - The Council adjourned into Executive Session at 7:15 p.m. to consider personnel matters.

RECONVENE TO OPEN SESSION AND CONSIDER ACTION, IF ANY, ON ITEMS DISCUSSED IN EXECUTIVE SESSION - At 7:25 p.m., the Council returned to open session with no action taken

DISCUSSION PERTAINING TO BUSINESS FOR PLACEMENT ON FUTURE AGENDAS - Mayor Hackney announced that a special called Council meeting would be held Saturday, January 29, 2000, to consider construction of the City's third pavilion

ADJOURN - There being no further business to come before the Council, Councilman Hutcherson moved that the meeting be adjourned. Councilman Pruitt seconded, and the meeting was adjourned at 7:30 p.m.


Don Hackney, Mayor

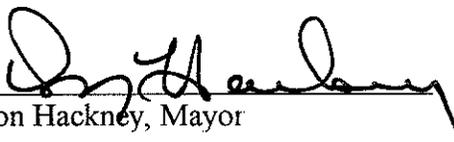
ATTEST:


Rhita Koches, City Secretary

**CALLED MEETING
CANTON CITY COUNCIL
CITY OF CANTON, TEXAS
7:00 P.M., THURSDAY, JANUARY 27, 2000
CITY HALL, 290 E. TYLER STREET, CANTON, TEXAS**

The Canton City Council's special called meeting scheduled for the above-named date and time at Canton's City Hall was cancelled due to inclement weather.

The meeting was re-scheduled for Thursday, February 3, 2000, at 6:00 p m.


Don Hackney, Mayor

ATTEST:


Rhita Koches, City Secretary

**SPECIAL CALLED MEETING
CANTON CITY COUNCIL
8:00 A.M., SATURDAY, JANUARY 29, 2000
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. Members present were Mayor Don Hackney, Beverly Hutcherson, Raymond Pruitt, Ron Sanford, and Rusty Wilson. Charles Lide 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.

DISCUSS AND CONSIDER ALL MATTERS PERTAINING TO CONSTRUCTION OF THIRD PAVILION AT CITY'S FIRST MONDAY PARK, INCLUDING BUT NOT LIMITED TO ENGINEERING, DESIGN, AND LOCATION - City Manager Johnny Mallory presented the engineer's plans for the proposed pavilion. He explained that the structure would allow for 84 spaces measuring 20' x 14' and construction costs have been roughly estimated to be \$600,000. At full capacity, rental revenue would be approximately \$12,600, and debt service is estimated to be \$11,460 per month. Mr. Mallory cautioned that the actual construction costs will not be

known until bids are opened The proposed structure will have side entries that line up with the side entries on Arbor I.

Councilmember Sanford moved that the City Manager be authorized to put the plans and specifications out for bid Councilmember Hutcherson seconded.

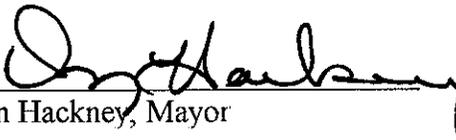
Councilmember Wilson explained to the Council that he had met with another engineer, Phil Elledge, to discuss a central food court to be constructed north of the blue bathroom Mr. Mallory stated that sewage would need to be pumped from that area which could be done.

In response to questions from Councilmember Wilson, Mr. Mallory confirmed that the current plans for the third pavilion do not provide for overhead storage

Mayor Hackney re-stated the pending motion, and all voted in favor.

Mayor Hackney announced that the public hearing on the allocation of 4B sales tax revenue had been re-scheduled due to inclement weather on January 27, 2000. The public hearing will be conducted Thursday, February 3, 2000, at 6:00 p m

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


Don Hackney, Mayor

ATTEST:


Rhita Koches, City Secretary

**SPECIAL CALLED MEETING
CANTON CITY COUNCIL
6:00 P M , THURSDAY, FEBRUARY 3, 2000
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 Members present were Mayor Don Hackney, Beverly Hutcherson, Charles Lide, Raymond Pruitt, and Ron Sanford. Rusty Wilson 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.

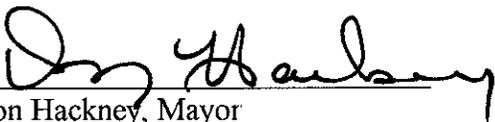
PUBLIC HEARING TO OBTAIN CITIZENS' INPUT ON THE ALLOCATION OF SECTION 4B SALES TAX PROCEEDS (ECONOMIC DEVELOPMENT, COMMUNITY ENHANCEMENT, INFRASTRUCTURE) – Mayor Hackney recognized Bob Reese, Jr , who re-capped the success of his economic incentive project with the Canton Economic Development Corporation. He told the Council that it was his opinion that the City needs additional jobs and business opportunities. He expressed his appreciation to the CEDC and the City of Canton. Councilmember Lide told Mr. Reese of his acquaintance with one of Mr. Reese's employees and of her gratitude for the employment opportunity afforded her.

Mr. Lindy Lawler asked that the Council consider re-paving College Street between Highway 19 and Buffalo Street. Mrs. Mary Wages told the Council that, due to construction on Woodland and Big Rock Streets, Tower Street had suffered from increased traffic and needed repairs.

Mr. Bob Stout told the Council that he was not interested in bringing any businesses to Canton. He also criticized expenditures for First Monday and suggested that the Council should take care of the citizens of Canton.

Mrs. Martha Jacobs told the Council that she appreciates what First Monday does for the City but her water bill is very high and her sewer does not work well. She also requested that the City's street sweeper be used regularly on all streets.

ADJOURN – There being no further comments to come before the Council, Mayor Hackney declared the hearing adjourned.


Don Hackney, Mayor

ATTEST:


Rhita Koches, City Secretary

**REGULAR MEETING
CANTON CITY COUNCIL
6:30 P.M., TUESDAY, FEBRUARY 15, 2000
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. Members present were Mayor Don Hackney, Beverly Hutcherson, Charles Lide, Ron Sanford, Raymond Pruitt and Rusty Wilson.

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 was given by Mayor Don Hackney.

INVOCATION - The invocation was given by Mayor Don Hackney.

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

GUEST ITEMS - Joe Collins presented Canton packets which were distributed at the recent travel show in Fort Worth. Approximately 3000 packets were assembled by the new Canton Merchants Association, a new arm of the Chamber of Commerce. The Association has also collated 4,500 packets for the Houston show and 3,500 for the Dallas show in March. Tom Thumb donated 16,000 bags. Mr. Collins told the Council he felt this was the way to really promote First Monday, Canton, and East Texas.

DISCUSS AND CONSIDER APPROVING MINUTES OF JANUARY 18, 27, AND 29, AND FEBRUARY 3, 2000 MEETINGS - Councilmember Lide moved that the Minutes be approved as presented. Councilmember Hutcherson seconded, and all voted in favor.

DISCUSS AND CONSIDER APPROVING JANUARY 2000 FINANCIAL STATEMENTS - City Manager Johnny Mallory read the totals from the January 2000 financial statements. Councilmember Sanford moved that the Financial Statements be approved. Councilmember Lide seconded, and all voted in favor.

CALL OF GENERAL ELECTION FOR MAY 6, 2000 TO ELECT THREE COUNCILMEMBERS - City Secretary Rhita Koches told the Council that, pursuant to provisions of the Texas Election Code, the City Secretary is authorized to conduct early voting on any Saturday or Sunday during early Sunday. Since the 2000 election does not fall on First Monday weekend as it usually does, Mrs. Koches told the Council that she would like to conduct early voting on Saturday, April 29, 2000. Councilmember Pruitt moved that additional early voting be conducted on April 29, 2000. Councilmember Sanford seconded, and all voted in favor. Mrs. Koches then suggested that the City pursue the possibility of moving its election day polling place to the same location as the school district for the convenience of voters. Councilmember Sanford moved that proceedings be initiated to move the City's 2001 election day polling place. Councilmember Lide seconded, and all voted in favor. Councilmember Hutcherson then moved that a general election be called for May 6, 2000, to elect three councilmembers. Councilmember Sanford seconded, and all voted in favor.

DISCUSS AND CONSIDER APPOINTMENTS TO THE BOARD OF DIRECTORS OF THE CANTON ECONOMIC DEVELOPMENT CORPORATION - Councilmember Sanford moved that Joe Groves, Johnny Mallory, and Kenneth Pruitt be re-appointed to the Board of Directors of the Canton Economic Development Corporation. Councilmember Hutcherson seconded, and all

voted in favor. Councilmember Lide nominated Wade Whitaker to fill the remaining vacancy on the Board. Councilmember Sanford seconded the nomination, and all voted in favor.

DISCUSS AND CONSIDER ADOPTION OF ANNEXATION ORDINANCE FOR ANNEXATION OF 2 ACRES ON NORTH I-20 SERVICE ROAD OWNED BY MIKE AND SARAH VAN DEUSEN – Mayor Hackney announced that two public hearings had been conducted on the subject annexation and that the Council would be considering the adoption of an annexation ordinance. It was noted that, due to the distance of the subject property from existing City services, the annexation service plan would include only limited services and would specifically exclude water, sewer, and refuse collection. The petitioning property owners were in attendance and concurred with the proposed service plan. Councilmember Sanford moved that the annexation ordinance be adopted. Councilmember Hutcherson seconded, and all voted in favor.

DISCUSS AND CONSIDER RECOMMENDATION OF PLANNING & ZONING COMMISSION TO CHANGE ZONING OF LOTS 5 AND 6, BLOCK 2, FOSTER ADDITION (811 SOUTH TRADE DAYS BLVD) OWNED BY ANNIE BETH NIX FROM R-1 (RESIDENTIAL) TO B-1 (LOCAL BUSINESS DISTRICT) – Mr. Mallory told the Council that the Planning and Zoning Commission had recommended the B-1 zoning change. It was noted, however, that there was considerable opposition by surrounding property owners. Those property owners said they would not object to RPO (Restricted Professional Office) zoning. Mayor Hackney recognized Dean Hesse who owns property nearby. Mr. Hesse told the Council that he anticipated he would eventually be requesting a zoning change for his property but would not consider any zoning except RPO. He noted that Highway 19 is the major thoroughfare through the City of Canton and would be more so after the highway is widened. It was the consensus of the Council that they could not consider any zoning except the B-1 zoning recommended by the Planning and Zoning Commission. Councilmember Pruitt moved that the matter be referred back to the Planning and Zoning Commission. Councilmember Wilson seconded, and all voted in favor.

DISCUSS AND CONSIDER REQUEST BY MERRITT MCREYNOLDS FOR WATER TAP OUTSIDE CITY LIMITS ON LAKEWOOD TRAILS AT MILL CREEK ROAD – Mr. Mallory told the Council that City water was available to the property, and City Staff had no objection to the request. He noted, however, that the area was located within the area of the certificate of convenience and necessity of another water provider, and the property owners must obtain written consent from that provider. Councilmember Lide expressed his concerns about the City's water supply in the event of a drought. Councilmember Lide moved that the pending request be denied, and the motion died for lack of a second. Councilmember Sanford moved that the request be granted. Councilmember Hutcherson seconded. Councilmembers Wilson, Sanford, Pruitt, and Hutcherson voted in favor. Councilmember Lide voted against the motion. The motion carried.

DISCUSS AND CONSIDER RE-PURCHASE OF 0.100 ACRE TRACT LOCATED ON BUFFALO STREET AT DALLAS STREET (LOT 1 AND PART OF LOT 6, BLOCK 2, CITY OF CANTON) BY TARPLEY D. DUKE AND ADOPTION OF ORDINANCE AUTHORIZING SALE OF PROPERTY – Councilmember Wilson moved that the subject property be sold back to the original owner, Mr. Tarpley D. Duke, for \$50,593 and that an ordinance authorizing such sale be adopted. Councilmember Sanford seconded. Councilmembers

Wilson, Sanford, Pruitt, and Hutcherson voted in favor. Councilmember Lide voted against the motion. The motion carried.

DISCUSS AND CONSIDER MATTERS PERTAINING TO ADMINISTRATION OF THE CANTON SENIOR CITIZENS CENTER AND REQUEST FOR AUDIENCE WITH CITY COUNCIL BY BOB SUMMITT REGARDING AUTHORITY OF SITE COUNCIL/ADVISORY BOARD AND CONTROL OF NUTRITION FUNDS – Mayor Hackney announced that there had been a lot of activity regarding the Senior Citizen Center in the last few months. Have talked to various people. Suggest split nutrition program to use the Center 9:00 to 1:00 with nutrition program to be operated by Mr. Powell and the Tyler Meals on Wheels program. The Senior Citizens will operate the Center the remaining hours of the day. Lot of problems, mechanics to be formulated to reach an equitable agreement. Councilmember Sanford concurred and moved.

Councilmember Hutcherson seconded, and all voted in favor.

DISCUSS AND CONSIDER THE ALLOCATION OF SECTION 4B SALES TAX PROCEEDS (ECONOMIC DEVELOPMENT, COMMUNITY ENHANCEMENT, INFRASTRUCTURE) – Mayor Hackney announced that a public hearing had been held to obtain public input on the allocation of Section 4B sales tax proceeds and ask for the Council's recommendations. Councilmember Wilson asked about the percentage of revenue tied to existing commitments. Mr. Mallory stated that between 25% and 50% of the 4B revenue was presently committed. Councilmember Sanford suggested that 50% of the 4B revenue be allocated to capital improvements, 25% to community enhancement, and 25% to economic development. Councilmember Sanford noted that any re-allocation of the funds would be in the future, after debt to be met. Councilmember Lide expressed concern that CEDC Executive Director Bob Alexander would be stripped of any ability to attract new businesses. Mr. Mallory said that he did not think the Council was cutting funding for economic development all together. Councilmember Lide noted that only \$200,000 would be left. Councilmember Wilson agreed that he did not see what \$100,000 would do as far as economic development. Councilmember Sanford noted that there was land available at the Canton Industrial Park. He also stated that citizens were telling him these funds should go to capital improvements for the City of Canton. Councilmember Wilson stated it was his understanding that the 4B sales tax was designed for economic development and not for use throughout the City. Councilmember Sanford said the funds could be used any way the citizens want. Councilmember Wilson asked if the tax was passed in the City of Canton to be used for economic development. Councilmember Sanford said no or it wouldn't be 4B. In response to Councilmember Wilson's request, Mr. Mallory stated that the present allocation of the tax proceeds is 25% for community enhancement and 75% for economic development. He explained that, under guidelines adopted by the CEDC Board, the community enhancement grants have all been in the form of capital improvements by the requesting organizations. In the area of economic development, CEDC has developed the Canton Industrial Park and extended economic development incentives to Winning Strategies and The House Factory. Mr. Mallory noted that some work has been done on the proposed residential subdivision. He said that a 50% allocation to economic development would carry the Board's current obligations but not allow for any more deals. Mayor Hackney pointed out that it might be difficult to set specific percentages because of current obligations. Councilmember Pruitt said he would like to see the City get part of the 4B revenue for infrastructure with possibly 50%

specifically tagged for streets. He acknowledged that \$100,000 would not go very far on a street project. He noted that only about a million dollars will be left upon completion of the pending street project. Councilmember Sanford said he would be willing to have 50% go to economic development, 25% to community enhancement, and 25% to capital improvements just to get started. Councilmember Sanford stated that he thought citizens were going for streets and not for economic development. Councilmember Lide said most people did not want another pavilion at First Monday if the Council was going to consider the will of the people. Councilmember Hutcherson asked what prospects the CEDC had for the Industrial Park. Mr. Mallory stated that at least two more prospects were being developed. Councilmember Wilson reminded the Council that he had asked CEDC Executive Director Bob Alexander to update the Council every four months. The Mayor noted that those reports will start at the Council's April meeting.

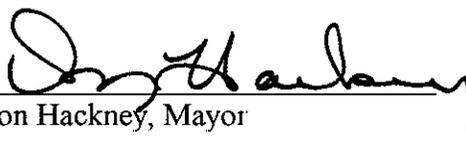
Councilmember Sanford moved that, effective October 1, 2000, the 4B sales tax revenue received by the Canton Economic Development Corporation be allocated as follows: 25% to community enhancement, 25% to capital improvements, and 50% to economic development. Councilmember Wilson seconded the motion. Councilmembers Wilson, Sanford, Pruitt, and Hutcherson voted in favor of the motion. Councilmember Lide voted against the motion. The motion carried.

EXECUTIVE SESSION FOR DELIBERATIONS REGARDING PERSONNEL MATTERS
(Section 551 074) - The Council adjourned into Executive Session at 7:15 p.m. to consider personnel matters.

RECONVENE TO OPEN SESSION AND CONSIDER ACTION, IF ANY, ON ITEMS DISCUSSED IN EXECUTIVE SESSION - At 7:35 p.m., the Council returned to open session with no action taken.

DISCUSSION PERTAINING TO BUSINESS FOR PLACEMENT ON FUTURE AGENDAS - Mr. Mallory announced that a special called Council meeting would be held Saturday, February 19, 2000, to adopt a drought contingency plan, to award bids for the construction of the City's third pavilion, and to consider improvements to the downtown square. Councilmember Pruitt requested that an update on street projects be included on the February 19th agenda.

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 at 7:38 p.m.


Don Hackney, Mayor

ATTEST:


Rhita Koches, City Secretary

CANTON CITY COUNCIL
CITY OF CANTON, TEXAS
8:00 A M , SATURDAY, FEBRUARY 19, 2000
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. Members present were Mayor Don Hackney, Beverly Hutcherson, Charles Lide, Ron Sanford, and Rusty Wilson. Councilmember Raymond Pruitt arrived at the meeting during the Council's consideration of a drought contingency plan.

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.

DISCUSS AND CONSIDER AWARDDING BID(S) FOR SITE PREPARATION/ FOUNDATION/CONCRETE PAVING AND CONSTRUCTION OF THIRD PAVILION AT CITY'S FIRST MONDAY PARK - City Manager Johnny Mallory presented the bids for site work and concrete paving for the construction of the City's third pavilion:

\$399,552 00	West Construction, Athens, Texas
\$409,472.75	Reynolds & Kay, Tyler, Texas
\$414,282 00	Walker & Associates
\$433,907 00	Lester Rodgers Company, Inc.
\$468,777.24	GDM Construction, Inc
\$674,438 50	Simon Traylor & Sons, Inc

Mr. Mallory recommended that the bid be awarded to the low bidder, West Construction. He told the Council the pre-construction meeting would probably be held prior to the next First Monday market with construction to begin immediately following the March market. Councilmember Sanford moved that the bid be awarded to West Construction. Councilmember Hutcherson seconded. Councilmembers Wilson, Sanford, and Hutcherson voted in favor of the motion. Councilmember Lide voted against the motion. The motion carried.

Mr. Mallory presented the three bids received for the construction of the pavilion:

\$242,286.55	Van Zandt Metal Design, Wills Point, Texas
\$239,000 00	Athens Steel, Athens, Texas
\$274,096 00	Tyler Building Systems, Tyler, Texas

Mr. Mallory recommended that the bid be awarded to the low bidder, Athens Steel. Councilmember Hutcherson moved that the bid be awarded to Athens Steel. Councilmember

Wilson seconded. Councilmembers Wilson, Sanford, and Hutcherson voted in favor of the motion. Councilmember Lide voted against the motion. The motion carried.

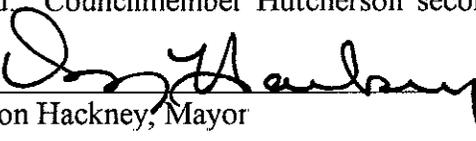
DISCUSS AND CONSIDER APPROVAL OF ORDINANCE ADOPTING DROUGHT CONTINGENCY PLAN – Mr. Mallory told the Council that the proposed Ordinance contained provisions required by the Texas Natural Resource Conservation Commission. The plan provides points for various stages of conservation down to water rationing. Mr. Mallory explained that the City's engineers were in the process of preparing a water conservation plan that is also required by TNRCC. Councilmember Pruitt arrived. Councilmember Wilson moved that the proposed Drought Contingency Plan be adopted. Councilmember Hutcherson seconded, and all voted in favor.

DISCUSS AND CONSIDER POSSIBLE INSTALLATION OF DECORATIVE STREET LIGHTING ON DOWNTOWN SQUARE – Councilmember Wilson told the Council that he would like to see the proceeds from the sale of the downtown lot to Mr. Tarpley Duke earmarked for improvements to the downtown square. The Council discussed the possibility of a joint project with the CEDC to install brick inlays on sidewalks. The Council then discussed the possible installation of benches, handrails, and ramps. Councilmember Lide suggested that parallel or angled parking be striped off on Buffalo Street near Hilliard's Hardware. Mr. Mallory told the Council that parking would be regulated by ordinance. Councilmember Wilson moved that the proceeds from the sale of the downtown Duke property be utilized for handrails, benches, street lights and other improvements to the area around the downtown square. Councilmember Pruitt seconded, and all voted in favor.

DISCUSS AND CONSIDER UPDATE ON STREET IMPROVEMENTS INCLUDING, BUT NOT LIMITED TO, OAK AND STACY STREETS – Mr. Mallory updated the Council on the status of street improvements on Oak and Stacy. It was the consensus of the Council that sprinkler systems be extended to the new curb line for the three houses on Stacy with sprinkler systems.

DISCUSS AND CONSIDER POSSIBILITIES OF FUNDRAISING TO OBTAIN A DRUG DOG FOR CANTON POLICE DEPARTMENT – Councilmember Sanford told the Council that Mr. Bob Reese has proposed conducting a fundraiser to fund the purchase and training of a new drug dog. Following discussion, Mayor Hackney announced that Mr. Mallory would meet with Mr. Reese to obtain additional information.

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


Don Hackney, Mayor

ATTEST:


Rhita Koches, City Secretary

CANTON CITY COUNCIL
CITY OF CANTON, TEXAS
8:00 A.M., SATURDAY, MARCH 4, 2000
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. Members present were Mayor Don Hackney, Beverly Hutcherson, Charles Lide, Ron Sanford, and Rusty Wilson. Councilmember Raymond Pruitt 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.

DISCUSS AND CONSIDER ADOPTION OF WATER CONSERVATION PLAN FOR THE CITY OF CANTON - City Manager Johnny Mallory told the Council that the proposed Ordinance contained provisions required by the Texas Natural Resource Conservation Commission. Councilmember Sanford moved that the proposed Water Conservation Plan be adopted. Councilmember Wilson seconded, and all voted in favor.

DISCUSS AND CONSIDER ADOPTION OF RESOLUTION FOR FINANCING OF CITY'S NEW PAVILION AT FIRST MONDAY PARK - Mr. Mallory presented the following resolution for the consideration of the Council:

Resolution

BE IT REMEMBERED that on the 4th day of March, 2000, the City Council of the City of Canton, Van Zandt County, Texas, duly considered and adopted the following resolution:

WHEREAS, the City desires to obtain an interim construction loan from THE AMERICAN NATIONAL BANK in the amount of \$700,000 (the "Note") to construct a pavilion (the "Pavilion"); and

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

WHEREAS, City finds that it is fiscally responsible and in the best interest of the City to refinance the Notes with a new five (5) term note, (the "New Note"); and

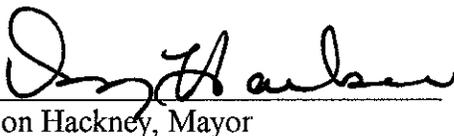
WHEREAS, the City approves the terms and conditions of the Note from THE AMERICAN NATIONAL BANK;

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, to execute on behalf of the City of Canton, the Note and all other loan documents necessary to borrow \$700,000.00 from THE AMERICAN NATIONAL BANK to finance the Note.

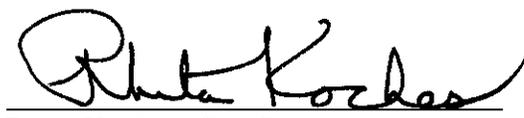
Mr. Mallory explained that the proposed note would be for \$700,000 at 5.5% interest over five years. Councilmember Wilson asked if the note could be paid back quicker with payments equivalent to 75% of the rental proceeds collected. Mr. Mallory said that he had anticipated the excess revenue would be directed to other projects such as water and sewer improvements or even a new City Hall. Mr. Mallory pointed out that the specifications for the new pavilion provided for 20' x 10' lots. Councilmember Wilson questioned whether 10-foot lots would be wide enough. Councilmember Sanford noted that 10-foot lots better coordinated with parking spaces. He also noted that vendors could go together and split lots for additional space. The Council discussed that construction of a new City Hall would take approximately a year. Councilmember Sanford suggested the possibility of purchasing and re-modeling an existing building. Councilmember Wilson proposed that 75% of the pavilion's rental revenue be directed to the debt for the first year during the construction of a new City Hall. Council members agreed that during the year-long construction of a new City Hall, the City should attempt to make extra payments toward the construction debt. Councilmember Sanford moved that the resolution be adopted as presented. Councilmember Hutcherson seconded. Councilmembers Wilson, Sanford, and Hutcherson voted in favor of the motion. Councilmember Lide voted against the motion. The motion carried.

DISCUSS AND CONSIDER UPDATE FROM CITY STAFF ON STATUS OF STREET IMPROVEMENTS AND WATER AND WASTEWATER TREATMENT – Mr. Mallory updated the Council on the status of street improvements on Oak, Forrest, and Stacy.

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


Don Hackney, Mayor

ATTEST:


Rhita Koches, City Secretary

REGULAR MEETING OF CANTON CITY COUNCIL
CITY OF CANTON, TEXAS
6:30 P.M., TUESDAY, MARCH 21, 2000
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. Members present were Mayor Don Hackney, Beverly Hutcherson, Charles Lide, and Ron Sanford. Rusty Wilson arrived prior to the Council's consideration of the Van Deusen zoning change. Raymond Pruitt 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 was given by Mayor Don Hackney.

INVOCATION - The invocation was given by Councilmember Lide

PLEDGE OF ALLEGIANCE -The Pledge of Allegiance was led by City Manager Johnny Mallory.

GUEST ITEMS - Faye Chambless addressed the Council regarding the controversy surrounding the monthly payment to the seniors groups. Mrs. Chambless recommended dividing the City's \$150 payment between the nutrition program and the other seniors group

PROCLAMATION OF MARCH 19-25, 2000, AS POISON PREVENTION WEEK IN CANTON, TEXAS - Mayor Hackney read the proposed proclamation. Councilmember Hutcherson moved that the proclamation be adopted. Councilmember Sanford seconded, and all voted in favor

PROCLAMATION OF APRIL 3, 2000, AS CANTON ROTARY - KELLY MILLER CIRCUS DAY IN CANTON, TEXAS - Mayor Hackney read the proposed proclamation. Canton Rotary Vice President Eddie Hagood invited Mayor Hackney to serve as honorary ringmaster of the circus. Councilmember Sanford moved that the proclamation be adopted. Councilmember Lide seconded, and all voted in favor

DISCUSS AND CONSIDER APPROVING MINUTES OF FEBRUARY 15, 19, AND MARCH 4, 2000 MEETINGS - Councilmember Lide moved that the Minutes be approved as presented. Councilmember Hutcherson seconded, and all voted in favor.

DISCUSS AND CONSIDER APPROVING FEBRUARY 2000 FINANCIAL STATEMENTS - City Manager Johnny Mallory read the totals from the February 2000 financial statements. Councilmember Lide moved that the Financial Statements be approved. Councilmember Hutcherson seconded, and all voted in favor

DISCUSS AND CONSIDER APPOINTMENT OF ELECTION JUDGE AND DESIGNATION OF POLLING PLACE FOR GENERAL ELECTION ON MAY 6, 2000 - City Secretary Rhita Koches reported that Mrs. Mary Wages has agreed to serve as Election Judge and that City Hall should be designated as the official polling place for the May 6th General Election. Councilmember Hutcherson moved that Mary Wages be appointed as Election Judge and that City Hall be designated the official polling place for the election. Councilmember Lide seconded the motion, and all voted in favor.

DISCUSS AND CONSIDER RECOMMENDATION OF PLANNING & ZONING COMMISSION TO CHANGE ZONING OF LOTS 5 AND 6, BLOCK 2, FOSTER ADDITION (811 SOUTH TRADE DAYS BLVD) OWNED BY ANNIE BETH NIX FROM R-1

(RESIDENTIAL) TO RPO (RESTRICTED PROFESSIONAL OFFICE) – The Council was informed that the Planning and Zoning Commission had recommended a zoning change to RPO. Councilmember Lide moved that the recommendation of the Planning and Zoning Commission be adopted. Councilmember Sanford seconded the motion, and all voted in favor.

DISCUSS AND CONSIDER RECOMMENDATION OF PLANNING & ZONING COMMISSION TO CHANGE ZONING OF A 2.00 ACRE TRACT SITUATED IN THE WM SHERMAN SURVEY LOCATED ON THE INTERSTATE 20 SERVICE ROAD, NORTH OF I-20, OWNED BY MICHAEL AND SARAH VAN DEUSEN FROM RA (AGRICULTURAL) TO B-2 (GENERAL BUSINESS DISTRICT) - The Council was informed that the Planning and Zoning Commission had recommended a zoning change to B-2 (General Business District). Councilmember Wilson arrived prior to the Council's consideration of this matter. Councilmember Sanford moved that the recommendation of the Planning and Zoning Commission be adopted. Councilmember Hutcherson seconded the motion, and all voted in favor.

DISCUSS AND CONSIDER MATTERS PERTAINING TO ADMINISTRATION OF THE CANTON SENIOR CITIZENS CENTER – Mr. Mallory reported that the Council's previously adopted changes have been implemented and that reservations for the use of the Senior Citizens Center are now handled through City Hall. The Council then discussed the allocation of the City's \$150 monthly payment and the division of funds in a checking account. Councilmember Lide asked that the Senior Citizens Board not be completely cut off. Bob Summitt, manager of the nutrition program stated that, after the return of approximately \$2,500 of the nutrition program's funds, they would be glad to take whatever additional funds the City could provide. The Council then discussed the possibility of returning the sum of approximately \$2,500 to Meals on Wheels in Tyler to be administered by Mike Powell for use in Canton. Martha Lide told the Council that Mike Powell has said the nutrition program just needs to ask for anything they need. Mr. Summitt suggested sending \$500 back to Tyler for program participants who are unable to pay. He said the balance of the funds would be used for smaller items such as coffee, popcorn, and snacks for the program's workers. In response to a question from Councilmember Hutcherson, Mr. Summitt confirmed that no one has been refused nutrition program services for inability to pay. Councilmember Sanford stated that he would want to be assured any funds sent to the Tyler office would be used for local needs. Councilmember Wilson asked if the funds could be sent to Tyler with a stipulation that it be used only for the Canton program. Faye Chambless told the Council that any money donated from Canton to Meals on Wheels was always used for the Canton program. Councilmember Lide moved that the funds held in the checking account be forwarded to Meals on Wheels in Tyler. The motion failed for lack of a second.

The Council then discussed the return of the \$2,500 back to the Nutrition Board through Bob Summitt. It was suggested that a committee be formed to monitor and spend those funds.

Councilmember Sanford suggested that the funds be turned over to the City of Canton to be administered by the City Manager for the benefit of the nutrition program.

Martha Lide told the Council that she did not feel any senior citizens would object to the City administering the funds.

Councilmember Sanford moved that the \$2,500 be turned over to the City of Canton to be administered by the City Manager for use by the Nutrition Program. Councilmember Hutcherson seconded. Councilmembers Wilson, Sanford, and Hutcherson voted in favor. Councilmember [redacted] voted against the motion. The motion carried.

The Mayor then directed the Council's attention to the allocation of the City's monthly \$150 payment. Councilmember Sanford noted that the nutrition program will have its \$2,500, and the other seniors group probably needed funds more. Councilmember Hutcherson moved that the City pay \$75 per month to each group to the end of the fiscal year. Councilmember Sanford seconded, and all voted in favor.

DISCUSS AND CONSIDER REQUEST FOR REIMBURSEMENT BY DANNY NEEL ON BEHALF OF LAKE MEADOW JOINT VENTURE – Mr. Neel was not present, and this matter was deferred for consideration until he was available.

DISCUSS AND CONSIDER ADOPTION OF ORDINANCE PROHIBITING PARKING OF ANY VEHICLES ON BILLY STREET IN CANTON, TEXAS – Mr. Mallory expressed concern about children passing between parked vehicles. Councilmember Sanford moved that the following Ordinance be adopted:

CITY ORDINANCE NO. 2000-05

AN ORDINANCE PROHIBITING THE PARKING OR STANDING OF VEHICLES, AND ALLOWING A TOW-AWAY ZONE FOR SUCH VEHICLES PARKED WITHIN THE CITY LIMITS OF THE CITY OF CANTON, TEXAS.

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

SECTION ONE

When signs are erected along Billy Street in Canton, Texas, reading substantially, "No Parking or Standing, Tow-away Zone", no person shall park or stand any vehicle on said street at any time, including but not limited to Saturdays, Sundays and holidays.

SECTION TWO

Any person violating any provision of Section One of this Ordinance shall be deemed guilty of a misdemeanor and punished by a fine not less than five dollars (\$5) nor more than five hundred dollars (\$500).

SECTION THREE

The Canton Police Department is directed to cause to be towed away any vehicle found parked or standing in violation of Section One of this ordinance; and the owner of such vehicle shall be civilly liable to the person doing such towing for the reasonable cost thereof.

SECTION FOUR

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

SECTION FIVE

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 of this ordinance, for it is the definite intent of this City Council that every section, paragraph, subdivision clause, phrase, word or provision hereof be given full force and effect for its purpose.

SECTION SIX

This ordinance shall become effective from and after the 21st day of March, 2000, the same having first been passed and unanimously approved by the City Council of the City of Canton, Texas, on the date written below and published as required by law

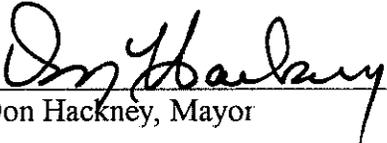
Councilmember Hutcherson seconded, and all voted in favor

DISCUSS AND CONSIDER DISPOSITION OF 80 ACRE TRACT CONVEYED TO CANTON ECONOMIC DEVELOPMENT CORPORATION FOR DEVELOPMENT AS RESIDENTIAL SUBDIVISION – Mayor Hackney told the Council that the CEDC Board had voted to return the 80 acre tract to the City of Canton. He stated that the property was conveyed for the purpose of developing a residential subdivision. He noted the need for lots for building inside the city limits. The Mayor recommended that the CEDC Board be asked to continue to search for a developer or multiple developers. Councilmember Sanford stated that the project has been ongoing for four years and he felt it would still be there in four more years. He noted that the originally estimated profit of \$750,000 had been reduced to \$400,000. He said he would like to see the City take the property back and put it up for sale through bids, with the proceeds placed in a separate fund for a new City Hall facility. Councilmember Wilson stated that he would prefer to see the property made available as lots for building and suggested that the tract be divided into sections for development. Councilmember Sanford moved that the City take the property back and advertise for bids for the sale of the property. Councilmember Hutcherson seconded. Councilmembers Sanford and Hutcherson voted in favor. Councilmembers Wilson and Lide voted against the motion. Mayor Hackney broke the tie by voting against the motion. The motion failed. Councilmember Wilson stated that he was not yet convinced that there was not a developer who would undertake the project. He said he would like to hear further from CEDC Executive Director Bob Alexander who is scheduled to make a formal report to the Council at its April meeting.

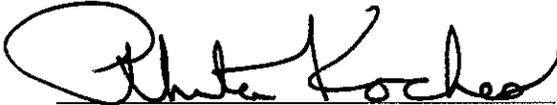
EXECUTIVE SESSION FOR DELIBERATIONS REGARDING PERSONNEL MATTERS (Section 551 074) - The Council adjourned into Executive Session at 7:25 p.m. to consider personnel matters.

RECONVENE TO OPEN SESSION AND CONSIDER ACTION, IF ANY, ON ITEMS DISCUSSED IN EXECUTIVE SESSION - At 7:30 p.m., the Council returned to open session. Councilmember Sanford moved that the City continue to issue regular payroll compensation to Police Department employee Steve Tull. It was noted that Mr. Tull has been compensated through donations from the City Employees' Sick Leave Bank and has reached the Bank's designated hour limit. Councilmember Hutcherson seconded the motion, and all voted in favor.

ADJOURN - There being no further business to come before the Council, Councilman Lide moved that the meeting be adjourned. Councilman Hutcherson seconded, and the meeting was adjourned at 7:35 p m


 Don Hackney, Mayor

ATTEST:


 Rhita Koches, City Secretary

**CALLED MEETING
 CANTON CITY COUNCIL
 CITY OF CANTON, TEXAS
 6:00 P M , MONDAY, APRIL 10, 2000
 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. Members present were Mayor Don Hackney, Beverly Hutcherson, Ron Sanford, and Raymond Pruitt. Councilmembers Lide and Wilson 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 ALL MATTERS RELATING TO CONSTRUCTION AND IMPROVEMENTS OF STACEY STREET - Mayor Hackney recognized William F. Hilliard who addressed the Council regarding the curb improvements on Stacey Street. He stated that, in his opinion, the street is too narrow and will not allow for on-street parking. Mr. Hilliard then stated that the curb in front of 1780 Stacey was constructed in the wrong place.

Benja Filkill of 150 Oak told the Council that she was attending the meeting to voice her concerns in the event there would be any delay in the street project as a result of the request to re-construct the curb at Mr. Caviness' house. She said that she had spoken with most of her neighbors and had heard no complaints about the street construction or the contractor. She said the foreman, engineer, and the workmen had all been very courteous and considerate of the residents. Mrs. Filkill suggested that perhaps there was a lack of communication by the persons who are not happy with the contractor because they had been very responsive as far as she knew. Upon questioning from Councilmember Sanford, Mrs. Filkill confirmed that she was satisfied with the street construction adjoining her property.

Councilmember Pruitt stated that he had spoken with Councilmember Wilson who had suggested that this matter be postponed if the Council could not reach a unanimous decision.

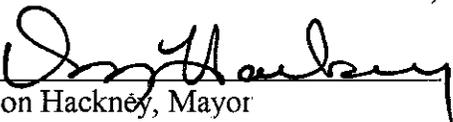
Councilmember Pruitt expressed concern that Mr. Caviness was not notified that the width of the street would be reduced. Mr. Mallory told the Council that the drainage box sets the width of the street. He noted that Mr. Hilliard was requesting a wider street to park cars. Councilmember Pruitt asked how many other residents had complained, and Mr. Mallory said he had only been contacted by Mr. Caviness. Councilmember Hutcherson asked why the curb had been run so far back. Mr. Mallory explained that the curbs were set based on drainage issues and then reviewed the engineer's plans with the Council.

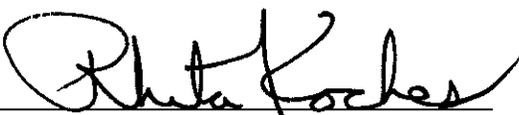
Councilmember Hutcherson stated that she thought there was another lady behind Mrs. Filkill that was unhappy with the construction. Mrs. Filkill said the lady in question lives directly across from Mr. Caviness. Mrs. Filkill said she still felt those unhappy with the project should discuss the matter with the contractor. Councilmember Pruitt stated that the residents of Oak Street were notified of the plans for the street and asked why the residents of Stacey were not notified. Mr. Mallory explained that the curbing on Stacey was not part of the original project. He said he was contacted by Mr. Caviness who requested that the curb be extended down Stacey to his house. Councilmember Sanford said he was unsure how to handle the situation since there was also concern regarding the sewer line. The Council then discussed postponing or tabling further consideration of the matter. Discussion was had concerning the possibility of a meeting between Mr. Mallory, Mr. Caviness, and Councilmember Sanford to physically inspect the property in an attempt to satisfy Mr. Caviness.

Councilmember Hutcherson moved that the City "fix it (the curblin) to whatever he (Mr. Caviness) wants." Councilmember Pruitt seconded. Councilmembers Sanford, Pruitt, and Hutcherson voted in favor, and the motion carried.

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

ATTEST:


Don Hackney, Mayor


Rhita Koches, City Secretary

REGULAR MEETING OF CANTON CITY COUNCIL
CITY OF CANTON, TEXAS
6:30 P M , TUESDAY, APRIL 18, 2000
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. Members present were Mayor Don Hackney, Beverly Hutcherson, Charles Lide, Ron Sanford, and Raymond Pruitt. Rusty Wilson 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 was given by Mayor Don Hackney

INVOCATION – The invocation was given by Councilmember Lide.

PLEDGE OF ALLEGIANCE –The Pledge of Allegiance was led by City Manager Johnny Mallory.

GUEST ITEMS – There were no guest items.

DISCUSS AND CONSIDER ADOPTION OF PROCLAMATION HONORING CARLTON HAM ON HIS RETIREMENT FROM THE CITY OF CANTON/FIRST MONDAY TRADE DAYS – Mayor Hackney recommended that the following proclamation be adopted:

**PROCLAMATION
HONORING CARLTON HAM
FOR DISTINGUISHED SERVICE**

WHEREAS, the City of Canton, Texas, strives for excellence in all of its activities and endeavors;
and

WHEREAS, Carlton Ham has been an asset to the City in achieving its goals and performing its objects and purposes since his employment on October 23, 1987; and

WHEREAS, Carlton Ham's performance of his duties and responsibilities and his working relationships are always characterized by an obvious dedication to getting the job well done; and

WHEREAS, his many contributions to the City through the years have been critical to the overall success of the City's events and activities; and

WHEREAS, his dedicated interest and devotion to duty have had a valuable effect on this City for which the City is deeply appreciative; and

WHEREAS, it has been communicated by **Carlton Ham** that he intends to retire on May 1, 2000,

NOW, THEREFORE, BE IT PROCLAIMED by the City of Canton that **Carlton Ham** is highly commended for his contributions to the City for which it expresses its sincere appreciation and thanks for his outstanding contribution of his time and talent.

Councilmember Lide moved that the Proclamation be adopted Councilmember Sanford seconded, and all voted in favor.

DISCUSS AND CONSIDER ADOPTION OF RESOLUTION DESIGNATING APRIL AS CHILD ABUSE PREVENTION AND PROTECTION MONTH – Mayor Hackney presented the following proclamation for consideration by the Council:

**PROCLAMATION
DESIGNATING APRIL, 2000 AS
CHILD ABUSE PREVENTION AND PROTECTION MONTH**

WHEREAS, more than 111,000 cases of child abuse and neglect were reported in Texas in 1998; and

WHEREAS, 143 Texas children died of abuse and neglect in 1999; and

WHEREAS, child abuse and neglect are complex and ongoing problems in our society affecting great numbers of children; and

WHEREAS, every child is entitled to be loved, cared for, nurtured, and secure; and

WHEREAS, preventing child abuse is the responsibility of all citizens; and

WHEREAS, community action is needed to help families break the cycle of abuse,

NOW, THEREFORE, BE IT PROCLAIMED by the City Council of the City of Canton, Texas, that the month of April, 2000, be designated as Child Abuse Prevention and Protection Month in the City of Canton, Texas

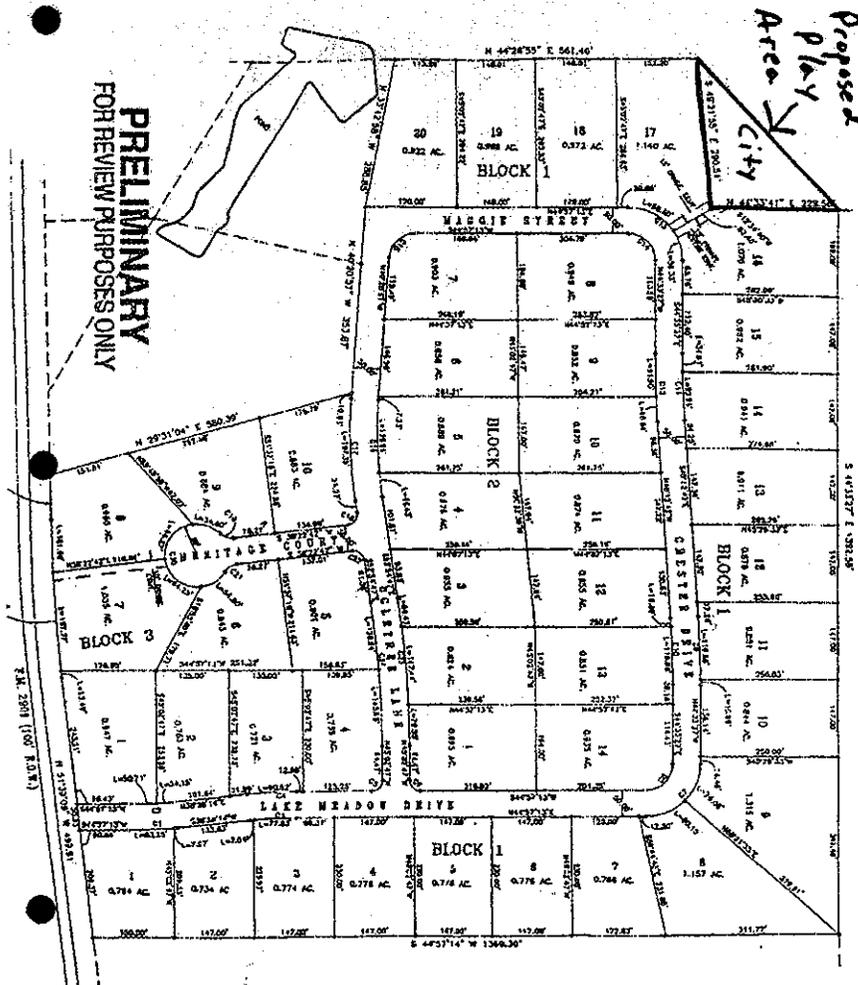
Councilmember Pruitt moved that the Proclamation be adopted Councilmember Hutcherson seconded, and all voted in favor.

DISCUSS AND CONSIDER APPROVING MINUTES OF MARCH 21 AND APRIL 10, 2000 MEETINGS – Councilmember Sanford moved that the Minutes be approved as presented Councilmember Lide seconded, and all voted in favor.

DISCUSS AND CONSIDER APPROVING MARCH 2000 FINANCIAL STATEMENTS - City Manager Johnny Mallory read the totals from the March 2000 financial statements Councilmember Hutcherson moved that the Financial Statements be approved. Councilmember Sanford seconded, and all voted in favor

DISCUSS AND CONSIDER REQUEST BY LAKE MEADOW ESTATES HOMEOWNERS' ASSOCIATION TO REDUCE SPEED LIMIT FROM 25 MPH TO 20 MPH IN LAKE MEADOWS SUBDIVISION AND ADOPTION OF ORDINANCE NO. 2000-06 ESTABLISHING SPEED LIMIT – Mr. Mallory told the Council that the usual speed limit in residential areas is 30 mph. However, the residents of Lake Meadow Estates have requested that the speed limit be set at 20 mph. Mr. Mallory recommended that the Council approve the request. Councilmember Hutcherson moved that Ordinance No 2000-06 setting the speed limit in the Lake Meadows subdivision at 20 mph be adopted. Councilmember Sanford seconded, and all voted in favor.

DISCUSS AND CONSIDER REQUEST BY LAKE MEADOW ESTATES HOMEOWNERS' ASSOCIATION FOR "CHILDREN AT PLAY" SIGNAGE AND FOR AUTHORITY TO USE ADJACENT PROPERTY FOR CHILDREN'S PLAY AREA – Danny Neel appeared on behalf of the Lake Meadow Estates Homeowners' Association requested that two "Children at Play" signs be posted in the subdivision and that the City allow the Association to use the triangular tract at the corner of Chester Drive and Maggie Street for a play area Mr Neel explained that the playground equipment and maintenance of the area would be the sole expense and responsibility of the Lake Meadow Estates Homeowners' Association He said the Association was requesting only permission to use the land Councilmember Sanford said he would want any and all playground equipment to be approved by the City of Canton in light of the potential liability to the City Councilmember Pruitt concurred Councilmember Sanford moved that two "Children at Play" signs be installed in the subdivision, that the Lake Meadow Estates Homeowners' Association be allowed to use the triangular tract at the corner of Chester Drive and Maggie Street for a play area with any equipment and maintenance to be the responsibility of the Association, and that any and all equipment and improvements to the tract be approved by the City Councilmember Lide seconded, and all voted in favor



DISCUSS AND CONSIDER REQUEST FOR PAYMENT FOR UPGRADED STREET SIGNAGE BY LAKE MEADOW JOINT VENTURE – Danny Neel explained to the Council

that the Lake Meadow Joint Venture ran a water line approximately two miles down FM 2909 to supply water to the Lake Meadow subdivision. Mr. Neel said the Joint Venture entered into a reimbursement agreement with the City of Canton which provides for a \$1,200 reimbursement for any tap on the water line. He said the City was billed \$7,200 for six fire hydrants installed on FM 2909. He said he had discussions with City management about what constituted a tap. At approximately the same time, he discussed decorative signage for the subdivision. It was his understanding that the Joint Venture would be responsible for the cost of any signage in excess of the amount of standard street signage. Mr. Neel suggested that the City pay any excess cost of decorative signage instead of the \$7,200 billed for water taps. He told the Council that there seems to be a disagreement about what constitutes a tap. Mr. Neel said the Joint Venture would be willing to forgive the \$7,200 in exchange for the City's payment of the difference in upgraded signage. Mayor Hackney stated that he would consider fire hydrants a safety issue and not a tap and that he could not recommend reimbursement by the City for the installation of fire hydrants. Mayor Hackney said that fire hydrants help insurance rates and are easier to install when the line is constructed. Mr. Neel noted that the Joint Venture paid for the installation of fire hydrants inside the subdivision and that the property benefiting from the additional hydrants is located outside the city limits. Councilmember Hutcherson asked why this matter was not discussed prior to construction of the water line. Mr. Mallory said the existing agreement provides for payment of \$1,200 when a tap is made. He said the matter was not discussed because it is standard procedure to install fire hydrants, and he would never consider a fire hydrant to be a tap. He noted that the fire hydrants are also there to help bleed the lines. In the City's maintenance of the water line, the fire hydrants can be used to bleed dirty water without the necessity of going all the way out to the subdivision. He said the fire hydrants also serve as air release valves which an engineer would normally place at high points in the line. Mr. Neel told the Council that the Reimbursement Agreement does not specify the use but just if the line is tapped. He said he was offering an alternative to save the City money. Councilmember Lide stated that he recalled there was quite a bit of discussion about whether or not to annex this property into the City in the first place.

Councilmember Pruitt moved that the City not consider fire hydrants as a tap and deny the request for reimbursement of \$7,200. Councilmember Sanford seconded the motion. Councilmembers Lide, Sanford, and Pruitt voted in favor. Councilmember Hutcherson voted against the motion. The motion carried.

The Council then considered the request for the City's payment of the costs associated with upgraded decorative signage. Mr. Mallory referred the Council to Mr. Neel's request for upgraded signage at a cost of \$2,000 to \$3,000 and noted that an additional stop sign will be necessary. The speed limit and "children at play" signs would be regular signs. He said the decorative signs will also require concrete foundations with bases which will have to be dug by hand. Mr. Mallory told the Council there would be an additional cost of about \$500 for material plus two men for two days. He noted that there would also be some underground work necessary. Mr. Mallory estimated the expense to be closer to \$4,000 for decorative signage as opposed to \$561.90 for regular City signs installed by one man in one day. Councilmember Hutcherson inquired about the original agreement regarding signage. Mr. Neel stated that the original agreement was for the Joint Venture to pay the difference in upgraded signage. Mayor

Hackney stated that the Council would need additional time to review this situation, and the matter was tabled until the Council's next regular meeting

REPORT OF CANTON ECONOMIC DEVELOPMENT CORPORATION BY EXECUTIVE DIRECTOR BOB ALEXANDER – Mr Alexander reported to the Council on the CEDC's economic development projects, community enhancement grants, and business and tourism contacts. He then presented the First Monday portion of the CD presentation prepared for recruiting businesses. Mr. Alexander explained the other sections included on the CD and said he would like to add section on the Canton ISD and downtown area. Councilmember Hutcherson inquired about the sale of Winning Strategies, the CEDC's first economic development project. Mr. Alexander confirmed that Winning Strategies was involved in a merger which projected a 50% increase in personnel. Councilmember Hutcherson then asked how many industries had expressed an interest in coming to Canton. Mr. Alexander said he talked with prospects every week with various levels of interest. He said he is currently in discussions with three good prospects, all at different levels of interest

DISCUSS AND CONSIDER CITY'S ACCEPTANCE OF CREDIT CARD PAYMENTS, MERCHANT CARD PROCESSING PROPOSAL, AND ACQUISITION OF EQUIPMENT – Mr. Mallory told the Council that City Staff had researched the possibility of accepting credit cards. Information was obtained from The American National Bank and a private processing company. Based on the costs associated with the service, Mr. Mallory said that City Staff was not recommending the matter to the Council. Councilmember Pruitt asked whether vendors had not rented lots because the City does not accept credit cards. Mr. Mallory and First Monday General Al Campbell said they were unaware of any vendor not renting for that reason. Mayor Hackney stated that the matter would be passed with no action by the Council.

DISCUSS AND CONSIDER REQUEST FOR WATER TAP OUTSIDE CITY LIMITS BY ASA AND NICOLE_SHELBY AT 400 VZCR 2204 – Mr. Mallory told the Council that City Staff had no objections to the request. Councilmember Pruitt moved that the request be granted. Councilmember Sanford seconded, and Councilmembers Sanford, Pruitt, and Hutcherson voted in favor. Councilmember Lide voted against the motion. The motion carried.

DISCUSS AND CONSIDER PAINTING DOWNTOWN WATER TOWER – Councilmember Pruitt moved that funds be allocated for painting the downtown water tower from the fund set aside for that purpose with the balance to come from the proceeds of the sale of the proposed Tarpley Duke plaza. Councilmember Lide seconded, and all voted in favor.

DISCUSS AND CONSIDER STATUS OF STREET CONSTRUCTION AND IMPROVEMENTS – Mr. Campbell told the Council that the contractor had excavated almost all of Forrest Street and had encountered three breaks in the water line. The contractor will move out in the next few days, and City crews will begin installation of a new plastic line. Mr. Campbell reported that the drainage at Forrest and Sides Circle will need additional concrete work. He told the Council that an agreement had been reached on the curb line at Oak and Stacey with cost to be over \$12,000. Mr. Campbell explained that the sod will be installed at the end of the project and is not yet available.

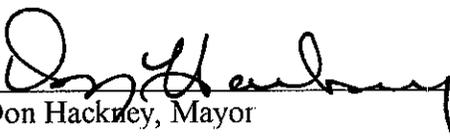
DISCUSS AND CONSIDER SETTING FEE FOR PARKING AT CITY'S THIRD PAVILION – Mr. Mallory told the Council that angled parking will coordinate with each booth space and will be ten feet wide. Mr. Mallory requested the Council's input on whether motor homes and travel

trailers will be allowed in the pavilion parking areas. Mayor Hackney noted that most motor homes would be too large for the spaces. Councilmember Pruitt said he would not be in favor of permitting motor homes or travel trailers. Councilmember Sanford suggested that the City remain uniform in its policy of not allowing motor homes or travel trailers in these parking spaces. Julie Jackson told the Council that the City's competitors allow motor homes and that she had received hundreds of requests. Upon questioning by the Council, Mrs. Jackson confirmed that the City will lose some vendors to other markets because the City does not have conveniently located motor home space. Councilmember Sanford said he would still prefer to maintain a uniform policy at this time and possibly consider allowing motor homes at a later date. Councilmember Sanford then moved that parking spaces at the new pavilion be rented for \$50 and that motor homes and travel trailers be prohibited. Councilmember Pruitt seconded the motion, and all voted in favor.

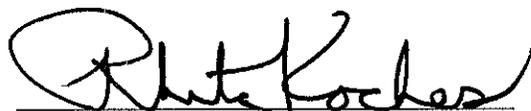
EXECUTIVE SESSION FOR DELIBERATIONS REGARDING PERSONNEL MATTERS
(Section 551 074) - The Council adjourned into Executive Session at 7:40 p.m. to consider personnel matters.

RECONVENE TO OPEN SESSION AND CONSIDER ACTION, IF ANY, ON ITEMS DISCUSSED IN EXECUTIVE SESSION - At 7:55 p.m., the Council returned to open session with no action taken.

ADJOURN - There being no further business to come before the Council, Councilman Lide moved that the meeting be adjourned. Councilman Hutcherson seconded, and the meeting was adjourned at 7:55 p.m.


Don Hackney, Mayor

ATTEST:


Rhita Koches, City Secretary

CALLED CITY COUNCIL MEETING
1:30 P M , TUESDAY, MAY 9, 2000

The Canton City Council met at the above named date and time in the City Hall Council Chambers. Members present were Mayor Don Hackney, Ron Sanford, Charles Lide and Rusty Wilson. Council members Raymond Pruitt and Beverly Hutcherson were absent.

Discussion and action were as follows:

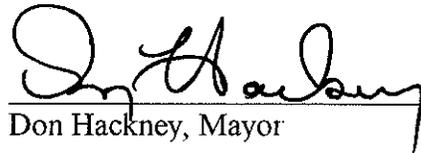
CALL MEETING TO ORDER - Mayor Don Hackney called the meeting to order.

CANVASS MAY 6, 2000 GENERAL ELECTION RETURNS - The Council canvassed the election returns for the May 6, 2000 general election of 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:

<u>CANDIDATE</u>	<u>OFFICE</u>	<u># OF VOTES</u>
Jimmy Peace	Council member	104
Charles E Lide	Council member	96
Charles R Fenner	Council member	124
Paul Walukas	Council member	56
Jim C. Taylor	Council member	19
Raymond Pruitt	Council member	147
Jim A Stephens	Council member	70
Beverly Hutcherson	Council member	207
Tommy Roberts	Council member	132
TOTAL NUMBER OF VOTES CAST:		360

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

ADJOURN - There being no further items for discussion, 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 OF CANTON CITY COUNCIL
CITY OF CANTON, TEXAS
6:30 P.M., TUESDAY, MAY 16, 2000
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. Members present were Mayor Don Hackney, Beverly Hutcherson, Charles Lide, Ron Sanford, and Rusty Wilson. Councilmember Raymond Pruitt arrived immediately following the Council's vote concerning upgraded street signage at Lake Meadow Subdivision.

Discussion and action were as follows:

CALL TO ORDER AND ANNOUNCE QUORUM - Mayor Hackney called the meeting to order at 6:40 p.m. and declared that a quorum was present.

MAYOR'S WELCOME was given by Mayor Don Hackney.

INVOCATION - The invocation was given by Councilmember Lide.

PLEDGE OF ALLEGIANCE - The Pledge of Allegiance was led by City Manager Johnny Mallory.

GUEST ITEMS - Joe Collins, Executive Director of the Canton Chamber of Commerce, reported that the Chamber had been successful in securing funding of approximately \$1,000 to attend the "Visions 2000" show at Market Hall in Dallas August 26-27, 2000. He announced that this would be the first year Canton has participated in this show and that there is an opportunity to get materials before 58,000 women attending the event. It is anticipated that 15,000 pieces of literature will be distributed. The Chamber has elected to attend this show in lieu of the Austin Fall Show which is scheduled for the same date. Mr. Collins told the Council that the Chamber's Tourism Committee would be meeting the next day to begin plans for the Houston, Dallas, and Fort Worth shows. He said that attendance at all shows depends on hotel tax receipts, and he would like to add the travel shows in Oklahoma City and Shreveport.

DISCUSS AND CONSIDER APPROVING MINUTES OF APRIL 18 AND MAY 9, 2000 MEETINGS - Councilmember Hutcherson moved that the Minutes of the April 18 and May 9, 2000 meetings of the Canton City Council be approved. Councilmember Sanford seconded, and all voted in favor.

DISCUSS AND CONSIDER APPROVING APRIL 2000 FINANCIAL STATEMENTS - City Manager Johnny Mallory read the receipts, expenditures, and balances of all accounts as of the end of April, 2000. Mr. Mallory noted that the cash balance appears high because of the funds on hand in the Debt Service Account; however, bond payments will be due in July and August. He also informed the Council that sales tax receipts continue to run slightly ahead of last year's receipts. Councilmember Sanford moved that the financial reports be accepted as presented. Councilmember Wilson seconded, and all voted in favor.

DISCUSS AND CONSIDER REQUEST FOR PAYMENT FOR UPGRADED STREET SIGNAGE BY LAKE MEADOW JOINT VENTURE - Mr. Mallory reminded the Council that this agenda item had been tabled at the Council's April meeting. Charles Skidmore was present on behalf of Lake Meadow Joint Venture. Councilmember Sanford requested Mr. Mallory's recommendation. Mr. Mallory noted that installation of the proposed signage would be a substantial problem. Mayor Hackney pointed out that the City would be responsible for upkeep of whatever signs are installed. Mr. Mallory estimated that the

total cost of purchasing and installing the upgraded signage would be approximately \$4,000 as opposed to \$560 for the City's usual signage. Councilmember Sanford voiced concern that a precedence might be set by the City's payment for upgraded signs. Mr. Mallory reminded the Council that the matter had been presented by Danny Neel of the Joint Venture as an alternative to his request for tap fees for the installation of fire hydrants. It was noted that the Council had voted last month that fire hydrants not be considered taps for the purposes of the City's Reimbursement Agreement with Lake Meadow Joint Venture. Councilmember Sanford moved that the request for payment for upgraded signage be denied. Councilmember Wilson seconded, and all voted in favor of the motion.

OATH OF OFFICE ADMINISTERED TO ELECTED COUNCIL MEMBERS BY MUNICIPAL COURT JUDGE BRENDA SANFORD – City Secretary Rhita Koches administered the oath of office to newly elected Councilmembers Beverly Hutcherson, Raymond Pruitt and Tommy Roberts. Mayor Hackney then presented a plaque to outgoing Councilman Charles Lide and thanked him for his four years of service to the Council and the City of Canton.

APPOINTMENT OF MAYOR PRO TEM – Councilmember Sanford moved that Raymond Pruitt be named as Mayor Pro Tem. Councilmember Wilson second, and the motion carried.

DISCUSS AND CONSIDER AWARDED BID TO RE-FINISH DOWNTOWN WATER TOWER – City Manager Johnny Mallory told the Council that no bids had been received; however, the company that made an estimate prior to advertising for bids has agreed to perform the work for \$28,000. The price includes soil testing before and after the project. The Council then discussed the colors and logos to be placed on the tower. Councilmember Pruitt moved that an additional sum of up to \$1,500 be authorized for adding the First Monday logo on the north side of the tower and that the eagle logo be placed on the south side. Councilmember Sanford seconded the motion. Councilmembers Sanford and Pruitt voted in favor of the motion. Councilmembers Wilson and Hutcherson voted against the motion, and Councilmember Tommy Roberts abstained. It was the request of the Council that the Mayor vote to break the tie between the votes actually cast. Mayor Hackney voted yes, and the motion carried. Following further discussion, it was the consensus of the Council that the wording to be placed on the tower would be "Canton Eagles." Councilmember Rusty Wilson moved as follows: that the project be awarded to Williams Painting and Sandblasting for \$28,000 (plus the additional sum previously authorized); that approximately \$13,000 of the funding allocated from the Water Tower Cash; that the balance of approximately \$16,500 be allocated from the Special Project Cash (revenue from the sale of the Tarpley Duke Plaza property); and that future \$300 tower rent payments be applied to the Special Project Cash account. Councilmember Hutcherson seconded the motion, and all voted in favor.

DISCUSS AND CONSIDER FUTURE ACTIVITIES OF REMOTE CONTROL BOATS ON LAKE CANTON – Councilmember Wilson told the Council that, in a previous compromise, the City was allowing the remote control boats to race once per quarter. At the last race, a boat went out of control and was still running when it landed in a yard. Mr. Wilson expressed concern about the safety of children playing in the area and told the Council it would be his recommendation to discontinue allowing the remote control boats to race at Lake Canton. Councilmember Sanford concurred and asked whether the recommendation would be effective immediately or after the next three dates which have already been scheduled. Councilmember Wilson said he thought the action should be effective immediately. Mayor Hackney inquired about using Mill Creek Lake. Mr. Mallory said boat traffic and waves would probably prohibit use of Mill Creek Lake. It was also noted that fishermen on Mill Creek Lake would probably object to remote control boat races. Councilmember Sanford expressed concern that the club holding the races might have difficulty re-scheduling their June race. Councilmember Wilson said he thought they would be able to find another place. Councilmember Wilson said that he appreciated the Club's offer to

put up netting on the other side of the lake, but residents do not want the netting Councilmember Wilson moved that the remote control boat races be banned effective immediately Councilmember Sanford seconded the motion, and all voted in favor

DISCUSS AND CONSIDER DISBURSEMENT OF MONTHLY STIPEND OF \$75 TO NUTRITION PROGRAM – Councilmember Sanford told the Council that, as a result of recent Council actions, the nutrition program is coming to City Hall for reimbursement creating a bottleneck in the process It was his recommendation that the funds held by the City on behalf of the nutrition program be turned over to the nutrition program for them to establish their own account and a board to administer the funds He told the Council that the nutrition program participants were in favor of this proposal Councilmember Sanford moved that the balance held by the City on behalf of the nutrition program be turned over to the nutrition program participants for administration by them Councilmember Pruitt seconded, and all voted in favor

DISCUSS AND CONSIDER REQUEST TO CANTON ECONOMIC DEVELOPMENT CORPORATION FOR INFRASTRUCTURE FUNDS – Councilmember Pruitt noted that the Council had previously voted that 25% of the 4B sales tax proceeds be allocated for infrastructure It was his recommendation that the Council convey that information to the CEDC to be sure it is carried out in its financial planning Mr Mallory told the Council that the CEDC will prepare a budget for the next fiscal year and work funds into that budget based on the allocation of 25% for community enhancement, 25% for infrastructure, and 50% for economic development Mayor Hackney inquired whether the CEDC would be able to meet its needs on the funds available with that allocation Mr Mallory said it appeared so at this time Councilmember Sanford, who is also a member of the CEDC Board, said he did not see a problem either He then noted that the 25% is for infrastructure which should be major construction and not just street maintenance or pothole repairs Councilmember Pruitt said he would not mind the funds going toward upgrading College and Old Kaufman Councilmember Sanford stated that it might still be too early to designate a particular project Mr Mallory told the Council that it had been suggested to him that bonds be sold with the 25% infrastructure funds allocated to make the bond payments Councilmember Pruitt moved that the CEDC be asked to go ahead and include the 25% infrastructure allocation to its next budget Councilmember Sanford seconded Councilmember Hutcherson inquired about another City having to hold elections for projects utilizing 4A sales tax proceeds Mr Mallory explained that the City of Canton elected a 4B sales tax In the vote on Councilmember Pruitt's motion, all voted in favor

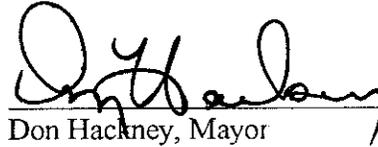
DISCUSS AND CONSIDER STATUS OF STREET CONSTRUCTION AND IMPROVEMENTS – Al Campbell told the Council that a water line was being re-laid on Forrest and the gas company will need to re-locate about a block of their line He reported that letters were being mailed to the property owners along Denise Street advising them of upcoming construction On Oak and Stacey, some of the curb had to be removed and an area on Malinda has to be poured The contractor has notified the City that they have contacted a local merchant for a landscaping bid Upon questioning from the Council, Mr Campbell reported that Stacey should be completed in about ten days A change order was necessary to excavate part of Malinda to tie in Etheridge Road The contractor was unwilling to accept a change order for the drainage on Meadow, and that project is going out for bid

EXECUTIVE SESSION FOR DELIBERATIONS REGARDING PERSONNEL MATTERS (Section 551 074) - The Council adjourned into Executive Session at 7:40 p m to consider personnel matters

RECONVENE TO OPEN SESSION AND CONSIDER ACTION, IF ANY, ON ITEMS DISCUSSED IN EXECUTIVE SESSION - At 8:10 p m, the Council returned to open session with no action taken

DISCUSSION PERTAINING TO BUSINESS FOR PLACEMENT ON FUTURE AGENDAS -

ADJOURN - There being no further business to come before the Council, Councilmember Wilson moved that the meeting be adjourned Councilmember Hutcherson seconded, and the meeting was adjourned at 8:12 p m.


Don Hackney, Mayor

ATTEST:


Rhita Koches, City Secretary

CALLED MEETING
CANTON CITY COUNCIL
8:00 A M , SATURDAY, JUNE 3, 2000
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 Members present were Raymond Pruitt, Ron Sanford, Rusty Wilson, Beverly Hutcherson, and Tommy Roberts Mayor Don Hackney was absent

Discussion and action were as follows:

CALL TO ORDER AND ANNOUNCE QUORUM - In the absence of Mayor Don Hackney, Mayor Pro Tem Raymond Pruitt called the meeting to order and announced that a quorum was present.

DISCUSS AND CONSIDER AWARDED BID FOR DRAINAGE IMPROVEMENTS ON STACEY STREET – City Manager Johnny Mallory presented the engineer’s tabulation of bids received:

Lester Rodgers Company, Inc	\$62,799 08
McKinney & Moore, Inc	\$93,985 50
Simon Traylor & Sons, Inc	\$128,237 00

Councilmember Sanford moved that the bid of Lester Rodgers Company, Inc , be accepted. Councilmember Roberts seconded, and all voted in favor

DISCUSS AND CONSIDER APPLICATION FOR DESIGNATION AS 2001 MAIN STREET CITY – Councilmember Pruitt told the Council that he had requested that City Staff inquire into the application process of being named a Main Street City City Secretary Rhita Koches reported on the project information received from the Texas Historical Commission The application requires the Council to adopt a resolution committing support for the project and the employment of a full-time Main Street Manager Councilmember Pruitt urged Councilmembers to visit with downtown property owners to determine their support of the project

DISCUSS AND CONSIDER EVENTS FOR CANTON’S FOURTH OF JULY CELEBRATION INCLUDING CLOSING DOWNTOWN STREETS FOR PARADE AND FESTIVAL AND FIREWORKS DISPLAY – Zackie Gutzke appeared before the Council on behalf of the Canton

Merchants Association to present plans for a 4th of July celebration on the downtown square. The Association proposed a parade to begin at 10:00 a.m. and booths along Tyler and Capital Streets on the square. Mrs. Gutzke outlined the proposed parade route and the location of booths and requested authority to conduct the parade and to close Tyler and Capital Streets around the Courthouse Square from 9:00 until 2:00 for booths. Councilmember Hutcherson moved to close the streets as requested. Councilmember Wilson seconded, and all voted in favor. Mr. Mallory outlined the plans for the fireworks celebration on the evening of July 4th.

DISCUSS AND CONSIDER ESTABLISHING A SPECIAL ACCOUNT FOR SPECIAL FUNDS --

Councilmember Sanford asked if special bank accounts could be established for distinct matters such as the proceeds from the sale of the property on Hwy 243 and from the sale of the Duke tract downtown and the parking lot proceeds dedicated to retiring the Fire Department's debts. He suggested that those funds be separated physically instead of just on paper. He said the Hwy 243 proceeds could be set aside and perhaps applied to a new City Hall. Mr. Mallory said the funds are currently separated on the balance sheet and he would propose breaking that information out for the Council on the monthly financials provided at Council meetings. Councilmember Pruitt noted that the \$300 antenna rent should be applied to replace the funds taken out of the Duke sale proceeds for re-painting the downtown water tower. Mr. Mallory said he would like to try showing that information to the Council without establishing separate bank accounts which would require separate checks and additional audits. Councilmember Roberts said he would also like to see separate accounts for different street projects. Mr. Mallory said he felt that the information requested could be provided to the Council by revising the format of the current monthly report as opposed to opening separate checking accounts. City accountant Cathy Cummins told the Council that the funds are kept separate and the information could be provided with a revised form. Councilmember Roberts stated that he was not suggesting separate bank accounts but rather separate line items. Councilmember Pruitt said he would also like to see a report on the City's total outstanding debt. Mr. Mallory said that amortization information could be provided. Councilmember Roberts asked if the proposed budget could also be presented in a similar manner. He said he would also like to see a contingency fund for overruns. Mr. Mallory clarified that the Council would want to review long-term debt. Mr. Mallory also noted that all funds are in interest-bearing accounts with interest being returned to the respective accounts. He said that the interest could be deposited to the general fund. Councilmember Hutcherson asked why that would be necessary. Mr. Mallory replied that it would not be necessary unless the Council had a special project it wanted to fund with those proceeds. He explained that the City has earned approximately \$750,000 interest on street bonds which could have been moved to another account. He noted that the City has been able to complete more street projects by leaving that interest in the account. Upon questioning from the Council, Mr. Mallory said it was his understanding that the funds could only be moved to the general fund.

DISCUSS AND CONSIDER WEEKLY STAFF UPDATE NEWSLETTER TO COUNCIL --

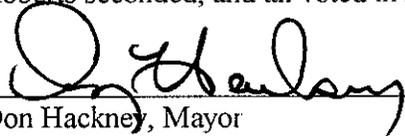
Councilmember Sanford suggested that developing matters and updates be provided to the Council weekly through an update or newsletter. Councilmember Roberts agreed but felt that it might not be necessary weekly. He suggested a monthly update or as needed. Mr. Mallory said he was considering using the meeting notes from his weekly Staff Meeting for a Council update.

GENERAL UPDATE ON STREET IMPROVEMENTS AND CONSTRUCTION BY CITY MANAGER, INCLUDING, BUT NOT LIMITED TO TRADE DAYS BLVD (HWY 19), DENISE, OAK, AND FORREST --

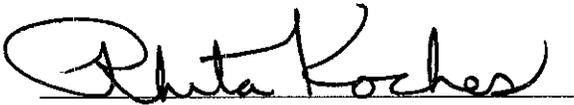
Mr. Mallory reported that the contractor should be back on Forrest early the next week. The contractor will be using Turf Pro, a local company, to install grass. The cost for moving city services for TxDOT's Highway 19 construction is estimated to be \$411,000. Mr. Mallory said it may

be necessary to sell bonds to be repaid over a five-year period. He noted that TxDOT plans to let bids for their construction in April of 2001. Councilmember Wilson asked if the proposed bonds could also include reconstruction of College Street as well. Mr. Mallory said other projects could be included, but the term of the bond would probably go to ten or fifteen years. Councilmember Pruitt agreed that some other projects should be included in the bond.

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


Don Hackney, Mayor

ATTEST:


Rhita Koches, City Secretary

REGULAR MEETING OF CANTON CITY COUNCIL
CITY OF CANTON, TEXAS
6:30 P.M., TUESDAY, JUNE 20, 2000
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. Members present were Mayor Don Hackney, Beverly Hutcherson, Raymond Pruitt, Tommy Roberts, and Ron Sanford. Councilmember Rusty Wilson 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 was given by Mayor Don Hackney.

INVOCATION – The invocation was given by Councilmember Roberts.

PLEDGE OF ALLEGIANCE – The Pledge of Allegiance was led by City Manager Johnny Mallory.

GUEST ITEMS – There were no guest items.

DISCUSS AND CONSIDER APPROVING MINUTES OF MAY 16, 2000 MEETING – Councilmember Sanford moved that the Minutes of the May 16, 2000 meeting of the Canton City Council be approved. Councilmember Roberts seconded, and all voted in favor.

DISCUSS AND CONSIDER APPROVING MAY 2000 FINANCIAL STATEMENTS – City Manager Johnny Mallory read the receipts, expenditures, and balances of all accounts as of the end of May, 2000. Councilmember Hutcherson moved that the financial reports be accepted as presented. Councilmember Pruitt seconded, and all voted in favor.

DISCUSS AND CONSIDER REQUEST FOR AUDIENCE WITH CITY COUNCIL BY KIM MORZAK AND BILL LOVEN REQUESTING COUNCIL TO RE-ALLOCATE 4B SALES TAX PROCEEDS FOR CITY INFRASTRUCTURE - Mayor Hackney recognized Kim Morzak who informed the Council that Mr Bill Loven was unable to attend due to a family illness. Mrs. Morzak told the Council that she was a resident, registered voter, property owner and businesswoman in Canton and as such she collected and paid substantial sales tax. She stated that it was her understanding that the Canton Economic Development Corporation was to bring decent high paying career type jobs to Canton but did not feel this had been done. She stated that some moderate wage jobs could be traced to CEDC but that funds had also been allocated which did not relate to economic development. Mrs. Morzak asked the Council to place stricter guidelines on the CEDC as to the use of its funds and that 50% of the 4B sales tax proceeds be returned to the City for use in capital improvements, maintenance and repairs including street repairs. She said that one of the few negative comments she hears from visitors relates to the poor condition of many streets and roads. Mrs. Morzak said that street repairs would improve the image of the City.

Councilmember Sanford stated that originally the 4B sales tax proceeds had been allocated with 25% to community enhancement and 75% to economic development. Councilmember Sanford said he had recently proposed a re-allocation of 25% to community enhancement, 25% to economic development, and 50% to infrastructure. He said that the Council approved a re-allocation of 25% to community enhancement, 50% to economic development, and 25% to infrastructure. Councilmember Sanford also noted that the City's portion of the proposed improvements to Highway 19 will cost approximately \$400,000, and improvements also need to be made on College and Old Kaufman. He stated that it may be necessary for an additional percentage to be diverted to infrastructure. He noted that the 50% for infrastructure may not actually be available because of CEDC's existing obligations. Councilmember Roberts stated that he thought the Council was moving in that direction, but the CEDC needs to understand the Council's desires.

DISCUSS AND CONSIDER REQUEST FOR AUDIENCE WITH CITY COUNCIL BY ED MORZAK REQUESTING COUNCIL TO INSTRUCT THE CANTON ECONOMIC DEVELOPMENT CORPORATION TO RESCIND CONTRACT FOR DEVELOPMENT OF 80 ACRE RESIDENTIAL SUBDIVISION - Ed Morzak told the Council that he had previously submitted a petition with 122 names and had an additional 65 names expressing an interest in opposing the development of Lake Ridge Estates. He cited the number of people in the audience as a display of the opposition and ask the Council to stop the development by stopping or delaying approval of the plat and scheduling a public hearing. Mr. Morzak said it was his objective to demonstrate widespread opposition to the sale of the property for this development. He asked the Council to find a practical way to stop the development on behalf of those opposed or table the request for plat approval and schedule consideration of this matter exclusively. He said that the public had heard bits and pieces about the proposed development for over two years. He said there had never been anything concrete because there had never been any viable commercial interest in the project. He said that CEDC had reported that developers had looked at the project but none thought it was economically feasible. Mr. Morzak said it seems fundamentally wrong that the community needs to go to the time, trouble, expense, and effort to stop a project that nobody seems to want in the first place. He suggested that there should be an equal or greater groundswell of support of the project before it is undertaken. He said there had never been such an outpouring in support. Mr. Morzak then cited numerous specific issues against the development such as the destruction of woodlands and wetlands, altering the floodplain, traffic, and concern over the cost of future city services. He said that CEDC has said 2/3 of the people to benefit from the development are not from Canton. He questioned whether adjoining homeowners were notified of the sale ahead of time. He stated that 132 new homes would hurt the community due to added traffic congestion and water use from

a water plant that has recently issued unsafe drinking water notices. Mr. Morzak questioned the process by which the property was sold to a Tyler business. He then questioned why the final discussion to sell the land was done in secret citing the CEDC's May 25th meeting. He stated that the CEDC Board met in executive session and then in short order decided to sell to Mr. Walker and rejected another competing bid without public discussion. Mr. Morzak asked whether any large scale demographic study had been conducted regarding the building rate growth or absorption rates for new home sales. He asked why all other developers declined to bid or make an offer and whether an overall feasibility study had been conducted as to the economic success of the project. Mr. Morzak asked the Council to consider whether the developer Dennis Walker was qualified to take on the project. He asked if Mr. Walker had ever actually developed a subdivision or if his experience is only surveying and parking lots. Mr. Morzak asked whether Mr. Walker had provided a financial statement which could support debt service or cost overruns. He then asked whether Mr. Walker would be risking bankruptcy if the project does not sell out immediately and whether he has been a party to lawsuits over past work issues. In closing, Mr. Morzak requested that the Council take action to stop the development or delay it for further discussion.

DISCUSS AND CONSIDER REQUEST FOR AUDIENCE WITH CITY COUNCIL BY DALLAS REMOTE CONTROL THUNDERBOATS FOR FUTURE EVENT ON LAKE CANTON – Mayor Hackney recognized Don Shuhart of the Dallas Remote Control Boats. Mr. Shuhart told the Council that his group had been racing in Canton for the last four or five years and thanked the City for providing a great place for them to hold races. He said it was one of the best sites in the Southwest. Mr. Shuhart then requested that the Council allow them to hold one more race in Canton. He said the September 23-24, 2000 race had been on their schedule for 6-8 months and had been advertised nationally. Mr. Shuhart said he was aware of the concerns associated with the race. He said the race site is sanctioned which provides liability insurance coverage. He said the noise factor could be reduced 50% to 60% by requiring the participants to use mufflers. He suggested that the newspaper advertise the event and suggest alternative swimming sites. Mayor Hackney acknowledged that the Council cut off races abruptly and said it would be his recommendation that the Council permit the September race. Councilmember Sanford told Mr. Shuhart that his was one of the best groups that has used the park. Councilmember Sanford moved that the Dallas Remote Control Thunderboats be permitted to use the City Lake for its September 23-24, 2000 race with participants being required to use mufflers. Councilmember Roberts seconded, and all voted in favor.

DISCUSS AND CONSIDER APPROVAL OF FINAL PLAT OF RIVER OAKS ESTATES PURSUANT TO CITY OF CANTON ORDINANCE NO. 94-04 (SUBDIVISION ORDINANCE) – City Manager Johnny Mallory told the Council that the plat has previously been through pre-submission and zoning with the Planning and Zoning Commission, and the Council has previously examined the preliminary plat. Mr. Mallory noted that the proposed cul-de-sac exceeds the 500 foot limit set out in the Subdivision Ordinance which would require a variance from the Council. He told the Council that the developer, Mr. J. L. Heard, was in the audience should the Council have questions. Mayor Hackney recommended that the final plat be approved with the variance. Councilmember Pruitt moved that the final plat of River Oaks Estates be accepted according to the terms of the City's Subdivision Ordinance and that a variance be granted to allow the construction of the cul-de-sac, which is in excess of 500 feet, as platted. Councilmember Hutcherson seconded, and all voted in favor.

DISCUSS AND CONSIDER APPROVAL OF PRELIMINARY/FINAL PLAT OF LAKE RIDGE ESTATES PURSUANT TO CITY OF CANTON ORDINANCE NO. 94-04 (SUBDIVISION ORDINANCE) – Mayor Hackney recognized Dennis Walker who presented the preliminary plat of Lake Ridge Estates. Mr. Walker noted that the plat provides for approximately 31 R-3 lots and two creeks into City Lake. Mr. Walker pointed out that, like the River Oaks plat previously discussed, the Lake Ridge plat includes a cul-de-sac which exceeds 500 feet. He noted that the proposed North Ridge Court also

exceeds 500 feet. Mr. Walker noted that final plat approval was being requested only in the area between the creeks. He noted that streets are platted at 60 feet wide with a divided entry into the subdivision. He said that water service would be provided by a 6 inch main off of Old Kaufman. Mr. Walker said it was his understanding that the City Council had previously charged that 10% of the property be retained as a greenbelt. Mr. Walker suggested that the lots be sold with deed restrictions prohibiting construction of any kind within the designated area. He noted that there would still be a greenbelt with private ownership. Mr. Walker then told the Council that engineering studies had been conducted taking the entire upstream basin and using FEMA data. He said the results show that, after complete development of the 80 acres and the further development of the property to the west, water levels would be raised 08'. He told the Council that no access to the City Lake is included in lot sales and that the proposed deed restrictions are the highest in the City. Councilmember Hutcherson asked about the size of the houses. Mr. Walker explained that the deed restrictions require homes in Unit III to be a minimum of 2,000 square feet heated and cooled living area. He said he believed the deed restrictions required a minimum of 1,600 square feet in the area to be zoned R-2 and 1,100 square feet in the garden home area. Mr. Walker said he had received substantial interest in the garden lots from retirees. Mr. Walker noted that all lots are proposed as single family and deed restrictions require residents who enclose a garage to build another garage.

Councilmember Pruitt said he had spoken with Allen Thompson, and he would like to give Mr. Thompson an opportunity to ask questions. Mr. Thompson asked who would enforce the deed restrictions. He also noted that retiree's small homes sell five years later and become rental property. He stated that he was not opposed to something being built he felt the number of lots should be reduced to allow for larger lots. He stated that he had come forward in the past in defense of the proposed development. He said the plan had changed four times and he felt it should be put on a shelf for awhile. He stated that there would only be about 40 acres available for building after the floodplain area was eliminated. Mr. Walker said that there will be about 70 acres with approximately 8 acres in the floodplain and 2 - 3 acres in streets. Mr. Walker said he appreciated Mr. Thompson's concerns. He told the Council that, because he was raised in the area, he was also concerned with the quality of the development. He said there had been a tremendous demand for the smaller homes. Mr. Thompson asked where residents would park with a 1100 square foot house. Mr. Walker pointed out that 1100 square foot was heated and cooled and was a minimum. He told the audience that during the 2½ years he had been working on this project, he has had six people at a time asking for those smaller lots. Mr. Thompson asked who would enforce those restrictions. Mr. Walker responded that the property owners would be responsible.

Councilmember Sanford said the City had enough trouble keeping up with maintenance and it would be his recommendation that the property owners hold and maintain the greenbelt area. Councilmember Roberts noted that the City has an ordinance in place addressing tall grass and weeds.

Elisa Heard told the Council that she is a partner in the River Oaks Estates development and that she lived on the City Lake. She presented pictures of her property showing the lake coming over her retaining wall. She said it floods like that once a year. She said she had a surveyor mark the 100 year flood plain for her retaining wall. She said water also backs up where the Burrages have a dam. Mrs. Heard asked if a study had been done on the drainage from the proposed development. She said her engineer has reviewed the plat and could not make it work because of the cost of gulleys. She then questioned whether CEDC would be subsidizing utilities to the property. Mr. Walker said no and also noted that all water and sewer taps will be installed by the developer with the City retaining all revenue from taps installed. Mrs. Heard questioned the price of the lots and Mr. Walker responded that R-2 lots would probably sell for \$16,000 with R-1 lots being approximately \$21,000 or \$22,000. Mrs. Heard asked if the land was pledged as collateral, and Mr. Walker said it was. He noted that all proceeds from the sale of lots goes directly to the Bank. Mrs. Heard asked whether Mr. Walker had talked with any large developers about building houses. Mr. Walker said he planned to sell lots to individuals and noted that the deed restrictions allow two years

to build Mrs Heard then asked whether CEDC has looked into Mr Walker's wherewithall to develop this project. Mr Walker responded that his lender was totally satisfied Mrs Heard said she had spoken with Neal Velvin regarding the design of the dam after it broke 15 years ago. She said Mr Velvin had told her the dam was designed according to the way the land sat at the time and not with the development of the 80 acre tract. Mrs Heard requested that the engineering records be reviewed to determine what the present dam will withstand. Mr Walker stated that a study has already been conducted taking into consideration the development of the 80 acres plus the development of property further west. He said the result of that study shows a 08' rise in the lake level.

Marilyn Burrage said she would like to verify Mrs Heard's comments. Mrs Burrage stated that when water backs up 30 feet on the Heards' property, it backs up 50 feet on the Burrages' property. Mrs Burrage said she told Mrs Heard her retaining wall was not high enough when it was constructed. Mrs Burrage told the Council that she had 20 years of history on her property. She said her father was an engineer and he had engineered her lake and construction according to how the land lay at the time. She said she now has the school and church parking lots, and she is inundated with water. She said she had spoken with an engineer who had also given her some figures on the volume of water that would go into the lake from the development of the 80 acres. Mr Walker's engineer then explained that the calculations used took into consideration a 500 year flood in addition to the standard 100 year flood measurements. Mrs Burrage asked that the City's engineer be consulted to determine what the lake and spillway will stand based on his knowledge of the design of the current dam.

Mayor Hackney told Mrs Burrage that the City would consult with Mr Velvin to make sure the integrity of the area was acceptable. Mrs Burrage told the Council that if something was done to change the lay of the land, somebody would be responsible. Mayor Hackney again stated that the City would confer with Mr Velvin.

Councilmember Sanford moved that the preliminary plat be approved as presented, that a variance be granted for the cul-de-sacs platted in excess of 500 feet, that the final plat for Units One and Two of Lake Ridge Estates be approved subject to zoning, and that the City confer with Neal Velvin to verify the water level figures resulting from the development of the 80 acres. Councilmember Roberts seconded, and all voted in favor.

DISCUSS AND CONSIDER APPOINTMENTS TO PLANNING AND ZONING COMMISSION – City Secretary Rhita Koches told the Council that Lynn Etheridge, Clifford Caviness, and Lucia Deen had agreed to be re-appointed to the Planning and Zoning Commission. Councilmember Sanford moved that Lynn Etheridge, Clifford Caviness, and Lucia Deen be re-appointed to the Commission. Councilmember Pruitt seconded, and all voted in favor.

DISCUSS AND CONSIDER APPOINTMENTS TO BOARD OF ADJUSTMENT – Mayor Hackney announced that this item would be postponed as the Board members had not yet been polled regarding re-appointment.

DISCUSS AND CONSIDER STATUS OF STREET CONSTRUCTION AND IMPROVEMENTS – Mr Mallory told the Council that construction on Oak and Stacy Streets was nearing completion and construction on Forrest was ongoing. Construction has begun on the drainage structure on Stacy Street. Contractors will next begin construction on Denise Street.

DISCUSS AND CONSIDER SELLING BONDS FOR STREET IMPROVEMENTS – Councilmember Pruitt requested that the City proceed with obtaining estimates for upcoming street projects and contact a bond company. He suggested that the Highway 19 improvements be included along with any other streets recommended by the Street Committee. Mr Mallory said that there should be approximately one million dollars left after completion of the pending street projects. Mayor Hackney noted that the City's portion of

the Highway 19 improvements has been estimated to be \$400,000. Councilmember Pruitt asked if a list of recommended street projects could be available at the next Council meeting. Mr. Mallory said he would like to have the pending projects completed before beginning additional ones. Councilmember Pruitt said he would like to go ahead and get a list started.

DISCUSS AND CONSIDER APPLICATION OF CITY LOGO ON ALL CITY VEHICLES – Councilmember Roberts moved that the City logo be displayed on all City vehicles except the Chief of Police's vehicle. Councilmember Sanford seconded, and all voted in favor.

DISCUSS AND CONSIDER AMENDMENT TO ORDINANCE NO. 99-12 (WATER AND SEWER RATES) TO ASSESS SEWER USAGE FEES ON RECREATIONAL VEHICLE HOOKUPS – Councilmember Pruitt told the Council that he had requested a feasibility study to determine the potential revenue from an assessment for sewer usage by RVs. He said, at this time, it appears that the assessment would not produce the anticipated revenue and would require further review and evaluation. Mr. Alton Smith asked if the charge would apply to RV rallies. Councilmember Pruitt said that had not been determined and that he would like to speak further with Mr. Smith about his thoughts on the matter. Councilmember Pruitt asked that the Council postpone consideration of the item at this time.

DISCUSS AND CONSIDER APPROVAL OF EAST TEXAS COUNCIL OF GOVERNMENT'S INTERLOCAL SERVICE AGREEMENT FOR ENHANCED 9-1-1 PROGRAM – Mr. Mallory told the Council that the proposed agreement provided for ETCOG's maintenance of the 9-1-1 equipment located at the Canton Police Department. Councilmember Pruitt moved that the Agreement be approved. Councilmember Hutcherson seconded, and all voted in favor.

DISCUSS AND CONSIDER APPROVAL OF AGREEMENT WITH THE STATE OF TEXAS FOR CONSTRUCTION OF ADDITIONAL DRAINAGE FACILITIES ALONG STATE HIGHWAY 198 – Mr. Mallory told the Council that TxDOT has agreed to the construction of the drainage structure on Hwy 198 but has requested a written agreement confirming the City's maintenance of the structure. Councilmember Sanford moved that the Agreement be approved. Councilmember Pruitt seconded, and all voted in favor.

DISCUSS AND CONSIDER REQUEST BY PAUL MICHAEL FOR CONSTRUCTION VARIANCE IN FLOODPLAIN AT FIRST MONDAY PARK – Mr. Mallory told the Council that Mr. Paul Michael has requested authority to construct a building with doors at the First Monday park. Mr. Mallory directed the Council's attention to copies of the pertinent sections of the City's flood ordinance and a copy of correspondence from the City's engineer, Neal Velvin. He told the Council that Mr. Michael wanted to be able to close the doors during the evening of First Monday weekend. Councilmember Sanford stated that he did not have a problem with the construction of the doors as long as Mr. Michael understands when the doors may be closed and when they must be raised. Councilmember Sanford moved that Mr. Paul Michael be authorized to construct a building with doors at the First Monday park subject to his agreement to the City's terms for opening and closing the doors. Councilmember Hutcherson seconded, and all voted in favor.

DISCUSS AND CONSIDER FIRST MONDAY IMPROVEMENTS – Mr. Mallory asked the Council to consider the construction of a bridge across the creek from Row 11 to Row 48 and to pour concrete along a portion of Row 48 at a cost of approximately \$15,000 to \$20,000. Councilmember Pruitt asked about the possible replacement of the wide wooden bridge or the installation of railing. Mr. Al Campbell said that staff would also look at that. Councilmember Roberts asked about funding for those projects, and Mr. Mallory said it would be added to the note for the pavilion presently under construction. Councilmember Roberts noted that First Monday is the City's livelihood and asked if other construction or improvements

could also be completed. Councilmember Sanford said that the First Monday Committee has several ideas but no funds

DISCUSS AND CONSIDER FUNDING FOR APPLICATION OF FIRST MONDAY LOGO ON HISTORIC DOWNTOWN WATER TOWER – Mr Mallory told the Council that the cost for the application of the First Monday logo on the water tower would be \$2,700 which is \$1,200 in excess of the amount previously approved by the Council. Councilmember Pruitt moved that the First Monday logo not be included with the re-finishing of the water tower. Councilmember Hutcherson seconded, and all voted in favor.

DISCUSS AND CONSIDER ALL MATTERS PERTAINING TO PROPOSED MAIN STREET PROJECT – City Secretary Rhita Koches told the Council that the Main Street application process includes a resolution confirming the Council's support of the project. Councilmember Hutcherson asked whether the City would be able to fund salary and benefits for the Main Street Manager at this time. It was noted that the application must be made for 2001 Main Street designation and that no employee would be necessary until Main Street designation is actually awarded to the City. Councilmember Pruitt pointed out that the involvement of the downtown property owners would be critical to the project. Following a brief explanation of the Main Street program by Mrs. Koches, Councilmember Pruitt moved that the following Resolution be adopted:

RESOLUTION

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CANTON, TEXAS, AUTHORIZING PARTICIPATION IN THE "TEXAS MAIN STREET PROGRAM" AND DESIGNATING THE CITY MANAGER TO COORDINATE ALL PROGRAM ACTIVITIES

WHEREAS, The Texas Main Street Program of the Texas Historical Commission has been created to assist small cities to develop a public/private effort to revitalize their "Main Street" area, and up to five Texas cities of any population will be selected to participate in the Texas Main Street Program in 2001,

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

SECTION 1: That the City of Canton apply for selection to participate in the 2001 "Main Street" Program with the specific goal of revitalizing the central business district within the context of preservation and rehabilitation of its historic buildings

SECTION 2: That the City of Canton will provide an adequate budget to employ a full-time Main Street Program manager for a minimum of three years and to provide funds for the training of the Main Street Program manager

SECTION 3: That the City Manager be designated to coordinate the program activities

Councilmember Sanford seconded the motion, and all voted in favor

Mr. William F Hilliard asked to address the Council regarding Agenda Item No. 22 and requested that the City have the Corps of Engineers or some other entity evaluate the channel through First Monday. He suggested that the channel be straightened to miss as much as possible. Mayor Hackney stated that the Corps of Engineers had been contacted and would take too long. Mayor Hackney said the City would need to do something before the Corps of Engineers would be willing to address the situation.

EXECUTIVE SESSION FOR DELIBERATIONS REGARDING PERSONNEL MATTERS (Section 551.074) - The Council adjourned into Executive Session at 8:10 p.m. to consider personnel matters

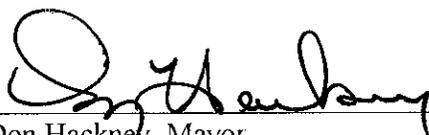
EXECUTIVE SESSION FOR DELIBERATIONS REGARDING LITIGATION (Section 551 071) – At 8:30 p m , the Council moved to deliberations regarding litigation

RECONVENE TO OPEN SESSION AND CONSIDER ACTION, IF ANY, ON ITEMS DISCUSSED IN EXECUTIVE SESSION - At 8:50 p m , the Council returned to open session Councilmember Sanford moved that Brian McNevin be hired as the City's first paid Fire Chief with the City's payment of a re-location expense in the amount of \$1,600 Councilmember Tommy Roberts seconded, and all voted in favor.

Councilmember Pruitt moved that the City proceed with litigation against the appropriate party for the collection of unpaid hotel occupancy tax from Holiday Inn Express Councilmember Sanford seconded, and all voted in favor.

MATTERS FOR FUTURE AGENDAS – Councilmember Roberts requested that an Executive Session be included on the agenda for the Council's July 1st called meeting The Council also requested that the allocation of the proceeds from the 4B sales tax also be included on the July 1st agenda.

ADJOURN - There being no further business to come before the Council, Councilmember Hutcherson moved that the meeting be adjourned Councilmember Roberts seconded, and the meeting was adjourned at 9:00 p m


 Don Hackney, Mayor

ATTEST:


 Rhita Koches, City Secretary

CALLED MEETING
 CANTON CITY COUNCIL
 8:00 A M , SATURDAY, JULY 1, 2000
 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 Members present were Mayor Don Hackney, Beverly Hutcherson, Raymond Pruitt, Tommy Roberts, Ron Sanford, and Rusty Wilson

Discussion and action were as follows:

CALL TO ORDER AND ANNOUNCE QUORUM – Mayor Don Hackney called the meeting to order at 8:00 a m with all Councilmembers present

DISCUSS AND CONSIDER AWARDING BID FOR SALE OF 1994 TOYOTA LAND CRUISER (FORFEITURE TO CANTON POLICE DEPARTMENT) – Johnny Mallory presented two bids for the purchase of the 1994 Toyota Land Cruiser:

Ben and Margaret Chessher	\$16,780 00
Robert Aylor, Queen City Chevrolet-Oldsmobile	\$14,750 00

Ron Sanford made the motion to award the sale to the highest bidders, Ben and Margaret Chessher, for \$16,780 00 Tommy Roberts seconded the motion and all were in favor.

DISCUSS AND CONSIDER REQUEST FOR AUDIENCE WITH CANTON CITY COUNCIL FROM H & I PARKING FOR VARIANCE TO CONSTRUCT SUN AND WIND SCREENS ON ARBOR III AT FIRST MONDAY PARK – Mayor Don Hackney informed the audience that he was associated with H&T Parking, and therefore, would excuse himself from all discussion. He then left the room and turned the meeting over to Mayor Pro Tem Raymond Pruitt Mike Hackney requested that the Council consider a variance to construct sun and wind screens on Arbor III at the First Monday Park He stipulated that the screens were to protect vendors only during First Monday Trade Days Otherwise, the screens would remain raised The Council and Mr Hackney reviewed the agreement with Paul Michaels stating conditions for raising and lowering the screens All parties agreed to the terms Ron Sanford made the motion to grant the variance with the stipulations as laid out in the Paul Michaels agreement Rusty Wilson seconded and all were in favor Mayor Hackney was then called back into the room to preside for the remainder of the meeting.

DISCUSS AND CONSIDER DIRECTIONS TO CANTON ECONOMIC DEVELOPMENT CORPORATION FOR FUNDING INFRASTRUCTURE PROJECTS INCLUDING, BUT NOT LIMITED TO, STATE HIGHWAY 19 (SOUTH TRADE DAYS BLVD), OLD KAUFMAN ROAD, CHERRY CREEK, COLLEGE STREET, AND COMPLETION OF STREETS IN THE CANTON INDUSTRIAL PARK – Johnny Mallory reported that this item had been placed on the agenda at the request of several Councilmembers who wanted the Council to send a request to the Canton Economic Development Corporation to issue bonds for capital improvements on the Highway 19 project Raymond Pruitt said he would also like to include street improvements to College Street, Old Kaufman Road and Cherry Creek

Tommy Roberts requested the Council prepare a prioritized list of proposed street projects for council review Mr. Roberts was also concerned that there may be other streets that need to be included in this bond package Mr Mallory indicated that the Streets Committee was working on this project

Mr Mallory estimated that the Highway 19 project would cost approximately \$400,000 He also recommended that College and Old Kaufman Road be curbed and guttered He noted that Old Kaufman has drainage problems that require curb and gutters Councilmembers agreed that Cherry Creek did not need curbs and gutters

Mr Mallory indicated that the City would need to enter in an intergovernmental agreement with the County in order to receive permission to improve a portion of Cherry Creek outside the City limits if it were included in the project.

Bob Alexander informed the Council that the Attorney General's handbook says that 4B funds used for infrastructure must be commercially related and support economic development Streets must be

thoroughfares. The Attorney General has ruled that 4B funds cannot be used to fix residential streets. The Council acknowledged that Highway 19, College Street and Old Kaufman Road were clearly thoroughfares and would be within the guidelines. It was decided that Cherry Creek would be addressed at a later date, or it could be funded through the City's regular budget or from the interest earned from the bond monies.

Bob Alexander informed the Council that the streets to be included in the bond issuance would need to be defined because CEDC would have to post the proposed projects and hold public hearings. He also noted that Industrial Drive needed to be completed and should be included in this bond package. The Council agreed to look at completion of Industrial Drive at some point in the future, but not include it in the bond package.

Raymond Pruitt made the motion to direct the Canton Economic Development Corporation to proceed with a bond issuance to fund infrastructure projects including State Highway 19, Old Kaufman Road and College Street. Ron Sanford seconded with all in favor.

Mr. Mallory was asked to proceed with getting estimates on the cost of these projects and investigate the cost of fifteen-year bonds.

DISCUSS AND CONSIDER RE-ALLOCATION OF 4B SALES TAX PROCEEDS – Ron Sanford informed the Council that he would like to see the 4B Sales Tax reallocated in the following percentages: Fifty percent for capital improvements towards streets, twenty-five percent for economic development, and twenty-five percent for community enhancements.

Regarding current CEDC funds, Bob Alexander reported that CEDC was on track to receive \$435,000 to \$440,000 this year. If fifty percent were used for infrastructure, that would be \$210,000 to \$220,000. The total current debt on the industrial park is approximately \$218,000 with debt payments of \$4,000 per month, totaling \$48,000 a year. CEDC should be able to meet this debt within the twenty-five percent guideline for economic development. If not, the fifty percent for infrastructure is issued as a future goal as soon as current obligations have been met.

Ron Sanford made the motion to reallocate 4B sales tax revenue as follows: fifty percent for capital improvements on streets, twenty-five percent for economic development, and twenty-five percent for community enhancement projects. Beverly Hutcherson seconded the motion with all in favor.

GENERAL UPDATE ON STREET IMPROVEMENTS AND CONSTRUCTION BY CITY MANAGER -- Johnny Mallory reported that water had caused problems on Forrest. Density tests were not meeting requirements. He said the contractor was mixing cement into the dirt in order to raise the density. The latest sample results were due in Monday which he hoped would test favorable. He also reported that Denise Street would not begin until Forrest was complete in order to maintain access to the residences.

Mr. Mallory told the Council that Oak Street was basically finished. Concrete flumes would be installed at the drain on the first house on the right. The contractor subbed out the retaining wall at the corner of Stacey and Oak. He is waiting on this to be installed. Mr. Leon Sharp, a resident in that area, is aware of this and understands. There is also a portion of sidewalk that needs to be attached to the curb and existing sidewalks. Al Campbell told Tommy Roberts that the grass supplier assured replacement of any grass that died.

Regarding the drainage project from Stacey to Highway 198, Mr. Mallory said that even though there was pipe in this area, there were no records of easements. There were two easements left to secure. Mr. Mallory did not think there would be a problem getting an easement from Mr. Ragsdale. The staff is having a difficult time locating the owner of the second property. It appears that he has had his utilities disconnected while on an extended vacation. The City will continue with securing the easements for this project.

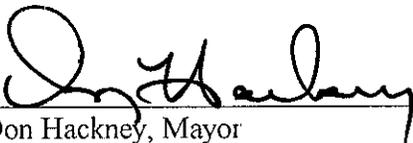
Rusty Wilson said the Council needed to determine how it wanted to spend the remaining funds for street projects. Mr. Mallory requested that the City get closer to completion on the current projects to get a more accurate estimation of remaining funds. Then, the Street Committee could meet to determine what to do next.

COUNCIL INPUT AND PLANNING FOR BUDGET FOR 2000-2001 FISCAL YEAR—Johnny Mallory asked the Council for their input on any capital improvements that they wanted to see included in the 2001 budget. Raymond Pruitt said he'd like to see the revenues from special events spent on repairs for the First Monday grounds. He said the roads on the grounds needed repair. Tommy Roberts requested that the budget be prepared in a format that showed exactly what was allocated for specific projects. Beverly Hutcherson requested new furniture for the log cabin office.

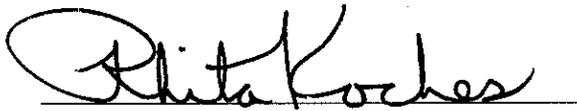
EXECUTIVE SESSION FOR DELIBERATIONS REGARDING PERSONNEL MATTERS (Section 551.074) -- The City Council adjourned to executive session at 8:32 a.m. to discuss personnel matters.

RECONVENE TO OPEN SESSION AND CONSIDER ACTION, IF ANY, ON ITEMS DISCUSSED IN EXECUTIVE SESSION – The council returned to open session at 8:54 a.m. with no action taken.

ADJOURN – The meeting was adjourned at 8:54 a.m. on a motion by Ron Sanford, second by Raymond Pruitt, and all in favor.


Don Hackney, Mayor

ATTEST:


Rhita Koches, City Secretary

REGULAR MEETING
CANTON CITY COUNCIL
6:30 P.M., TUESDAY, JULY 18, ~~1999~~ 2000
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. Members present were Mayor Don Hackney, Beverly Hutcherson, Raymond Pruitt, Tommy Roberts, and Ron Sanford.

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 was given by Mayor Don Hackney

INVOCATION was given by Councilmember Tommy Roberts

PLEDGE OF ALLEGIANCE – The Pledge of Allegiance was led by City Manager Johnny Mallory

GUEST ITEMS – There were no guest items

DISCUSS AND CONSIDER APPROVING MINUTES OF JUNE 3, JUNE 20, AND JULY 1, 2000 MEETINGS – Councilmember Hutcherson moved that the Minutes be approved as presented Councilmember Sanford seconded, and all voted in favor

DISCUSS AND CONSIDER ADOPTION OF RESOLUTION RENEWING AND EXTENDING CONSTRUCTION LOAN AT THE AMERICAN NATIONAL BANK FOR EMS BUILDING FOR ADDITIONAL 90 DAYS - Mr Mallory told the Council that construction of the building should be completed in another ninety days. Councilmember Sanford moved that the Resolution to extend the interim construction loan for the EMS building be adopted Councilmember Roberts seconded, and all voted in favor.

DISCUSS AND CONSIDER RECOMMENDATION FROM BOARD OF DIRECTORS OF CANTON ECONOMIC DEVELOPMENT CORPORATION FOR AMENDMENT TO THE APRIL 15, 1997 RESOLUTION ESTABLISHING GUIDELINES FOR THE CANTON ECONOMIC DEVELOPMENT CORPORATION - Mr Mallory told the Council that guidelines adopted in 1997 directed the Canton Economic Development Corporation to hire an Executive Director Due to the Council's recent re-allocation of 4B sales tax proceeds, the CEDC Board recommended the following revision to the Council's guidelines:

“BE IT FURTHER RESOLVED that the Canton Economic Development Corporation will pursue the hiring of an Executive Director who shall be an employee of the City of Canton subject to the guidelines of the City's personnel policy with a salary to be paid in accordance with the City's salary schedule or be a volunteer on an expense account and reimbursed to the City by the Corporation; and...”

Mayor Hackney recommended that the revision to the guidelines provide for the employment of a full time employee, part time employee, or a volunteer.

Councilmember Pruitt moved that the guidelines be changed as follows:

BE IT FURTHER RESOLVED that the Canton Economic Development Corporation will pursue the hiring of an Executive Director who shall be a full-time or part-time employee of the City of Canton subject to the guidelines of the City's personnel policy with a salary to be paid in accordance with the City's salary schedule or be a volunteer on an expense account and reimbursed to the City by the Corporation; and

Councilmember Hutcherson seconded the motion, and all voted in favor.

DISCUSS AND CONSIDER APPROVING JUNE 2000 FINANCIAL STATEMENTS – City Manager Johnny Mallory read the totals from the June 2000 Financial Statements. Councilmember Sanford noted

that the First Monday transfer into Water and Sewer reflected 75% used but the transfer out of First Monday shows 83 33% Mr. Mallory told the Council he would investigate the discrepancy Councilmember Sanford moved that the Financial Statements be approved with a follow-up explanation to his question. Councilmember Hutcherson seconded, and all voted in favor.

DISCUSS AND CONSIDER ESTABLISHING NO PARKING ZONES ON INDUSTRIAL BLVD. (OFF HIGHWAY 19 SOUTH) - Councilmember Roberts told the Council that he had talked with representatives of the Canton Volunteer Fire Department regarding parking along Industrial Drive Fire Chief Brian McNevin told the Council that there is parking along the street on a daily basis He noted that the parking could present a problem for emergency vehicles, especially when the EMS crew moves to its new building. Councilmember Roberts moved that the Council adopt an ordinance prohibiting parking along Industrial Drive:

CITY ORDINANCE NO. 2000-_____

AN ORDINANCE PROHIBITING THE PARKING OR STANDING OF VEHICLES, AND ALLOWING A TOW-AWAY ZONE FOR SUCH VEHICLES PARKED WITHIN THE CITY LIMITS OF THE CITY OF CANTON, TEXAS.

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

SECTION ONE

When signs are erected along Industrial Drive in Canton, Texas, reading substantially, "No Parking or Standing, Tow-away Zone", no person shall park or stand any vehicle on said street at any time, including but not limited to Saturdays, Sundays and holidays

SECTION TWO

Any person violating any provision of Section One of this Ordinance shall be deemed guilty of a misdemeanor and punished by a fine not less than five dollars (\$5) nor more than five hundred dollars (\$500)

SECTION THREE

The Canton Police Department is directed to cause to be towed away any vehicle found parked or standing in violation of Section One of this ordinance; and the owner of such vehicle shall be civilly liable to the person doing such towing for the reasonable cost thereof

SECTION FOUR

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

SECTION FIVE

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 of this ordinance, for it is the definite intent of this City Council that every section, paragraph, subdivision clause, phrase, word or provision hereof be given full force and effect for its purpose

SECTION SIX

This ordinance shall become effective from and after the 21st day of March, 2000, the same having first been passed and unanimously approved by the City Council of the City of Canton, Texas. on the date written below and published as required by law.

Councilmember Sanford seconded the motion, and all voted in favor.

DISCUSS AND CONSIDER APPROVAL OF TxDOT MEMORANDUM OF UNDERSTANDING REGARDING APPLICATION FOR FEDERAL FUNDING FOR INTELLIGENT TRANSPORTATION SYSTEMS (ITS) - Mayor Hackney told the Council that he attended a TxDOT meeting in Tyler concerning Intelligent Transportation Systems. He explained that federal funds may be available for electronic signage on Interstate and state highways to help direct traffic flow in problem areas. There will be no costs to participants, and only participants will be eligible for any possible funding. Mayor Hackney recommended that the Council approve the proposed Memorandum of Understanding to participate. Councilmember Pruitt moved that the Memorandum be adopted. Councilmember Wilson seconded, and all voted in favor.

DISCUSS AND CONSIDER APPROVAL OF AGREEMENT WITH TAYJON GEDDIE MARKETING TO PARTICIPATE IN FIRST MONDAY UNITED FOR A JOINT MARKETING AND PROMOTIONS COALITION WITH OTHER MARKETS - First Monday Manager Al Campbell told the Council that Tayjon has been handling the City's advertising for a couple of years. He explained that the agency has recently added P. A. Geddie who is well-versed in advertising. They have presented a program for all First Monday markets to participate in a joint advertising campaign. Mr. Campbell said that the presentation has also been made for the First Monday committee. Councilmember Wilson asked what other markets would be included. Mr. Campbell explained that the parties included the City, Mr. Lewis, H&T, Davis/Old Mill Market Place, Curry's Animal Grounds, and Turner's East Gate. Councilmember Sanford recommended that the City take a strong look at the proposal due to the considerable competition which has developed in the last ten years. He said he felt the proposal had a lot of good ideas. Councilmember Hutcherson asked about the number of dealers used to compute the City's contribution. Mr. Campbell responded that the contributions would be based on rented lots. Councilmember Pruitt noted that Councilmember Sanford had suggested utilizing a flat rate as opposed to a per lot figure. Councilmember Sanford noted the difference in income between an open-air lot and a pavilion space. Mr. Mallory told the Council that he had spoken with Eric Jontra of Tayjon who had suggested assigning point values to lots in an attempt to arrive at the respective percentages. Mr. Mallory told the Council that, at this point, there was no final agreement for the Council's approval.

DISCUSS AND CONSIDER SCHEDULING FIREWORKS PROGRAM FOR JULY 4TH, 2001 - Mayor Hackney stated that the July 4th fireworks display was very successful. He said that, due to the quality of the program and the size of the turnout, it would be his recommendation to present the display next year. Councilmember Sanford stated that the program was one of the City's most positive endeavors in recent years, and he had heard many compliments. Councilmember Wilson moved that the City present a July 4th fireworks program in 2001. Councilmember Hutcherson seconded, and all voted in favor.

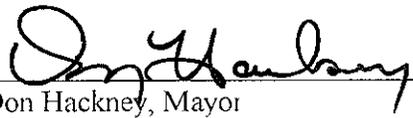
DISCUSS AND CONSIDER STATUS OF STREET CONSTRUCTION AND IMPROVEMENTS, INCLUDING OAK, DENISE, FORREST, AND STACY STREETS - Mr. Campbell told the Council that the contractor is progressing on Stacy. He said the north and south side of the retaining wall on Oak Street will be constructed later in the week. He noted that the contractor is using a local contractor, Turf Pro, for landscape work. Mr. Campbell told the Council that one side of Forrest has been poured and that all but two drives have been poured. Mr. Mallory told the Council that the contractor is still pouring concrete, but the pavilion should be ready for the August market. The walkway will not be completed. Councilmember Pruitt inquired about scheduling future projects. Councilmember Roberts suggested that pending projects be completed before starting any new projects. Councilmember Pruitt recommended that projects be selected and engineering begun since that may take several months.

EXECUTIVE SESSION FOR DELIBERATIONS REGARDING PURCHASE, EXCHANGE, LEASE OR VALUE OF REAL PROPERTY (Section 551.072) The Council adjourned into Executive Session at 7:00 p.m. to consider personnel matters

RECONVENE TO OPEN SESSION AND CONSIDER ACTION, IF ANY, ON ITEMS DISCUSSED IN EXECUTIVE SESSION – The Council reconvened in open session at 7:25 p.m. with no action taken

DISCUSSION PERTAINING TO BUSINESS FOR PLACEMENT ON FUTURE AGENDAS – Councilmember Pruitt requested that the City’s janitorial services be put up for bid

ADJOURN - There being no further business to come before the Council, Councilmember Pruitt moved that the meeting be adjourned. Councilman Hutcherson seconded, and the meeting was adjourned at 7:28 p.m.


Don Hackney, Mayor

ATTEST:


Rhita Koches, City Secretary

SPECIAL CALLED MEETING
CANTON CITY COUNCIL
6:30 P.M., TUESDAY, AUGUST 1, 2000
CITY HALL, 290 E TYLER STREET
CANTON, TEXAS

The Canton City Council held a joint public hearing and meeting with the City’s Planning and Zoning Commission at the above named date and time in the City Hall Council Chambers. Members present were Mayor Don Hackney, Beverly Hutcherson, Raymond Pruitt, Tommy Roberts, Ron Sanford, and Rusty Wilson

Discussion and action were as follows:

CALL TO ORDER AND ANNOUNCE QUORUM – Mayor Don Hackney called the meeting to order at 6:00 p.m. with all Councilmembers present. Mayor Hackney then announced that the Planning and Zoning Commission would conduct its business first

DISCUSS AND CONSIDER RECOMMENDATION OF PLANNING AND ZONING COMMISSION FOR ZONING CHANGE FOR 79.675 ACRES LOCATED ON CHERRY CREEK DRIVE IN

CANTON, TEXAS, AND ALSO KNOWN AS THE PROPOSED SITE OF LAKE RIDGE ESTATES FROM RA (AGRICULTURAL) TO R-1, R-2, AND R-3 (RESIDENTIAL) – The recommendation of the Planning and Zoning Commission to deny the zoning request was presented to the Council. Mayor Hackney asked the Council whether it wanted to vote on the issue. Councilmember Sanford asked the members of the audience whether the R-3 section was the big objection. The crowd responded yes. Councilmember Sanford moved to override the recommendation of the Planning and Zoning Commission and allow R-1 and R-2 zoning without R-3. Councilmember Pruitt seconded. Councilmembers Pruitt, Roberts, and Sanford voted in favor. Councilmembers Hutcherson and Wilson voted against the Motion. Mayor Hackney announced that the issue was turned down since a 4/5ths vote was required.

Mayor Hackney then announced that the people who had filed requests to appear before the Council would be allowed three minutes to speak.

DISCUSS AND CONSIDER PRESENTATION BY ALLEN THOMPSON PURSUANT TO REQUEST FOR AUDIENCE WITH COUNCIL REGARDING MATTERS CONCERNING CHERRY CREEK RESIDENTS AND LAKE RIDGE ESTATES – Mr. Thompson read the from a prepared statement and told the Council he wanted to rebut Mr. Walker's statement in the paper that only a few selfish people were opposed to the Lake Ridge Development. He said that there were more than a few people present and they were concerned, interested and suspicious residents concerning something proposed which will affect their neighborhoods. He said he had not contacted anyone who was totally against the land being developed in a careful, controlled, thought-out proposal which would be no R-3 zoning and instead be R-1 zoning with larger lots with some form of quality and not quantity such as the proposed 132 homes. He said there are already 32 lots in River Oaks zoned R-3 for the so-called garden homes. Mr. Thompson questioned the need for high density housing on 80 acres and that Mr. Walker had agreed at a previous meeting that the tract contained only 45 acres of buildable land due to floodplains and other problems. Mr. Thompson told the Council that all real property is inherently unique and that this tract is especially so. He said if the property was used wisely, many community needs could be met. He said he did not believe that a high density housing development would be conducive to the growth pattern and was not the appropriate use of the land. He said, in the past two years, the proposed development had gone from a half decent proposal to a deceptive, near-nothing proposal which would not enhance anything but perhaps fill someone's pockets. Mr. Thompson said Mr. Walker had previously stated that lots would average \$14,000 which would be somewhat short of \$2,000,000. Mr. Thompson said that on one of several previous plats the City's profit was near \$750,000, there were three entrances, there was a park in the subdivision as stated by Mr. Fugate who was on the Council at the time, the City Council had required an 8 acre public greenbelt, and there was a subdivision with creek development. Mr. Thompson said the proposal is now a terms deal with future payments of \$100,000 at no interest plus 15% of excess over \$2,000,000, there is a single entrance, there is no park, the greenbelt is someone's backyard floodplain, creek development and crossings are replaced with tank cars for crossings. Mr. Thompson said the zoning, platting and development of the property must be protected from those wanting to undermine or misuse the character and stability of the property, which is an irreplaceable asset. He asked if the Council wanted 132 lots so badly that it would lose sight of citizens' safety and concerns and the appeal of the land for future builders and buyers. Mr. Thompson said construction of 132 homes would virtually defoliate the entire tract making flooding more prevalent to neighbors on the lake and to prospective home builders on the creek. He said the proposed plat there are potential hazards due to the configuration of the streets and the hope of any expanded park facilities were lost as the community grows. Mr. Thompson said the plat had many flaws and fallacies such as the one long winding street with one entrance and no alternate routes. He said the so-called dry creeks have the potential to flood and usually do several times a year. He noted that there are deep gullies on the north and south of the property and the lake is to the east. Mr.

Thompson said his concerns were only some of the many concerns of the citizens of Canton. He implored the Council to consider all the faults and fallacies of the plat. He asked if the Council was completely at ease and comfortable with the proposed plat when there are so many concerns and questions from neighbors, friends, and constituents. He asked the Council if they would be able to lay in bed at night and feel that those present were truly the so-called selfish few so adamantly stated by Mr. Walker. Mr. Thompson told the Council that he had prayed they would make the right decision.

DISCUSS AND CONSIDER PRESENTATION BY MARILYN BURRAGE PURSUANT TO REQUEST FOR AUDIENCE WITH COUNCIL REGARDING LAKE RIDGE ESTATES, PLANNING, USE OF LAND AND W & W LAND (DENNIS WALKER) – Mrs. Burrage told the Council that if New York had not had a vision there would be no Central Park. She asked the Council to look at the property as a valuable asset. She stated that there were a lot of people willing to work to make the project something that would be an asset to the community. She said that she did not want a park across town. She stated that she wanted something that would be community friendly and not something that someone from the outside sneaks in. She said that the group was a community now and that the Council had forced them to be.

DISCUSS AND CONSIDER PRESENTATION BY ELISA HEARD PURSUANT TO REQUEST FOR AUDIENCE WITH COUNCIL REGARDING APPROPRIATE USE OF LAND PROPOSED FOR LAKE RIDGE ESTATES – Mrs. Heard thanked the Council for allowing people the opportunity to say what they needed to say without being shut down. She asked the Council to appoint a citizens committee to decide the appropriate use of the land. She said it would need to be a diverse group of people from the committee to decide what to do. She said that the community did not need anyone coming in from the outside shoving a piece of paper under their nose.

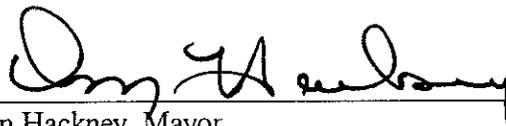
Councilmember Roberts noted that the property belongs to the Canton Economic Development Corporation.

Mrs. Heard said that the CEDC is a tax-based group also and that she made that request to CEDC. She said she thought a lot of residents would like to see what goes on. She said that some of the property needs to be developed. She stated that there was absolutely no need for this and that she did not ever want to be involved in this again. She said those present had been put in an awkward situation.

DISCUSS AND CONSIDER PRESENTATION BY ED MORZAK PURSUANT TO REQUEST FOR AUDIENCE WITH COUNCIL REGARDING ISSUES OPPOSING LAKE RIDGE ESTATES INCLUDING ZONING CHANGE AND REQUEST FOR BALLOT REFERENDUM ON DEVELOPMENT OF LAKE RIDGE AND TABLING ZONING REQUEST – Mr. Morzak had no additional comments.

DISCUSS AND CONSIDER PRESENTATION BY LOUIS GILLISPIE PURSUANT TO REQUEST FOR AUDIENCE WITH COUNCIL REGARDING MATTER OF LAKE RIDGE ESTATES DEVELOPMENT – Mr. Gillispie asked who owned the property and stated that he did not believe City property could be disposed of without a public bid or a referendum vote. He said he was glad it turned out the way it did. Mr. Gillispie said he felt there had been an illegal transfer of property.

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


 Don Hackney, Mayor

ATTEST:


 Rhita Koches, City Secretary

SPECIAL CALLED MEETING
 CANTON CITY COUNCIL
 8:00 A.M., SATURDAY, AUGUST 5, 2000
 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. Members present were Mayor Don Hackney, Beverly Hutcherson, Raymond Pruitt, Tommy Roberts, Ron Sanford, and Rusty Wilson

Discussion and action were as follows:

CALL TO ORDER AND ANNOUNCE QUORUM – Mayor Don Hackney called the meeting to order at 8:00 a.m. with all Councilmembers present

DISCUSS AND CONSIDER NOTICE OF ENFORCEMENT FROM TEXAS NATURAL RESOURCES CONSERVATION COMMISSION – City Manager Johnny Mallory reported to the Council that TNRCC conducted an inspection of the City's underground storage tank in March. A new above-ground tank was ordered and installed in May by a TNRCC-certified company. A soil test determined the tank had not leaked. Mr. Mallory stated that TNRCC is now asserting that the underground tank should not have been there and has issued an enforcement order penalizing the City \$10,000. A proposed settlement allows a \$1,000 credit because the tank has been removed and an additional credit of \$1,800 to settle the matter leaving a penalty of \$7,200. Councilmember Wilson inquired about the cost of fighting enforcement. Mr. Mallory told the Council that the matter had been referred to Sen. David Cain and Rep. Bob Glaze but did not look promising.

DISCUSSION AND WORKSHOP PERTAINING TO PROPOSED 2000-2001 BUDGET – Mr. Mallory presented the Council with a recap of the budget draft. He noted that the draft projected revenues of \$400,000 more than the 1999-2000 budget. He said the increase was due primarily to extra lots at First Monday and an increase in sales tax. Mr. Mallory pointed out that, for the first time in six or seven years, the water fund did not have to borrow from other funds and that the rate increase has made a difference. He said that it had also made a difference in the amount of funds which had to be transferred out of First Monday to Water and Sewer. Mr. Mallory stated that there was no proposed rate increase included in the

budget Mr Mallory told the Council that the budget draft presented was a starting point. He said he did not know how many meetings would be necessary to arrive at a final budget for the coming year. The recap of the proposed budget left a \$113,307 surplus after all transfers are made. Mr. Mallory said he would like to hear from the Council and the department heads

Councilmember Wilson said there had been discussion about being able to add to the employees retirement fund. Mr. Mallory confirmed that the proposed budget provides for an increase from a 1:1 match to 1½ :1 contribution. Mr. Mallory explained that the 1½ :1 did not actually increase the City's contribution to 7.5% since the City's contributions for employees who quit before vesting remain in the system. Those funds reduce the contribution to 6.88%. Mr. Mallory noted that the proposed budget also include approximately 3% salary increases.

Mr. Mallory said that the proposal included a tractor mower for First Monday, a new short wheelbase truck for the meter reader, and two police cars.

Councilmember Hutcherson asked why there are five police cars sitting in the parking lot. Police Chief David Hammond responded that two shifts operate each car, and there are two reserves for First Monday. He said that units are run twice per day. In response to the Council's questions, Chief Hammond said that the units average 120 to 130 miles per shift, and each unit runs two shifts. He said the Department's highest mileage vehicle has 153,660 miles and the lowest is a 1999 model with 19,475 miles.

Councilmember Roberts noted that Lt. Stroud had retired, and the proposed budget eliminates the position. He said he would like to see the Department re-structured and the position retained in the budget. Councilmember Roberts said that, in the past, the Department had been instructed to keep two police officers on the street at all times. He said he did not think that was a priority anymore. Mr. Mallory confirmed that the proposed budget did not provide for replacing that officer. Councilmember Roberts said he had met with Chief Hammonds and had outlined a department re-structuring which would provide for one lieutenant instead of the current three, one CID officer, one narcotics agent, and three sergeants. He stated that his proposal would not eliminate a position but would reduce the budget. He said that he and Chief Hammond had determined that the two new police vehicles would cost only \$28,000 instead of the \$40,000 budgeted. Accountant Cathy Cummins clarified that the \$40,000 amount also included payments on the motorcycle and other vehicles in the Department. Councilmember Pruitt asked why two cars would be necessary and stated that 150,000 miles was not excessive. He also noted that the Ford Expedition had been added to the Department's force. Chief Hammond stated that he thought he could get by with only one new car. He said that the City still had the wrecked patrol car which could be used for parts. He said the Department has two cars with 150,000 miles. He said if the Council was looking for a place to cut, the second car would be his preference. Mayor Hackney noted that 150,000 miles on a normal car would not be excessive; however, police department vehicles also have a lot of idling time. Councilmember Wilson asked about the possibility of using units retired from other larger cities. Chief Hammond said that Oklahoma had some 1999 model supervisors' cars which had 50,000 miles on them. He noted that the last two cars purchased by the Department were purchased from a Grand Prairie dealer and that perhaps something less expensive might be available. Councilmember Roberts said that the City might consider trying something like the Oklahoma vehicles on a trial basis.

Councilmember Pruitt inquired about the increase in wearing apparel and asked if bullet-proof vests were included. Sgt. Ron York responded that the increase was for the replacement of four year old uniforms. Chief Hammond said that two vests were purchased last year and two more would be needed in the coming year at a cost of \$469 each. Sgt. York said the vests were purchased from forfeiture funds. Mr.

Mallory asked whether the proposed uniform budget also included laundry. Chief Hammond said he had originally intended to include laundry but determined that, at \$4.63 per uniform, the cost would be too high, and laundry had been deleted from his budget request.

Councilmember Pruitt asked what items would be included in "Other Supplies," and ammunition, batteries, Code books, fire extinguishers, flashlights, and crime scene kits were listed.

The Council then discussed increasing the fee charged for animals delivered to the Animal Shelter from \$10 to \$15. Mr. Mallory confirmed that the expenses for the Animal Shelter did not include a new incinerator. Chief Hammond said he would like to consider taking in horses and cows from the County. He noted that upkeep would be expensive and that the quarantine unit would need work.

Mr. Mallory asked Public Works Director Pete Lucas about the possibility of using the controls and burner off the current incinerator and re-building one. Mr. Lucas said he had not looked at the dollar figures and that a brick mason would have to install the fire brick, but he felt the City might be able to save money by building a unit locally. Sgt. York noted that animals are held three days before being destroyed. He said that adoptions have increased since the shelter has been cleaned up, and that adoptions cost less than destroying the animals. Chief Hammond inquired about the possibility of taking the best dogs to First Monday to sell. Councilmember Pruitt responded that there would be the expense of lot rent and paying an employee. Chief Hammond said he might be able to recruit volunteers. Councilmember Pruitt said he had no objection as long as there was no expense to the City.

Councilmember Wilson said he would not be in favor of the Police Department budget if \$40,000 was added to salaries. Councilmember Roberts said there needed to be an increase in the narcotics officer since he was doing a fantastic job. He noted that he did a lot of out-of-town work. Chief Hammond said that the officer had been instructed that he did not want him running all over the County; however, 75% to 85% of the time, the drugs could be tied back to Canton. He said the Department has several vehicles under seizure if they could get the District Attorney's office to move the cases. He said the Department had just recovered one vehicle from a 1996 case that had been sitting for four to five years. Chief Hammond said that the Toyota Land Cruiser had been sold and the proceeds used to purchase another vehicle for \$8,500 and \$2,000 toward the robot.

Mr. Mallory told the Council that the funds from drug seizures and forfeitures should be deposited into the City's general fund and expended upon approval by the Council. He stated that the City has recently been requested to provide information to the State about the expenditure of those funds. Mrs. Cummins noted that the State has to approve expenditures from narcotics funds. Mr. Mallory said those funds have not been accounted for and have not been audited. Chief Hammond said that all expenditures could be documented and that the department is still learning about the grant requirements. Chief Hammond said the Department could well justify the expenditures since more had actually been spent than the amount relating to the narcotics officer. Mr. Mallory asked where the additional funds came from and again stated that the funds should be shown as a line item in the City's general fund. He explained that no funds should be expended without Council approval. Chief Hammond said it was his understanding that the funds had to be used for law enforcement purposes.

Councilmember Pruitt inquired about the Police Department's policy for First Monday. Chief Hammond said there is no overtime pay for First Monday.

Councilmember Wilson inquired about the increase in skilled labor in administration. Mrs. Cummins said that part of the amount was the transfer of Vickie Hall from Streets/Water/Sewer to Judge Sanford's office.

Mr. Mallory then noted that, after an inspection at the water plant, another operator had to be hired.

The Council then addressed the Fire Department's budget. Chief Brian McNevin reported that the parking lot proceeds are being used to pay two notes, that the Bingo fund is up to \$4,000 and that a \$5,000 lump sum payment was made on the jaws of life. Councilmember Sanford suggested that proceeds from future fundraisers be deposited into a City account and be audited. He said he understood it had not been operated that way in the past but that it was not a good situation. Chief McNevin asked if that arrangement would mean the CVFD would not have their own account. Councilmember Sanford said that there needed to be an audit. Chief McNevin said that Matt Stroud's wife was currently doing a regular monthly statement. He said the members of the Volunteer Fire Department will be using \$200 from their run money to make an annual \$2,013 payment to the Texas Fire Commission for equipment to build two new trucks. The equipment is to be added to two beds with 1800 gallon propane tanks.

Mr. Mallory explained that First Monday parking lot proceeds are deposited to First Monday and subsequently transferred to Water and Sewer, General Fund, and Debt Service.

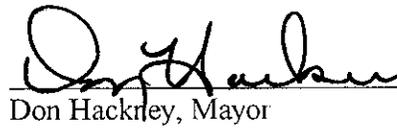
Councilmember Pruitt said that there needs to be a clarification of the water tower funds and parking funds.

It was explained that the salary of Public Works Director Pete Lucas is divided between streets, water, and sewer.

Councilmember Roberts requested an executive session on the salaries of specific personnel in conjunction with the next budget workshop.

EXECUTIVE SESSION FOR DELIBERATIONS REGARDING PURCHASE, EXCHANGE, LEASE OR VALUE OF REAL PROPERTY (Section 551.072) – It was the consensus of the Council that there would be no executive session.

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


Don Hackney, Mayor

ATTESI:


Rhita Koches, City Secretary

REGULAR MEETING
CANTON CITY COUNCIL
6:30 P.M., TUESDAY, AUGUST 15, 2000
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. Members present were Mayor Don Hackney, Beverly Hutcherson, Raymond Pruitt, Tommy Roberts, Ron Sanford, and Rusty Wilson.

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 was given by Mayor Don Hackney.

INVOCATION was given by Councilmember Tommy Roberts.

PLEDGE OF ALLEGIANCE - The Pledge of Allegiance was led by City Manager Johnny Mallory.

GUEST ITEMS - There were no guest items.

DISCUSS AND CONSIDER APPROVAL OF MINUTES OF JULY 18, 2000 MEETING - Councilmember Pruitt moved that the Minutes be approved as presented. Councilmember Sanford seconded, and all voted in favor.

DISCUSS AND CONSIDER APPROVING JULY 2000 FINANCIAL STATEMENTS - City Manager presented the Financial Statements for July 2000. Councilmember Sanford inquired First Monday revenue for Special Events in the YTD amount of \$11,590.75 and the expense for Special Events in the YTD amount of \$14,310.36. Mr. Mallory explained that the City's 4th of July fireworks display was included in First Monday Special Events. Councilmember Sanford moved that the Financial Statement for July 2000 be approved. Councilmember Wilson seconded, and all voted in favor.

DISCUSS AND CONSIDER REQUIRED MONTHLY REPORTS FROM CITY DEPARTMENT HEADS TO COUNCIL - Councilmember Roberts stated that he would like to have the department heads presented either a written or oral monthly report to the Council. First Monday Operations Manager Rayford Hutcherson said the department heads need to know what the Council wants and asked whether the information requested included such things as water lines or poles installed. Councilmember Roberts said no. Mr. Hutcherson asked if he meant things like shows and attendance at the First Monday Park. Councilmember Roberts said he was particularly interested in problems which might get back to the Council from the public or someone being hurt on the job. Mr. Hutcherson told the Council that his reports would be brief. Councilmember Roberts said it was not mandatory for the department heads to be present and he was not asking all department heads to be present every month. He suggested that any written reports state that nothing has happened or that something catastrophic occurred. Councilmember Wilson asked if the information requested could be pulled from Mr. Mallory's Monday morning meetings with the staff, and Mr. Mallory said that the Staff Meeting Reports could be forwarded to the Council. Councilmember Roberts noted that after a month or two the Council could determine what was needed or not needed.

DISCUSS AND CONSIDER REQUEST FROM CANTON IRIS GARDEN CLUB FOR PARTIAL FUNDING FOR SPRINKLER SYSTEM AND FENCING AT THE BLACKWELL HOUSE – Dorisene Groves thanked the Council for its past support and noted that City Manager Johnny Mallory had assisted the Club's efforts in many ways such as monitoring a dumpster for a clean-up effort. She asked if the Council would consider assistance with the installation of a watering system for the Blackwell House. She said the Club was currently dragging water hoses to water flower beds. She said the Club meets at the Blackwell House and the Library and is, therefore, willing to take care of the landscaping at the Blackwell House. She told the Council the Club holds one fundraiser per year and raised \$1,100 this year. Those funds are going toward a sprinkler system for a portion of the yard at the Blackwell House. Mrs. Groves asked if the Council could budget funds to install the remainder of the sprinkler system rather than wait for the Club to install sections each year from fundraisers. The electronics and timer have been installed, and the first phase of the system is working. Mrs. Groves told the Council that, if the City could fund the rest of the sprinkler system, the Club could move on to other projects. She said they plan to go to other groups for support for fencing. Councilmember Pruitt asked if \$3,000 would finish the sprinkler system, and Mrs. Groves said that it would. Councilmember Roberts noted that the Library already has a sprinkler system. Councilmember Pruitt moved that an amount up to \$3,000 be taken from the Special Projects fund to complete the sprinkler system. Councilmember Sanford seconded, and all voted in favor.

DISCUSS AND CONSIDER ADOPTION OF RESOLUTION TO INCREASE AMOUNT OF EMS BUILDING CONSTRUCTION LOAN FROM THE AMERICAN NATIONAL BANK – Mr. Mallory told the Council that initial cost estimates for the construction of the new EMS building were approximately \$18,000 short. Mayor Hackney asked whether the City would be able to re-negotiate the lease payments with Champion. Mr. Mallory said Champion had an amount they had indicated they could pay, but the City could extend the loan on the building for five years to reduce the payments or re-negotiate the lease payments. Mr. Mallory recommended that attempts be made to re-negotiate the lease payments. He said if they are unable to increase the monthly lease amount then the City should probably pay the difference each month to keep a shorter term on the note. Councilmember Roberts asked if the increase was a result in any problems with the contractor, and Mr. Mallory said that it was not. Councilmember Hutcherson moved to adopt the following Resolution:

Resolution

BE IT REMEMBERED that on the 15th day of August, 2000, the City Council of the City of Canton, Van Zandt County, Texas, duly considered and adopted the following resolution:

WHEREAS, the City has obtained an interim construction loan from THE AMERICAN NATIONAL BANK in the amount of \$125,000 (the "Note") to construct an EMS facility (the "facility"); and

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

WHEREAS, the City finds that an additional sum of \$18,631.40 will be necessary to complete construction of the facility; and

WHEREAS, City finds that it is fiscally responsible and in the best interest of the City to finance the Notes with a five (5) year term note, amortized over ten (10) years (the "Note"); and

WHEREAS, the City approves the terms and conditions of the Note from THE AMERICAN NATIONAL BANK;

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, to execute on behalf of the City of Canton, the Note and all

other loan documents necessary to increase the amount borrowed from THE AMERICAN NATIONAL BANK from \$125,000 to \$143,631.40 to finance the Notes

Councilmember Sanford seconded, and all voted in favor

DISCUSS AND CONSIDER CLARIFICATION OF AMENDMENT ADOPTED JULY 18, 200, TO THE 1997 RESOLUTION ESTABLISHING GUIDELINES FOR THE CANTON ECONOMIC DEVELOPMENT CORPORATION – Mr. Mallory said that Council has made changes and the CEDC Board needed to know whether it was the Council's intention that the CEDC not have a full-time Executive Director. Councilmember Sanford said he would like to see the Board go with a volunteer and that a full-time employee could not be afforded. Councilmember Sanford moved that the Board appoint a volunteer with reasonable expenses only. Councilmember Roberts seconded the motion. Councilmember Wilson asked if there was anyone in mind, and Mr. Mallory said he thought there was. All voted in favor of the motion.

DISCUSS AND CONSIDER ADOPTION OF RESOLUTION IN SUPPORT OF TEXAS SOLID WASTE GRANT PROGRAM – Mr. Mallory told the Council that ETCOG had requested support from cities in its region since it could help fund solid waste disposal in the region. Councilmember Pruitt moved that the following Resolution be adopted:

**RESOLUTION IN SUPPORT OF THE TEXAS SOLID WASTE GRANTS PROGRAM
CITY OF CANTON**

WHEREAS, the State of Texas remits one-half of the "tipping fee" on solid waste disposal to local governments through regional councils of governments in each region of the state; and

WHEREAS, the aggregation and regional distribution of these funds has allowed numerous cities to undertake local projects that could not have been otherwise accomplished; and

WHEREAS, these projects have included law enforcement related to illegal dumping, recycling services, waste collection stations, river and lake clean-ups, and collection and disposal of household hazardous waste; and

WHEREAS, the private sector has benefited from these projects through sale of equipment and materials, through removal of waste products, and through improving markets for recycled materials; and

WHEREAS, the program in 1998 and 1999 contributed directly to private property owners and to the State of Texas' legislative objectives by:

- Removal of over 19,000 tons of waste from illegal sites;
- Diversion of over 620,000 tons of waste to recycling;
- Collection of over 200,000 gallons of paint and over 50,000 gallons of oil for reuse or safe disposal;
- Avoidance of litter through collection of over 50 tons of waste and recyclables at citizen collection stations; and
- Identification of over 283,000 illegal dump sites; and

WHEREAS, local governments have partnered with regional councils of governments for law enforcement training on enforcement of illegal dumping laws; regional recycling projects; and regional public education programs directed at illegal dumping and recycling; and

WHEREAS, the program also has allowed councils of governments to meet state requirements for regional solid waste plans, regional identification of closed landfill sites, technical assistance to local governments, and maintaining regional solid waste advisory committees; now therefore

BE IT RESOLVED, this 15th day of August, 2000, that the City of Canton supports the continuation and expansion through regional councils of governments of the Texas Solid Waste Grants program and specifically requests that the Texas Legislature appropriate the full one-half of fees collected to this important program

Councilmember Roberts seconded the motion, and all voted in favor

DISCUSS AND CONSIDER APPROVAL OF AGREEMENT WITH TAYJON GEDDIE MARKETING TO PARTICIPATE IN FIRST MONDAY UNITED FOR A JOINT MARKETING AND PROMOTIONS COALITION WITH OTHER MARKETS – Mayor Hackney told the Council that it was his understanding that City Staff was still studying the proposal for a united advertising effort. He recommended that the matter be tabled pending further review. Eric Jontra of Tayjon Geddie Marketing told the Council that, although there was participation across the board a week ago, the participation was no longer there. He said there was still enough interest in the project that it needs to be examined. He said the proposed advertising budget will need to be revised, and it is a good idea overall. Mr. Jontra said from the beginning it was an all participating idea, and he would very much like to have the City involved. Mr. Jontra said he would want to make sure the City is in agreement. Mayor Hackney announced that the matter would be tabled.

DISCUSS AND CONSIDER RATE INCREASE FOR ANIMALS DELIVERED TO CANTON ANIMAL SHELTER FROM OUTSIDE CITY – Councilmember Pruitt said he would like to see the fee raised for animals delivered to the City's Animal Shelter from outside the City of Canton. Mr. Mallory said the current charge is \$10 per animal. He reported that, according to activity to date this year, a \$2.00 increase would result in an additional \$1,000 per year. Councilmember Pruitt moved that the rate for animals delivered to the Animal Shelter from outside the City of Canton be increased from \$10.00 to \$12.00 effective September 1, 2000. Councilmember Sanford seconded, and all voted in favor.

DISCUSS AND CONSIDER ALLOWING FIRST MONDAY PERMANENT STRUCTURE VENDORS TO SET UP ON TUESDAY BEFORE FIRST MONDAY MARKET – Councilmember Sanford told the Council that in the past it had approved letting vendors who own their buildings in to set up on Tuesday before the First Monday market. He explained that they need extra help to set up. Mr. Sanford moved that vendors with permanent structures be permitted to set up on Tuesdays effective with the September market. Councilmember Wilson seconded the motion. Councilmember Roberts asked whether restrooms would be open on Tuesday. First Monday Operations Manager Rayford Hutcherson said the restrooms were not open until Wednesday. Mr. Hutcherson said that the Council had permitted early entry once before but vendors in the Arbors and pavilions wanted in early as well. Mr. Sanford said that his action was related only to vendors who had constructed permanent structures. Mr. Hutcherson said his biggest concern was trash pickup. He noted that Paul Michael will have a truckload of boxes that will have to be picked up. If not, the area will look bad or get wet and create other problems. It was also noted that early entry also creates problems in turn-around and clean-up of the First Monday park if there is an event there the weekend prior to First Monday. Councilmember Sanford said the consideration of early entry was being made for vendors with larger buildings as opposed to pavilion vendors with 10 x 20 spaces. All voted in favor of the motion. Mr. Hutcherson asked when the early entry would become effective. He said if vendors see someone setting up, then they will want to also begin their set-up, and City Staff will have to tell them they cannot. Councilmember Sanford said he recognized that there could be problems. Mr. Hutcherson asked if he could open only the blue and gray restrooms to accommodate the areas where those permanent structures are located. Mr. Sanford said that those matters would be up to Mr. Hutcherson. Alton Smith told the Council that he thought this action would create a lot of dissension with open-air vendors, and it didn't seem right to do that to other vendors. He said Mr.

Hutcherson will have some headaches. Mr. Hutcherson said the gates are locked Tuesday night to control people coming in. The gates are opened Wednesday morning for food concessions and covered buildings to enter at 9:00 and all other enter at 11:00 a.m. Mr. Hutcherson voiced concerns about controlling entry to the park. Councilmember Sanford said the permanent structure vendors should be told that they will have to work with the City's schedule and be out by a certain time to allow the gates to be locked. Mr. Hutcherson noted that the gates can lock people out of the park but he could not lock people inside.

DISCUSS AND CONSIDER PARKING PASSES FOR FIRST MONDAY RECREATIONAL VEHICLES – Councilmember Wilson told the Council that RV vendors presently receive only a small receipt. He said that this matter had been brought to his attention by his daughter, First Monday employee Elisa Wilson. He said that she had suggested marking vendor passes for RVs to display on their windshield for a more visible means of entry. Councilmember Hutcherson said employees at the gate need to get out in the street and stop cars as they come into the park. First Monday General Manager Al Campbell suggested that the vendor passes be marked "RV" with a number so they can locate the people. Mr. Hutcherson agreed and said that in slow months there may only be one man at the gate. He thought it would be a good idea to include the number on the RV pass. Mr. Mallory said he had first become aware of the problem on Sunday during the last First Monday market. He suggested that City Staff could distribute a pass with a number when an RV space is sold. Councilmember Pruitt moved that the Council accept the idea of RV passes with numbers. Councilmember Sanford seconded, and all voted in favor.

DISCUSS AND CONSIDER REQUEST OF VAN ZANDT COUNTY REPUBLICAN PARTY FOR CLOSURE OF THE 100 BLOCK OF SOUTH BUFFALO (HIGHWAY 64 TO TERRELL STREET) FROM 9:00 A.M. UNTIL 3:00 P.M. ON SATURDAY, AUGUST 26, 2000 – It was noted that the request for street closure was for the 100 block of North Buffalo instead of South Buffalo. Councilmember Pruitt moved that the request be granted. Councilmember Wilson seconded, and all voted in favor.

DISCUSS AND CONSIDER STATUS OF STREET CONSTRUCTION AND IMPROVEMENTS – Al Campbell reported that, on Forrest Street, all concrete is in place, clean up has begun so the contractor can begin landscaping. He said there are still three sidewalks and two gutters to be poured on Oak and Stacy Streets. Councilmember Hutcherson inquired about the steps that need to be poured and the replacement of mail boxes. Mr. Campbell said he would follow up. He said there are three sets of sidewalks or steps to be completed but the contractor is almost finished with the construction part of the project. He reported that the contractor has almost finished the drainage on Stacy and Meadow. On Stacy and Judy Streets, the gas line should be re-located in the next week. The City is still holding retainage on the Mill Creek and Murrey project, and some backfill work is still needed. Mr. Campbell said the contractor will come back and make any necessary final repairs before the City issues final payment. Mr. Campbell said the contractor on Denise Street has been asked to give the City four or five days notice so that area residents can be notified of the day the contractor will move in. Councilmember Roberts asked about the overlay on Malinda which appeared to be straight on one side and crooked on the other. Mr. Campbell said he would ask the contractor if there is a reason for that. Alton Smith noted that there is a crack on the asphalt. Councilmember Wilson noted that several streets repaired in the past have cracks in the curblines. Mr. Mallory said the City will have to go back and repair those curblines. He stated that there will be ongoing maintenance due to dry weather, soil movement, and breaks in water lines. Mr. Campbell stated that some changes have been made on the transitions between the curbline and gutters. Councilmember Pruitt asked if the Street Committee had made any recommendations on projects for the next year. Mr. Mallory said that a street list had been provided to the Committee. The Committee scheduled to meet with Mr. Mallory Saturday, August 19th, after the budget workshop. Joe Groves told the Council that Forrest Street

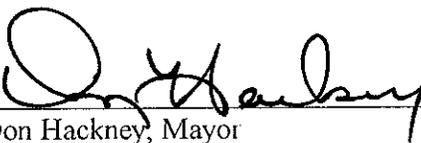
looks good and the residents appreciate the work done. He inquired about the keystones that had been laid, and Mr Mallory said they would be going a little further with keystones

DISCUSSION AND WORKSHOP PERTAINING TO PROPOSED 2000 - 2001 BUDGET – Mayor Hackney asked the Council whether they wanted to proceed with the budget workshop or wait until the budget workshop on Saturday. It was the consensus of the Council that the workshop be tabled until the scheduled August 19, 2000, budget workshop

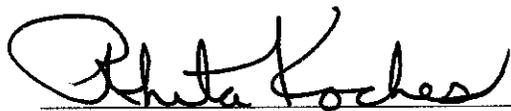
EXECUTIVE SESSION FOR DELIBERATIONS REGARDING PERSONNEL MATTERS (Section 551 074) - The Council adjourned into Executive Session at 7:45 p.m. to consider personnel matters

RECONVENE TO OPEN SESSION AND CONSIDER ACTION, IF ANY, ON ITEMS DISCUSSED IN EXECUTIVE SESSION - At 8:50 p.m., the Council returned to open session with no action taken

ADJOURN - There being no further business to come before the Council, Councilmember Pruitt moved that the meeting be adjourned. Councilmember Sanford seconded, and the meeting was adjourned at 8:50 p.m.


Don Hackney, Mayor

ATTEST:


Rhita Koches, City Secretary

SPECIAL CALLED MEETING
CANTON CITY COUNCIL
8:00 A.M., SATURDAY, AUGUST 19, 2000
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. Members present were Mayor Don Hackney, Beverly Hutcherson, Raymond Pruitt, Tommy Roberts, Ron Sanford, and Rusty Wilson

Discussion and action were as follows:

CALL TO ORDER AND ANNOUNCE QUORUM – Mayor Don Hackney called the meeting to order at 8:00 a.m. with all Councilmembers present

DISCUSSION AND WORKSHOP PERTAINING TO PROPOSED 2000-2001 BUDGET – Councilmember Roberts told the Council that he and Councilmember Wilson had met with Chief David Hammond to propose the following changes to the Police Department’s proposed budget:

- 1110 Office Supplies from \$7,000 down to \$5,000
- 1140 Minor Tools & Equipment from \$2,500 down to \$2,000
- 1150 Other Supplies from \$2,500 up to \$3,500

1210	Communications	from \$12,000 down to \$10,500 (deleted cell phone for Chief)
1262	Schools & Training	from \$3,00 up to \$4,000
1270	Miscellaneous	from \$2,500 down to \$2,000
1310	Instruments & Apparatus	from \$1,000 up to \$2,500
1330	Equipment	from \$4,000 down to \$ 2,500
1340	Building & Grounds	from \$2,200 down to \$1,500
1510	Capital Expenditures:	
	Motor Vehicles	from \$40,000 down to \$29,800
1540	Capital Expenditures:	
	Other Equipment	from \$3,500 down to \$2,000 (including one bullet-proof vest)

Chief Hammond confirmed that the uniform budget was only for replacement of the same uniform and did not provide for changing to a different style uniform. He said that he was in good shape on dispatchers' uniforms since they are only provided polo shirts. He explained that one bullet-proof vest could come out of the narcotics fund and that two vests would be needed next year. Councilmember Roberts noted that there would be monies in the forfeitures fund to buy vests, subject to approval by the State's grant advisor. Chief Hammond said he had made two telephone calls to determine the procedure for disbursing funds from the forfeiture fund. City Accountant Cathy Cummins told the Council that Chief Hammond has to write a letter to the Governor's office explaining the disposition of the funds. She said she was told that approval should have been obtained before the funds were disbursed, and the matter has to be resolved before the next quarter's grant funds will be released. Grant funds for the fifth year will be 20% or \$6,000. Councilmember Roberts noted that funds are deposited to the general fund as a designated account and that the Code also says specifically how funds are to be expended. Councilmember Pruitt said he did not care how the funds were allocated as long as the total stayed under \$875,000. Councilmember Wilson said he agreed with adding the fourteenth person, but he was opposed to increased salaries except for promotions.

The Council then moved to review of the Water and Sewer Fund. Public Works Director Pete Lucas said his budget proposal was based on current year expenditures and contacts with vendors to obtain projected price increases. Councilmember Pruitt said the Council could only control cars and such. He then asked if the proposed truck for the meter reader could be a used vehicle. Mr. Mallory said he did not feel that a used vehicle was the best way to go. Councilmember Wilson suggested setting a budget with a standard established for the kind of vehicles the City will buy. Councilmember Roberts asked if there was a problem with buying a small truck for the meter reader. Mr. Mallory said the City has been purchasing full size trucks with a short wheel base. Councilmember Roberts said he would like to see the City get rid of some of the accumulated junk. First Monday Operations Manager Rayford Hutcherson said that some of the junk is still usable. He noted that some of it can be used at First Monday to pick up trash or for other purposes during First Monday weekend. Councilmember Roberts asked about the disposition of Mr. Hutcherson's former vehicle, a red truck. Mr. Hutcherson said that vehicle is currently used for maintenance on the grounds and to haul tractors and things on the grounds. Councilmember Roberts noted that the Fire Chief would be looking for a pickup. Mr. Hutcherson said the red truck is being used at First Monday. Mr. Mallory said that the truck for the meter reader would be put out for bid, but a short wheel base truck should cost about \$17,000.

The Council reviewed the proposed budget for First Monday. Mr. Mallory explained that a power cleaner/sweeper was needed for the pavilions. He said a demonstration has been scheduled and estimated

cost to be approximately \$8,267 per year. Councilmember Roberts questioned the purchase of a computer for a new First Monday employee. He said he did not agree with hiring another employee. Mr. Mallory explained that a new employee had been proposed to handle the City's three pavilions. He noted that City employee Julie Jackson had been handling the Civic Center and the pavilions for some time. Councilmember Pruitt stated that the position was a necessity and not a luxury. Councilmember Wilson agreed that the position was necessary. Councilmember Roberts asked about the replacement of the First Monday General Manager's vehicle. Mr. Mallory said that vehicle had to be replaced, but the City Manager's did not. It was proposed that First Monday Capital Expenditures for Motor Vehicles be increased from \$15,000 to \$20,000 to add a vehicle for the First Monday General Manager and that First Monday Capital Expenditures for Machinery and Tools be increased to add \$8,300 for payments for a new vacuum/sweeper.

Councilmember Pruitt said the Fire Chief needs a pickup for maintenance on fire hydrants. Fire Chief Brian McNevin told the Council that the Insurance Services Office (ISO) which recommends insurance rates to the State requires hydrant maintenance. Councilmember Pruitt suggested purchasing a used pickup for the Chief. Chief McNevin explained that the \$5,000 budgeted for Building and Grounds is for remodeling to the station when the EMS facility is moved. He explained that some firefighters have said they might want to stay at the station overnight. He was also proposing some built-in desks. He said the firefighters have agreed to provide the labor. The \$5,000 proposed budget for motor vehicles maintenance is for tires, batteries, and regular maintenance on trucks. The Council then discussed the funds raised from the parking lot and how those proceeds were being applied. City Accountant Cathy Cummins explained that half of the payments for both the chassis and the added equipment were being paid. Councilmember Pruitt noted that all parking lot proceeds was to be applied to pay off that vehicle. Councilmember Pruitt stated that the Fire Chief would need a pickup to carry equipment.

When the issue of a copier for the Police Department arose, Police Chief Hammonds said that he was happy with his budget. He said he would get with City Secretary Rhita Koches to see what his Department's copier needs were and what might be available. It was noted that the copier at City Hall which is budgeted to be replaced could go to either the Police Department or the Fire Department.

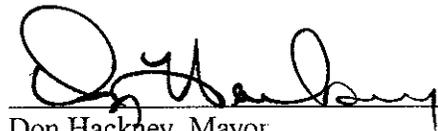
EXECUTIVE SESSION FOR DELIBERATIONS REGARDING PURCHASE, EXCHANGE, LEASE OR VALUE OF REAL PROPERTY (Section 551.072) - The Council adjourned into Executive Session at 9:45 a.m. to consider real property matters.

EXECUTIVE SESSION FOR DELIBERATIONS REGARDING PERSONNEL MATTERS (Section 551.074) - The Council's Executive Session turned to consideration of personnel matters at 9:50 a.m.

RECONVENE TO OPEN SESSION AND CONSIDER ACTION, IF ANY, ON ITEMS DISCUSSED IN EXECUTIVE SESSION - At 10:05 a.m., the Council returned to open session with no action taken.

Councilmembers then requested that City Staff provide information on the rental of the First Monday Trade Centers.

ADJOURN - There being no further business to come before the Council, Councilmember Roberts moved that the meeting be adjourned. Councilmember Sanford seconded, and the meeting was adjourned at 10:10 a.m.



Don Hackney, Mayor

ATTEST:



Rhita Koches, City Secretary

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SPECIAL CALLED MEETING
CANTON CITY COUNCIL
6:30 P.M., TUESDAY, AUGUST 22, 2000
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. Members present were Mayor Don Hackney, Beverly Hutcherson, Raymond Pruitt, Tommy Roberts, Ron Sanford, and Rusty Wilson

Discussion and action were as follows:

CALL TO ORDER AND ANNOUNCE QUORUM – Mayor Don Hackney called the meeting to order at 6:30 p.m. with all Councilmembers present

DISCUSSION AND WORKSHOP PERTAINING TO PROPOSED 2000-2001 BUDGET – The Council discussed the application of the proceeds from the Fire Department's parking lot at the Senior Citizens' Building toward the Department's note for equipment on the most recently purchased fire truck. City Accountant Cathy Cummins explained that regular monthly payments have been made with the City paying half of the chassis note and half of the equipment note. Based on the proceeds collected from the parking lot, the sum of \$5,856 is still available to be applied in a lump sum payment. She suggested that the payment be made after proceeds are collected from the September First Monday weekend. City Secretary Rhita Koches requested that regular monthly payments be made as scheduled with periodic lump sum payments made semi-annually as parking funds were accumulated. Councilmember Pruitt said he had no problem with that so long as the parking lot proceeds were applied in full to the equipment note.

The Council then discussed the possibility of purchasing a used truck for the Fire Chief. Councilman Sanford suggested that the City look at both new and used. Fire Chief Brian McNevin estimated a ¾ ton extended cab truck could be purchased for approximately \$18,000.

The Council then discussed reducing the Police Department's proposed budget for Supplies-Motor Vehicles from \$12,000 to \$10,000.

Councilmember Wilson advised the Council of information in a recent newsletter by Sen. Phil Gramm concerning criminal justice grants. He said he contacted Sen. Gramm's office and was told that the City of Canton probably would not qualify for a federal direct grant. However, part of the funding goes to the State. He was told the deadline for applying for those funds is September 10th, and the Department needs to contact them. Councilmember Wilson said he was also told that the Department could submit a letter outlining specific local needs, and Sen. Gramm's staff could help locate any other available federal grants. Mr. Mallory said that the grants were usually for new patrolmen and not for positions already existing and budgeted. Councilmember Wilson suggested preparing the budget without the additional patrol position. Councilmember Roberts disagreed because if the grant is not received, there is no budget for the 14th officer. He said he would hate to rely on those funds at this late point.

Councilmember Roberts said a Dispatcher had been promoted to Dispatch Supervisor, and he would like to move her salary up one step above the increase proposed. He said this position will dispatch as well as supervise.

Chief Hammond said he also needed more money for his Animal Control Officer. Mayor Hackney asked whether that had been taken up with the City Manager. Chief Hammond said it had not. Mr. Mallory noted that when he and the Chief disagree, the Chief goes to the Council. The salary of the Animal Control Officer was then reviewed and compared to the amount paid for the position in the past.

Chief Hammond said he had determined that his Department makes approximately 3,070 copies per month. He had located a compatible copier at Office Depot for \$2,299.99 with a maintenance agreement for \$149.

Mayor Hackney directed the Council's attention to the First Monday budget.

Councilmember Pruitt asked if the City could reduce the overtime of City employees and hire part-time personnel at a rate of \$8 per hour instead of \$5. He asked if an ad could be run for part-time jobs for 20 to 30 hours. First Monday Operations Manager Rayford Hutcherson said he did not think that would work. He said he has good people who help make First Monday run. He said when hiring part-time people, they may or may not show up. Councilmember Pruitt said he did not want to disrupt something that worked, but he had noted three young people at the Main Gate at \$5 per hour and three employees at the back gate at \$20 per hour. Mr. Hutcherson confirmed that he has two city employees at the back gate and one relief employee. He said he likes to have quality people. Councilmember Pruitt said he was not in favor of cutting back but was suggesting more people at a lower rate. He commended Walter Hall for the job he does on the golf cart during First Monday. Mr. Hutcherson agreed and explained that Mr. Hall serves as a go-between for the vendors. Councilmember Pruitt asked if someone could be trained to do the same thing on the other side. Mr. Hutcherson explained that scheduling at the Main Gate and said the most problems occur on Thursdays and Fridays. Councilmember Wilson inquired about scheduling for evening hours. Mr. Hutcherson said he usually has four people, and he had one in training. When using City employees, they have to leave First Monday when called out for other problems. Mr. Hutcherson stated that training takes about six months. He said the good people he has help make First Monday run better.

In reviewing the budget for Water and Sewer, Mr. Mallory told the Council a new ground storage tank will be necessary in the next twelve months. He said a belt press, in lieu of another drying bed, will be needed in the next two years. Councilmember Pruitt asked Public Works Director Pete Lucas about his requests for the budget. Mr. Lucas said his requests had been addressed. He had requested a new truck for the meter reader and a trench box which had both been included in the budget. He said his request for a concrete saw had already been resolved by the City's purchase of the saw that was being rented. Mayor Hackney asked about the trench box, and Mr. Lucas explained that the City had been renting a box when needed. Mr. Mallory told the Council that a new operator had been hired at the water plant due to the hours the plant is now in operation. He told the Council that the City currently contracts with two health inspectors. There may be a possibility of hiring one of them full time. With that individual's degree in biology, he could waive the four year experience requirement and would be able to test for a water license quickly. Mr. Mallory said he was considering hiring this individual for the water and sewer plants as well as handling health inspections for the City. Mr. Mallory said another operator is necessary. Councilmember Wilson suggested the position be designated as a salary position with no overtime. Mr. Mallory and Councilmember Pruitt said they did not think that could be done. Mr. Mallory said he thought he could work something out with this individual, but he may have to be paid overtime for food inspections on First Monday. The Council briefly addressed the possibility of raising rates for health permits after further consideration at a future meeting.

Councilmember Pruitt asked about the proposed swimming dock at Old City Lake and requested that a quote be obtained for building a dock. He also asked about controlling the grass in the playground area and keeping bark chips under the slide. Mr. Mallory suggested that the area be sprayed regularly with Round-Up. Councilmember Pruitt stated that he liked the chips but would like to see the grass controlled. Mr. Mallory noted that there is a standing order at the Police Department to check the lights at the ball field at night.

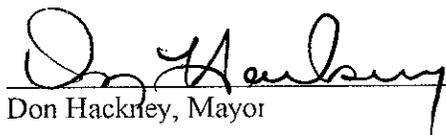
It was noted that Councilmember Wilson will follow up with one of the haulers on rates at the Transfer Station.

Councilmember Roberts mentioned that he would like to see the City get rid of vehicles that are being replaced. Councilmember Wilson suggested that the vehicles not be allowed to deteriorate and that hail damage be repaired.

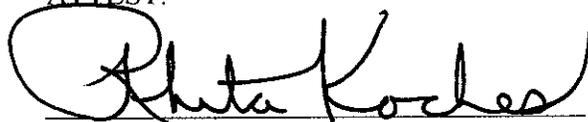
EXECUTIVE SESSION FOR DELIBERATIONS REGARDING PERSONNEL MATTERS (Section 551.074) – The Council adjourned into Executive Session at 8:01 to discuss personnel matters.

RECONVENE TO OPEN SESSION AND CONSIDER ACTION, IF ANY, ON ITEMS DISCUSSED IN EXECUTIVE SESSION – At 8:10 p.m., the Council returned to Open Session with no action taken.

ADJOURN – There being no further business to come before the Council, Councilmember Sanford moved that the meeting be adjourned. Councilmember Pruitt seconded, and the meeting was adjourned at 8:13 p.m.


Don Hackney, Mayor

ATTEST:


Rhita Koches, City Secretary

SPECIAL CALLED MEETING
CANTON CITY COUNCIL
6:30 P.M., TUESDAY, AUGUST 29, 2000
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. Members present were Beverly Hutcherson, Raymond Pruitt, Tommy Roberts, Ron Sanford, and Rusty Wilson. (Mayor Hackney was out of town and unable to attend.)

Discussion and action were as follows:

CALL TO ORDER AND ANNOUNCE QUORUM – Mayor Pro Tem Raymond Pruitt called the meeting to order at 6:30 p.m. with Councilmembers Hutcherson, Roberts and Sanford present.

DISCUSS AND CONSIDER REQUEST FROM HELLA TEMPLE HOSPITAL DRIVE FOR AUTHORIZATION TO CONDUCT ON-STREET SOLICITATION AT THE INTERSECTION OF HIGHWAY 64 AND BUFFALO STREET ON SEPTEMBER 28, 29, 30, AND OCTOBER 1, 2000 – City Manager Johnny Mallory outlined the Shriners' proposal for on-street solicitation during the October First Monday market. He noted the Council's guidelines established for the Shriners' previous fundraising solicitations.

Councilmember Ron Sanford moved that the request be granted according to the same terms and conditions of the Shriners' previous solicitations. Councilmember Tommy Roberts seconded, and all voted in favor. (Councilman Rusty Wilson was not present for this vote.)

DISCUSSION AND WORKSHOP PERTAINING TO PROPOSED 2000-2001 BUDGET – Mr. Mallory pointed out that \$1,000 had been added to the budget for maintenance to the air conditioner at the library and all were in agreement that this was necessary. Councilman Roberts asked if further consideration had been given to fuel costs for the police department. Councilman Pruitt noted that he expected an increase in fuel costs in October, but expected a decrease in December or January and felt like \$10,000 would be sufficient. Public Works Director Pete Lucas reported that he had talked to one of his suppliers and was in agreement with Mr. Pruitt.

Councilmember Hutcherson asked if the budget still included a car for the city manager. Mr. Mallory confirmed that it did and noted that the budget included five new vehicles (truck for fire chief, one patrol car, truck for meter reader, car for city manager and car for First Monday general manager). Councilmember Rusty Wilson arrived at this time and suggested that the city-owned Cougar be utilized by the First Monday general manager instead of purchasing a new car. Mr. Mallory reported that the Cougar had broken down the past weekend in Terrell on the way to a trade show in Dallas and had 90,000 miles on it. Mrs. Hutcherson expressed her concerns that decisions made by the council were not always carried out. She specifically noted that two new cars (for city manager and First Monday general manager) were budgeted in the past but were never purchased which has led us to having to buy five cars this next budget year. Her recommendation was to purchase two new cars and trade-in the Cougar.

Councilman Pruitt asked about the anticipated improvements at the water plant next year. Mr. Mallory said that the cost should be around \$170,000 and that he expected to sell bonds to pay for it. He stressed that we have got to have a water tank. Mr. Pruitt asked again about how we would pay for this and Mr. Mallory said the only other way was to raise water rates or pay out of First Monday revenues. Mr. Mallory also noted that we are going to have to hire another licensed operator. Mr. Wilson added that hiring another operator would reduce the amount we have been having to pay in over-time. Mr. Pruitt also said that we have been discussing going up on health permits which would provide additional revenue. Mr. Roberts asked if money was in the budget for this person. Mr. Mallory said the plan he was working on now would utilize money that is currently being spent on health inspections. He also said that he had been on the phone with INRCC about our license and that we have to have three operators at the plant. We may not be able to count Mr. Lucas' license because he is a supervisor. He added that the INRCC is not fooling around. Further discussion showed that we needed the additional operator now and that Patrick Terrell will have to have two years experience before he will be eligible for a "C" license. Mr. Mallory said the man he is trying to hire has a bachelors degree which will substitute for the required experience and that he could go for both water and wastewater.

Discussion of the city's full time mechanic showed that he is currently at the top of the city's salary chart and that we will have to do something to retain him. Mrs. Hutcherson asked if he was good and Mr. Mallory responded that he saves us a lot of money and we will have to go up a dollar or so an hour to keep him. Mr. Roberts asked if this had been taken into consideration in the proposed budget. When Mr. Mallory told him no, Mr. Roberts expressed his concern that we have been through four or five budget workshops and this was not already included. Mr. Mallory said he had only learned about this last week. Mr. Roberts noted that he had heard some time ago about the mechanic. Mr. Mallory responded that sometimes the council hears about things before he did. Mr. Pruitt said that he (the mechanic) was worth what we had to pay him. Mr. Roberts agreed that he is good but did not want a bunch of things to jump up at the last minute. Mr. Mallory responded that he felt like the council thought he had the budget padded but that he had tried to be conservative.

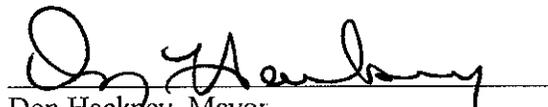
Questions about when to adopt the budget were next. Mr. Mallory told the council that first we had to advertise and hold a public hearing. Mr. Pruitt asked if we could do it at the next regular council meeting and Mr. Mallory asked if they needed another workshop. Mr. Pruitt said his main concern was the water plant and having to raise water rates. Mr. Mallory said that he could not tell them how to get around having to spend the money on the water plant because rules change. Mr. Pruitt then asked if we will have to spend money on the sewer plant next year. Mr. Mallory stressed that his main concern was the water plant. He said we had a tank that had to be cleaned. Mr. Mallory added that we could use the surplus but that he had rather hold onto the surplus (funds). The next concern at the water plant will be the filtration which could cost up into the millions. Mr. Mallory reported that the filtration would have to be done whether we added another customer or not. He also said he expected the fees and permits to increase in the next two years. Mr. Pruitt asked why we knew this was going to happen and it had not been included in the budget. Mr. Mallory reported that his intentions were to borrow the money to pay for this. He said the tank has deteriorated and this had just come up before the last budget meeting. Mr. Roberts acknowledged that we need a surplus. He also said that if we get into the millions he knew we would have to borrow the money; however, he would rather use the surplus than raise water rates. He stressed that we do whatever we can to find the money – cut salaries or whatever.

Mr. Pruitt asked that as we pay off the CVFD note could we put the money in a separate account for emergencies? He also noted that the top of the hill on the First Monday grounds was dead and asked if we could park cars there. Rayford Hutcherson said he guessed we could do like Joe Groves (and park cars). Mr. Sanford agreed that the hill is dead and we will have to do it sooner or later. Mr. Pruitt reported that First Monday vendor Kenneth Perkins had approached us about buying his building on the grounds. Rayford Hutcherson noted that it would be a good storage building for the city.

Mrs. Hutcherson asked about the Highway 19 project. Mr. Mallory told her that there is a public hearing scheduled. He added that hopefully we would not have to borrow money for this project.

In conclusion, Councilman Wilson noted that he still wanted to take the Cougar and put it into service. Councilmember Hutcherson said we needed to get on a regular schedule for purchasing vehicles. Councilman Roberts emphasized that we had been able to take a patrol car out of the budget by utilizing the Explorer the police department now has. Councilman Wilson asked for an update from our attorney concerning W & W Land Company. Mayor Pro Tem Pruitt said he did not want to discuss this until after the CEDC meeting.

ADJOURN – There being no further business to come before the Council, Councilmember Wilson moved that the meeting be adjourned Councilmember Roberts seconded, and all voted in favor The meeting adjourned at 7:05 P M


Don Hackney, Mayor

ATTEST:


Rhita Koches, City Secretary

SPECIAL CALLED MEETING
CANTON CITY COUNCIL
6:30 P.M , TUESDAY, SEPTEMBER 5, 2000
CANTON 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 Members present were Mayor Don Hackney and Councilmembers Beverly Hutcherson, Raymond Pruitt, Tommy Roberts, Ron Sanford, and Rusty Wilson

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 announced that a quorum was present

DISCUSS AND CONSIDER ACCEPTANCE OF VOLUNTARY PETITION FROM JO ANN GRISER AND DIANE MAHER FOR ANNEXATION OF A 20 ACRE TRACT IN THE J STOCKWELL SURVEY, ALSO KNOWN AS 405 ETHERIDGE ROAD, CANTON, TEXAS – Councilmember Sanford moved that the voluntary petition for annexation be accepted. Councilmember Hutcherson seconded, and all voted in favor

DISCUSS AND CONSIDER REQUEST OF CANTON INDEPENDENT SCHOOL DISTRICT TO CLOSE BUFFALO STREET (FROM CANTON JUNIOR HIGH DOWNTOWN) AND DOWNTOWN SQUARE FOR HOMECOMING PARADE ON WEDNESDAY, SEPTEMBER 27, 2000, FROM 3:30 P M UNTIL 5:00 P M – City Manager Johnny Mallory informed the Council that CHS Homecoming has been scheduled for First Monday weekend in October. After discussions with representatives of the school district, the date for the homecoming parade had been scheduled for Wednesday, September 27, 200. Canton Merchants Association representative Zacki Gutzke told the Council that the downtown merchants were planning activities similar to the Fourth of July celebration on the south side of the Courthouse Square Councilmember Pruitt moved that the request for street closures be granted as requested Councilmember Sanford seconded, and all voted in favor.

EXECUTIVE SESSION FOR DELIBERATIONS REGARDING PERSONNEL MATTERS (Section 551 074) – The Council adjourned into Executive Session at 6:35 p m to discuss personnel matters

RECONVENE TO OPEN SESSION AND CONSIDER ACTION, IF ANY, ON ITEMS DISCUSSED IN EXECUTIVE SESSION – At 7:10 p m., the Council returned to Open Session with no action taken.

DISCUSSION AND WORKSHOP PERTAINING TO PROPOSED 2000-2001 BUDGET – Mayor Hackney questioned the duration of available water based on current usage Mr Mallory said the City could safely go 6 months to a year without rain and that more water is lost to evaporation than is pumped out for the City's usage Mr Mallory said the City will monitor water levels but that there was no reason to ration water at the time He also told the Council that the City has stopped allowing drilling companies and paving companies from buying untreated water.

Councilmember Hutcherson moved that the budget be accepted as currently presented Councilmember Sanford seconded Councilmembers Hutcherson and Sanford voted in favor of the motion Councilmembers Wilson, Roberts, and Pruitt voted against, and the motion failed

Councilmember Pruitt suggested that the salaries of three full-time First Monday employees be raised two steps instead of one step Mr Mallory told the Council that he had originally proposed two step increase for employees at Level 6 or below Mr Mallory also reminded the Council that the proposed budget included a 1.5 to 1 match on the retirement contribution for all full-time employees Councilmember Wilson said that any salary increases should be the same for all employees at that level He suggested that the City purchase only one vehicle for Administration this year and buy a car for Mr Mallory the following year Councilmember Hutcherson suggested that two police cars and Mr Mallory's car be purchased the following year Councilmember Roberts told the Council that program cars could probably be purchased for \$12,000 to \$13,000 which would not be the same as buying used cars

The Council discussed the City's continued involvement with the Chamber of Commerce and the allocation of hotel occupancy tax for travel shows

Councilmember Roberts asked whether there was a problem with buying program cars Councilmember Sanford said he was not aware of any problems with program cars purchased by the City in the past Councilmember Roberts recommended that the City investigate purchasing program cars for the vehicles budgeted in the upcoming fiscal year Councilmember Pruitt suggested purchasing two vehicles and paying them off Mr Mallory questioned whether program vehicles might be available for the pickup for the Fire Department Councilmember Wilson said it would probably have to be from someone who trades every two years

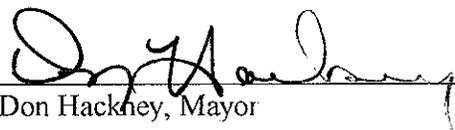
Councilmember Roberts questioned whether state mandated improvements for the water system had been included in the budget and stated that he did not intend to raise water rates He said the City would have to work within the confines of whatever budget is finally passed

Councilmember Wilson suggested selling the Cougar and applying the proceeds to one of the vehicles budgeted for purchase Mr Mallory said he would recommend getting all of the older vehicles in running condition and selling them It was the consensus of the Council that the police car would need to be a new vehicle Councilmember Roberts stated that it might be difficult to purchase a good used truck It may be possible to buy that truck through HGHC Fire Chief Brian McNevin explained that he would prefer an extended cab truck to carry bunker gear and other equipment with the possibility of eventually converting it to a brush truck However, he could get by with a standard truck with a tool box The Council then discussed purchasing through HGHC and advertising for bids Councilmember Wilson recommended

purchasing one new truck this year and the second truck next year. He said that the proceeds from the sell of the City's vehicles be used to pay for program cars. Mr. Mallory explained that he could not estimate how much money would be generated from the sale of the City's old vehicles and those funds would be deposited into the general fund. Therefore, some amount must be budgeted for the proposed purchase of any new vehicles.

The Council then discussed the expenditure of grant proceeds by the Police Department and the requirement for approval by the grant advisor or the City Council. The account which to date has been maintained and administered by the Police Department will be turned over to the City on October 1, 2000.

ADJOURN – There being no further business to come before the Council, Councilmember Hutcherson moved that the meeting be adjourned. Councilmember Sanford seconded, and the meeting was adjourned at 8:18 p.m.


Don Hackney, Mayor

ATTEST:


Rhita Koches, City Secretary

REGULAR MEETING OF CANTON CITY COUNCIL
CITY OF CANTON, TEXAS
6:30 P.M., TUESDAY, SEPTEMBER 19, 2000
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. Members present were Mayor Don Hackney, Beverly Hutcherson, Tommy Roberts, and Ron Sanford. Councilmembers Raymond Pruitt and Rusty Wilson were absent, and Mayor Hackney announced that both of the absent members had indicated they might arrive later in the meeting. 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 was given by Mayor Don Hackney.

INVOCATION was given by Councilmember Tommy Roberts.

PLEDGE OF ALLEGIANCE – The Pledge of Allegiance was led by Canton Cub Scout Pack 378. Mayor Hackney then presented a Proclamation to Pack 378 naming September 19, 2000, as Cub Scout Pack 378 Day in Canton, Texas.

GUEST ITEMS – There were no guest items.

DISCUSS AND CONSIDER APPROVAL OF MINUTES OF AUGUST 1, 5, 15, 19, 22, AND 29, 2000 MEETINGS – Councilmember Roberts suggested that the Minutes of the August 29th Council meeting (Budget Workshop, second paragraph) be revised as follows: She (Councilmember Hutcherson) “specifically noted that two new cars (for city manager and First Monday general manager were budgeted approved in the past ” Councilmember Hutcherson concurred with the revision. Councilmember Sanford moved that the Minutes be approved as amended. Councilmember Hutcherson seconded, and all voted in favor

DISCUSS AND CONSIDER APPROVING AUGUST 2000 FINANCIAL STATEMENTS - City Manager presented the Financial Statements for August 2000. Councilmember Roberts moved that the Financial Statement for August 2000 be approved. Councilmember Sanford seconded, and all voted in favor.

PUBLIC HEARING ON PROPOSED BUDGET FOR FISCAL YEAR BEGINNING OCTOBER 1, 2000, AND ENDING SEPTEMBER 30, 2001

DISCUSS AND CONSIDER ADOPTION OF ORDINANCE APPROVING PROPOSED 2000-2001 BUDGET - Mayor Hackney stated that the Public Hearing and any action on the proposed Budget would be called later in the meeting pending the arrival of either of the two absent Councilmembers.

Mayor Hackney announced that the agenda item relating to the City's bank depository contract would be taken out of order in consideration of the various banks' representatives

DISCUSS AND CONSIDER AWARDED BID FOR CITY OF CANTON'S BANK DEPOSITORY CONTRACT – Mr. Mallory reviewed an analysis of the three bids received and stated that the recommendation of the City's staff would be to accept the bid of The American National Bank. Councilmember Roberts noted that the bids appeared to be close. Mr. Mallory agreed and told the Council that the determining factor would be whether the City would be primarily borrowing money or maintaining funds on deposit. Councilmember Roberts moved that the bid be awarded to The American National Bank. Mayor Hackney announced that Councilmember Sanford would abstain from voting due to his wife's employment by one of the banks submitting a bid. He stated that the matter would be taken up later in the meeting when one of the absent Councilmembers arrived.

DISCUSS AND CONSIDER ADOPTION OF TEXAS MUNICIPAL RETIREMENT SYSTEM ORDINANCE ALLOWING UPDATED SERVICE CREDITS AND INCREASING CITY'S CONTRIBUTION TO 150% OF EMPLOYEES' DEPOSITS – Mr. Mallory explained to the Council that this item related to the proposed increase in the City's contribution to the employees' retirement as discussed in budget workshops. He explained that the increase would be from a one to one match to a 1.5 to 1 contribution. Mayor Hackney recommended that the Council approve this item. In response to questions by Councilmember Sanford, Mr. Mallory explained that the items in the proposed ordinance relating to Updated Service Credits had previously been adopted by the City. TMRS requires that those benefits be re-stated and re-adopted at any time the contribution rate is changed. Councilmember Sanford moved that the Ordinance be passed. Councilmember Roberts seconded, and all voted in favor.

PRESENTATION BY ROBERT M. ROBERSON TO REQUEST SKATE PARK; DISCUSS AND CONSIDER ANY ACTION NECESSARY PURSUANT TO SUCH PRESENTATION – Mr. Mike Roberson introduced his son, Robbie Roberson, and explained to the Council that, although he would be making the remarks, this proposal was Robbie's vision. He cited a growing interest in skateboarding, in-line skating, and free-style skating. He said the City of Tyler currently has a skate park which is well used,

and a larger park is being built. He said it was a popular attraction and would be for years to come. He noted that there are currently several ball fields, tennis courts, and parks in Canton, and a skate park would be a welcome and popular addition. He said that more comprehensive details could be provided at a later date. Mr. Roberson explained that there was considerable documented interest by young people and business entities. He said there is a sporting goods store in Tyler devoted to the sport. He noted that the physical activity also gets young people out from behind the television. He asked that the Council take time to review any forthcoming information concerning this kind of project. Mayor Hackney said that the Council would take the information under advisement and noted that any decision concerning this matter would require quite a bit of study. He thanked the Robersons for their presentation and interest.

PRESENTATION BY JERRY L RANNE AND W G FAGLIE REGARDING WATER METER READINGS; DISCUSS AND CONSIDER ANY ACTION NECESSARY PURSUANT TO SUCH PRESENTATION – Mr. Ranne told the Council that he had a problem with the computation of the consumption figure reflected on his water bill. He said he had met with Mr. Mallory but had reached no clear resolution. Mr. Faglie said he was previously employed by Little Hope Moore Water Supply for over 14 years. He said he had reviewed 18 months of Mr. Ranne's water bills. He said that the City's addition of a zero to the meter reading multiplies the reading ten times, and the City's bills do not have correct readings. Mr. Ranne and Mr. Faglie referred the Council to copies of Mr. Ranne's statements. Mayor Hackney asked Mr. Ranne if he felt he had only used 8,070 gallons instead of 80,700 gallons, and Mr. Ranne concurred. Councilmember Sanford referred to another statement and asked Mr. Ranne if he believed he had only used 860 gallons of water to operate a barber shop and a café. Mr. Ranne replied that the café was barely operating during that time. Mr. Faglie said the meter should reflect the correct usage. Mr. Mallory said that he and Mr. Ranne had read the meter together one day, asked Mr. Ranne to tell the Council how much water had been used the following day. Mr. Ranne responded that 600 gallons had been used. Mr. Ranne said he felt the meter was correct. Mr. Mallory said the meter had been tested and actually was reading too low. The meter has been replaced. Mr. Faglie told the Council that the City was dropping one zero from the reading and adding two. Mr. Mallory explained that the City drops the zero and the last number of the reading and adds two zeroes. Mr. Faglie presented his copy of "Manual of Water Utility Operations" and told the Council that the publication reflected the City was not correctly reporting meter readings. Councilmember Sanford asked if all City water bills were figured in the same manner. Mr. Mallory confirmed that they are. Councilmember Roberts asked what kind of facility was operated on the subject meter. Mr. Ranne said it did not matter. Carlos Mora, one of the meter readers for the City of Canton, then discussed the City's method for reading and recording meter readings. He explained that Mr. Ranne had a new meter which reflected usage of 9,000 gallons since the 4th of the month. Councilmember Sanford asked if the meter had been tested. Mr. Mallory reported that it had and the testing showed the meter was actually showing 2% less than the actual usage. Mayor Hackney told Mr. Ranne that his own billing was computed in the same manner, and he had no doubt he used the water reflected on his own bill. Mr. Ranne thanked the Council for listening.

DISCUSS AND CONSIDER TOWN SQUARE BEAUTIFICATION PROPOSAL BY CANTON MERCHANTS ASSOCIATION AND REQUEST FOR FUNDS FOR BENCHES AND GARBAGE WELLS – Zackie Gutzke of the Canton Merchants Association presented a diagram to the Council with recommended placement of new benches and garbage wells around the Courthouse Square. She explained that this request was the first phase, and the Association would like to eventually have coordinating planters. Mrs. Gutzke informed the Council that a request had previously been made to the County Commissioners for maintenance and repairs on the Courthouse property, but the County ran out of money. The cost for the requested benches and garbage wells is \$9,712.26, and that price did not include installation. She explained that there are two types of installation for the garbage wells to allow for

changes which might later arise should the City be designated a Main Street City. Mrs. Gutzke also suggested that the plaques on the existing benches and garbage wells be moved or returned to the donor. The Council discussed that the funding for this project was to come from the proceeds derived from the sale of the downtown park property which is designated as "Special Projects." Mr. Mallory explained that the funds are currently in the City's general fund. Mrs. Gutzke told the Council that the Merchants Association had met with TXU and found that there is not electric service or space on the streets and sidewalks to add decorative lighting. She said they will now focus on just getting the lighting already in place repaired. The downtown merchants also wanted to promote homecoming by displaying the decorative Canton Eagle banners on PVC poles. She said there are already 25 flag pole holes around the Square for the Canton Rotary Club's U S flag project. She said the merchants' use of the holes would not conflict with Rotary's flag displays. She told the Council that the flags may be purchased for \$20 each and the poles will be \$6 each. Proceeds from the flags will go to the Canton Band Boosters and the Canton Athletic Boosters. Mrs. Gutzke told the Council that the merchants are working to promote the downtown area and lend support for community activities such as homecoming and the football season. The merchants will be responsible for putting the flags out each day. The Association has also contacted someone about making another flag to promote downtown, Canton, or possibly First Monday. Councilman Roberts noted that the Merchants Association had been asked by the City to research downtown improvements and make a recommendation to the Council. Councilmember Roberts moved that the City authorize payment of \$9,712.26 for the purchase of the benches and garbage wells from The Play Well Group and \$650 for the Canton Eagle banners and poles. Councilmember Sanford seconded the motion and suggested that there may also be funding available through a community enhancement grant from the Canton Economic Development Corporation. All councilmembers voted in favor of the motion.

DISCUSS AND CONSIDER APPROVAL OF ENGAGEMENT LETTER RETAINING HESTER, CONWAY & COMPANY TO CONDUCT 1999-2000 AUDIT – Mr. Mallory told the Council that the proposed start date for the auditor is October 11th, and it was his recommendation that the City engage Hester, Conway & Company to perform the annual audit. Mayor Hackney noted that this firm did an excellent job for the City last year and it was his recommendation that they be retained again. Councilmember Roberts asked whether the audit services were put out for bid. Mayor Hackney explained that the audit was considered professional services and that the City would generally use the same firm for several years before changing firms. Councilmember Sanford moved that the engagement letter be approved and the firm of Hester, Conway & Company be retained to conduct the 1999-2000 audit. Councilmember Hutcherson seconded, and all voted in favor.

DISCUSS AND CONSIDER APPROVAL OF GRANT ACCEPTANCE AGREEMENT FROM CANTON POLICE DEPARTMENT TO THE TEXAS COMPTROLLER OF PUBLIC ACCOUNTS FOR TOBACCO COMPLIANCE GRANT FUNDS – Police Chief David Hammond told the Council that the Department had been awarded a \$3,000 grant to be used for 1) compliance with tobacco laws by local retailers, 2) sting operations and enforcement of tobacco laws, and 3) education in local schools. The Chief and one officer will attend training which is to be paid from the grant proceeds. Chief Hammond reported that last year 12 retailers out of 30 were issued citations for. He explained that a store's license to sell tobacco can be revoked after three violations. Mayor Hackney told the Council that the grant funds had been awarded and the City must decide whether to accept. Councilmember Sanford moved that the grant be accepted. Councilmember Hutcherson seconded, and all voted in favor.

DISCUSS AND CONSIDER RECOMMENDATION OF PLANNING & ZONING COMMISSION TO CHANGE ZONING OF 2.6 ACRE TRACT IN LARGE LOT 4 (FOSTER STREET), OWNED BY

JERE AND BETTY McCANN FROM R-1 (RESIDENTIAL) TO RPO (RESTRICTED PROFESSIONAL OFFICE) – Mayor Hackney asked if there were any members of the audience who wanted to address the Council on the recommendation to change the zoning of the subject property, and there were none. Mayor Hackney announced that consideration of this matter would be tabled pending the arrival of the absent Councilmembers.

DISCUSS AND CONSIDER ACCEPTANCE OF PETITION FOR ANNEXATION OF 70.64 ACRES LOCATED ON INTERSTATE 20 AND OWNED BY DON AND GLORIA PIERSON AND DWAIN AND JUDY EASLEY – Mr. Mallory told the Council that the petition was for annexation of a 70 acre tract between FM 17 and Mill Creek. Councilmember Hutcherson moved that the petition be accepted. Councilmember Roberts seconded, and all voted in favor.

DISCUSS AND CONSIDER TEMPORARY EXTENSION OF FRANCHISE WITH EAST TEXAS CABLE – Mr. Mallory told the Council that he had met with Jim Roby, owner of East Texas Cable to review the existing franchise agreement which expires at the end of September. Mr. Mallory explained that the ordinance was drafted fifteen years ago and contained numerous provisions which are now irrelevant. He said Mr. Roby has provided updated financial information and it was determined that the cable company is currently not paying franchise tax on premium services. Mr. Mallory asked the Council to extend the agreement with East Texas Cable under the current terms for approximately 90 days or until January 1, 2001. Councilmember Sanford asked if cable service for the First Monday park had been discussed. Mr. Mallory said that the discussion regarding First Monday did not get very far. He said Mr. Roby has proposed that the City pay for cable and then charge vendors or absorb the cost. Councilmember Sanford moved that the Council adopt a Resolution extending the terms and conditions of the City's franchise agreement with East Texas Cable until January 1, 2001, or until approval of a new agreement, whichever occurred first. Councilmember Roberts seconded, and all voted in favor.

DISCUSS AND CONSIDER AWARDING BID FOR POWER SWEEPER FOR FIRST MONDAY PAVILIONS – Mr. Mallory reported that two bids had been received for a power sweeper:

Wayne's Industrial Service	\$21,220.00
Tennant	\$19,322.28

Mr. Mallory explained that both vendors had provided a demonstration of their equipment. First Monday Operations Manager Rayford Hutcherson said the capacity on the Tennant model would be sufficient for the City's use. Councilmember Sanford moved that the bid be awarded to and the equipment purchased from Tennant. Councilmember Hutcherson seconded, and all voted in favor.

DISCUSS AND CONSIDER RENEWAL OF CHAMBER OF COMMERCE SERVICE AGREEMENT – Mr. Mallory referred the Council to the proposed Service Agreement containing the same provisions as the current agreement. City Secretary Rhita Koches noted that the Agreement had been revised last year from a two-year term to an annual renewal. Mayor Hackney explained that the City has two representative on the Chamber's Board. He said the Chamber is attending more travel shows which is good exposure for the City. He said he had no problem with allocating a portion of the hotel occupancy tax to the Chamber to be used to promote tourism in Canton. Councilmember Sanford said he also had no problem with the arrangement. Councilmember Hutcherson moved that the Service Agreement be adopted. Councilmember Roberts seconded, and all voted in favor.

DISCUSS AND CONSIDER AUTHORIZING CITY MANAGER TO EXECUTE AN AGREED ORDER IN AN ENFORCEMENT ACTION BEFORE THE TEXAS NATURAL RESOURCE CONSERVATION COMMISSION AND AUTHORIZING PAYMENT OF AN ADMINISTRATIVE PENALTY (underground storage tank) – Mr. Mallory told the Council that TNRCC had assessed an administrative penalty against the City of Canton for having an underground storage tank. Mr. Mallory noted that the City had been paying an annual permit fee for the tank. During an inspection in February, it was questioned whether the tank had cathodic protection. In March, the City received correspondence from TNRCC and immediately began steps to remove the tank. A new above-ground tank was ordered. Upon delivery and installation of the new tank, the gas was transferred, and the old tank was removed by a certified company. The soil was tested and no leaks were found. All of that activity was reported to TNRCC. Mr. Mallory said he had spoken with an attorney for TNRCC about the City's option to apply its penalty to another environmental clean-up site in Van Zandt County or as close as possible. However, the deadline for acceptance of the proposed enforcement order is near, and the City needs to respond. Councilmembers Sanford and Hutcherson stated that they did not feel the City had a choice in the matter. Councilmember Roberts asked whether the City would have a choice in the allocation of the funds. Mr. Mallory said he thought there was a battery clean-up site in the Phalba area, but he would designate that the allocation be made as close to Van Zandt County as possible. Public Works Director Pete Lucas said the Type IV landfill in Wills Point might be eligible for assistance. Mr. Mallory said he would continue to discuss the possible allocation with TNRCC. Councilmember Roberts moved that the City approve the proposed Enforcement Order and administrative penalty of \$7,200. Councilmember Sanford seconded, and all voted in favor.

DISCUSS AND CONSIDER AUDIO RECORDINGS OF COUNCIL MEETINGS – Mayor Hackney announced that this agenda item had been requested by Councilmember Rusty Wilson, and consideration would be delayed until he was present.

DISCUSS AND CONSIDER PURCHASE OF BUILDING FOR PARKING LOT – Mr. Mallory told the Council that he had received information about two buildings to possibly be used by the parking attendants on the Senior Citizens lot. One building is 14 x 16 feet and costs \$4,580, and the second building is 12 x 24 and costs \$4,890. Mr. Mallory said he needed to know if the Council wanted to replace the building and how to fund any new construction. Councilmember Sanford said he thought the prices presented were too high. Fire Chief Brian McNevin said he thought a shell building could be purchased for approximately \$1,000 less. Councilmember Sanford noted that there was not sufficient time to have another building in place in time for the upcoming First Monday weekend. Mr. Dempsey Morris said the building that burned was 10 x 12, and he did not feel that a larger building was necessary. He suggested the possibility of having someone build the building. Councilmember Hutcherson asked why the insurance proceeds from the burned building were not being used to purchase the new building. Councilmember Sanford explained that the original building was purchased by the Canton Volunteer Fire Department. He said the proceeds from that lot are now used to pay the Fire Department's indebtedness, but it is no longer the Fire Department's parking lot. Mayor Hackney suggested that consideration of this matter be postponed until more information can be obtained. First Monday Operations Manager Rayford Hutcherson said he would have a canopy set up for the parking lot attendants for the upcoming First Monday weekend.

PUBLIC HEARING ON PROPOSED BUDGET FOR FISCAL YEAR BEGINNING OCTOBER 1, 2000, AND ENDING SEPTEMBER 30, 2001 – At 8:10 p.m., Mayor Hackney asked if there were any members of the audience who had comments on the proposed 2000-2001 Budget. Hearing none, the public hearing on the budget was closed.

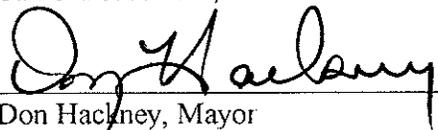
DISCUSS AND CONSIDER ADOPTION OF ORDINANCE APPROVING PROPOSED 2000-2001 BUDGET - Mayor Hackney stated that the Council would proceed with considering the adoption of the proposed 2000 - 2001 Budget. Councilmember Roberts questioned whether the current proposed budget included the increase of the lower end salaries discussed by the Council. Mr. Mallory confirmed that it did. The Council discussed the additional of estimated revenues and expenses for the RV rally next April. Mr. Alton Smith asked about the availability of services for that rally, and Mr. Hutcherson explained that there are hook-ups at the Civic Center and water, electricity, and dump stations are accessible across the grounds. Councilmember Sanford asked if the step increases for four supervisors had been put back into the budget. Mr. Mallory said those could be put back in if the Council desired. Councilmember Sanford said he thought those raises should be included in the budget particularly since those employees had received no notice that their raises would be cut. Councilmember Roberts said he did not have a problem with including those raises in the budget. He said there had been many changes throughout the process, and he would like to see the process changed next year. Mr. Mallory said he would recommend holding a meeting with the Council before the budget process begins to see what the Council wants before the City staff even begins the data entry. Councilmember Roberts said he would like to see all proposed changes come back before the entire Council and cited the removal of the step raise for four supervisors which was not presented to the entire Council. Councilmember Sanford said he felt the deletion of those raises at this late date would be very unfair to those employees. Councilmember Hutcherson asked where that proposal came from, and the Council discussed that it had not been addressed during a budget workshop. Councilmember Sanford moved that the 2000 - 2001 Budget be approved with the amendment of adding back in the step raises for the four supervisors which had recently been omitted. Councilmember Hutcherson seconded, and all voted in favor.

EXECUTIVE SESSION FOR DELIBERATIONS REGARDING PURCHASE, EXCHANGE, LEASE OR VALUE OF REAL PROPERTY AND IMPROVEMENTS (Section 551.072) EXECUTIVE SESSION FOR DELIBERATIONS REGARDING PERSONNEL MATTERS (Section 551.074) - - The Council adjourned into Executive Session at 8:15 p.m. to discuss real property and personnel matters.

RECONVENE TO OPEN SESSION AND CONSIDER ACTION, IF ANY, ON ITEMS DISCUSSED IN EXECUTIVE SESSION - At 8:40 p.m., the Council returned to Open Session with no action taken.

DISCUSSION PERTAINING TO BUSINESS FOR PLACEMENT ON FUTURE AGENDAS - Mr. Mallory reminded the Council of a special called meeting for Tuesday, September 26, 2000 to establish the City's tax rate. Mayor Hackney noted that the City's bank depository contract and the recommendation of the Planning and Zoning Commission which had been postponed at this meeting would be considered at the September 26th meeting.

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


 Don Hackney, Mayor

ATTEST:


 Rhita Koches, City Secretary

SPECIAL CALLED MEETING
CANTON CITY COUNCIL
6:30 P M , TUESDAY, SEPTEMBER 26, 2000
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 Members present were Mayor Don Hackney and Councilmembers Beverly Hutcherson, Tommy Roberts, and Ron Sanford. Raymond Pruitt and Rusty Wilson were 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 announced that a quorum was present

DISCUSS AND CONSIDER ADOPTING ORDINANCE LEVYING TAX RATE FOR FISCAL YEAR BEGINNING OCTOBER 1, 2000 AND ENDING SEPTEMBER 30, 2001 – Councilmember Roberts moved that the following Ordinance be adopted:

ORDINANCE NO. 2000-10

AN ORDINANCE LEVYING TAXES FOR ALL TAXABLE PROPERTY IN THE CITY OF CANTON, TEXAS FOR THE USE AND SUPPORT OF THE CITY OF CANTON, TEXAS FOR THE ENSUING FISCAL YEAR COMMENCING ON OCTOBER 1, 2000, AND ENDING SEPTEMBER 30, 2001.

WHEREAS, the City Council of the City of Canton, Texas met in a called session at 6:30 o'clock p.m., on September 26, 2000, and after having heard and adopted the Annual Budget for the City of Canton, Texas, for the ensuing 2000-2001 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 2000-2001 fiscal year as set forth in the Annual Budget adopted September 19, 2000, in a regular 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 upon all property, real, personal, and mixed, within the corporate limits of the City of Canton subject to taxation 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, 2000, and ending September 30, 2001

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, 2000

Councilmember Hutcherson seconded, and all voted in favor.

FIRST PUBLIC HEARING ON ANNEXATION OF 2 ACRES LOCATED AT 405 ETHERIDGE ROAD, CANTON, TEXAS, IN THE J STOCKWELL SURVEY, OWNED BY JO ANN GRISER – Mayor Hackney opened the public hearing at 6:35 p m. There being no comments from the public, the public hearing was closed at 6:36 p m

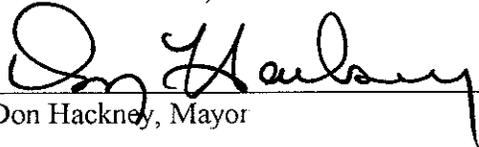
DISCUSS AND CONSIDER RECOMMENDATION OF PLANNING & ZONING COMMISSION TO CHANGE ZONING OF 2.6 ACRE TRACT IN LARGE LOT 4 (FOSTER STREET), OWNED BY JERE AND BETTY McCANN FROM R-1 (RESIDENTIAL) TO RPO (RESTRICTED PROFESSIONAL OFFICE) - Mayor Hackney asked if there were any members of the audience who wanted to address the Council on the recommendation to change the zoning of the subject property, and there were none. Mayor Hackney announced that consideration of this matter would be tabled until at least four Councilmembers were present.

DISCUSS AND CONSIDER AWARDED BID FOR CITY OF CANTON'S BANK DEPOSITORY CONTRACT – Councilmember Roberts moved that the City's bank depository contract be awarded to The American National Bank. Councilmember Hutcherson seconded the motion. Councilmembers Roberts and Hutcherson voted in favor of the motion. Councilmember Sanford abstained from voting, and the motion carried.

DISCUSS AND CONSIDER APPROVAL OF 2001 FIRST MONDAY TRADE DAYS BROCHURE – Councilmember Sanford moved that the 2001 First Monday Trade Days brochure be approved. Councilmember Hutcherson seconded, and all voted in favor.

Mayor Hackney announced that the City staff is investigating the feasibility of an ATM for the Civic Center in response to a petition from vendors.

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


Don Hackney, Mayor

ATTEST:


Rhita Koches, City Secretary

REGULAR MEETING OF CANTON CITY COUNCIL
6:30 P.M., TUESDAY, OCTOBER 17, 2000
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. Members present were Mayor Don Hackney, Beverly Hutcherson, Ron Sanford, and Raymond Pruitt. Councilmembers Tommy Roberts and Rusty Wilson were 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 was given by Mayor Don Hackney.

INVOCATION was given by City Manager Johnny Mallory.

PLEDGE OF ALLEGIANCE was led by City Manager Johnny Mallory.

GUEST ITEMS - There were no guest items.

DISCUSS AND CONSIDER ADOPTION OF PROCLAMATION NAMING OCTOBER 23-27, 2000 AS TEXAS CHAMBER OF COMMERCE WEEK - Mayor Hackney presented a proclamation naming October 23-27, 2000 as Texas Chamber of Commerce Week to Canton Chamber Director Joe Collins and Chamber Secretary Linda Royal.

DISCUSS AND CONSIDER APPROVAL OF MINUTES FROM THE SEPTEMBER 5, 19, AND 26, 2000 MEETINGS OF THE CANTON CITY COUNCIL - Councilmember Sanford moved that the minutes be approved. Councilmember Hutcherson seconded, and all voted in favor.

DISCUSS AND CONSIDER APPROVAL OF THE SEPTEMBER 2000 FINANCIAL STATEMENTS - City Manager Johnny Mallory presented the Financial Statements for September 2000. Councilmember Pruitt moved that the Financial Statement for September 2000 be approved. Councilmember Sanford seconded, and all voted in favor.

APPROVAL OF CHAMBER OF COMMERCE 2001 ANNUAL TOURISM ACCOUNT BUDGET PURSUANT TO SERVICE AGREEMENT WITH CHAMBER OF COMMERCE - Mr. Mallory told the Council that the Service Agreement with the Chamber which was previously approved by the Council called for the Council approval of the Chamber's Tourism Account Budget. Mr. Mallory noted that the proposed budget allocated the \$40,000 amount budgeted by the City to the Chamber from the hotel occupancy tax. Councilmember Hutcherson moved that the Chamber's Tourism Account Budget be approved. Councilmember Sanford seconded, and all voted in favor.

DISCUSS AND CONSIDER RECOMMENDATION OF PLANNING & ZONING COMMISSION TO CHANGE ZONING OF 2.6 ACRE TRACT IN LARGE LOT 4 (FOSTER

STREET), OWNED BY JERE AND BETTY McCANN FROM R-1 (RESIDENTIAL) TO RPO (RESTRICTED PROFESSIONAL OFFICE) – Mayor Hackney noted that action on the recommendation of the Planning and Zoning Commission would require at least four councilmembers to vote in favor of the recommendation. Since there were not enough Councilmembers present, Mayor Hackney announced that this agenda item would be postponed until later when one of the absent councilmembers might arrive.

SECOND PUBLIC HEARING ON ANNEXATION OF 2 ACRES LOCATED AT 405 ETHERIDGE ROAD, CANTON, TEXAS, IN THE J STOCKWELL SURVEY, OWNED BY JO ANN GRISER - Mayor Hackney opened the public hearing at 6:40 p.m. There being no comments from the public, the public hearing was closed at 6:41 p.m.

FIRST PUBLIC HEARING ON ANNEXATION OF 70.64 ACRES LOCATED ON INTERSTATE 20 AND OWNED BY DON AND GLORIA PIERSON AND DWAIN AND JUDY EASLEY - Mayor Hackney opened the public hearing at 6:41 p.m. There being no comments from the public, the public hearing was closed at 6:41 p.m.

DISCUSS AND CONSIDER REQUEST BY J. L. HEARD FOR UNDERGROUND ELECTRIC AND TELEPHONE SERVICE IN RIVER OAKS SUBDIVISION – Mr. Mallory presented a plat of the River Oaks Subdivision and explained to the Council that the developer was requesting authorization to install electricity, telephone, and cable television services underground. Mr. Mallory noted that the developer has also agreed to grant an additional ten foot easement for utilities. Mr. Mallory said it appeared the utilities would not be in the way of City utilities and that the City staff had no problem with the request. Mayor Hackney explained that the City requires developers to bring these issues before the Council to insure that the City is aware of the location of all underground lines. Councilmember Sanford moved that the Council approve the request to allow underground utilities in River Oaks Subdivision. Councilmember Hutcherson seconded, and all voted in favor.

DISCUSS AND CONSIDER AUDIO RECORDINGS OF COUNCIL MEETINGS - Mayor Hackney announced that this agenda item had been requested by Councilmember Rusty Wilson, and consideration would be delayed until he was present.

DISCUSS AND CONSIDER ADOPTION OF RESOLUTION TO INCREASE AMOUNT AND CLOSE INTERIM CONSTRUCTION LOAN FOR TRADE CENTER III – Mr. Mallory told the Council that, due to change orders, additional concrete and bridges, and changes in drainage, an additional \$60,000 would be necessary to complete the construction of Trade Center III. He also told the Council that it would be necessary to have the Mayor authorized to execute the necessary documents to close the original loan and increased amount into permanent financing. Councilmember Pruitt moved that the loan for the construction of Trade Center III be increased by \$60,000 and that Mayor Hackney be authorized to execute any documentation necessary to close the loan. Councilmember Hutcherson seconded, and all voted in favor.

DISCUSS AND CONSIDER AWARDED BID FOR SALE OF 1969 FORD LAFRANCE FIRE TRUCK - Mr. Mallory told the Council that only one bid had been received for the sale of the 1969 Ford LaFrance fire truck:

Kilgore College Fire Academy

\$5,200

Mr. Mallory noted that the amount previously offered for trading in the vehicle was only \$3,000. He told the Council it would be the recommendation of the staff to accept the \$5,200 offer. Councilmember Sanford moved that the bid of Kilgore College Fire Academy be accepted and the vehicle sold for \$5,200. Councilmember Hutcherson seconded, and all voted in favor.

DISCUSS AND CONSIDER AUTHORIZATION OF EXPENDITURE BY CANTON POLICE DEPARTMENT FROM NARCOTICS SEIZURE FUND - Police Chief David Hammond told the Council that his department was requesting authority to purchase "altered state" goggles to be used in presentations on teenage drinking. He said the goggles will cost approximately \$600 and are used to simulate the distortion of a drunken condition. He further explained that the presentation would include operating a golf cart with and without the goggles to demonstrate the affects of drinking on motor skills. Mayor Hackney told the Council he thought it was an excellent program and recommended approval. Councilmember Hutcherson moved that the expenditure from the narcotics seizure fund for the purchase of the goggles be approved. Councilmember Pruitt seconded, and all voted in favor.

DISCUSS AND CONSIDER BUILDINGS AND OTHER IMPROVEMENTS AT FIRST MONDAY PARK - Councilmember Sanford told the Council that there had been quite a bit of interest by people wanting to build permanent structures at the First Monday park. He said the First Monday Committee was not recommending any construction between the Arbors and Trade Center III. He said it would be the committee's recommendation to add Row 47 to the area previously approved for construction of permanent structures. He also recommended that the transfer fee be waived for the acquisition of lots for construction within one year. He suggested a minimum building size be established and that the vendor be required to pay any engineering fees required by the City as well as any electrical fees. Councilmember Sanford noted that all buildings would be canopy-type structures since the area was in the floodplain. Mayor Hackney asked about the disposition of the buildings when the vendor decides to leave. Councilmember Sanford said that, under current conditions, vendors may remove their buildings. He also noted that the improvements go on the tax rolls and generate tax proceeds for the County and school district. Councilmember Pruitt moved that Row 47 be added to the approved area for constructing permanent structures, that the transfer fee be waived for the acquisition of lots for construction within one year, and that the vendor be required to pay any engineering fees required by the City and any electrical fees. Councilmember Hutcherson seconded, and all voted in favor.

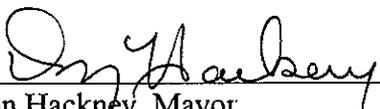
DISCUSS AND CONSIDER APPOINTMENT OF CHAIRMAN FOR FIRST MONDAY MUSEUM AT THE VAN ZANDT COUNTY LIBRARY - Mayor Hackney requested that this agenda item be moved to the Council's next regular meeting to allow more time to meet with prospective chairmen.

DISCUSS AND CONSIDER DATES FOR REGULAR COUNCIL MEETINGS FOR NOVEMBER AND DECEMBER, 2000 - Councilmember Sanford moved that the Council's regular meeting for the month of November be moved to November 14, 2000, and the regular meeting for the month of December be moved to December 12, 2000. Councilmember Hutcherson seconded, and all voted in favor.

DISCUSSION PERTAINING TO BUSINESS FOR PLACEMENT ON FUTURE AGENDAS - Councilmember Pruitt requested that the Canton Economic Development Corporation's Industrial

Park be placed on the Council's November agenda. The Mayor noted that it would be necessary to re-schedule the Council's consideration of the recommendation of the Planning and Zoning Commission since four councilmembers would need to be present.

ADJOURN – There being no further business to come before the Council, the meeting was adjourned.



Don Hackney, Mayor

ATTEST:

Rhita Koches, City Secretary

REGULAR MEETING OF CANTON CITY COUNCIL
CITY OF CANTON, TEXAS
6:30 P M , TUESDAY, NOVEMBER 14, 2000
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. Members present were Mayor Don Hackney, Raymond Pruitt, Tommy Roberts, Ron Sanford, and Rusty Wilson. Councilmember Beverly Hutcherson 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 was given by Mayor Don Hackney.

INVOCATION was given by City Manager Johnny Mallory.

PLEDGE OF ALLEGIANCE was lead by City Manager Johnny Mallory.

GUEST ITEMS – There were no guest items.

DISCUSS AND CONSIDER APPROVAL OF MINUTES FROM THE OCTOBER 17, 2000 MEETING OF THE CANTON CITY COUNCIL - Councilmember Pruitt moved that the minutes of the Council's October 17 2000 meeting be approved. Councilmember Sanford seconded, and all voted in favor.

DISCUSS AND CONSIDER APPROVAL OF THE OCTOBER 2000 FINANCIAL STATEMENTS - City Manager Johnny Mallory presented the Financial Statements for October

2000. Councilmember Sanford moved that the Financial Statement for October 2000 be approved. Councilmember Pruitt seconded, and all voted in favor.

SECOND PUBLIC HEARING ON ANNEXATION OF 70.64 ACRES LOCATED ON INTERSTATE 20 AND OWNED BY DON AND GLORIA PIERSON AND DWAIN AND JUDY EASLEY - Mayor Hackney opened the public hearing at 6:35 p.m. There being no comments from the public, the public hearing was closed at 6:36 p.m.

DISCUSS AND CONSIDER ADOPTION OF ANNEXATION ORDINANCE FOR 2 ACRES LOCATED AT 405 ETHERIDGE ROAD, CANTON, TEXAS, IN THE J STOCKWELL SURVEY, OWNED BY JO ANN GRISER - Councilmember Sanford moved that the Annexation Ordinance 2000-11 be adopted. Councilmember Roberts seconded, and all voted in favor.

DISCUSS AND CONSIDER AWARDED BID FOR PURCHASE OF NEW TRUCK FOR WATER DEPARTMENT - Mr. Mallory reported that the following bids had been received for the purchase of a new truck for the Water Department:

Pegues-Hurst Motor Co	\$16,824.75 (with chrome bumpers)
	\$16,496.75 (without chrome bumpers)
Canton Motors	\$17,497.00
Barrett GMC	\$17,895.00 (2000 GMC)
	\$17,400.00 (2001 GMC)

Councilmember Wilson inquired about the utilization of the truck. Mr. Mallory stated that the truck would initially be used by the meter reader. Councilmember Wilson suggested a six cylinder instead of an eight cylinder. Councilmember Roberts noted that a V-8 would bring more if the vehicle were ever traded in or sold. Mayor Hackney commented that there was no assurance the truck would always be used for the meter reader. Public Works Director Pete Lucas told the Council the vehicle would also be used to take water samples to Tyler and to haul a trailer and material. The Council then discussed re-bidding the truck. Councilmember Wilson said a V-6 could be purchased for \$15,000 according to information he had obtained from a Chevrolet dealership in Rockdale, Texas. Councilmember Pruitt moved that the City advertise for bids for a V-6 truck. Councilmember Wilson seconded, and all voted in favor.

DISCUSS AND CONSIDER AWARDED BID FOR PURCHASE OF NEW POLICE PATROL CAR - Mr. Mallory reported that the following bids had been received for the purchase of a new police patrol car:

Pegues-Hurst Motor Co	\$20,337.55 (2001 Ford Crown Victoria)
PaytonWright	\$20,728.00 (2000 Ford Crown Victoria)

Mr. Mallory noted that Pegues-Hurst offered delivery in 90 days and the vehicle at Payton Wright was in stock. Police Chief David Hammond stated that the 2000 Ford had more equipment. Councilmember Sanford moved that the bid be awarded to Payton Wright for a 2000 Ford Crown Victoria. Councilmember Roberts seconded, and all voted in favor.

DISCUSS AND CONSIDER AWARDING BID FOR CLEANING SERVICES FOR CITY HALL, POLICE DEPARTMENT, AND SENIOR CITIZENS BUILDING – Mr Mallory reported that the following bids had been received for cleaning services:

Birdie Porter	\$875.00 per month
Cathy Reynolds	\$1,000.00 per month

Councilmember Roberts noted that, in some situations, the cheapest is not the best. He moved that the cleaning bid be awarded to Cathy Reynolds for one year beginning December 1, 2000. Councilmember Wilson seconded, and all voted in favor.

DISCUSS AND CONSIDER APPROVAL OF PARTICIPANTS IN WEST GATE FIRST MONDAY PARKING (FM 859) – Councilmember Roberts inquired about the date previously set aside for the Fire Department. It was explained that the Fire Department went into regular rotation for dates with all other participants. Councilmember Roberts asked if the Fire Department had needs that would warrant assigning them their previous parking date. Councilmember Sanford explained that the proceeds had previously been used for the Department's Christmas for Kids program which was no longer active on the same scale as in the past. Fire Chief Brian McNevin added that the proceeds from the Department's recent golf tournament would be used for Wal-Mart's Angel Tree. Councilmember Sanford moved that the list of participants be approved. Councilmember Roberts seconded, and all voted in favor.

DISCUSS AND CONSIDER APPOINTMENTS TO BOARD OF ADJUSTMENT – Councilmember Wilson moved that Harry Minton, Alton Smith, and Cindy Malouf be appointed to serve two year terms on the Board of Adjustment. Councilmember Sanford seconded, and all voted in favor.

DISCUSS AND CONSIDER EXTENDING SEWER SERVICE OUTSIDE CITY LIMITS FOR FUTURE SITE OF TEXAS DEPARTMENT OF TRANSPORTATION'S LOCAL MAINTENANCE FACILITY WITH COST BORNE BY TXDOT – Mr Mallory told the Council that TxDOT is considering the purchase of a tract for a new maintenance facility. The tracts being considered are located outside the City Limits; however, the most likely tract is adjacent to the City Limits and could be annexed. Mr Mallory confirmed that the additional sewage would not be burdensome to the City. Councilmember Sanford moved that the sewer connection be allowed with all associated costs to be paid by TxDOT. Councilmember Wilson seconded, and all voted in favor.

DISCUSS AND CONSIDER APPOINTMENT OF CHAIRMAN FOR FIRST MONDAY MUSEUM AT THE VAN ZANDT COUNTY LIBRARY - Mr. Mallory explained that Linda Brown had maintained the First Monday Museum at the Library for many years. The matter was tabled until a volunteer can be recruited.

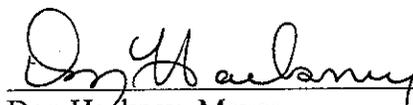
DISCUSS AND CONSIDER APPOINTMENTS TO MAIN STREET ADVISORY BOARD – Mayor Hackney directed the Council's attention to the list of proposed Advisory Board members. Councilmember Wilson asked if the ex officio County representative had to be the County Judge. He also noted that he objected to the appointment of Bob Reese to the Board. Councilmember Roberts said that he objected to the appointment of Richard Davis, Howard Dunn, Bob Reese, and City Manager Johnny Mallory as an ex officio member. He suggested that First Monday Manager Al Campbell be appointed as the City's representative. Councilmember Roberts

suggested that the ex officio newspaper representative David Barber be moved to replace Bob Reese. He also suggested for consideration the appointment of Caren Courtney, Glenda Hazel, or Gail Newby. Councilmember Sanford suggested that Councilmember Roberts meet with City Secretary Rhita Koches to come up with a proposed slate to be presented to the Council.

It was announced that the Council would meet Wednesday, November 22, 2000, at 2:00 p.m. to consider appointments to the Main Street Advisory Board and to consider hiring a Main Street Manager.

EXECUTIVE SESSION FOR DELIBERATIONS REGARDING PERSONNEL MATTERS (Section 551 074) – It was announced that the matter scheduled to be considered in executive session had been resolved, and no executive session would be necessary.

ADJOURN – There being no further business to come before the Council, the meeting was adjourned at 7:12 p.m.


Don Hackney, Mayor

ATTEST:

Rhita Koches, City Secretary

SPECIAL CALLED MEETING
CANTON CITY COUNCIL
2:00 P M , WEDNESDAY, NOVEMBER 22, 2000
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. Members present were Mayor Don Hackney, Beverly Hutcherson, Raymond Pruitt, Tommy Roberts, Ron Sanford, and Rusty Wilson

Discussion and action were as follows:

CALL TO ORDER AND ANNOUNCE QUORUM – Mayor Don Hackney called the meeting to order at 2:00 p.m with all Councilmembers present

DISCUSS AND CONSIDER APPOINTMENTS TO MAIN STREET ADVISORY BOARD – Mayor Hackney directed the Council’s attention to the list of proposed Main Street Advisory Board Members. Councilmember Pruitt moved that City Secretary Rhita Koches be added to the list of Board members. Councilmember Sanford seconded, and all voted in favor. Councilmember Sanford moved that the following be appointed to serve on the Main Street Advisory Board:

- Richard Davis
- Lucia Deen
- Zacki Gutzke
- Richard Hill
- Dr Rollin Sininger

Beth Whitaker

Rhita Koches

Representatives from: The American National Bank - David L. King, Jr

First National Bank of Canton - Ben Shirey

First National Bank of Athens - Harold Holyfield

Ex Officio: Representative from City of Canton: Mayor Don Hackney

Representative from Chamber of Commerce - Incoming President Kris Ingram

Representative from Newspaper: David Barber

Councilmember Hutcherson seconded, and all voted in favor. Mayor Hackney announced that the appointment of ten members would allow room for the Board to add additional expertise as needed.

EXECUTIVE SESSION FOR DELIBERATIONS REGARDING PERSONNEL MATTERS (Section 551.074) REGARDING APPOINTMENT OF MAIN STREET PROGRAM MANAGER - The Council adjourned into Executive Session at 2:05 p.m. to discuss the appointment of a Main Street Program Manager.

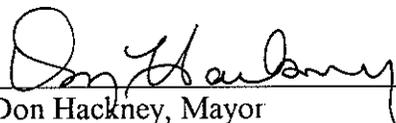
RECONVENE TO OPEN SESSION AND CONSIDER ACTION, IF ANY, ON ITEMS DISCUSSED IN EXECUTIVE SESSION - The Council reconvened in Open Session at 2:35 p.m. Mayor Hackney recommended to the Council that Jim Stephens be hired as Main Street Manager. Councilmember Wilson moved that Jim Stephens be hired as Main Street Manager and that City Manager Johnny Mallory meet with Mr. Stephens to set out the terms of his employment. Councilmember Roberts seconded, and noted that the terms of employment should be based on the budget previously established by the Council. All voted in favor. It was announced that Mr. Stephens' employment would begin on or about December 18, 2000, and he will begin contacting the Board members and reviewing proposed Bylaws.

EXECUTIVE SESSION FOR DELIBERATIONS REGARDING PERSONNEL MATTERS (Section 551.074) REGARDING POLICE DEPARTMENT - The Council adjourned into Executive Session at 2:37 p.m. to discuss personnel matters in the City's Police Department.

RECONVENE TO OPEN SESSION AND CONSIDER ACTION, IF ANY, ON ITEMS DISCUSSED IN EXECUTIVE SESSION - At 3:05 p.m., the Council returned to Open Session. It was announced that revisions to the Police Department's organizational chart and an Executive Session regarding Police Department personnel would be on the Council's December 12th meeting agenda.

ADJOURN - There being no further business to come before the Council, the meeting was adjourned.

ATTEST:


Don Hackney, Mayor

Rhita Koches, City Secretary

REGULAR MEETING OF CANTON CITY COUNCIL
CITY OF CANTON, TEXAS
6:30 P.M., TUESDAY, DECEMBER 12, 2000
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. Members present were Mayor Don Hackney, Beverly Hutcherson, Raymond Pruitt, Tommy Roberts, and Rusty Wilson. Councilmember Ron Sanford arrived during the presentation of the audit.

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 was given by Mayor Don Hackney.

INVOCATION was given by City Manager Johnny Mallory.

PLEDGE OF ALLEGIANCE was led by Mayor Don Hackney.

GUEST ITEMS - There were no guest items.

PRESENTATION BY REPRESENTATIVE OF HESTER, CONWAY & COMPANY REGARDING 1999-2000 AUDIT - Mike Conway of Hester, Conway & Company told the Council that the auditor's opinion was a standard clean opinion and that the City's accounts were in very good order and well organized. Mr. Conway noted that the City's cash at year end was \$909,548 compared to \$535,054 at the end of the prior fiscal year. He also compared the year end total assets of \$22,554,187 to the previous year's total assets of \$21,285,769. The City's net equity increased from \$13,006,549 to \$13,866,346. Mr. Conway pointed out that the City's revenues in governmental funds were up to \$2,236,738 from \$2,007,793, due in part to an increase in sales tax revenue. Proprietary funds also showed an increase in revenue from \$4,161,269 to \$4,272,509. Mr. Conway cautioned that the Water & Sewer Fund had an operating loss of \$334,573. He noted that a good deal of the funds generated by First Monday are being used by Water and Sewer which is a long way from supporting itself. Mr. Conway directed the Council's attention to the debt service requirements set out on Page 17 of the audit report which showed \$772,045 as the total debt service requirement for 2001. The auditor's notes to the financial statements included a reference to pending litigation. Mr. Conway said it was his understanding that the W&W Land Company suit may be resolved within the next year. If not, a liability amount should be established for audit purposes. Mr. Conway explained that "Governmental Accounting Standards Statement No 34" addresses new financial reporting requirements that will affect state and local governments with less than \$10 million in annual revenues. Those requirements will become effective after June 15, 2003, and it was Mr. Conway's recommendation that those reporting procedures be adopted prior to that time.

Mr. Conway asked for questions from the Council, and there were none. Mr. Conway then told the Council that a couple of items had been included as reportable conditions in the auditor's management letter. Those reportable conditions involved matters of significant deficiencies in the design or operation of the internal control structure that could adversely affect the City's ability to process financial data consistent with the financial statements. The first item was the Police Department's forfeiture and seizure account which had not been administered in accordance with certain rules. Mr. Conway congratulated the City on taking action to turn over control of that account to the City in an effort to ensure compliance. The second item involved the handling of cash receipts for lot rentals and RV parking rentals at First Monday.

DISCUSS AND CONSIDER APPROVAL OF 1999-2000 AUDIT – Councilmember Sanford moved that the audit be accepted. Councilmember Roberts seconded, and all voted in favor.

DISCUSS AND CONSIDER APPROVAL OF MINUTES FROM THE NOVEMBER 14 AND NOVEMBER 22, 2000 MEETINGS OF THE CANTON CITY COUNCIL – Councilmember Hutcherson moved that the Minutes of the November 14 and November 22, 2000 meetings of the Canton City Council be approved. Councilmember Sanford seconded, and all voted in favor.

DISCUSS AND CONSIDER APPROVAL OF THE NOVEMBER 2000 FINANCIAL STATEMENTS - City Manager Johnny Mallory presented the Financial Statements for November 2000. Councilmember Sanford moved that the Financial Statement for November 2000 be approved. Councilmember Roberts seconded, and all voted in favor.

DISCUSS AND CONSIDER ADOPTION OF ANNEXATION ORDINANCE FOR 70.64 ACRES LOCATED ON INTERSTATE 20 AND OWNED BY DON AND GLORIA PIERSON AND DWAIN AND JUDY EASLEY – Mayor Hackney called for a motion to adopt the annexation ordinance. Councilmember Hutcherson moved that the annexation ordinance be adopted. Hearing no second to the motion, Mayor Hackney announced that two public hearings had been held with no comments and asked the Council if there was a problem with the proposed annexation. City Secretary Rhita Koches told the Mayor that the Petitioners were present should the Council have questions. Councilmember Roberts questioned whether the services set out in the proposed Service Agreement could be provided, and City Manager Johnny Mallory confirmed that they could. Councilmember Wilson asked about the zoning for the property. Mr. Mallory told the Council that property is annexed into the city limits as RA (agricultural). Councilmember Wilson asked the Petitioners their primary reason for requesting annexation. Mr. Pierson said they planned to put in an RV park or housing. He noted that the property is located at the intersection of FM 17 and I-20. He said the property owners had considered a 24-hour mart and perhaps a restaurant. He said they had just finished constructing some storage buildings. Mr. Pierson said they needed water and sewer services. Mr. Mallory noted that any construction necessary to provide water and sewer would be at the owners' expense. Mr. Pierson said that would be fine and that water and sewer lines are already on the property. Councilmember Wilson seconded the motion to adopt the annexation ordinance. Councilmembers Hutcherson, Wilson, and Roberts voted in favor of the motion. Councilmembers Pruitt and Sanford voted against the motion, and the motion carried.

DISCUSS AND CONSIDER AWARDED BID FOR PURCHASE OF MOWING TRACTOR FOR FIRST MONDAY – City Manager Johnny Mallory reported that the following bids had been received:

Bidder	Description	Bid Price
Ag Power Terrell, Texas	John Deere 4300 Compact Utility tractor	\$11,728 37
Ag Power Terrell, Texas	John Deere 790 Compact Utility tractor	\$10,614 19
Deen Implement Co Wills Point, Texas	Kubota L3000F tractor	\$9,622 00
R Tex Outdoor Power Terrell, Texas	TC 29 tractor	\$10,620 00
R Tex Outdoor Power Terrell, Texas	TC 29 4x4 tractor	\$12,173 00

Councilmember Roberts questioned the necessity for buying a mowing tractor at the time He said the City is purchasing several vehicles and wanted to know if the tractors could wait until the cars are in service. Councilmember Pruitt said he and Councilmember Roberts had already discussed this matter, and he feared prices would be higher. Councilmember Roberts then questioned whether the four-wheel drive tractor bid by Ag Power would be advantageous. Mr Mallory explained that turf tires are used, and the staff's recommendation was the Kubota based on horsepower and bid specifications. Councilmember Pruitt moved that the bid be awarded to Deen Implement Co for a Kubota L3000F tractor for \$9,622.00. Councilmember Sanford seconded, and all voted in favor.

DISCUSS AND CONSIDER AWARDING BID FOR PURCHASE OF UTILITY TRACTOR FOR FIRST MONDAY – Mr Mallory reported that the following bids had been received:

Bidder	Description	Bid Price
Ag Power Terrell, Texas	John Deere 5310 diesel utility tractor	\$23,282 39
Ag Power Terrell, Texas	John Deere 5205 diesel utility tractor	\$18,642 59
Deen Implement Co. Wills Point, Texas	Kubota M5700 diesel tractor	\$19,598 00
R Tex Outdoor Power Terrell, Texas	TN 65 tractor	\$23,238 00
R Tex Outdoor Power Terrell, Texas	TN 70 tractor	\$25,255 00

Mr. Mallory noted that the low bid from Ag Power did not meet the bid specifications. He told the Council that the recommendation of City staff would be the Kubota M5700 from Deen Implement. Councilmember Pruitt moved that the bid be awarded to Deen Implement Co for a Kubota M5700 tractor for \$19,598 00. Councilmember Sanford seconded, and all voted in favor.

DISCUSS AND CONSIDER AWARDDING BID FOR PURCHASE OF NEW TRUCK FOR FIRE DEPARTMENT – Mr. Mallory presented the following bids received:

Bidder	Vehicle Description	Bid Price
Pegues-Hurst Motor Co Longview, Texas	2001 F250 Ford pickup	\$18,193 45
John Crow Pontiac-GMC	2001 1500 GMC pickup	\$18,121 59
Yates GMC	2001 1500 GMC pickup	\$19,186 51

Councilmember Roberts asked whether the Council had discussed during consideration of the budget purchasing a one ton truck that could be turned into a brush truck. Fire Chief Brian McNevin said that was discussed, and he had checked around for a one ton truck. He said if a vehicle had to be ordered, he would prefer to use a local dealer. Councilmember Sanford said conversion of the truck to a brush truck probably would not happen since the truck would need to be even larger. Councilmember Sanford moved that the bid be awarded to John Crow Pontiac-GMC for a 2001 1500 GMC pickup with the \$200 side tool box option. Councilmember Roberts seconded, and all voted in favor.

DISCUSS AND CONSIDER AWARDDING BID FOR PURCHASE OF NEW VEHICLE FOR FIRST MONDAY – Mr. Mallory presented the bids received:

Bidder	Vehicle Description	Bid Price
Pegues-Hurst Motor Co Longview, Texas	2001 Taurus	\$14,788 95
Barrett Motor Tyler	2000 Buick Century	\$16,300 00
Miller Starnes Rockdale	2000 Chevrolet Lumina	\$14,079 10

Councilmember Roberts said the Council had discussed putting the vehicle out for bids, but he wanted to know if the City could just shop around for a demonstrator which might be available in the \$12,000 range. City Secretary Rhita Koches advised that the City is required to take bids for purchases over \$15,000. Mr. Mallory cautioned against such shopping and said the bid process allows the City to evaluate comparable vehicles. Councilmember Pruitt said he had spoken with a local dealer who did not bid because he did not have anything on his lot. He said the dealer had indicated he could probably buy something specifically for the City. Councilmember Wilson noted

that the three bids received were for comparable sized vehicles. Councilmember Hutcherson moved that the bid be awarded to Pegues Hurst Motor for the 2001 Taurus for \$14,788.95. Councilmember Sanford seconded. The motion carried with Councilmembers Hutcherson, Roberts, and Sanford voting in favor, and Councilmembers Pruitt and Wilson opposed.

DISCUSS AND CONSIDER AWARDING BID FOR PURCHASE OF NEW TRUCK FOR WATER DEPARTMENT – Mr. Mallory presented the bids received:

Bidder	Vehicle Description	Bid Price
Recent Bid:		
John Crow Pontiac Buick GMC Canton	2001 1500 GMC	\$15,710.04
Prior Bids:		
Pegues-Hurst Motor Co Longview, Texas	2001 Ford F150 w/chrome bumpers	\$16,824.75
Pegues-Hurst Motor Co Longview, Texas	2001 Ford F150 w/o chrome bumpers	\$16,496.75
Canton Motors Canton, Texas	2001 1/2 ton 4x2 Dodge	\$17,497.00
Barrett GMC Tyler, Texas	2000 GMC	\$17,895.00
Barrett GMC Tyler, Texas	2001 GMC	\$17,400.00

Councilmember Wilson questioned whether the truck in the bid from Crow Pontiac had an automatic or standard transmission. After reviewing the bid, it was determined that the Crow bid was for an automatic transmission. Councilmember Wilson moved that the bid be awarded to Crow Pontiac for a 2001 1500 GMC pickup subject to confirmation that the truck will have an automatic transmission. Councilmember Sanford seconded, and all voted in favor.

DISCUSS AND CONSIDER APPROVAL OF ENFORCEMENT ORDER FROM TEXAS NATURAL RESOURCE AND CONSERVATION COMMISSION – Mr. Mallory explained that the TNRCC has levied an administrative penalty against the City for failure to provide enough licensed water operators. He noted that the City was not allowed credit for the license of Public Works Director Pete Lucas since he is not regularly at the water plant. Mr. Mallory said the City will request authority to apply the administrative penalty to a supplemental environmental project. Councilmember Roberts noted that there are other employees in the process of obtaining licenses. Mr. Mallory said another operator was hired approximately five months ago which was acknowledged in TNRCC's proposed Agreed Order. Councilmember Pruitt said the City has

some pretty serious water and sewer problems and recommended that the Council schedule a Saturday workshop to review those matters. Councilmember Roberts asked whether the new employee had been included in the new budget, and Mr. Mallory confirmed that the position was included. Mr. Mallory said he tried to keep the number of employees down; however, the City cannot work that way especially with technical people. Councilmember Pruitt moved that the Agreed Order be approved and the expenditure of \$2,625.00 be authorized in payment of the administrative penalty levied by TNRCC. Councilmember Hutcherson seconded, and all voted in favor.

DISCUSS AND CONSIDER ADOPTION OF ORDINANCE DESIGNATING DUTIES OF FIRE MARSHAL – Mr. Mallory told the Council that the City's current ordinance was adopted in 1952 and needed to be updated. Councilmember Sanford moved that the following ordinance be adopted:

ORDINANCE NO. 2000-13

AN ORDINANCE ESTABLISHING THE OFFICE OF FIRE MARSHAL, PRESCRIBING THE DUTIES THEREOF, REAFFIRMING ADOPTION OF THE STANDARD FIRE PREVENTION CODE; PROVIDING FOR ENFORCEMENT AND ADMINISTRATION OF PROVISIONS OF SAID CODE; PROVIDING A PENALTY NOT TO EXCEED \$500.00 FOR EACH VIOLATION THEREOF; PROVIDING FOR PUBLICATION AND ORDAINING OTHER MATTERS RELATED TO THE FOREGOING.

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

SECTION 1. OFFICE OF FIRE MARSHAL CREATED

The office of Fire Marshal is hereby created. The office shall be independent of other municipal departments.

SECTION 2. APPOINTMENT OF FIRE MARSHAL.

The Fire Marshal shall be appointed by the Mayor, subject to confirmation by the Council. The Fire Marshal shall be properly qualified for the duties of the office and shall be removed only for cause. The Fire Marshal shall receive such compensation as provided for by the Council.

SECTION 3. DUTY TO INVESTIGATE FIRES

The Fire Marshal shall investigate the cause, origin, and circumstances of every fire occurring within the municipality by which property has been destroyed or damaged. Such investigation shall be commenced within 24 hours, not including Sunday, of the occurrence of such fire.

SECTION 4. AUTHORITY TO TAKE TESTIMONY

When in his or her opinion further investigation is necessary, the Fire Marshal shall take or cause to be taken the testimony, on oath, of all persons thought to be cognizant of any facts or to have knowledge relative to the matter under investigation and shall cause the same to be reduced to writing.

SECTION 5. POWER TO SUMMON WITNESSES.

The Fire Marshal shall have the power to summon witnesses to testify relative to any matter which is a subject of investigation and may require the production of any document deemed pertinent thereto. The Fire Marshal is hereby authorized and empowered to administer oaths and affirmation to any persons appearing before him or her as witnesses.

SECTION 6. INVESTIGATIONS MAY BE PRIVATE.

All investigations held by or under the direction of the Fire Marshal may, in his or her discretion, be private. Persons other than those required to be present may be excluded from the place where such investigation is held and witnesses may be kept separate and apart from each other and not allowed to communicate with each other until they have been examined.

SECTION 7. FILING CRIMINAL CHARGES.

If the Fire Marshal shall be of the opinion that there is evidence sufficient to charge any person with the crime of arson, or with the attempt to commit the crime of arson, or of conspiracy to defraud or criminal conduct in connection with any fire, he or she shall cause such person to be lawfully arrested and charged with such offense, and shall furnish to the proper prosecuting attorney all such evidence, together with the names of witnesses and all the information obtained by him or her, including a copy of all pertinent and material testimony taken.

SECTION 8. REFUSAL TO PROVIDE TESTIMONY OR EVIDENCE UNLAWFUL.

Any witness who refuses to be sworn, or who refuses to appear or testify, or who disobeys any lawful order of the Fire Marshal or who fails or refuses to produce any document touching any matter under examination, or who is guilty of any contemptuous conduct during any of the proceedings of the Fire Marshal in the matter of such investigation or inquiry, after being summoned to give testimony in relation to any matter under investigation, shall be deemed guilty of a misdemeanor. It shall be the duty of the Fire Marshal to cause all such offenders to be prosecuted.

SECTION 9. AUTHORITY TO ENTER BUILDINGS WHERE FIRE OCCURRED.

When necessary in the performance of his or her duties, the Fire Marshal shall have the authority to enter upon and examine any building or premises where any fire has occurred, and other buildings and premises adjoining or near the same, which authority shall be exercised only with reason and good discretion.

SECTION 10. INSPECTIONS GENERALLY.

The Fire Marshal shall have the right at all reasonable hours, for the purpose of examination, to enter into and upon all buildings and premises within the municipality. It shall be his or her duty to enter upon and make or cause to be entered upon and make a thorough examination of all mercantile, manufacturing and public buildings together with the premises belonging thereto. Whenever he or she shall find any building or other structure which is especially liable to fire and which is so situated as to endanger other buildings or property, or so occupied that the fire would endanger other persons or property therein, and whenever he or she shall find an improper or dangerous arrangement of stoves, ranges, furnaces, or other heating appliances of any kind whatsoever, including chimneys, flues and pipes with which the same may be connected, or a dangerous arrangement of lighting devices or electrical wiring or a dangerous or unlawful storage of explosives, compounds, petroleum, gasoline, kerosene, dangerous chemicals, vegetable products, ashes, combustible, flammable refuse materials, wastepaper, rags, or other conditions which may be dangerous in character or liable to cause or promote fire or create conditions dangerous to firefighters combatting a fire or to occupants, he or she shall order the same to be removed or remedied, and such order shall be forthwith complied with by the owner or occupant of the building or premises. If the owner or occupant deems himself or herself aggrieved by such order, he or she may, within five days, appeal such order to the Mayor, who shall investigate the cause of the complaint and, unless such order is revoked by the Mayor, such order shall remain in force and be forthwith complied with by the owner or occupant. Any owner or occupant who fails to comply with such order within a ten day period from the date of such notice shall be deemed guilty of a misdemeanor.

SECTION 11. FIRE RECORDS TO BE KEPT.

The Fire Marshal shall keep in his or her office a record of all fires, together with all facts, statistics and circumstances, including the origin of the fires and the loss amounts, which may be determined by the investigation required by this chapter.

SECTION 12. MONTHLY REPORTS TO STATE FIRE MARSHAL.

At the end of each month, the Fire Marshal shall report to the State Fire Marshal all existing hazardous conditions together with a separate report on each fire in the municipality during the month.

SECTION 13. ADOPTION OF THE STANDARD FIRE PREVENTION CODE - 1997 ED.

The City of Canton has previously adopted the Standard Fire Prevention Code - 1997 Edition for the purpose of prescribing regulations governing conditions hazardous to life and property from fire or explosion. The adoption of such Code is hereby ratified and affirmed. The provisions of the Standard Fire Prevention Code shall be

controlling and apply to the repair, equipment, use and occupancy, and maintenance of every existing building or structure within the municipality.

SECTION 14. PENALTY

Any person, firm or corporation found guilty of violating any of the provisions of this ordinance shall be subject to a fine of not less than \$5.00 and not more than \$500.00 for each offense, together with the costs of such prosecution. Any person violating any provision of this ordinance may in addition to a fine or in lieu of a fine be imprisoned for not more than six months. Each day during which a violation continues shall be considered a separate offense.

SECTION 15. EFFECTIVE DATE

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 as of the date of publication, and thereafter. All ordinances or parts of ordinances conflicting with any of the provisions of this ordinance are hereby repealed.

SECTION 16. SAVINGS CLAUSE.

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.

Councilmember Hutcherson seconded, and all voted in favor

DISCUSS AND CONSIDER APPOINTMENT OF FIRE MARSHAL – Mr. Mallory told the Council that Canton resident Craig Mattingly had agreed to serve in the capacity of Fire Marshal. Councilmember Pruitt moved that Craig Mattingly be appointed to serve as Canton's Fire Marshal. Councilmember Hutcherson seconded, and all voted in favor

DISCUSS AND CONSIDER APPROVAL OF SALARY FOR MAIN STREET MANAGER – Mr. Mallory told the Council he had met with Jim Stephens and agreed on an hourly wage of \$7.88 for the remainder of the fiscal year. He noted that this rate was based on the amount budgeted for Main Street which was one-half of the annual Main Street budget. He explained that Mr. Stephens will be a full-time, exempt employee. Councilmember Sanford moved that Mr. Stephens' hourly wage rate be set at \$7.88 for the remainder of the current fiscal year. Councilmember Roberts seconded, and all voted in favor.

DISCUSS AND CONSIDER APPROVAL OF BYLAWS FOR MAIN STREET – Councilmember Pruitt moved that the proposed Bylaws for Main Street be approved. Councilmember Hutcherson seconded, and all voted in favor.

DISCUSS AND CONSIDER ADOPTION OF ORDINANCE GRANTING FRANCHISE TO EAST TEXAS CABLE – Mr. Mallory told the Council that the terms of the new ordinance had not yet been worked out and requested that the Council extend the franchise agreement for an additional sixty days. Councilmember Pruitt moved that the franchise agreement with East Texas Cable Company be extended for an additional sixty days under the current terms and conditions. Councilmember Wilson seconded, and all voted in favor

DISCUSS AND CONSIDER AUTHORIZATION OF EXPENDITURE FOR SIGNS FOR TRADE CENTER PAVILIONS AT FIRST MONDAY – Councilmember Pruitt told the Council that he had asked First Monday General Manager Al Campbell to obtain pricing for signage on the Trade Center pavilions similar to the new signs on The Arbors. Mr. Campbell reported that the following prices had been received for 30” plastic lettering to be placed on both ends of the three pavilions:

The Sign Express Winnsboro, Texas	\$8,945.40
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Lone Star Sign Service Canton, Texas	\$8,100.00
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Councilmember Pruitt moved that signage and installation be purchased from Lone Star Sign Service at a cost of \$8,100.00. Councilmember Sanford seconded. The motion carried with Councilmember Roberts being the only vote against the motion. Councilmember Roberts said he felt some work needed to be done at First Monday such as repair to concrete walkways.

EXECUTIVE SESSION FOR CONSULTATION WITH ATTORNEY REGARDING W & W LAND COMPANY VS CITY OF CANTON, ET AL (Section 551.071) - Mayor Hackney announced that the attorney representing the City in the W & W Land Company suit would be unable to attend the Council’s meeting due to inclement weather. Therefore, the Executive Session for consultation with attorney was not held.

EXECUTIVE SESSION FOR DELIBERATIONS REGARDING PERSONNEL MATTERS (Section 551.074) REGARDING POLICE DEPARTMENT - The Council adjourned into Executive Session at 7:40 p.m. to discuss personnel matters in the City’s Police Department.

RECONVENE TO OPEN SESSION AND CONSIDER ACTION, IF ANY, ON ITEMS DISCUSSED IN EXECUTIVE SESSION – At 7:45 p.m., the Mayor Hackney announced that the Council had returned to Open Session to consider revisions to the Police Department’s organizational chart and would return to Executive Session to consider Police Department personnel matters, if necessary.

DISCUSS AND CONSIDER ADOPTION OF RE-ORGANIZED ORGANIZATIONAL CHART FOR CANTON POLICE DEPARTMENT – The Council reviewed the following documents in considering the organizational structure of the Police Department:

2001 BUDGET WORKSHEET - FINAL

Sept 16, 2000

Emp #	Name	Current Title	GL #	Current Level	Current Monthly	Current Per Hour	Proposed Monthly	Prop. Hourly	% Raise	Proposed Annual (no OT)	Stability	First Monday Check	Grand Total
444	David Hammonds	Chief	03-800-1010 01-200-1010	12/7	2,866.00	\$16.53	2,952.00	\$17.03	3.00	35,424.00	681.23	4,200	40,305.23
621	Ron Carroll	Lieutenant		11/9	2,852.00	\$16.45	2,936.00	\$16.94	2.95	35,232.00	677.54		35,909.54
630	Ron York	Lieutenant	7%	11/8	2,767.00	\$15.96	2,850.00	\$16.44	3.00	34,200.00	657.69		34,857.69
660	Mike Echols	Sergeant	03-800-1020	10/8	2,460.00	\$14.19	2,534.00	\$14.62	3.01	30,408.00	584.77		30,992.77
661	Steve Thompson	Sergeant		10/8	2,460.00	\$14.19	2,534.00	\$14.62	3.01	30,408.00	584.77		30,992.77
478	Kelly Smith	Investigator	93%	10/4	2,185.00	\$12.61	2,388.00	\$13.78	9.29	28,656.00	551.08		29,207.08
605	Charlie Brown	Patrolman 2	01-200-1020	9/10	2,414.00	\$13.93	2,532.00	\$14.61	4.89	30,384.00	584.31		30,968.31
695	Steve Hall	Patrolman 2		9/9	2,344.00	\$13.52	2,414.00	\$13.93	2.99	28,968.00	557.08		29,525.08
340	Brad Allison	Patrolman 1		8/12	2,284.00	\$13.18	2,414.00	\$13.93	5.69	28,968.00	557.08		29,525.08
465	Rolando Rubio	Patrolman 1		8/12	2,284.00	\$13.18	2,414.00	\$13.93	5.69	28,968.00	557.08		29,525.08
470	Michel Abio	Patrolman 1		8/12	2,284.00	\$13.18	2,353.00	\$13.58	3.02	28,236.00	543.00		28,779.00
494	Derek Heifner	Patrolman 1		8/12	2,284.00	\$13.18	2,353.00	\$13.58	3.02	28,236.00	543.00		28,779.00
545	Michael King	Patrolman 1		8/12	2,284.00	\$13.18	2,353.00	\$13.58	3.02	28,236.00	543.00		28,779.00
	New	Patrolman 1					2,153.00	\$12.42		25,836.00			25,836.00
290	Denise Proctor	Admn Clerk	01-200-1020	4/11	1,613.00	\$9.31	1,661.00	\$9.58	2.98	19,932.00	383.31		20,315.31
275	Karen Thompson	Dispatcher	01-200-1020	4/9	1,520.00	\$8.77	1,599.00	\$9.23	5.20	19,188.00	369.00		19,557.00
570	Margaret Harley	Dispatcher	01-200-1020	4/8	1,476.00	\$8.52	1,520.00	\$8.77	2.98	18,240.00	350.77		18,590.77
	New (Kelsha quit)	Dispatcher	01-200-1020	4/6	1,391.00	\$8.03	1,433.00	\$8.27	3.02	17,196.00	137.41		17,333.41
636	Kyle McCienny	Disp 2-2-00	01-200-1020	4/6	1,391.00	\$8.03	1,433.00	\$8.27	3.02	17,196.00	218.40		17,414.40
740	Robert Dearing	Dispatcher	01-200-1020	4/5	1,351.00	\$7.79	1,391.00	\$8.03	2.96	16,692.00	66.00		16,758.00
	part-time	Disp 20 hrs/wk	01-200-1030	4/7						8,860.00			8,860.00
	2nd part-time	Disp 20 hrs/wk	01-200-1030							8,860.00			8,860.00
442	Donald Wilhite	Animal 6-5-00	01-200-1020	3/8	1,390.00	\$8.02	1,431.00	\$8.26	2.95	17,172.00	105.30		17,277.30

TOTAL 578,947.80

*****NOTE: Jack Stroud retired/added one new at patrol rate

01-200-1010	\$36,105.23
01-200-1020	\$493,365.22
01-200-1030	\$17,720.00
03-800-1010	\$4,200.00
03-800-1020	\$27,557.35
	<u>\$578,947.80</u>

Investigator
K Smith
\$ 28,656.00
\$ 551.08
\$ 29,207.08
9.29%

Chief
Hammonds
\$35,424.00
\$ 681.23
\$ 4,200.00
\$40,305.23
3%

(prev promoted March 99)

CID
C Brown
\$ 30,384.00
\$ 584.31
\$ 30,968.31
4.89%

Lieutenant
R York
\$34,200.00
\$ 657.69
\$34,857.69
3%

(prev promoted March 99)

Sgt
Echois
\$30,408.00
\$ 584.77
\$30,992.77
3.01%

Sgt
Thompson
\$30,408.00
\$ 584.77
\$30,992.77
3.01%

Sgt
Ron Carroll
\$ 35,232.00
\$ 677.54
\$ 35,909.54
2.95%

(prev promoted March 99)

Patrol 1
Abio
\$28,236.00
\$ 543.00
\$28,779.00
3.02%

Patrol 2
S Hall
\$ 28,968.00
\$ 557.08
\$ 29,525.08
2.99%

Patrol 1
King
\$28,236.00
\$ 543.00
\$28,779.00
3.02%

Patrol 2
Rubio
\$28,968.00
\$ 557.08
\$29,525.08
5.69%

Patrol 1
Heifner
\$28,236.00
\$ 543.00
\$28,779.00
3.02%

Patrol 2
Allison
\$28,968.00
\$ 557.08
\$29,525.08
5.69%

Patrol 1
New
\$ 25,836.00
\$ 25,836.00

Current 3% budget
\$404,415.23
w/o Stroud

Total
Plan "D"
\$ 433,981.62
restructured office - 3 sgts.
Difference
\$ 29,566.39

Note: J Stroud \$34,882 in current yr budget

Investigator
K Sinilly
\$ 28,656.00
\$ 551.08
\$ 29,207.08
9.29%

Chief
Hammonds
\$ 35,424.00
\$ 681.23
\$ 4,200.00
\$ 40,305.23
3%

(prev promoted March 99)

CID
C Brown
\$ 30,384.00
\$ 584.31
\$ 30,968.31
4.89%

Lieutenant
R York
\$ 34,200.00
\$ 657.69
\$ 34,857.69
3%

(prev promoted March 99)

Sgt.
Echois
\$ 30,408.00
\$ 584.77
\$ 30,992.77
3.01%

Sgt.
Thompson
\$ 30,408.00
\$ 584.77
\$ 30,992.77
3.01%

Sgt.
\$ 29,520.00
\$ 567.69
\$ 30,087.69

(prev promoted March 99)

Patrol 1
Abio
\$ 28,236.00
\$ 543.00
\$ 28,779.00
3.02%

Patrol 2
S Hall
\$ 28,968.00
\$ 557.08
\$ 29,525.08
2.99%

Patrol 1
King
\$ 28,236.00
\$ 543.00
\$ 28,779.00
3.02%

Patrol 2
Rubio
\$ 28,963.00
\$ 556.98
\$ 29,519.98
5.69%

Patrol 1
Heifner
\$ 28,236.00
\$ 543.00
\$ 28,779.00
3.02%

Patrol 2
Allison
\$ 28,963.00
\$ 556.98
\$ 29,519.98
5.69%

Patrol 1
New
\$ 25,836.00
\$ 25,836.00

Current 3% budget
\$ 404,415.23
w/o Stroud

Total
Plan "E"
restructured office - 3 sgts
Difference
\$ 23,734.35

Note: J Stroud \$34,882 in current yr budget

Councilmember Roberts asked Police Chief David Hammond whether he had seen these documents, and he confirmed that he had and that the Reorganization Chart presented was what he wanted the Council to approve. His proposed re-organization plan eliminated the lieutenant's position held by Ron Carroll and added a third sergeant's position. The plan also added a new position for a CID officer which has been filled by Charlie Brown.

Councilmember Wilson asked Chief Hammond the primary reason for making the change. Chief Hammond said he did not feel like the Department needed two lieutenants. When asked why by Councilmember Wilson, Chief Hammond said it was easier, shift-wise, to have three sergeants and re-stated that he just did not think he needed two lieutenants. Councilmember Wilson asked if the re-alignment offered any savings to the City, and Chief Hammond responded that the savings would depend on what the Council did with the salary of Ron Carroll.

Mayor Hackney asked whether the re-alignment would put more people on the street, and Chief Hammond said it would not. Councilmember Wilson asked if the new structure offered a career path for anyone, and Chief Hammond said that would be the case only if someone retires. Councilmember Roberts asked whether it would be easier to promote under the new alignment such as moving a Patrolman 2 up to Sergeant, and Chief Hammond said he did not know unless a sergeant left and a corporal could move up. Mayor Hackney asked Chief Hammond what the advantage would be to the new organization of the department. Chief Hammond responded that he just did not think he needed two lieutenants. Councilmember Sanford said the re-alignment would put a sergeant on each shift.

Mayor Hackney referred to the Budget Worksheet and asked if the salary plan set out in the worksheet was the plan Chief Hammond planned to use. Chief Hammond said he did not think the third sergeant's position should make that much more than the other two sergeants. Mayor Hackney said there had to be respect for the individual being moved since a cut in pay of this size could force him into bankruptcy. Councilmember Roberts said he thought a lot of the problems had generated over the last five or six years. He said he had a problem with the re-organization in that the sergeants' salaries should be in line.

Councilmember Wilson stated that, in looking at the proposed re-organization, he felt the reasoning behind it was to eliminate a person and not to eliminate a position. In response to questioning by Councilmember Hutcherson, Chief Hammond said that Sgt. Echols had worked for the City 10 or 12 years, Sgt. Thompson had been with the City a little less than that, and Ron Carroll had been with the City seven years. Councilmember Roberts said he felt if the City Manager came to the Council, it was the Council's responsibility to back him. He said he felt the same about the Police Chief. Mayor Hackney asked what the benefit of the reorganization would be. Councilmember Roberts said it would put a supervisor on duty.

Councilmember Roberts then told Chief Hammond he could expect a real problem if there was not someone in a supervisory capacity on duty should a problem arise. Councilmember Wilson told Chief Hammond he needed to have a supervisor on duty at all time and, in the event there was not one on duty, the Chief should not leave town. Councilmember Pruitt said that brought up a recent problem that should be addressed referring to a bomb threat when the patrol officer on duty could not locate a supervisor. Councilmember Wilson said when things like that happen, it made him question whether the Chief had chosen the right person to be the department's

lieutenant. Chief Hammond said Lt. York had gone to Tyler to check on a member of the department. Councilmember Roberts said he agreed that the department needed to look after its people but the priority should be family first and second should be the citizens of Canton. Chief Hammond said he had talked with Lt. York, and he did not think the situation would happen again. In reference to Councilmember Wilson's remarks, Councilmember Roberts said, until the Chief decides he wants someone else as Lieutenant, the Council has to back the Chief.

Councilmember Roberts moved that the Council adopt Plan D with all sergeants' base salaries to be \$30,408.00 effective January 1, 2001. Mayor Hackney questioned taking this action when other City employees who stepped down did not lose their salary. He said he could see a legal problem there. Councilmember Wilson said he was adamantly opposed to adjusting any salary of any officer currently in place. Councilmember Roberts said he did not think the Council could approve a chart of reorganization with that much difference between the sergeants' salaries. He said he felt it would cause morale problems within the Department. Councilmember Roberts said he would take the names off the organizational chart, and it would be the Chief's duty to assign the positions.

Councilmember Roberts re-urged his motion, and there was no second. Councilmember Sanford said the Council needed to think this matter over more. Councilmember Hutcherson said she could not agree to one sergeant making a different salary. Councilmember Roberts said it was his motion to set the salaries at the same level. Councilmember Sanford said there were basically three choices: cut the third sergeant's salary, don't cut the salary, or meet in the middle. Councilmember Pruitt suggested that the Safety Committee meet and come back to present a plan to the Council.

Councilmember Pruitt then requested that the Council adjourn to an executive session with only Council members present. The Council adjourned to executive session at 8:15 p.m.

At 8:25 p.m., the Council returned to open session. Councilmember Roberts moved that the Council adopt the new chart of re-organization with the salary of the new sergeant's position set at \$30,408.00 effective January 1, 2001. Councilmember Sanford seconded the motion. Councilmembers Hutcherson, Pruitt, Sanford, and Roberts voted in favor of the motion. Councilmember Wilson voted against the motion. Mayor Hackney stated that he was also opposed to the motion. The motion carried.

EXECUTIVE SESSION FOR DELIBERATIONS REGARDING PERSONNEL MATTERS (Section 551.074) REGARDING POLICE DEPARTMENT - The Council adjourned into Executive Session at 8:30 p.m. to discuss personnel matters in the City's Police Department and to consider the grievance of Ron Carroll.

RECONVENE TO OPEN SESSION AND CONSIDER ACTION, IF ANY, ON ITEMS DISCUSSED IN EXECUTIVE SESSION - At 8:35 p.m., the Council returned to Open Session. Councilmember Wilson said he felt Mr. Carroll was right and that his salary had been budgeted for the current fiscal year. Councilmember Wilson moved that the salary reduction for Mr. Carroll's newly created third sergeant's position not be taken until a new budget cycle and that Ron Carroll's salary be maintained at the current level even though the new organizational chart was approved. The motion died for lack of a second.

Mayor Hackney then told the Council that he had requested that the City Attorney research a matter concerning the Police Department's acquisition of equipment from the Texas Department of Public Safety and passing the equipment on to an employee. Mayor Hackney said he did not want to see the Council held in complicity with that activity. He said the initial response from the DPS is that the property should not have been sold to the public, or to an employee. He said the matter has not yet been resolved

DISCUSSION PERTAINING TO BUSINESS FOR PLACEMENT ON FUTURE AGENDAS –
The Council scheduled a special called workshop for Saturday, January 13, 2001, at 8:00 a m to review water and sewer matters.

ADJOURN – There being no further business to come before the Council, the meeting was adjourned



Don Hackney, Mayor

ATTEST:

Rhita Koches, City Secretary