

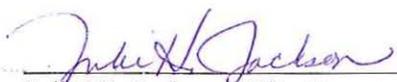
DISCUSSION PERTAINING TO BUSINESS FOR PLACEMENT ON FUTURE AGENDAS – None.

ADJOURN – There being no further business to come before the Council, Councilmember Sanford moved to adjourn at 7:46 p.m. Councilmember Roberts seconded, and all voted in favor.



William F. Hilliard, Mayor

ATTEST:



Julie H. Jackson, City Secretary

REGULAR MEETING OF CANTON CITY COUNCIL
CITY OF CANTON, TEXAS
6:30 P.M., TUESDAY, JANUARY 21, 2003
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 Hilliard, Rusty Wilson, Tommy Roberts and Ron Sanford. Councilmember Raymond Pruitt arrived at 6:40 p.m. Councilmember Beverly Hutcherson was absent.

Discussion and action were as follows:

CALL TO ORDER AND ANNOUNCE QUORUM - Mayor Hilliard called the meeting to order at 6:32 p.m. and declared that a quorum was present.

MAYOR'S WELCOME given by Mayor Hilliard.

INVOCATION given by Jim Stephens.

PLEDGE OF ALLEGIANCE led by Mayor Hilliard.

GUEST ITEMS – Melody Faro made a presentation to the Council which included a statement on the lack of weekend and summer activities for our community's youth other than the two sponsored events in the civic center; statistics on teen pregnancy and alcohol and drug abuse; and photographs of the First Monday Park and the City Parks which she said point out the disparity of funding for First Monday guests versus its citizens. Ms. Faro requested the City make its youth a priority, and to provide them with a YMCA or a community center offering youth programs.

Stephanie Mosier requested the Council consider changes that encourage today's youth to remain and raise families in Canton; to build a community center or allow the youth to use the civic

center; to spend money on the parks and recreational areas; to clean up the park restrooms; and to consider establishing a teen forum which would meet regularly and advise the Council.

Councilmember Roberts asked the staff to look into the condition of the restrooms. Mayor Hilliard instructed the staff to make sure they are clean and open every day, including weekends.

Vince Liebowitz discussed open government, open meetings and open records. He recommended the City seek training on these issues for the members of the Council, the appointed boards and commissions, and the support staff. The Mayor asked the City Manager to look into this recommendation.

DISCUSS AND CONSIDER APPROVAL OF MINUTES FROM DECEMBER 17, 2002 MEETING OF THE CANTON CITY COUNCIL -- Councilmember Sanford moved to approve the minutes of the December 17, 2002 meeting as presented. Councilmember Roberts seconded, and all voted in favor.

DISCUSS AND CONSIDER APPROVAL OF THE DECEMBER 2002 FINANCIAL STATEMENTS – Councilmember Wilson questioned a \$1,000 Cingular Cellular Phone Service bill and the payment of judges. Johnny Mallory was instructed to request detail billing for all cell phone service and to see if the amount of the Cingular bill is correctable. Councilmember Roberts moved to approve the December 2002 Financial Statements. Councilmember Wilson seconded, and all voted in favor.

PRESENTATION BY REPRESENTATIVE OF CONWAY & COMPANY REGARDING 2001-2002 AUDIT – Mike Conway presented the audit findings. He directed the Council to the Independent Auditor's Report giving the City a clean opinion and stating they believe the City's financial statements present fairly the financial position of the City. He reviewed the changes in cash, net assets, debt equity, revenues, and expenses in the general fund. In the proprietary funds, he reported the City's water and sewer fund was showing a deficit and was heavily subsidized by First Monday profits. After a brief review of the City's debt service and future requirements, he concluded by stating the financial reports and internal controls were in compliance in all respects. He said they had made some recommendations which were already being implemented, including following a detailed monthly closing schedule. Mr. Conway thanked the staff for their assistance. Mayor Hilliard requested the Council receive future audit reports in advance so they could be reviewed prior to approval.

DISCUSS AND CONSIDER APPROVAL OF 2001-2002 AUDIT – Councilmember Sanford made the motion to approve the 2001- 2002 Audit. Councilmember Wilson seconded, and all voted in favor.

UPDATE FROM THE CANTON CHAMBER OF COMMERCE – Chairman David Barber reminded the Council of the Feb 7-9 and Feb 14-16 trade shows in Houston and Fort Worth at which the Chamber and City would be hosting a booth; invited Councilmembers to the March 13th annual awards banquet featuring J.B. Smith as the guest speaker; reported future Chamber Board meetings would be held at the Holiday Inn Express conference room; and informed the Council the Chamber was working to increase its visibility by speaking to local organizations and participating in community and organizational meetings, such as the Rotary, Lions, Main Street and Heart of Canton meetings.

DISCUSS AND CONSIDER REQUESTS FROM JOHN WARREN AND CHARLES HUDDLE TO DISSANEX PROPERTY FROM THE CITY LIMITS – Councilmembers questioned why the property owners wanted to disannex. John Warren stated his main complaint was the City's inconsistency, referring to agreements for water lines in the Lake Meadows Addn. versus the Mill Creek Addn. which he developed, and the inability to get sewer to his current property. He said when he first talked to the City about bringing sewer to the property, the estimated cost to him was going to be \$18,000, none of which the City was willing to bear. Councilmember Roberts pointed out that the previous owner agreed to put in the sewer line at the time he requested annexation, and that Mr. Warren bought the property knowing that. Charles Huddle said in addition to the lack of sewer, he was restricted from building within 25' of his own adjoining property because it was zoned residential. He was then instructed he could apply for a variance. Councilmember Pruitt recommended the City put in the sewer line or let them disannex. Councilmember Roberts was hesitant to set a precedent for disannexation as several other properties in the city limits did not have sewer service. Upon questioning, Mr. Warren stated he had just paid \$62,000 in sales tax, of which the city received 2%. Mayor Hilliard asked Mr. Warren to provide the sales tax figures to the City. Councilmember Roberts asked Mr. Warren and Mr. Huddle to allow the City time to determine the possibility of providing sewer to the property. Mr. Warren stated he would rather be disannexed. Consideration was continued to the next meeting.

DISCUSS AND CONSIDER COMMENTS BY MIKE TURRENTINE REGARDING FIRST MONDAY MATTERS – In Mr. Turrentine's absence, the item was dropped.

DISCUSS AND CONSIDER APPOINTMENT TO FILL A VACANCY ON THE PLANNING AND ZONING COMMISSION – Upon Councilmember Roberts' recommendation, the item was tabled to the next meeting.

DISCUSS AND CONSIDER APPROVAL OF AGREEMENT BETWEEN TRINITY VALLEY COMMUNITY COLLEGE AND THE CANTON FIRE ACADEMY – Fire Chief Brian McNevin reported that the Canton Fire Academy had arranged for a \$1,000,000 liability insurance policy through Volunteer Firemen's Insurance Services at a cost of \$500 for twelve months to be paid with Fire Academy funds. He also reported having submitted an \$18,580 tentative budget to Trinity Valley Community College, which was not yet approved. Gayla Roberts with the College said they usually build in indirect expenses, but the submitted budget was workable. Chief McNevin stated they expected to charge \$1,000 for tuition, and the instructors' fees would run \$21 per hour for 720 hours for a primary instructor, and \$10 per hour for 240 hours for an assistant. Councilmember Pruitt moved to approve the agreement as presented. Councilmember Sanford seconded, and all voted in favor.

DISCUSS AND CONSIDER AMENDING THE SEWER RATES TO INCLUDE A MONTHLY SURCHARGE FOR RV CAMPSITES – Upon Johnny Mallory's recommendation, Councilmember Wilson moved to approve a \$0.20 per 1000 gallon sewer surcharge on all meters supplying RV campsites. Councilmember Pruitt seconded, and all voted in favor.

DISCUSS AND CONSIDER ISSUING \$2,000,000 CERTIFICATES OF OBLIGATION FOR EXPANSION OF WATER AND SEWER PLANTS – Johnny Mallory asked the Council to authorize the issuance of \$2,000,000 certificates of obligation to fund the water and sewer plant expansion. Councilmember Pruitt pointed out that the Council last discussed including another \$1,000,000 for street projects. Mr. Mallory said it was critical that the plant expansion projects begin or the City would be facing heavy fines. Councilmember Roberts said he would like to see

it all in one package. Mayor Hilliard questioned whether \$2,000,000 would take care of the sewer plant. Mr. Mallory said they had been presented numerous budgets, but \$2,000,000 was what the City needed to work within. Upon questioning, Mr. Mallory said the City could afford \$2,000,000 10-year certificates of obligation or \$3,000,000 15-year certificates of obligation. Councilmember Wilson asked how long the upgrades would be adequate. Mr. Mallory stated he was aiming for fifteen years before additional major capital improvements would be necessary. Upon questioning by the Mayor, Mr. Mallory said the Wynne Community sewer project had negligible impact on the sewer system. He stated that infiltration was the biggest problem, but that was gradually being taken care of. Mr. Mallory explained the sewer expansion was necessary because more sewer was being treated than allowed by its permit, and the water expansion was necessary to meet the newly-adopted stricter guidelines for disinfection. Councilmember Pruitt recommended reinstating a city property tax to pay for street improvements. After a brief discussion, Councilmembers seemed willing to put the issue of a property tax before the citizens for a vote. Mayor Hilliard suggested putting the issuance of certificates of obligation to a public vote also. After a brief discussion on the amount to be issued and clarification from Ed Moore that the only action required on this agenda was to authorize the publication of a notice in the paper, Councilmember Pruitt moved to approve a resolution authorizing the City Secretary to publish in the local paper on January 30 and February 6 a notice of intention to issue \$3,000,000 combination tax and revenue certificates of obligation, series 2003--\$2,000,000 for water and sewer expansion and \$1,000,000 for street projects. Councilmember Roberts seconded, and all voted in favor. Mr. Moore said the Council would review bids and make a decision on the issuance of the certificates of obligation at its regular meeting in February. Mayor Hilliard reiterated his belief that the people needed to be given a choice on the issue. Ed Moore also requested approval of a resolution declaring expectation to reimburse expenditures for water and sewer expansion with proceeds from the obligations. Councilmember Pruitt so moved. Councilmember Sanford seconded, and all voted in favor.

DISCUSS AND CONSIDER APPROVAL OF FINANCIAL ADVISORY CONTRACTS WITH SWS SECURITIES, INC. – After a brief discussion of the \$18,800 advisory fee for a \$3,000,000 issuance, plus bond attorneys fees, Councilmember Wilson moved to approve the financial advisory contract with SWS Securities, Inc. Councilmember Sanford seconded, and all voted in favor.

DISCUSS AND CONSIDER SWITCHING ELECTRIC SERVICE PROVIDERS – Councilmember Roberts moved to table the item for six months to allow for the natural gas prices to stabilize.

DISCUSS AND CONSIDER SALE OF SURPLUS EQUIPMENT TO PURCHASE CITY TRUCK FOR FIRST MONDAY DEPARTMENT – Councilmember Pruitt told the Council he asked the staff to compile a list of surplus equipment that could be sold to fund the purchase of a vehicle for the First Monday grounds supervisor. He recommended the City advertise the sale of surplus equipment and look for a cab and chassis for Lonnie Cluck.

DISCUSS AND CONSIDER AWARDING BID FOR ROOF OVER CITY HALL – Johnny Mallory presented two bids from roofers. He explained that one included the cost of moving the roof-top air-conditioning units while the other did not. Councilmember Roberts suggested Johnny Mallory and Councilmember Sanford talk to both bidders regarding the A/C units and also how they plan to tie into adjoining structures, then report back at the next meeting.

EXECUTIVE SESSION FOR DELIBERATIONS REGARDING PERSONNEL MATTERS (Section 551.074) – CONTINUE COMPILATION OF CITY MANAGER’S REVIEW - The City Council convened in executive session at 8:07 p.m. to discuss the city manager’s evaluation.

RECONVENE TO OPEN SESSION AND CONSIDER ACTION, IF ANY, ON ITEMS DISCUSSED IN EXECUTIVE SESSION – The Council reconvened in open session at 8:19 p.m. with no action taken.

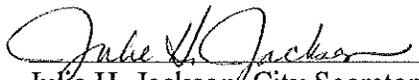
DISCUSSION PERTAINING TO BUSINESS FOR PLACEMENT ON FUTURE AGENDAS – None.

ADJOURN – There being no further business to come before the Council, Councilmember Sanford moved to adjourn at 8:20 p.m. Councilmember Pruitt seconded, and all voted in favor.



William F. Hilliard, Mayor

ATTEST:



Julie H. Jackson, City Secretary

CALLED MEETING OF CANTON CITY COUNCIL
CITY OF CANTON, TEXAS
9:30 A.M., SATURDAY, FEBRUARY 8, 2003
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 Hilliard, Rusty Wilson, Tommy Roberts, Ron Sanford, and Beverly Hutcherson. Councilmember Raymond Pruitt arrived at 10:05 a.m.

Discussion and action were as follows:

CALL TO ORDER AND ANNOUNCE QUORUM - Mayor Hilliard called the meeting to order at 9:30 a.m. and declared that a quorum was present.

EXECUTIVE SESSION FOR DELIBERATIONS REGARDING PERSONNEL MATTERS (Section 551.074) – CONTINUE COMPILATION OF CITY MANAGER’S REVIEW - The City Council convened in executive session at 9:31 a.m. to discuss the city manager’s evaluation. Councilmember Pruitt arrived at 10:05 a.m.

RECONVENE TO OPEN SESSION AND CONSIDER ACTION, IF ANY, ON ITEMS DISCUSSED IN EXECUTIVE SESSION – The Council reconvened in open session at 11:40 a.m. with no action taken.

ADJOURN – There being no further business to come before the Council, the meeting was adjourned at 11:40 a.m.


 William F. Hilliard, Mayor

ATTEST:

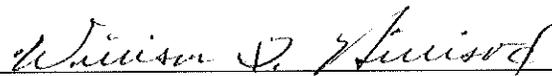

 Julie H. Jackson, City Secretary

CALLED MEETING OF CANTON CITY COUNCIL
 CITY OF CANTON, TEXAS
 9:30 A.M., MONDAY, FEBRUARY 17, 2003
 CITY HALL, 290 E. TYLER STREET
 CANTON, TEXAS

Members of the Canton City Council and the Board of Directors of the Economic Development Corporation were invited to join the Planning & Zoning Commission for a called meeting to be held at City Hall, 290 East Tyler Street, Canton, Texas, on Monday, February 17, 2003, at 9:30 a.m.

Discussion and action were as follows:

CALL TO ORDER AND ANNOUNCE QUORUM - The meeting was not called to order for lack of a quorum. Mayor William F. Hilliard joined the Planning & Zoning Commission for a presentation by Dan Sefko, Dunkin, Sefko & Associates, regarding the development of a Comprehensive Zoning Plan.


 William F. Hilliard, Mayor

ATTEST:


 Julie H. Jackson, City Secretary

REGULAR MEETING OF CANTON CITY COUNCIL
 CITY OF CANTON, TEXAS
 6:30 P.M., TUESDAY, FEBRUARY 18, 2003
 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 Hilliard, Ron Sanford, Raymond Pruitt and Beverly Hutcherson. Councilmembers Rusty Wilson and Tommy Roberts were absent.

Discussion and action were as follows:

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

MAYOR'S WELCOME given by Mayor Hilliard.

INVOCATION given by Jim Stephens.

PLEDGE OF ALLEGIANCE led by Mayor Hilliard.

GUEST ITEMS – Mike Blake reserved his comments for the item on the annexation of property.

DISCUSS AND CONSIDER APPROVAL OF MINUTES FROM JANUARY 21, 2003 MEETING OF THE CANTON CITY COUNCIL -- Councilmember Sanford moved to approve the minutes of the January 21, 2003 meeting as presented. Councilmember Pruitt seconded, and all voted in favor.

DISCUSS AND CONSIDER APPROVAL OF THE JANUARY 2003 FINANCIAL STATEMENTS – Councilmember Pruitt moved to approve the January 2003 Financial Statements. Councilmember Hutcherson seconded, and all voted in favor

UPDATE AND CONSIDER REQUEST FROM CANTON CHAMBER OF COMMERCE FOR SPONSORSHIP OF WOMEN'S VISIONS EXPO IN DALLAS – Chairman David Barber reported on the preparations for the March 13, 2002 annual banquet; the implementation of a membership drive; recent appearances before the Lions and Rotary Clubs to improve the Chamber's visibility in the community; and the future ribbon cutting and open house scheduled at noon on February 26 for At Home Healthcare. He also asked the Council to fund a booth at the Womens Visions Expo at Dallas Market Hall August 23-24, 2003. After a brief discussion, Councilmember Pruitt moved to approve a \$1,075 expenditure for the booth space rent and to consider related expenses when they come in. Councilmember Sanford seconded, and all voted in favor. Mr. Barber further related the need for additional brochures. He said the last printing in 1996 cost \$8448 for 200,000 brochures, half of which was paid by the City and half by the Chamber. The Mayor stated it was the consensus of the Council to support the chamber's activities as long as they could see it working.

REVIEW BIDS AND CONSIDER ADOPTION OF ORDINANCE AUTHORIZING THE ISSUANCE AND SALE OF \$3,000,000 CERTIFICATES OF OBLIGATION, SERIES 2003; AND ALL OTHER MATTERS INCIDENT AND RELATED THERETO – Ed Moore reported the upgrade of the City's credit rating from BAA3 to BAA2 by Moody's. He also presented the tabulation of bid results for the certificates of obligation, ranging from 4.17% to 4.59%. He then asked the Council to adopt the ordinance and award the bid to the low-bidder Morgan Keegan at the cost of 4.177217%, stating the funds should be delivered in approximately thirty days. Mayor Hilliard pointed out the City's total indebtedness would increase to \$12,200,000. Councilmember Sanford moved to adopt an ordinance authorizing the issuance and sale of \$3,000,000 Certificates of Obligation, Series 2003, and to award the bid to Morgan Keegan. Councilmember Pruitt seconded and all voted in favor. Mr. Moore presented a \$60,000 good-faith check to the City for deposit in the event Morgan Keegan backed out.

DISCUSS AND CONSIDER ADOPTION OF RESOLUTION STATING INTENT TO REIMBURSE CERTAIN EXPENDITURES WITH PROCEEDS OF CERTIFICATES OF OBLIGATION – Councilmember Pruitt moved to adopt the resolution stating the City's intent to reimburse certain expenditures with the proceeds of the Certificates of Obligation. Councilmember Sanford seconded, and all voted in favor.

DISCUSS AND CONSIDER REQUESTS FROM JOHN WARREN AND CHARLES HUDDLE TO DISANNEX PROPERTY FROM CITY LIMITS – Johnny Mallory reported the cost to install sewer to the properties would be between \$28,000 and \$32,000. Councilmember Pruitt made the motion to furnish sewer to the properties owned by Mr. Warren and Mr. Huddle and to deny their request for disannexation. Councilmember Sanford seconded, and all voted in favor.

DISCUSS AND CONSIDER REQUEST FROM EAST TEXAS SHRINE CLUB FOR AUTHORIZATION TO CONDUCT ON-STREET SOLICITATION AT THE INTERSECTION OF HIGHWAY 64 AND BUFFALO STREET ON AUGUST 29-31, 2003 – Upon Johnny Mallory's recommendation, Councilmember Pruitt moved to approve the request from East Texas Shrine Club to conduct an on-street solicitation at the intersection of Highway 64 and Buffalo Street on August 29-31, 2003. Councilmember Hutcherson seconded, and all voted in favor.

DISCUSS AND CONSIDER ACCEPTANCE OF PETITION FOR ANNEXATION OF 15.70 ACRE TRACT LOCATED ON ETHERIDGE ROAD AT MILL CREEK ROAD OWNED BY H.B. ETHERIDGE – Developer Mike Blake presented the council with a corrected plat and notified them that he was unable to find the City's quit claim deed to a 50'x50' section filed at the County Courthouse. Councilmember Pruitt asked if the City could provide services to the area, to which Mr. Mallory answered yes. Councilmember Sanford then moved to accept the petition for annexation. Councilmember Hutcherson seconded, and all voted in favor. The Mayor set the public hearings for 6:30 p.m. on March 11 and March 18, 2003.

PUBLIC HEARING AND DISCUSS AND CONSIDER RECOMMENDATION OF PLANNING AND ZONING COMMISSION ON REQUEST FROM JAMES H. ASHE FOR ZONING CHANGE AT 1110 SOUTH TRADE DAYS BLVD. FROM SINGLE FAMILY DETACHED RESIDENTIAL (R-1) TO LOCAL BUSINESS DISTRICT (B-1) – Mayor Hilliard opened the Public Hearing and noted that the Planning & Zoning Commission recommended approval of the change. Julie Jackson reported that three of the nine notices to neighboring property owners were returned in opposition of the change. After a brief discussion, Councilmember Sanford moved to approve the Planning & Zoning's recommendation for a zoning change from R-1 to B-1 for the property located at 1110 South Trade Days Blvd. owned by James H. Ashe. Councilmember Hutcherson seconded, and all voted in favor.

CALL OF GENERAL ELECTION FOR MAY 3, 2003 TO ELECT A MAYOR AND TWO COUNCILMEMBERS – Councilmember Pruitt made the motion to approve the order of election calling for a general election to be held May 3, 2003, at the Council Chambers of Canton City Hall, 290 E. Tyler Street, to elect a Mayor and two councilmembers. Councilmember Hutcherson seconded, and all voted in favor.

DISCUSS AND CONSIDER APPOINTMENT TO FILL VACANCY ON THE PLANNING AND ZONING COMMISSION – Councilmember Pruitt moved to appoint Charles Huddle to fill

the vacancy on the Planning & Zoning Commission, after stating that Mr. Huddle was willing to serve. Councilmember Sanford seconded, and all voted in favor.

DISCUSS AND CONSIDER APPOINTMENTS TO BOARD OF DIRECTORS OF CANTON ECONOMIC DEVELOPMENT CORPORATION – Councilmember Pruitt asked that the item be moved to the March Council meeting.

DISCUSS AND CONSIDER APPOINTMENTS TO PLAZA MUSEUM BOARD – Upon the recommendation of Donna Rakestraw, Councilmember Sanford moved to appoint Lucia Deen, Nancy Buchanan, Bobbie Paul and Jill Godwin to the Plaza Museum Board. Councilmember Hutcherson seconded, and all voted in favor.

DISCUSS AND CONSIDER APPROVAL OF MUSEUM CURATOR AGREEMENT – Upon Donna Rakestraw's recommendation, Councilmember Hutcherson moved to approve the agreement with Melissa Lloyd as curator of the Plaza Museum. Councilmember Sanford seconded, and all voted in favor.

DISCUSS AND CONSIDER APPROVAL OF AMENDMENT TO ORDINANCE 92-9 ADOPTING A \$0.20 PER THOUSAND GALLON SEWER SURCHARGE ON METERS THAT SUPPLY RV CAMPSITES – Councilmember Pruitt moved to approve the amendment to Ordinance 92-9 adopting a \$0.20 per thousand gallon sewer surcharge on meters that supply RV campsites. Councilmember Sanford seconded, and all voted in favor.

DISCUSS AND CONSIDER APPROVAL OF PROCLAMATION NAMING MARCH 3-7, 2003 AS TEXAS PUBLIC SCHOOLS WEEK AND URGING ALL CITIZENS TO REAFFIRM THEIR COMMITMENT TO OUR SCHOOLS – Anthony Risner gave a brief history of the Mason's involvement in public education and invited the Councilmembers and public to attend a flag ceremony at 7:45 a.m. March 6, 2003, at the Canton High School. Councilmember Pruitt moved to approve the proclamation naming March 3-7, 2003, as Texas Public Schools Week. Councilmember Hutcherson seconded, and all voted in favor.

DISCUSS AND CONSIDER AWARDING BID FOR RE-ROOFING CITY HALL – Johnny Mallory recommended the council award the bid to Haws Roofing. Councilmember Sanford noted the bid would increase to \$26,700 and maybe to \$27,700 with the changes they requested of the roofer. He then moved to award the bid to Haws Roofing Co. Inc. Councilmember Hutcherson seconded, and all voted in favor.

DISCUSS AND CONSIDER PURCHASE OF GOLF CART FOR FIRST MONDAY PARK – Johnny Mallory recommended the purchase of an additional golf cart for First Monday at the approximate cost of \$5,200. Mayor Hilliard recommended the City check into a golf cart business owned by Mr. Hatfield and some at John Crow Pontiac, but the staff noted after looking at the carts at Crow Pontiac, their preference was for new equipment rather than used. Councilmember Sanford moved to approve the purchase of a new golf cart. Councilmember Hutcherson seconded, and all voted in favor.

DISCUSS AND CONSIDER PURCHASE OF LANDMARK LOG DISPLAY – Councilmember Pruitt made the motion to approve the purchase of a Landmark Log Display at the cost of \$2,000. Councilmember Sanford seconded, and all voted in favor.

DISCUSS AND CONSIDER ANIMAL CONTROL AND HANDICAP SCOOTERS AT THE FIRST MONDAY PARK – Councilmember Pruitt reported receiving several complaints about dogs not being on chains on the First Monday grounds and asked what could be done to enforce

the leash rules. The Council's consensus was for the City to erect additional signs regarding the animal and handicap scooter regulations on the grounds.

MANAGEMENT BRIEFING ON EMERGENCY READINESS AND PROCEDURES, DISCUSS AND CONSIDER ADOPTING RECOMMENDATIONS FROM THE COUNCIL AND WAYS TO MAKE PUBLIC AWARE OF PLANS – Mayor Hilliard stated that the City needed to clarify to the public what plans are in place in the event of a local emergency dealing with national defense. Fire Chief Brian McNevin said he was recently appointed the County's emergency management coordinator and that the City would receive immediate assistance from the County, that 200 state troopers could be in Canton within two hours, and that emergency management guidelines are in place. He recommended the citizens call 9-1-1 in case of an emergency. The Mayor requested the City prepare something the public can read.

DISCUSS AND CONSIDER PROCEDURES FOR RECOGNIZING EMPLOYEES WHO HAVE PASSED AWAY – Mayor Hilliard appointed a committee comprised of himself, Johnny Mallory, Al Campbell, Beverly Hutcherson and Ron Sanford to establish guidelines for honoring City employees who have passed away, such as Pauline Tyler, Rayford Hutcherson, Pat Morris, and Butch Pool.

DISCUSS AND CONSIDER WAYS TO RECOGNIZE PEOPLE THAT STAND OUT IN OUR COMMUNITY – Mayor Hilliard appointed a committee comprised of Donna Rakestraw, Bennie McKnight, Jim Stephens, Julie Jackson and Ron Sanford to establish guidelines for recognizing outstanding citizens and to show the City's appreciation for their works.

DISCUSSION PERTAINING TO BUSINESS FOR PLACEMENT ON FUTURE AGENDAS – Johnny Mallory reminded the Council of the upcoming appointments for the Planning & Zoning Commission and the Board of Adjustment to be made in May. Councilmember Pruitt asked that the appointments to the CEDC Board be placed on the next agenda. Mayor Hilliard requested Jim Stephens head a committee to attract a full-service hospital to Canton for placement on a future agenda.

ADJOURN – There being no further business to come before the Council, Councilmember Sanford moved to adjourn at 7:34 p.m. Councilmember Hutcherson seconded, and all voted in favor.



William F. Hilliard, Mayor

ATTEST:



Julie H. Jackson, City Secretary

CALLED MEETING OF CANTON CITY COUNCIL
CITY OF CANTON, TEXAS
6:30 P.M., TUESDAY, MARCH 11, 2003
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 Hilliard, Rusty Wilson, Tommy Roberts, Ron Sanford, and Raymond Pruitt. Councilmember Beverly Hutcherson was absent.

Discussion and action were as follows:

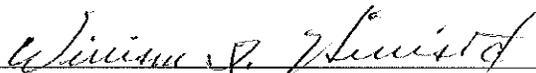
CALL TO ORDER AND ANNOUNCE QUORUM - Mayor Hilliard called the meeting to order at 6:30 p.m. and declared that a quorum was present.

FIRST PUBLIC HEARING ON ANNEXATION OF 15.70 ACRES LOCATED ON ETHERIDGE ROAD AT MILL CREEK ROAD OWNED BY H.B. ETHERIDGE – Mayor Hilliard opened the public hearing at 6:30 p.m. with an explanation of the annexation process. Johnny Mallory further explained that if annexed, the Planning & Zoning Commission would consider the request for residential zoning and make a recommendation for Council approval. Mrs. LouAnn Gullett, neighboring property owner, asked if the purpose was residential, to which Mike Blake, president of Grace Custom Homes, replied that he had a contract on the property to develop 40-50 single family custom homes priced between \$90,000 to \$130,000. Margaret Weldon stated that if annexed, there would be more traffic flowing through the neighborhood. Mike Blake informed those present that he would have a preliminary plat and examples of the homes by the next meeting. He said his company wished to be sensitive to the surroundings and offered his card to anyone who wished to know more about the project. Hearing no further comment, Mayor Hilliard reported the next public hearing to be held March 18th, followed by a vote on the annexation ordinance April 15th. He then closed the public hearing at 6:36 p.m.

DISCUSS AND CONSIDER REQUEST FOR RESERVED PARKING ON SOUTH SIDE OF COURTHOUSE TO BE DESIGNATED FOR SHERIFF'S DEPARTMENT – Johnny Mallory presented the Commissioner's request for two reserved parking spaces on the south side of the courthouse for the transportation of prisoners from the county jail to the courthouse. Councilmember Pruitt expressed concerns over who would police it and Mayor Hilliard requested the spaces be open to the public when court was not in session. Councilmember Roberts said he thought signs were already in place. Mayor Hilliard requested the item be tabled to the next meeting to be determined if spaces were already reserved.

DISCUSSION PERTAINING TO BUSINESS FOR PLACEMENT ON FUTURE AGENDAS – None.

ADJOURN – There being no further business to come before the Council, the meeting was adjourned at 6:40 p.m. on a motion by Councilmember Pruitt and second by Councilmember Roberts.



 William F. Hilliard, Mayor

ATTEST:



 Julie H. Jackson, City Secretary

REGULAR MEETING OF CANTON CITY COUNCIL
CITY OF CANTON, TEXAS
6:30 P.M., TUESDAY, MARCH 18, 2003
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 Hilliard, Tommy Roberts, Ron Sanford, and Raymond Pruitt. Councilmembers Rusty Wilson and Beverly Hutcherson were absent.

Discussion and action were as follows:

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

MAYOR'S WELCOME given by Mayor Hilliard.

INVOCATION given by Jim Stephens.

PLEDGE OF ALLEGIANCE led by Mayor Hilliard.

GUEST ITEMS – Jim Fuller gave a report on the preparations for the Bluegrass Festival on June 26-27-28, 2003. He projected the following revenue: \$18,000 from 500 campers for three days at \$12 each; \$45,000 in ticket sales @ \$25 per daily ticket over three days; \$800 from 8 booths at \$100 each; and \$624 from local advertising; totaling \$64,425. He added that if 1,000 people buy tickets for three days, the ticket revenue would reach \$75,000. He said the City was obligated for \$25,522 in expenses. He stressed the key to the event's success would be the participation of the local citizens and encouraged everyone to promote the event. Councilmember Pruitt asked if the stage was adequate, to which Mr. Fuller answered it was, but he might request improvements if the event is profitable this year. Mayor Hilliard asked if the proposed amphitheater would help the Bluegrass Festival and Mr. Fuller said it would be fantastic if it had a cover over it. Mr. Fuller also stated he aspired to have Canton called the "Bluegrass Capital of Texas," a title as yet unclaimed. He also said he would like to have a winter show in the Canton Civic Center. He asked for the item to be included on the next regular agenda.

DISCUSS AND CONSIDER APPROVAL OF MINUTES FROM FEBRUARY 8, FEBRUARY 17, AND FEBRUARY 18, 2003 MEETINGS OF THE CANTON CITY COUNCIL -- Councilmember Sanford moved to approve the minutes of the February 8, 17, and 18, 2003 meetings as presented. Councilmember Roberts seconded, and all voted in favor.

DISCUSS AND CONSIDER APPROVAL OF THE FEBRUARY 2003 FINANCIAL STATEMENTS – Councilmember Pruitt moved to approve the February 2003 Financial Statements. Councilmember Sanford seconded, and all voted in favor

DISCUSS AND CONSIDER AUTHORIZING CITY STAFF AND SOUTHWEST SECURITIES TO PROCEED WITH A REFUNDING OF CERTAIN OUTSTANDING CERTIFICATES OF OBLIGATION FOR INTEREST COST SAVINGS – Johnny Mallory

reported the City had \$2.45 million in outstanding bonds and the City expected to save \$120,504 over a ten-year period by refunding. He said the refunding would not increase the City's debt. Councilmember Sanford moved to authorize the city staff and Southwest Securities to proceed with a refunding of certain outstanding certificates of obligation. Councilmember Roberts seconded, and all voted in favor.

UPDATE FROM CANTON CHAMBER OF COMMERCE AND DISCUSS AND CONSIDER REQUEST FOR FUNDING OF A BROCHURE PROMOTING CANTON – David Barber reported selling 285 tickets to the Chamber's annual banquet and auction, which grossed over \$12,000. He also requested assistance with the funding of a promotional brochure as there were not enough in stock to take to the August trade show. The Council asked Mr. Barber to provide an estimated cost for the Council's consideration. Councilmember Pruitt then asked City staff to mow the chamber's lawn. Mayor Hilliard suggested the chamber get a P.O. Box for their mail delivery so that printed materials containing an address would be current should they decide to move their office.

DISCUSS AND CONSIDER PROPOSAL FOR LEGAL SERVICES FROM THE LAW OFFICES OF RICHARD D. DAVIS – Councilmember Pruitt requested the item be tabled until the next meeting. Councilmember Roberts requested a special meeting be called to discuss the city attorney, auditor and engineer.

DISCUSS AND CONSIDER CLARIFICATION OF COUNCIL'S POSITION ON CITY ENGINEERING FIRM – Councilmember Roberts questioned why the City was using Velvin & Weeks for some projects after the Council specifically designated Wisenbaker & Fix as the City engineers. Johnny Mallory explained that Velvin & Weeks was working on one project on the First Monday grounds because they had worked on it previously, and that he understood the contract Mr. Roberts was referring to was for the water and sewer expansion projects. He voiced disappointment in Wisenbaker & Fix's fees and response time. Councilmember Roberts said that may need to be addressed at the special meeting. Mayor Hilliard instructed the staff to use Wisenbaker & Fix on all engineering projects except the current First Monday project until further notice.

DISCUSS AND CONSIDER REQUEST FOR RESERVED PARKING ON SOUTH SIDE OF COURTHOUSE TO BE DESIGNATED FOR SHERIFF'S DEPARTMENT – Johnny Mallory said the Commissioner's were requesting two parking spaces on the south side of the courthouse to be reserved for the transportation of prisoner's to the courthouse. He said they would buy the signs and put them up west of the driveway. Councilmember Pruitt objected stating they had two spaces in the driveway, but employees were using them. Councilmember Roberts moved to approve the request for two reserved parking spaces west of the driveway on the south side of the courthouse. Councilmember Sanford seconded, with the understanding that they police them. The motion passed with Councilmembers Roberts and Sanford in favor and Councilmember Pruitt opposed.

DISCUSS AND CONSIDER REQUEST FROM CANTON VOLUNTEER FIREFIGHTERS ASSOCIATION FOR AUTHORIZATION TO CONDUCT ON-STREET SOLICITATION AT THE INTERSECTION OF HIGHWAY 64 AND BUFFALO STREET ON APRIL 5TH AND 6TH, 2003 – Eric Medley and Jason Hogwood requested the Canton Volunteer Firefighters Association be allowed to conduct a boot drive on the corner of Hwy. 64 and Buffalo Street on April 5th and 6th, 2003, to raise funds for their scholarship program. Councilmember Roberts so moved. Councilmember Sanford seconded, and all voted in favor. Eric Medley invited everyone

to a Chili Cook-off at the Buffalo Girls Hotel on April 4th benefiting the Canton Volunteer Fire Department.

DISCUSS AND CONSIDER REQUEST FROM VAN ZANDT COUNTY HUMANE SOCIETY FOR AUTHORIZATION TO CONDUCT ON-STREET SOLICITATION AT THE INTERSECTION OF HIGHWAY 64 AND BUFFALO STREET ON APRIL 5 AND MAY 31, 2003 – Mike Everett requested the Van Zandt County Humane Society be allowed to solicit funds at the intersection of Hwy. 64 and Buffalo Street on April 4th and May 31st. He reported the organization was in full operation, but had no facilities. He said the volunteers hold adoption clinics around the county and many house dogs and cats in foster homes until they can be adopted out. As April 4th was not available and the Humane Society was unable to use the Saturday during the May First Monday, Councilmember Pruitt moved to authorize the Humane Society to conduct an on-street solicitation at the requested intersection on May 31st. Councilmember Sanford seconded, and all voted in favor.

SECOND PUBLIC HEARING ON ANNEXATION OF 15.70 ACRE TRACT LOCATED ON ETHERIDGE ROAD AT MILL CREEK ROAD OWNED BY H.B. ETHERIDGE – Mayor Hilliard opened the Public Hearing at 7:05 p.m. Hearing no comments, he closed at 7:06 p.m.

PUBLIC HEARING AND DISCUSS AND CONSIDER RECOMMENDATION OF PLANNING AND ZONING COMMISSION ON REQUEST FROM BILLY JACK AND LUCIA DEEN FOR ZONING CHANGE AT 681 WEST DALLAS FROM AGRICULTURAL DISTRICT (RA) TO GENERAL BUSINESS DISTRICT (B-2) – Mayor Hilliard opened the Public Hearing at 7:06 p.m. Councilmember Roberts stated the request was from Billy Jack Deen. Bob Alexander added that the sale of the property was contingent upon its rezoning. The Public Hearing was closed at 7:08 p.m. Upon the recommendation of the Planning & Zoning Commission, Councilmember Pruitt moved to change the zoning of the property located at 681 West Dallas from Agricultural District (RA) to General Business District (B-2). Councilmember Sanford seconded, and all voted in favor.

PUBLIC HEARING AND DISCUSS AND CONSIDER RECOMMENDATION OF PLANNING AND ZONING COMMISSION ON REQUEST FROM SANDRA BULLARD FOR ZONING CHANGE AT 1023 SOUTH TRADE DAYS BLVD. FROM SINGLE FAMILY DETACHED RESIDENTIAL (R-1) TO RESTRICTED PROFESSIONAL OFFICE (RPO) – Mayor Hilliard opened the Public Hearing at 7:11 p.m. Hearing no comments, the Public Hearing was closed at 7:12 p.m. Upon the recommendation of the Planning & Zoning Commission, Councilmember Pruitt moved to change the zoning at 1023 South Trade Days Blvd. from Single Family Detached Residential (R-1) to Restricted Professional Office (RPO). Councilmember Sanford seconded, and all voted in favor.

DISCUSS AND CONSIDER APPROVAL OF CONTRACT WITH DUNKIN, SEFKO & ASSOCIATES FOR DEVELOPMENT OF COMPREHENSIVE PLAN – Upon the recommendation of the Planning & Zoning Commission as voiced by its chairman Lynn Etheridge, Councilmember Pruitt moved to approve the contract with Dunkin, Sefko & Associates for the development of a comprehensive plan, contingent upon the approval for funding by the Canton Economic Development Corporation. Councilmember Sanford seconded, and all voted in favor. Councilmember Roberts clarified that the City would own the documents once complete.

DISCUSS AND CONSIDER ADOPTION OF ORDINANCE REGARDING SPECIAL BUILDING RESTRICTIONS ALONG MAJOR CORRIDORS LEADING INTO CANTON –

Upon the Mayor's endorsement, Councilmember Roberts moved to adopt Ordinance No. 2003-03 defining special building restrictions for properties along major corridors leading into Canton. Councilmember Sanford seconded, and all voted in favor.

DISCUSS AND CONSIDER APPOINTMENT OF ELECTION JUDGE AND ALTERNATE ELECTION JUDGE AND DESIGNATION OF POLLING PLACE FOR GENERAL ELECTION ON MAY 3, 2003 – Councilmember Roberts moved to appoint Mary Wages Election Judge and Mary Robertson Alternate Election Judge; to authorize the election judge to designate four election clerks including Mrs. Robertson; and to designate City Hall as the polling place for the May 3, 2003 General Election. Councilmember Sanford seconded, and all voted in favor.

DISCUSS AND CONSIDER APPOINTMENTS TO DEPUTY CITY SECRETARY – Julie Jackson explained that new restrictions required early voting deputy election clerks either be a City Secretary or reside in the City limits. Councilmember Roberts then moved to appoint Tam Erwin and Rita Ragsdale Deputy City Secretaries. Councilmember Sanford seconded, and all voted in favor.

DISCUSS AND CONSIDER APPOINTMENTS TO BOARD OF DIRECTORS OF CANTON ECONOMIC DEVELOPMENT CORPORATION – Councilmember Pruitt moved to re-appoint Al Campbell, T.A. Hale and Ron Sanford to the Board of Directors of the Canton Economic Development Corporation. Councilmember Roberts seconded. The motion passed with Councilmembers Pruitt and Roberts voting in favor. Councilmember Sanford abstained.

DISCUSS AND CONSIDER APPROVAL OF PROCLAMATION HONORING AMERICAN TROOPS AND ADDITIONAL PLANS FOR SPECIAL RECOGNITION – Councilmember Sanford moved to approve the following proclamation after the Mayor's reading:

PROCLAMATION

WHEREAS, the City of Canton unequivocally supports the men and women of our Armed Forces who are carrying out their missions with professional excellence, dedicated patriotism, and exemplary bravery; and

WHEREAS, the same unequivocal support and pride is extended to the families and loved ones of our Armed Forces; and

WHEREAS, the City desires to honor the valor, service, and dedication of those who establish, defend and maintain our essential freedoms and our unalienable rights; and

WHEREAS, it is with genuine appreciation that we acknowledge their dedication and show our deep realization of their personal sacrifices in the performance of these duties;

NOW, THEREFORE, I, William F. Hilliard, by virtue of the authority vested in me as Mayor, do hereby call upon all of our citizens to make every effort to express our pride and support for these men and women of the Armed Forces who engage in the necessary actions now being undertaken to eradicate terrorism and guard against all who would violate our freedoms.

IN OFFICIAL RECOGNITION WHEREOF, I hereby affix my signature this 18th day of March, 2003.

William F. Hilliard, Mayor
City of Canton, Texas

Attest:
Julie H. Jackson, City Secretary

Councilmember Pruitt seconded, and all voted in favor. Councilmember Roberts requested the proclamation be published in the paper. Mayor Hilliard requested a flag pole be erected at City Hall.

UPDATE FROM CITIZEN'S RECOGNITION COMMITTEE AND DISCUSS AND CONSIDER PROCLAMATION HONORING A CANTON CITIZEN – Item tabled.

DISCUSS AND CONSIDER AMENDING BUDGET TO PURCHASE NEW COMPUTER SYSTEM FOR POLICE DEPARTMENT – Ron York informed the Council he had checked with 3T Pro, Inc. as instructed by Councilmember Wilson, and they also recommended a Del 2600 Series, but with less expensive service charges. The last estimate he presented was \$16,000 for a server, switches, installation, and four power supplies. He said further discussion with the software provider uncovered that the \$4500 basic report package also required separate packages costing about \$2400 each, running the total cost of software up to \$10,000-\$12,000. He said he had since found another software package costing \$2500 plus a \$500 per year maintenance agreement that includes all upgrades. He said the system would include ten workstations, utilizing some older models that they would budget to replace in future years. Mayor Hilliard asked if the system would be compatible with the cars, but Lt. York indicated it would cost \$70,000-\$80,000 to do that. Councilmember Roberts asked if the upgrade was necessary and why. Lt. York replied that the upgrade would allow officers to file their own reports, improve data record keeping and retrieval, provide a safe environment for records, improve communications and reduce overtime. He estimated the upgrade would cost \$16,000 plus \$500 per year for the software maintenance agreement. He also estimated future upgrades of the old monitors. The Council deferred a decision until after consideration of the next agenda item.

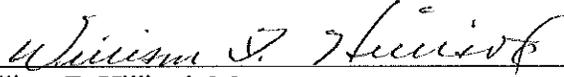
DISCUSS AND CONSIDER AMENDING BUDGET TO PURCHASE NEW COMPUTER SYSTEM FOR FIRST MONDAY DEPARTMENT – Cathy Reynolds proposed the purchase of a new computer system for the First Monday Department at a cost of \$12,000-\$13,000 which would be offset within less than two years by the elimination of the current \$669.50 monthly software maintenance fee. She pointed out that customer service with the current system was poor, it was antiquated, and the reports did not interface with other software packages. She recommended a package that runs in a Windows environment, stating it would provide more capabilities and give the City more control over its own data. Councilmember Pruitt moved to postpone the decision on new computer systems for the police department and the First Monday department until the next budget year. Councilmember Sanford seconded. The motion passed with Councilmembers Sanford and Pruitt in favor. Councilmember Roberts voted against the motion stating the police department's request was different because they were actually down for a while.

EXECUTIVE SESSION FOR DELIBERATIONS REGARDING PERSONNEL MATTERS (Section 551.074) – DISCUSS AND CONSIDER APPOINTMENT, EMPLOYMENT, RE-EVALUATION, RE-ASSIGNMENT, DUTIES, DISCIPLINE OR DISMISSAL OF A PUBLIC OFFICER OR EMPLOYEE - The City Council convened in executive session at 7:40 p.m. City

Attorney Richard Davis advised the Council on the discussion of personnel matters. No other matters were discussed.

RECONVENE TO OPEN SESSION AND CONSIDER ACTION, IF ANY, ON ITEMS DISCUSSED IN EXECUTIVE SESSION – The Council reconvened in open session at 7:45 p.m. with no action taken.

ADJOURN – There being no further business to come before the Council, Councilmember Pruitt moved to adjourn at 7:45 p.m. Councilmember Sanford seconded, and all voted in favor.



 William F. Hilliard, Mayor

ATTEST:



 Julie H. Jackson, City Secretary

CALLED MEETING OF CANTON CITY COUNCIL
 CITY OF CANTON, TEXAS
 1:00 P.M., WEDNESDAY, MARCH 26, 2003
 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 Hilliard, Rusty Wilson, Tommy Roberts, Ron Sanford, Raymond Pruitt and Beverly Hutcherson.

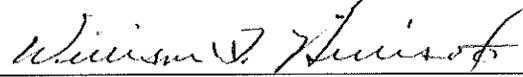
Discussion and action were as follows:

CALL TO ORDER AND ANNOUNCE QUORUM - Mayor Hilliard called the meeting to order at 1:00 p.m. and declared that a quorum was present.

DISCUSS AND CONSIDER ADOPTION OF ORDINANCE RE-ADOPTING TAX LEVY FOR ORDINANCE NO. 2003-01 AUTHORIZING THE ISSUANCE OF CITY OF CANTON, TEXAS COMBINATION TAX AND REVENUE CERTIFICATES OF OBLIGATION, SERIES 2003 – Ed Moore explained that for a general law city, four of the five councilmembers must be present to pledge ad valorem tax. Since there were only three present at the meeting when this ordinance was originally passed, he requested the council adopt Ordinance 2003-04. He further explained that the Council would be pledging ad valorem tax and First Monday revenue as in previous bonds, and that the City had the choice to pay fully from First Monday revenue. When questioned, he also stated he did put early call dates on the certificates of obligation with no penalty. Councilmember Roberts moved to adopt Ordinance 2003-04 re-adopting a tax levy for Ordinance No. 2003-01 authorizing the issuance of City of Canton, Texas Combination Tax and Revenue Certificates of Obligation, Series 2003. Councilmember Sanford seconded, and all voted in favor.

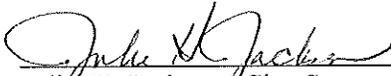
DISCUSSION PERTAINING TO BUSINESS FOR PLACEMENT ON FUTURE AGENDAS -
None.

ADJOURN – There being no further business to come before the Council, the meeting was adjourned at 1:04 p.m. on a motion by Councilmember Pruitt and second by Councilmember Wilson.



William F. Hilliard, Mayor

ATTEST:



Julie H. Jackson, City Secretary

REGULAR MEETING OF CANTON CITY COUNCIL
CITY OF CANTON, TEXAS
6:30 P.M., TUESDAY, APRIL 15, 2003
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 William F. Hilliard, Rusty Wilson, Ron Sanford, and Beverly Hutcherson. Councilmembers Tommy Roberts and Raymond Pruitt were absent.

Discussion and action were as follows:

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

MAYOR'S WELCOME given by Mayor Hilliard.

INVOCATION given by Rev. Bill Hedges.

PLEDGE OF ALLEGIANCE led by Mayor Hilliard.

GUEST ITEMS – None

DISCUSS AND CONSIDER APPROVAL OF MINUTES FROM MARCH 11, 18, AND 26, 2003 MEETINGS OF THE CANTON CITY COUNCIL -- Councilmember Sanford moved to approve the minutes of the March 11, 18 and 26, 2003 meetings as presented. Councilmember Wilson seconded, and all voted in favor.

DISCUSS AND CONSIDER APPROVAL OF THE MARCH 2003 FINANCIAL STATEMENTS – Councilmember Hutcherson made the motion to approve the March 2003 Financial Statements. Councilmember Wilson seconded, and all voted in favor

DISCUSS AND CONSIDER ADOPTION OF ORDINANCE AUTHORIZING THE ISSUANCE OF CITY OF CANTON, TEXAS COMBINATION TAX AND REVENUE

REFUNDING BONDS, SERIES 2003 AUTHORIZING THE EXECUTION OF A PURCHASE CONTRACT, APPROVING AN OFFICIAL STATEMENT AND THE EXECUTION OF AN ESCROW AGREEMENT – Ed Moore reported the estimated savings had decreased slightly due to an increase in interest rates, but it would still result in a savings of \$12,642 this year, and a total net savings after all issuing costs of \$115,000. He indicated the issuing costs included his fee of approximately \$18,000, the Bond Attorney's fee of \$7,000-\$8,000, and the insurance premium of over \$11,000. Upon Ed Moore's recommendation, Councilmember Wilson moved to adopt Ordinance 2003-05 authorizing the issuance of City of Canton, Texas, Combination Tax and revenue refunding bonds, Series 2003 authorizing the execution of a purchase contract, approving an official statement and the execution of an escrow agreement. Councilmember Sanford seconded, and all voted in favor.

UPDATE FROM CANTON CHAMBER OF COMMERCE AND DISCUSS AND CONSIDER REQUEST FOR FUNDING OF A BROCHURE PROMOTING CANTON – Linda Royal presented three quotes for the printing of a promotional brochure for Canton. She indicated 75,000 brochures would last approximately two years. Councilmember Sanford made the motion to approve development of a new design and the order of 75,000 brochures from StoryWrite. Councilmember Wilson seconded, and all voted in favor. Julie Jackson confirmed with Ms. Royal that the City would receive half of the order.

UPDATE ON BLUEGRASS FESTIVAL PLANS – Jim Fuller reported distributing 20,000 fliers promoting the Bluegrass Festival, with the cost of the paper having been funded by local advertisers. He also distributed almost 20,000 promotional \$5 bills. He said the festival was within budget, but he stressed the need for local participation and everyone's assistance in drawing out the local citizens. He said Mike Snider was booked for two hours on Saturday night and they had already booked four groups for 2004.

DISCUSS AND CONSIDER "SAFE ENVIRONMENT" SIGN CAMPAIGN - Dorisene Groves was unable to attend. Her presentation was tabled to the next meeting.

DISCUSS AND CONSIDER ADOPTION OF ORDINANCE FOR ANNEXATION OF 15.70 ACRE TRACT LOCATED ON ETHERIDGE ROAD AT MIL CREEK ROAD OWNED BY H.B. ETHERIDGE – Upon Johnny Mallory's recommendation, Councilmember Sanford made the motion to adopt Ordinance 2003-06 annexing a 15.70 acre tract located on Etheridge Road at Mill Creek Road owned by H.B. Etheridge. Councilmember Hutcherson seconded, and all voted in favor.

PUBLIC HEARING AND DISCUSS AND CONSIDER RECOMMENDATION OF PLANNING & ZONING COMMISSION TO ZONE 15.70 ACRE TRACT LOCATED AT ETHERIDGE ROAD AND MILL CREEK ROAD OWNED BY H.B. ETHERIDGE AS SINGLE FAMILY DETACHED RESIDENTIAL (R-1) – Mayor Hilliard opened the public hearing at 6:51 p.m. and closed at 6:52 p.m. with no comments being presented for consideration. Upon the Planning & Zoning Commission's recommendation, Councilmember Sanford moved to zone the newly annexed 15.70-acre tract owned by H.B. Etheridge to Single Family Detached Residential (R-1). Councilmember Wilson seconded, and all voted in favor.

PUBLIC HEARING AND DISCUSS AND CONSIDER RECOMMENDATION OF PLANNING & ZONING COMMISSION TO CHANGE ZONING OF LOTS 1 AND 3, SMITH ADDITION, (MALINDA LANE) IN THE CITY OF CANTON, TEXAS, OWNED BY LLOYD SHINN FROM MOBIL HOME PARK DISTRICT (MH-1) TO SINGLE FAMILY DETACHED RESIDENTIAL (R-2) – Mayor Hilliard opened the public hearing at 6:52 p.m. and closed at 6:53 p.m. without receiving any comments from the audience. Upon the Planning & Zoning Commission's recommendation, Councilmember Sanford moved to approve Lloyd Shinn's request to rezone Lots 1 and 3, Smith Addition, from MH-1 to Single Family Detached Residential (R-2). Councilmember Wilson seconded, and all voted in favor.

DISCUSS AND CONSIDER AMENDMENT TO THE CITY OF CANTON ZONING ORDINANCE AMENDING SETBACK REQUIREMENTS FOR FIRST MONDAY BUSINESS DISTRICT – Johnny Mallory explained the setback changes would apply between operators of First Monday Zoned businesses and that the City would be able to meet all the requirements on all proposed projects. Upon the Planning & Zoning Commission's recommendation, Councilmember Rusty Wilson moved to amend the City of Canton Zoning Ordinance as follows:

Sec. 13-3 DIMENSIONAL REQUIREMENTS

All vendor spaces and/or structures shall be located and constructed in accordance with Section 13-4 where it applies, as well as to the following requirements:

- | | | |
|----|---|----------------|
| a. | Minimum Market Area | 10 acres |
| b. | Minimum vendor and/or structure setbacks | |
| | 1) Front | 25 feet |
| | 2) Side, street | 25 feet |
| | 3) Side, interior | 15 feet |
| | <i>a) Where the side abuts any</i> | |
| | <i>—differently zoned district—</i> | <i>25 feet</i> |
| | <i>b) All interior side, other than (a) above</i> | <i>0 feet</i> |
| | 4) Rear | 25 feet |
| | <i>a) Where the rear abuts any</i> | |
| | <i>—Differently zoned district—</i> | <i>25 feet</i> |
| | <i>b) All rear sides other than (a) above</i> | <i>0 feet</i> |
| c. | Maximum building height of structures | 40 feet |
| d. | Maximum lot coverage | No limitations |

Councilmember Hutcherson seconded, and all voted in favor.

DISCUSS AND CONSIDER INTERLOCAL AGREEMENT WITH VAN ZANDT COUNTY FOR MOWING OF SEWER PLANT ROAD – Patrick Terrell explained that the county had a machine that trimmed trees and roadsides and they were willing to use it on Sewer Plant Road as long as an agreement was made to relieve them of any responsibility for accidental damages. Councilmember Wilson moved to adopt the following interlocal agreement with Van Zandt County:

INTERLOCAL AGREEMENT

STATE OF TEXAS

§

KNOW ALL MEN BY THESE PRESENTS:

§

COUNTY OF VAN ZANDT

§

This Agreement is entered into by and between the City of Canton, a Texas municipal corporation, hereinafter referred to as "CITY" and the County of Van Zandt, Precinct 1, a political subdivision of the State of Texas, hereinafter referred to as "COUNTY."

WITNESSETH

WHEREAS, CITY and COUNTY are authorized to enter into this Interlocal Agreement pursuant to Tex. Gov't. Code Ann., Section 791.001, et seq. known as the Interlocal Cooperation Act; and,

WHEREAS, CITY and COUNTY desire to enter into this Interlocal Agreement to establish responsibility for the provision of boomaxing services on Sewer Plant Road;

NOW, THEREFORE, in consideration of the foregoing recitals and the mutual covenants and agreements contained herein, the parties mutually agree, as follows:

PURPOSE

It is the purpose of the parties to this Interlocal Agreement to set forth the terms, rights and duties of the parties hereto for boomaxing Sewer Plant Road.

PART I - SERVICES AND CONDITIONS

1.1 COUNTY agrees to boomax along Sewer Plant Road.

1.2 CITY agrees to assume responsibility for any and all property damages accidentally incurred during the provision of these services.

PART II - SEVERABILITY

In case any one or more of the provisions contained in this Interlocal Agreement shall for any reason be invalid, illegal or unenforceable in any respect, such invalidation, illegality or unenforceability shall not affect any other provision hereof and this Interlocal Agreement shall be construed as if such invalid, illegal or unenforceable provision(s) had never been contained herein.

PART III - ENTIRETY

This Interlocal Agreement contains the entire Agreement of the parties regarding the maintenance of Sewer Plant Road.

IN WITNESS WHEREOF, COUNTY and CITY enter into this Interlocal Agreement EFFECTIVE the _____ day of _____, 2003.

APPROVED BY the City Council of the City of Canton, Texas on the _____ day of _____, 2003, and executed by Johnny Mallory, City Manager, as authorized representative of CITY.

ATTEST:

CITY OF CANTON, TEXAS

BY: _____

BY: _____

City Secretary

JOHNNY MALLORY, City Manager

APPROVED IN COUNTY COMMISSIONERS' COURT MEETING on the _____ day of _____, 2003, and executed by JEFF FISHER, County Judge, as the authorized representative of COUNTY.

ATTEST:

VAN ZANDT COUNTY

BY: _____

BY: _____

County Clerk

JEFF FISHER, County Judge

Councilmember Sanford seconded, and all voted in favor.

DISCUSS AND CONSIDER CARRY-OUT SERVICE ON FIRST MONDAY TRADE DAYS PARK – Item tabled in Raymond Pruitt’s absence.

DISCUSS AND CONSIDER STREET PROJECTS – Councilmember Wilson said after surveying the streets with Johnny Mallory, he recommended using a portion of the revenue from the recent bond issue for streets on paving & re-curbng Lazy U. He indicated that if it could be done at the same rate as Big Rock which had cost of \$750,000, then \$500,000 would be left to overlay streets around town. Mr. Mallory also recommended the project. Mayor Hilliard pointed out there were some utilities in the streets. Councilmember Wilson made the motion to pave and curb Lazy U using the proceeds from the 2003 bond issuance for street projects. Councilmember Sanford seconded, and all voted in favor.

DISCUSS AND CONSIDER STREET REPAIR PROCEDURES – Mayor Hilliard expressed his dissatisfaction with the quality of the overlaid streets, namely the crookedness and height of the edges. Johnny Mallory responded that the streets in question, Curry and Dodson, had seal coat under the overlay and the edges were uneven in order to cover up cracks that might trap water and cause erosion of the streets. Further discussion was tabled to the next meeting when Raymond Pruitt could be present.

DISCUSS AND CONSIDER MINIMUM WATER BILLS – Item tabled to the next meeting.

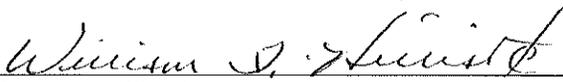
DISCUSS AND CONSIDER FLOOD PLAIN ORDINANCE – Item tabled to the next meeting.

EXECUTIVE SESSION FOR DELIBERATIONS REGARDING POTENTIAL PURCHASE OF REAL PROPERTY (Section 551.072) – In accordance with Section 551.072 of the Texas Open Meetings Law, the City Council convened in executive session at 7:05 p.m. to discuss the potential purchase of real property.

RECONVENE TO OPEN SESSION AND CONSIDER ACTION, IF ANY, ON ITEMS DISCUSSED IN EXECUTIVE SESSION – The Council reconvened in open session at 7:15 p.m. with no action taken.

DISCUSSION PERTAINING TO BUSINESS FOR PLACEMENT ON FUTURE AGENDAS -
None

ADJOURN – There being no further business to come before the Council, Councilmember Sanford moved to adjourn at 7:16 p.m. Councilmember Hutcherson seconded, and all voted in favor.



William F. Hilliard, Mayor

ATTEST:



Julie H. Jackson, City Secretary

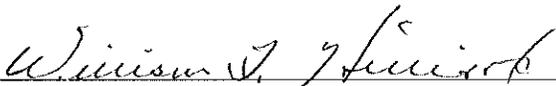
CALLED CITY COUNCIL MEETING

CITY OF CANTON, TEXAS
12:30 P.M., MONDAY, APRIL 21, 2003
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 William F. Hilliard and Ron Sanford. Also present were City Manager Johnny Mallory, First Monday Manager Al Campbell, City Secretary Julie Jackson and *Canton Herald* editor Vince Leibowitz.

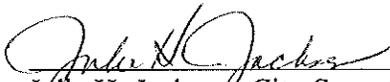
Discussion and action were as follows:

WITNESS DESTRUCTION OF INCORRECT BALLOTS FOR MAY 3, 2003 GENERAL ELECTION – At 12:30 p.m., those in attendance witnessed the shredding of ballots printed with an incorrect election date. Ballot numbers destroyed were 1-18 and 21-250.



William F. Hilliard, Mayor

ATTEST:



Julie H. Jackson, City Secretary

CALLED CITY COUNCIL MEETING
CITY OF CANTON, TEXAS
1:30 P.M., TUESDAY, MAY 6, 2003
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 William F. Hilliard, Rusty Wilson, Tommy Roberts and Ron Sanford. Councilmembers Raymond Pruitt and Beverly Hutcherson were absent.

Discussion and action were as follows:

CALL MEETING TO ORDER - Mayor William Hilliard called the meeting to order at 1:30 p.m.

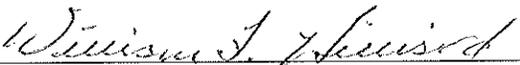
CANVASS MAY 3, 2003 GENERAL ELECTION RETURNS - The Council canvassed the election returns for the May 3, 2003 General Election of the Mayor and two Council members. After the Council canvassed the results of the election, Councilmember Roberts made a motion to accept the returns as presented by the Election Judge with the results being as follows:

<u>CANDIDATE</u>	<u>OFFICE</u>	<u># OF VOTES</u>
William F. Hilliard	Mayor	232
Rusty Wilson	Mayor	174
Charles R. Fenner	Council member	183
Ron Sanford	Council member	247
TOTAL NUMBER OF VOTES CAST:		411

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

Mayor Hilliard informed the Council of a Proclamation Naming May 6-12, 2003 as Nurses Week.

ADJOURN - There being no further items for discussion, Councilmember Sanford moved that the meeting be adjourned at 1:33 p.m. Councilmember Wilson seconded, and all were in favor.



 William F. Hilliard, Mayor

ATTEST:



 Julie H. Jackson, City Secretary

REGULAR MEETING OF CANTON CITY COUNCIL
 CITY OF CANTON, TEXAS
 6:30 P.M., TUESDAY, MAY 20, 2003
 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 William F. Hilliard, Rusty Wilson, Charles Fenner Ron Sanford, Raymond Pruitt and Beverly Hutcherson. Councilmember Tommy Roberts was absent.

Discussion and action were as follows:

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

MAYOR'S WELCOME given by Mayor Hilliard.

INVOCATION given by Jim Stephens.

PLEDGE OF ALLEGIANCE led by Mayor Hilliard.

OATH OF OFFICE ADMINISTERED TO ELECTED COUNCIL MEMBERS AND MAYOR - Municipal Judge Lilia Durham administered the oath of office to Mayor William F. Hilliard and Councilmembers Ron Sanford and Charles Fenner. Mayor Hilliard presented a plaque to outgoing Councilmember Rusty Wilson in appreciation for his service to the community. Mr. Wilson thanked the Council and welcomed Charles Fenner, stating he would bring a lot to the Council and the City was fortunate to have him. Mayor Hilliard reported on Councilmember Roberts bypass surgery and wished him a speedy recovery.

APPOINTMENT OF MAYOR PRO TEM BY CITY COUNCIL - Upon a motion by Councilmember Sanford and second by Councilmember Hutcherson, Raymond Pruitt was appointed Mayor Pro Tem.

GUEST ITEMS -- Jim Fuller reported Bluegrass Festival preparations were on target. He thanked the Canton Herald for the articles promoting the event.

DISCUSS AND CONSIDER APPROVAL OF MINUTES FROM APRIL 15 AND APRIL 21, 2003 MEETINGS OF THE CANTON CITY COUNCIL -- Councilmember Sanford moved to approve the minutes of the April 15 and 21, 2003 meetings as presented. Councilmember Hutcherson seconded, and all voted in favor.

DISCUSS AND CONSIDER APPROVAL OF THE APRIL 2003 FINANCIAL STATEMENTS -- Councilmember Pruitt made the motion to approve the April 2003 Financial Statements. Councilmember Sanford seconded, and all voted in favor

DISCUSS AND CONSIDER APPROVAL OF CONTRACT WITH GARY TRAYLOR & ASSOCIATES FOR GRANT MANAGEMENT SERVICES ON CANTON STREETSCAPE PROJECT THROUGH TEXAS DEPARTMENT OF TRANSPORTATION -- Don Hackney asked this and the next item be combined for consideration. He reported the project committee's selection of firms for grant management services and engineering services, and asked the Council to approve the resulting agreements. Gary Traylor explained that all project contracts and plans would require TxDOT approval following the Council's acceptance. He stated the agreements were consistent with the budget in the funding agreement already approved. He also pointed out that his compensation of approximately \$57,000 included \$15,000 for an environmental assessment, but that TxDOT may request the engineer perform that service instead. If that should occur, a \$15,000 adjustment would be made appropriately to both agreements. He said the project would begin immediately upon TxDOT's approval and the City's execution of the agreements. Councilmember Hutcherson moved to approve the contracts with Gary Traylor & Associates for grant management services and Wisenbaker, Fix & Associates for engineering services on the Canton Streetscape Project. Councilmember Pruitt seconded, and all voted in favor. Mayor Hilliard thanked Don Hackney, Jim Stephens and Gary Traylor for their work on the project.

DISCUSS AND CONSIDER APPROVAL OF CONTRACT WITH WISENBAKER, FIX & ASSOCIATES FOR ENGINEERING SERVICES ON CANTON STREETSCAPE PROJECT THROUGH TEXAS DEPARTMENT OF TRANSPORTATION

UPDATE FROM CANTON CHAMBER OF COMMERCE -- David Barber reported the success of the Chamber's initial monthly networking luncheon and the expectation of sending the new promotional brochure to the printer by June 1.

DISCUSS AND CONSIDER REQUEST FOR TMRA RALLY ON THE FIRST MONDAY TRADE DAYS PARK -- Mark Worcester, representing 110 Texas Clubs and 3300 members comprising TMRA, reminded the Council of many years of successful state rallies hosted in Canton and invited the City to bid for the 2005 state rally at their next board meeting in June. He stated his fear that the recent random act of violence at a motorcycle rally reflected badly on all motorcyclists and they had heard Canton would not be hosting any future rallies. He said that group was unaffiliated with their club in any way, that TMRA was a family-oriented club, and there had been no complaints in all the years they had been visiting Canton. Raymond Pruitt expressed his support for sending a representative to bid on the rally. Ron Sanford stated he was

not for soliciting new rallies, but he was unopposed to TMRA returning. The consensus was to bid on the 2005 State Rally.

DISCUSS AND CONSIDER "SAFE ENVIRONMENT" SIGN CAMPAIGN – Item tabled until Dorisene Groves could be present.

DISCUSS AND CONSIDER REQUEST FROM ERIC CLIBURN/CLIBURN CUSTOM HOMES, INC. ON BEHALF OF MATT HARE & MYRA SMITH FOR A ¾" WATER TAP OUTSIDE THE CITY LIMITS AT 1852 VZCR 2205 – Johnny Mallory indicated the staff had no objections to approving this request. Councilmember Pruitt made the motion to approve the request for a ¾" water tap at 1852 VZCR 2205, restricting it to residential use. Councilmember Sanford seconded, and all voted in favor.

DISCUSS AND CONSIDER AWARDED BID FOR SEWER LINE TO HUDDLE AND WARREN PROPERTIES ON STATE HWY. 198 – Johnny Mallory presented two bids for an 8-inch line--\$22,507.90 from AAA Sanitation from Tyler and \$24,356.00 from R.J. Carroll Co. Councilmember Sanford moved to award the project to the low bidder, AAA Sanitation, for \$22,507.90. Councilmember Hutcherson seconded, and all voted in favor.

DISCUSS AND CONSIDER REQUEST FROM CHARLES HUDDLE FOR SEWER SERVICE AT 1732 SOUTH BUFFALO – Withdrawn by Charles Huddle prior to the meeting.

DISCUSS AND CONSIDER AWARDED BIDS FOR SALE OF SURPLUS EQUIPMENT – After discussing how low the bids were, Councilmember Pruitt made the motion to reject all bids. Councilmember Sanford seconded, and all voted in favor.

DISCUSS AND CONSIDER REQUEST FROM CANTON VOLUNTEER FIREFIGHTERS ASSOCIATION TO CONDUCT ON-STREET SOLICITATION FOR MDA AT INTERSECTION OF BUFFALO AND DALLAS STREETS ON AUGUST 2-3, 2003 – Eric Medley confirmed that it had been many years since the firefighters had collected for MDA. Councilmember Pruitt made the motion to approve CVFD's request for a boot drive for MDA at Buffalo and Dallas Streets August 2-3, 2003. Councilmember Sanford seconded, and all voted in favor.

DISCUSS AND CONSIDER APPOINTMENT TO CANTON ECONOMIC DEVELOPMENT CORPORATION BOARD – Councilmember Hutcherson made the motion to appoint Rusty Wilson to complete the term vacated by T.A. Hale. Councilmember Fenner seconded, and all voted in favor.

DISCUSS AND CONSIDER APPOINTMENTS TO PLANNING AND ZONING COMMISSION – Councilmember Pruitt made the motion to re-appoint Kelton Drewery and Elisa Heard to the Planning & Zoning Commission. Councilmember Sanford seconded, and all voted in favor.

DISCUSS AND CONSIDER APPOINTMENTS TO BOARD OF ADJUSTMENT – Dan McLemore was appointed to the Board of Adjustment upon motion by Councilmember Sanford

and second by Councilmember Hutcherson. Mayor Hilliard suggested appointing a committee for all future nominations, including the alternate's position on the Board of Adjustment.

DISCUSS AND CONSIDER ACTION REGARDING MOBILE HOME LOCATED AT 1100 WEST COLLEGE – Councilmember Sanford stated he had received several complaints in the last six weeks about the mobile home at 1100 West College being in violation of the city's zoning ordinance. Mr. Mallory reported the owners had been notified, but had replied the mobile home was owned by Conseco Finance Co. Councilmember Sanford asked Mr. Mallory to check on the ownership with the Appraisal District and report back to the Council in the weekly report.

DISCUSS AND CONSIDER CARRY-OUT SERVICE ON FIRST MONDAY TRADE DAYS PARK – Councilmember Pruitt presented the proposal made by Danny Stroud to provide a carry-out service on the First Monday grounds. He said he liked the idea that would alleviate some traffic problems on the grounds, but was not willing to give an exclusive. Councilmember Hutcherson concurred on denying an exclusive. Councilmember Sanford stated he did not like what Mr. Stroud was proposing. Mr. Mallory pointed out Mr. Stroud also wanted free lots. Mr. Pruitt stated he would like Ron Sanford, Al Campbell and Lonnie Cluck to negotiate with Mr. Stroud and report back at the next meeting.

DISCUSS AND CONSIDER TRANSFER FEE IN THE BUILDING AREA ON FIRST MONDAY TRADE DAYS PARK – Councilmember Sanford made the motion to waive the \$1,000 transfer fee for lots in the building area on any lots that had not been rented for at least two months. He explained the recently passed transfer fee did not take into consideration vacant lots on the hill. Councilmember Pruitt seconded, and all voted in favor. Mayor Hilliard reminded the Council and staff of the conceptual park plans for the hill and asked them to correlate any building plans with the park-planning committee.

DISCUSS AND CONSIDER CLEAN-UP DEPOSIT FOR RENTAL OF FIRST MONDAY TRADE DAYS PARK GROUNDS – Councilmember Sanford made the motion to charge a returnable \$250 clean-up deposit on the rental of the First Monday grounds, leaving it at the discretion of management on whether or not to waive for non-profit groups. Councilmember Hutcherson seconded, and all voted in favor.

DISCUSS AND CONSIDER CONSTRUCTION OF NEW PAVILION AND RESTROOMS ON FIRST MONDAY TRADE DAYS PARK – Stating Trade Center III would be paid off in June 2004, Councilmember Pruitt proposed building the fourth pavilion and two restrooms, one by the log cabin and the other in the location selected by Ron Sanford and Johnny Mallory. Mr. Mallory proposed the City use the plans from the most recently built restroom. He said Velvin & Weeks had prepared drawings on a fourth pavilion having 74 spaces, with an estimated construction cost of \$613,223. Mayor Hilliard stated he hoped the next pavilion would be more aesthetically pleasing. Councilmember Sanford added the City should also get estimates on extending Trade Center III along the walkway. Councilmember Pruitt made the motion for the Mayor to review the restroom and pavilion drawings and discuss any concerns with the engineers, and to gather preliminaries on the earlier-approved extension of Trade Center III. Councilmember Sanford seconded, and all voted in favor.

DISCUSS AND CONSIDER FLOOD PLAIN ORDINANCE – Councilmember Pruitt recommended lowering the required building elevation from twelve inches to six inches above flood plain in order to help those planning to build structures on the First Monday grounds and those who wanted to leave merchandise there. He so moved, Councilmember Sanford seconded, and all voted in favor.

DISCUSS AND CONSIDER CHANGING FROM INTERNATIONAL BUILDING CODES BACK TO STANDARD BUILDING CODES – Rick Malone explained the international building codes were designed to standardize building codes across the country, and many of the codes recently passed were required by the state. Rusty Wilson stated some of the newer codes increased the cost of construction as much as 15%. Raymond Pruitt said he had been told 10% and Rick Malone said he was told they increased the cost on the Mueller building on Row 2 about 2-3%. He also said it increased Wade Whitaker's project by \$500. Councilmember Fenner explained the trade-off between the requirements for more, lighter-gauge steel relative to wind-load. Councilmember Pruitt recommending postponing a decision for thirty days to investigate the issue further.

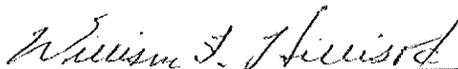
DISCUSS AND CONSIDER MINIMUM WATER BILLS – Mayor Hilliard recommended allowing residents paying a minimum water bill to accrue the billed, but unused water for higher-usage months. Mr. Mallory said the computer could calculate the number of residents paying a minimum water bill, but keeping a record of unused water would be a challenge. Mayor Hilliard appointed himself, Ron Sanford, and Charles Fenner to a committee to review the issue with Johnny Mallory.

DISCUSS AND CONSIDER PAST DUE WATER BILLS – Mr. Mallory explained that a 10% late fee was charged on all past-due accounts, cut-offs were made on customers with water bills two months past due, and payment plans were arranged for customers with extenuating circumstances. The Mayor appointed Councilmembers Pruitt and Fenner to work with Johnny Mallory to develop any proposed changes.

DISCUSS AND CONSIDER STREET REPAIR PROCEDURES – Mayor Hilliard voiced disappointment in the aesthetics of newly-overlaid streets. After determining the cost of asphalt was twice that of overlay, he appointed Councilmember Fenner to chair and select another council member to serve on a committee to review street repair procedures and report back at the next meeting.

DISCUSSION PERTAINING TO BUSINESS FOR PLACEMENT ON FUTURE AGENDAS – Mayor Hilliard requested consideration of committee assignments be placed on the next agenda. Vince Leibowitz asked the Council to consider street closings for the July 4th activities.

ADJOURN – There being no further business to come before the Council, Councilmember Sanford moved to adjourn at 7:34 p.m. Councilmember Hutcherson seconded, and all voted in favor.



William F. Hilliard, Mayor

ATTEST:


Julie H. Jackson, City Secretary

REGULAR MEETING OF CANTON CITY COUNCIL
CITY OF CANTON, TEXAS
6:30 P.M., TUESDAY, JUNE 17, 2003
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 William F. Hilliard, Charles Fenner, Tommy Roberts, Ron Sanford, Raymond Pruitt and Beverly Hutcherson.

Discussion and action were as follows:

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

MAYOR'S WELCOME given by Mayor Hilliard.

INVOCATION given by Jim Stephens.

PLEDGE OF ALLEGIANCE led by Mayor Hilliard.

GUEST ITEMS – None

DISCUSS AND CONSIDER APPROVAL OF MINUTES FROM MAY 6 AND MAY 20, 2003 MEETINGS OF THE CANTON CITY COUNCIL – The minutes of the May 6 and 20, 2003 meetings were unanimously approved on a motion by Councilmember Sanford and second by Councilmember Fenner.

DISCUSS AND CONSIDER APPROVAL OF THE MAY 2003 FINANCIAL STATEMENTS – Councilmember Hutcherson made the motion to approve the May 2003 Financial Statements. Councilmember Sanford seconded, and all voted in favor

PRESENTATION TO MAYOR RECOGNIZING OUTSTANDING ACHIEVEMENT FOR FIRST MONDAY EVENT – Jim Stephens presented the Mayor with a plaque from Event Media Network recognizing First Monday Trade Days as one of the top 100 events in the nation. On behalf of the City, its citizens, the City staff and all First Monday property owners, Mayor Hilliard accepted the distinguished honor.

PRESENTATION TO CITIZEN RECOGNIZING OUTSTANDING SERVICE TO COMMUNITY – Item withdrawn by Mayor.

UPDATE FROM CANTON CHAMBER OF COMMERCE – David Barber invited Councilmembers to the Chamber's second networking luncheon at noon on June 19th featuring guest speaker John Vallant from the East Texas Workforce Center. He also reported the new promotional brochure was at the printer and would be ready for the Dallas Women's Visions Expo in August.

REPORT ON ANNUAL BLUEGRASS FESTIVAL – Jim Fuller reported distributing over 50,000 fliers and 24,000 promotional \$5 bills, and traveling over 6,000 miles promoting the Bluegrass Festival, in addition to distributing a case of small First Monday calendars. He noted there was a lot of interest in the calendars until March, then it tapered off. He stated he had fielded over 200 calls in the last month and knew of visitors coming from Baltimore, Toucson, New Orleans and Atlanta. He asked for help on daily trash disposal, spraying for mosquitoes, and at the Wednesday fish fry. He also asked Councilmembers and staff to be involved and visible. He thanked all those who helped and said he felt Canton could become known as the Bluegrass Music Capital of Texas. When asked about security, Mr. Fuller stated the Canton Police Department would assist as much as possible and he had three ex-policemen who would be available at the event, but security had never been an issue with the typically older, milder crowd.

DISCUSS AND CONSIDER AWARDING BID FOR BANK DEPOSITORY CONTRACT – Johnny Mallory recommended the bid be awarded to the sole bidder, American National Bank. Councilmember Pruitt so moved, Councilmember Sanford seconded, and all voted in favor. David King, president of American National Bank, thanked the Council.

DISCUSS AND CONSIDER TXU GAS RATE PROPOSAL – David Collier explained that TXU Gas filed for a system-wide gas rate increase on May 23rd in an effort to accomplish standard rates for residential and commercial customers statewide. He noted standard rates would benefit cities' economic development efforts by putting them on an equal playing field. He asked the Council to deny the requested rate increase so that it would be appealed to the Railroad Commission, holding down rate case expenses since multiple consultants would not be involved. He said the 10% overall increase would impact Canton by 5.4% for residential customers and 2.6% for commercial and industrial customers. Johnny Mallory recommended the Council deny the request. Mr. Collier explained that if denied, the final resulting rate increase could not exceed the 5.4% that they initially filed. Mayor Hilliard asked about the effects of increasing gas prices, to which Mr. Collier replied they would be passed on directly to the customer. Councilmember Roberts made the motion to pass Resolution 2003-03 denying the TXU gas rate increase. Councilmember Sanford seconded, and all voted in favor.

DISCUSS AND CONSIDER STREET CLOSINGS FOR JULY 4TH PARADE AND STREET FESTIVAL – Vince Leibowitz presented the Heart of Canton Main Street's plans for a 4th of July parade, followed by a patriotic ceremony and festival on the square. He said they planned extended activities, more booths, activities at the Plaza Museum, and live entertainment that would continue until 5:00 p.m. to transition with the City's fireworks display that evening. He said Chief Hammonds had reviewed the parade route and festival plans with pedestrian safety in mind. Mr. Leibowitz requested the City close Buffalo from Peace to Groves Street, Tyler from Grand Saline to Hwy. 19, and Capital from Dallas to Peace Street until 5:00 p.m., and close Hwy. 64 from Buffalo to Capital only during the 10:00 parade. Mr. Leibowitz said the Sheriff's posse

would be available to assist with traffic control. Councilmember Sanford made the motion to close the streets as requested. Councilmember Roberts seconded, and all voted in favor.

DISCUSS AND CONSIDER APPROVAL OF INTERLOCAL COOPERATION CONTRACT WITH TEXAS DEPARTMENT OF SAFETY – Judge Lilia Durham explained the OMNI program which allows cities to submit information to the Texas Department of Public Safety necessary to deny renewal of the driver license of any person who fails to appear for a complaint or citation or fails to pay or satisfy a judgment. This person would not be allowed to renew until they presented a receipt from Judge Durham's office proving payment of the fine. She said the software was free and participation in the program would not cost the city anything. She explained the City would submit a list and the contractor would mail letters to the defendants. The city would still send a fourteen-day notice, but would not have to issue warrants. She said the contract would renew annually and included provisions for the City to opt out at any time with written notice. Judge Durham informed the Council that a \$30 fee would be assessed, with \$20 going to the state, \$6 to OMNI, and \$4 to the city. She also noted that Grand Saline, Wills Point, and Van were already in the process of enrolling, and Sulphur Springs was active and pleased with the program. Councilmember Sanford made the motion to approve the Interlocal Cooperation Contract with the Texas Department of Public Safety for participation in the OMNI program. Councilmember Fenner seconded, and all voted in favor.

DISCUSS AND CONSIDER PROPOSAL FOR FIRST MONDAY SHOPPING GUIDE – James Thornton presented a proposal to publish a First Monday shopping guide with a format similar to the Auto Trader, listing all First Monday vendors by category and including a map of the grounds. Additional category listings would be available for an additional fee, as would expanded listings, resource listings and traditional advertising space. He said they would charge Dallas advertisers trying to reach the First Monday visitor market more than local vendors. He stated their goal was to start with a circulation of 25,000 and eventually increase to 100,000. He presented the traditional all-advertising model where distribution is free, versus an advertising/purchase price model where users would pay \$1.00 per copy. Several participants in the audience said they would pay \$1.00 for a shopping guide. Mr. Thornton proposed starting with 25,000 free circulation until the guide was established. He suggested setting up key locations at the gates and at booths with large signs, and having the First Monday staff ask vendors as they rented space if they wanted contact information included in their listing for an additional \$10-\$20. Mr. Thornton offered the City 40% of net profits and assistance with updating park maps. He did not request exclusive rights. He said they would employ eight salespeople who would earn a 20-30% commission on advertising sales. Councilmember Roberts said the City needed to be specific about limitations of rights over time. James Thornton said he lived and worked as an internet consultant in Waco, and his partner, Chet Dawson, was from Austin. Councilmember Pruitt made the motion for Jim Stephens, Johnny Mallory and Richard Davis to meet with James Thornton and Chet Dawson to develop a proposed a contract. Councilmember Sanford seconded, and all voted in favor.

DISCUSS AND CONSIDER LEASING LAND ON ROW 94 AT FIRST MONDAY PARK TO PAUL MICHAEL FOR A WAREHOUSE – Councilmember Sanford presented Paul Michael's request for a lease on Row 94 on which he proposes to build two 10,000 square foot warehouses. Councilmember Sanford stated the current estimated income from RV and occasional lot rental from the area between the parking shed and the 6000 Pavilion would average approximately

\$1250 per month. He said Paul Michael was proposing leasing the area for \$2,500 per month for the first five years, \$3,000 per month for the second five years, \$3,500 for the third five years, and so on. He said Mr. Michael would occupy one of the 10,000 square foot buildings and rent the other to the biggest antique dealer in Phoenix. He pointed out his reasoning was based on drawing more people through the west gate to increase traffic in the unreserved section.

Councilmember Roberts asked the Council to agree that the top elevation of the warehouses could not exceed that of the Lewis pavilion. Julie Jackson asked if the antique dealer would be allowed to sublease to other dealers, and if so what impact it would have on the City's civic center rentals. Councilmember Pruitt stated he agreed that one antique dealer would have to rent the entire building and could not sublease to others. Mayor Hilliard asked why if it worked for Paul Michael, it wouldn't work for the city? Tommy Roberts stated the risk factor prevented the City from taking on the project and likened it to building spec houses.

Councilmember Pruitt stated there were some legal questions about the lease and made the motion for the city attorney and a First Monday committee to be allowed to negotiate with Paul Michael for a proposed contract on the lease of land on Row 94. He asked that since he had a vested interest in a building on the grounds, that Beverly Hutcherson be appointed to replace him on the First Monday Committee for this issue only. Mayor Hilliard stated that committee appointments would be discussed shortly. Councilmember Ron Sanford seconded, and all voted in favor.

Juanita Hackney, manager of the Arbors and H&T Parking, raised concerns about the amount of City property leased by Mr. Michael, whether or not he would be allowed to conduct business during the month, whether or not he would be allowed to set up and sell early and what effects that might have on other businesses, and what rules were in place to keep him from selling the buildings at a premium price. She stated that Mr. Michael should be made to abide by all the First Monday regulations and that the City should rein in, maintain control and work hard to keep First Monday special. She said H&T would not allow anyone to build on their property, that it would be like selling their name and giving away property owners' rights.

Mayor Hilliard said the lease may be good for the City now, but he was concerned about the long-term effects. He stated the issue needed a lot of consideration and that interested property owners and dealers needed a voice.

Ann Devodi, president of an organization that rents the west side of the First Monday Park for a special event once a year, cited recurring problems with interference from dealers staying in the holding area the week prior to First Monday and during their events. She said allowing vendors in early created problems for them.

Councilmember Roberts asked what would happen to the warehouses should Mr. Michael not renew his lease or was not given the option to renew. Mr. Mallory stated the warehouses would revert to the City. Julie Jackson noted his proposed lease included the option for him to remove the structures.

Councilmember Fenner stated the City's property should be run by the City and benefit the City. He suggested the City focus on better planning for First Monday. He questioned why the City

could not build it themselves. Councilmember Roberts explained the City's plans to build a new pavilion and restrooms. He said the City did not have funds for additional projects, where private individuals did.

Dorisene Groves questioned if Mr. Michael planned to turn the building into a monthly mall, and if so, she was worried it might take business away from the downtown area. She also suggested if it became a mall, that the City negotiate for a percentage of sales as done at other malls. She stated she hated to see downtown continue to struggle against another major retailer.

Mayor Hilliard confirmed with other Councilmembers that the warehouses would only be open during First Monday. He stated the Council needed to get involved in a workshop on this matter and that the City would have an open-door policy to receive comments from anyone concerned. The Mayor called for a vote. Julie Jackson re-read the motion for the city attorney and the First Monday committee to negotiate with Paul Michael for a proposed contract. Motion passed with Tommy Roberts, Ron Sanford, Raymond Pruitt and Beverly Hutcherson in favor and Charles Fenner opposed.

DISCUSS AND CONSIDER REMOVING ROW 11 FROM DESIGNATED AREA FOR BUILDING STRUCTURES ON FIRST MONDAY PARK – Councilmember Sanford recommended removing Row 11 between Rows 43A and 94 from the area designated for individual structures because the City had developed a park there and might want to do something more at a later date. He then made the motion to remove Row 11 between Rows 43A and 94 from the area designated for individual structures. Councilmember Pruitt seconded, and all voted in favor.

DISCUSS AND CONSIDER ADDING ROW 43A BETWEEN ROW 11 AND UNRESERVED SECTION TO DESIGNATED AREA FOR INDIVIDUAL STRUCTURES ON FIRST MONDAY PARK – At the request of a couple of food vendors who were interested in enclosing slabs along 43A, Councilmember Pruitt made the motion to add 43A between Row 11 and the Unreserved Section to the area designated for individual structures. Councilmember Sanford seconded.

Mayor Hilliard asked if the City could come up with a plan that had some design to it. He expressed concern over the lack of conformity in the structures and stated neighboring buildings needed to compliment each other. He recommended the City hire an architect to develop a design concept and building requirements. Councilmember Roberts stated the City had established some building requirements, but recommended a First Monday committee be appointed to propose an overall plan before hiring architects. Mayor Hilliard called for a vote. The motion passed with Councilmembers Sanford, Pruitt and Hutcherson in favor. Councilmember Roberts abstained. Councilmember Fenner was opposed, but stated he agreed with the need for a plan. Councilmembers Sanford and Pruitt responded they had no problems with that approach. Johnny Mallory received clarification that there would be no moratorium on building.

DISCUSS AND CONSIDER ADVERTISING FOR BIDS FOR CONSTRUCTION OF RESTROOMS AND PAVILION ON FIRST MONDAY PARK – Councilmember Pruitt recommended advertising for bids for the construction of two restrooms, a fourth pavilion, and extension of Trade Center III to Trade Center I. He said he would like to receive bids on the

restrooms to see what it would cost, but felt the City could build them itself. Mayor Hilliard said he wished to have an overall concept first. In discussing the plans, Johnny Mallory confirmed having the engineering for the restrooms and a fourth pavilion, but not the extension of Trade Center III. He estimated engineering on the concrete walkway to cost \$10,000-\$15,000. Councilmember Pruitt made the motion to advertise for bids on the construction of two restrooms and a fourth pavilion. Councilmember Fenner seconded, and all voted in favor.

DISCUSS AND CONSIDER CHANGING FROM INTERNATIONAL BUILDING CODES BACK TO STANDARD BUILDING CODES – After discussing a minimal increase in building costs versus safety, Councilmember Fenner made the motion to stay with the International Building Codes. Councilmember Hutcherson seconded, and all voted in favor.

REPORT FROM MAYOR ON APPOINTED COMMITTEES – Mayor Hilliard asked committee appointees about the status of their assignments. Councilmember Fenner, chairman of a committee on street repair procedures, reported inspecting streets and noticing the recently-overlaid streets were not doweled off and did not have finished edges. Pete Lucas confirmed they had not doweled into the curb and gutter, but used CP2 to tack coat with hot mix on top. He said they used this method on College Street which was still in good condition after three years. Councilmember Fenner also asked about grinding, to which Mr. Lucas replied the city sometimes did. Councilmember Fenner reported a location on Dodson across from the church where a property owner put asphalt on the approach to his driveway. He stated that if several did this it would impede drainage. Mr. Lucas agreed, but stated they did not currently have a drainage problem. The Council and staff further discussed seal-coating versus overlay.

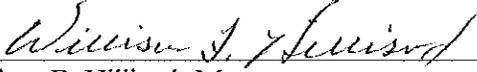
Discussion then turned to past-due water bills. Councilmember Sanford stated he and Councilmember Hutcherson met to review procedures for handling past-due water bills. He outlined those procedures as: billing customers on the 1st of the month with a 10th due date, assessing a 10% penalty and sending second notices to customers not paid by the 21st of the month, and cutting off customers who still have past due amounts on the 21st of the second month. The committee recommended this procedure be followed on any and all customers unless there were extenuating circumstances.

Mayor Hilliard also discussed the possibility of carrying over unused gallons for water customers who pay minimum water bills. Mr. Mallory reported 67 customers currently paying minimum water bills, but that it would not be economically feasible to record unused water since there was no such accounting available in the computer system.

COUNCIL AND MANAGEMENT INPUT ON 2003-2004 BUDGET – Mayor Hilliard asked the Council to inform the City Manager of any special projects or considerations prior to proposing a new budget. Councilmember Fenner said he would like to see funds for a special parks project. Councilmember Roberts proposed restructuring the organizational chart with administration broken down as: City Manager, Assistant City Manager and Director of Streets, Director of Water/Sewer, Director of First Monday/Parks, Police Chief and Fire Chief. He stated the City currently had 58 employees, but felt it could operate with 2-3 in the streets department, 8 men in the water/sewer department, and 10 in the FM/Parks department. He said with the office staff, police department and one fire chief, the number of employees would total 48-49.

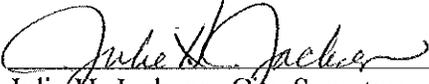
DISCUSSION PERTAINING TO BUSINESS FOR PLACEMENT ON FUTURE AGENDAS – Councilmember Pruitt recognized several outstanding citizens in the audience including former mayor Don Hackney for his role in getting the sidewalk grant for the city, Dorisene Groves for her work on the Blackwell House Museum, and Rhita Koches and Jim Stephens for their work on the Main Street program. He also asked that the City consider development of the 80 acres at its next regular meeting. Councilmember Roberts asked for a copy of the proposed budget within a couple of weeks, followed by a workshop two weeks later. Mayor Hilliard asked Jim Stephens, Donna Rakestraw and Bennie McKnight to meet and, with input from Raymond Pruitt, to identify an outstanding citizen for recognition every month or two.

ADJOURN – There being no further business to come before the Council, Councilmember Fenner moved to adjourn at 8:20 p.m. Councilmember Hutcherson seconded, and all voted in favor.



 William F. Hilliard, Mayor

ATTEST:



 Julie H. Jackson, City Secretary

CALLED MEETING OF CANTON CITY COUNCIL
 CITY OF CANTON, TEXAS
 6:00 P.M., MONDAY, JULY 7, 2003
 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 Hilliard, Tommy Roberts, Ron Sanford, and Raymond Pruitt. Councilmembers Charles Fenner and Beverly Hutcherson were absent.

Discussion and action were as follows:

CALL TO ORDER AND ANNOUNCE QUORUM - Mayor Hilliard called the meeting to order at 6:02 p.m. and declared that a quorum was present.

DISCUSS AND CONSIDER APPROVAL OF LEASE AGREEMENT WITH PAUL MICHAEL FOR LAND ON WHICH TO BUILD WAREHOUSES – Councilmember Roberts asked City Attorney Richard Davis about the legality of the City entering into a long-term lease. Mr. Davis answered that case law established a long-term lease was considered a sale, and regular bid procedures were required. He said there was a specific statute stating a lease could be no longer than twenty-five years, but there was no case law on whether that included renewal options. He added that a ten-year lease had been upheld in the appellate courts, and a forty-year lease had not. He reported the Attorney General's office agreed that it was a gray area and they were unwilling to give an opinion, stating it would have to be determined in the courts. Mr. Davis did affirm that the courts clearly put the burden on the person contracting with the city to be knowledgeable of the law. He said he emphasized this with Mr. Michael's attorney and advised

she and her client pick a term length they were comfortable with because there was no recourse if the contract was later determined to be void. Mr. Davis presented a lease draft to the Council for an initial term of twenty-five years with one fourteen-year renewal option as requested by Mr. Michael. He pointed out that he added a clause stating it was subject to any legal ruling that determined limits on terms. Mayor Hilliard asked if the land would be exempt from property taxes, to which Mr. Davis said the property tax could be assessed. He advised a clause be added to the lease holding Mr. Michael responsible for any taxes. Mr. Davis also recommended placing the onus for notification of renewal on Mr. Michael, but he pointed out that issue was still being negotiated. Mayor Hilliard asked Councilmember Pruitt to clarify his involvement, if any, in the deal. Councilmember Pruitt made a statement that he did not own, nor did he buy any merchandise from Mr. Michael. He said he was only the janitor (in his son's business) and that he would have removed himself had he felt influenced in any way. Councilmember Roberts asked Mr. Davis if he was comfortable with the lease. Mr. Davis indicated he was not, and he was not making any representation since the length of the lease was in such a gray area.

Dr. Mike Hackney addressed the Council. Councilmember Sanford clarified that Mr. Michael planned to build two buildings with the possibility of the second being used as an antique mall and that he only had the right to be open for sales during First Monday. Dr. Hackney expressed his opposition to the lease, stating Mr. Michael had offered a great deal for himself, but a terrible deal for the City and the City had no way of knowing what the spirit of First Monday would be in twenty-nine years. He asked why Mr. Michael didn't build his warehouses on property he owned nearby. Councilmember Sanford said he felt the warehouses would attract more traffic and would help the vendors in the unreserved section. Upon questioning, he told Dr. Hackney the lease involved 1.435 acres. When Dr. Hackney stated it seemed the council had clouded judgment and was looking after Paul Michael instead of the city, Councilmember Sanford disagreed and said his decision was based on increasing the revenue off the land from \$1,200 per month to \$2,500 per month. Mayor Hilliard asked why the City couldn't build and lease to Paul Michael. Dr. Hackney viewed the deal as locking up prime property for 25-39 years. He then asked why the city built bridges across the creek and concrete streets for Paul Michael. Councilmember Sanford said the City replaced the bridges and split the cost of the streets with Paul Michael. Dr. Hackney asked if Mr. Michael would be allowed to sell on Tuesday, and what else the City would do for Mr. Michael over the years. He asked for the Council's wisdom on this decision.

Ross Maris stated it appeared that Mr. Michael was getting a better deal than what was offered other vendors who entered into leases for structures on the grounds. He said their leases were for five years with three renewal options at the rate of \$50 for each lot (12'x20'). He pointed out that Mr. Michael was getting a cut-rate deal on prime property. He suggested Mr. Michael was a good salesman and had convinced the City the land was worth less even though it was on Dealers Row. He said the proposal was not a good deal for the City and the City could lease the land for buildings and get a lot more for it than what Mr. Michael offered. He added that whatever Mr. Michael built would be like his other buildings and not a warehouse.

Juanita Hackney stated she was a citizen of Canton and loved First Monday. She said she had a lot of experience with Mr. Michael through her involvement with First Monday. She noted that Billy Jack Deen, Henry Lewis and H&T had all turned down the opportunity to rent property for Mr. Michael's warehouses. She voiced concerns that his building would be used all month,

merchandise would be left on the ground floor against regulations, and he would run forklifts on the streets.

Vince Leibowitz described himself as an advocate of open government and stated he asked for a copy of the lease that morning, but was told it was not yet available. He asked how the City could consider the item without an advance copy of the lease. He also chastised the City for posting the agenda the day before a major holiday then meeting on Monday to consider a thirty-nine year lease. He suggested the issue needed more time and publicity. Mayor Hilliard stated he had no involvement in forming the contract and that he had asked Mr. Mallory to work with Richard Davis. After speculation about the called meeting, Johnny Mallory reported the meeting was called by Councilmembers Hutcherson, Sanford, Pruitt and Roberts.

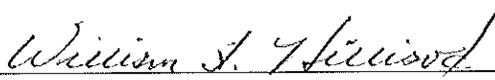
Don Scott stated he noticed a lot of rules had been changed to accommodate Mr. Michael. He said he didn't think the City should enter into a long-term lease.

Councilmember Sanford made the motion to authorize Johnny Mallory and Richard Davis to negotiate and execute a contract with Paul Michael for the lease of certain property on the First Monday Park, and for the contract to include wording on taxation. Attorney Richard Davis stressed that the lease before them was not a final draft and suggested the Council review it and direct any concerns they may have to Johnny Mallory so they can be addressed during negotiations with Paul Michael. Mayor Hilliard again questioned the length of the lease, stating it did not make good business sense to go thirty-nine years or even twenty years. Richard Davis reiterated the length was at Paul Michael's request.

Julie Jackson reminded the Council of a formerly approved motion to appoint a First Monday Committee to negotiate with Paul Michael. Councilmember Roberts replied that the committee was never appointed. Mayor Hilliard said it was scheduled to be on the next agenda and he didn't see what the urgency was. He also reiterated that if Mr. Michael could make it work, so could the city. He pointed out that until an overall plan was developed for First Monday, the City shouldn't let much more development happen. Mayor Hilliard asked for a second. Julie Jackson re-read the motion to authorize Johnny Mallory and Richard Davis to negotiate and execute a contract with Paul Michael for the lease of certain property on the First Monday Park, and for the lease to include wording on taxation. Tommy Roberts stated after listening to the pros and cons, he felt Ron Sanford had proposed a plan that would benefit the City down the road five to fifteen years, although the City might not be getting what the property would be worth in twenty to twenty-five years. He then recommended a First Monday Committee be appointed to give Johnny Mallory some parameters as guidelines for negotiations. Councilmember Sanford stated he would rather not be on the committee, and recommended Tommy Roberts and Charles Fenner. Mayor Hilliard, after consulting with the city attorney, tentatively appointed Charles Fenner and Ron Sanford to that committee.

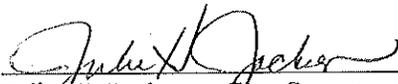
Councilmember Sanford amended his motion to authorize Johnny Mallory and Richard Davis to negotiate and execute a contract with Paul Michael for the lease of certain property on the First Monday Park, to include wording on taxation, and to appoint a committee from the City Council to work with Johnny Mallory and Richard Davis on the lease agreement. Councilmember Roberts seconded, and all voted in favor.

ADJOURN – There being no further business to come before the Council, the meeting was adjourned at 6:54 p.m. on a motion by Councilmember Roberts and second by Councilmember Pruitt.



 William F. Hilliard, Mayor

ATTEST:



 Julie H. Jackson, City Secretary

REGULAR MEETING OF CANTON CITY COUNCIL
 CITY OF CANTON, TEXAS
 6:30 P.M., TUESDAY, JULY 15, 2003
 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 William F. Hilliard, Charles Fenner, Tommy Roberts, Ron Sanford, Raymond Pruitt and Beverly Hutcherson.

Discussion and action were as follows:

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

MAYOR'S WELCOME given by William F. Hilliard.

INVOCATION given by Dr. Mike Hackney.

PLEDGE OF ALLEGIANCE led by Mayor Hilliard.

GUEST ITEMS – Mike Hackney, part owner of H&T, asked for more discussion and for the Council to reconsider it's decision on the Paul Michael lease, stating if it did go through, he would like to see a shorter term and more money for the city.

John Logdson, owner of the retail mall under construction on Highway 19, stated he was in the dark on the provisions of the lease with Paul Michael. He said he wanted to ask questions, but would listen at this time. He also asked for more discussion on the issue.

Billy Kimbrough, a vendor in the area around Paul Michael, stated he was told by other vendors that Mr. Michael was offering cash to vendors for their lots, saying it was better than nothing and he would get them either way. He also relayed that Mr. Michael was saying he had pull in the city and the city would take their lots and he'd get them for nothing. Mr. Kimbrough said he didn't want to be treated that way and asked if the councilmembers were being threatened.

Gerald Turner declined his comments, saying he would rather wait until the Council got to the discussion of the lease.

Juanita Hackney stated she wanted to go on record as saying her opposition to the Paul Michael lease had nothing to do with her concern for the Arbors, but with her concern for First Monday because she felt it was being chipped away.

Yogy Yarbrough went on record as opposed to the Paul Michael lease.

Sarah Lee Norman stated the plumbing company laying the sewer line along Highway 19 left her driveway in bad shape and it was washing out in her back yard. She asked the City to repair the driveway. Mayor Hilliard asked Pete Lucas to look at it the next day. She also asked if the City's curfew was still in effect. Municipal Judge Lilia Durham stated it was and Chief Hammonds stated it was enforced. Ms. Norman also asked about EMS dispatching and the Fire Department channel on her scanner, stating she no longer heard them. Chief McNevin said he'd give her the new frequencies for the Fire Department channel, but the EMS now communicated on an ultra high band than could not be picked up on scanners.

Delores Ernst, resident on Jim Street, voiced concern that none of the information on the Paul Michael lease was public. She stated the citizens had a right to know instead of the Council deciding.

Betsy McCarty agreed with the concerns over secrecy surrounding the Paul Michael lease. She asked why Mr. Michael wanted to put warehouses on the First Monday grounds, to which Councilmember Sanford answered he would be selling out of them on First Monday weekends.

DISCUSS AND CONSIDER APPROVAL OF MINUTES FROM THE JUNE 17, 2003 MEETING OF THE CANTON CITY COUNCIL – Councilmember Sanford noted that he had not voiced support or opposition to Councilmember Roberts request for limiting the height of the warehouse proposed by Paul Michael—last sentence page three. After some discussion, Councilmember Roberts stated he wanted the sentence to remain, but consented to amending it to read “Councilmember Roberts asked the Council to agree that the top elevation of the warehouses could not exceed that of the Lewis pavilion.” Councilmember Sanford then made the motion to approve the minutes of the June 17, 2003 meeting as amended. Councilmember Fenner seconded, and all voted in favor.

DISCUSS AND CONSIDER APPROVAL OF THE JUNE 2003 FINANCIAL STATEMENTS - Councilmember Sanford made the motion to approve the June 2003 Financial Statements. Councilmember Hutcherson seconded, and all voted in favor.

DISCUSS AND CONSIDER PROCLAIMING JULY 13-19, 2003 UNITED METHODIST ACTION REACHOUT MISSION BY YOUTH (UM ARMY) WEEK – Following its reading by the Mayor, Councilmember Hutcherson made the motion to approve the following proclamation:

PROCLAMATION

WHEREAS, the United Methodist Action Reachout Missions by Youth (UM ARMY) was founded in 1978; and

WHEREAS, the UM ARMY is sending a group of one hundred twenty youths and adults from the Greater Houston Area to work in and around Canton, Texas for one week; and

WHEREAS, the UM ARMY will repair, build and refurbish homes for the elderly and the poor in Van Zandt County; and

WHEREAS, the UM ARMY will be housed at the First United Methodist Church in Canton;

NOW, THEREFORE, I, William F. Hilliard, Mayor of the City of Canton, do hereby proclaim the week beginning July 13th and ending July 19th, 2003, as

UNITED METHODIST ACTION REACHOUT MISSION BY YOUTH WEEK

In the City of Canton, Texas.

Councilmember Fenner seconded, and all voted in favor.

UPDATE FROM CANTON CHAMBER OF COMMERCE – David Barber invited Councilmembers to the next Chamber networking luncheon. He also announced the new promotional brochures were soon to be delivered and the chamber office would be closed the following week during Linda Royal's vacation. He indicated they were unsuccessful in getting volunteers to man the office. He then presented the chamber's budget request for the fiscal year 2003-2004: \$30,000 plus trade show expenses (three at \$3,000.00 each). He also noted the chamber was in the process of forming a tourism committee. Councilmember Roberts asked Mr. Barber to submit a written budget request for consideration at the next workshop.

REPORT ON ANNUAL BLUEGRASS FESTIVAL – Jim Fuller thanked everyone for their support and participation in the festival. He reported having over 700 people at the festival Saturday night, feeding 376 people in two hours at the Wednesday night fish fry, giving \$725 in prize money at the gate, and receiving 274 \$5 promotional bills back. He said the festival lacked \$230 breaking even, but he expected to make money the following year. He declared it the biggest Bluegrass Festival in Texas and estimated the economic impact to be about \$30 per person. He further reported expanding the festival to four days and beginning nationwide advertising for next year.

DISCUSS AND CONSIDER REQUEST FROM VAN ZANDT COUNTY HUMANE SOCIETY TO CONDUCT ON-STREET SOLICITATION AT INTERSECTION OF BUFFALO AND DALLAS STREETS DURING OCTOBER AND NOVEMBER FIRST MONDAY TRADE DAYS WEEKENDS – Mike Everett asked permission to solicit funds for the Van Zandt County Humane Society at the downtown intersection on October 4 and November 1, 2003. It was confirmed that the dates were open, but Fire Chief Brian McNevin noted the Fire Department usually raised funds in November for their Christmas charities. Mr. Everett explained the organization's service to the community as providing foster homes, medical treatment and adoption services to stray animals in the county, thereby relieving some of the burden of Canton's animal shelter. He said they had 60-70 members, but not all active, and they operated solely on donations. He reported having a hot line for people to call and stated they move animals as quickly as possible. When asked, Mr. Everett stated his group was not capable of handling the animal shelter. After a statement to move the Fire Department's fund-raising to December, Councilmember Pruitt made the motion to approve the Humane Society's request to

collect donations at the downtown intersection on October 4 and November 1, 2003. Councilmember Fenner seconded, Councilmember Roberts opposed, and all others voted in favor.

DISCUSS AND CONSIDER SOUTHWESTERN COMPANY'S REQUEST FOR A SOLICITOR'S PERMIT – No one was present to make the request. No action taken.

COMMENTS BY HENRY LEWIS ON THE CITY OF CANTON'S LEASE WITH PAUL MICHAEL AND CONSIDER FURTHER ACTION IF NECESSARY – Henry Lewis stated the Council's decision to enter into a long-term lease with Paul Michael showed poor judgment (1) for the city not to build and operate any buildings of sublease size since the City had a tax advantage over private individuals; (2) for city employees or officials to be associated with, work for, be in partnership with, or rent from Mr. Michael; (3) for the council to enter into a long-term contract that would out-live the councilmembers and that may also be in a gray area; and (4) for the council not to vote the will of the people. He recommended a sample ballot be placed in the newspaper or mailed with water bills. Councilmember Pruitt asked Mr. Lewis about his agreement to pay for one-third of the cost of paving Row 94, to which Mr. Lewis responded he had agreed to pay whenever the fence was removed.

DISCUSS AND CONSIDER REQUEST FROM JERRY AKIN FOR VARIANCE TO REQUIRED SETBACKS FOR INDIVIDUAL STRUCTURES ON THE FIRST MONDAY TRADE DAYS PARK – Jerry and Glenda Akin, food vendors on Row 43A at Row 51, asked for a variance to build a structure on the existing slab they poured in compliance three years prior. They noted no problems with vehicles getting around the slab and said the front corners were cut off and vehicles had a good turning radius. Building Inspector Rick Malone recommended the variance, stating the slab had a wrought-iron fence around the front and sides that had never created a problem. Johnny Mallory and Al Campbell also approved. Councilmember Pruitt made the motion to grant Jerry Akin a variance to build a structure on the grounds from the required five feet from the pavement to eighteen inches. Councilmember Hutcherson seconded, and all voted in favor.

DISCUSS AND CONSIDER EARLY ADMITTANCE TO FIRST MONDAY VENDORS WHO OWN INDIVIDUAL STRUCTURES – Mayor Hilliard appointed this as a work item for the First Monday committee.

DISCUSS AND CONSIDER ADOPTION OF ORDINANCE ESTABLISHING A HISTORIC PRESERVATION OVERLAY DISTRICT AND REGULATIONS THEREOF – Rick Malone presented the proposed ordinance establishing a historic preservation overlay district for the area known as the Main Street District. He relayed that he, Jim Stephens, the City attorney, and the Local Historical Commission had all reviewed the ordinance and approved, and the Planning & Zoning Commission had voted to recommend it to the Council. He stated the ordinance called for a Board to review and approve changes to the building facades in the district. He then recommended the Main Street Board be appointed as the Historic District Board since they were already familiar with the buildings and their owners. Vince Leibowitz asked if the ordinance had been sent to the State Historical Commission who would review it at no cost to the city. Rick Malone stated it had not been sent to them. Councilmember Fenner made the motion to adopt Ordinance No. 2003-08 establishing a historic preservation overlay district and the regulations

thereof, and to appoint the Main Street Board members to its Board. Councilmember Pruitt seconded, and all voted in favor.

DISCUSS AND CONSIDER DEVELOPMENT OF 80 ACRE TRACT ON CHERRY CREEK – Item tabled in Councilmember Pruitt’s absence.

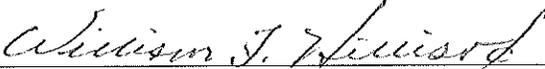
MAYORAL APPOINTMENT OF COUNCIL COMMITTEES – Mayor Hilliard appointed Charles Fenner and Ron Sanford to the First Monday Committee; Beverly Hutcherson and Charles Fenner to the Parks and Recreation Committee; and Tommy Roberts and Raymond Pruitt to the Finance Committee. He stated future appointments would be made to the Streets, Public Safety, and Water/Wastewater Committees.

SET TIME AND PLACE FOR WORKSHOP ON PROPOSED BUDGET – A budget workshop was scheduled for 8:30 a.m., Saturday, July 19th, 2003.

DISCUSSION PERTAINING TO BUSINESS FOR PLACEMENT ON FUTURE AGENDAS – None.

Alton Smith asked if there would be further discussion on the lease with Paul Michael. Mayor Hilliard stated the council made the motion the past week to authorize Johnny Mallory to negotiate and execute a contract. He added that if the voice of the people dictate, he would put anything requested on the agenda.

ADJOURN – There being no further business to come before the Council, Councilmember Fenner moved to adjourn at 7:44 p.m. Councilmember Sanford seconded, and all voted in favor.



 William F. Hilliard, Mayor

ATTEST:



 Julie H. Jackson, City Secretary

CALLED MEETING OF CANTON CITY COUNCIL
 CITY OF CANTON, TEXAS
 8:30 A.M., SATURDAY, JULY 19, 2003
 CITY HALL, 290 E. TYLER STREET
 CANTON, TEXAS

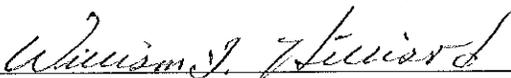
The Canton City Council met at the above-named date and time in the City Hall Council Chambers. Members present were Mayor Hilliard, Charles Fenner, Tommy Roberts, Ron Sanford, and Beverly Hutcherson. Councilmember Raymond Pruitt arrived at 8:50 a.m.

Discussion and action were as follows:

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

WORKSHOP FOR COUNCIL INPUT AND PLANNING PERTAINING TO BUDGET FOR 2003-2004 FISCAL YEAR – Councilmember Roberts pointed out the revenue projections were down approximately \$300,000. He suggested raising the conservative revenue projections to \$1,860,500 for Water/Sewer and \$3,350,000 for First Monday, raising total revenue to \$8,641,468 before transfers and to \$7,400,100 after transfers, and leaving a surplus of \$383,942. He also recommended setting up “260” accounts for the municipal court. Lilia Durham added that she would like to include jury expenses in the budget since the City recently had its first jury trial in the past twelve years. Councilmember Roberts recommended making the municipal judge a full-time employee and asked how it would affect the budget. Ms. Durham said it would only affect the salary expense. Councilmember Roberts reviewed the administration budget (“100” accounts) for clarification. Johnny Mallory noted that worker’s comp and other insurance accounts throughout the budget were estimated until official quotes received. The Police Department budget was then reviewed. The staff was asked to double-check the lease agreement for any rent increase and if so, to adjust account “200-1257”; and to move \$12,000 from the “200-1410” Court Expense Account to the Municipal Court budget (“260” accounts). After discussion on the wrecked police car, it was decided to raise “200 1510” to \$41,516 to include the purchase of two new patrol cars. Chief Hammonds stated he would rather have a new golf cart for the First Monday officer, than to have his own vehicle improved. Chief Hammonds clarified that “200-1540” included the cost of new computer hardware and software. Councilmember Hutcherson asked about the earlier request for a new computer system for administration and for First Monday. Johnny Mallory opposed the request. In the animal control budget, councilmembers recommended raising “250 1150” Other Supplies to \$10,000, which included the cost of propane. Chief Hammonds stated the Capital Improvements budget included transmission work on the animal control officer’s truck, but no new vehicles were needed. Councilmembers passed over the Fire Department Budget in Chief McNevin’s absence. In the Street Department budget, the “400 1260” Utilities expenses were already over budget so it was raised to \$100,000. In the Parks Department, Councilmember Roberts asked if new restrooms were included in the budget. Councilmember Fenner asked for improvements on behalf of citizens’ requests and Councilmember Pruitt asked for improvements to the tennis courts. Councilmember Fenner suggested combining the tennis and basketball courts. The estimate for one tennis court was \$30,000. Councilmember Pruitt also suggested adding more chips and fixing the fence at the playground. Lonny Cluck added that a lot of parks are putting in black fabric and 8-10 inch pea gravel. Councilmember Sanford agreed that more should be spent on the parks. Jim Stephens added that he was working on a grant for Park Improvements. The “500 1530” Park Grounds Capital Expenditures was raised to \$50,000 for one tennis court and fence replacement. In the Water Department Budget, the “600 1433” Transfer to Debt Service was increased to \$250,000. Johnny Mallory stated it may not be needed next year. Councilmembers discussed city wells. In the Sewer Department Budget, the “700 1310” account included rotors. Four rotors had been replaced this year and four more needed to be replaced. It was pointed out that uniform expenses needed to be moved from the “700 1350” account, which also included paint and ultraviolet lights. The “700 1520” Tools & Equipment Capital Expenditure Account was reduced to \$0. After discussing First Monday revenues being lower than at this time last year, the First Monday Budget was tabled to the next meeting.

ADJOURN – There being no further business to come before the Council, the meeting was adjourned at 10:05 a.m. on a motion by Councilmember Roberts and second by Councilmember Fenner.



 William F. Hilliard, Mayor

ATTEST:



 Julie H. Jackson, City Secretary

CALLED MEETING OF CANTON CITY COUNCIL
 CITY OF CANTON, TEXAS
 8:30 A.M., SATURDAY, AUGUST 2, 2003
 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 Hilliard, Charles Fenner, Tommy Roberts, Ron Sanford, and Beverly Hutcherson. Councilmember Raymond Pruitt was absent.

Discussion and action were as follows:

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

WORKSHOP FOR COUNCIL INPUT AND PLANNING PERTAINING TO BUDGET FOR 2003-2004 FISCAL YEAR – In the Fire Department Budget, Councilmembers recommended granting Chief McNevin’s request to raise the amount paid to the volunteer firefighters for “run money” matching the County’s \$400 monthly contribution and to reduce the formula for charging the Fire Department one-third of the gasoline charges. Chief McNevin confirmed the \$13,000 budgeted in Account “300 1110” was adequate with these changes. Brian McNevin explained that “300 1310” included price increases for air pack, flow, pumper and ladder tests. Councilmember Sanford asked about the cost-recovery revenue. Chief McNevin explained it was deposited in the Firefighters Association’s account, along with the parking lot revenue and grants. He also requested “300 1135” Miscellaneous be corrected from \$2900 to \$5315 and the Council reduced “300 1520” by \$1,000.

In the First Monday Department, Councilmember Sanford stated he did not think the City would meet the projected revenues. He also stated he didn’t think First Monday should be paying for the water and sewer bonds, that it should be paid from water and sewer revenues as much as possible. Instead the First Monday revenue should be used to work on drainage problems and begin a road-building program on the grounds. He added that Lonnie Cluck could use another tractor. Mr. Mallory stated he could transfer \$250,000 from water and sewer to make the \$239,000 bond payment. Councilmembers requested Mr. Mallory do so before the end of the fiscal year. Councilmembers also asked that the EMS Building Rent account be moved to the Debt Service Fund to offset the building loan payment reflected there. Councilmember Roberts

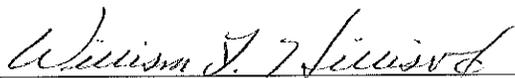
suggested the \$19,000 for the EMS Building payment transferred from First Monday could instead be utilized to make improvements on the grounds. Councilmember Fenner recommended working on the drainage problems before the roads. Councilmember Roberts suggested the First Monday Committee develop a plan for improvements for Council consideration. Upon Brian McNevin's suggestion, Councilmembers asked him to help check into hazard mitigation matching grants. Councilmember Sanford noted that bids had been opened on Trade Center IV with the low bid coming in at \$434,000. Councilmember Fenner asked about the "800 1260" account. Jim Stephens explained it was for tourism guides, radio advertising in Dallas and Tyler areas, billboards, television ads, printed materials, etc. After a brief discussion and upon Councilmember Fenner's recommendation, the Council also agreed to fund \$30,000 for the chamber.

Councilmember Roberts recommended reorganizing the departments with three employees under a Director of Streets who would also act as Citizen Liaison, eight employees under a Director of Water and Sewer, and eight to ten employees under a Director of First Monday and Parks. He suggested having 56-58 employees total, including the Police Department and Administration. Johnny Mallory said the City would have to hire additional employees and the First Monday employees would have to work other places too. Councilmember Roberts said he didn't have a problem with that, but he didn't want to take people away from First Monday and Parks when it took priority over others. When talking about employees, Lonnie Cluck noted that he and Pete were currently short one person each. Councilmember Roberts explained that some responsibility would be transferred from Pete Lucas to Lonnie Cluck. The Mayor asked for Council input. Councilmember Sanford said he felt it was time to try something different. Councilmember Hutcherson said she would have to think about it. Councilmember Fenner asked Johnny Mallory to put together an organizational chart, and added that he liked thinking outside the box and any improvement was good. Mayor Hilliard asked Raymond Pruitt and Tommy Roberts to work the Mr. Mallory and bring it back to the Council. Councilmember Fenner asked if there would be a budget adjustment. Councilmember Roberts confirmed the change would only involve lateral moves and he was willing to leave all salaries as-is. He then proposed a 0% raise for all exempt employees. Councilmember Sanford recommended a two-step raise for Lonnie Cluck since he would be taking on more responsibility. Mayor Hilliard asked what the cost would be for a new computer time system at City Hall. Councilmember Fenner asked how old the City Hall computer system was. Johnny Mallory said the hardware was upgraded to an RS 6000 three years earlier and the software programs were periodically upgraded. He stated that employees complained about the difficulty of the software but it created a good audit trail and made adjustments difficult. Mayor Hilliard restated he wanted to put in a time system. Mr. Mallory said that if the City started a time clock, it would be paying more wages. Lieutenant York confirmed this for the police department, noting that officers often put in more time than they charged the City. Councilmember Fenner added that the City had a large Police Department and there were management problems if employees were overworked. Councilmember Roberts suggested making the proposed changes before considering a time system. Pete Lucas pointed out that water and sewer operations required three men at the water plant that had to be manned 24-hours a day, three men at the sewer plant, a mechanic, a man at the transfer station and three operators for water/sewer line repairs.

Councilmember Roberts added that he would like to see the City buy a fogger. Johnny Mallory agreed and Pete Lucas estimated a fogger would cost \$5,000. Lieutenant York relayed Chief

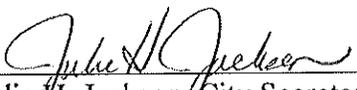
Hammonds request for a golf cart for the First Monday officer. Johnny Mallory stated it was proper for the expense to come out of the First Monday budget.

ADJOURN – There being no further business to come before the Council, the meeting was adjourned at 9:36 a.m. on a motion by Councilmember Fenner and second by Councilmember Roberts.



 William F. Hilliard, Mayor

ATTEST:



 Julie H. Jackson, City Secretary

REGULAR MEETING OF CANTON CITY COUNCIL
 CITY OF CANTON, TEXAS
 6:30 P.M., TUESDAY, AUGUST 19, 2003
 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 William F. Hilliard, Charles Fenner, Tommy Roberts, Ron Sanford, and Beverly Hutcherson. Councilmember Raymond Pruitt was absent.

Discussion and action were as follows:

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

MAYOR'S WELCOME given by William F. Hilliard.

INVOCATION given by Jim Stephens.

PLEDGE OF ALLEGIANCE led by Mayor Hilliard.

GUEST ITEMS – None

DISCUSS AND CONSIDER APPROVAL OF MINUTES FROM THE JULY 7, 15 AND 19, 2003 MEETINGS OF THE CANTON CITY COUNCIL – The minutes of the July 7, 15, and 19, 2003 meetings were unanimously approved on a motion by Councilmember Sanford and second by Councilmember Hutcherson.

DISCUSS AND CONSIDER APPROVAL OF THE JULY 2003 FINANCIAL STATEMENTS - Councilmember Hutcherson made the motion to approve the July 2003 Financial Statements. Councilmember Sanford seconded, and all voted in favor.

UPDATE FROM CANTON CHAMBER OF COMMERCE – David Barber distributed new promotional brochures and announced the August 21st networking luncheon featuring guest speaker Tom Perryman, the chamber's parking cars at First Monday on October 4th, plans for the booth at the Women's Visions Expo at Dallas Market Hall August 22nd and 23rd, a ribbon cutting at Homemade Gourmet August 26th, and appointments to the Nominating and Tourism Committees.

DISCUSS AND CONSIDER REQUEST FROM CANTON VOLUNTEER FIRE FIGHTERS ASSOCIATION FOR AUTHORIZATION TO CONDUCT ON-STREET SOLICITATION FOR CHRISTMAS CHARITIES AT THE INTERSECTION OF HIGHWAY 64 AND BUFFALO STREET ON NOVEMBER 28, 29 AND 30, 2003 – Councilmember Roberts made the motion to authorize the Volunteer Fire Fighters Association to conduct a boot drive benefiting their Christmas charities at the Dallas/Buffalo intersection November 28th – 30th, 2003. Councilmember Fenner seconded, and all voted in favor.

DISCUSS AND CONSIDER REQUEST FROM JAN AND SCOTT BROOKS FOR AUDIENCE WITH CITY COUNCIL REGARDING ZONING CHANGE FROM R-1 TO B-1 AT 1006 SOUTH TRADE DAYS BLVD. – Jan and Scott Brooks, residential neighbors behind 1006 South Trade Days Blvd., voiced strong opposition to changing its zoning to commercial B-1. Mrs. Brooks pointed out problems with trash accumulation and the upkeep of many commercially-zoned properties in the area. Pictures were presented as evidence, including a picture of an unkempt property at 816 Trade Days Blvd. originally housing a gift shop, the same use as intended for 1006 S. Trade Days Blvd. Ms. Brooks stated their home at 507 E. Elm had been in her family since 1948 and their grandchildren played in the back yard directly behind the property under consideration. She voiced concerns about the close proximity of business activity to her home, the property's access off a residential street and parking on the rear of the lot. She reported trash lining the back of the property already. Mr. Mallory said he would take care of the properties needing clean up.

PUBLIC HEARING AND DISCUSS AND CONSIDER CHANGE OF ZONING AT 1006 SOUTH TRADE DAYS BLVD. IN THE CITY OF CANTON, TEXAS, OWNED BY MAMIE SHUMAN AND ALAN ROUSH FROM SINGLE FAMILY DETACHED RESIDENTIAL (R-1) TO LOCAL BUSINESS DISTRICT (B-1) – Mayor Hilliard opened the Public Hearing at 6:45 p.m. Rick Malone told the council that eight parking spaces and a masonry or living screen between the commercial and residential properties would be required. Councilmember Fenner asked if the parking standards had been enforced on other properties in the area and if a parking buffer was required. Mr. Malone confirmed the standards were enforced, but no buffer was required. Mayor Hilliard noted the widening of Trade Days Blvd. had changed the scope of the properties facing the street. Mrs. Brooks asked if the fence ordinance only applied to new properties and noted that her property extended behind two properties fronting Trade Days Blvd. She was concerned about having two different fences along her property. Mayor Hilliard expressed his concerns about accessing the property from Elm Street. Councilmember Fenner asked about the site plan process and found it was not required on properties less than one acre. He said he wanted to see business, but didn't think this would work, especially since the owners could ask for a parking variance through another Board. Councilmember Fenner then made the motion to deny Mamie Shuman's and Alan Roush's request for a zoning change from R-1 to B-1 at 1006 South Trade Days Blvd. Councilmember Hutcherson seconded. Councilmember

Sanford pointed out that the Planning & Zoning Commission recommended the zoning change, and if denied, the owners could not make another zoning change request for one year. He stated he could not see stopping business in that area, even though it would affect the Brooks. Councilmembers Fenner, Roberts and Hutcherson voted in favor of denying the zoning change. Councilmember Sanford opposed. Not meeting the four-fifths vote required to overturn the recommendation of the Planning & Zoning Commission, the motion did not carry. Upon Councilmember Sanford's recommendation, Councilmember Fenner rescinded the motion and made a motion to table the decision on the zoning request. Councilmember Roberts seconded, and all voted in favor.

DISCUSS AND CONSIDER APPROVAL OF RE-PLAT OF PROPERTY LOCATED AT NORTHWEST CORNER OF HIGHWAY 19 AND HIGHWAY 243 OWNED BY CANTON – MAYS, L.P. – On behalf of Canton Mays, L.P., Mark Bryant of Stanger Surveying presented a new plat combining three plats located at the northwest corner of Highway 19 and 243 where a new Eckerd Drug is under construction. He stated the owners requested a new plat of record because the property contained two unrecorded easements and they needed to add a new easement for TXU. He asked for City approval as required by the County prior to recording. Councilmember Fenner asked about drainage and was informed the drainage pipe was increased to forty-eight inches and FEMA had reviewed the plans and amended their flood plain map taking the property out of the flood zone. Mr. Bryant noted that if the City was not going to re-route the sewer line, the plat may need to include a sewer easement if he found it was located on the property. Upon Rick Malone's and Johnny Mallory's recommendation, Councilmember Fenner made the motion to approve the plat, with the addition of a sewer easement if it should be required. Councilmember Sanford seconded, and all voted in favor.

DISCUSS AND CONSIDER SITE PLAN APPROVAL FOR ETHERIDGE FARM SUBDIVISION LOCATED ON MILL CREEK ROAD AT ETHERIDGE ROAD – Councilmember Sanford asked if a water study had been done. Rick Malone stated the owners did a study and determined there would be minimal impact. He said plans directed some of the water southwest down Mill Creek Road. He also reported the Planning & Zoning Commission's recommendation for approval of Phase I including only the lots facing Mill Creek Road. Councilmember Fenner asked if the owners were planning to build without a final plat. Mr. Malone answered that he did not know their time frame but they had not yet started with the utilities. Councilmember Roberts stated it looked like the water would flow to Etheridge Road where there were no ditches, thereby adding to an existing problem area. He noted telephone poles were located where any ditches would go. Councilmembers discussed requiring the owners to put in a storm sewer to Hwy. 198. Councilmember Roberts made the motion to table the decision until it could be determined what could be done with the water. Councilmember Sanford seconded, and all voted in favor.

PUBLIC HEARING AND DISCUSS AND CONSIDER SPECIFIC USE PERMIT FOR SPRINT PCS MONOPOLE CELL TELECOMMUNICATIONS TOWER BEHIND THE SENIOR CITIZENS CENTER ON THE FIRST MONDAY TRADE DAYS PARK – Mayor Hilliard opened the Public Hearing at 7:15 p.m. and reported the Planning & Zoning Commission's recommendation to deny the Specific Use Permit and to consider an alternate location that would not affect the Downtown landscape. Johnny Mallory reported an alternate site on the First Monday grounds near FM 859 had been discussed. Julio Dumas and Margaret

Menta from Sprint and Dominique Laan with Gulf Coast Real Estate were present. Councilmember Fenner asked if all regulations had been followed. Mr. Dumas stated that Sprint would meet all requirements before building, but they could not file for FAA approval without specifying a site and a study would also have to be conducted on de-tuning the tower since it was within two miles of the AM radio tower. Councilmember Fenner disagreed and stated they needed to do more homework before asking for a permit. He pointed out there was no enforcement body once the permit was issued. As a member of the First Monday committee, Councilmember Fenner stated he did not want to see the tower in that location. He then made the motion to deny the Specific Use Permit for a Sprint PCS Cell Tower at the site behind the Senior Citizens Center. Councilmember Sanford seconded and asked that another site be considered at Saturday's meeting. The motion passed with Councilmembers Fenner and Sanford voting in favor, Councilmember Roberts voting against, and Councilmember Hutcherson abstaining.

DISCUSS AND CONSIDER REQUEST FROM SUSIE DORMAN FOR TRANSITION TO PART-TIME PATROL OFFICER – Officer Susie Dorman made an appeal to remain on the force as a part-time employee while she furthered her education. She proposed working thirty hours on bike patrol during First Monday weekend and other special events on the grounds, thereby helping to reduce the department's comp-time expense. Councilmember Roberts told Ms. Dorman he appreciated the job she did and he hated to lose a good patrolman. He stated the department would carry her certification and put her on as a reserve, but the department did not have the resources to pay one reserve and not the others. He said the officer taking her position could be assigned to First Monday and added that although the city did have part-time help for First Monday, none were at the wage she requested. He also noted it might create problems to hire another part-time officer on top of the number already in the department. Councilmember Sanford asked if it would cut out overtime, to which Chief Hammonds answered he didn't believe so and he felt it might create a problem with the other reserves. Mayor Hilliard expressed the Council's regrets, and stated the proposal did not parallel with the City's written procedures. Councilmember Roberts made the motion to deny Susie Dorman's request for part-time employment. Councilmember Sanford seconded. The motion carried with Councilmembers Roberts, Sanford and Hutcherson voting in favor and Councilmember Fenner opposed.

DISCUSS AND CONSIDER CONTINUANCE IN MAIN STREET GRADUATE CITY PROGRAM – On behalf of the Main Street Board, Rhita Koches reported spending a quarter of a million dollars on the revitalization of Downtown in the three years since Canton became a Main Street City. She informed the Council the program ended in October, but for \$300 Canton could continue as a Main Street Graduate City, retaining many of the same services. A motion by Councilmember Roberts to continue in the Main Street Graduate City Program was seconded by Councilmember Sanford and passed unanimously.

DISCUSS AND CONSIDER AWARDED BID FOR CONSTRUCTION OF TRADE CENTER IV – Johnny Mallory distributed a bid tabulation sheet, with Athens Steel coming in the lowest of ten bidders at \$434,464. He reminded the Council they also built Trade Center III. Councilmember Sanford recommended going ahead with the construction, stating by the time ground is broken Trade Center III would be paid off, freeing up \$30,000 a month for Trade Center IV financing. Mayor Hilliard asked if the First Monday Committee had met on the issue. Councilmember Fenner stated the tabulation sheet was insufficient without a staff report showing the difference in at least the top three bids. He said he'd like to see elevations and a complete

review by the First Monday Committee. He added the City needed a plan for First Monday and a theme. Councilmembers Sanford and Fenner (First Monday Committee members) agreed to meet prior to Saturday's meeting and to have the item placed on the agenda. Johnny Mallory was informed the bids were valid sixty days from July 31, 2003.

DISCUSS AND CONSIDER PURCHASE OF COMMERCIAL MOSQUITO FOGGER – Upon Councilmember Roberts' motion and Councilmember Fenner's second, the Council voted unanimously to purchase a commercial mosquito fogger for approximately \$5,000 out of the current year's budget. Having chemicals on hand, the staff was instructed to continue spraying.

DISCUSS AND CONSIDER ADOPTION OF ORDINANCE AMENDING STREET NAMES IN ORDINANCE NO. 93-04 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 – Johnny Mallory recommended adopting the proposed amendment updating an existing ordinance with the correct names of renamed streets. Councilmember Sanford moved to adopt Ordinance 2003-08 amending the street names in Ordinance No. 93-04 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. Councilmember Fenner seconded, and all voted in favor.

ORDINANCE NO. 2003 - 08

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; PROVIDING FOR PENALTIES FOR FAILURE TO COMPLY WITH SUCH ORDINANCE; PROVIDING A SEVERABILITY CLAUSE; REPEALING ALL ORDINANCES IN CONFLICT THEREWITH; AND PROVIDING FOR AN EFFECTIVE DATE.

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

The City Council hereby adopts this ordinance, to supercede previous ordinances, declaring as follows:

Section 1. No Parking Zones. When signs are erected in the following locations reading substantially, "No Parking, Tow-away Zone", no person shall park or stand any vehicle on the following parts of streets at any time, including but not limited to Sundays and holidays:

1. Both sides of Buffalo Street from Peace Street north to Groves Street.
2. Both sides of Capitol Street from Peace Street north to Groves Street.
3. Both sides of Dallas Street from Grand Saline Street east to Main Street.
4. Both sides of Tyler Street from Grand Saline Street east to Main Street.
5. Both sides of Terrell Street from Grand Saline Street east to Trade Days Blvd.
6. Both sides of Groves Street from Grand Saline Street east to Trade Days Blvd.

Section 2. Two Hour Parking Zones. When signs are erected in the following locations reading substantially "Two Hour Parking, Tow-Away Zone", no person shall park or stand any vehicle on the following parts of streets for periods exceeding two hours on any day, including but not limited to Sundays and holidays:

1. Both sides of Buffalo Street from Peace Street north to Groves Street.
2. Both sides of Capitol Street from Peace Street north to Groves Street.

3. Both sides of Dallas Street from Grand Saline Street east to Main Street.
4. Both sides of Tyler Street from Grand Saline Street east to Main Street.
5. Both sides of Terrell Street from Grand Saline Street east to Trade Days Blvd.
6. Both sides of Groves Street from Grand Saline Street east to Trade Days Blvd.

Section 3. Penalties. Any person violating any provision of Section One or Section Two of this ordinance shall be deemed guilty of a misdemeanor and punished by a fine of not less than five dollars (\$5.00) nor more than five hundred dollars (\$500.00) for each offense, and a separate offense shall be deemed committed on each day during or on which a violation occurs or continues.

Section 4. Towing Provisions. The police department is directed to cause to be towed away any vehicle found parked or standing in violation of Section One or Section Two 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 5. Repeal. All ordinances or parts of ordinances in conflict herewith shall be and the same are hereby repealed to the extent of such conflict.

Section 6. Severability of Provisions. If for any reason any provision, clause, sentence, paragraph, section, or part of this ordinance, or application thereof to any person, firm, corporation, public agency or circumstance, shall for any reason, be adjudged by a court of competent jurisdiction to be unconstitutional or invalid, said judgment shall not affect, impair or invalidate the remainder of this ordinance and the application of such provisions to other persons, firms, corporations, public agencies, or circumstances, but shall be continued in its operation to the provisions, clause, sentence, paragraph, section, or part thereof directly involved in the controversy in which such judgment shall have been rendered and to the person, firm, corporation, public agency, or circumstances involved. It is hereby declared to be the legislative intent of the City Council that this ordinance would have been adopted had such unconstitutional or invalid provision, clause, sentence, paragraph, section, or part thereof not be included.

Section 7. Effective Date. This ordinance shall become effective and in full force immediately after its passage and publication as required by law.

PASSED AND APPROVED THIS 19TH DAY OF AUGUST, 2003.

DISCUSS AND CONSIDER ADOPTION OF ORDINANCE RENEWING AND REGULATING A CURFEW FOR MINORS – Councilmember Fenner moved to adopt Ordinance 2003-09 regulating a curfew for minors. Councilmember Roberts seconded, and all voted in favor.

ORDINANCE NO. 2003-09

AN ORDINANCE "CURFEW HOURS FOR MINORS." OF THE CITY OF CANTON, TEXAS, DEFINING TERMS: CREATING OFFENSES FOR MINORS, PARENTS AND GUARDIANS OF MINORS, AND BUSINESS ESTABLISHMENTS VIOLATING CURFEW REGULATIONS; PROVIDING DEFENSES; PROVIDING FOR ENFORCEMENT BY THE POLICE DEPARTMENT; PROVIDING FOR WAIVER BY THE MUNICIPAL COURT OF JURISDICTION OVER A MINOR WHEN REQUIRED UNDER THE TEXAS FAMILY CODE; PROVIDING FOR REVIEW OF THIS ORDINANCE WITHIN SIX MONTHS AFTER THE DATE OF INITIAL ENFORCEMENT; PROVIDING A PENALTY NOT TO EXCEED \$500; PROVIDING A SAVING CLAUSE; PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City Council of Canton, Texas, has determined that there has been an increase in juvenile violence, juvenile gang activity, and crime by persons under the age of 17 in the City of Canton; and

WHEREAS, persons under the age of 17 are particularly susceptible by their lack of maturity and experience to participate in unlawful and gang-related activities and to be victims of older perpetrators of crime; and

WHEREAS, the City of Canton has an obligation to provide for the protection of minors from each other and from other persons, for the enforcement of parental control over and responsibility for children, for the protection of the general public, and for the reduction of the incidence of juvenile criminal activities; and

WHEREAS, a curfew for those under the age of 17 will be in the interest of the public health, safety, and general welfare and will help to attain the foregoing objectives and to diminish the undesirable impact of such conduct on the citizens of the City of Canton;

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

CURFEW HOURS FOR MINORS.

SECTION 1.

(a) Definitions. In this Section:

- (1) CURFEW HOURS means:
 - A) 11:00 p.m. on any Sunday, Monday, Tuesday, Wednesday, or Thursday until 6:00 a.m. of the following day; and
 - B) 12:01 a.m. until 6:00 a.m. on any Saturday or Sunday.
- (2) EMERGENCY means an unforeseen combination of circumstances or the resulting state that calls for immediate action. The term includes, but is not limited to, a fire, a natural disaster, or automobile accident, or any situation requiring immediate action to prevent serious bodily injury or loss of life.
- (3) ESTABLISHMENT means any privately-owned place of business operated for a profit to which the public is invited, including but not limited to any place of amusement or entertainment.
- (4) GUARDIAN means:
 - A) a person who, under court order, is the guardian of the person of a minor; or
 - B) a public or private agency with whom a minor has been placed by a court.
- (5) MINOR means any person under 17 years of age.
- (6) OPERATOR means any individual, firm, association, partnership, or corporation operating, managing, or conducting any establishment. The term includes the members or partners of an association or partnership and the officers of a corporation.
- (7) PARENT means a person who is:
 - A) a natural parent, adoptive parent, or step-parent of another person; or
 - B) at least 18 years of age and authorized by a parent or guardian to have the care and custody of a minor.
- (8) PUBLIC PLACE means any place to which the public or a substantial group of the public has access and includes, but is not limited to, streets, highways, and the common areas of schools, hospitals, apartment houses, office buildings, transport facilities, and shops.
- (9) REMAIN means to:
 - A) linger or stay; or

B) fail to leave premises when requested to do so by a police officer or the owner, operator, or other person in control of the premises.

10)SERIOUS BODILY INJURY means bodily injury that creates a substantial risk of death or that causes death, serious permanent disfigurement, or protracted loss or impairment of the function of any bodily member or organ.

(b) Offenses.

- (1) A minor commits an offense if he remains in any public place or on the premises of any establishment within the city during curfew hours.
- (2) a parent or guardian of a minor commits an offense if he knowingly permits, or by insufficient control allows, the minor to remain in any public place or on the premises of any establishment within the city during curfew hours.
- (3) The owner, operator, or any employee of an establishment commits an offense if he knowingly allows a minor to remain upon the premises of the establishment during curfew hours.

(c) Defenses.

- (1) It is a defense to prosecution under Subsection (b) that the minor was
 - A) accompanied by the minor's parent or guardian;
 - B) on an errand at the direction of the minor's parent or guardian, without any detour or stop;
 - C) in a motor vehicle involved in interstate travel;
 - D) engaged in an employment activity, or going to or returning home from an employment activity, without any detour or stop;
 - E) involved in an emergency;
 - F) on the sidewalk abutting the minor's residence or abutting the residence of a next-door neighbor if the neighbor did not complain to the police department about the minor's presence;
 - G) attending an official school, religious, or other recreational activity supervised by adults and sponsored by the City of Canton, a civic organization, or another similar entity that takes responsibility for the minor, or going to or returning home from, without any detour or stop, an official school, religious, or other recreational activity supervised by adults and sponsored by the City of Canton, a civic organization, or another similar entity that takes responsibility for the minor;
 - H) exercising First Amendment rights protected by the United States Constitution, such as the free exercise of religion, freedom of speech, and the right of assembly; or
 - I) married or had been married or had disabilities of minority removed in accordance with Chapter 31 of the Texas Family Code.
- (2) It is a defense to prosecution under Subsection (b)(3) that the owner, operator, or employee of an establishment promptly notified the police department that a minor was present on the premises of the establishment during curfew hours and refused to leave.

(d) Enforcement.

Before taking any enforcement action under this section, a police officer shall ask the apparent offender's age and reason for being in the public place. The officer shall not issue a citation or make an arrest under this section unless the officer reasonably believes that an offense has occurred and that, based on any response and other circumstances, no defense in Subsection (c) is present.

(e) Penalties.

- (1) A person who violates a provision of this chapter is guilty of a separate offense for each day or part of a day during which the violation is committed, continued, or permitted. Each offense, upon conviction, is punishable by a fine not to exceed \$500.

- (2) When required by Section 51.08 of the Texas Family Code, as amended, the municipal court shall waive original jurisdiction over a minor who violates Subsection (b)(1) of this section and shall refer the minor to juvenile court.

SECTION 2.

That within six months after the initial enforcement of this ordinance, the City Manager shall review this ordinance and report and make recommendations to the City Council concerning the effectiveness of and the continuing need for the ordinance. The City Manager's report shall specifically include the following information:

- (A) the practicality of enforcing the ordinance and any problems with enforcement identified by the police department;
- (B) the impact of the ordinance on crime statistics;
- (C) the number of persons successfully prosecuted for a violation of the ordinance; and
- (D) the city's net cost of enforcing the ordinance.

SECTION 3.

Severability. If any provision of this ordinance or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of the ordinance which can be given effect without the invalid provision or application, and to this end the provisions of this ordinance are declared to be severable.

SECTION 4.

That this ordinance shall take effect immediately from and after its passage and publication in accordance with the Local Government Code Section 52.011 and the City of Canton.

PASSED by a majority vote of the City Council of Canton, Texas, on this the 19th day of August, 2003.

DISCUSS AND CONSIDER ADOPTION OF ORDINANCE PROVIDING FOR POLICIES AND PROCEDURES REGARDING THE OPERATION OF FIRST MONDAY TRADE DAYS - Item tabled and referred to the First Monday Committee.

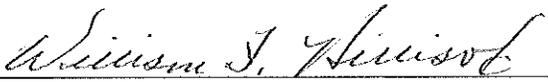
DISCUSS AND CONSIDER SCHEDULING COUNCIL WORKSHOP AND PUBLIC HEARING FOR 2003-2004 BUDGET – A budget workshop was scheduled for 8:30 a.m., Saturday, August 23, 2003. Councilmember Fenner moved to schedule a Public Hearing on the 2003-2004 Budget for 6:30 p.m., Tuesday, September 16, 2003. Councilmember Roberts seconded, and all voted in favor.

EXECUTIVE SESSION FOR DELIBERATIONS REGARDING POTENTIAL PURCHASE OF REAL PROPERTY (Section 551.072) – Mayor Hilliard passed on the item. No executive session was held.

RECONVENE TO OPEN SESSION AND CONSIDER ACTION, IF ANY, ON ITEMS DISCUSSED IN EXECUTIVE SESSION – None

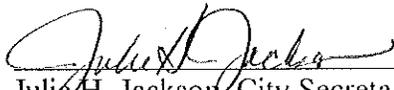
DISCUSSION PERTAINING TO BUSINESS FOR PLACEMENT ON FUTURE AGENDAS – Councilmember Fenner requested more information in the Council packets, including a background summary on each item prepared by the appropriate department head. For a subdivision site plan, he said he would like to see who had reviewed the plan—staff members, utility companies, etc.

ADJOURN – There being no further business to come before the Council, Councilmember Roberts moved to adjourn at 7:51 p.m. Councilmember Fenner seconded, and all voted in favor.



 William F. Hilliard, Mayor

ATTEST:



 Julie H. Jackson, City Secretary

CALLED MEETING OF CANTON CITY COUNCIL
 CITY OF CANTON, TEXAS
 8:30 A.M., SATURDAY, AUGUST 23, 2003
 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 Hilliard, Charles Fenner, Tommy Roberts, Ron Sanford, and Raymond Pruitt. Councilmember Beverly Hutcherson was absent.

Discussion and action were as follows:

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

DISCUSS AND CONSIDER AWARDED BID FOR CONSTRUCTION OF TRADE CENTER IV – Councilmember Sanford said the First Monday Committee (he and Charles Fenner) had reviewed the site and plans. He then made a motion to award the Trade Center IV bid to Athens Steel Buildings with the low bid of \$434,464. He stated the building would be stair-stepped between Trade Center III and the Arbors, and it would be compatible with existing structures. Mayor Hilliard asked if it would be lined up so it could be tied to other buildings in the future. Johnny Mallory said Trade Center IV would stick out a little further than Trade Center III on the north side, but they would line up on the south side. Mayor Hilliard asked if it would be close to the road that cuts through and if there was adequate room to widen Row 94 if the City ever decided to do so. Al Campbell said there was room to widen Row 94. Mayor Hilliard then recommended stubbing for water and sewer to offer a different type of leasing. Al Campbell stated there were currently no food vendors under the structures. He and Johnny Mallory recommended against putting sewer in the flood plain. Mr. Campbell added that the manhole in the area was too shallow to put in sewer. Councilmember Fenner stated there was nothing wrong

with thinking about a food court. Councilmember Roberts then seconded the motion. Mayor Hilliard asked how much revenue the pavilion would generate. Councilmember Sanford said it would generate \$16,800 with parking per month, versus \$1900 the area was currently generating. Mayor Hilliard called for a vote and all voted in favor.

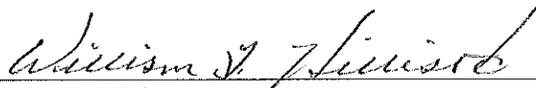
DISCUSS AND CONSIDER DISCUSS AND CONSIDER ADOPTION OF ORDINANCE PROVIDING FOR POLICIES AND PROCEDURES REGARDING THE OPERATION OF FIRST MONDAY TRADE DAYS – Al Campbell reported the policies pamphlet included only customary date changes and it had been reviewed by the First Monday Committee, but they wanted to discuss transfer fees in the building area. He added that any statement on transfers should be followed by “with management consent.” He also noted a clause in the “traffic and parking” section referring to the requirement for merchandise across the front of the lot should be removed to be consistent with the Council’s decision the previous year. Mayor Hilliard asked if the Council wanted to stop all transfers. Councilmember Fenner said that he had also asked that question, but had been persuaded by Al Campbell that the reason the transfer fee had been implemented was to keep track of the businesses changing hands. Mayor Hilliard stated the City needed to stop the transfers. Al Campbell said he was the only one approving transfers, they were not allowed without an inventory list and bill of sale, and they weren’t approved if the deal did not seem legitimate. He added he was open to suggestions on increasing controls on transfers. Councilmember Fenner asked if there were a way to follow-up after a transfer. Councilmember Roberts said vendors could take another’s receipts and pay cash and there would be no way to keep track of transfers. Councilmember Fenner stated the City had a procedure and it just needed to have stricter enforcement. Lonnie Cluck said if the Council wanted to stop subleasing, it should do away with lot transfers. Al Campbell stated there were a lot of good people who had worked hard and built a good business. He said it would be unfair to tell them it was not worth anything anymore. Councilmember Roberts agreed stating it was why a person worked hard to build a business. Councilmember Pruitt added that was why the transfer fee was implemented. Upon Councilmember Fenner’s suggestion, Councilmember Roberts made a motion to charge a \$2000 per lot transfer fee in the building area and a \$1000 per lot transfer fee on lots elsewhere. Councilmember Fenner seconded, and all voted in favor.

WORKSHOP FOR COUNCIL INPUT AND PLANNING PERTAINING TO BUDGET FOR 2003-2004 FISCAL YEAR – Councilmember Roberts stated his questions had been answered and he felt comfortable that all adjustments had been made. Mr. Mallory confirmed the budget took into consideration the reorganization and the finance committee’s recommendations. Judge Lilia Durham asked for clarification on her salary. Upon her agreement, Councilmember Roberts made a motion to increase Judge Durham’s salary to \$12.00 per hour (\$24,960 annually) with full-time employment benefits. Councilmember Fenner seconded. A vote was not called as it would be approved with the approval of the budget. Councilmember Roberts recommended that job descriptions be written with the organizational changes. In discussing raises, it was confirmed that raises were not budgeted for exempt employees, except Lonnie Cluck, and that other employees were receiving 3%. Lonnie Cluck said he had a few employees he wanted to receive 6%. After a brief discussion on raises and job evaluations, it was agreed that all raises should be proposed to the city manager by the department heads and only disputes should be brought for council consideration.

Chief Hammonds then asked what the Council's wishes were regarding the animal shelter. Councilmember Roberts stated he didn't think the City could feasibly relocate the shelter and a new bridge had been put in. He recommended improving the current facility with the \$95,000 dedicated for such. He asked the Chief to bring plans back to the city manager and Council. Mayor Hilliard recommended moving to a site with natural gas available. Councilmember Roberts said even with rising propane costs, the city would not recoup the cost of moving in 20 years. Mayor Hilliard clarified that it could be built on donated property. Chief Hammonds added it was not feasible to run natural gas to the current site. The Council also discussed the need for the county to fix the road up to the City's gate.

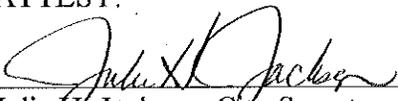
Lonnie Cluck then directed the discussion to parks. He recommended budgeting annually for the replacement of some playground equipment and the ground chips. Councilmember Pruitt recommended replacing one tennis court and improving the play area. Johnny Mallory said the \$50,000 budgeted included \$29,949 to pour one tennis court plus the vinyl top and fencing. Mayor Hilliard asked Lonnie Cluck to work with the Parks Committee.

ADJOURN – There being no further business to come before the Council, the meeting was adjourned at 9:26 a.m. on a motion by Councilmember Roberts and second by Councilmember Fenner.



 William F. Hilliard, Mayor

ATTEST:



 Julie H. Jackson, City Secretary

REGULAR MEETING OF CANTON CITY COUNCIL
 CITY OF CANTON, TEXAS
 6:30 P.M., TUESDAY, SEPTEMBER 16, 2003
 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 William F. Hilliard, Charles Fenner, Tommy Roberts, Ron Sanford, and Raymond Pruitt. Councilmember Beverly Hutcherson moved out of the City and resigned.

Discussion and action were as follows:

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

MAYOR'S WELCOME given by William F. Hilliard.

INVOCATION given by Jim Stephens.

PLEDGE OF ALLEGIANCE led by Mayor Hilliard.

GUEST ITEMS – None

ACCEPT RESIGNATION OF COUNCILMEMBER BEVERLY HUTCHERSON – Mayor Hilliard presented Beverly Hutcherson's letter of resignation and noted she had moved out of the city to be near family. Her resignation was accepted on a motion by Councilmember Roberts and second by Councilmember Sanford. Mayor Hilliard expressed the City's appreciation for her service. Julie Jackson noted a plaque was ready for presentation to Mrs. Hutcherson.

DISCUSS AND CONSIDER APPROVAL OF MINUTES FROM THE AUGUST 2, 19, AND 23, 2003 MEETINGS OF THE CANTON CITY COUNCIL – The minutes of the August 2, 19, and 23, 2003 meetings were unanimously approved on a motion by Councilmember Sanford and second by Councilmember Roberts.

DISCUSS AND CONSIDER APPROVAL OF THE AUGUST 2003 FINANCIAL STATEMENTS - Councilmember Sanford made the motion to approve the August 2003 Financial Statements. Councilmember Fenner seconded, and all voted in favor.

PUBLIC HEARING ON PROPOSED BUDGET FOR FISCAL YEAR BEGINNING OCTOBER 1, 2003, AND ENDING SEPTEMBER 30, 2004 – Mayor Hilliard opened the Public Hearing at 6:35 p.m. A called meeting to set the tax rate was scheduled for 8:30 a.m. Thursday, September 25, 2003. Hearing no other comments, the Public Hearing was closed at 6:38 p.m.

DISCUSS AND CONSIDER ADOPTION OF ORDINANCE APPROVING PROPOSED 2003-2004 BUDGET – Councilmember Sanford made a motion to adopt Ordinance 2003-11 approving the 2003-2004 Budget. Councilmember Roberts seconded, and all voted in favor.

ORDINANCE NO. 2003-11

AN ORDINANCE MAKING APPROPRIATIONS FOR THE SUPPORT OF THE CITY OF CANTON FOR THE ENSUING FISCAL YEAR BEGINNING OCTOBER 1, 2003, AND ENDING SEPTEMBER 30, 2004; APPROPRIATING MONEY TO A SINKING FUND TO PAY INTEREST AND PRINCIPAL DUE ON THE CITY'S OUTSTANDING INDEBTEDNESS; ADOPTING THE ANNUAL BUDGET OF THE CITY OF CANTON FOR THE 2003-2004 FISCAL YEAR; PROVIDING A SAVINGS CLAUSE, FOR THE REPEAL OF ALL ORDINANCES AND APPROPRIATIONS IN CONFLICT WITH THE PROVISIONS OF THIS ORDINANCE; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the Mayor of the City of Canton, Texas has submitted to the City Council a proposed budget of the revenues and expenditures of the City of Canton for the period beginning October 1, 2003, and ending September 30, 2004 and which said proposed budget has been compiled from detailed information obtained from several departments, divisions, and offices of the City; and,

WHEREAS, a copy of said proposed budget was timely filed with the City Secretary of the City of Canton, Texas; and

WHEREAS, the City Council of the City of Canton did sit as a committee of the whole in the Council Chamber at the City Hall in the City of Canton on September 16, 2003, at 6:30 o'clock p.m., after public

notice having been given, to hear any complaints, suggestions or observations during a public hearing on the proposed budget; and

Whereas, said Council is of the opinion that the same should be approved and adopted,

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

SECTION 1.

That the proposed budget of the Revenues and Expenses of the City of Canton, Texas for the period beginning October 1, 2003, and ending September 30, 2004, as submitted to the City Council of said City be, and the same is in all things adopted and approved as the budget of all the current expenses as well as the fixed charges against said City, for the period beginning October 1, 2003 and ending September 30, 2004.

SECTION 2.

That the sum of \$2,313,013.00 for the payment of General Fund operating expenses and necessary transfers to other funds of the City as hereinafter itemized is hereby appropriated to:

GENERAL FUND

Administration	\$ 605,030.00
Police Department	\$1,052,756.00
Animal Control Dept.	\$ 98,040.00
Municipal Court	\$ 48,300.00
Fire Department	\$ 106,640.00
Street Department	\$ 270,327.00
Parks Department	\$ 131,920.00

SECTION 3.

That the sum of \$1,080,700.00 is appropriated from the revenues and balances on hand in the Water Department to operating, capital outlay, debt service and inter-fund transfers of the Water Department. That the sum of \$445,050.00 is appropriated from the revenues and balances on hand in the Sewer Department to operating, capital outlay, debt service and inter-fund transfers of the Sewer Department.

SECTION 4.

That the sum of \$3,106,829.00 is appropriated out of the First Monday Fund and ordered expended for the proposed outlined expenses in the First Monday Fund budget for the budget period.

SECTION 5.

That the sum of \$1,273,896.00 is appropriated out of the Debt Service Fund to provide for a sinking fund for the payment of the principal and interest and the retirement of the bonded debt of said city coming due during the budget period.

SECTION 6.

That this ordinance shall be and remain in full force and effect from and after its passage and approval by the City Council and that all ordinances or parts of ordinances in conflict herewith be and the same are hereby repealed to the extent of such conflict.

SECTION 7.

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.

PASSED, ADOPTED, AND APPROVED on this the 16th day of September, 2003.

DISCUSS AND CONSIDER APPROVAL OF ENGAGEMENT LETTER RETAINING CONWAY & COMPANY TO CONDUCT 2002-2003 AUDIT – Councilmember Roberts asked if the audit had been put out for bids. Johnny Mallory said the City could solicit proposals but he recommended Conway & Company because they had prepared the audit the last two years, they had given the City the same price as the previous year, and they were familiar with the City's computer program. He suggested changing auditors the following year. Councilmember Pruitt said three years was long enough to stay with one company and he was in favor of changing this year, as was Mayor Hilliard. Johnny Mallory stressed the time constraints. Councilmember Roberts made a motion to approve the engagement letter retaining Conway & Company to conduct the 2002-2003 audit, with the understanding that a different auditor be selected next year. Councilmember Sanford seconded. Motion failed, with Councilmembers Roberts and Sanford voting in favor, Councilmembers Pruitt and Fenner voting against, and Mayor Hilliard with the tie-breaking vote against.

UPDATE FROM CANTON CHAMBER OF COMMERCE AND DISCUSS AND CONSIDER RENEWAL OF CHAMBER OF COMMERCE SERVICE AGREEMENT – David Barber reported the chamber was hosting its monthly networking luncheon September 18th at the Country Club; the tourism committee was meeting September 22nd to consider the 2004 promotion schedule; the board was parking cars at the FM 859 parking lot October 4th; the nominating committee was making its recommendations for the 2004 board members and officers at the October board meeting; and the Chamber was hosting the Council of Van Zandt County Communities meeting on October 14th.

The Council then discussed renewal of the annual service agreement. Councilmember Fenner asked about the Chamber's plans for an executive director. David Barber said the personnel committee was planning to meet and make a recommendation to the board, and he would keep the Council posted. Linda Royal confirmed the chamber's budget without City funds would be \$30,000 from membership dues. Councilmember Pruitt requested the item be tabled so he and Charles Fenner could meet with David Barber. The item was then tabled to the called meeting on September 25th.

UPDATE FROM PLAZA MUSEUM BOARD – Donna Rakestraw thanked the Council for its vision three years prior to buy the Plaza building to house a city Museum. She said the museum attracted statewide attention and showcased the Brewer Bell Collection, the 1938 fire truck and several exhibits on loan, including a pre-civil war canon and pre-civil war piano plus memorabilia from its original owner. She said the Lake Trails Heritage organization was considering the museum's inclusion in their brochure. Ms. Rakestraw also reported plans to form a "Friends of the Museum" group to help raise operating funds.

Dorisene Groves reported on the Blackwell House, also under the purview of the Plaza Museum Board. Mrs. Groves said the Blackwell House was the City's first museum and urged the historic home's continued preservation and operation. She noted the transition from chamber office to a more traditional home and the refurbishing of many of its furnishings. Mrs. Grove reported the success of its recent ice cream social fundraiser, its availability to rent for small functions, and the committee's efforts to open the home during First Monday weekends as originally requested by

the Blackwell family when they gifted it to the City. She also noted an open house scheduled for the first week in December.

DISCUSS AND CONSIDER REQUEST FROM VAN ZANDT COUNTY HISTORICAL COMMISSION FOR FUNDING OF A HISTORICAL MARKER TITLED "CANTON-THE MISPLACED COUNTY SEAT" – Don and Annette Plemmons relayed the unique history behind the misplaced county seat resulting from a surveyor's error. They asked the Council to fund a 27"x42" marker for \$1250 or an 18"x28" marker for \$850, to be placed in a site chosen by the Council. Mrs. Plemmons said upon Council approval, she would prepare the application and submit it to the Texas Historical Commission. She anticipated approval to take four to six months. Councilmember Roberts made the motion to approve \$1250 to fund the historical marker. Councilmember Pruitt seconded, and all voted in favor.

DISCUSS AND CONSIDER AWARDDING BID ON GROUND STORAGE TANKS FOR WATER TREATMENT PLANT – Johnny Mallory reported receiving two bids, with the low bid of \$455,500 coming from Bruce Crummer of Tank Builders. He noted the engineers recommended the company having worked successfully with them on fifty projects. He also noted their use of McKinney & Moore as subcontractors, with whom the City had worked well on several projects. Mr. Mallory confirmed the bid was for one tank, and the repairs to the existing tank would be bid separately as per the engineer's preference. Mayor Hilliard recommended the tank be placed on top of a hill instead of beside the existing tank so it could serve as an emergency water source by gravity flow to the City. Johnny Mallory stated the water gravity flows out of the plant to the tank preventing its placement on the hill. Councilmember Roberts made the motion to accept Tank Builder's \$455,500 bid for the storage tank. Councilmember Sanford seconded, and all voted in favor.

DISCUSS AND CONSIDER REQUEST FROM VAN ZANDT INTERNET FOR PLACEMENT OF WIRELESS RADIO EQUIPMENT ON DOWNTOWN WATER TOWER IN EXCHANGE FOR SERVICE TO CITY AND PROVIDING SPACE FOR CANTON FIRE DEPARTMENT EQUIPMENT ON THEIR HWY. 243 TOWER – Scott Westfall of Van Zandt Internet reported his company's efforts to deploy 5.7 ghz wireless internet service to the community. He said he was attempting to secure three locations for equipment, including one on the downtown water tower. He proposed that he provide wireless internet service to the City and space on their Hwy. 243 tower for fire department radio equipment in exchange for space for his equipment on the downtown water tower. Johnny Mallory said he had talked with Scott Westfall and Brian McNevin, and Chief McNevin had since found he could put his radio equipment on the courthouse. He was, in fact, seeking final approval from the county commissioners at their next meeting. Mr. Mallory recommended leasing space on the downtown tower to Van Zandt Internet rather than bartering for services. Councilmember Pruitt voiced opposition to placing more equipment on the water tower, stating it would reduce its historical significance. Councilmember Roberts made the motion to deny Van Zandt Internet's request. Councilmember Pruitt seconded, and all voted in favor.

DISCUSS AND CONSIDER REQUEST FROM DOUG PUTMAN FOR ¾ INCH WATER TAP OUTSIDE CITY LIMITS AT 305 VZCR 2120 – Pete Lucas verified that water was available for the tap on Old Kaufman Road past Cherry Creek. Councilmember Sanford made the motion to approve Doug Putman's request for a ¾" water tap outside the city limits.

Councilmember Pruitt seconded. Councilmember Fenner asked if the City had a water service plan or if requests were historically approved. Councilmember Roberts stated the city could potentially run into a problem if it kept granting all requests. He then recommended raising the fees for water customers outside the city limits. Councilmember Fenner said in his experience, customers were required to annex to receive city water. Councilmember Roberts pointed out a 0% ad valorem tax changed the City's perspective on annexation. Mayor Hilliard also pointed out it could be costly for the city to furnish sewer. He then called for a vote. Motion passed with all in favor.

DISCUSS AND CONSIDER REQUEST FROM MARTIN MASSINGILL FOR WATER AND SEWER TAPS OUTSIDE CITY LIMITS AT VZCR 2201 – Pete Lucas reported sewer was not available, but a six-inch water line ran in front of the property. Councilmember Sanford made the motion to approve Mr. Massingill's request for a water tap and to deny his request for sewer. Councilmember Roberts seconded, and all voted in favor. Pete Lucas agreed to call Mr. Massingill.

PUBLIC HEARING AND DISCUSS AND CONSIDER CHANGE OF ZONING FROM AGRICULTURAL DISTRICT (RA) TO GENERAL BUSINESS DISTRICT (B-2) OF 1.66 ACRE TRACT LOCATED ON SOUTH BUFFALO AT ETHERIDGE ROAD IN THE CITY OF CANTON, TEXAS, OWNED BY CHARLES HUDDLE – Mayor Hilliard opened the public hearing at 7:28 p.m. A letter from neighboring property owner Selma Dawson was presented to the Council. Councilmember Roberts stated the property could only be used for commercial purposes with the gas line across it. Selma Dawson questioned the validity of the Planning and Zoning Commission's action, citing the exclusion of two neighboring property owners from the notification process. She noted Julie Jackson told her she researched the information on property owner's via the internet. Mrs. Dawson said she was able to get the current property owners names and addresses and a map from the appraisal district within five minutes. Mrs. Dawson also asked how Mr. Huddle could be grandfathered from the requirement for a living screen. Rick Malone reported Mr. Huddle had agreed to the living screen. Councilmember Roberts disagreed that it was illegal to get the owner information via the internet, saying it was the same as going to the tax office. He said if the internet information was not updated often enough, then the staff needed to go further and go to the appraisal district. Councilmember Fenner noted that if the property owners were re-notified, the issue would have to go back before the Planning & Zoning Commission and then to the Council. Councilmember Roberts stated he was surprised an earlier request to rezone the same property commercial for a tree farm was denied since it was next to two other commercial properties and the only use of that property was commercial. Rick Malone said the county contracted out the updating of their website. He added that the City paid for the service to search their records and we were at their mercy to update the site. Councilmember Fenner reiterated that any notification error was unintentional. Mayor Hilliard tabled the item and instructed the staff to re-notify all current property owners as per the appraisal district's tax roll.

DISCUSS AND CONSIDER CHANGE OF ZONING FROM SINGLE FAMILY DETACHED RESIDENTIAL (R-1) TO LOCAL BUSINESS DISTRICT (B-1) AT 1006 SOUTH TRADE DAYS BLVD. IN THE CITY OF CANTON, TEXAS, OWNED BY MAMIE SHUMAN AND ALAN ROUSH – Alan Roush and Mamie Shuman presented a business plan for a retail business to be located at 1006 South Trade Days Blvd. They planned to sell works by Texas artists, food products, garden products and products by well-known retailers. Mr. Roush said they began

searching for a property with a neighborhood feel four years prior, and after looking at Jefferson and McKinney they decided upon Canton. He pointed out it was located beside a printing office and hair salon and both had parking behind their buildings. He stated he wasn't asking for more than what already existed. Rick Malone verified the zoning ordinance prohibited parking within one hundred feet of a residence, necessitating a variance. He said he had spoken with the Brooks and understood their concerns were whether the business would fit in with the neighborhood, how it would affect drainage and what might happen as time progressed. Mr. Roush stated he had improved the guttering and french drains which had improved the drainage, he had removed diseased trees, and had a privacy fence ordered. He felt he had made significant improvements in thirty days and he felt the privacy fence would buffer noise. He said he would need to put cars in the back and there was space for three cars under the carport and eight to ten cars in the back in an "L" shape, while still leaving space for gardens and grounds. He also noted the established buildings showed that traffic did not continue on down Elm Street. Councilmember Roberts stated his concern was parking and the potential to tie up traffic on Highway 19 and turning down Elm. Rick Malone verified he would be required to have eight to ten parking spaces. Mr. Roush replied there was plenty of room for parking and he planned to make the entrance off Elm Street. Mayor Hilliard expressed concerns about drainage if they put in concrete. Mr. Roush explained they were not putting in concrete, but planned to lay paved stones as a walking path. He said the majority of drainage collected under the house due to a lack of guttering, but that had been repaired. He said the City and State did studies on the road drainage so it would not be a problem. He added that it was fairly level behind the house and they tried to channel any water away from the Brooks' home. He also noted they had added to the community and improved the property and neighborhood versus other run-down properties. Councilmember Fenner asked about parking lot construction requirements. Rick Malone answered the parking lot had to be paved with a flex base--asphalt, mixture or concrete. Councilmember Pruitt stated he had a problem with the entrance off Elm Street. Alan Roush said there was a lot of traffic on Elm already accessing machine shops, landscapers, etc. down the street. Councilmember Pruitt expressed concerns for the citizens' welfare since it was an elderly part of town. Mr. Roush said if he made an entrance off Highway 19, he would have to cut down trees. Councilmember Fenner stated the Texas Department of Transportation probably desired fewer entrances off Highway 19 and instead carrying entrances off the side streets. He noted there were ways of buffering the parking.

Neighboring property owners Jan and Scott Brooks reviewed their concerns about the zoning change, including traffic, parking, safety, and noise problems. Mrs. Brooks noted problems with other commercial properties along Highway 19 that had not yet been cleaned up, including an abandoned gift shop. She said the chances of a business sustaining itself was questionable and wondered what condition the property would be in two years hence. She also voiced concerns for her elderly neighbors. Mrs. Brooks stated she could understand the property being used for a professional establishment with less noise and traffic. Mr. Brooks added that the sprinkler in Mr. Roush's front yard resulted in water behind his garage and he was concerned about drainage. Councilmember Fenner pointed out that the process of notification regarding cleaning up abandoned properties took some time. Johnny Mallory indicated he would fix it. Mayor Hilliard also pointed out the petitioner's could not be tainted by other property owner's failure to maintain their property. Mrs. Brooks stated that with B-1 zoning, an auto parts store could go on the lot. Councilmember Roberts said that future use could not be predicted, but the property was eventually going to be zoned commercial because Canton was developing that way. Mrs. Brooks

also described Highway 19 as the image people would see as they entered Canton. Councilmember Roberts made the motion to approve the Planning & Zoning's recommendation of B-1 Zoning for 1006 South Trade Days Blvd. Councilmember Sanford seconded. Councilmember Fenner reviewed the permitted uses in B-1 and asked about outdoor displays. Rick Malone indicated there were no City regulations regarding outdoor displays. Councilmember Pruitt asked and received clarification between B-1 and RPO Zoning. Councilmembers Roberts and Sanford then voted in favor of the zoning change. Councilmembers Fenner and Pruitt opposed. Mayor Hilliard cast the deciding vote against the zoning change. Councilmember Fenner stated he was not against the business, but felt Highway 19 was a gateway to the community. He said he would investigate what was allowed to happen to the properties next door.

DISCUSS AND CONSIDER SITE PLAN APPROVAL FOR PHASE I OF ETHERIDGE FARM SUBDIVISION LOCATED ON MILL CREEK ROAD AT ETHERIDGE ROAD – Mike Blake and engineer Kenneth Cline were on hand to answer questions. Councilmember Roberts stated he lived in the area and there was no way the development would not flood his property. Kenneth Cline stated that one problem was the 18" culverts. Councilmember Roberts added there were no culverts from Malinda Lane to Highway 198. Neighbors Alton Smith and Selma Dawson verified the water went through their properties also. Mr. Cline said there should have been an easement in the existing subdivision. Councilmembers discussed diverting water down Etheridge Road and Stacie. Councilmember Roberts stated there was no way to divert that amount of water where it would not be detrimental to the properties there. He added that enlarging the culverts wouldn't help because there were no culverts past Malinda Lane. Councilmember Fenner received verification that the ordinance required the developers to engineer for the 25-year flood plain. He pointed out their plans met that requirement and they had done all they could do. He added the City could not require them to fix existing problems. Councilmember Pruitt stated the street would not carry the traffic and asked if there were 6" on either side of the right-of-way. Mr. Cline said it would be difficult, that the street needed to be curbed and guttered. Councilmember Fenner received confirmation the developers were aware they needed final plat approval prior to selling property. He said he was concerned with drainage and that a retention pond in the development could alleviate the problem. Councilmember Fenner asked about plans against erosion. Mr. Cline said they would put in solid sod and rip rap as soon as the ditch work was completed. Councilmember Roberts asked if the developers were replacing culverts on the north side, to which Mr. Cline responded yes. Mike Blake reiterated they would be alleviating some of the current conditions. Mr. Cline said he contacted the Highway Department about redirecting some of their water off Highway 198 south, instead of all north and about what they will do to alleviate the water once it reaches Highway 198. Councilmember Fenner then made the motion to approve the site plan for Phase I of Etheridge Farms Subdivision. The motion failed for lack of a second.

DISCUSS AND CONSIDER FIRST MONDAY LOT TRANSFER FEES – Item tabled awaiting figures from Oncor.

DISCUSS AND CONSIDER ADOPTION OF ORDINANCE PROVIDING FOR POLICIES AND PROCEDURES REGARDING THE OPERATION OF FIRST MONDAY TRADE DAYS - Item tabled.

DISCUSS AND CONSIDER CLOSING CAPITAL STREET BETWEEN DALLAS AND TERRELL STREETS SEPTEMBER 27, 2003 FOR GRAND OPENING OF "ONE MAIN PLACE" – Item withdrawn by owner.

DISCUSS AND CONSIDER STREET CLOSINGS FOR HOMECOMING PARADE SEPTEMBER 18, 2003 – Councilmember Roberts made a motion to approve the street closings for the Homecoming Parade and pep rally on September 18, 2003. Councilmember Sanford seconded, and all voted in favor.

DISCUSS AND CONSIDER APPROVAL OF STREET PROJECTS – Mayor Hilliard appointed Councilmembers Fenner and Pruitt to the Streets Committee and referred the Street Project list to them for review and recommendation to the Council. Councilmember Roberts requested the projects be put out for bid separately or collectively, and that 10% be withheld pending final inspection and approval. Councilmember Pruitt presented a card from a Terrell contractor who asked to bid. When asked why previous projects had not been bid out, Pete Lucas said Daniel Asphalt & Paving was \$0.52 less than all others and the projects were under the amount required to bid. Councilmember Pruitt said water was still in the low spot on Row 94 and asked the staff to have Daniel try to fix it again. Mayor Hilliard asked that no more overlays be done until the Streets Committee had an opportunity to make its recommendations. He said he was getting complaints on the streets. Pete Lucas said he had not received any complaints. Councilmember Pruitt also mentioned cracks in Mill Creek Road and asked if we still filled cracks. Johnny Mallory indicated he would check on them.

DISCUSS AND CONSIDER APPOINTMENTS TO CITIZENS ADVISORY COMMITTEE TO ASSIST IN DEVELOPMENT OF A COMPREHENSIVE PLAN – Jim Stephens stated the Council had hired Dunkin, Sefko & Associates to help prepare a comprehensive plan as requested by the Planning & Zoning Commission and funded by the Canton Economic Development Corporation. He asked the Council to review the recommended appointments to a Citizen Advisory Committee which would act as a steering committee on this project. Councilmember Fenner recommended adding small business owners Eric Jontra and Paul Nicklaus to the list. Councilmember Pruitt made the motion to make the following appointments to the Citizens Advisory Committee: Charles Fenner, Ron Sanford, Lynn Etheridge, Elisa Heard, Kenneth Pruitt, Jim Stephens, Larry Davis, Don Hackney, Jerry Burns, David Miller, Rhita Koches, Robbie Dunn, Eric Jontra and Paul Nicklaus; and ex-officio members Johnny Mallory, Julie Jackson and Rick Malone. Councilmember Fenner seconded, and all voted in favor. Jim Stephens said he would contact each to determine their willingness to serve.

DISCUSS AND CONSIDER APPOINTMENT TO FILL VACANCY ON BOARD OF DIRECTORS OF CANTON ECONOMIC DEVELOPMENT CORPORATION – Councilmember Raymond Pruitt recommended Kerry Huddle and made the motion to appoint him to fill the vacancy with a term expiring March 2005. Councilmember Sanford seconded. Mayor Hilliard announced his relation to Mr. Huddle and turned the meeting over to Mayor Pro Tem Raymond Pruitt. Mr. Pruitt called for a vote and all voted in favor. The meeting was then returned to Mayor Hilliard.

DISCUSS AND CONSIDER APPOINTMENTS TO FILL TWO VACANCIES ON PLANNING & ZONING COMMISSION – Councilmember Pruitt nominated Scott Brooks and

Councilmember Fenner nominated Chris Howard. Hearing no other nominations, Councilmember Pruitt made a motion to appoint Scott Brooks and Chris Howard to fill two vacancies on the Planning & Zoning Commission. Councilmember Sanford seconded, and all voted in favor.

DISCUSS AND CONSIDER APPOINTMENT OF ALTERNATE TO BOARD OF ADJUSTMENT – Upon Councilmember Pruitt's recommendation, Councilmember Fenner made a motion to appoint Shane Starnes as the alternate on the Board of Adjustment. Councilmember Sanford seconded, and all voted in favor.

EXECUTIVE SESSION FOR DELIBERATIONS REGARDING POTENTIAL PURCHASE OF REAL PROPERTY (Section 551.072) – The Mayor called for an executive session at 8:40 p.m. The Council convened in closed session at 8:44 p.m. to discuss the potential purchase of real property.

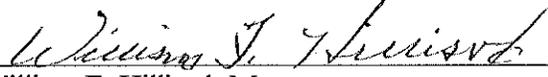
RECONVENE TO OPEN SESSION AND CONSIDER ACTION, IF ANY, ON ITEMS DISCUSSED IN EXECUTIVE SESSION – The council reconvened in open session at 8:56 p.m. with no action taken.

DISCUSSION PERTAINING TO BUSINESS FOR PLACEMENT ON FUTURE AGENDAS – Councilmember Fenner stated he was anxious for the Parks Committee to meet and develop plans that could be incorporated into the Comprehensive Plan. He also asked if there was anything that could be done to allow the Etheridge Farms Subdivision. He pointed out the developers had done all they were supposed to do and they could bring suit against the city. Councilmember Pruitt stated he was for the development, but not for putting water on people. He also voiced concerns that Etheridge Road wasn't wide enough. Councilmember Fenner noted it was on the Street Projects list. Councilmember Roberts stated in his experience there was only one way to divert some of the water and that was on Stacy. He said the culverts ended at Alton Smith's yard on Etheridge Road at Malinda. Councilmember Fenner stated he thought the changes made by the developers would improve drainage rather than increase the problem. Mayor Hilliard said the answer was to fix the street. Councilmember Fenner added that the City needed the development and the subdivision. Councilmember Pruitt asked if the City could use the money saved from the storage tank on the street. Johnny Mallory suggested seeing what was left after Lazy U was finished. Councilmember Pruitt stated he wanted an answer on Lazy U the next day. Johnny Mallory estimated curb and guttering Etheridge Road would cost approximately \$300,000. Councilmembers agreed the project was not dead.

Councilmember Roberts requested a called meeting for the city manager's performance review. Councilmember Pruitt was unavailable Saturday. Councilmembers discussed holding the meeting the following Saturday. Councilmember Pruitt asked the staff to try to contact the owners of the houses on Highway 19 that need cleaning up. He said there was a phone number on each house and he knew the car belonged to former property owner J.C. Carroll. Councilmember Pruitt also noted he had a problem giving \$30,000 to the chamber of commerce if the City was receiving no return. He said he would consider it if they hired a chamber manager. Councilmember Roberts stated he wanted to support the chamber, that management had changed and they were getting better results. Mayor Hilliard suggested joining Main Street, Economic Development and the Chamber. Jim Stephens said one member of the Board had approached him about working under

the Economic Development Corporation. Councilmember Fenner noted he was the one who recommended putting \$30,000 in the budget.

ADJOURN – There being no further business to come before the Council, the meeting adjourned at 9:09 p.m. on a motion by Councilmember Pruitt and second by Councilmember Fenner.



 William F. Hilliard, Mayor

ATTEST:



 Julie H. Jackson, City Secretary

CALLED MEETING OF CANTON CITY COUNCIL
CITY OF CANTON, TEXAS
 8:30 A.M., THURSDAY, SEPTEMBER 25, 2003
 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 Hilliard, Charles Fenner, Tommy Roberts, Ron Sanford, and Raymond Pruitt. One council seat was vacant.

Discussion and action were as follows:

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

DISCUSS AND CONSIDER ADOPTING ORDINANCE LEVYING TAX RATE FOR FISCAL YEAR BEGINNING OCTOBER 1, 2003 AND ENDING SEPTEMBER 30, 2004 – Councilmember Roberts made a motion to adopt Ordinance 2003-12 setting the Fiscal Year 2003-2004 city property tax rate at 0% per \$100 valuation. Councilmember Sanford seconded, and all voted in favor.

ORDINANCE NO. 2003 - 12

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, 2003, AND ENDING SEPTEMBER 30, 2004.

WHEREAS, the City Council of the City of Canton, Texas met in a called session at 8:30 a.m., on September 25, 2003, and after having heard and adopted the Annual Budget for the City of Canton, Texas, for the ensuing 2003-2004 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 2003-2004 fiscal year as set forth in the Annual Budget adopted September 16, 2003, 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, 2003, and ending September 30, 2004.

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, 2003.

PASSED, ADOPTED, AND APPROVED on this the 25th day of September, 2003.

DISCUSS AND CONSIDER REQUEST BY MAIN STREET TO CLOSE BUFFALO FROM PEACE TO TERRELL STREET, TYLER FROM GRAND SALINE TO MAIN STREET, AND CAPITOL FROM TYLER TO TERRELL STREET FOR THE AUTUMN STROLL AND ANTIQUE CAR SHOW ON OCTOBER 18, 2003 – Street closings for the Autumn Stroll and Antique Car Show on October 18, 2003, were unanimously approved on a motion by Councilmember Roberts and second by Councilmember Fenner.

DISCUSS AND CONSIDER SITE PLAN APPROVAL FOR PHASE I OF ETHERIDGE FARM SUBDIVISION LOCATED ON MILL CREEK ROAD AT ETHERIDGE ROAD – Johnny Mallory reported the City engineer was preparing a proposal to curb & gutter Etheridge Road. Mayor Hilliard said he heard the developers were going to cost-share in the road project. Councilmember Fenner stated the developers had done all that was asked of them, that Etheridge Road was not the developer's problem, and they could not be made to share in the expenses. He pointed out there were no current policies in place for charging escrow or impact fees, and to do so would invite litigation. He reiterated the City could not hold off the development. Johnny Mallory noted the developers were talking about widening the culverts and they might instead voluntarily share the amount they were going to spend. Councilmember Roberts said he heard they were planning to spend \$7,000 to \$20,000 to put in drainage structures that would not be required if the street were curbed and guttered. Mike Blake said they were definitely willing to spend what they originally planned to spend on an underground line, cleaning out the bar ditches and putting in culverts. He also pointed out their drainage plan would not only take care of their own water, but it would improve the entire area by protecting it against a 25-year flood. Councilmember Roberts stated the west side of the culvert at Malinda and Etheridge had a concrete flume in it that added to the drainage problem. Mike Blake said his engineer suggested

increasing from a 24" to a 30" pipe to help there and that the bar ditches were too narrow. Councilmember Roberts was in favor of improving Etheridge Road since Mr. Mallory assured him there was money available. Councilmembers Pruitt and Sanford were also in favor. In discussing necessary action, Mike Blake asked the Council to approve Phase I, noting they would return for Phase 2 approval which included the drainage plans. Rick Malone reported that no streets were involved in Phase I, that all homes faced Mill Creek Road, and the earlier drainage calculations presented were a part of Phase 2. He also said he had given the City engineers the developers' drainage engineering which would speed up the process. Based on the discussion regarding Etheridge Road, Councilmember Roberts made the motion to approve the site plan for Phase I of the Etheridge Farms Subdivision. Councilmember Fenner seconded, and all voted in favor.

DISCUSS AND CONSIDER FIRST MONDAY LOT TRANSFER FEES – Councilmember Sanford recommended returning to the old rates for lot transfers (\$1000 per lot in the building area, \$500 for the first lot and \$250 per lot thereafter in all other areas.) Councilmembers Roberts and Pruitt expressed agreement. Councilmember Pruitt added that he wanted the City to pay for moving the utility poles in one of the building areas and to charge the expense back to any vendors building in that area. Councilmember Roberts asked what to do if future vendors wanted to build after the expense had been recouped. Councilmember Pruitt recommended they be charged the same as earlier vendors. Mayor Hilliard stated the City should make it unattractive enough to discourage transfers and it should maintain control. Councilmember Roberts countered that the City did not need to make policy that was disadvantageous to the business owner because it would stop development. Mayor Hilliard said some of the vendors were making more off the City's property than the City was. Councilmember Pruitt made a motion to return to the old rates for lot transfers on the First Monday Grounds. Councilmember Sanford seconded. Motion passed with Councilmembers Pruitt, Sanford and Roberts voting in favor and Councilmember Fenner opposed. Councilmember Sanford recommended he and Councilmember Fenner (the First Monday Committee) propose a plan on what to charge for the future.

DISCUSS AND CONSIDER ADOPTION OF ORDINANCE PROVIDING FOR POLICIES AND PROCEDURES REGARDING THE OPERATION OF FIRST MONDAY TRADE DAYS – A motion by Councilmember Fenner and second by Councilmember Sanford to adopt Ordinance 2003-10 providing for the Policies and Procedures regarding the operation of First Monday Trade Days was unanimously approved.

ORDINANCE NO. 2003 -10

AN ORDINANCE PROVIDING FOR THE POLICIES AND PROCEDURES FOR THE OPERATION OF THE CITY OF CANTON'S FIRST MONDAY TRADE DAYS; PROVIDING FOR THE COLLECTION OF RENT AND PROCEDURE FOR PAYMENT, RESERVATION AND RENEWAL OF VENDOR SPACES, MERCHANDISE, SALES, SOLICITATIONS, AND SET-UP ON THE PREMISES, AND TRAFFIC AND PARKING ON THE PREMISES; PROHIBITING SUBLEASING, SELLING AND TRANSFERRING LOTS; PROVIDING FOR PENALTIES FOR FAILURE TO COMPLY WITH SUCH ORDINANCE; PROVIDING A SEVERABILITY CLAUSE; REPEALING ALL ORDINANCES IN CONFLICT THEREWITH; AND PROVIDING FOR AN EFFECTIVE DATE

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

The City Council hereby adopts this ordinance, to supercede previous ordinances, declaring as follows:

Section 1. Title. This ordinance shall be referred to as the First Monday Policies & Procedure ordinance.

Section 2. Adoption of Policies and Procedures. The City Council of the City of Canton has previously adopted, on an annual basis, certain "Policies & Procedures" concerning the operation of the City's First Monday Trade Days. Said "Policies & Procedures" are incorporated into a brochure for distribution to the public. The "Policies & Procedures" set out in the attached brochure are hereby adopted and incorporated herein by reference as if cited herein verbatim.

Section 3. Ratification of Adoption of Policy and Procedures for Termination of Lot Rentals. On April 21, 1998, the City Council adopted its policy regarding procedures for termination of lot rentals due to failure to comply with the aforementioned "Policies & Procedures." By this Ordinance, the following policy is hereby ratified and confirmed and incorporated into this Ordinance:

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

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

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

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

Section 4. Amendments, Revisions, and Rescission. The City's "First Monday Policies & Procedures" and the "Policy and Procedure for Termination of Lot Rentals" may be amended, revised, or rescinded by the City Council of the City of Canton at any properly noticed meeting of the Council at which a quorum is present.

Section 5. Gender and Number. In this ordinance, unless the text otherwise requires, words in the singular number include the plural and in the plural include the singular; words of the masculine gender include the feminine and the neuter; and when the sense so indicates, words in the neuter gender may refer to any gender.

Section 6. Penalties. Failure to comply with the policies and procedures referred to herein may result in removal and/or eviction of violator and/or violator's employer, invitor, or licensor from the premises and/or loss of or eviction from the lots rented, subject only to the provisions of Section 3 above.

Any person found guilty for violating, disobeying, omitting, neglecting, or refusing to comply with, or resisting or opposing the enforcement of any of the provisions of the "Traffic & Parking" provisions of the First Monday Policies & Procedure, may be cited and, upon conviction thereof, shall be punished by a fine of not less than Fifty Dollars (\$50.00) nor more than Two Hundred Dollars (\$200.00) for each offense, and a separate offense shall be deemed committed on each day during or on which a violation occurs or continues.

Section 7. Severability of Provisions. If any provision, clause, sentence, paragraph, section, or part of this ordinance, or application thereof to any person, firm, corporation, public agency or circumstance, shall for any reason, be adjudged by a court of competent jurisdiction to be unconstitutional or invalid, said judgment shall not affect, impair or invalidate the remainder of this ordinance and the application

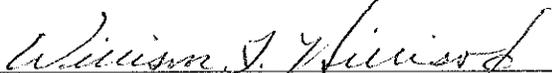
of such provisions to other persons, firms, corporations, public agencies, or circumstances, but shall be continued in its operation to the provisions, clause, sentence, paragraph, section, or part thereof directly involved in the controversy in which such judgment shall have been rendered and to the person, firm, corporation, public agency, or circumstances involved. It is hereby declared to be the legislative intent of the City Council that this ordinance would have been adopted had such unconstitutional or invalid provision, clause, sentence, paragraph, section, or part thereof not be included.

Section 8. Repeal. All ordinances or parts of ordinances in conflict herewith shall be and the same are hereby repealed to the extent of such conflict.

Section 9. Effective Date. This ordinance shall become effective and in full force and effect on and after 12:00 a.m. on October 1, 2003.

Passed and approved this 16th day of September, 2003.

ADJOURN – There being no further business to come before the Council, the meeting was adjourned at 8:51 a.m. on a motion by Councilmember Fenner and second by Councilmember Roberts.



 William F. Hilliard, Mayor

ATTEST:



 Julie H. Jackson, City Secretary

REGULAR MEETING OF CANTON CITY COUNCIL
 CITY OF CANTON, TEXAS
 6:30 P.M., TUESDAY, OCTOBER 21, 2003
 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 William F. Hilliard, Charles Fenner, Tommy Roberts, Ron Sanford, and Raymond Pruitt. One council seat was vacant.

Discussion and action were as follows:

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

MAYOR'S WELCOME given by William F. Hilliard.

INVOCATION given by Jim Stephens.

PLEDGE OF ALLEGIANCE led by Mayor Hilliard.

GUEST ITEMS – None

DISCUSS AND CONSIDER AND POSSIBLE APPOINTMENT TO FILL BEVERLY HUTCHERSON'S COUNCIL SEAT – Councilmember Sanford stated the Council needed to appoint someone to fill the seat vacated by Beverly Hutcherson. He added it was too late to hold an election. He then made the motion to appoint Rusty Wilson to the Council seat. Councilmember Pruitt seconded. Councilmember Fenner stated Mr. Wilson was the only person on the last ballot not elected and he had served the city well, and was now serving on the Canton Economic Development Corporation's Board. He also noted he had encountered others enthusiastic about the position. He said in all fairness, he did not want to call a special election for a seat up in May. He offered the names Johnny Blevins and Chris Howard. Councilmember Roberts stated he would like to see more people running for City Council, but Rusty Wilson had been the only one who signed up for the past election. Mayor Hilliard asked if it would be appropriate to make a public request for those interested in the position to contact a Councilmember. Councilmember Roberts pointed out the vacancy was publicly known and if anyone had been interested, they would have contacted someone by now. Mayor Hilliard noted he had one person approach him. Councilmember Sanford said he had three people approach him and Councilmember Fenner said the two he mentioned were very interested. With a motion and second on the floor, the Council voted three in favor (Councilmembers Sanford, Pruitt and Roberts) and one opposed (Councilmember Fenner) to appoint Rusty Wilson to the City Council for the remainder of Beverly Hutcherson's term ending in May 2004.

DISCUSS AND CONSIDER APPROVAL OF MINUTES FROM THE SEPTEMBER 16 AND 25, 2003 MEETINGS OF THE CANTON CITY COUNCIL – The minutes of the September 16 and 25, 2003 meetings were unanimously approved on a motion by Councilmember Sanford and second by Councilmember Roberts.

DISCUSS AND CONSIDER APPROVAL OF THE SEPTEMBER 2003 FINANCIAL STATEMENTS - Councilmember Pruitt made the motion to approve the September 2003 Financial Statements. Councilmember Sanford seconded, and all voted in favor.

DISCUSS AND CONSIDER APPROVAL OF ENGAGEMENT LETTER RETAINING CONWAY & COMPANY TO CONDUCT 2002-2003 AUDIT – Johnny Mallory reported contacting several auditing firms since the last meeting only to find that most did not have time, one had the time after April, and the one proposal received was nearly twice the cost charged by Conway & Company. Councilmember Roberts stated the biggest problem was the time frame and that a new auditor was expected next year. He then made the motion to approve the engagement letter retaining Conway & Company to conduct the 2002-2003 audit. Councilmember Fenner seconded, and all voted in favor. The Council agreed a new firm should be hired to conduct next year's audit.

RECOGNITION OF OUTSTANDING CITIZEN – Mayor Hilliard named Anna Baker as an Outstanding Citizen, recognizing her participation in numerous civic projects and thanking her for her many contributions to the Canton community.

UPDATE FROM CANTON CHAMBER OF COMMERCE AND DISCUSS AND CONSIDER RENEWAL OF CHAMBER OF COMMERCE SERVICE AGREEMENT – David Barber thanked the Council for the opportunity to park cars on the west gate parking lot the previous First Monday, reporting income over \$4300 resulting in \$1335.95 for the Chamber's scholarship

fund. He informed the Council the Tourism Committee had met a couple of times and were discussing a Trade Show schedule, possibly adding a Shreveport boat show and/or a Fall Home & Garden Show in Austin. He also reported a tour bus hosting tour operators would be stopping in Canton on Tuesday, November 4th between 10:00-10:30 a.m. and that he and Jim Stephens would step on to promote Canton. At Mr. Barber's request, Councilmember Roberts moved to authorize the blocking off of parking spaces on the south side of the courthouse for bus parking that day. Councilmember Sanford seconded, and all voted in favor. Mr. Barber also reported the recent election of 2004 Chamber officers—Chairman Amy Mattingly and Vice Chairman Elaine Seymore. Amy Mattingly told the Council a committee had developed a job description and had begun its initial search for an Executive Director, with plans to begin receiving resumes after the first of the year. She also discussed the December 13th Christmas Parade plans ending with food and pictures with Santa at the Civic Center, as well as presented the new route suggested by Chief Hammonds. The Council then discussed renewal of the annual service agreement. Councilmember Fenner made the motion to renew the \$30,000 annual service agreement with the Chamber. Upon Councilmember Pruitt's request, Councilmember Fenner amended the motion to approve the agreement on the condition of hiring a manager. After confirming with Linda Royal that the \$30,000 would also cover trade show expenses, Councilmember Pruitt seconded, and all voted in favor.

UPDATE ON 2004 FREE STATE BLUEGRASS FESTIVAL – Jim Fuller reported attending the International Bluegrass Association meeting in Louisville, Kentucky, joining the Association, promoting Canton's festival, meeting with musicians and promoters, attending seminars on advertising, contracts, production law, insurance, etc., and booking two groups for 2005. He said he and several others also visited Walden, Arkansas promoting the festival. He also invited everyone to the Valentine mini-festival in the Civic Center February 13-14.

DISCUSS AND CONSIDER PROPOSED PARKS PROJECT – Don Hackney reminded the Council the Texas Parks and Wildlife Department working with the Main Street Parks Committee had designed conceptual plans for park development. He reported the CEDC had recently awarded \$5,000 seed money for the development of a more specific plan required prior to seeking State grants. He said their desire was to have a parks plan dovetail with the City's comprehensive plan. He presented the conceptual plans and asked the Council's permission and blessing to go forward on the parks project. He added that once they had a master plan and the Council agrees on it, they will seek matching grants and could use undeveloped lands as in-kind monies toward the City's matching portion of the grant. Councilmember Sanford made a motion for the Main Street Parks Committee to proceed with the development of plans. Councilmember Pruitt seconded, and all voted in favor.

DISCUSS AND CONSIDER APPOINTMENT OF NEW PARKS BOARD – Councilmember Pruitt suggested the Council appoint a Parks Board to determine how the budgeted funds should be spent on park development. He said Councilmember Fenner had several good ideas and knew people that were willing to work with him on the Parks. The Council agreed to make appointments at the next meeting. Mayor Hilliard asked for input from everyone.

PUBLIC HEARING AND DISCUSS AND CONSIDER PLANNING & ZONING COMMISSION'S RECOMMENDATION ON CHANGING ZONING FROM GENERAL BUSINESS DISTRICT (B-2) TO MULTIPLE FAMILY RESIDENTIAL (MF-1) OF 5-ACRE

TRACT LESS AND EXCEPT THE FRONT 208' X 200' SECTION LOCATED ON NORTH TRADE DAYS BLVD. IN THE CITY OF CANTON, TEXAS, OWNED BY STEPHEN BOX – Mayor Hilliard opened the Public Hearing at 7:08 p.m. and closed at 7:09 p.m. having received no comments. He informed the Council the Planning & Zoning Commission recommended approval of the zoning change. Councilmember Fenner asked how Mr. Box planned to access the six-plex, to which Mr. Box replied he would put an entrance up the middle of the front 208' x 200' commercial section. Councilmember Fenner stated anything behind the first 300' could be residential, but the main corridor was designed for commercial. He asked how well the front 208' x 200' section would serve for future commercial use, especially if divided by a roadway to the six-plex. He asked Mr. Box to consider putting the street on one side or the other of the property to improve the potential for future development. Councilmember Roberts agreed that a road through the middle would potentially kill the front portion of the lot. Councilmember Fenner also stated he did not want hodge-podge development, that he didn't want to develop behind the commercial lot and not be concerned about the front portion. He stated he was not for the zoning change unless Mr. Box was willing to move the road. Mr. Box said a road on the side limited what he could presently do in the front. Councilmember Roberts said the front lot needed to conform with the surrounding development, and the future potential was a big factor. Councilmember Fenner was concerned about parking space on the commercial lot. Mr. Box said it would be sufficient for a small office with few customers at one time. Councilmember Fenner made the motion to table the item for further consideration. Councilmember Roberts seconded, and all voted in favor.

PUBLIC HEARING AND DISCUSS AND CONSIDER PLANNING & ZONING COMMISSION'S RECOMMENDATION ON CHANGING ZONING FROM AGRICULTURAL DISTRICT (RA) TO GENERAL BUSINESS DISTRICT (B-2) OF 1.66 ACRE TRACT LOCATED ON SOUTH BUFFALO AT ETHERIDGE ROAD IN THE CITY OF CANTON, TEXAS, OWNED BY CHARLES HUDDLE – Mayor Hilliard opened the Public Hearing at 7:19 p.m. stating the Planning & Zoning commission recommended approval. Alton Smith voiced opposition against B-2 zoning in a residential section, saying it would degrade the neighborhood. Councilmember Roberts stated the site's only potential use was commercial, due to its location on Highway 198 adjacent to other businesses. Rick Malone was asked about B-2 uses. He said it was open to most businesses, short of wrecking yards and such requiring special exceptions. B-1 was discussed, but it was noted Mr. Huddle previously expressed disinterest in B-1. Hearing no further comments, the Public Hearing was closed at 7:24 p.m. Councilmember Sanford agreed the lot was best suited for commercial use. Councilmember Fenner said a corner lot like Mr. Huddle's was most often used commercially. He noted the City had ordinances requiring buffers between commercial and residential zones. Mayor Hilliard asked the Council to be considerate of its residential citizens. Councilmember Roberts said he respected Alton Smith's concerns, but still felt the corner lot's best use was commercial. He then made the motion to approve Charles Huddle's request to change the 1.66 acre tract located on South Buffalo at Etheridge Road from RA to B-2 zoning. Councilmember Sanford seconded, and all voted in favor.

PUBLIC HEARING AND DISCUSS AND CONSIDER PLANNING & ZONING COMMISSION'S RECOMMENDATION ON SPECIFIC USE PERMIT FOR SPRINT PCS MONOPOLE CELL TELECOMMUNICATIONS TOWER INSIDE THE FIRST MONDAY TRADE DAYS PARK WEST GATE ENTRANCE OFF FM 859 – Mayor Hilliard opened the

Public Hearing at 7:29 p.m., stating the Planning & Zoning Commission recommended denial of Sprint's request for a specific use permit for a cell tower inside the First Monday west gate office. He noted approval of the permit would require a $\frac{3}{4}$ vote of the Council. Tim Cox restated the Commission's recommendation to deny the permit and told the Council the requested area was a growing residential area with nice homes and a lot of potential for further development. He said a 190' pole would be an eyesore. He also said the open area for parking cars was the only area of First Monday that looked decent. He added he recognized the City's need to make money, but it would have to be a lot to offset the citizenry. He asked the Council's consideration, and if there was another location the tower could be placed. Mrs. Dorothy Branton said, as a property owner in the area, she saw nothing it would add to her property, she didn't want to look at it each morning, and she was in favor of putting it in an alternate site. Nancy Young said she was not in the city limits, but it could not be put on her property without her written permission. Mayor Hilliard asked if there was another site on the north side of the grounds or by the Industrial Park. Rick Malone explained the City ordinance hampered its placement, adding the Industrial Park was too close to the airport and the northern fence elevation put it out of compliance with FAA and City ordinances. Mayor Hilliard asked if it would affect the fireworks display, to which Mr. Malone answered no. Councilmember Roberts stated he didn't think it would be as noticeable in the current location due to its low elevation and trees. He said it would result in revenue to the City and to the School District. Councilmember Pruitt asked Eric Jontra his opinion. He said there was a thin sliver available on the First Monday grounds for the tower because any further north was too close to the airport and further south interfered with his tower.

Dominique Laan with Gulf Coast Real Estate and Margaret Minton with Sprint spoke in favor of the permit. Ms. Laan said they were trying to be good neighbors to all, they had been looking for a site for six months, and were directed to this site by the City. She added their first site had been rejected. Ms. Laan stated they felt like they had done everything they could, including discussing the concerns with each Planning & Zoning Commissioner and attempting to meet with the property owners after it was rejected by the Planning & Zoning Commission. She reiterated the current site was a good location. She said the concerns they deal with in selecting a site were compliance with the FAA and zoning regulations and finding a site not adjoining residential districts because they would have to meet a 3 to 1 fall ratio. She said no adjoining properties were zoned residential. Ms. Laan said some people were concerned about the possibility of the pole falling, but the centerline was 240' from the nearest property line. She added the tree line provided a good deal of coverage from the residential community. She said they believed the site was good because it was on a large, commercially-zoned lot. She also noted there would be no lighting on the tower, alleviating that concern by property owners. Ms. Laan reported it had never been proven that a tower caused the devaluation of property values. She said one hundred thousand people with cars and making noise had much more impact on the property values than the tower would, and the homes were already encumbered by a jail complex. She stated a tower would generate no noise, no traffic, and no lights, and it would be situated in a flood plain. She presented a photo simulation of the pole. In answer to a concern about the proliferation of poles, Ms. Laan said it was customary to have several carries on one tower minimizing the need for multiple towers in the area. Margaret Minton added that the tower had inherent emergency communications abilities. She said communications is the one thing people rely on in the event of a disaster. She said they also were required to meet the 911 requirement of being able to locate users within twenty feet. She finished by stating a new tower was needed to increase their coverage in the area and meet these requirements.

Tim Cox asked if the tower would prevent him from rezoning. Rick Malone explained it would have no affect on future rezoning. Mr. Cox also noted the tree line was actually in the flood plain, reducing its buffering affect, and they might eventually be removed. Brian Young said he owned adjoining land and may wish to lease to a tower in the future and wanted to know if there were restrictions on how far apart they had to be. Mr. Young asked if the tower could be replaced with a higher tower. Mr. Malone explained the permit was for a 190' tower only. He said FAA restricted the height also. Dorothy Branton worried that if she wanted to develop, people wouldn't want to buy property that close to a tower. She said the City owed it to the residents to find another site. Mayor Hilliard reiterated the City should find another spot. Ms. Laan said they have hundreds of calls from people demanding better coverage in the City of Canton. She said they tried hard to work with the City and were directed to the current site, they met all FAA obligations and Canton ordinances, and it was a huge tract of commercial land adjoining rural tracts. Councilmember Roberts said a tower would not be a detriment to the neighboring properties. He said he understood what the citizens were saying, but believed alternative sites had been ruled out. He said the tower would result in revenue for the City and for the school district, and additional carriers on the tower would add even more revenue to the school district. Councilmember Fenner stated he sent Sprint out last time to do more work and they had exceeded his request. He said as an appraiser and real estate agent, he could say a tower did not devalue property, but a jail did. As a city planner, he said he had to represent the citizens yet look at the economics for the City and the highest and best use of the property. He said Sprint PCS had done their due diligence. He pointed out the tower could go no further north or south. Councilmember Sanford said he would like any motion to include approval for he and Charles Fenner to finish the contract with Sprint PCS. The Public Hearing was closed at 8:56 p.m. Councilmember Roberts made the motion to approve the Specific Use Permit for a Sprint PCS 190' monopole cell tower at the designated site inside the First Monday west gate entrance off FM 859, and for Councilmembers Sanford and Fenner to negotiate the lease amount and anything above and beyond the permit. Councilmember Fenner seconded, and all voted in favor.

DISCUSS AND CONSIDER REQUEST FROM ERIC CLIBURN FOR WATER TAPS OUTSIDE CITY LIMITS AT 1786 AND 1820 VZCR 2205 – Upon Pete Lucas' recommendation, Councilmember Sanford made the motion to approve ¾-inch water taps at 1786 and 1820 VZCR 2205. Councilmember Fenner seconded, and all voted in favor.

DISCUSS AND CONSIDER STREET CLOSINGS FOR CHRISTMAS PARADE ON DECEMBER 13, 2003 – Street closings were unanimously approved upon a motion by Councilmember Sanford and second by Councilmember Pruitt.

DISCUSS AND CONSIDER CLOSING BUFFALO STREET BETWEEN DALLAS AND TERRELL STREETS FOR THE WORD OF VICTORY "LIVING NATIVITY" ON THE EVENINGS OF DECEMBER 5-7, 2003 – The street closing was unanimously approved upon a motion by Councilmember Pruitt and second by Councilmember Sanford.

DISCUSS AND CONSIDER ADOPTION OF ORDINANCE REPEALING EXPIRATION DATE OF ORDINANCE 2001-09 ESTABLISHING A MUNICIPAL COURT TECHNOLOGY FEE – Lilia Durham explained the 78th Legislature gave cities the authority to repeal the expiration date on the collection of the \$4.00 municipal court technology fee. Upon Judge

Durham's recommendation, Councilmember Sanford moved to adopt Ordinance 2003-13 repealing the expiration date of Ordinance 2001-09. Councilmember Roberts seconded, and all voted in favor.

ORDINANCE NO. 2003-13

AN ORDINANCE OF THE CITY OF CANTON, TEXAS, REPEALING THE EXPIRATION DATE OF ORDINANCE 2001-09 ESTABLISHING A MUNICIPAL COURT TECHNOLOGY FEE; PROVIDING A SEVERABILITY CLAUSE; REPEALING ALL ORDINANCES IN CONFLICT THEREWITH; AND PROVIDING FOR PUBLICATION AND EFFECTIVE DATE.

WHEREAS, Article 102.0172 of the Code of Criminal Procedure provides for the establishment of a Municipal Court Technology Fund;

WHEREAS, the Sunset Provision requiring the fund to expire September 1, 2005, was repealed by HB 1066 effective September 1, 2003;

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

Section 1: The City of Canton hereby adopts

A. Establishment of Municipal Court Technology Fund

1. There is hereby created and established a Municipal Court Technology Fund, hereinafter called "The Fund," pursuant to Article 102.0172 of the Code of Criminal Procedure.
2. The Fund may be maintained in an interest bearing account and may be maintained in the general revenue account of the City.

B. Establishment of Amount of the Fee; Assessment and Collection

1. The fee shall be in the amount of \$4.00
2. The fee shall be assessed and collected from the defendant upon conviction for a misdemeanor offense in the Municipal Court as a cost of Court. A defendant is considered convicted if:
 - a. A sentence is imposed on the person;
 - b. The person is placed on community supervision, including deferred adjudication; or
 - c. The court defers final disposition of person's case.
3. The fee shall be collected on conviction for an offense committed on or after the date upon which this Ordinance is adopted.
4. The Clerk of the Court shall collect the fee and pay the fee to the City Manager, who shall deposit the fee into the Municipal Court Technology Fund.

C. Designated Use of the Fund and Administration

1. The Fund shall be used only to finance the purchase of technological enhancements for the Municipal Court of this City, including all items described in Article 102.0172 of the Code of Criminal Procedure: computer systems, computer networks, computer hardware, computer software, imaging systems, electronic kiosks, electronic ticket writers, or docket management systems, and any related service and maintenance agreements.

2. The Fund shall be administered by or under the direction of the City Council of this City.

Section 2: Severability

If any provision, section, subsection, sentence, clause or phrase of this ordinance, or the application of same to any person or set of circumstances for any reason is held to be unconstitutional, void, or invalid or for any reason unenforceable, the validity of the remaining portions of this ordinance or the application thereby shall remain in effect, it being the intent of the City Council of this City in adopting this ordinance that no portion thereof or provision contained herein shall become inoperative or fail by any reason of unconstitutionality or invalidity of any portion or provision.

Section 3: Repealing Conflict

All ordinances and parts of ordinances in conflict with this ordinance are hereby repealed to the extent of conflict with this ordinance.

Section 4: Publication and Effective Date

This ordinance shall be published in accordance with the requirement of publishing all ordinances and becomes effective in accordance with state law upon passage.

PASSED, ADOPTED, AND APPROVED on this the 21st day of October, 2003.

Judge Durham invited the public to visit the office during Municipal Courts Week November 3rd through 7th.

DISCUSS AND CONSIDER ADOPTION OF RESOLUTION AUTHORIZING INTERIM CONSTRUCTION LOAN FOR TRADE CENTER IV – Johnny Mallory requested the Council adopt a resolution approving a \$508,000 interim construction loan for Trade Center IV, which would be converted to a regular loan after completion. Councilmember Pruitt said he thought this was going to include the loan for restrooms. He also reminded everyone the extension of Trade Center III had been approved several years prior. Mr. Mallory said he didn't yet have plans or costs for the restrooms, but he could add \$100,000 to the loan. After a brief discussion, he recommended the Council proceed with the loan as requested. Councilmember Pruitt made a motion to adopt the resolution authorizing a \$508,000 interim construction loan for Trade Center IV from American National Bank. Councilmember Sanford seconded, and all voted in favor. It was agreed the First Monday Committee would meet on the other issues.

REPORT ON STREET PROJECTS – Al Campbell referred the Council to the report behind tab 23. He added that Adams Brothers would seal the cracks on the streets as soon as they caught up on other work. Johnny Mallory explained Towles Road had been rocked and sealed, and needed to be overlaid. Al Campbell stated he would like to meet with the Streets Committee to see which direction they'd like to go and to start a streets program. Mayor Hilliard added the entire council should attend that meeting. Mr. Mallory said both Etheridge and Lazy U projects could be done with bond proceeds. Councilmember Pruitt added that Shady Lane needed to be done also, and Mayor Hilliard added Elm Street from Buffalo to Highway 19. Mr. Mallory said they were still planning on doing that section. Councilmember Pruitt suggested a called workshop to discuss streets. He then said Elm Street needed to be overlaid. Pete said it would cost

approximately \$6800. It was agreed the Streets Committee should meet prior to scheduling a workshop.

DISCUSS AND CONSIDER ETHERIDGE ROAD PROJECT - Al Campbell presented estimates for a 40', 32', 24' and 20' street, with and without the inclusion of Malinda Lane. He said the City needed to determine what size the street should be. He said consideration should be given to the large amount of rural property in the area that could be developed. Councilmember Fenner was surprised by the high cost, but Mr. Mallory explained it included moving the water line. Al Campbell said the existing sewer was adequate and he thought only one or two of the existing poles would need to be moved. Alton Smith asked about the current width of the road. Mr. Campbell said it was 18 feet, with 50 feet between poles, which generally sat on the property line. The item was then deferred to the Streets Committee.

DISCUSS AND CONSIDER LAZY U STREET PROJECT - Johnny Mallory reported being on track with Lazy U plans. Mr. Campbell said the surveyor was drafting the drainage easements, and he was unsure whether some easements would have to be purchased. The item was then deferred to the Streets Committee.

DISCUSS AND CONSIDER TOWLES ROAD PROJECT - Mr. Mallory stated the City needed to overlay Towles Road since the base was down. Al Campbell said it would cost \$13,455. After a brief discussion about funds for Elm, the item was deferred to the Streets Committee.

REPORT ON STATUS OF PROPERTIES IN VIOLATION OF CITY ORDINANCES - Councilmember Pruitt stated he noticed that a lot of the properties had been cleaned. He also mentioned signs on telephone poles and high grass. He asked if the City was enforcing the ordinances as needed. Mr. Mallory said he felt the City was enforcing its ordinances. Councilmember Pruitt also asked about the maintenance of right of ways, specifically the area on Buffalo past the police department on the right. Mr. Mallory said the City didn't have enough manpower to do it all.

DISCUSS AND CONSIDER REVIEW OF ALL CITY ORDINANCES - Councilmember Pruitt's statement was that if the City had ordinances, they should be enforced. If they weren't enforced, then the ordinances should be done away with. He recommended Councilmembers Fenner and Roberts and Mr. Mallory review ordinances to see if some were outdated. He said the right-of-ways needed to be mowed and junk cars picked up. Councilmember Fenner suggested a Saturday work day for volunteers to clean the right-of-ways. Mayor Hilliard said the City inherited Highway 19. Mr. Mallory said the maintenance of Highway 19 was the responsibility of the Texas Department of Transportation, but the City had been doing it. Upon Councilmember Fenner's suggestion, Mr. Mallory agreed to send a letter to the TxDOT requiring maintenance of the right-of-ways.

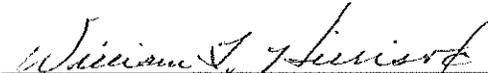
EXECUTIVE SESSION FOR DELIBERATIONS REGARDING POTENTIAL PURCHASE OF REAL PROPERTY (Section 551.072) - The Mayor called for an executive session at 8:24 p.m. The Council convened in closed session at 8:28 p.m. to discuss the potential purchase of real property.

EXECUTIVE SESSION FOR DELIBERATIONS REGARDING PERSONNEL MATTERS (Section 551.074) – CITY MANAGER’S DUTIES AND PERFORMANCE REVIEW – Julie Jackson was excused from the closed session at 8:38 p.m. for the City Manager’s performance evaluation by the Council.

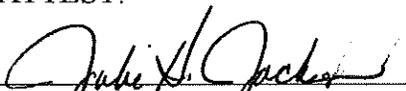
RECONVENE TO OPEN SESSION AND CONSIDER ACTION, IF ANY, ON ITEMS DISCUSSED IN EXECUTIVE SESSION – The council reconvened in open session at 9:16 p.m. with no action taken.

DISCUSSION PERTAINING TO BUSINESS FOR PLACEMENT ON FUTURE AGENDAS - None

ADJOURN – There being no further business to come before the Council, the meeting adjourned at 9:17 p.m. on a motion by Councilmember Pruitt and second by Councilmember Sanford.


 William F. Hilliard, Mayor

ATTEST:


 Julie M. Jackson, City Secretary

REGULAR MEETING OF CANTON CITY COUNCIL
 CITY OF CANTON, TEXAS
 6:00 P.M., TUESDAY, NOVEMBER 18, 2003
 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 William F. Hilliard, Tommy Roberts, Ron Sanford, and Raymond Pruitt. Rusty Wilson arrived at 6:04 p.m. and Charles Fenner was absent. City Attorney Richard Davis was also present.

Discussion and action were as follows:

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

MAYOR'S WELCOME given by William F. Hilliard.

INVOCATION given by Jim Stephens.

PLEDGE OF ALLEGIANCE led by Mayor Hilliard.

GUEST ITEMS – None

DISCUSS AND CONSIDER TRAFFIC ON CHERRY CREEK – Mayor Hilliard approved discussion of this item originally found later in the agenda. Cindy Malouf presented a petition from property owners on Cherry Creek asking for speed bumps or stop signs on Cherry Creek to help control traffic. She referred to the school's plan to open the High School property to Cherry Creek and direct students to use it for access during their construction project. (Councilmember Wilson joined the meeting.) Mrs. Malouf said all petitioners had children that lived on that street and they were not trying to stop the project, but control the traffic and maintain safety. Mr. Mallory recommended speed bumps, noting the City could try stop signs if the speed bumps did not control the problem. He also reported the superintendent's statement that no delivery trucks or construction equipment would be allowed to use Cherry Creek. Mayor Hilliard asked if they could connect to another street or if one was close on the northeast corner. Mr. Mallory said the City would have to buy some right-of-ways to connect another street and recommended the City try to work with the current agreement during construction. He said he understood the street would not be open full-time and the school would control access. Mayor Hilliard stated that Elm Street needed to go through and connect with the school. Councilmember Pruitt mentioned that weight limits on the street needed to be controlled. Mr. Mallory noted the City had an ordinance regarding weight limits on all City streets, but Councilmember Sanford pointed out signs were not posted. In response to Councilmember Fenner's inquiry, Mr. Mallory reported no improvements were scheduled for Cherry Creek. He said he would start as soon as possible on the speed bumps and recommended four be placed between the end of Cherry Creek and College. The staff was instructed to proceed with placing four speed bumps on Cherry Creek.

OATH OF OFFICE ADMINISTERED TO APPOINTED COUNCILMEMBER RUSTY WILSON – Judge Lilia Durham administered the Oath of Office to newly appointed Councilmember Rusty Wilson.

DISCUSS AND CONSIDER APPROVAL OF MINUTES FROM OCTOBER 21, 2003 MEETING OF THE CANTON CITY COUNCIL – The minutes of the October 21, 2003 meeting were unanimously approved on a motion by Councilmember Sanford and second by Councilmember Roberts.

DISCUSS AND CONSIDER APPROVAL OF THE OCTOBER 2003 FINANCIAL STATEMENTS - Councilmember Sanford made the motion to approve the October 2003 Financial Statements. Councilmember Roberts seconded, and all voted in favor.

UPDATE FROM CANTON CHAMBER OF COMMERCE – David Barber reported making four deposits on 2004 Trade Shows, including Houston and Fort Worth in February, the Women's Visions Expo in Dallas in August, and a new show in Austin in September. He informed the Council he and Jim Stephens met with officials from the Texas Travel Association during a 30-minute stopover in Canton, and that Linda Royal had followed-up with mailed materials. Mr. Barber noted the Chamber's networking luncheon scheduled the next Thursday featuring Officer Michelle Abio, plans to forego the December networking luncheon so close to the holidays, two ribbon-cuttings—one at East Texas Tobacco on December 8th and another at Curves on December 18th, and the December 13th Christmas Parade. He also reported the Board would be considering the job description for a new president at its December board meeting.

DISCUSS AND CONSIDER REQUEST FROM HEIDLE BASKIN FOR LIMITED RELEASE OF RESTRICTIVE COVENANT REGARDING SETBACKS AT 150 INDUSTRIAL, CANTON, TEXAS – Heidle Baskin asked the City, as a property owner under the same deed restrictions, for an early release from the deed restrictions' side property line setback requirement on the east side only. He said he had a written release from the other property owners except one from which he had a verbal agreement. He mentioned the deed restrictions expired June 2005 and his request was for an early release on the east side only. He said there was a twenty-foot easement between his property and the next containing water utilities. He added he agreed to stay five feet off the easement and to gutter to send water away from the neighboring property. Upon Johnny Mallory's recommendation, Councilmember Sanford made the motion to grant the requested release of restrictive covenant to Heidle Baskin at 150 Industrial. Councilmember Pruitt seconded, and all voted in favor.

DISCUSS AND CONSIDER REQUEST FROM SUE BAUGH FOR EASEMENT AT THE SOUTH END OF THE NEW CITY LAKE – Sue Baugh presented a request for an easement through the City's gate at the Lake Meadows Addn. on the south end of the New City Lake to the Darwin Douthit property. She said they wanted to close off the road Mr. Douthit was using through their property and needed alternate access available to Mr. Douthit to do so. She allowed they had not discussed this request with Mr. Douthit because their attorney had advised they make sure it was available before they did. Ricky Baugh said the law states if there is any other way for him to access his property, he has to use it. City Attorney Richard Davis explained the Baugh's request for an easement to the Douthit property would make it mandatory for Mr. Douthit to use alternate access to his property, but he advised Mr. Douthit be notified prior to a final decision by the Council. Mr. Davis requested Mrs. Baugh provide specific details on the proposed easement so he could draft a letter to Mr. Douthit. Mayor Hilliard said it was not the Baugh's place to make the request since it wasn't on their property. Councilmember Roberts stated he didn't know what the Lake Meadows residents would feel about granting access through the City's easement. He suggested the City determine where the entrance was in relation to the other houses. Richard Davis said he would have a firm opinion on the procedures for the request before it was considered again. He stated the City would not participate in any resulting suit between the parties regarding alternate access.

DISCUSS AND CONSIDER REQUEST FROM JOHN MOFFETT FOR 1" WATER TAP OUTSIDE CITY LIMITS AT 267 VZCR 2120 – Pete reported that water was available to the property and the line served four other homes. The Council requested he take pressure readings and perform flow checks before granting a one-inch tap. After a brief discussion on a one-inch versus ¾" tap, Councilmember Roberts made the motion to grant Mr. Moffett's request for a ¾" water tap at 267 VZCR 2120, subject to favorable pressure test results. Councilmember Pruitt seconded, and all voted in favor.

DISCUSS AND CONSIDER APPROVAL OF SITE AGREEMENT WITH SPRINT PCS – Councilmember Sanford reported he and Councilmember Fenner negotiated with Sprint for a five-year, \$1300-per-month lease with four five-year options allowing a 15% rent increase each option. He then made the motion to approve the site agreement with Sprint PCS. Councilmember Roberts seconded, and all voted in favor.

DISCUSS AND CONSIDER PLANNING & ZONING COMMISSION'S RECOMMENDATION ON CHANGING ZONING FROM GENERAL BUSINESS DISTRICT (B-2) TO MULTIPLE FAMILY RESIDENTIAL (MF-1) OF 5-ACRE TRACT LESS AND EXCEPT THE FRONT 208' X 200' SECTION LOCATED ON NORTH TRADE DAYS BLVD. IN THE CITY OF CANTON, TEXAS, OWNED BY STEPHEN BOX – Johnny Mallory said Councilmember Fenner's concern was regarding a road down the center of the property and he was not aware an agreement had been reached. Steve Box said he didn't think there was a problem as long as he dedicated the driveway. He agreed to dedicate it on the north side, but said it couldn't be used for that now because the Workforce had a lease on the building there. In Councilmember Fenner's absence Mayor Hilliard tabled the item to the next regular meeting.

DISCUSS AND CONSIDER APPOINTMENT TO THE PLAZA MUSEUM BOARD – Upon the Museum Board's recommendation, Councilmember Pruitt appointed Helen Howell to the Plaza Museum Board. Councilmember Sanford seconded, and all voted in favor.

DISCUSS AND CONSIDER APPOINTMENTS TO THE PARKS BOARD – Item tabled in Councilmember Fenner's absence.

DISCUSS AND CONSIDER ADOPTION OF ORDINANCE INCREASING CHARGES FOR HAULED-IN HOUSEHOLD SEWAGE – Upon Johnny Mallory and Patrick Terrell's recommendation to help cover treatment costs, Councilmember Pruitt moved to adopt Ordinance No. 2003-14 amending Ordinance 2001-01 increasing the fee from \$3.00 per 100 gallons of hauled-in household sewage to \$8.00 per 100 gallons.

ORDINANCE NO. 2003-14

AN ORDINANCE AMENDING ORDINANCE 2001-01 PASSED BY THE CANTON CITY COUNCIL ON FEBRUARY 20TH, 2001, PROVIDING FOR AN INCREASE IN THE CHARGES FOR HAULED-IN HOUSEHOLD SEWAGE; REPEALING ALL ORDINANCES OR SECTIONS IN CONFLICT THEREWITH; AND PROVIDING FOR AN EFFECTIVE DATE.

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

SECTION 1. That the section titled (2) Charges Per Load under Article I Rates and Charges of Ordinance 2001-01 passed and approved by the City Council on the 20th day of February 2001, be and the same is amended to read as follows:

The following charges shall be made for each load of hauled-in waste in addition to the annual permit fee.

- (B) Treatment choice of:
- (4) \$8.00 per 100 gallons of tank capacity of household septage; or
 - (5) \$8.00 per 100 gallons of a mutually agreed to metering system provided and maintained by the septage hauler.
 - (6) Trip tickets for each load of septage disposed at the City's Wastewater Treatment Plant will be forwarded to the Water Utility Department for billing. A statement will be rendered within the first two (2) weeks of the month.

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. That 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. That the City Secretary 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. That following the publication, this ordinance shall be in full force and effect on December 1, 2003.

PASSED, ADOPTED, AND APPROVED on this the 18th day of November, 2003.

Councilmember Roberts seconded, and all voted in favor. Mr. Mallory stated the staff would return during the year to ask the service be phased out.

DISCUSS AND CONSIDER STREET COMMITTEE'S RECOMMENDATIONS ON STREET PROJECTS – Al Campbell reported the Streets Committee's recommendation to overlay Towles Road before the weather deteriorated risking the loss of the recently-laid base. He said they also recommended continuing with the drainage structure on Elm at Buffalo. He added the Highway Department indicated they would put guardrails around the structure so the City could pave all the way to the edge of the embankment. Mr. Campbell estimated the road to be forty to fifty feet from right-of-way to right-of-way. Mayor Hilliard stated that if the City redid Elm between Buffalo and Highway 19, the maximum width on the north end needed to be determined and the ditch moved back accordingly. Councilmembers Fenner and Pruitt recommended making the street as wide as possible with the drainage structure in its current location. Al Campbell noted the City could probably get a twenty to twenty-five foot road now and said the base would have to be moved if the drainage structure was moved. Councilmember Roberts said twenty-five feet should be wide enough. Mr. Campbell stated the Highway Department had approved of the current location and had agreed to pay for the materials and the City to pay for the concrete labor. Councilmembers Pruitt and Fenner recommended overlaying Elm before bad weather set in and further deteriorated the road, then work on the other parts in the summer. They then recommended overlaying Eubank. Johnny Mallory stated the City did not include Eubank in the projected expenses. Al Campbell offered to get the measurements and estimates on Eubank. Councilmember Pruitt asked about plans for Lazy U. Mr. Campbell reported draft, but not final, plans were received, and that he had begun securing easements. He said the drainage would go back toward Mr. Bobo's property in two places. He added a section of the water line would be moved but the sewer line would not be affected. In response to Councilmember Pruitt's question regarding sealing cracks in the City streets, Mr. Campbell stated the contractor, as of 10 days prior, was trying his best to get to Canton within two weeks. Councilmember Pruitt asked Mr. Campbell to check on other contractors since it was not covered under warranty. Mr. Campbell also reported the Etheridge Road project was delayed because there were questions regarding the selection of engineers and the size of road it should be. He relayed the committee's recommendation to make Etheridge Road into a thirty-two foot street. Councilmember Pruitt then made the motion to use Gary Burton Engineering, Inc. on the Etheridge Road project and to proceed with the construction of a thirty-two foot back-to-back road. Councilmember Roberts seconded, and all voted in favor.

DISCUSS AND CONSIDER TRAFFIC ON CHERRY CREEK – Item addressed earlier in the agenda.

DISCUSS AND CONSIDER INSURANCE COVERAGE ON CITY VEHICLES – Johnny Mallory reported the City routinely carries collision coverage on fire trucks and financed vehicles. He added that most cities didn't carry collision. Mr. Mallory said collision had been added on all city vehicles three years old or newer since older cars would have depreciated significantly. Mayor Hilliard suggested self-insuring collision coverage. Councilmember Roberts said it was not budgeted and the issue needed to be reviewed after collision estimates were received. Mayor Hilliard asked the staff to present collision coverage estimates at the next regular meeting.

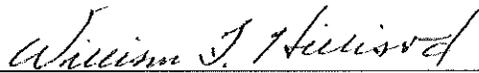
EXECUTIVE SESSION FOR DELIBERATIONS REGARDING POTENTIAL PURCHASE OF REAL PROPERTY (Section 551.072) – The Mayor closed for an executive session at 6:57 p.m. The Council convened in closed session at 7:02 p.m. to discuss the potential purchase of real property.

EXECUTIVE SESSION FOR DELIBERATIONS REGARDING PERSONNEL MATTERS (Section 551.074) – CONTINUATION OF CITY MANAGER'S REVIEW – The continuation of the City Manager's review was tabled until all councilmembers could be present.

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.

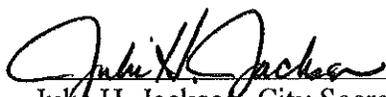
DISCUSSION PERTAINING TO BUSINESS FOR PLACEMENT ON FUTURE AGENDAS – Councilmember Roberts asked for a called meeting the following Tuesday at 6:00 p.m. to discuss and review or adopt a job description for the City Manager in open session and continuation of the City Manager's review in closed session. It was requested that no other items be placed on the agenda. Mayor Hilliard called a special meeting for 6:00 p.m. Tuesday, November 25, 2003. Councilmember Wilson stated he would not vote on anything at that meeting.

ADJOURN – There being no further business to come before the Council, the meeting adjourned at 7:32 p.m. on a motion by Councilmember Pruitt and second by Councilmember Wilson.



 William F. Hilliard, Mayor

ATTEST:



 Julie H. Jackson, City Secretary

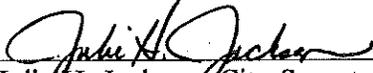
CALLED MEETING OF CANTON CITY COUNCIL
 CITY OF CANTON, TEXAS
 6:00 P.M., TUESDAY, NOVEMBER 25, 2003
 CITY HALL, 290 E. TYLER STREET
 CANTON, TEXAS

The November 25, 2003, Canton City Council Meeting was cancelled prior to meeting time.



William F. Hilliard, Mayor

ATTEST:



Julie H. Jackson, City Secretary

CALLED MEETING OF CANTON CITY COUNCIL
CITY OF CANTON, TEXAS
8:00 A.M., SATURDAY, DECEMBER 6, 2003
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 Hilliard, Charles Fenner, Tommy Roberts, Ron Sanford, Raymond Pruitt and Rusty Wilson.

Discussion and action were as follows:

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

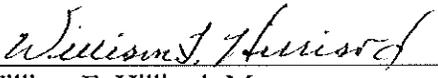
DISCUSS AND CONSIDER A FOOD COURT WITH THE NEW TRADE CENTER - Councilmember Wilson presented Lonnie Cluck's suggestion to set aside space for a food court in the new pavilion for displaced food vendors, having seating on the inside of the building and trailers outside. He added that a covered concrete pad could be poured on the south end for trailers to be parked around, and the City could build a walkway to it. Mayor Hilliard agreed but said it should go on the north end even with Trade Center III. He said it would be ideal to have a straight line to hook both of the Trade Centers. Councilmember Roberts asked about existing food vendors. Councilmember Wilson said one was in that location. Mr. Mallory added that the City temporarily moved three vendors out during the construction phase. Mayor Hilliard suggested a different concept could be developed to produce higher rent-spaces. Councilmember Pruitt stated the food court should be on the north end. Mayor Hilliard again noted he would like to see the buildings lined up on the north end. Mr. Mallory said he was hoping to have good spaces for vendors on the end. Mayor Hilliard asked about plumbing. Councilmember Fenner stated that water and sewer were supposed to be there. Mr. Mallory indicated the line was too shallow for sewer and that it would have to be pumped. Councilmember Pruitt suggested the First Monday Committee look at the site after the meeting. Mr. Mallory asked for direction from the Council. Councilmember Fenner stated the committee could look at the site. He added that infrastructure was needed if a food court was to be added. Mr. Mallory said it would be portable food stands with holding tanks for sewer. Councilmember Pruitt stated he would like a nice food court. Councilmember Roberts agreed it would draw people. Mr. Mallory said he would stop construction Monday morning. He also said that plumbing would have to go under the slab. The item was tabled to the next meeting.

REVIEW AND ACTION ON CITY MANAGER'S JOB DESCRIPTION – Councilmember Roberts stated he saw no problems with the current ordinance establishing the city manager's position, but they needed to look over the job description. He said Councilmember Fenner drafted a job description which he'd like to see adopted at the next meeting. Mayor Hilliard noted it was appropriate to study and compare the job descriptions. Councilmember Roberts suggested leaving the ordinance and adopting the new job description. He also said he had not closely reviewed the job descriptions for the new department director positions, but he saw no problems with them. Councilmember Fenner asked to whom Steve Cooper reported to, which was Lonnie Cluck. He emphasized Mr. Cooper had a lot to offer. He noted his education and customer service assets. Mr. Mallory told the Council he had several complaints on Mr. Cooper this week. Mayor Hilliard replied that could happen to anyone. He noted his degree in banking and economics. Councilmember Pruitt disagreed about Mr. Cooper's ability to handle the job. Councilmember Roberts suggested they discuss the subject later.

EXECUTIVE SESSION FOR DELIBERATIONS REGARDING PERSONNEL MATTERS (Section 551.074) – CONTINUATION OF CITY MANAGER'S REVIEW - The City Council convened in executive session at 8:20 a.m. to continue the City Manager's review.

RECONVENE TO OPEN SESSION AND CONSIDER ACTION, IF ANY, ON ITEMS DISCUSSED IN EXECUTIVE SESSION – The Council reconvened in open session at 9:54 a.m. Mayor Hilliard called a special meeting for Saturday, December 13, 2003 at 8:00 a.m. for continuation of this agenda. Councilmember Pruitt so moved and Councilmember Fenner seconded. All voted in favor.

ADJOURN – There being no further business to come before the Council, the meeting was adjourned at 9:55 a.m. on a motion by Councilmember Pruitt and second by Councilmember Fenner.



 William F. Hilliard, Mayor

ATTEST:



 Julie H. Jackson, City Secretary

CALLED MEETING OF CANTON CITY COUNCIL
 CITY OF CANTON, TEXAS
 8:00 A.M., SATURDAY, DECEMBER 13, 2003
 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 Hilliard, Charles Fenner, Tommy Roberts, Ron Sanford, Raymond Pruitt and Rusty Wilson.

Discussion and action were as follows:

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

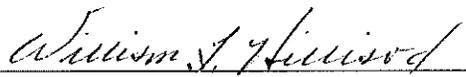
DISCUSS AND CONSIDER ALL MATTERS CONCERNING CONSTRUCTION OF THE NEW TRADE CENTER – Mayor Hilliard asked for recommendations from the First Monday Committee on the construction of Trade Center IV. Johnny Mallory reported that construction was halted on Monday as instructed. Councilmember Roberts noted that forms were already set and Lonnie Cluck added that steel was tied in the south end. Councilmember Sanford recommended leaving the building where it was. Mayor Hilliard said the structure should be shifted forty feet to the south, and Councilmember Pruitt said that would interfere with dealers on the south end. Mr. Cluck explained the ramp extended thirty-five to forty feet past the building to the sweetgum tree. When asked by Rusty Wilson, Mr. Cluck suggested they let four food court vendors set their trailers outside the building on the very end, each using two parking spaces for their trailers and two inside spaces for customer service and seating. He said the vendors would contain their sewer just as the outside vendors did. Mayor Hilliard disagreed, stating one main was deep enough to sewer the building. He noted H&T had sewer in their building on the north end. Ron Sanford said H&T would not do it again. Councilmember Pruitt stated the food vendors should be placed on the north end. Councilmember Wilson suggested it would close off the building from foot traffic and suggested they be placed on the south end. Mayor Hilliard said that a building could be put across the end later on making it high-income property. Councilmember Pruitt said he didn't care about the buildings lining up, but he did care about how many people could get in the building. He said Row 94 catches a lot of traffic and the City needed something to draw them to the building. He also noted the opportunity to put in rest areas. Mayor Hilliard voiced that the buildings should line up and the City should later build another building and put storage above it. Lonnie Cluck confirmed it was fifty feet from the edge of Row 94 to the building. The engineer said it would cost a lot of money to move the building now that it's started. Councilmember Wilson said in its current position, there would be enough room to add on to it. Councilmember Sanford stated he was in favor of proceeding. Councilmember Roberts added that it should be left in its current position instead of spending additional money. He said the food court would draw people to the pavilion, but he didn't want anything unattractive. He noted the City would have to watch the appearance of the outside trailers closely. Councilmember Wilson added that limiting it to two or three food vendors would be manageable. Councilmember Roberts agreed four would be the maximum. Councilmember Sanford made the motion to go with the current plans for Trade Center IV. Councilmember Pruitt seconded, but stated he would like to hear from Councilmember Fenner. Councilmember Fenner said the Council had talked about running water and sewer to the building, but it was not being done. He added the food court was a great idea, but he didn't favor trailers outside. He said the vendors would need water. Mr. Mallory pointed out that water was beside the building. Councilmember Pruitt voiced favor for the food court, but he wanted to make it more attractive and asked if the space could be leased for enough. Lonnie Cluck said he had not spoken to the vendors about a different scenario. The engineer said the project would take less than four months. He said they could add to the building, but any changes to the current design would be costly. Councilmember Wilson suggested adding water no matter what was done with the building. Councilmember Sanford noted it was located in the flood plain while the Arbors were located in the flood fringe. The engineer recommended being very careful about putting sewer in

the flood plain, and that it could overload the sewer plant when it rained. Councilmember Wilson stated food vendors had already invested in their trailers and anything other than that would result in adding concessions. Councilmember Roberts and Wilson agreed water needed to be run to the building. Mayor Hilliard noted it would be easier to build something on the north end later if the buildings lined up. Councilmember Pruitt said he would rather spend \$50,000 to make the north end look good rather than spending it to move the building. Councilmember Roberts noted that Mr. Cluck said the City could keep the food vendors under control and looking good. Mr. Cluck added that there were already trailers in the parking lot, so the appearance would be about the same. He said instead of merchandise in the spaces, there would be tables and chairs. The Mayor called for a vote. All Councilmembers voted in favor. Mayor Hilliard stated that any future committee action and major issues be presented to the entire council prior to action. Mr. Mallory confirmed the Council wanted to stay with the current plans, but to run water service lines under the apron to the building. He asked which end the Council preferred and how many taps they wanted. Mayor Hilliard suggested leaving a cut out at each beam. Councilmember Sanford suggested Lonnie Cluck and Johnny Mallory determine the amount of water to the building. Mr. Mallory recommended it not be too much water. Mayor Hilliard stated they would need sewer at one end, and Councilmember Roberts said they wouldn't if they had storage on their trailers. Councilmember Roberts suggested the City leave the building like it was and add water on the north end. Mayor Hilliard said the decision would be referred to the First Monday Committee and Mr. Mallory and Mr. Cluck.

EXECUTIVE SESSION FOR DELIBERATIONS REGARDING PERSONNEL MATTERS (Section 551.074) – CONTINUATION OF CITY MANAGER'S REVIEW - The City Council convened in executive session at 8:30 a.m. to continue the City Manager's review. Councilmember Sanford left at 10:05 a.m.

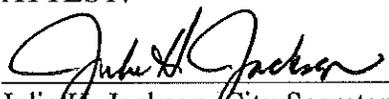
RECONVENE TO OPEN SESSION AND CONSIDER ACTION, IF ANY, ON ITEMS DISCUSSED IN EXECUTIVE SESSION – The Council reconvened in open session at 10:10 a.m. with no action taken.

ADJOURN – There being no further business to come before the Council, the meeting was adjourned at 10:10 a.m. on a motion by Councilmember Pruitt and second by Councilmember Fenner.



 William F. Hilliard, Mayor

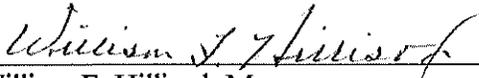
ATTEST:



 Julie A. Jackson, City Secretary

REGULAR MEETING OF CANTON CITY COUNCIL
 CITY OF CANTON, TEXAS
 6:30 P.M., TUESDAY, DECEMBER 16, 2003
 CITY HALL, 290 E. TYLER STREET
 CANTON, TEXAS

The Regular Meeting of the Canton City Council scheduled for 6:30 p.m., December 16, 2003, was cancelled prior to meeting time.


 William F. Hilliard, Mayor

ATTEST:

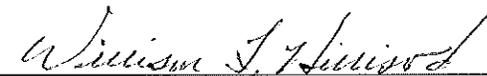

 Julie H. Jackson, City Secretary

CALLED MEETING OF CANTON CITY COUNCIL
 CITY OF CANTON, TEXAS
 8:00 A.M., TUESDAY, DECEMBER 30, 2003
 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 Hilliard, Charles Fenner, Tommy Roberts, Ron Sanford, and Raymond Pruitt. Rusty Wilson was absent.

Discussion and action were as follows:

CALL TO ORDER AND ANNOUNCE QUORUM - Mayor Hilliard called the meeting to order at 8:00 a.m. and declared that a quorum was present. Councilmember Roberts stated the meeting was not legally called, noting the city manager nor a city Councilmember had the authority. He said he was not against the development, but in the way the meeting was called. Mayor Hilliard reported the meeting disbanded. Councilmember Pruitt so moved, Councilmember Roberts seconded, stating that Mr. Mallory knew better than to call a meeting without going through the property channels. Mr. Mallory said he thought Councilmember Fenner had some authority. All voted in favor. The meeting adjourned at 8:02 a.m. Mayor Hilliard rescheduled the meeting for 9:00 a.m. Saturday, January 3, 2004.


 William F. Hilliard, Mayor

ATTEST:


 Julie H. Jackson, City Secretary

CALLED MEETING OF CANTON CITY COUNCIL
 CITY OF CANTON, TEXAS
 9:00 A.M., SATURDAY, JANUARY 3, 2004
 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 Hilliard, Charles Fenner, Tommy Roberts, Ron Sanford, Raymond Pruitt and Rusty Wilson.

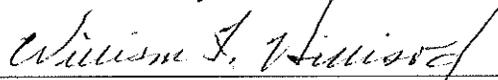
Discussion and action were as follows:

CALL TO ORDER AND ANNOUNCE QUORUM – Mayor Hilliard called the meeting to order at 9:00 a.m. and declared that a quorum was present.

DISCUSS AND CONSIDER PRELIMINARY PLAT APPROVAL FOR PHASE II OF ETHERIDGE FARM SUBDIVISION LOCATED ON MILL CREEK ROAD AT ETHERIDGE ROAD – Rick Malone reported that he had talked to the contractors and suppliers and Pete Lucas had approved all parts, taps, and the way the lines were run. He said the Right-of-Way width, road width, and the curb and gutter all met city requirements. He added the owners hired a contractor and everything was in place. Johnny Mallory recommended approval. Councilmember Fenner asked if they were planning on building the infrastructure first. Mike Blake said they would have a letter of credit to build the infrastructure prior to beginning. Councilmember Roberts made the motion to approve the preliminary plat for Phase II of Etheridge Farm Subdivision. Councilmember Fenner seconded and asked how many houses it would involve. Mike Blake answered forty-two total, nine in Phase I and thirty-three in Phase II, all lots with a minimum of 10,000 square feet. He said the lots would be just under one-quarter acre up to one-half acre lots. Councilmember Fenner stated he thought it was a great subdivision, and the city was lucky to start with larger than the 5,000-6,000 square-foot lots. Mr. Malone added they exceeded the minimum square footage required in R-1 Zoning. All councilmembers voted in favor.

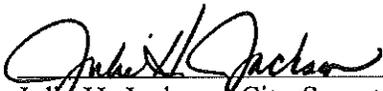
DISCUSS AND CONSIDER FINAL PLAT APPROVAL FOR PHASE I OF ETHERIDGE FARM SUBDIVISION LOCATED ON MILL CREEK ROAD AT ETHERIDGE ROAD – Rick Malone reported the plans met all requirements. He said the water and sewer were in, all surveying was complete, and the lots were pinned and marked. He added the Planning & Zoning Commission recommended approval. Councilmember Sanford made the motion to approve the final plat for Phase I Etheridge Farm Subdivision. Councilmember Fenner seconded, and all voted in favor.

ADJOURN – There being no further business to come before the Council, the meeting adjourned at 9:06 a.m. on a motion by Councilmember Pruitt and second by Councilmember Fenner.



William F. Hilliard, Mayor

ATTEST:



Julie H. Jackson, City Secretary