

REGULAR MEETING OF THE CANTON CITY COUNCIL
6:00 P.M., TUESDAY, JANUARY 17, 2012
City Hall Council Chambers
290 East Tyler Street, Canton, Texas 75103

MINUTES

The Canton City Council met at the above-named date and time in the City Hall Council Chambers. Members present were Mayor Cary Hilliard and Councilmembers Candice Benson, Vicki Chambless, Charles Huddle, Ross Maris and Clay Nicklas. City Manager Andy McCuistion, Assistant City Manager – Operations Lonny Cluck, City Secretary / Finance Officer Julie Seymore, CEDC Director Mercy Rushing, Police Chief Mike Echols, Fire Chief Bud Sanford, Assistant City Secretary Debra Johnson, and City Attorney Richard Ray were also in attendance.

Discussion and action were as follows:

1. CALL TO ORDER - Mayor Hilliard declared a quorum present and called the meeting to order at 6:00 p.m.
2. INVOCATION was led by Reverend Dan Tarno from Grace Bible Fellowship.
3. PLEDGE OF ALLEGIANCE was led by Councilmember Benson.
4. MAYOR'S WELCOME – Mayor Hilliard thanked everyone who participated in the Mayor's Walk at Cherry Creek Park. He announced there would be another Mayor's Walk at 8:30 a.m. on Saturday, February 11, 2012. Mayor Hilliard commended everyone involved in the parade for the F-4 airplane which had been moved to the Veterans Memorial.
5. DECLARATIONS REGARDING CONFLICTS OF INTEREST - None
6. PROCLAMATIONS AND ANNOUNCEMENTS – Mayor Hilliard read a proclamation declaring the week of January 22-28, 2012, Activity Professionals Week.

CITIZEN'S FORUM

7. CITIZEN'S FORUM – CITIZENS ARE INVITED TO SPEAK FOR THREE (3) MINUTES ON MATTERS RELATING TO CITY GOVERNMENT THAT ARE NOT LISTED ON THE REGULAR AGENDA – Ray Murphy requested help in raising funds for his trip to Los Angeles to meet with Warner Brothers regarding his John Wayne film. Carlos Mora expressed concern about the trees being cut down in Cherry Creek Park. He felt the City should be planting trees, not cutting them down.

CONSENT AGENDA

8. CONSIDER APPROVAL OF MINUTES OF THE DECEMBER 20, 2011 CITY COUNCIL MEETING
9. CONSIDER APPROVAL OF DECEMBER 2011 FINANCIAL STATEMENTS – Upon Ms. Seymore's request, this item was removed from and considered after the Consent Agenda. Mayor Hilliard tabled the item to be considered at the next regular meeting.

10. CONSIDER ADOPTION OF RESOLUTION APPROVING CANTON ECONOMIC DEVELOPMENT CORPORATION'S ACTION TO CONVEY A 1.71 ACRE TRACT SITUATED IN THE DAVID TOWNS SURVEY, A-845, VAN ZANDT COUNTY, TEXAS, BEING A PART OF THAT CERTAIN CALLED 7.17 ACRE TRACT ON FM 1255 TO THE CITY OF CANTON FOR WATER WELL NO. 3 AND ASSOCIATED PUBLIC PURPOSES; AND ACCEPTING SAME - (*Resolution 2012-01*)
11. CONSIDER ADOPTION OF RESOLUTION APPROVING CANTON ECONOMIC DEVELOPMENT CORPORATION'S (CEDC) ACTION TO CONVEY A THIRTY-FOOT WIDE UTILITY EASEMENT AND A 1.102-ACRE SANITARY CONTROL EASEMENT SITUATED IN THE DAVID TOWNS SURVEY, A-845, VAN ZANDT COUNTY, TEXAS, BEING OVER AND ACROSS A CERTAIN CALLED 7.17 ACRE TRACT ON FM 1255 TO THE CITY OF CANTON FOR WATER WELL NO. 3 AND ASSOCIATED PUBLIC PURPOSES; ACCEPTING SAME FROM CEDC; AND CONVEYING A 0.521 ACRE SANITARY CONTROL EASEMENT SITUATED IN THE DAVID TOWNS SURVEY, A-845, VAN ZANDT COUNTY, TEXAS, BEING OVER AND ACROSS A CERTAIN CALLED 4.0-ACRE TRACT OWNED BY THE CITY OF CANTON FOR WATER WELL NO. 3 AND ASSOCIATED PUBLIC PURPOSES - (*Resolution 2012-02*)
12. CONSIDER ADOPTION OF RESOLUTION APPROVING A QUIT CLAIM DEED ON A ONE-ACRE TRACT OF LAND, BEING A PART OF A CALLED 183-ACRE TRACT OF LAND OWNED BY ALBERT UTTS SITUATED IN THE Q.C. NUGENT SURVEY, ABSTRACT NO. 618, VAN ZANDT COUNTY, TEXAS, CONVEYING SAID PROPERTY BACK TO HEIRS GLEN GILBERT, GREG GILBERT, GARY GILBERT, AND GAY GILBERT-PLUMB - Upon Mayor Hilliard's request, this item was removed from and considered following the Consent Agenda. Mr. McCuistion suggested the item be deferred until the next meeting.

Motion to approve the Consent Agenda, except Items 9 and 12, was made by Councilmember Nicklas. Second was made by Councilmember Huddle. All voted in favor.

INDIVIDUAL CONSIDERATION

13. CONSIDER PROJECT STATUS REPORT - Mayor Hilliard explained the project status report listing all the ongoing projects of the City. Ms. Seymore said it would be posted on the City's website.
14. FIRST PUBLIC HEARING ON THE VOLUNTARY ANNEXATION OF A 1.254-ACRE TRACT SITUATED IN THE J. DOUTHIT SURVEY, A-198, LOCATED ON HIGHWAY 19 SOUTH, OWNED BY SYLVIA JOSEPHINE BARBEE, ET AL - Mayor Hilliard opened a public hearing at 6:24 p.m. Lou Ann Everett asked if the City knew what would be going on the property. Mercy Rushing said she could not yet discuss what business was planning to open at the location. There being no further comments, Mayor Hilliard closed the public hearing at 6:25 p.m.
15. SECOND PUBLIC HEARING ON THE VOLUNTARY ANNEXATION OF A 1.254-ACRE TRACT SITUATED IN THE J. DOUTHIT SURVEY, A-198, LOCATED ON HIGHWAY 19 SOUTH, OWNED BY SYLVIA JOSEPHINE BARBEE, ET AL - Mayor Hilliard opened a public hearing at 6:26 p.m. Ethyl Sanders asked if two public hearings could be held on the same agenda. Julie Seymore advised TML legal counsel provided an expedited schedule for voluntary annexations which allowed two hearings at the same meeting. There being no other comments, Mayor Hilliard closed the public hearing at 6:27 p.m.

16. CONSIDER PROPOSAL FROM EAST TEXAS ENGINEERS, INC. FOR MILL CREEK RESERVOIR STUDY – Councilmember Huddle made a motion to proceed with the recommendation of Mr. Harle’s proposal. Motion failed with no second. Councilmember Nicklas made a motion to table the item until after the workshop addressing future water planning for the City. Councilmember Benson seconded. All voted in favor except Councilmember Huddle, who was opposed.
17. CONSIDER APPROVAL OF TRANSFER STATION AGREEMENT WITH SANITATION SOLUTIONS – Councilmember Nicklas made a motion to proceed with the proposed agreement pending getting the contract negotiated. Second was made by Councilmember Maris. All voted in favor.
18. CONSIDER CLAW’S REQUEST FOR ASSISTANCE IN FUNDRAISING EFFORTS – After hearing CLAW’s request and a brief discussion, Mayor Hilliard suggested the matter be discussed at the upcoming workshop.
19. CONSIDER HOLDING A COUNCIL WORK SESSION TO REVIEW PLANNED INFRASTRUCTURE PROJECTS AND HOW THEY RELATE TO THE CITY’S LONG-RANGE PLAN – Upon recommendation of the Mayor, Councilmember Chambless made a motion to hold a workshop. Councilmember Benson seconded. All voted in favor.
20. CONSIDER CLEANUP AND REPAIRS AT CITY’S SECTION OF HILLCREST CEMETERY – Item was deferred to the Public Works Committee to develop a plan to return to Council for approval.
21. CONSIDER ADOPTION OF RESOLUTION APPROVING AMENDMENTS TO THE FISCAL YEAR 2011-12 BUDGET OF THE CANTON ECONOMIC DEVELOPMENT CORPORATION – Motion to approve Resolution 2012-04 was made by Councilmember Benson. Second was made by Councilmember Huddle. All voted in favor.
22. CONSIDER APPROVAL OF REALLOCATION OF FUNDS IN FIRST MONDAY’S CAPITAL BUDGET TO INSTALL DOORS ON TRADE CENTER III AND AUTHORIZE ADVERTISEMENT FOR BIDS – Motion to approve reallocating \$80,000 from the First Monday road and bridge projects for the installation of doors on Trade Center III was made by Councilmember Benson. Second was made by Councilmember Maris. All voted in favor.
23. CONSIDER CONTINUATION OF VAN ZANDT COUNTY COUNTRY CLUB MEMBERSHIP – Councilmember Chambless made a motion to terminate the membership. Councilmember Maris seconded. All voted in favor.
24. CONSIDER APPROVAL OF POLICE OFFICER’S REQUEST TO PURCHASE RETIRED HANDGUNS – Councilmember Nicklas made a motion to allow officers to purchase the retired handguns for \$300 each. Second was by Councilmember Chambless. All voted in favor.
25. CONSIDER RESOLUTION APPROVING CHANGES TO CANTON POLICE DEPARTMENT RULES, REGULATIONS & POLICIES MANUAL REGARDING USE OF FORCE AND ELECTRONIC CONTROL WEAPONS – Councilmember Nicklas made a motion to approve Resolution 2012-05. Second was made by Councilmember Benson. All voted in favor. Mayor Hilliard called a break at 8:00 p.m.
26. CONSIDER ADOPTION OF ORDINANCE AMENDING SECTION 30 OF THE CITY OF CANTON, TEXAS CODE OF ORDINANCES REGARDING CITY’S RECORDS

MANAGEMENT PROGRAM – The meeting resumed at 8:10 p.m. Councilmember Chambless made a motion to adopt Ordinance No. 2012-01 with the provision that training be held. Councilmember Benson seconded. All voted in favor.

27. DISCUSS AND CONSIDER POLICIES REGARDING COUNCIL MEETINGS AND AGENDAS – Councilmember Nicklas made a motion to table the item to the work session. Councilmember Benson seconded. All voted in favor.
28. CONSIDER CITY MANAGER'S APPEAL OF MAYOR'S LETTER OF REPRIMAND – Mayor Hilliard announced his decision to remove the reprimand letter from the City Manager's file. Councilmember Maris felt Council had a right to hear Mr. McCuistion's appeal. Mayor Hilliard advised him to read the opinions of Mr. Ray and other legal counsel.
29. CITY MANAGER'S REPORT
 - A. FIRST MONDAY AND SALES TAX – Mr. McCuistion reported a record year in 2011. It was a record year for sales tax also.
 - B. FIRST MONDAY SOUTH GATE PROJECT – Council reviewed two elevations of the proposed entry and indicated a general consensus for Mr. McCuistion to move forward and to use KSA Engineers for the project.
 - C. OLD WATER TOWER PAINTING PROJECT – Mr. McCuistion said they would have to bid out the project again. Bids would be opened February 9, 2012.
 - D. WATER TOWER SITE STUDY – Mr. McCuistion reported the engineers would present the results of their study at the next month's meeting.
 - E. ACCOUNTANT'S POSITION – Mr. McCuistion stated Kimberly Kroha had been hired as the new accountant who would start February 1, 2012.

EXECUTIVE SESSION

A closed or executive session will follow pursuant to the provision of the Open Meetings Law, Chapter 551, Govt. Code, Vernon's Texas Codes Annotated, in accordance with the authority contained in Sections 551.072 551.074 AND 551.087.

30. EXECUTIVE SESSION FOR DELIBERATIONS REGARDING POTENTIAL PURCHASE OF REAL PROPERTY OR REAL PROPERTY INTERESTS (Section 551.072) – Mayor Hilliard called a recess at 9:22 p.m. and convened into Execution Session at 9:29 p.m.
31. EXECUTIVE SESSION FOR DELIBERATIONS REGARDING ECONOMIC DEVELOPMENT NEGOTIATIONS REGARDING COMMERCIAL OR FINANCIAL INFORMATION (Section 551.087)
32. EXECUTIVE SESSION FOR CONSULTATION WITH ATTORNEY REGARDING PENDING OR CONTEMPLATED LITIGATION INVOLVING ZANBAKA USA, LLC v. CITY OF CANTON, TEXAS (Section 551.071)

RETURN TO OPEN SESSION

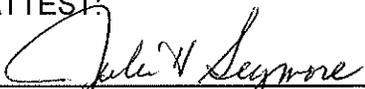
33. RECONVENE TO OPEN SESSION AND CONSIDER ACTION, IF ANY, ON ITEMS DISCUSSED IN EXECUTIVE SESSION – Council reconvened in open session at 10:12 p.m. with no action taken.

34. ITEMS FOR FUTURE AGENDAS – Councilmember Benson wanted to discuss laptops or notebooks for Council use. Councilmember Nicklas wished to have added a preliminary look into the eligibility of a trails grant for the next phase for the City's park plan.
35. ADJOURN – At 10:15 p.m., the meeting was unanimously adjourned upon motion by Councilmember Benson and second by Councilmember Huddle.



 Cary S. Hilliard, Mayor

ATTEST:



 Julie H. Seymore, City Secretary

REGULAR MEETING OF THE CANTON CITY COUNCIL
6:00 P.M., TUESDAY, FEBRUARY 21, 2012
 City Hall Council Chambers
 290 East Tyler Street, Canton, Texas 75103

MINUTES

The Canton City Council met at the above-named date and time in the City Hall Council Chambers. Members present were Mayor Cary Hilliard and Councilmembers Candice Benson, Vicki Chambless, Ross Maris and Clay Nicklas. Councilmember Charles Huddle was absent. City Manager Andy McCuiston, Assistant City Manager – Operations Lonny Cluck, City Secretary / Finance Officer Julie Seymore, CEDC Director Mercy Rushing, Police Chief Mike Echols, Fire Chief Bud Sanford, City Attorney Richard Ray and Assistant City Secretary Debra Johnson were also in attendance.

Discussion and action were as follows:

1. CALL TO ORDER - Mayor Hilliard declared a quorum present and called the meeting to order at 6:00 p.m.
2. INVOCATION was led by Councilmember Nicklas.
3. PLEDGE OF ALLEGIANCE was led by members of Canton Girl Scout Troops 3224, 2488, 2519, and 1318.
4. MAYOR'S WELCOME – Mayor Hilliard announced Councilmember Huddle was absent due to illness.
5. DECLARATIONS REGARDING CONFLICTS OF INTEREST – None
6. PROCLAMATIONS AND ANNOUNCEMENTS
 - A. PROCLAMATION NAMING MARCH 12, 2012 AS GIRL SCOUTS CENTENNIAL DAY IN THE CITY OF CANTON, TEXAS – Mayor Hilliard read a proclamation recognizing the Girl Scouts on their 100th anniversary.
 - B. RECOGNITION OF SGT. STEVE HALL FOR LIFE SAVING AWARD FROM TEXAS DEPARTMENT OF PUBLIC SAFETY – Chief Echols announced Sergeant Steve Hall had been honored in Austin for saving a woman's life.

CITIZEN'S FORUM

7. CITIZEN'S FORUM – CITIZENS ARE INVITED TO SPEAK FOR THREE (3) MINUTES ON MATTERS RELATING TO CITY GOVERNMENT THAT ARE NOT LISTED ON THE REGULAR AGENDA – Jim Fuller reported on a successful Western Swing Festival. Mr. Ray Murphey proposed Canton naming Winterset, Iowa, as its sister city and he announced a charitable organization he was forming. Ed Sanders recommended parallel parking on Buffalo Street in front of the furniture store to alleviate traffic clearance problems. Mayor Hilliard suggested Mr. Murphey and Mr. Sanders speak with Mr. McCuistion about their matters.

CONSENT AGENDA

8. CONSIDER APPROVAL OF MINUTES OF THE JANUARY 17, 2012 CITY COUNCIL MEETING
9. CONSIDER APPROVAL OF DECEMBER 2011 AND JANUARY 2012 FINANCIAL STATEMENTS
10. CONSIDER ADOPTION OF AN ORDINANCE AUTHORIZING A GENERAL MUNICIPAL ELECTION TO BE HELD ON MAY 12, 2012, FOR THE PURPOSE OF ELECTING THREE CITY COUNCILMEMBERS; PROVIDING FOR NOTICES, VOTING EQUIPMENT AND A JOINT ELECTION WITH CISD; AND DESIGNATING THE POLLING PLACES AND TIMES FOR EARLY VOTING AND ELECTION DAY – Upon Richard Ray's recommendation, this item was removed from and considered following the Consent Agenda. Councilmember Nicklas made a motion to adopt Ordinance No. 2012-02 with the amendment that the early voting be held at City Hall, 290 E. Tyler, Canton, Texas. Councilmember Benson seconded. All voted in favor.
11. CONSIDER ADOPTION OF RESOLUTION APPOINTING ELECTION JUDGE, ALTERNATE ELECTION JUDGE, AND EARLY VOTING BALLOT BOARD JUDGE FOR MAY 12, 2012 GENERAL ELECTION – (*Resolution No. 2012-03*)
12. CONSIDER APPROVAL OF JOINT ELECTION AGREEMENT WITH CANTON INDEPENDENT SCHOOL DISTRICT FOR MAY 12, 2012 GENERAL ELECTION
13. CONSIDER APPROVAL OF ELECTION EQUIPMENT CONTRACT WITH THE VAN ZANDT COUNTY CLERK FOR MAY 12, 2012 GENERAL ELECTION
14. CONSIDER APPROVAL OF ATLAS ENTERPRISES, INC. CONTRACT FOR 2012 FIREWORKS DISPLAY
15. CONSIDER APPROVAL OF TRANSFER STATION CONTRACT WITH SANITATION SOLUTIONS – Upon Councilmember Nicklas' request, this item was removed from and considered following the Consent Agenda. The item was tabled to the next regular meeting after Mr. McCuistion and Mr. Bray added a statement to the contract on Sanitation Solutions' contribution regarding the road improvement.
16. CONSIDER ADOPTION OF RESOLUTION APPROVING CANTON ECONOMIC DEVELOPMENT CORPORATION'S ACTION TO CONVEY A 0.375-ACRE TRACT AND ACCESS EASEMENT SITUATED IN THE J. DOUTHIT SURVEY, A-198, VAN ZANDT COUNTY, TEXAS, TO THE CITY OF CANTON FOR THE SOUTH SIDE BOOSTER STATION; AND ACCEPTING SAME – (*Resolution No. 2012-06*)

17. CONSIDER RETURN TO SINGLE CYCLE UTILITY BILLING
18. CONSIDER ACCEPTANCE OF ANNUAL RACIAL PROFILING REPORT
19. CONSIDER ADOPTION OF RESOLUTION ACCEPTING THE CONSTRUCTION OF MAIN STREET PROGRAM - SIDEWALK REHAB PROJECT UNDER TEXAS COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM CONTRACT NO. 710022 AND AUTHORIZING FINAL PAYMENT TO THE CONTRACTOR – (*Resolution No. 2012-07*)

Items 10 and 15 were removed from the Consent Agenda for individual consideration. Councilmember Maris made a motion to approve the remaining items. Councilmember Nicklas seconded. All voted in favor.

INDIVIDUAL CONSIDERATION

20. CONSIDER APPROVAL OF KSA ENGINEERS TASK ORDER FOR FIRST MONDAY SOUTH ENTRANCE – Councilmember Benson made a motion to table the item to allow the First Monday Committee to review the project. Councilmember Chambless seconded. All voted in favor.
21. CONSIDER OVERHEAD WATER TOWER SITE STUDY REPORT BY KSA ENGINEERS AND APPROVE TASK ORDER FOR DESIGN AND ENGINEERING SERVICES –Tracy Hicks reported the findings and recommended a site in Industrial Park 1. Councilmember Maris made a motion to approve the KSA task order. Councilmember Chambless seconded. All voted in favor.
22. PRESENTATION FROM GARY R. TRAYLOR AND ASSOCIATES PERTAINING TO HOME GRANT OPPORTUNITIES AND CONSIDER APPROVAL OF RESOLUTION AUTHORIZING HOME GRANT APPLICATION SUBMITTAL – Councilmember Benson made a motion to approve the resolution. Motion failed for lack of a second.
23. CONSIDER PARK GRANT OPPORTUNITIES AND FUTURE PARK PROJECTS – Councilmember Nicklas requested the City discuss continuing with the original master plan for the parks, starting with the trails system, in the next budget.
24. CONSIDER ADOPTION OF ORDINANCE ANNEXING BY VOLUNTARY PETITION A 1.254-ACRE TRACT SITUATED IN THE J. DOUTHIT SURVEY, A-198, LOCATED ON SOUTH TRADE DAYS BLVD., OWNED BY SYLVIA JOSEPHINE BARBEE, ET AL – Councilmember Nicklas made a motion to adopt Ordinance No. 2012-03. Councilmember Maris seconded. All voted in favor.
25. PUBLIC HEARING AND CONSIDER ADOPTION OF ORDINANCE CHANGING THE ZONING FROM RURAL AGRICULTURAL (RA) TO LOCAL BUSINESS DISTRICT (B-1) AND GRANTING A SPECIFIC USE PERMIT FOR AN ASSISTED LIVING FACILITY ON FOUR ACRES OF LAND (TWO 2-ACRE TRACTS) SITUATED IN THE J. DOUTHIT SURVEY, A-198, LOCATED ON SOUTH TRADE DAYS BLVD., CURRENTLY OWNED BY SYLVIA JOSEPHINE BARBEE, ET AL – A public hearing was opened at 7:31 p.m. by Mayor Hilliard. Julie Seymore, in response to a question by Councilmember Nicklas, confirmed the zoning change would conform to the Future Land Use Plan. Ms. Seymore said 22 neighboring property owners had been notified and two responded in favor. Ms. Seymore informed Council the zoning change was recommended by the Planning & Zoning Commission. The public hearing was closed at 7:32 p.m. Councilmember Chambless

made a motion to pass Ordinance No. 2012-04. Councilmember Maris second. All voted in favor.

26. CONSIDER AWARDDING BID FOR 2012 I-20 SANITARY SEWER IMPROVEMENTS – Ray Brumley informed Council the bids received were as follows:

Reynolds & Kay	\$377,636.80	McKinney & McMillen	\$463,912.86
JDR Contracting	\$388,350.97	Capps Capco Const.	\$470,979.20
Duplicchain Contractors	\$392,738.90	Saber Development	\$621,419.90
7-11 Contractors	\$426,422.84	The Fain Group	\$668,741.00
Baker's Contracting	\$434,851.30	Larrett	\$688,222.75
AAA Sanitation	\$455,590.20		

Councilmember Benson made a motion to award the bid to Reynolds & Kay. Councilmember Chambless seconded. All voted in favor.

27. CONSIDER AWARDDING BID FOR EAST OUTFALL SANITARY SEWER IMPROVEMENTS PHASE IV – Mr. Brumley informed Council of the following bids:

4M Construction	\$161,410.32	Terry Black Const.	\$198,545.52
AE Shull & Co.	\$171,318.12	7-H Construction	\$203,954.00
Baker's Contracting	\$173,482.77	Interstate Pipeline Utility	\$229,403.17
JDR Contracting	\$184,401.45	Gin-Span	\$255,077.45
Sperling Construction	\$185,564.00	Kart Construction	\$314,939.25
AAA Sanitation	\$190,638.55	Atkins Bros.	\$391,233.60
Reynolds & Kay	\$193,114.22	A&M Construction	\$211,221.30

Councilmember Maris made a motion to award the bid to 4M Construction. Councilmember Chambless seconded. All voted in favor.

28. CONSIDER AWARDDING BID FOR PAINTING HISTORIC DOWNTOWN WATER TOWER – Mr. Brumley presented multiple bid alternatives:

	<u>NG Painting</u>	<u>A&M Construction</u>
Base Bid Items	\$ 24,000.00	\$53,000.00
Painting Tank Only	\$ 24,000.00	\$42,000.00
Amount with Shrouding	\$124,000.00	\$72,000.00

The matter was tabled to check for additional funding.

29. CONSIDER APPROVAL OF GARY BURTON ENGINEERING TASK ORDER FOR WOODLAND DRIVE CULVERT REPLACEMENT – Councilmember Benson made a motion to approve the task order. Councilmember Chambless seconded. All voted in favor.

30. CONSIDER APPROVAL OF RESOLUTION AUTHORIZING THE SUSPENSION OF THE PROPOSED EFFECTIVE DATE OF THE PROPOSED RATE SCHEDULES OF THE MID-TEX DIVISION OF ATMOS ENERGY – Councilmember Nicklas made a motion to approve Resolution No. 2012-08. Councilmember Chambless seconded. All voted in favor.

31. **CONSIDER PROPOSAL FOR HILLCREST CEMETERY ASSOCIATION AND APPOINTMENT OF MEMBERS – Councilmember Maris made a motion to establish a committee of Jerry Shamlin, Herman Fitzgerald, Lawrence Greer, Elvis Allen, Laurie McDonald and members of the Council on the Parks Committee (Vicki Chambless and Clay Nicklas), along with ex-officio**

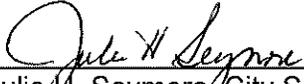
members Andy McCuiston for the City and Keith Hilliard for the Hilliard interests. Councilmember Chambless seconded. All voted in favor.

32. CONSIDER LAPTOPS / NOTEPADS FOR COUNCIL – Upon Councilmember Benson’s recommendation, the purchase of laptops or notepads will be considered during the upcoming budget process.
33. CITY MANAGER’S REPORT
- A. FIRST MONDAY – Mr. Cluck reported February revenues were up \$24,000 over February 2011 and up \$40,000 year-to-date. It looked like one of the biggest February months in ten years. The Trade Center II doors were on and the vendors were pleased. Bids for Trade Center III doors would go out soon. Ron Hammack had attended antique shows and flea markets resulting in five new vendors in the Civic Center.
 - B. WATER WELL 3 – Mr. Cluck reported the pump was set on the water well. The well company still had to run the generator and pump and do testing which would be sent to TCEQ for their approval. They were 80-90% complete with the plans for the transmission line that would finish the project.
 - C. TEST WATER WELL ON FM 2909 – Mr. Cluck said the engineers recommended the well be pumped for a while to see how it affected the manganese levels, which were holding steady at about .3 versus the .05 that was acceptable. An alternative was to pump the well water into the lake.
 - D. PEACE STREET – Mr. Cluck said the utility project started that day following a two-week delay. They uncovered a leaking 2” water line. The water and sewer lines would have to be changed out in two passes since TCEQ required a certain distance between the lines. The cost of the project would not change.
 - E. FIRE STATION FRONT ENTRY – Chief Sanford reported they were in the middle of creating the front entry, which would have a brick façade and awning.
 - F. EMERGENCY ACTION PLAN – Chief Sanford reported the final draft should be ready by the following month. He also mentioned the firefighters were going from 24-hour shifts to a schedule of 48 hours on and 96 hours off.
 - G. BANK DEPOSITORY BID – Julie Seymore reported the bank depository contract expired May 1 and a new contract would be awarded at the March Council meeting.
 - H. BOARD / COMMISSION APPOINTMENTS – Julie Seymore reminded Council it was time to appoint CEDC directors the next month and the members of the Board of Adjustment and Planning & Zoning Commission in May.
34. ITEMS FOR FUTURE AGENDAS – Council discussed rescheduling the work session from February 25 to March 17, depending on availability of the Councilmembers and the facility. A report from Councilmember Nicklas on the upcoming TML water conference was added to the work session agenda. A special meeting was called for 6 p.m., February 28, to consider administrative items originally planned for the work session. Councilmember Maris requested the City Manager’s evaluation be added to that agenda.
35. ADJOURN - At 8:38 p.m., the meeting was unanimously adjourned upon motion by Councilmember Nicklas and second by Councilmember Chambless.



 Cary S. Hilliard, Mayor

ATTEST:


 Julie H. Seymore, City Secretary

CALLED MEETING OF THE CANTON CITY COUNCIL

6:00 P.M., TUESDAY, FEBRUARY 28, 2012

City Hall Council Chambers
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MINUTES

The Canton City Council met at the above-named date and time in the City Hall Council Chambers. Members present were Mayor Cary Hilliard and Councilmembers Candice Benson, Vicki Chambless, Charles Huddle, Ross Maris and Clay Nicklas. City Manager Andy McCuistion, Assistant City Manager – Operations Lonny Cluck, City Secretary / Finance Officer Julie Seymore, City Attorney Richard Ray, CEDC Director Mercy Rushing, Fire Chief Bud Sanford and Assistant City Secretary Debra Johnson were also in attendance. Discussion and action were as follows:

1. CALL TO ORDER - Mayor Hilliard declared a quorum present and called the meeting to order at 6:00 p.m.
2. INVOCATION was led by Chief Bud Sanford. The Pledge was led by Mayor Hilliard.

EXECUTIVE SESSION

A closed or executive session will follow pursuant to the provision of the Open Meetings Law, Chapter 551, Govt. Code, Vernon's Texas Codes Annotated, in accordance with the authority contained in Section 551.074.

3. EXECUTIVE SESSION FOR DELIBERATIONS REGARDING PERSONNEL MATTERS – EVALUATION OF CITY MANAGER ANDY MCCUITION'S PERFORMANCE (Section 551.074) – Items 3 and 4 were postponed until after Council addressed Items 5 through 7. Mayor Hilliard called a recess at 7:29 p.m. and convened into Executive Session at 7:38 p.m. to conduct the City Manager's annual performance evaluation.

RETURN TO OPEN SESSION

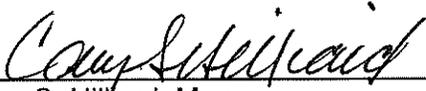
4. RECONVENE TO OPEN SESSION AND CONSIDER ACTION, IF ANY, ON ITEMS DISCUSSED IN EXECUTIVE SESSION - Council reconvened in open session at 8:07 p.m. Councilmember Maris made a motion to give Mr. McCuistion a public vote of confidence. Councilmember Nicklas seconded. All voted in favor.

INDIVIDUAL CONSIDERATION

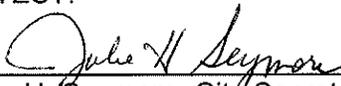
5. CONSIDER ADOPTION OF MEETING AND AGENDA POLICIES – Mayor Hilliard stated his Councilmember Nicklas' proposals would be combined for review at the next meeting.
6. CONSIDER ADOPTION OF FACILITY USE POLICIES – Councilmember Nicklas made a motion to maintain the current rate structure for events. Councilmember Benson seconded. All voted in favor.
7. ITEMS FOR FUTURE AGENDAS – Ms. Seymore said she would find a time and place for the work session. Councilmember Nicklas said they should discuss the council meeting

agenda policy as well as the development of policies for the Board of Adjustment and Planning & Zoning Commission. Mr. McCuiston requested the First Monday south entrance gate also be on the agenda.

8. ADJOURN - At 8:11 p.m., the meeting was unanimously adjourned upon motion by Councilmember Nicklas and second by Councilmember Benson.


 Cary S. Hilliard, Mayor

ATTEST:


 Julie H. Seymore, City Secretary

REGULAR MEETING OF THE CANTON CITY COUNCIL
6:00 P.M., TUESDAY, MARCH 20, 2012
 City Hall Council Chambers
 290 East Tyler Street, Canton, Texas 75103

MINUTES

The Canton City Council met at the above-named date and time in the City Hall Council Chambers. Members present were Mayor Cary Hilliard and Councilmembers Candice Benson, Vicki Chambless, Charles Huddle, Ross Maris and Clay Nicklas. City Manager Andy McCuiston, Assistant City Manager – Operations Lonny Cluck, City Secretary / Finance Officer Julie Seymore, City Attorney Richard Ray, CEDC Director Mercy Rushing, Police Chief Mike Echols, Fire Chief Bud Sanford and Assistant City Secretary Debra Johnson were also in attendance. Discussion and action were as follows:

1. CALL TO ORDER - Mayor Hilliard declared a quorum present and called the meeting to order at 6:00 p.m.
2. INVOCATION was led by Randy Crudginton of Oak Grove Baptist Church.
3. PLEDGE OF ALLEGIANCE was led by Mayor Hilliard.
4. MAYOR'S WELCOME
5. DECLARATIONS REGARDING CONFLICTS OF INTEREST - None
6. PROCLAMATIONS AND ANNOUNCEMENTS
 - C. PROCLAMATION OBSERVING MARCH 18-24, 2012, AS POISON PREVENTION WEEK IN THE CITY OF CANTON
 - D. PROCLAMATION OBSERVING APRIL 19-21, 2012 AS EARTH DAY VAN ZANDT CELEBRATION 2012
 - E. PROCLAMATION OBSERVING APRIL AS CHILD ABUSE PREVENTION MONTH IN THE CITY OF CANTON

Mayor Hilliard read the proclamations and presented Ms. Tulles from the Child Welfare Board with the Child Abuse Prevention Month proclamation

CITIZEN'S FORUM

7. CITIZEN'S FORUM – CITIZENS ARE INVITED TO SPEAK FOR THREE (3) MINUTES ON MATTERS RELATING TO CITY GOVERNMENT THAT ARE NOT LISTED ON THE REGULAR AGENDA – Ray Murphrey requested something be done about the pothole on Elm Street and Buffalo; expressed his desire to start a movie night and Canton's need for a theater; announced a gospel concert set for April 21, 2012; and asked if anyone was interested in sponsoring his cancer division for the John Wayne Cancer Foundation.

CONSENT AGENDA

8. CONSIDER APPROVAL OF MINUTES OF THE FEBRUARY 21 AND 28, 2012, CITY COUNCIL MEETINGS
9. CONSIDER APPROVAL OF FEBRUARY 2012 FINANCIAL STATEMENTS
10. CONSIDER ADOPTION OF RESOLUTION NO. 2012-09 APPROVING THE 2012 CITY OF CANTON PERSONNEL POLICY AND PROCEDURE MANUAL
11. CONSIDER ADOPTION OF RESOLUTION NO. 2012-10 APPROVING THE 2012 EMERGENCY ACTION PLAN FOR FIRST MONDAY – ROY ROBINSON
12. CONSIDER ADOPTION OF RESOLUTION NO. 2012-11 APPROVING THE 2012 COUNCIL MEETING AND AGENDA POLICIES
13. CONSIDER APPROVAL OF TRANSFER STATION CONTRACT WITH SANITATION SOLUTIONS
14. CONSIDER ADOPTION OF ORDINANCE NO. 2012-05 AMENDING THE CODE OF ORDINANCES OF THE CITY OF CANTON, CHAPTER 116, ALCOHOLIC BEVERAGES, TO AUTHORIZE THE SALE OR OFFER FOR SALE OF ALCOHOLIC BEVERAGES IN THE CITY DURING EXTENDED HOURS

Councilmember Maris made a motion to approve the items on the Consent Agenda. Councilmember Huddle seconded. All voted in favor.

INDIVIDUAL CONSIDERATION

15. PUBLIC HEARING ON THE COMPLETION OF THE TEXAS CAPITAL FUND (TCF) PROJECT NO. 710022 (DOWNTOWN SIDEWALK RENOVATION ON EAST TYLER STREET BETWEEN SOUTH BUFFALO AND SOUTH CAPITOL) TO REVIEW CITY'S PROGRAM PERFORMANCE INCLUDING ACTUAL USE OF TCF FUNDS – Mayor Hilliard opened a public hearing at 6:33 p.m. Cindy Guittierez of Gary Traylor & Associates explained the hearing allowed citizens time to comment or ask questions about the sidewalk renovation project on East Tyler Street performed under the grant. The total grant budget was \$198,000 from state and local funds. There being no questions, Mayor Hilliard closed the public hearing at 6:35 p.m.
16. CONSIDER REQUEST FROM GARY HILL FOR SOLICITORS PERMIT TO DISTRIBUTE PRESIDENTIAL CAMPAIGN LITERATURE – Councilmember Maris made a motion to approve the request for a six-month period. Councilmember Chambless seconded. All voted in favor.

17. CONSIDER AWARDING BID FOR BANK DEPOSITORY CONTRACT – Councilmember Benson made a motion to award the contract to American National Bank. Councilmember Nicklas seconded. All voted in favor.
18. CONSIDER AWARDING BID FOR SELF CONTAINED BREATHING APPARATUS (SCBA) – Chief Sanford recommended the second lowest bid from Hoyt Breathing Air Products as it integrated with existing equipment on which firefighters were already trained and experienced.

Avon- ISI	\$ 91,000.00
Hoyt Breathing Air Products	\$ 98,410.15
Casco Industries, Inc.	\$ 99,400.00
Municipal Emergency Services	\$107,621.00
Ferrara Fire Apparatus, Inc.	\$130,834.40
Wayest Safety LLC	\$178,651.80

Councilmember Benson made a motion to award the bid for SCBA to Hoyt Breathing Air Products for \$98,410.15. Councilmember Maris seconded. All voted in favor.

19. CONSIDER AWARDING BID FOR PAINTING HISTORIC DOWNTOWN WATER TOWER – No award was made. Council was not interested in pursuing the over-budget project at this time.
20. CONSIDER ENGINEERING TASK ORDER AND PLANS FOR FIRST MONDAY SOUTH GATE ENTRANCE PROJECT – Councilmember Maris made a motion to approve a task order from Texas Professional Engineering of Rockwall for \$2500. Councilmember Chambless seconded. All voted in favor.
21. CONSIDER ASSUMING RESPONSIBILITY FOR CARE AND MAINTENANCE OF THE OLD CITY CEMETERY – Councilmember Maris requested the City assume responsibility for maintenance of Hillcrest Cemetery. Upon Mr. McCuiston's recommendation, the matter was deferred to the Parks Committee for further discussion.
22. CONSIDER REMODELING CITY HALL TO CONSTRUCT A CONFERENCE ROOM FOR EXECUTIVE SESSIONS DURING CITY COUNCIL AND CEDC MEETINGS – Councilmember Maris made the recommendation. The matter was tabled while City staff checked into reclaiming the space.
23. DISCUSS COUNCIL'S GOALS, OBJECTIVES AND SPECIAL PROJECT REQUESTS FOR INCLUSION IN FISCAL YEAR 2012-13 PROPOSED BUDGET; APPROVE FISCAL YEAR 2012-13 BUDGET CALENDAR – Council advised they did not need an additional work session prior to the budget retreat. Councilmember Chambless was unavailable for one of the budget meetings on August 11. Mayor Hilliard said one of the projects he wanted to include was an upgraded sign at the Civic Center. Mr. McCuiston said they would delay the \$30,000 in the current year's budget to repair the scrolling portion of the sign until they could obtain more information. Councilmember Nicklas said he would like to see initial steps towards a new city hall or council chambers included. Councilmember Maris wanted to add maintenance and upgrading Hillcrest Cemetery. Councilmember Benson mentioned getting I-pads or laptops for Council.
24. MAIN STREET QUARTERLY REPORT – presented by Mercy Rushing.
25. CITY MANAGER'S REPORT

- A. SPRING CLEAN UP – Lonny Cluck reported plans for the April 16-20 City-wide Spring Clean-Up.
- B. FIRST MONDAY – Mr. Cluck reported on First Monday revenue, vendor marketing efforts, upcoming special events, and the Trade Center III door installation project.
- C. SAFETY PROGRAM AND MANUAL – Mr. Cluck reported the Safety Committee developed a safety manual to be distributed to employees for a test period, which after modifications would be presented to Council for adoption.
- D. GENERAL ELECTION – Julie Seymore reminded everyone the General Election for three councilmember positions was May 12, 2012.
- E. UTILITY BILLING – Ms. Seymore reported on the City's new online services and the conversion to single cycle billing.

EXECUTIVE SESSION

A closed or executive session will follow pursuant to the provision of the Open Meetings Law, Chapter 551, Govt. Code, Vernon's Texas Codes Annotated, in accordance with the authority contained in Sections 551.074 AND 551.087.

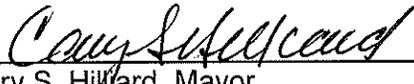
- 26. EXECUTIVE SESSION FOR DELIBERATIONS REGARDING PERSONNEL MATTERS – EVALUATION OF APPLICANTS FOR CANTON ECONOMIC DEVELOPMENT CORPORATION'S BOARD OF DIRECTORS (Section 551.074) - Mayor Hilliard called a recess at 7:28 p.m. and convened into Executive Session at 7:32 p.m.
- 27. EXECUTIVE SESSION FOR DELIBERATIONS REGARDING ECONOMIC DEVELOPMENT NEGOTIATIONS REGARDING COMMERCIAL OR FINANCIAL INFORMATION (Section 551.087)
- 28. EXECUTIVE SESSION FOR DELIBERATIONS REGARDING PERSONNEL MATTERS – CITY MANAGER ANDY MCCUISTION (Section 551.074)

RETURN TO OPEN SESSION

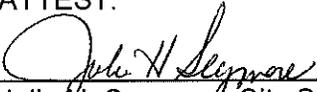
- 29. RECONVENE TO OPEN SESSION AND CONSIDER ACTION, IF ANY, ON ITEMS DISCUSSED IN EXECUTIVE SESSION - Council reconvened in open session at 8:15 p.m. Mayor Hilliard read Mr. McCuistion's resignation letter. Councilmember Maris made a motion to accept the resignation as submitted. Councilmember Nicklas seconded. All voted in favor.
- 30. CONSIDER APPOINTMENTS TO CANTON ECONOMIC DEVELOPMENT CORPORATION'S BOARD OF DIRECTORS – *(considered at 8:15 p.m.)* Councilmember Chambless nominated Kevin Deibert. Councilmember Benson seconded. All voted in favor. Motion passed. Councilmember Benson nominated Buddy Jacobs. Councilmember Chambless seconded. Councilmembers Benson and Chambless voted in favor. Councilmembers Maris, Huddle and Nicklas were opposed. Motion failed. Councilmember Maris nominated Don Hackney. Councilmember Huddle seconded. All voted in favor. Motion passed. Councilmember Nicklas nominated Heidle Baskin. Councilmember Huddle seconded. Councilmembers Nicklas and Huddle voted in favor. Councilmembers Maris,

Chambless and Benson were opposed. Motion failed. Councilmember Nicklas nominated Johnny Blevins. Councilmember Huddle seconded. All voted in favor. Motion passed.

31. ITEMS FOR FUTURE AGENDAS – Councilmember Huddle wanted to discuss code enforcement policies at the next meeting. Councilmember Nicklas felt there should be a special meeting called to deal with the city manager's position. Mayor Hilliard suggested having the meeting the next week.
32. ADJOURN - At 8:30 p.m., the meeting was unanimously adjourned upon motion by Councilmember Nicklas and second by Councilmember Benson.


Cary S. Hilliard, Mayor

ATTEST:


Julie H. Seymore, City Secretary

CALLED MEETING OF THE CANTON CITY COUNCIL
6:00 P.M., THURSDAY, MARCH 29, 2012
City Hall Council Chambers
290 East Tyler Street, Canton, Texas 75103

MINUTES

The Canton City Council met at the above-named date and time in the City Hall Council Chambers. Members present were Mayor Cary Hilliard and Councilmembers Candice Benson, Vicki Chambless, Charles Huddle, Ross Maris and Clay Nicklas. City Manager Andy McCuiston, Assistant City Manager – Operations Lonny Cluck, City Secretary / Finance Officer Julie Seymore, Fire Chief Bud Sanford, CEDC Director Mercy Rushing, and City Attorney Richard Ray were also in attendance.

Discussion and action were as follows:

1. CALL TO ORDER – Mayor Hilliard declared a quorum present and called the meeting to order at 6:00 p.m.
2. INVOCATION was given by Councilmember Nicklas.
3. PLEDGE OF ALLEGIANCE was led by Mayor Hilliard.
4. PROJECT STATUS BRIEFING BY CITY MANAGER – Mr. McCuiston updated Council on the status of current and future projects.
5. CONSIDER AND TAKE ANY ACTION ON ALL MATTERS RELATED TO THE CITY'S METHOD OR PLAN OF RECRUITING OR HIRING A CITY MANAGER – Councilmember Chambless made a motion to have Ms. Seymore contact SGR to attend the April 17 meeting. Councilmember Benson seconded. All voted in favor.
6. CONSIDER AND TAKE ANY ACTION ON ALL MATTERS RELATED TO MANAGEMENT OF THE CITY OF CANTON AND THE POSSIBLE HIRING OR APPOINTMENT OF AN INTERIM CITY MANAGER – Councilmember Maris made a motion to appoint Lonny Cluck

as acting city manager and to compensate him according to the City Manager's salary. Councilmember Chambless seconded. All voted in favor except for Councilmember Huddle, who was opposed. Councilmember Maris made a motion to hire Robert Brockman under a simple contract at a rate of \$50 per hour to lend assistance to the acting city manager and city secretary, including helping in the selection process, and to answer to the acting city manager. Councilmember Chambless seconded. All voted in favor except Councilmember Huddle, who abstained. After a question of order, Councilmember Chambless withdrew her second to the motion appointing Mr. Cluck as acting city manager. Councilmember Maris withdrew his motion. Councilmember Maris made a motion to appoint Lonny cluck as interim city manager. Councilmember Chambless seconded. All voted in favor except Councilmember Huddle, who was opposed. Councilmember Chambless withdrew her second to Councilmember Maris' motion to appoint Robert Brockman as a consultant. Councilmember Maris withdrew his motion and requested the matter be brought back to Council.

EXECUTIVE SESSION

A closed or executive session will follow pursuant to the provision of the Open Meetings Law, Chapter 551, Govt. Code, Vernon's Texas Codes Annotated, in accordance with the authority contained in Section 551.074.

7. EXECUTIVE SESSION FOR DELIBERATIONS REGARDING PERSONNEL MATTERS – EVALUATION OF INTERIM CITY MANAGER CANDIDATES (Section 551.074) –Council did not convene in executive session.

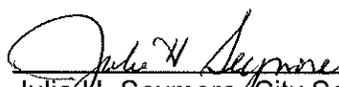
RETURN TO OPEN SESSION

8. RECONVENE TO OPEN SESSION AND CONSIDER ACTION, IF ANY, ON ITEMS DISCUSSED IN EXECUTIVE SESSION TO INCLUDE THE APPOINTMENT OF AN INTERIM CITY MANAGER
9. CONSIDER AND TAKE ANY ACTION ON ALL MATTERS RELATED TO THE DUTIES AND RESPONSIBILITIES OF AN INTERIM CITY MANAGER
10. ITEMS FOR FUTURE AGENDAS – Mayor Hilliard asked that the hiring of Robert Brockman as consultant be considered at a called meeting at 6:00 p.m. on April 2nd. Mr. Ray advised the contract did not have to be completed at that time. Councilmember Maris asked that the SGR representative be present at the next meeting.
11. ADJOURN – There being no further business to discuss, the meeting was unanimously adjourned at 7:18 p.m. upon motion by Councilmember Benson and second by Councilmember Huddle.



 Cary S. Hilliard, Mayor

ATTEST:



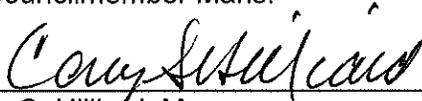
 Julie H. Seymore, City Secretary

CALLED MEETING OF THE CANTON CITY COUNCIL
6:00 P.M., MONDAY, APRIL 2, 2012
 City Hall Council Chambers
 290 East Tyler Street, Canton, Texas 75103

MINUTES

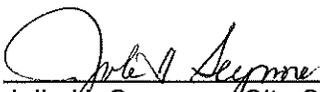
The Canton City Council met at the above-named date and time in the City Hall Council Chambers. Members present were Mayor Cary Hilliard and Councilmembers Candice Benson, Vicki Chambless, Charles Huddle, and Ross Maris. Councilmember Clay Nicklas was absent. City Manager Andy McCuistion, Assistant City Manager – Operations Lonny Cluck, City Secretary / Finance Officer Julie Seymore, City Attorney Richard Ray, CEDC Director Mercy Rushing, and Assistant City Secretary Debra Johnson were also in attendance. Discussion and action were as follows:

1. CALL TO ORDER - Mayor Hilliard declared a quorum present and called the meeting to order at 6:00 p.m.
2. INVOCATION was led by Councilmember Maris.
3. PLEDGE OF ALLEGIANCE was led by Mayor Hilliard.
4. CONSIDER TEMPORARY HIRING OF ROBERT BROCKMAN AS A CITY MANAGEMENT CONSULTANT AND DEFINING HIS ROLE AND THE SCOPE OF SERVICES TO BE PROVIDED – Councilmember Benson made a motion to hire Robert Brockman as the city management consultant subject to approval of a contract to be reviewed April 17, 2012. Councilmember Maris seconded. All voted in favor.
5. CONSIDER ESTABLISHING THE SALARY FOR INTERIM CITY MANAGER LONNY CLUCK – Councilmember Chambless made a motion to increase Lonny Cluck's salary to the existing base salary of Mr. McCuistion. Councilmember Benson seconded. Councilmembers Maris, Chambless and Benson voted in favor. Councilmember Huddle voted in opposition.
6. ITEMS FOR FUTURE AGENDAS – Mayor Hilliard requested Councilmember Nicklas report on the conference he attended on water planning for the state. Mr. McCuistion reported a representative from the search firm would attend the regular meeting. Mr. Brockman's contract would also be under consideration.
7. ADJOURN - At 6:16 p.m., the meeting was unanimously adjourned upon motion by Councilmember Benson and second by Councilmember Maris.



 Cary S. Hilliard, Mayor

ATTEST:



 Julie H. Seymore, City Secretary

REGULAR MEETING OF THE CANTON CITY COUNCIL
6:00 P.M., TUESDAY, APRIL 17, 2012
City Hall Council Chambers
290 East Tyler Street, Canton, Texas 75103

MINUTES

The Canton City Council met at the above-named date and time in the City Hall Council Chambers. Members present were Mayor Cary Hilliard and Councilmembers Candice Benson, Vicki Chambless, Charles Huddle, Ross Maris and Clay Nicklas. Interim City Manager Lonny Cluck, City Secretary / Finance Officer Julie Seymore, City Attorney Richard Ray, CEDC Director Mercy Rushing, Police Chief Mike Echols, Municipal Judge Lilia Durham, Building Inspector David Smith and Assistant City Secretary Debra Johnson were also in attendance. Discussion and action were as follows:

1. CALL TO ORDER - Mayor Hilliard declared a quorum present and called the meeting to order at 6:00 p.m.
2. INVOCATION was led by Councilmember Nicklas.
3. PLEDGE OF ALLEGIANCE was led by Mayor Hilliard.
4. MAYOR'S WELCOME
5. DECLARATIONS REGARDING CONFLICTS OF INTEREST - None
6. PROCLAMATIONS AND ANNOUNCEMENTS - None

CITIZEN'S FORUM

7. CITIZEN'S FORUM – CITIZENS ARE INVITED TO SPEAK FOR THREE (3) MINUTES ON MATTERS RELATING TO CITY GOVERNMENT THAT ARE NOT LISTED ON THE REGULAR AGENDA – Ray Murphy reported on his benefit concert preparations.

CONSENT AGENDA

8. CONSIDER APPROVAL OF MINUTES OF THE MARCH 20 AND 29, 2012, CITY COUNCIL MEETINGS -
9. CONSIDER ADOPTION OF RESOLUTION NO. 2012-12 AUTHORIZING SIGNERS ON ALL CITY ACCOUNTS WITH AMERICAN NATIONAL BANK
10. CONSIDER ADOPTION OF RESOLUTION NO. 2012-13 DESIGNATING PERSONS AUTHORIZED TO EXECUTE TREASURY MANAGEMENT AGREEMENTS WITH AMERICAN NATIONAL BANK AND TO DESIGNATE THOSE PERSONS WHO MAY TRANSACT BUSINESS ON BEHALF OF THE CITY
11. CONSIDER ADOPTION OF RESOLUTION NO. 2012-14 AMENDING AUTHORIZED REPRESENTATIVES ON ALL CITY ACCOUNTS WITH TEXPOOL – Items on the consent agenda were unanimously approved upon motion by Councilmember Maris and second by Councilmember Nicklas.

INDIVIDUAL CONSIDERATION

12. CONSIDER APPROVAL OF MARCH 2012 FINANCIAL STATEMENTS – The financials were unanimously approved upon motion by Councilmember Nicklas and second by Councilmember Chambless.
13. PRESENTATION AND CONSIDER APPROVAL OF CONTRACT WITH STRATEGIC GOVERNMENT RESOURCES (SGR) FOR CITY MANAGER RECRUITMENT SERVICES – Councilmember Huddle made a motion to hire Strategic Government Resources contingent upon execution of a contract. Councilmember Benson seconded. All voted in favor.
14. CONSIDER APPROVAL OF MANAGEMENT CONSULTANT AGREEMENT WITH ROBERT BROCKMAN – Councilmember Maris made a motion to approve the agreement with Mr. Brockman. Councilmember Chambless seconded. All voted in favor.
15. CONSIDER APPROVAL OF INTERLOCAL AGREEMENT / MEMORANDUM OF UNDERSTANDING BETWEEN VAN ZANDT COUNTY JUVENILE PROBATION DEPARTMENT AND MULTIPLE AREA AGENCIES, INCLUDING CITY OF CANTON, FOR JUST KIDS HANDS ON PET EDUCATION (J.K.H.O.P.E.) PROGRAM –Councilmember Nicklas made a motion to approve the agreement. Councilmember Chambless seconded. All voted in favor.
16. CONSIDER AWARDDING BID FOR INSTALLATION OF OVERHEAD DOORS ON FIRST MONDAY'S TRADE CENTER III – Two bids were received for the project: \$119,596.72 from Van Zandt Steel, Inc. and \$150,140.00 from Athens Steel Buildings. Upon the engineer's recommendation, Councilmember Huddle made a motion to award the bid to Van Zandt Steel. Councilmember Benson seconded. All voted in favor.
17. WESTERN SWING REPORT; CONSIDER MUSIC FESTIVAL PROPOSAL BY JIM FULLER; AND CONSIDER ALL MATTERS RELATED TO HOSTING FUTURE MUSIC FESTIVALS – Jim Fuller gave a report on the economic impact the Western Swing had on Canton. He requested assistance from CEDC and stated his need for advance booking in the Civic Center. Mayor Hilliard advised Mr. Fuller to speak with Linda Hatfield or Ron Hammack about booking the Civic Center. Mr. Fuller said he would speak with Ms. Rushing about helping with advertising and promotion.
18. CONSIDER ALL MATTERS RELATED TO CITY CODE AND ORDINANCE VIOLATIONS AND CODE ENFORCEMENT – Councilmember Maris made a motion to give the code enforcement officer the authority to act on something he observed. Councilmember Huddle seconded. Council discussed that the code enforcement officer already had the authority to act on his own and nothing would change unless Council decided to actively pursue code enforcement. Councilmembers Benson, Chambless and Nicklas voted against the motion. Councilmembers Huddle and Maris voted in favor. Motion failed.
19. CONSIDER REMODELING CITY HALL TO CONSTRUCT A CONFERENCE ROOM FOR EXECUTIVE SESSIONS DURING CITY COUNCIL AND CEDC MEETINGS; AND CONSIDER RELOCATION OF MAYOR'S OFFICE – No action was taken.
20. CITY MANAGEMENT REPORTS
 - A. SPRING CLEAN UP- Mr. Cluck reported Spring Cleanup had started Monday.

- B. FIRST MONDAY – Mr. Cluck reported First Monday revenue continued to climb for the second year in a row (up about \$77,000 for the year); a gospel concert was booked at the Civic Center the coming weekend; several gun shows and RV rallies were booked; and the number of special events booked was increasing.
- C. PUBLIC WORKS PROJECTS – Mr. Cluck reported the East Outfall was one-third completed; they were making service connections on the Peace Street water line and would finish that week before laying the sewer line and later going out for bids on the pavement; and contractors started laying pipe on the I-20 sewer project.
- D. GENERAL ELECTION – Julie Seymore announced dates and times the polls would be open for the election.
- E. QUARTERLY MARKETING REPORT – Mercy Rushing gave a quarterly marketing report from the Canton Visitors Bureau.

EXECUTIVE SESSION

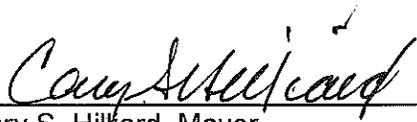
A closed or executive session will follow pursuant to the provision of the Open Meetings Law, Chapter 551, Govt. Code, Vernon's Texas Codes Annotated, in accordance with the authority contained in Sections 551.074 AND 551.087.

- 21. EXECUTIVE SESSION FOR DELIBERATIONS REGARDING ECONOMIC DEVELOPMENT INCENTIVE NEGOTIATIONS WITH PACRIM US LANDCO, LLC (Section 551.087) – Mayor Hilliard called a recess at 7:44 p.m. and convened into Executive Session at 7:48 p.m.
- 22. EXECUTIVE SESSION FOR DELIBERATIONS REGARDING ECONOMIC DEVELOPMENT INCENTIVE NEGOTIATIONS WITH BUSINESS PROSPECTS REGARDING COMMERCIAL OR FINANCIAL INFORMATION (Section 551.087)

RETURN TO OPEN SESSION

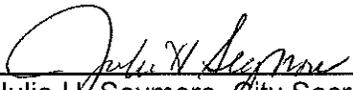
- 23. RECONVENE TO OPEN SESSION AND CONSIDER ACTION, IF ANY, ON ITEMS DISCUSSED IN EXECUTIVE SESSION – Council reconvened in open session at 8:15 p.m.
- 24. CONSIDER ADOPTION OF RESOLUTION NO. 2012-15 APPROVING ECONOMIC DEVELOPMENT INCENTIVE AGREEMENT BETWEEN CANTON ECONOMIC DEVELOPMENT CORPORATION AND PACRIM US LANDCO, LLC – Councilmember Nicklas made a motion to approve Resolution 2012-15. Councilmember Maris seconded. All voted in favor.
- 25. ITEMS FOR FUTURE AGENDAS – Mayor Hilliard listed canvass of the election, issuance of certificates of election, scheduling the swearing in ceremony on May 18, possible orientation for new council members, appointments to the Board of Adjustment, a private club membership permit, mid-year budget amendments, presentation of First Monday scholarships, and award of bids for the water well pump station, boat ramp road, and radio telemetry. Ms. Seymore said Council also needed to look at wastewater rates for wastewater outside the city limits when there was no water service. Councilmember Benson wanted to discuss problems with the First Monday structures and how city ordinances should apply.

26. ADJOURN - At 8:14 p.m., the meeting was unanimously adjourned upon motion by Councilmember Huddle and second by Councilmember Nicklas.



 Cary S. Hilliard, Mayor

ATTEST:



 Julie H. Seymore, City Secretary

CALLED MEETING OF THE CANTON CITY COUNCIL

5:00 P.M., MONDAY, APRIL 23, 2012
 City Hall Council Chambers
 290 East Tyler Street, Canton, Texas 75103

MINUTES

The Canton City Council met at the above-named date and time in the City Hall Council Chambers. Members present were Mayor Cary Hilliard and Councilmembers Candice Benson, Vicki Chambless, Charles Huddle, Ross Maris and Clay Nicklas. Interim City Manager Lonny Cluck, City Secretary / Finance Officer Julie Seymore, City Attorney Richard Ray, and Assistant City Secretary Debra Johnson were also in attendance. Discussion and action were as follows:

1. CALL TO ORDER - Mayor Hilliard declared a quorum present and called the meeting to order at 5:00 p.m.

EXECUTIVE SESSION

A closed or executive session will follow pursuant to the provision of the Open Meetings Law, Chapter 551, Govt. Code, Vernon's Texas Codes Annotated, in accordance with the authority contained in Section 551.071.

2. EXECUTIVE SESSION FOR CONSULTATION WITH ATTORNEY REGARDING POTENTIAL LITIGATION (Section 551.071) - Mayor Hilliard convened into Executive Session at 5:01 p.m.

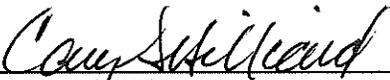
Councilmember Huddle entered the meeting at 5:11 p.m.

Councilmember Huddle left the meeting at 6:02 p.m.

RETURN TO OPEN SESSION

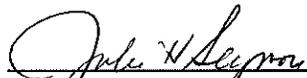
3. RECONVENE TO OPEN SESSION AND CONSIDER ACTION, IF ANY, ON ITEMS DISCUSSED IN EXECUTIVE SESSION – Council reconvened in open session at 6:05 p.m. with no action taken.
4. ITEMS FOR FUTURE AGENDAS – None

5. ADJOURN - At 6:06 p.m., the meeting was unanimously adjourned upon motion by Councilmember Benson and second by Councilmember Chambless.



 Cary S. Hilliard, Mayor

ATTEST:



 Julie H. Seymore, City Secretary

REGULAR MEETING OF THE CANTON CITY COUNCIL

6:00 P.M., TUESDAY, MAY 15, 2012
 City Hall Council Chambers
 290 East Tyler Street, Canton, Texas 75103

MINUTES

The Canton City Council met at the above-named date and time in the City Hall Council Chambers. Members present were Mayor Gary Hilliard and Councilmembers Candice Benson, Vicki Chambless, Charles Huddle, Ross Maris and Clay Nicklas. Interim City Manager Lonny Cluck, City Secretary / Finance Officer Julie Seymore, Municipal Court Judge Lilia Durham, CEDC Director Mercy Rushing, City Attorney Richard Ray, Assistant City Secretary Debra Johnson and Robert Brockman were also in attendance. Discussion and action were as follows:

1. CALL TO ORDER - Mayor Hilliard declared a quorum present and called the meeting to order at 6:00 p.m.
2. INVOCATION was led by Councilmember Nicklas.
3. PLEDGE OF ALLEGIANCE was led by Mayor Hilliard.
4. MAYOR'S WELCOME – Mayor Hilliard thanked all the participants in the recent election.
5. DECLARATIONS REGARDING CONFLICTS OF INTEREST - None
6. PROCLAMATIONS AND ANNOUNCEMENTS
 - A. PRESENTATION TO RECIPIENTS OF CITY OF CANTON FIRST MONDAY SCHOLARSHIP AND RAYFORD HUTCHERSON MEMORIAL SCHOLARSHIP- Mayor Hilliard awarded the Canton First Monday scholarship to Katelyn Edwards and the Rayford Hutcherson scholarship to Matthew Green.
 - A. PROCLAMATION OF MAY 2012 AS NATIONAL PRESERVATION MONTH – Mayor Hilliard proclaimed May 2012 as National Preservation Month.

CITIZEN'S FORUM

7. CITIZEN'S FORUM – CITIZENS ARE INVITED TO SPEAK FOR THREE (3) MINUTES ON MATTERS RELATING TO CITY GOVERNMENT THAT ARE NOT

LISTED ON THE REGULAR AGENDA – Jim Fuller stated he would delay speaking until the next council was seated.

INDIVIDUAL CONSIDERATION

8. CONSIDER APPROVAL OF MINUTES OF THE APRIL 2, 17 AND 23, 2012, CITY COUNCIL MEETINGS – The minutes of the April 2, 17, and 23, 2012, were unanimously approved upon motion by Councilmember Nicklas and second by Councilmember Benson.
9. CONSIDER APPROVAL OF APRIL 2012 FINANCIAL STATEMENTS – The April 2012 financial statements were unanimously approved upon motion by Councilmember Chambless and second by Councilmember Nicklas.
10. OFFICIAL CANVASS OF MAY 12, 2012 GENERAL ELECTION RETURNS – Mayor Hilliard read the official results of the May 12, 2012, General Election:

Shawn Stewart	263	Lou Ann Everett	218
Ross Maris	203	Marilyn Burrage	255
Charles Huddle	228	Jerry Yarbrough	231
Total Voters:	508		
11. CONSIDER ADOPTION OF RESOLUTION NO. 2012-17 DECLARING RESULTS OF MAY 12, 2012 GENERAL ELECTION – Councilmember Chambless made a motion to adopt Resolution No. 2012-17. Councilmember Maris seconded. All voted in favor.
12. ISSUE CERTIFICATES OF ELECTION TO NEWLY-ELECTED COUNCILMEMBERS – Mayor Hilliard distributed the Certificates of Election to newly-elected council members Burrage, Stewart and Yarbrough and announced they would be sworn in at 9:00 a.m. on Friday, May 18, 2012, the first day they were eligible to assume office.
13. PRESENTATION TO OUTGOING COUNCIL MEMBERS RECOGNIZING THEIR DEDICATED SERVICE TO THE CITY OF CANTON AND ITS CITIZENS – Mayor Hilliard presented plaques to the outgoing Councilmembers Charles Huddle, Ross Maris and Clay Nicklas and commended them for their hard work and dedication.
14. CONSIDER REQUEST FROM CANTON FIRE DEPARTMENT FOR SOLICITOR'S PERMIT TO COLLECT DONATIONS AT THE INTERSECTION OF BUFFALO AND DALLAS STREETS ON AUGUST 31, 2012 – SEPTEMBER 3, 2012 FOR MDA AND ON NOVEMBER 30, 2012 – DECEMBER 3, 2012 FOR THE CHRISTMAS CHARITY GIFT DRIVE – Councilmember Maris made a motion to grant the request. Councilmember Nicklas seconded. All voted in favor.
15. CONSIDER REQUEST FROM THE CANTON HIGH SCHOOL SPEECH AND DEBATE TEAM TO COLLECT DONATIONS AT THE INTERSECTION OF BUFFALO AND DALLAS STREETS ON MAY 19, 2012 FOR A NATIONAL STUDENT COMPETITION – Councilmember Benson made a motion to grant the request. Councilmember Benson seconded. All voted in favor.
16. CONSIDER REQUEST FROM CANTON LITTLE DRIBBLERS TO COLLECT DONATIONS AT THE INTERSECTION OF BUFFALO AND DALLAS STREETS ON MAY 19-20, 2012 FOR THE MAJOR TEAM AND ON MAY 26-27 FOR THE SENIOR TEAM FOR A NATIONAL TOURNAMENT – Councilmember Benson made a motion to grant the request

for the dates of May 20 and May 26-27, 2012. Councilmember Maris seconded. All voted in favor.

17. CONSIDER ADOPTION OF RESOLUTION NO. 2012-16 DENYING THE MID-TEX DIVISION OF ATMOS ENERGY CORPORATION'S STATEMENT OF INTENT TO CHANGE THE GAS UTILITY RATES IN THE CITY OF CANTON – Councilmember Nicklas made a motion to adopt Resolution No. 2012-16. Councilmember Maris seconded. All voted in favor.
18. CONSIDER AWARDED BID FOR WATER WELL NO. 3 PUMP STATION – RAY BRUMLEY – CITY OFFICE COMPLEX WELL – Ray Brumley reported the following bids were received and recommended the second lowest bidder based on a problem cited by one of the low bidder's references:

7-H Construction	\$319,800.00	ATS Construction	\$394,825.00
RTR Construction	\$320,434.60	Lamarc Inc.	\$407,697.00
Capps-Capco Const.	\$344,015.00	DAL-EC Const. Ltd	\$524,660.00
Uticor Corp	\$347,802.80	McKinny & McMillen	\$435,421.00
JDR Contracting	\$355,768.40	Gracon Const.	\$455,401.00
AAA Sanitation	\$360,116.38		

Councilmember Nicklas made a motion to award the bid to RTR construction for \$320,434.60. Councilmember Benson seconded. All voted in favor.

19. CONSIDER AWARDED BID FOR WOODLAND DRIVE CULVERT PROJECT – Mr. Brumley reported the following bids and recommended the low bidder:

	<u>Base Bid</u>	<u>Alternate Bid</u>
JDR Contracting Inc.	\$66,743.50	\$75,822.18
Capps-Capco Const. Inc.	\$69,114.75	\$77,991.46
4M Cons. Services Inc.	\$70,251.00	\$80,607.71
McKinny & McMillen LLC	\$77,334.00	\$89,382.65
AAA Sanitation Inc.	\$89,224.00	\$99,909.68
Reynolds & Kay Inc.	\$90,419.75	\$99,042.63

Councilmember Benson made a motion to award the contract to JDR Contracting for the base bid of \$66,743.50. Councilmember Nicklas seconded. All voted in favor.

Under Item 27 (B) taken out of order, Mr. Brumley reported the East Outfall project was expected to be completed in July; 11,000 linear feet had been installed on the I-20 sanitary sewer line; the sidewalk project was awaiting a state inspection and the repair of a few ADA compliance issues; JDR was expected to be finished with the utility improvements on Peace, Terrell and Church Streets by May 26, 2012; Peace and Terrell Streets were going to be allowed to settle before applying hot mix to them and Church Street in July and August; and they planned to certify the test water well on FM 2909. Mr. Brumley left the meeting at 7:47 p.m.

20. CONSIDER AWARDED BID FOR SCADA RADIO TELEMETRY SYSTEM FOR THE WASTEWATER TREATMENT PLANT – Councilmember Nicklas made a motion to award the wastewater SCADA bid to sole-bidder BLOC Design-Build for \$34,264.93. Councilmember Benson seconded. All voted in favor.

21. CONSIDER AWARDING BID FOR SCADA SYSTEM AT WATER TREATMENT PLANT- Councilmember Nicklas made a motion to award the water treatment plant SCADA bid to sole-bidder BLOC Design-Build for \$17,438.10. Councilmember Benson seconded. All voted in favor.
22. CONSIDER ADOPTION OF ORDINANCE NO. 2012-06 AMENDING THE CITY OF CANTON CODE OF ORDINANCES SECTION 33.01 CITY FEE SCHEDULE ESTABLISHING WASTEWATER RATES FOR CUSTOMERS WITHOUT CITY WATER SERVICE – Councilmember Maris made a motion to adopt Ordinance No. 2012-06. Councilmember Chambless seconded. All voted in favor.
23. CONSIDER ADOPTION OF ORDINANCE NO. 2012-07 AMENDING THE CITY OF CANTON CODE OF ORDINANCES CHAPTER 92 LAKE CANTON; MILL CREEK RESERVOIR, SECTION 92.05 GENERAL AND MISCELLANEOUS PROVISIONS, TO PROHIBIT OVERNIGHT CAMPING – Councilmember Nicklas made a motion to adopt Ordinance No. 2012-07. Councilmember Chambless seconded. All voted in favor.
24. CONSIDER ADOPTION OF ORDINANCE NO. 2012-08 AMENDING THE CITY OF CANTON BUDGET FOR FISCAL YEAR 2011-2012 – Councilmember Maris made a motion to adopt Ordinance No. 2012-08. Councilmember Benson seconded. All voted in favor.
25. CONSIDER APPOINTMENTS TO PLANNING AND ZONING COMMISSION – Councilmember Benson made a motion to appoint Clay Nicklas to the Planning & Zoning Commission. Councilmember Chambless seconded. Councilmember Nicklas abstained, all others voted in favor. Councilmember Maris made a motion to appoint Don Spence to the Planning & Zoning Commission. Clay Nicklas seconded. All voted in favor.
26. CONSIDER APPOINTMENTS TO BOARD OF ADJUSTMENTS – Councilmember Nicklas made a motion to appoint Buddy Jacobs, Bob Moore and Steven Dye. Councilmember Benson seconded. All voted in favor.
27. CITY MANAGEMENT REPORTS
 - A. FIRST MONDAY – Mr. Cluck reported First Monday revenue and Civic Center rentals were up; Trade Center III doors were soon to be completed; and SGR planned to meet soon with Councilmembers regarding the city manager search.
 - B. PUBLIC WORKS PROJECTS – Report previously given following Item 19.

Mayor Hilliard called a brief recess at 7:08 p.m.

EXECUTIVE SESSION

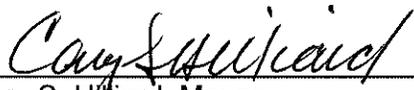
A closed or executive session will follow pursuant to the provision of the Open Meetings Law, Chapter 551, Govt. Code, Vernon's Texas Codes Annotated, in accordance with the authority contained in Section 551.074.

28. EXECUTIVE SESSION FOR CONSULTATION WITH ATTORNEY REGARDING CONTEMPLATED LITIGATION INVOLVING ZANBAKA USA, LLC v. CITY OF CANTON, TEXAS (Section 551.071) – Mayor Hilliard convened into Executive Session at 7:13 p.m.

RETURN TO OPEN SESSION

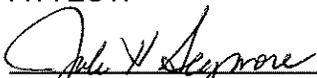
29. RECONVENE TO OPEN SESSION AND CONSIDER ACTION, IF ANY, ON ITEMS DISCUSSED IN EXECUTIVE SESSION – Council reconvened in open session at 7:57 p.m. with no action taken.

- 30. CONSIDER TERMINATION OF AGREEMENT WITH RICHARD L. RAY AS CITY ATTORNEY – Councilmember Chambless made a motion to terminate the agreement with Richard Ray as the city attorney. There being no second, the motion failed. Councilmember Maris made a motion to table Item 30 to allow the new Council to make the decision. Councilmember Huddle seconded. All voted in favor.
- 31. CONSIDER APPOINTMENT OF BROWN & HOFMEISTER, L.L.P. FOR CITY ATTORNEY SERVICES – Item tabled.
- 32. ITEMS FOR FUTURE AGENDAS - None
- 33. ADJOURN - The meeting was unanimously adjourned at 9:09 p.m. upon motion by Councilmember Nicklas and second by Councilmember Chambless.



Cary S. Hilliard, Mayor

ATTEST:



Julie H. Seymore, City Secretary

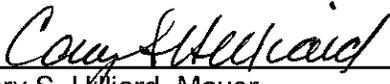
**CALLED MEETING OF THE CANTON CITY COUNCIL
9:00 A.M., FRIDAY, MAY 18, 2012
CITY HALL COUNCIL CHAMBERS
290 EAST TYLER STREET, CANTON, TEXAS 75103**

MINUTES

The Canton City Council met at the above-named date and time in the City Hall Council Chambers. Members present were Mayor Cary Hilliard and Councilmembers Candice Benson, Marilyn Burrage, Shawn Stewart and Jerry Yarbrough. Interim City Manager Lonny Cluck, Judge Lilia Durham, Police Chief Mike Echols, Fire Chief Bud Sanford and Assistant City Secretary Debra Johnson were also in attendance.

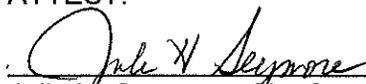
Discussion and action were as follows:

Mayor Hilliard distributed certificates of election and Judge Lilia Durham gave the oath of office to the new councilmembers, Marilyn Burrage, Shawn Stewart and Jerry Yarbrough. The new councilmembers then attended orientation and toured the city facilities with Lonny Cluck. They were rejoined by Mayor Hilliard and Councilmember Benson for lunch at Robles Restaurant before dispersing.



Cary S. Hilliard, Mayor

ATTEST:



Julie H. Seymore, City Secretary

REGULAR MEETING OF THE CANTON CITY COUNCIL
6:00 P.M., TUESDAY, JUNE 19, 2012
City Hall Council Chambers
290 East Tyler Street. Canton, Texas 75103

MINUTES

The Canton City Council met at the above-named date and time in the City Hall Council Chambers. Members present were Mayor Cary Hilliard and Councilmembers Candice Benson, Marilyn Burrage, Vicki Chambless, Shawn Stewart and Jerry Yarbrough. Interim City Manager Lonny Cluck, City Secretary / Finance Officer Julie Seymore, Municipal Court Judge Lilia Durham, Police Chief Mike Echols, Fire Chief Bud Sanford, City Attorney Richard Ray, Assistant City Secretary Debra Johnson and Robert Brockman were also in attendance. Discussion and action were as follows:

1. CALL TO ORDER - Mayor Hilliard declared a quorum present and called the meeting to order at 6:00 p.m.
2. INVOCATION was led by Dr. Mike Roberson of First Baptist Church in Canton.
3. PLEDGE OF ALLEGIANCE was led by Mayor Hilliard.
4. MAYOR'S WELCOME – Mayor Hilliard welcomed the three new councilmembers, Jerry Yarbrough, Marilyn Burrage and Shawn Stewart. He also commended the Canton Project Rehab for renovating Juanita Hale's house.
5. DECLARATIONS REGARDING CONFLICTS OF INTEREST - None
6. PROCLAMATIONS AND ANNOUNCEMENTS - None

CITIZEN'S FORUM

7. CITIZEN'S FORUM – CITIZENS ARE INVITED TO SPEAK FOR THREE (3) MINUTES ON MATTERS RELATING TO CITY GOVERNMENT THAT ARE NOT LISTED ON THE REGULAR AGENDA – Ray Murphey requested help from CEDC to help pay his expenses to Winterset, Iowa, regarding its becoming Canton's sister city. Mr. Murphey offered to paint the water tower for \$50,000. Bob Moore said a \$250,000 grant had been received from Net Health to bring people to the area as the Walking Capitol of Texas. Mr. Moore reminded everyone of the Mayor's Walk held the second Saturday of every month. He was working to brand this area as a place where health is the number one thing. He offered to speak to any interested groups about walking and his efforts to bring groups to Canton.

INDIVIDUAL CONSIDERATION

8. CONSIDER APPROVAL OF MINUTES OF THE MAY 15, AND 18, 2012, CITY COUNCIL MEETINGS – The minutes of the May 15 and 18, 2012, City Council meetings were unanimously approved upon motion by Councilmember Chambless and second by Shawn Stewart.
9. CONSIDER APPROVAL OF MAY 2012 FINANCIAL STATEMENTS - The May 2012 financial statements were unanimously approved upon motion by Councilmember Benson and second by Councilmember Burrage.

10. CONSIDER APPOINTMENT OF MAYOR PRO TEM – Councilmember Burrage made a motion to appoint Jerry Yarbrough as Mayor Pro Tem. Motion failed for lack of second. Councilmember Stewart nominated Councilmember Benson. Councilmember Chambless seconded. All voted in favor.
11. MAYORAL APPOINTMENTS TO COUNCIL COMMITTEES – Mayor Hilliard made the following committee appointments:
- | | |
|------------------------------------|--|
| First Monday | Candice Benson, Marilyn Burrage,
Lonny Cluck, Ken Perkins |
| Public Safety/Emergency Management | Shawn Stewart, Jerry Yarbrough |
| Streets/Public Works | Candice Benson, Jerry Yarbrough |
| Water/Wastewater Planning | Candice Benson, Jerry Yarbrough |
| Finance/Audit | Vicki Chambless, Marilyn Burrage |
| Parks | Vicki Chambless, Shawn Stewart |
| Ad-Hoc Development Committee | Candice Benson, Marilyn Burrage |
12. CONSIDER APPROVAL OF THE APPOINTMENT OF JOHN POPE TO THE VAN ZANDT COUNTY JUSTICE COUNCIL – The appointment of John Pope to the committee was unanimously approved upon motion by Councilmember Benson and second by Councilmember Yarbrough.
13. CONSIDER DEVELOPMENT OF A TXCDBG APPLICATION FOR A GRANT FOR RENOVATION OF CITY HALL AND FRONT SIDEWALK TO REMOVE ARCHITECTURAL BARRIERS THAT RESTRICT MOBILITY AND ACCESSIBILITY FOR ELDERLY OR SEVERELY DISABLED PERSONS – Councilmember Chambless made a motion to move forward with the grant application. Councilmember Stewart seconded. All voted in favor.
14. CONSIDER DEVELOPMENT OF A RUNNING / BIKING / WALKING TRAIL AROUND MILL CREEK LAKE – Gary Traylor informed Council of a grant opportunity for a walking trail. No action was taken on the item.
15. CONSIDER APPROVAL OF EAST TEXAS ENGINEERS, INC. PROPOSAL FOR ENGINEERING SERVICES FOR MILL CREEK RESERVOIR STUDY – Councilmember Yarbrough made a motion to approve the proposal for engineering services. Councilmember Burrage seconded. All voted against approval of the study.
16. DISCUSS COUNCIL'S GOALS, OBJECTIVES AND SPECIAL PROJECT REQUESTS FOR INCLUSION IN FISCAL YEAR 2012-13 PROPOSED BUDGET; APPROVE FISCAL YEAR 2012-13 BUDGET CALENDAR – Council reviewed the calendar and was asked to provide their suggestions for the goals and special projects to Ms. Seymore.
17. CITY MANAGEMENT REPORTS
- A. FIRST MONDAY – Mr. Cluck reported revenues were up, the city's buildings were full-rented and Trade Center III doors would be completed that week.

- B. MOSQUITO MISTING – Mr. Cluck reported mosquito misting would begin as soon as employees received the new licensing.
- C. PUBLIC WORKS PROJECTS – Mr. Cluck reported on the status of multiple public works projects.
- D. RETAIL SALES REPORT – Mayor Hilliard pointed out the retail sales report behind Tab 1.

Mayor Hilliard called a brief recess at 7:39 p.m.

EXECUTIVE SESSION

A closed or executive session will follow pursuant to the provision of the Open Meetings Law, Chapter 551, Govt. Code, Vernon's Texas Codes Annotated, in accordance with the authority contained in Sections 551.071 and 551.074.

- 18. EXECUTIVE SESSION FOR CONSULTATION WITH ATTORNEY REGARDING PENDING LITIGATION INVOLVING ZANBAKA USA, LLC v. CITY OF CANTON, TEXAS AND JAMES M. COOK v. CITY OF CANTON (Section 551.071) - Mayor Hilliard convened into Executive Session at 7:44 p.m.
- 19. EXECUTIVE SESSION FOR DELIBERATIONS REGARDING PERSONNEL MATTERS - QUALIFICATIONS / EXPERIENCE / EXPECTATIONS REQUIRED FOR NEW CITY MANAGER (Section 551.074) – Lonny Cluck and Julie Seymore left the Executive Session at 8:15 p.m.

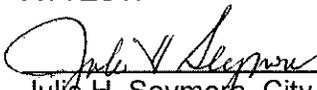
RETURN TO OPEN SESSION

- 20. RECONVENE TO OPEN SESSION AND CONSIDER ACTION, IF ANY, ON ITEMS DISCUSSED IN EXECUTIVE SESSION - Council reconvened in open session at 8:35 p.m. with no action taken.
- 21. ITEMS FOR FUTURE AGENDAS – Mayor Hilliard asked to have the lake study back on the agenda. Mr. Ray advised the motion failed and could not be brought up for a certain period of time according to our policy. Councilmember Yarbrough made a motion to bring the lake study item back on the agenda pursuant to our agenda policy. Councilmember Burrage seconded. All voted in favor. Mayor Hilliard asked staff to find an architect to work on a design for City Hall. Mr. Cluck suggested calling KSA Engineering. Councilmember Chambless said she would find out the name of the architect who designed First State Bank. Mr. Cluck also suggested Mitchell Engineering in Wills Point.
- 22. ADJOURN - The meeting was unanimously adjourned at 8:46 p.m. upon motion by Councilmember Benson and second by Councilmember Yarbrough.



 Cary S. Hilliard, Mayor

ATTEST:



 Julie H. Seymore, City Secretary

REGULAR MEETING OF THE CANTON CITY COUNCIL
5:00 P.M., TUESDAY, JULY 17, 2012
 City Hall Council Chambers
 290 East Tyler Street, Canton, Texas 75103

MINUTES

The Canton City Council met at the above-named date and time in the City Hall Council Chambers. Members present were Mayor Cary Hilliard and Councilmembers Candice Benson, Marilyn Burrage, Vicki Chambless, Shawn Stewart and Jerry Yarbrough. Interim City Manager Lonny Cluck, City Secretary / Finance Officer Julie Seymore, Municipal Court Judge Lilia Durham, Police Chief Mike Echols, Fire Chief Bud Sanford, City Attorney Richard Ray, Assistant City Secretary Debra Johnson and Robert Brockman were also in attendance. Discussion and action were as follows:

1. CALL TO ORDER - Mayor Hilliard declared a quorum present and called the meeting to order at 5:02 p.m.
2. WORK SESSION ON PROPOSED BUDGET FOR FY 2012-13 (TO BEGIN AT 5:00 P.M., BREAK AT 6:00 P.M. FOR THE REGULAR MEETING AND RESUME AFTER REGULAR ITEMS, IF NECESSARY.) – Julie Seymore explained the budget process, the work session schedule, capital budgets, interfund transfers and fund balances.

Mayor Hilliard called a brief recess at 6:02 p.m. and reconvened at 6:12 p.m.

3. INVOCATION was led by Councilmember Yarbrough.
4. PLEDGE OF ALLEGIANCE was led by Councilmember Chambless.
5. MAYOR'S WELCOME – Mayor Hilliard thanked traffic control and the Fire Department for their help at the fireworks celebration on July 4. He also promoted the East Texas Baptist Camp meeting to be held Thursday through Friday at the Civic Center.
6. DECLARATIONS REGARDING CONFLICTS OF INTEREST - None
7. PROCLAMATIONS AND ANNOUNCEMENTS
 PROCLAMATION DECLARING AUGUST 5, 2012 AS REV. OTIS J. MUNNS SR. DAY – Proclaimed by Mayor Hilliard.

CITIZEN'S FORUM

8. CITIZEN'S FORUM – CITIZENS ARE INVITED TO SPEAK FOR THREE (3) MINUTES ON MATTERS RELATING TO CITY GOVERNMENT THAT ARE NOT LISTED ON THE REGULAR AGENDA – Ed Sanders asked for a reduction in the permit fee for a front yard fence. Mayor Hilliard instructed him to contact Lonny Cluck and David Smith. Ray Murphey asked for sponsorship from the City on his trip to California to be on the Jay Leno show. Jimmy Hair felt the fees at the transfer station were too high. He also felt the road going to the transfer station was in terrible condition. Mayor Hilliard told him the road was primarily maintained by the County. He said Mr. Hair could contact Ms. Seymore about the rates at the transfer station. Councilmember Yarbrough also requested information on the fees at the transfer station.

INDIVIDUAL CONSIDERATION

9. CONSIDER APPROVAL OF MINUTES OF THE JUNE 19, 2012, CITY COUNCIL MEETING – The minutes were unanimously approved upon motion by Councilmember Yarbrough and second by Councilmember Burrage.
10. CONSIDER APPROVAL OF JUNE 2012 FINANCIAL STATEMENTS – The financial statements were unanimously approved upon motion by Councilmember Benson and second by Councilmember Stewart.
11. CONSIDER MUSIC FESTIVAL PROPOSAL BY JIM FULLER – Upon Mr. Fuller's request for health reasons, Councilmember Benson made a motion to postpone the item. Councilmember Stewart seconded. Councilmember Yarbrough voted against. All others favor in favor of postponement.
12. UPDATE ON NEW WATER TOWER PROJECT AND CONSIDER ALL MATTERS RELATED TO ITS ACTIVATION, INCLUDING PLANS FOR CURRENT WATER TOWER, CURRENT AND ANTICIPATED WATER PRESSURE, PUMP REQUIREMENTS, ETC. – Council discussed, with advice from Gary Burton, the new tower's impact on existing lines, pressure and the firefighting system, the potential for leaks caused by increased pressure, and the need for high service pumps, as well as potential uses of the existing tower.
13. REPORT AND CONSIDER ALL MATTERS RELATED TO OUTSTANDING WARRANT – Julie Seymore explained outstanding warrant balances and Judge Durham explained collection activities, policies and procedures.
14. CONSIDER APPOINTMENTS TO PLANNING AND ZONING COMMISSION – Councilmember Yarbrough made a motion to postpone the matter until the next regular meeting. Councilmember Chambless seconded. All voted in favor.
15. CONSIDER APPOINTMENTS TO BOARD OF ADJUSTMENTS – Postponed upon motion by Councilmember Chambless, second by Councilmember Yarbrough, and unanimous vote.
16. COMMITTEE REPORTS AND EXPLANATION OF DUTIES AND MEETING PROCESS
 - A. FIRST MONDAY COUNCIL / AD-HOC COMMITTEE
 - B. PARKS COUNCIL COMMITTEE
 - C. STREETS / PUBLIC WORKS COUNCIL COMMITTEE
 - D. WATER / WASTEWATER PLANNING COUNCIL COMMITTEE
 - E. PUBLIC SAFETY / EMERGENCY MANAGEMENT COUNCIL COMMITTEE
 - F. FINANCE / AUDIT COUNCIL COMMITTEE
 - G. AD-HOC CEMETERY COMMITTEE - Mayor Hilliard said the cemetery committee was working on a budget and asked Mr. Greer to talk to Mr. Cluck about removing any trees. Mr. Greer said Ann Moore would lead the group and asked for volunteers willing to work on the project.
 - H. AD-HOC MARKETING ADVISORY COMMITTEE - Mercy Rushing reported who was on the committee and a meeting was scheduled to discuss how to spread the marketing efforts for the area in order to get the maximum effect.
 - I. AD-HOC DEVELOPMENT COMMITTEE – Mayor Hilliard stated the development committee would report at the next regular meeting.
 - J. AD-HOC LIBRARY EXPANSION COMMITTEE

17. CITY MANAGEMENT REPORTS

- A. CITY MANAGER SEARCH – Mr. Brockman reported 29 resumes were received with a Friday deadline for applications. Council would next review applications and select its top 10 candidates. Mr. Brockman was asked to invite Mr. Nolen to attend the July 24, 2012, meeting for that purpose.
- B. FIRST MONDAY – Mr. Cluck reported First Monday revenue for July was up \$13,000 from the previous year; the doors on Trade Center III were accepted well by the vendors; and the East Texas Baptist Camp Meeting was scheduled in the Civic Center that week.
- C. PUBLIC WORKS PROJECTS – Mr. Cluck reviewed the status of current public works projects.
- D. MEETING WITH ARCHITECT AND GRANT APPLICATION PROCESS FOR CITY HALL ACCESSIBILITY RENOVATIONS – Mr. Cluck reported the architect he contacted said his firm was not interested in doing a project of this size, but was attempting to find two other firms who might be able to help.

Mayor Hilliard called a brief recess at 7:35 p.m.

EXECUTIVE SESSION

A closed or executive session will follow pursuant to the provision of the Open Meetings Law, Chapter 551, Govt. Code, Vernon's Texas Codes Annotated, in accordance with the authority contained in Section 551.074.

- 18. EXECUTIVE SESSION FOR DELIBERATIONS REGARDING PERSONNEL MATTERS - QUALIFICATIONS / EXPERIENCE / EXPECTATIONS REQUIRED FOR CITY ATTORNEY AT THE EXPIRATION OF THE CURRENT CITY ATTORNEY'S CONTRACT (SEPTEMBER 30, 2012) (Section 551.074) - Mayor Hilliard convened the Council into Executive Session at 7:40 p.m. Mr. Richard Ray left the meeting at 7:55 p.m.

RETURN TO OPEN SESSION

- 19. RECONVENE TO OPEN SESSION AND CONSIDER ACTION, IF ANY, ON ITEMS DISCUSSED IN EXECUTIVE SESSION – Council reconvened in open session at 8:29 p.m. with no action taken.

Council resumed its budget work session at 8:30 p.m.

- 20. ITEMS FOR FUTURE AGENDAS – Councilmember Stewart requested an item to consider pursuing a trails grant for Mill Creek Lake.
- 21. ADJOURN – There being no further business to discuss, Mayor Hilliard adjourned the meeting at 8:43 p.m.



 Cary S. Hilliard, Mayor

ATTEST:



 Julie H. Seymore, City Secretary

CALLED MEETING OF THE CANTON CITY COUNCIL
5:00 P.M., TUESDAY, JULY 24, 2012
 City Hall Council Chambers
 290 East Tyler Street, Canton, Texas 75103

MINUTES

The Canton City Council met at the above-named date and time in the City Hall Council Chambers. Members present were Mayor Cary Hilliard and Councilmembers Candice Benson, Marilyn Burrage, Vicki Chambless, Shawn Stewart and Jerry Yarbrough. Interim City Manager Lonny Cluck, City Secretary / Finance Officer Julie Seymore, Assistant City Secretary Debra Johnson and Robert Brockman were also in attendance. Discussion and action were as follows:

1. CALL TO ORDER - Mayor Hilliard declared a quorum present and called the meeting to order at 5:00 p.m. Pursuant to LGC Section 551.074, Mayor Hilliard convened into Executive Session at 5:00 p.m.
2. EXECUTIVE SESSION FOR DELIBERATIONS REGARDING PERSONNEL MATTERS – INITIAL REVIEW OF APPLICATIONS FOR CITY MANAGER’S POSITION (Section 551.074)

RETURN TO OPEN SESSION

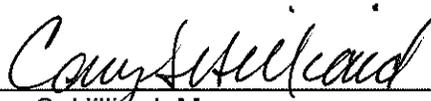
3. RECONVENE TO OPEN SESSION AND CONSIDER ACTION, IF ANY, ON ITEMS DISCUSSED IN EXECUTIVE SESSION - Mayor Hilliard reconvened in Open Session at 6:16 p.m. with no action taken.

WORK SESSION

4. WORK SESSION ON PROPOSED BUDGET FOR FISCAL YEAR 2012-2013 – Council discussed salaries, benefits, debt service, property taxes and capital projects in the proposed budget.

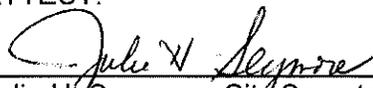
Mr. Brockman left the meeting at 7:45 p.m.

5. ITEMS FOR FUTURE AGENDAS – Mayor Hilliard invited Council to a meeting regarding an alliance between CEDC and the Chamber of Commerce at 5:00 p.m. on August 2. At 6:30, City Council would open a meeting for an executive session to discuss economic development negotiations with a prospect and for a City budget work session to discuss capital projects.
6. ADJOURN - There being no further business to discuss, Mayor Hilliard adjourned the meeting at 8:14 p.m.



 Cary S. Hilliard, Mayor

ATTEST:



 Julie H. Seymore, City Secretary

CALLED MEETING OF THE CANTON CITY COUNCIL

6:30 P.M., THURSDAY, AUGUST 2, 2012
City Hall Council Chambers
290 East Tyler Street, Canton, Texas 75103

MINUTES

The Canton City Council met at the above-named date and time in the City Hall Council Chambers. Members present were Mayor Cary Hilliard and Councilmembers Candice Benson, Marilyn Burrage, Vicki Chambless, Shawn Stewart and Jerry Yarbrough. Interim City Manager Lonny Cluck, City Secretary / Finance Officer Julie Seymore, Assistant City Secretary Debra Johnson and Robert Brockman were also in attendance. Discussion and action were as follows:

1. CALL TO ORDER - Mayor Hilliard declared a quorum present and called the meeting to order at 6:44 p.m.

EXECUTIVE SESSION

A closed or executive session will follow pursuant to the provision of the Open Meetings Law, Chapter 551, Govt. Code, Vernon's Texas Codes Annotated, in accordance with the authority contained in Section 551.087.

2. EXECUTIVE SESSION FOR DELIBERATIONS REGARDING ECONOMIC DEVELOPMENT INCENTIVE NEGOTIATIONS WITH BUSINESS PROSPECTS REGARDING COMMERCIAL OR FINANCIAL INFORMATION (Section 551.087) - Council convened into Executive Session at 6:44 p.m.

RETURN TO OPEN SESSION

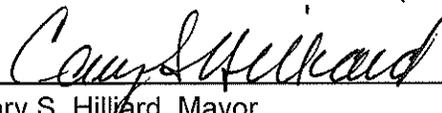
3. RECONVENE TO OPEN SESSION AND CONSIDER ACTION, IF ANY, ON ITEMS DISCUSSED IN EXECUTIVE SESSION - Mayor Hilliard reconvened the meeting into Open Session at 7:13 p.m. He announced there was no action to be taken.

WORK SESSION

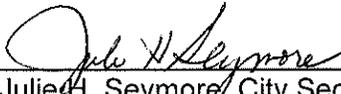
4. WORK SESSION ON PROPOSED BUDGET FOR FISCAL YEAR 2012-2013 – Council held a discussion on capital projects, capital assets and pay raises for employees to be included in the FY 2012-13 proposed budget.

Mayor Hilliard called a recess at 8:27 p.m. The meeting resumed at 8:37 p.m.

5. ITEMS FOR FUTURE AGENDAS – Mayor Hilliard announced Tuesday's meeting would begin at 5:30 p.m. Councilmember Benson requested an item about attorney statements be on the August 21 agenda. Councilmember Stewart asked to have the item listed as "all things related to the city attorney." Councilmember Benson said she would like the item to be listed so action could be taken, if necessary. Council continued a brief discussion on the proposed budget (Item 4).
6. ADJOURN - There being no further business to discuss, Mayor Hilliard adjourned the meeting at 9:00 p.m.


 Cary S. Hilliard, Mayor

ATTEST:


 Julie H. Seymore, City Secretary

CALLED MEETING OF THE CANTON CITY COUNCIL

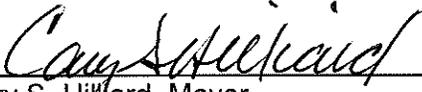
5:30 P.M., THURSDAY, AUGUST 7, 2012
 City Hall Council Chambers
 290 East Tyler Street, Canton, Texas 75103

MINUTES

The Canton City Council met at the above-named date and time in the City Hall Council Chambers. Members present were Mayor Cary Hilliard and Councilmembers Candice Benson, Marilyn Burrage, Vicki Chambless, Shawn Stewart and Jerry Yarbrough. Interim City Manager Lonny Cluck, City Secretary / Finance Officer Julie Seymore, Municipal Court Judge Lilia Durham, Police Chief Mike Echols, Fire Chief Bud Sanford, City Attorney Richard Ray, Assistant City Secretary Debra Johnson and Robert Brockman were also in attendance. Discussion and action were as follows:

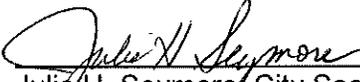
1. CALL TO ORDER – Mayor Hilliard called the meeting to order at 5:30 p.m. and declared a quorum present.
2. BUDGET WORK SESSION – Council discussed budget cuts on capital projects and the purchase of capital assets.
3. RECORD VOTE ON TAX RATE PROPOSAL AND SET PUBLIC HEARINGS – Councilmember Benson made the motion to place a proposal to adopt a tax rate of \$0.42523 on the agenda of the 7:00 p.m., September 11, 2012 City Council meeting, and to schedule two Public Hearings—one at 6:00 p.m. on Tuesday, August 28, 2012, and a second at 6:00 p.m. on Tuesday, September 4, 2012." Councilmember Chambless seconded the motion. Record Vote: Councilmembers Benson, Burrage, Chambless, Stewart and Yarbrough voted in favor. None opposed.
4. ITEMS FOR FUTURE AGENDAS – For the August Regular Meeting, Councilmember Chambless requested an item to consider moving the utility billing offices to the City Office Complex. Councilmember Stewart asked for an item regarding the city attorney. Additional items included awarding three bids, an engineering report on the water tower, appointments to the Planning & Zoning Commission and Board of Adjustment, a report on the bar screen project, an item from the architect about the city hall design and other grant application, and a CEDC proposal. Mayor Hilliard asked to open and discuss a citizen's complaint on Mr. Cluck in executive session at a special called meeting on Monday, August 13, 2012 at 5:30 p.m., rather than placing it on the August 16, 2012 meeting to review city manager candidates.

5. ADJOURN – There being no further business to discuss, Mayor Hilliard adjourned the meeting at 8:57 p.m.



 Cary S. Hilliard, Mayor

ATTEST:



 Julie H. Seymore, City Secretary

CALLED MEETING OF THE CANTON CITY COUNCIL
5:00 P.M., THURSDAY, AUGUST 16, 2012
 City Hall Council Chambers
 290 East Tyler Street, Canton, Texas 75103

MINUTES

Mayor Hilliard and Councilmembers Candice Benson, Marilyn Burrage, Vicki Chambless, Shawn Stewart and Jerry Yarbrough were in attendance. Also in attendance were Interim City Manager Lonny Cluck, City Secretary / Finance Officer Julie Seymore, Assistant City Secretary Debra Johnson, and City Attorney Richard Ray.

1. CALL TO ORDER – Mayor Hilliard called the meeting to order and announced a quorum present at 5:00 p.m.
2. EXECUTIVE SESSION FOR DELIBERATIONS REGARDING PERSONNEL MATTERS – REVIEW OF CITIZEN'S COMPLAINT ON LONNY CLUCK, INTERIM CITY MANAGER (Section 551.074)

Mayor Hilliard explained he had been legally advised a citizen could not be invited into Executive Session. In Open Session, Council heard from Rebecca Patterson, 550 VZCR 4151, regarding the way a complaint about her water bill was handled. Mr. Cluck preferred to address Council in executive session.

EXECUTIVE SESSION

In accordance with the provision of the Open Meetings Law, Chapter 551, Govt. Code, Vernon's Texas Codes Annotated, in accordance with the authority contained in Section 551.074, Mayor Hilliard convened the meeting into Executive Session at 5:18 p.m. Mr. Richard Ray entered the meeting at that time.

RETURN TO OPEN SESSION

3. RECONVENE TO OPEN SESSION AND CONSIDER ACTION, IF ANY, ON ITEMS DISCUSSED IN EXECUTIVE SESSION – Item taken out of order. Council reconvened into open session at 5:37 p.m. Mayor Hilliard said Council discussed the matter and felt its employees were doing a good job and trying hard. Customer service was very important to Council. Ms. Patterson's complaint was taken seriously and discussed in detail. She would be receiving a response letter shortly. He asked Ms. Patterson to direct

any issues related to water and sewer to Mrs. Seymore. Mayor Hilliard stated no action would be taken at this time on the matter.

EXECUTIVE SESSION

4. EXECUTIVE SESSION FOR DELIBERATIONS REGARDING PERSONNEL MATTERS – REVIEW OF CITY MANAGER CANDIDATES (Section 551.074) – In accordance with the provision of the Open Meetings Law, Chapter 551, Govt. Code, Vernon's Texas Codes Annotated, in accordance with the authority contained in Section 551.074, Mayor Hilliard and Council convened in Executive Session a second time at 5:43 p.m. with Debra Johnson and consultants Bob Brockman and Chester Nolen to review City Manager candidates.

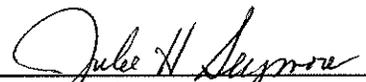
RETURN TO OPEN SESSION

5. RECONVENE TO OPEN SESSION AND CONSIDER ACTION, IF ANY, ON ITEMS DISCUSSED IN EXECUTIVE SESSION – Council reconvened into Open Session at 6:51 p.m. Mayor Hilliard announced no action would be taken.
6. ITEMS FOR FUTURE AGENDAS
7. ADJOURN – There being no further business to discuss, Mayor Hilliard adjourned the meeting at 6:52 p.m.



 Cary S. Hilliard, Mayor

ATTEST:



 Julie H. Seymore, City Secretary

REGULAR MEETING OF THE CANTON CITY COUNCIL
5:00 P.M., TUESDAY, AUGUST 21, 2012
 City Hall Council Chambers
 290 East Tyler Street, Canton, Texas 75103

MINUTES

The Canton City Council met at the above-named date and time in the City Hall Council Chambers. Members present were Mayor Cary Hilliard and Councilmembers Candice Benson, Marilyn Burrage, Vicki Chambless, Shawn Stewart and Jerry Yarbrough. Interim City Manager Lonny Cluck, City Secretary / Finance Officer Julie Seymore, Municipal Court Judge Lilia Durham, Police Chief Mike Echols, Fire Chief Bud Sanford, CEDC Director Mercy Rushing, City Attorney Richard Ray, Assistant City Secretary Debra Johnson and Robert Brockman were also in attendance. Discussion and action were as follows:

1. CALL TO ORDER - Mayor Hilliard declared a quorum present and called the meeting to order at 5:09 p.m.

EXECUTIVE SESSION

A closed or executive session will follow pursuant to the provision of the Open Meetings Law, Chapter 551, Govt. Code, Vernon's Texas Codes Annotated, in accordance with the authority contained in Section 551.087.

2. EXECUTIVE SESSION FOR DELIBERATIONS REGARDING ECONOMIC DEVELOPMENT INCENTIVE NEGOTIATIONS WITH APPLE TEXAS RESTAURANTS, INC. AND ITS AFFILIATED COMPANIES ("APPLEBEE'S") (Section 551.087) - Mayor Hilliard convened Council into Executive Session at 5:11 p.m.

RETURN TO OPEN SESSION

3. RECONVENE TO OPEN SESSION AND CONSIDER ACTION, IF ANY, ON ITEMS DISCUSSED IN EXECUTIVE SESSION – Council reconvened into open session at 5:24 p.m. Mayor Hilliard announced no action would be taken at this time.

WORK SESSION

4. WORK SESSION ON PROPOSED BUDGET FOR FY 2012-13 (BREAK AT 6:00 P.M. FOR THE REGULAR SESSION AND RESUME AFTER REGULAR ITEMS, IF NECESSARY) – Mercy Rushing gave a review of the Main Street and CEDC budget. Julie Seymore announced the first tax rate hearing would be held the following Tuesday at 6:00 p.m. The second budget hearing would be held September 4. The vote on approval of the budget would be September 11, 2012.

Mayor Hilliard called a recess at 5:38 p.m.

REGULAR SESSION (6:00 P.M.)

5. INVOCATION – Mayor Hilliard reconvened into the regular session at 6:00 p.m. Councilmember Yarbrough led the invocation.
6. PLEDGE OF ALLEGIANCE was led by Councilmember Yarbrough.
7. MAYOR'S WELCOME – Mayor Hilliard noted there were a great number of veterans present this evening. He informed everyone the movie, ET, would be shown outside during the Autumn Stroll. He explained candidates for the city manager position would be interviewed September 8th and 9th.
8. DECLARATIONS REGARDING CONFLICTS OF INTEREST - None
9. PROCLAMATIONS AND ANNOUNCEMENTS - None

CITIZEN'S FORUM

10. CITIZEN'S FORUM – CITIZENS ARE INVITED TO SPEAK FOR THREE (3) MINUTES ON MATTERS RELATING TO CITY GOVERNMENT THAT ARE NOT LISTED ON THE REGULAR AGENDA - None

INDIVIDUAL CONSIDERATION

11. CONSIDER APPROVAL OF MINUTES OF THE JULY 17 AND 24, 2012, CITY COUNCIL MEETINGS – The minutes of the July 17 and 24, 2012, City Council meetings were unanimously approved upon motion by Councilmember Yarbrough and second by Councilmember Benson.
12. CONSIDER APPROVAL OF JULY 2012 FINANCIAL STATEMENTS – The July 2012 financial statements were unanimously approved upon motion by Councilmember Chambless and second by Councilmember Yarbrough.
13. PRESENTATION AND CONSIDER ACCEPTANCE OF 2010-2011 FISCAL YEAR AUDIT – Following a presentation and clean opinion by auditor Neil Conway, Councilmember Chambless made a motion to accept the 2010-2011 fiscal year audit. Councilmember Benson seconded. All voted in favor.
14. FIRST READING AND CONSIDER ADOPTION OF RESOLUTION NO. 2012-18 APPROVING ECONOMIC DEVELOPMENT INCENTIVE AGREEMENT BETWEEN CANTON ECONOMIC DEVELOPMENT CORPORATION AND APPLE TEXAS RESTAURANTS, INC. AND ITS AFFILIATED COMPANIES (“APPLEBEE’S”) – Mayor Hilliard read Resolution No. 2012-18. Councilmember Benson made a motion to approve Resolution 2012-18. Councilmember Stewart seconded. All voted in favor.
15. SECOND READING AND CONSIDER ADOPTION OF RESOLUTION NO. 2012-18 APPROVING ECONOMIC DEVELOPMENT INCENTIVE AGREEMENT BETWEEN CANTON ECONOMIC DEVELOPMENT CORPORATION AND APPLE TEXAS RESTAURANTS, INC. AND ITS AFFILIATED COMPANIES (“APPLEBEE’S”) – Mayor Hilliard gave a second reading of Resolution 2012-18. (*Judge Durham left the meeting at 6:30 p.m. Richard Ray entered the meeting at 6:31 p.m.*) Councilmember Yarbrough made a motion to adopt Resolution No. 2012-18. Councilmember Burrage seconded. All voted in favor.
16. CONSIDER APPROVAL OF PRELIMINARY PLAT FOR 1.15-ACRE TRACT SITUATED IN THE JAMES DOUTHIT SURVEY, A-198, CANTON, TEXAS, LOCATED ON STATE HIGHWAY 243 IN TRADERS VILLAGE SHOPPING CENTER, OWNED BY TRADERS SQUARE INVESTMENTS, LTD. – Ms. Seymore reported the Planning & Zoning Commission had not been able to meet for the pre-submission conference. Mayor Hilliard postponed the item to the next agenda.
17. CONSIDER APPROVAL OF FINAL PLAT FOR 1.15-ACRE TRACT SITUATED IN THE JAMES DOUTHIT SURVEY, A-198, CANTON, TEXAS, LOCATED ON STATE HIGHWAY 243 IN TRADERS VILLAGE SHOPPING CENTER, OWNED BY TRADERS SQUARE INVESTMENTS, LTD., MERRITT CAPITAL, INC., G.P. – Mayor Hilliard postponed this item until the August 28, 2012, meeting.
18. CONSIDER REQUEST FROM EAST TEXAS SHRINERS FOR SOLICITOR’S PERMIT TO COLLECT DONATIONS FOR SHRINERS HOSPITALS AT DALLAS/BUFFALO INTERSECTION SEPTEMBER 28-30, 2012 AND OCTOBER 4-6, 2013 – Councilmember Yarbrough made a motion to approve the request for a solicitor’s permit for September 28-30, 2012, and October 4-6, 2013. Councilmember Burrage seconded. All voted in favor.

19. CONSIDER REQUEST FOR ASSISTANCE ON VAN ZANDT COUNTY VETERANS MEMORIAL WATER BILL – Councilmember Yarbrough requested this item be postponed until after the County Commissioners August 28th meeting.
20. CONSIDER ACCEPTANCE OF PETITION FOR VOLUNTARY ANNEXATION OF A 1.59 - ACRE TRACT IN THE J. STOCKWELL SURVEY, A-760, LOCATED AT 640 CHERRY CREEK ROAD, OWNED BY ROBERT AND NERISSA ERICKSON –Councilmember Burrage made a motion to accept the petition for voluntary annexation and to hold public hearings on September 11, 2012 at 7:00 p.m. and on September 18, 2012 at 6:00 p.m. Councilmember Chambless seconded. All voted in favor.
21. CONSIDER J.M. SLICKER ARCHITECT, LP PROPOSAL FOR PROFESSIONAL ARCHITECTURAL SERVICES FOR CANTON CITY HALL RENOVATION TO REMOVE ARCHITECTURAL BARRIERS (PHASE I-TXCDBG APPLICATION) – Councilmember Stewart made a motion to approve the \$3,250 proposal by J.M. Slicker. Councilmember Chambless seconded. All voted in favor.
22. CONSIDER LUCK DESIGN TEAM PROPOSAL FOR MASTER PLAN DESIGN SERVICES FOR CITY OF CANTON MILLCREEK LAKE PARK (TRAILS GRANT APPLICATION) – Councilmember Stewart made a motion to approve the contract with Luck Design Team at a cost of \$5,600. Councilmember Chambless seconded. Councilmember Yarbrough voted against. Motion passed with all others voting in favor.
23. REPORT FROM KSA ENGINEERS ON NEW WATER TOWER AND CONSIDER APPROVAL OF SITE PLAN AND LOGO DESIGN – Tracy Hicks gave a report on the tank design and presented two possible logo designs for the water tower.

Mayor Hilliard called a recess at 7:30 p.m. Council reconvened at 7:40 p.m.

24. CONSIDER AWARDING BID FOR WASTEWATER TREATMENT PLANT – INFLUENT MECHANICAL SCREEN (BAR SCREEN) – Ray Thomas of Gary Burton Engineering presented the following bids:

	Base Bid	Alternate Bid 1	Alternate Bid 2	Add 1	Add 2
Red River	\$659,800	\$696,800	\$775,800	\$167,800	\$29,900
McKinney & McMillan	\$879,600	\$899,600	\$969,600	\$226,000	\$21,580
Fryer Construction	\$899,000	\$933,000	\$1,003,000	\$181,000	\$38,090

Mr. Thomas recommended awarding the bid to Red River Construction Company of Wylie, Texas, for \$864,600. Ms. Seymore said that amount included \$167,800 for the wet well. Councilmember Benson made a motion to accept the bid from Red River Construction at \$864,600. Councilmember Yarbrough seconded. All voted in favor.

25. CONSIDER AWARDING BID FOR WASTEWATER TREATMENT PLANT – CLARIFIER / DIGESTER – Ray Thomas presented the following bids:

	Base Bid	Alternate Bid Items
Schultz & Sons	\$68,650	\$7,900
RTR Construction	\$69,096	\$11,550
McKinney & McMillen	\$77,450	N/B
Red River Construction	\$83,200	\$11,200
ATS Construction	\$84,500	\$5,500

Upon recommendation by Burton Engineering, Councilmember Yarbrough made a motion to award the bid to Schultz & Sons using the alternative of fiberglass for a total of \$60,904. Councilmember Burrage seconded. All voted in favor.

26. CONSIDER AWARDING BID FOR 2011-2012 MISCELLANEOUS ROAD IMPROVEMENTS (PAVING ON PEACE, CHURCH, TERRELL, AND BILLY STREETS) – Mr. Cluck said the following bids were received:

	Base Bid	Alternate Bid Items	Add Item 1	Add Item 2
McKinney & McMillen	\$128,341.00	\$54,033	\$18,440	\$24,360
L&L Asphalt Corp.	\$158,731.45	\$92,628	\$17,518	\$25,056

Mr. Cluck said Paul Hutcheson would actually do the work for McKinney & McMillen as their subcontractor. Mr. Cluck stated the recommendation from Gary Burton was to make the award to McKinney & McMillen. Councilmember Yarbrough made a motion to award the contract to McKinney & McMillen for \$146,781. Councilmember Benson seconded. All voted in favor.

27. CONSIDER AWARDING BID FOR FIRST MONDAY SOUTH GATE ENTRY – Mr. Cluck said there was only was legitimate bid from Van Zandt Steel for \$58,844.04. Councilmember Chambless made a motion to accept the bid from Van Zandt Steel. Councilmember Benson seconded. All voted in favor.
28. CONSIDER APPROVAL OF MEMORANDUM OF UNDERSTANDING BETWEEN CITY OF CANTON, CANTON EDC AND CANTON TEXAS CHAMBER OF COMMERCE REGARDING AN ALLIANCE WITH THE CANTON TEXAS CHAMBER OF COMMERCE – Mayor Hilliard said the Chamber Board and CEDC both voted in favor of this alliance. Councilmember Yarbrough made a motion to approve the Memorandum of Understanding. Councilmember Chambless seconded. All voted in favor.
29. CONSIDER APPROVAL OF MEMORANDUM OF UNDERSTANDING BETWEEN CANTON EDC AND CANTON TEXAS CHAMBER OF COMMERCE REGARDING AN ALLIANCE BETWEEN THE TWO ENTITIES FOR THE PURPOSE OF ECONOMIC DEVELOPMENT – Councilmember Yarbrough made a motion to approve the Memorandum of Understanding for the alliance between the CEDC and Chamber. Councilmember Stewart seconded. All voted in favor.
30. DISCUSS PROPOSAL FOR ANNEXATION OF WYNNE COMMUNITY – Councilmember Yarbrough said members of the Wynne Community had approached him about the whole area being annexed into the City. Ms. Seymore advised the citizens would have to hold a vote and sign an affidavit with signatures from registered voters in the community stating a majority of residents were in favor of annexation before the City could entertain a petition. Councilmember Yarbrough said Council would hear more on this matter after the group organized.
31. CONSIDER ADOPTION OF ORDINANCE NO. 2012-09 PROVIDING FOR POLICIES AND PROCEDURES FOR THE OPERATION OF CITY OF CANTON'S FIRST MONDAY TRADE DAYS – Councilmember Benson made a motion to adopt Ordinance No. 2012-09. Councilmember Chambless seconded. All voted in favor.
32. CONSIDER RELOCATION OF THE UTILITY BILLING OFFICE TO THE CITY OFFICE COMPLEX – Councilmember Yarbrough made a motion to postpone this item until they received the schematic of the building from the architect. Councilmember Burrage

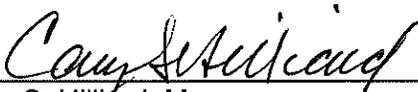
seconded. Councilmembers Yarbrough and Benson voted in favor. Motion failed with Councilmembers Chambless, Stewart and Benson opposed. Councilmember Chambless made a motion to consider relocation of the utility billing office to the City Office Complex. Councilmember Benson seconded. Councilmembers Yarbrough and Burrage were opposed. Motion passed with all others voting in favor.

33. CONSIDER ADOPTION OF RESOLUTION NO. 2012-21 RELOCATING THE EARLY VOTING POLLING LOCATION FOR CITY OF CANTON GENERAL ELECTIONS TO THE CITY OFFICE COMPLEX – Councilmember Chambless made a motion to adoption resolution 2012-21 to relocate the early voting polling place to the City Office Complex. Councilmember Benson seconded. All voted in favor.
34. CONSIDER RECRUITMENT OR APPOINTMENT OF A CITY ATTORNEY AND QUALIFICATIONS / EXPERIENCE / EXPECTATIONS REQUIRED FOR A CITY ATTORNEY AT THE EXPIRATION OF THE CURRENT CITY ATTORNEY'S CONTRACT (SEPTEMBER 30, 2012) - Richard Ray offered to continue on a month-to-month basis until another city attorney was hired. Councilmember Stewart made a motion to have Lonny Cluck and Robert Brockman work in conjunction to advertise for an RFQ or RFP for a city attorney. Councilmember Benson seconded. Councilmembers Benson, Chambless and Stewart voted in favor. Councilmember Burrage and Yarbrough were opposed. Mayor Hilliard announced the motion passed.
35. CONSIDER ESTABLISHING REGULATIONS RELATED TO THE CHAIN OF COMMAND AND MANAGEMENT, INCLUDING DISCIPLINE, OF CITY'S UPPER MANAGEMENT AND OFFICERS, INCLUDING CITY MANAGER, CITY SECRETARY, CITY ATTORNEY AND OTHERS AS APPLICABLE BY LAW – Councilmember Stewart made a motion to postpone the item in order to do more research. Councilmember Yarbrough seconded. All voted in favor.
36. CONSIDER APPOINTMENTS TO PLANNING AND ZONING COMMISSION – Councilmember Yarbrough made a motion to appoint Ron Perkins and Vicki Goodson. Councilmember Burrage seconded. Councilmembers Yarbrough and Burrage voted in favor. Motion failed with Councilmembers Stewart, Chambless and Benson voting in opposition. Councilmember Stewart made a motion to appoint Jerry Martin and Don Bullard. Councilmember Chambless seconded. Councilmembers Stewart, Chambless, Benson and Yarbrough voted in favor. Councilmember Burrage voted against.
37. CONSIDER APPOINTMENTS TO BOARD OF ADJUSTMENTS – Robert Brockman volunteered to serve. Councilmember Chambless made a motion to appoint Robert Brockman to the Board of Adjustment. Councilmember Stewart seconded. All voted in favor.
38. REPORT FROM DEVELOPMENT COMMITTEE – Councilmember Benson proposed two ordinances regarding development. Mayor Hilliard recommended Council review the ordinances to discuss at a future meeting.
39. REPORT FROM MAYOR HILLIARD ON REGION D WATER PLANNING GROUP MEETING – Mayor Hilliard gave a brief report on the recent Region D Water Planning Group meeting.
40. REPORT FROM MAYOR HILLIARD ON SMALL CITIES PROBLEM SOLVING CLINIC – Mayor Hilliard gave a report on the meeting he attended in Gun Barrel with Julie Seymore, Lonny Cluck and Jerry Yarbrough.

41. CITY MANAGEMENT REPORTS

- A. FIRST MONDAY – Lonny Cluck reported a large gun show would be held at the Civic Center the upcoming weekend. First Monday's yearly revenue was up \$140,000 over the previous year. Ashley Sims resigned and Adriana Toledo had been hired to take her place. Two Good Sam's RV rallies were coming in October.
- B. PUBLIC WORKS PROJECTS –Mr. Cluck reported the East Outfall Phase IV was basically complete. He said they were waiting for Oncor to hook up power and for the punch list to be finished on the I-20 project. Mr. Cluck said the road improvements for Peace, Church and Terrell streets were partially finished. The utilities were completed on Billy Street. Mr. Cluck noted the contracts for the clarifier/digester and bar screen had been voted on that night. Water Well #3 was moving along. The well was finished and they should be painting the storage tank the next week and pouring slabs for the chemical buildings. The Woodland Drive culvert was finished. He hoped to go out for bids mid-September on the West Outfall Phase III.
- C. STATE COMPTROLLER'S GOLD STAR FINANCIAL TRANSPARENCY AWARD – Ms. Seymore reported the City had been awarded the Gold Star Financial Transparency Award for the third straight year.

42. ITEMS FOR FUTURE AGENDAS – Ms. Seymore said they would hold a tax rate hearing the following Tuesday night as well as consider the preliminary and final plats for Applebee's. Mayor Hilliard instructed everyone to submit agenda items to Ms. Seymore by the Friday before the agenda was posted.
43. ADJOURN - Mayor Hilliard adjourned the meeting at 10:02 p.m.



 Cary S. Hilliard, Mayor

ATTEST:



 Julie A. Seymore, City Secretary

CALLED MEETING OF THE CANTON CITY COUNCIL
 6:00 P.M., TUESDAY, AUGUST 28, 2012

City Hall Council Chambers
 290 East Tyler Street, Canton, Texas 75103

MINUTES

The Canton City Council met at the above-named date and time in the City Hall Council Chambers. Members present were Mayor Cary Hilliard and Councilmembers Candice Benson, Marilyn Burrage, Vicki Chambless, Shawn Stewart and Jerry Yarbrough. Interim City Manager Lonny Cluck, City Secretary / Finance Officer Julie Seymore, City Attorney Richard Ray, Assistant

City Secretary Debra Johnson and Robert Brockman were also in attendance. Discussion and action were as follows:

1. CALL TO ORDER - Mayor Hilliard called the meeting to order at 6:00 p.m. and announced a quorum present.

INDIVIDUAL CONSIDERATION

2. CONSIDER APPROVAL OF PRELIMINARY PLAT FOR 1.15-ACRE TRACT SITUATED IN THE JAMES DOUTHIT SURVEY, A-198, CANTON, TEXAS, LOCATED ON STATE HIGHWAY 243 IN TRADERS VILLAGE SHOPPING CENTER, OWNED BY TRADERS SQUARE INVESTMENTS, LTD. – Councilmember Yarbrough made a motion to approve the preliminary plat. Councilmember Benson seconded. All voted in favor.
3. CONSIDER APPROVAL OF FINAL PLAT FOR 1.15-ACRE TRACT SITUATED IN THE JAMES DOUTHIT SURVEY, A-198, CANTON, TEXAS, LOCATED ON STATE HIGHWAY 243 IN TRADERS VILLAGE SHOPPING CENTER, OWNED BY TRADERS SQUARE INVESTMENTS, LTD. - Councilmember Yarbrough made a motion to approve the final plat. Councilmember Burrage seconded. All voted in favor.
4. PUBLIC HEARING ON PROPOSED TAX RATE FOR FISCAL YEAR BEGINNING OCTOBER 1, 2012, AND ENDING SEPTEMBER 30, 2013 – Following a presentation on tax rates and revenue, Mayor Hilliard opened a public hearing at 6:08 p.m. He announced the second public hearing on the tax rate would be Tuesday, September 4, 2012, at 7:00 p.m. There being no further comments, Mayor Hilliard closed the public hearing at 6:09 p.m.
5. CONSIDER APPOINTMENT TO PLANNING AND ZONING COMMISSION - Councilmember Stewart nominated Vicki Goodson. Councilmember Chambless seconded. All voted in favor.
6. CONSIDER RELOCATION OF THE UTILITY BILLING OFFICE TO THE CITY OFFICE COMPLEX – Councilmember Chambless made a motion to relocate the utility billing office to the City Office Complex. Councilmember Benson seconded. All voted in favor of moving the utility billing office.

EXECUTIVE SESSION

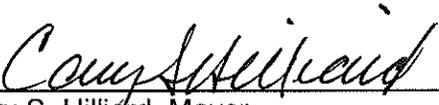
A closed or executive session will follow pursuant to the provision of the Open Meetings Law, Chapter 551, Govt. Code, Vernon's Texas Codes Annotated, in accordance with the authority contained in Section 551.074.

7. EXECUTIVE SESSION FOR DELIBERATIONS REGARDING PERSONNEL MATTERS – REVIEW OF CITY MANAGER CANDIDATES (Section 551.074) – Councilmember Yarbrough asked for Richard Ray to attend the executive session. Councilmember Chambless asked Mr. Brockman to attend. Mayor Hilliard convened into Executive Session at 6:25 p.m.

RETURN TO OPEN SESSION

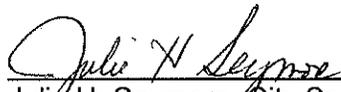
8. RECONVENE TO OPEN SESSION AND CONSIDER ACTION, IF ANY, ON ITEMS DISCUSSED IN EXECUTIVE SESSION – Mayor Hilliard reconvened the Council into open session at 7:02 p.m. He announced no action would be taken.

9. ITEMS FOR FUTURE AGENDAS – Mayor Hilliard announced there would be a meeting Tuesday, September 4, 2012, at 6:00 p.m. for the first tax hearing.
10. ADJOURN - There being no further business to discuss, the meeting was adjourned at 8:04 p.m.



 Cary S. Hilliard, Mayor

ATTEST:



 Julie H. Seymore, City Secretary

CALLED MEETING OF THE CANTON CITY COUNCIL

6:00 P.M., TUESDAY, SEPTEMBER 4, 2012
 City Hall Council Chambers
 290 East Tyler Street, Canton, Texas 75103

MINUTES

The Canton City Council met at the above-named date and time in the City Hall Council Chambers. Members present were Mayor Cary Hilliard and Councilmembers Candice Benson, Marilyn Burrage, Vicki Chambless, Shawn Stewart and Jerry Yarbrough. Interim City Manager Lonny Cluck, City Secretary / Finance Officer Julie Seymore, Fire Chief Bud Sanford, Assistant City Secretary Debra Johnson were also in attendance. Discussion and action were as follows:

1. CALL TO ORDER - Mayor Hilliard called the meeting to order at 6:00 p.m. and announced a quorum present.

INDIVIDUAL CONSIDERATION

2. SECOND PUBLIC HEARING ON PROPOSED TAX RATE FOR FISCAL YEAR BEGINNING OCTOBER 1, 2012, AND ENDING SEPTEMBER 30, 2013 – Mayor Hilliard opened the public hearing at 6:01 p.m. There being no comments, the public hearing was closed at 6:02 p.m.
3. PUBLIC HEARING ON PROPOSED BUDGET FOR FISCAL YEAR BEGINNING OCTOBER 1, 2012, AND ENDING SEPTEMBER 30, 2013 – Mayor Hilliard opened the public hearing at 6:03 p.m. Ron Perkins commented the current budget did not address some of the issues people on the Council were elected to achieve, such as better streets. He hated the budget only allocated \$100,000 for streets for the entire city for the entire year. He felt the audit should be completed before the next budget was reviewed. Mayor Hilliard said the City had a better handle on the audit for the next year. The City was ending the year in excellent financial condition. They took a conservative approach because they were unsure of the economy. They attempted to maintain service levels to residents, did not hire additional personnel, increased personnel's salary with a 3% COLA, and overall had a conservative budget. Mayor Hilliard questioned whether or not the high service pumps had been taken out. Ms. Seymore said the notes indicated the high service pumps would stay. Mayor Hilliard closed the public hearing at 6:08 p.m. and announced

the final vote on the budget and tax rate would be Tuesday, September 11, 2012, at 7:00 p.m.

4. CONSIDER HOSTING EAST TEXAS COUNCIL OF GOVERNMENT'S (ETCOG) REGIONAL DISASTER EXERCISE - Councilmember Yarbrough made a motion to approve the City's participation in the November 6, 7 and 8, 2012 exercise. Councilmember Stewart seconded. All voted in favor.

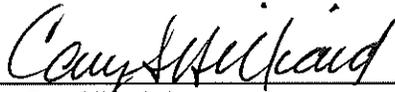
EXECUTIVE SESSION

A closed or executive session will follow pursuant to the provision of the Open Meetings Law, Chapter 551, Govt. Code, Vernon's Texas Codes Annotated, in accordance with the authority contained in Section 551.074.

5. EXECUTIVE SESSION FOR DELIBERATIONS REGARDING PERSONNEL MATTERS – REVIEW OF CITY MANAGER CANDIDATES (Section 551.074) - Mayor Hilliard convened Council into Executive Session at 6:20 p.m.

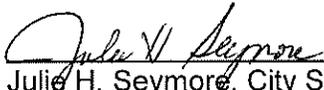
RETURN TO OPEN SESSION

6. RECONVENE TO OPEN SESSION AND CONSIDER ACTION, IF ANY, ON ITEMS DISCUSSED IN EXECUTIVE SESSION – Council reconvened into open session at 7:45 p.m. with no action taken.
7. ITEMS FOR FUTURE AGENDAS – *(This matter was taken out of order at 6:19 p.m.)* Ms. Seymore announced the next meeting would be September 11, 2012, at 7:00 p.m. Councilmember Stewart said he would not be present for the meeting. Councilmember Yarbrough asked whether or not he should have a proposal on the County's participation for the memorial. Mayor Hilliard reminded Council to submit agenda items in a timely fashion.
8. ADJOURN - There being no additional business to discuss, Mayor Hilliard adjourned the meeting at 7:45 p.m.



Cary S. Hilliard, Mayor

ATTEST:



Julie H. Seymore, City Secretary

CALLED MEETING OF THE CANTON CITY COUNCIL

9:00 A.M., SATURDAY, SEPTEMBER 8, 2012

Conference Room at Plaza Museum
119 North Buffalo, Canton, Texas 75103

MINUTES

The Canton City Council met at the above-named date and time in the City Hall Council Chambers. Members present were Mayor Cary Hilliard and Councilmembers Candice Benson, Marilyn Burrage, Vicki Chambless, Shawn Stewart and Jerry Yarbrough. Discussion and action were as follows:

1. CALL TO ORDER - Mayor Hilliard declared a quorum present and called the meeting to order at 9:00 a.m.

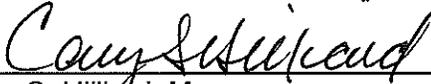
EXECUTIVE SESSION

A closed or executive session will follow pursuant to the provision of the Open Meetings Law, Chapter 551, Govt. Code, Vernon's Texas Codes Annotated, in accordance with the authority contained in Section 551.074.

2. EXECUTIVE SESSION FOR DELIBERATIONS REGARDING PERSONNEL MATTERS – INTERVIEW CANDIDATES FOR CITY MANAGER (Section 551.074) – Mayor Hilliard convened Council into Executive Session at 9:00 p.m. A recess was called from 10:20 to 10:30 a.m. A lunch recess was held from 11:56 a.m. to 1:00 p.m.

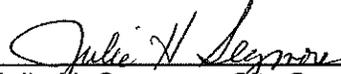
RETURN TO OPEN SESSION

3. RECONVENE TO OPEN SESSION AND CONSIDER ACTION, IF ANY, ON ITEMS DISCUSSED IN EXECUTIVE SESSION – Council reconvened into open session at 2:00 p.m. with no action taken.
4. ADJOURN - There being no further business to discuss, Mayor Hilliard adjourned the meeting at 2:05 p.m.



 Cary S. Hilliard, Mayor

ATTEST:



 Julie H. Seymore, City Secretary

CALLED MEETING OF THE CANTON CITY COUNCIL
1:30 P.M., SUNDAY, SEPTEMBER 9, 2012
 Conference Room at Plaza Museum
 119 North Buffalo, Canton, Texas 75103

MINUTES

The Canton City Council met at the above-named date and time in the City Hall Council Chambers. Members present were Mayor Cary Hilliard and Councilmembers Candice Benson, Marilyn Burrage, Vicki Chambless, Shawn Stewart and Jerry Yarbrough. Discussion and action were as follows:

1. CALL TO ORDER - Mayor Hilliard declared a quorum present and called the meeting to order at 1:30 p.m.

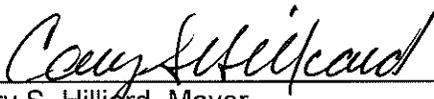
EXECUTIVE SESSION

A closed or executive session will follow pursuant to the provision of the Open Meetings Law, Chapter 551, Govt. Code, Vernon's Texas Codes Annotated, in accordance with the authority contained in Section 551.074.

2. EXECUTIVE SESSION FOR DELIBERATIONS REGARDING PERSONNEL MATTERS – INTERVIEW CANDIDATES FOR CITY MANAGER (Section 551.074) – Mayor Hilliard convened Council into Executive Session at 1:30 p.m. for interviews with city manager candidates. Mayor Hilliard called a recess at 2:54 p.m. and reconvened at 3:00 p.m. A recess was held at 4:30 p.m. and Council reconvened into Executive Session at 4:45 p.m. Councilmembers Chambless and Benson left the meeting at 5:45 p.m.

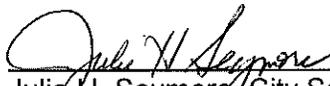
RETURN TO OPEN SESSION

3. RECONVENE TO OPEN SESSION AND CONSIDER ACTION, IF ANY, ON ITEMS DISCUSSED IN EXECUTIVE SESSION –Council reconvened into open session at 6:15 p.m. with no action taken.
4. ADJOURN - There being no further business to discuss, Mayor Hilliard adjourned the meeting at 6:15 p.m.



 Cary S. Hilliard, Mayor

ATTEST:



 Julie H. Seymore, City Secretary

CALLED MEETING OF THE CANTON CITY COUNCIL

7:00 P.M., TUESDAY, SEPTEMBER 11, 2012
City Hall Council Chambers
290 East Tyler Street, Canton, Texas 75103

MINUTES

The Canton City Council met at the above-named date and time in the City Hall Council Chambers. Members present were Mayor Cary Hilliard and Councilmembers Candice Benson, Marilyn Burrage, Vicki Chambless and Jerry Yarbrough. Councilmember Shawn Stewart was absent. Interim City Manager Lonny Cluck, City Secretary / Finance Officer Julie Seymore, City Attorney Richard Ray and Assistant City Secretary Debra Johnson were also in attendance. Discussion and action were as follows:

1. CALL TO ORDER - Mayor Hilliard declared a quorum present and called the meeting to order at 7:00 p.m.

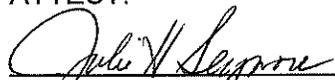
INDIVIDUAL CONSIDERATION

2. CONSIDER ADOPTION OF ORDINANCE NO. 2012-10 APPROVING PROPOSED BUDGET FOR FISCAL YEAR BEGINNING OCTOBER 1, 2012 AND ENDING SEPTEMBER 30, 2013 - Councilmember Benson made a motion to adopt Ordinance No. 2012-10. Councilmember Chambless seconded. Councilmembers Benson, Chambless and Yarbrough voted in favor. Councilmember Burrage was opposed.
3. CONSIDER RATIFICATION OF INCREASED PROPERTY TAX REVENUES REFLECTED IN THE BUDGET FOR FISCAL YEAR BEGINNING OCTOBER 1, 2012 AND ENDING SEPTEMBER 30, 2013 – Councilmember Benson moved to ratify the property tax increase reflected in the FY 2012-2013 budget. Councilmember Chambless seconded. All voted in favor.
4. CONSIDER ADOPTION OF ORDINANCE NO. 2012-11 LEVYING THE TAX RATE FOR FISCAL YEAR BEGINNING OCTOBER 1, 2012 AND ENDING SEPTEMBER 30, 2013 – Councilmember Chambless moved to adopt Ordinance No. 2012-11 and that the property tax rate be increased by the adoption of a tax rate of \$0.42523 per \$100 valuation, which is effectively a 0.15% increase in the tax rate. Councilmember Benson seconded. All voted in favor.
5. FIRST PUBLIC HEARING ON VOLUNTARY ANNEXATION OF A 1.59 -ACRE TRACT IN THE J. STOCKWELL SURVEY, A-760, LOCATED AT 640 CHERRY CREEK ROAD, OWNED BY ROBERT AND NERISSA ERICKSON – Mayor Hilliard opened a public hearing at 7:13 p.m. There being no comments, the public hearing was closed at 7:14 p.m. Mayor Hilliard announced the next hearing would be September 18, 2012, at 6:00 p.m. Ms. Seymore said the final vote would be in October.
6. ITEMS FOR FUTURE AGENDAS - None
7. ADJOURN - There being no further business to discuss, Mayor Hilliard adjourned the meeting at 7:14 p.m.



 Cary S. Hilliard, Mayor

ATTEST:



 Julie H. Seymore, City Secretary

REGULAR MEETING OF THE CANTON CITY COUNCIL
6:00 P.M., TUESDAY, SEPTEMBER 18, 2012
 City Hall Council Chambers
 290 East Tyler Street, Canton, Texas 75103

MINUTES

The Canton City Council met at the above-named date and time in the City Hall Council Chambers. Members present were Mayor Cary Hilliard and Councilmembers Candice Benson, Marilyn Burrage, Vicki Chambless, Shawn Stewart and Jerry Yarbrough. Interim City Manager Lonny Cluck, City Secretary / Finance Officer Julie Seymore, Municipal Court Judge Lilia Durham, Police Chief Mike Echols, Fire Chief Bud Sanford, City Attorney Richard Ray, Assistant City Secretary Debra Johnson and Robert Brockman were also in attendance. Discussion and action were as follows:

1. CALL TO ORDER - Mayor Hilliard declared a quorum present and called the meeting to order at 6:00 p.m.
2. INVOCATION was led by Brother Dan Tarno.
3. PLEDGE OF ALLEGIANCE was led by Councilmember Stewart.
4. MAYOR'S WELCOME – Mayor Hilliard announced the water billing department had moved to the City Office Complex. He encouraged everyone to attend the Autumn Stroll on October 13. Mayor Hilliard asked those who wanted to participate in discussions to raise their hand and wait to be recognized. He said they should then state their name and address.
5. DECLARATIONS REGARDING CONFLICTS OF INTEREST - None
6. PROCLAMATIONS AND ANNOUNCEMENTS - None

CITIZENS FORUM

7. CITIZENS FORUM – CITIZENS ARE INVITED TO SPEAK FOR THREE (3) MINUTES ON MATTERS RELATING TO CITY GOVERNMENT THAT ARE NOT LISTED ON THE REGULAR AGENDA – *Richard Ray joined the meeting at 6:04 p.m.* Diane Schumaker, Sweet Magnolia, 658 Trade Days Blvd., expressed displeasure with the code that prevented her from selling a friend's jeep in front of her property and the manner in which the code was enforced. Ethel Sanders, 1430 Forrest, questioned when the dry requirements had been waived so that Applebee's could serve alcohol. She felt that should

have required an election. Ms. Sanders thought there was a lack of transparency in the matter.

CONSENT AGENDA

8. CONSIDER APPROVAL OF MINUTES OF THE AUGUST 2, 7, 9, 16, 21 AND 28, 2012, CITY COUNCIL MEETINGS
9. CONSIDER APPROVAL OF AUGUST 2012 FINANCIAL STATEMENTS
10. CONSIDER ADOPTION OF RESOLUTION NO. 2012-22 APPROVING THE CANTON ECONOMIC DEVELOPMENT CORPORATION BUDGET FOR FISCAL YEAR BEGINNING OCTOBER 1, 2012 AND ENDING SEPTEMBER 30, 2013
11. CONSIDER ADOPTION OF RESOLUTION NO. 2012-23 DESIGNATING THE CANTON HERALD AS THE OFFICIAL NEWSPAPER FOR THE CITY OF CANTON
12. CONSIDER APPROVAL OF ENGAGEMENT LETTER WITH CONWAY COMPANY, CPAS FOR FISCAL YEAR 2011-2012 AUDIT SERVICES
13. CONSIDER APPROVAL OF 9-1-1 DATABASE MAINTENANCE INTERLOCAL CONTRACT WITH EAST TEXAS COUNCIL OF GOVERNMENTS
Ms. Seymore said only the minutes for August 2, 7, 9 and 16, 2012, would be voted upon. August 21 and 28 minutes would be deferred until the next meeting. The minutes of the August 2, 7, 9 and 16, 2012, and consent agenda items 9, 10, 11, 12 and 13 were unanimously approved upon motion by Councilmember Chambless and second by Councilmember Benson.

INDIVIDUAL CONSIDERATION

14. CONSIDER APPLICATION FOR SOLICITATION PERMIT TO DISTRIBUTE FLYERS FOR HAUNTED HAYRIDES BENEFITING MARTINS MILL ISD AT THE INTERSECTION OF DALLAS AND BUFFALO STREETS ON OCTOBER 13, AND 20, 2012 – Dr. Kris Ingram withdrew his request to distribute flyers on October 13, 2012. Councilmember Yarbrough made a motion to approve the request for a solicitation permit for October 20, 2012. Councilmember Burrage seconded. All voted in favor.
15. SECOND PUBLIC HEARING ON VOLUNTARY ANNEXATION OF A 1.59-ACRE TRACT IN THE J. STOCKWELL SURVEY, A-760, LOCATED AT 640 CHERRY CREEK ROAD, OWNED BY ROBERT AND NERISSA ERICKSON – Mayor Hilliard opened the public hearing at 6:16 p.m. There being no comments, the public hearing was closed at 6:17 p.m. Ms. Seymore said final consideration would be October 16, 2012.
16. PUBLIC HEARING CONCERNING CITY'S PARTICIPATION IN THE TEXAS COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM, SPECIFICALLY CONTEMPLATION OF THE SUBMISSION OF (1) AN APPLICATION TO THE PROGRAM'S COMMUNITY DEVELOPMENT FUND, AND (2) AN APPLICATION FOR FUNDS UNDER THE TEXAS CAPITAL FUND MAIN STREET PROGRAM – Mayor Hilliard opened a public hearing at 6:21 p.m. Gary Traylor presented information regarding a potential grant for removing physical barriers at City Hall and the grant for improving downtown sidewalks. Mr. Traylor said the sidewalk project started about ten years prior and had at least three different sources of revenue. Mayor Hilliard said they were considering remodeling City Hall to comply with ADA standards. Mr. Traylor said the

drawing provided was conceptual and fulfilled the application requirements. The architect would get input from Council prior to finalizing the design. Ed Sanders asked how many more seats the Council Chambers would have in the new space. Mr. Slicker said the grant was primarily to remove architectural barriers for those with handicap impairments and to bring the building to code. He kept the same number of seats in the initial plan, although that could be changed. Mr. Perkins asked whether or not the air conditioning capacity would be increased. Mr. Slicker said he added another unit to the plan. The public hearing was closed at 6:29 p.m.

17. CONSIDER ADOPTION OF RESOLUTION NO. 2012-24 AUTHORIZING SUBMISSION OF A 2013-14 COMMUNITY DEVELOPMENT FUND GRANT APPLICATION TO THE TEXAS DEPARTMENT OF AGRICULTURE, AND COMMITTING MATCHING FUNDS – Councilmember Stewart made a motion to adopt Resolution No. 2012-24. Councilmember Chambless seconded. All voted in favor.
18. CONSIDER ADOPTION OF RESOLUTION NO. 2012-25 AUTHORIZING SUBMISSION OF A 2013 TEXAS CAPITAL FUND MAIN STREET PROGRAM GRANT APPLICATION TO THE TEXAS DEPARTMENT OF AGRICULTURE, AND COMMITTING MATCHING FUNDS – Councilmember Benson made a motion to adopt Resolution No. 2012-25. Councilmember Burrage seconded. All voted in favor.
19. CONSIDER REQUEST FOR ASSISTANCE ON VAN ZANDT COUNTY VETERANS MEMORIAL WATER BILL – Mr. Ray advised the City could not assist with the water bill as requested. The City could only waive the water bill if it owned the property. Councilmember Yarbrough made a motion to assume responsibility for the memorial. Councilmember Chambless made a motion to postpone the matter until further research could be done on what the County was willing and able to do and to see if the City could own the land. Councilmember Benson seconded Ms. Chambless' motion. Councilmember Yarbrough withdrew his motion. All voted in favor of postponing the item.
20. CONSIDER AT&T PROPOSAL FOR AMENDMENT TO CELL TOWER AGREEMENT – Councilmember Chambless made a motion not to accept the AT&T proposal. Councilmember Burrage seconded. All voted in favor of rejecting the proposal.
21. CONSIDER CITY MANAGER OVERSIGHT AND DISCIPLINE POLICIES FOR POSSIBLE INCLUSION IN THE CITY MANAGER'S CONTRACT – Councilmember Stewart made a motion to postpone the item and to include the disciplinary procedures in the new city manager's contract. Councilmember Chambless seconded. All voted in favor.
22. CITY MANAGEMENT REPORTS
 - A. FIRST MONDAY – Lonny Cluck reported First Monday revenues had increased over the last five years. First Monday revenues were up \$164,000 from the previous year.
 - B. PUBLIC WORKS PROJECTS – Mr. Cluck reported the East Outfall project was completed and they were awaiting paperwork. The I-20 sewer system was substantially complete. He met with landowners in the area to establish a procedure for them to hook up to the sewer system. The road improvements on Peace, Church and Billy streets were finished. They started grinding Peace Street that week and would hopefully finish by the next week. Water Well No. 3 was installed and ready to use. There were still a couple buildings to be built on the site. The scheduled completion date was December 31. The beginning date for the mechanical bar screen was October 1. It was scheduled for completion by April 28, 2013. Mr. Cluck

reported the Woodland Drive culvert replacement was finished. They were 50% through with the clarifier. Phase III part of the West Outfall which ran through Sleepy Hollow was started that week and should be done by October 15. TxDOT told Mr. Cluck he could proceed with the South Gate Entrance project.

- C. ETCOG EMERGENCY DISASTER EXERCISES – Bud Sanford stated the dates for the ETCOG exercise were November 6-8, 2012. They were expanding the scenarios away from First Monday and would be using the city lake area. He anticipated over 400 people coming to Canton to participate.

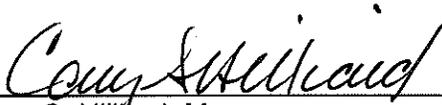
EXECUTIVE SESSION

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- 23. EXECUTIVE SESSION FOR DELIBERATIONS REGARDING PERSONNEL MATTERS – REVIEW CITY MANAGER CANDIDATES (Section 551.074) – Mayor Hilliard convened Council into Executive Session at 7:09 p.m.
- 24. EXECUTIVE SESSION FOR DELIBERATIONS REGARDING PERSONNEL MATTERS – REVIEW CITY ATTORNEY PROPOSALS (Section 551.074) – Item taken out of order following Item 27. Mayor Hilliard reconvened Council into Executive Session at 8:23 p.m.

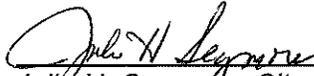
RETURN TO OPEN SESSION

- 25. RECONVENE TO OPEN SESSION AND CONSIDER ACTION, IF ANY, ON ITEMS DISCUSSED IN EXECUTIVE SESSION - Mayor Hilliard reconvened Council into Executive Session at 8:23 p.m. Council reconvened into open session following item 24 at 8:11 p.m. Council reconvened into open session following Item 25 at 8:45 p.m.
- 26. CONSIDER POSSIBLE SELECTION OF A CITY MANAGER – Councilmember Yarbrough made a motion to hire Jeff Howell as city manager. Councilmember Burrage seconded. Councilmember Yarbrough and Burrage voted in favor of the motion. Councilmembers Stewart, Chambless and Benson were opposed. Mayor Hilliard announced the motion failed. Councilmember Benson made a motion to hire Lonny Cluck as city manager pending contract negotiations. Councilmember Stewart seconded. Councilmembers Stewart, Chambless and Benson voted in favor. Councilmembers Burrage and Yarbrough were opposed. Mayor Hilliard announced the motion passed and negotiations would commence.
- 27. CONSIDER POSSIBLE SELECTION OF A CITY ATTORNEY –Councilmember Chambless made a motion to select the law firm of Potter Minton pending contract negotiations. Councilmember Benson seconded. All voted in favor. Mayor Hilliard instructed Ms. Seymore to work out a contract with Mr. Stutes.
- 28. ITEMS FOR FUTURE AGENDAS – Councilmember Burrage requested the Mill Creek study from East Texas Engineers be brought back to the agenda for review.
- 29. ADJOURN – There being no further business to discuss, Mayor Hilliard adjourned the meeting at 8:47 p.m.



 Cary S. Hilliard, Mayor

ATTEST:



 Julie H. Seymore, City Secretary

REGULAR MEETING OF THE CANTON CITY COUNCIL
6:00 P.M., TUESDAY, OCTOBER 16, 2012
 City Hall Council Chambers
 290 East Tyler Street, Canton, Texas 75103

MINUTES

The Canton City Council met at the above-named date and time in the City Hall Council Chambers. Members present were Mayor Cary Hilliard and Councilmembers Candice Benson, Marilyn Burrage, Vicki Chambless, Shawn Stewart and Jerry Yarbrough. City Manager Lonny Cluck, City Secretary / Finance Officer Julie Seymore, Municipal Court Judge Lilia Durham, Police Chief Mike Echols, Fire Chief Bud Sanford, City Attorney Ron Stutes, and Assistant City Secretary Debra Johnson were also in attendance. Discussion and action were as follows:

1. CALL TO ORDER - Mayor Hilliard declared a quorum present and called the meeting to order at 6:00 p.m.
2. INVOCATION LED was led by Councilmember Yarbrough.
3. PLEDGE OF ALLEGIANCE was led by Councilmember Chambless.
4. MAYOR'S WELCOME – Mayor Hilliard welcomed everyone to the meeting. He introduced Ron Stutes of the Potter, Minton law firm, who was selected as the new city attorney. Mayor Hilliard said there was a tremendous turnout for the Autumn Stroll and thanked the Main Street Board and Mercy Rushing and her staff for their efforts.
5. DECLARATIONS REGARDING CONFLICTS OF INTEREST – None
6. PROCLAMATIONS AND ANNOUNCEMENTS
 - A. PROCLAMATION DECLARING NOVEMBER 2012 AS PANCREATIC CANCER AWARENESS MONTH IN THE CITY OF CANTON - Mayor Hilliard read the proclamation declaring November 2012 as Pancreatic Cancer Awareness Month.

CITIZENS FORUM

7. CITIZENS FORUM – CITIZENS ARE INVITED TO SPEAK FOR THREE (3) MINUTES ON MATTERS RELATING TO CITY GOVERNMENT THAT ARE NOT LISTED ON THE REGULAR AGENDA – Tony Saparito explained his concern about the First Monday policies and how they were applied to him while he was a Trade Center vendor. He requested a vendor space in the Trade Centers for the month of November.

Jerry Teel, 4436 Etheridge Circle, requested that police officers be allowed to correct code violations without a citizen complaint.

Ray Murphrey, 1506 Stacy Street, said he was attending the Texas Film Festival and hoped to get support for his movie.

CONSENT AGENDA

8. CONSIDER APPROVAL OF MINUTES OF THE AUGUST 21 AND 28, 2012 AND SEPTEMBER 4, 8, 9, 11, AND 18, 2012, CITY COUNCIL MEETINGS
9. CONSIDER APPROVAL OF SEPTEMBER 2012 PRELIMINARY FINANCIAL STATEMENTS
10. CONSIDER ADOPTION OF RESOLUTION NO. 2012-26 APPROVING THE CITY OF CANTON 2012 TAX ROLL LEVY
11. CONSIDER ADOPTION OF RESOLUTION NO. 2012-27 APPROVING THE VAN ZANDT COUNTY HAZARD MITIGATION ACTION PLAN

Items on the consent agenda were unanimously approved upon motion by Councilmember Benson and second by Councilmember Burrage.

INDIVIDUAL CONSIDERATION

12. INTRODUCTION OF PROSPECTIVE PROPOSAL FOR AFFORDABLE HOUSING PROJECT FOR SENIORS -- MIKE SUGRUE, STONELEAF COMPANIES – Mike Sugrue of StoneLeaf Companies gave a presentation on their proposed retirement housing project in Canton and to request assistance from the City in order to obtain a grant to help fund the project. He asked that an item be placed on the next regular agenda so he could make a formal request.
13. CONSIDER NOMINATING A TRANSPORTATION ENHANCEMENT PROJECT FOR CONSIDERATION UNDER THE TEXAS DEPARTMENT OF TRANSPORTATION'S NOVEMBER 16, 2012 CALL FOR PROJECT NOMINATIONS – Councilmember Yarbrough made a motion not to pursue the grant application. Councilmember Stewart seconded. Motion passed with Councilmembers Yarbrough, Burrage and Stewart voting in favor and Councilmembers Chambless and Benson voting against.
14. CONSIDER APPROVAL OF EAST TEXAS ENGINEERS, INC. PROPOSAL FOR ENGINEERING SERVICES FOR MILL CREEK RESERVOIR STUDY – Councilmember Burrage made a motion to approve the proposal for engineering services. Councilmember Yarbrough seconded. Motion failed with Councilmembers Burrage and Yarbrough voting in favor and Councilmembers Chambless, Benson and Stewart voting against.
15. PRESENTATION ON TRANSFORMING TEXAS PROGRAMS – KRISTY BLACK, NORTHEAST TEXAS PUBLIC HEALTH DISTRICT – Kristy Black informed Council of the organization's purpose and projects, and invited the public to attend a meeting on November 1 at 3:00 p.m. at the Van Zandt County Library to discuss a grant received by Smith, Wood and Van Zandt Counties to work on improving the health of the community.
16. CONSIDER ADOPTION OF AMENDED ANNEXATION SERVICE PLAN – Councilmember Benson made a motion to approve the Annexation Service Plan. Councilmember Stewart seconded. All voted in favor.

17. CONSIDER ADOPTION OF ORDINANCE NO. 2012-12 ANNEXING A 1.59-ACRE TRACT IN THE J. STOCKWELL SURVEY, A-760, LOCATED AT 640 CHERRY CREEK ROAD, UPON VOLUNTARY PETITION FROM OWNERS ROBERT AND NERISSA ERICKSON – Councilmember Yarbrough made a motion to adopt Ordinance 2012-12. Councilmember Burrage seconded. All voted in favor.
18. PUBLIC HEARING AND CONSIDER ADOPTION OF ORDINANCE NO. 2012-13 EFFECTING A ZONING CHANGE FROM RURAL AGRICULTURAL (RA) TO SINGLE FAMILY RESIDENTIAL DISTRICT (R-1) OF A 1.59-ACRE TRACT IN THE J. STOCKWELL SURVEY, A-760, LOCATED AT 640 CHERRY CREEK ROAD, OWNED BY ROBERT AND NERISSA ERICKSON – Mayor Hilliard opened a public hearing at 7:35 p.m. and closed it at 7:36 p.m. hearing no comments. Councilmember Yarbrough made a motion to adopt Ordinance No. 2012-13. Councilmember Benson seconded. All voted in favor.
19. PUBLIC HEARING AND CONSIDER ADOPTION OF ORDINANCE NO. 2012-14 APPROVING FINAL AMENDMENTS TO THE BUDGET FOR FISCAL YEAR BEGINNING OCTOBER 1, 2011 AND ENDING SEPTEMBER 30, 2012 – Mayor Hilliard opened a public hearing at 7:36 p.m. Julie Seymore explained the proposed budget amendments. There being no other comments, Mayor Hilliard closed the public hearing at 7:40 p.m. Councilmember Stewart made a motion to adopt Ordinance No. 2012-14. Councilmember Yarbrough seconded. All voted in favor.
20. CONSIDER REQUEST FROM SOUTH VAN ZANDT VOLUNTEER FIRE DEPARTMENT TO PLACE ANTENNA ON HWY 243 WATER TOWER – Councilmember Yarbrough made a motion to grant the request. Councilmember Burrage seconded. All voted in favor.
21. CONSIDER ADOPTION OF POLICIES REGARDING THE PROVISION OR EXTENSION OF CITY UTILITIES TO DEVELOPED PROPERTIES WITHIN THE CANTON CITY LIMITS –The language on Item 3 of the proposed policy was changed to: “Should a single use lift station be required, it shall be installed by the City and thereafter maintained by the City but the lift station shall be powered by the property owner”. On Item 1 (a), the distance was changed from 100 feet to 200 feet. Councilmember Yarbrough made a motion to approve the policy, as amended. Councilmember Stewart seconded. All voted in favor.

Mayor Hilliard called a recess at 8:35 p.m. Council reconvened at 8:44 p.m.

22. DISCUSS POLICIES REGARDING THE EXTENSION OF CITY UTILITIES TO UNDEVELOPED PROPERTIES – After a brief discussion about the proposed policy from Councilmembers Benson and Burrage, Mr. Stutes said he would forward to Council proposed language concerning reimbursement from property owners situated between current service and newly-annexed property to which services were extended.
23. CONSIDER APPROVAL OF POLICIES RELATED TO LEGAL SERVICES – Mr. Stutes presented a proposed policy and clarified he would follow-up inquiries with an email to the City Manager restating the question and his answer, blind-copied to all Councilmembers to keep them informed while preventing a reply as protection against violations to the Open Meetings Act. Council also decided not to include a policy allowing the attorney to respond to minor inquiries by the public. Councilmember Yarbrough made a motion to approve the proposed policy as amended. Councilmember Burrage seconded. All voted in favor except Councilmember Benson, who was opposed.

24. CONSIDER APPROVAL OF CITY ATTORNEY FEE AGREEMENT WITH POTTER, MINTON, PC – Councilmember Burrage made a motion to approve the agreement. Councilmember Yarbrough seconded. All voted in favor.
25. CONSIDER RESCHEDULING REGULAR COUNCIL MEETINGS DURING HOLIDAY SEASON – No action taken.
26. CITY MANAGEMENT REPORTS
- A. FIRST MONDAY – Mr. Cluck reported First Monday revenue was up \$150,000 from the previous year.
- B. PUBLIC WORKS PROJECTS – Mr. Cluck reported the lift station was in at Duke's Travel Plaza and was tied into the City's sewer system awaiting a phone line for the monitoring system. He said there was an asphalt failure on Peace Street and they were running core samples to determine why. Work was stopped on the second section of Peace St. until they knew how to prevent the problem. He also reported they were awaiting approval from TCEQ to use Water Well No. 3. They had finished the exterior of the pump building and would start piping that week. Work on the mechanical bar screen at the sewer plant was moving slowly. The weirs for the clarifier and digester improvements were expected that week and would be tested Wednesday or Thursday. Phase 3 of the west outfall in the Sleepy Hollow area was expected to be finished the next week. They were setting the forms and putting in steel for the First Monday south gate entrance. At the next regular meeting, Council would be asked to select the font for the sign on the new water tower. Councilmember Burrage requested the City float a balloon at the height of the tower so they would know whether or not the tower could be seen from I-20. Councilmember Chambless said the Council had decided to just have the word "Canton" on the tower due to cost. Councilmember Stewart said they had not decided anything about lighting the tower.
- C. ETCOG EMERGENCY DISASTER EXERCISES – Chief Sanford reported there would be three main events – an active shooter event involving First Monday, a mass casualty event involving weather, and another active shooter event at the courthouse. There would also be a search mission on opposite sides of the lake involving dive teams.

EXECUTIVE SESSION

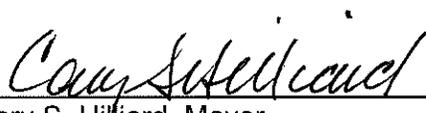
A closed or executive session will follow pursuant to the provision of the Open Meetings Law, Chapter 551, Govt. Code, Vernon's Texas Codes Annotated, in accordance with the authority contained in Section 551.074.

27. EXECUTIVE SESSION FOR DELIBERATIONS REGARDING PERSONNEL MATTERS – CITY MANAGER'S EMPLOYMENT AGREEMENT WITH LONNY CLUCK (Section 551.074) – Mayor Hilliard, Councilmembers and the City Attorney convened into Executive Session at 9:40 p.m.

RETURN TO OPEN SESSION

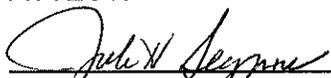
28. RECONVENE TO OPEN SESSION AND CONSIDER ACTION, IF ANY, ON ITEMS DISCUSSED IN EXECUTIVE SESSION – Council reconvened into open session at 10:24 p.m. with no action taken.

29. CONSIDER APPROVAL OF CITY MANAGER EMPLOYMENT AGREEMENT WITH LONNY CLUCK – No action taken.
30. ITEMS FOR FUTURE AGENDAS - Mayor Hilliard announced the next meeting would be October 30, 2012, to consider the private club specific use permit for Applebee's and the city manager's contract. He requested Council, at its next regular meeting, consider videotaping the council meetings. Ms. Seymore said SilverLeaf's request and the water tower lights and logo would be on that agenda.
31. ADJOURN – There being no further business to discuss, Mayor Hilliard adjourned the meeting at 10:34 p.m.



 Cary S. Hilliard, Mayor

ATTEST:



 Julie H. Seymore, City Secretary

**CALLED JOINT MEETING OF CANTON CITY COUNCIL AND
 CANTON PLANNING & ZONING COMMISSION
 6:00 P.M., TUESDAY, OCTOBER 30, 2012
 CITY HALL COUNCIL CHAMBERS
 290 E. TYLER STREET, CANTON, TEXAS**

MINUTES

The Canton City Council met at the above-named date and time in the City Hall Council Chambers in a joint session with the Canton Planning & Zoning Commission. Members present were Mayor Cary Hilliard and Councilmembers Candice Benson, Marilyn Burrage, Vicki Chambless, Shawn Stewart and Jerry Yarbrough. Members of the Planning & Zoning Commission present were Chairman Brad Williams, Jerry Martin and Clay Nicklas. City Manager Lonny Cluck, City Attorney Ron Stutes, Chief of Police Mike Echols, Building Inspector David Smith and Assistant City Secretary Debra Johnson were also in attendance. Discussion and action were as follows:

1. CALL TO ORDER - Mayor Hilliard declared a quorum of the Council present and called the meeting to order at 6:00 p.m. Brad Williams declared a quorum of the Planning & Zoning Commission present and called the meeting to order at 6:01 p.m.
2. JOINT PUBLIC HEARING CONCERNING REQUEST FOR SPECIFIC USE PERMIT FOR THE OPERATION OF A PRIVATE CLUB IN GENERAL BUSINESS DISTRICT (B-2) AT 335 HWY 243 E, LOCATED IN THE TRADERS SQUARE SHOPPING CENTER IN THE CITY OF CANTON, OWNED BY APPLE TEXAS RESTAURANTS (APPLEBEES).- Brad Williams opened a Public Hearing at 6:01 p.m. Rebecca Minor, legal counsel for Applebee's, said they were excited to be part of the community. They would open in mid to late November. They would serve a full menu until 2:00 a.m. Applebee's planned to be an active part of the community. They had already served as a sponsor of the Autumn Stroll. Ms. Minor explained this was a franchise location.

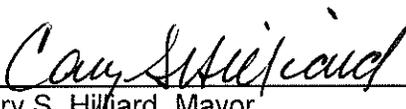
Mark Moore expressed his opposition to granting the specific use permit to sell alcoholic beverages in a dry city. He felt the citizens should make that decision. He had no problem with them opening a restaurant without a bar. He did not understand the decision to extend the hours until 2:00 a.m. He said he could not in good conscience give a reference to a student who wanted to work at Applebee's because they would be serving alcohol. He felt nothing good could happen in a city after 12 o'clock. It would not be a good move for the City. Applebee's coming to Canton would not be a good thing for him. Not everyone was for this. Mr. Moore said he did not want to see the city go down that trail. Ms. Minor said she appreciated Mr. Moore's concerns. Applebee's food-to-alcohol ratio was 80/20. They had a full menu until 2:00 a.m. Applebee's did not endorse over-serving alcoholic beverages at any time. They were not a bar, but a restaurant that happened to serve alcohol. Those who wanted to be served alcohol had to be approved by a membership committee before they could have a drink. She said Applebee's went above and beyond what was required by TABC.

Dr. Eberhart asked what percentage of those who applied were declined. Ms. Minor said if the applicants had a valid ID, no criminal trespass or public drunkenness charges, the majority of them would be approved. Dr. Eberhart said he had eaten at Applebee's in other cities, but would not eat at the one in Canton. He said his hometown of Gainesville had been harmed by selling alcohol. It changed the looks of the town. He did not want Canton to turn into a town like Terrell. Dr. Eberhart said the alcohol sales in Wills Point did not help their tax base and it would not help the economy in Canton. He asked Applebee's to serve food only and not alcohol since there was an 80/20 ratio anyway. He felt if you made alcohol more readily available to citizens of Canton, they would consume it. They needed people to care about the city. They needed people to stand up for right and wrong. He felt Council was pushing this down the throats of the citizens. Because Applebee's had proceeded with building their restaurant, he felt they had no doubt the SUP would be approved. If they let Applebee's come, it opened up the door to other restaurants to serve alcohol. Ms. Minor said Applebee's was not a bar with music and carousing. It was a restaurant with a family focus. They encouraged fellowship after football games. They were a restaurant that happened to serve alcohol. She was putting in place everything she could to ensure there was a responsible service of alcohol at the restaurant at all levels. They wanted to ensure no one was over served. Dr. Eberhart felt Applebee's was a wolf in lamb's clothing. If they were so worried about over serving alcohol, why did they not just sell food.

Denise Badgley asked if there would be a separate bar area in the restaurant. Ms. Minor said there would be a separate area for the bar, but alcohol would be served throughout the restaurant. Ms. Minor said Applebee's was open until 1:00 or 2:00 a.m. in all their franchise locations. They wanted to open up more locations in East Texas. Ed Sanders asked the minimum age for waiters. Ms. Minor said anyone under eighteen could work at the restaurant, but waiters who served alcohol had to be eighteen. Mike Burns asked if alcohol would be served only in the bar area. Ms. Minor said televisions were set up in the bar. The bar area did have a full menu. Buzzy Daniel felt Council got the cart before the horse by building the restaurant before the specific use permit was approved. He said he once lived in Duncanville. Once that town went wet, he moved to Canton. It was not family focused to drink alcohol in front of children. Dr. Eberhart asked Chief Echols how many beers it took to be legally drunk. Chief Echols responded approximately three. Chief Echols said they had to test people before they could legally determine whether or not they were drunk. Dr. Eberhart said some people would continue to get served alcohol even if they were intoxicated because they would not necessarily appear to be drunk. Ms. Minor said Applebee's had a three-drink policy. A manager was required to make a judgment before any individual could be served more than three drinks. All their servers were TABC certified and went through extensive training to determine if an individual was intoxicated. Mr. Moore

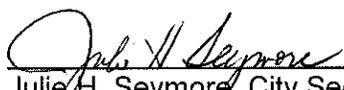
said Ms. Minor would not always be around to ensure the policies were followed. Ron Perkins asked how many Applebee's were located in cities that were considered dry. Ms. Minor said they had restaurants in Paris, Copperas Cove, and Gun Barrel City. They were currently building in Forney. Mike Burns said he wanted to go on record he was against serving alcohol, but was not against Applebee's. Somewhere you had to take a first step, but it did not need to be in Canton. Mr. Burns said his beef was how a building could be built without getting a permit and all the other stuff that had to be done to build in Canton. Brad Williams closed the public hearing at 6:40 p.m.

3. CONSIDERATION BY PLANNING & ZONING COMMISSION OF THE REQUEST FOR SPECIFIC USE PERMIT FOR THE OPERATION OF A PRIVATE CLUB IN GENERAL BUSINESS DISTRICT (B-2) AT 335 HWY 243 E, LOCATED IN THE TRADERS SQUARE SHOPPING CENTER IN THE CITY OF CANTON, OWNED BY APPLE TEXAS RESTAURANTS (APPLEBEES). – Jerry Martin made a motion to recommend approval of the specific use permit. There being no second, the motion failed. The meeting of the Planning & Zoning Commission adjourned at 6:43 p.m.
4. CONSIDERATION BY COUNCIL OF ORDINANCE GRANTING A SPECIFIC USE PERMIT FOR OPERATION OF A PRIVATE CLUB IN GENERAL BUSINESS DISTRICT (B-2) AT 335 HWY 243 E, LOCATED IN THE TRADERS SQUARE SHOPPING CENTER IN THE CITY OF CANTON, OWNED BY APPLE TEXAS RESTAURANTS (APPLEBEES) – Mayor Hilliard acknowledged there was no recommendation from the Planning & Zoning Commission. Councilmember Stewart made a motion to approve the specific use permit. Councilmember Benson seconded. Councilmembers Stewart, Benson, Chambless and Yarbrough voted in favor. Councilmember Burrage abstained.
5. ADJOURN – There being no further business to discuss, the meeting was adjourned at 8:09 p.m.



 Cary S. Hilliard, Mayor

ATTEST:



 Julie H. Seymore, City Secretary

CALLED MEETING OF THE CANTON CITY COUNCIL

6:15 P.M., TUESDAY, OCTOBER 30, 2012

City Hall Council Chambers
 290 East Tyler Street, Canton, Texas 75103

MINUTES

The Canton City Council met at the above-named date and time in the City Hall Council Chambers. Members present were Mayor Cary Hilliard and Councilmembers Candice Benson, Marilyn Burrage, Vicki Chambless, Shawn Stewart and Jerry Yarbrough. City Manager Lonny Cluck, Assistant City Secretary Debra Johnson and Chief Mike Echols were also in attendance. Discussion and action were as follows:

1. CALL TO ORDER - Mayor Hilliard declared a quorum present and called the meeting to order at 7:21 p.m.

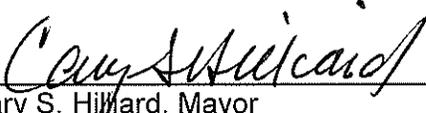
EXECUTIVE SESSION

A closed or executive session will follow pursuant to the provision of the Open Meetings Law, Chapter 551, Govt. Code, Vernon's Texas Codes Annotated, in accordance with the authority contained in Section 551.074.

2. EXECUTIVE SESSION FOR DELIBERATIONS REGARDING PERSONNEL MATTERS – CITY MANAGER'S EMPLOYMENT AGREEMENT WITH LONNY CLUCK (Section 551.074) – Mayor Hilliard convened Council into Executive Session at 7:22 p.m.

RETURN TO OPEN SESSION

3. RECONVENE TO OPEN SESSION AND CONSIDER ACTION, IF ANY, ON ITEMS DISCUSSED IN EXECUTIVE SESSION – Council reconvened into open session at 8:09 p.m. with no action taken.
4. CONSIDER APPROVAL OF CITY MANAGER EMPLOYMENT AGREEMENT WITH LONNY CLUCK – No action taken.
5. ITEMS FOR FUTURE AGENDAS – None
6. ADJOURN - There being no further business to discuss, the meeting was adjourned at 8:16 p.m.


Cary S. Hilliard, Mayor

ATTEST:


Julie H. Seymore, City Secretary

REGULAR MEETING OF THE CANTON CITY COUNCIL

6:00 P.M., TUESDAY, NOVEMBER 20, 2012

City Hall Council Chambers
290 East Tyler Street, Canton, Texas 75103

MINUTES

The Canton City Council met at the above-named date and time in the City Hall Council Chambers. Members present were Mayor Cary Hilliard and Councilmembers Candice Benson, Marilyn Burrage, Vicki Chambless, Shawn Stewart and Jerry Yarbrough. Interim City Manager Lonny Cluck, City Secretary / Finance Officer Julie Seymore, Municipal Court Judge Lilia Durham, Police Chief Mike Echols, Fire Chief Bud Sanford, City Attorney Ron Stutes, and Assistant City Secretary Debra Johnson were also in attendance. Discussion and action were as follows:

1. CALL TO ORDER - Mayor Hilliard declared a quorum present and called the meeting to order at 6:00 p.m.
2. INVOCATION was led by Mark Moore.
3. PLEDGE OF ALLEGIANCE was led by Mayor Hilliard.
4. MAYOR'S WELCOME – Mayor Hilliard expressed thanks to the emergency responders who came to the scene of the accident at the City Office Complex and to the employees who worked to get the City back to order.
5. DECLARATIONS REGARDING CONFLICTS OF INTEREST - None
6. PROCLAMATIONS AND ANNOUNCEMENTS - None

CITIZENS FORUM

7. CITIZENS FORUM – CITIZENS ARE INVITED TO SPEAK FOR THREE (3) MINUTES OF MATTERS RELATING TO CITY GOVERNMENT THAT ARE NOT LISTED ON THE REGULAR AGENDA – Ed Sanders requested agendas be prepared one week prior to the meetings in order for citizens to review and contact councilmembers with their opinion. Mr. Sanders also requested the matter of the property tax be brought before Council for discussion. Madison Lunceford, 1110 W. College, spoke in opposition to the city manager's contract proposed by Mr. Cluck. She felt the City could not afford it and that one man should not have control over the citizens of Canton. Jim Hargrove, 804 Glen Lane, said the Council had voted to hire Mr. Cluck and they should negotiate a fair contract with him.

CONSENT AGENDA

8. CONSIDER APPROVAL OF MINUTES OF THE OCTOBER 16 AND 30, 2012, CITY COUNCIL MEETINGS
9. CONSIDER APPROVAL OF OCTOBER 2012 FINANCIAL STATEMENTS

Councilmember Benson made a motion to approve the Consent Agenda items. Councilmember Chambless seconded. All voted in favor.

INDIVIDUAL CONSIDERATION

10. CONSIDER REQUEST FROM VAN ZANDT COUNTY HUMANE SOCIETY FOR SOLICITOR'S PERMIT TO COLLECT DONATIONS AT THE DALLAS/BUFFALO STREET INTERSECTION ON MARCH 1-2, 2012 AND MAY 31-JUNE 1, 2013 – Councilmember Yarbrough made a motion to approve the request. Councilmember Chambless seconded. All voted in favor.
11. CONSIDER ADOPTION OF RESOLUTION NO. 2012-30 DECLARING THAT EXPENDITURES SUPPORTING THE VAN ZANDT COUNTY VETERANS MEMORIAL PLAZA ACCOMPLISH A PUBLIC PURPOSE AND ESTABLISHING LEVEL OF SAID SUPPORT – Councilmember Yarbrough made a motion to adopt Resolution No. 2012-30 declaring City expenditures to the Plaza accomplished a public purpose and to give \$6,000 in \$500 monthly increments starting December 1, 2012, to be used for the payment of their water bill followed by maintenance and operation expenses. Councilmember Burrage seconded. All voted in favor.

12. CONSIDER RE-ALLOCATING FUNDS EARMARKED FOR MILL CREEK STUDY IN FY 2012-13 BUDGET TO ANOTHER PROJECT – Councilmember Yarbrough made a motion to leave the funds as-is for the time being. Councilmember Burrage seconded. Motion failed with Councilmembers Burrage and Yarbrough voting in favor and Councilmembers Benson, Chambless and Stewart voting against. Councilmember Stewart made a motion to reallocate the funds earmarked for the Mill Creek Study to street and road maintenance. Councilmember Chambless seconded. Motion passed with Councilmembers Stewart, Benson and Chambless voting in favor and Councilmember Burrage and Yarbrough voting against.
13. CONSIDER ADOPTION OF RESOLUTION NO. 2012-29 APPROVING POLICIES REGARDING THE EXTENSION OF CITY UTILITIES TO PROPERTIES – Councilmember Chambless made a motion to table the item to allow changes to be made to the policy. Councilmember Yarbrough seconded. All voted in favor.
14. CONSIDER LOGOS AND PAINT OPTIONS FOR NEW WATER TOWER – Councilmember Chambless made a motion to use the colors Cloud and Fairway with the Gabriella Italic Bold font. Councilmember Stewart seconded. All voted in favor.
15. CONSIDER VIDEOTAPING COUNCIL MEETINGS – Councilmember Stewart made a motion to table the item so more research could be done. Councilmember Benson seconded. All voted in favor.
16. CONSIDER ALL MATTERS RELATING TO PLANS FOR CITY ADMINISTRATIVE OFFICES – Mayor Hilliard said he would like citizens to consider making plans for a proper new city hall that combined all offices in one place convenient to the public and adequate for the City. He said some of the options would be discussed in executive session.
17. CONSIDER ADOPTION OF RESOLUTION 2012-28 APPROVING YEAR-END BUDGET AMENDMENTS TO – Councilmember Chambless made a motion to adopt Resolution 2012-28. Councilmember Yarbrough seconded. All voted in favor.
18. MAIN STREET QUARTERLY REPORT – Mercy Rushing reported a \$14,985.13 net profit for the Autumn Stroll fundraiser; explained Main Street’s grant program for downtown businesses; and announced the success of Main Street’s first downtown tree lighting ceremony.
19. CITY MANAGEMENT REPORTS –
 - A. FIRST MONDAY - Mr. Cluck reported First Monday revenue was \$13,000 higher than last November, and up \$36,000 during the first two months over the previous year.
 - B. PUBLIC WORKS PROJECTS - Mr. Cluck said the I-20 sewer improvements were complete. The asphalt would have to be redone on Peace Street and the project would start after First Monday. Mr. Cluck said they received one approval from TCEQ for water well No. 3, and the second approval was expected around December 6. The pump station was scheduled to be completed by December 31. Contractors would start to pour concrete on the mechanical bar screen that week. The clarifier project was finished. They had also completed the West Outfall Phase 3 project.

- C. ETCOG EMERGENCY DISASTER EXERCISES - Chief Sanford reported a successful emergency action drill. Councilmember Chambless commended the police and fire departments for preparing for the drill on such short notice. Councilmember Yarbrough congratulated both chiefs for their great crews and fine job.

EXECUTIVE SESSION

20. EXECUTIVE SESSION FOR DELIBERATIONS REGARDING ECONOMIC DEVELOPMENT NEGOTIATIONS REGARDING AFFORDABLE HOUSING PROJECTS (Section 551.087) – Mayor Hilliard and Council convened in executive session at 7:27 p.m.
21. EXECUTIVE SESSION FOR DELIBERATIONS REGARDING POTENTIAL PURCHASE OR LEASE OF REAL PROPERTY – ADMINISTRATIVE OFFICES / CITY HALL (Section 551.072)
22. EXECUTIVE SESSION FOR DELIBERATIONS REGARDING PERSONNEL MATTERS – CITY MANAGER'S EMPLOYMENT AGREEMENT WITH LONNY CLUCK (Sections 551.074 and 551.071)
23. EXECUTIVE SESSION FOR CONSULTATION WITH ATTORNEY REGARDING PENDING LITIGATION INVOLVING ZANBAKA USA, LLC. v. CITY OF CANTON, TEXAS (Section 551.071)

RETURN TO OPEN SESSION

24. RECONVENE TO OPEN SESSION AND CONSIDER ACTION, IF ANY, ON ITEMS DISCUSSED IN EXECUTIVE SESSION – Council reconvened into open session at 9:43 p.m. Mayor Hilliard announced no action would be taken.
25. CONSIDER APPROVAL OF CITY MANAGER EMPLOYMENT AGREEMENT WITH LONNY CLUCK - Mayor Hilliard said there was still more work to be done on the agreement.
26. ITEMS FOR FUTURE AGENDAS – None
27. ADJOURN – There being no further business to discuss, the meeting was adjourned 9:44 p.m.



 Cary S. Hilliard, Mayor

ATTEST:



 Julie H. Seymore, City Secretary

CALLED MEETING OF THE CANTON CITY COUNCIL
6:00 P.M., TUESDAY, DECEMBER 4, 2012
 City Hall Council Chambers
 290 East Tyler Street, Canton, Texas 75103

MINUTES

The Canton City Council met at the above-named date and time in the City Hall Council Chambers. Members present were Mayor Cary Hilliard and Councilmembers Candice Benson, Marilyn Burrage, Vicki Chambless, Shawn Stewart and Jerry Yarbrough. City Manager Lonny Cluck, City Secretary / Finance Officer Julie Seymore, Police Chief Mike Echols, City Attorney Ron Stutes, and Assistant City Secretary Debra Johnson were also in attendance. Discussion and action were as follows:

1. CALL TO ORDER - Mayor Hilliard declared a quorum present and called the meeting to order at 6:03 p.m.

EXECUTIVE SESSION

A closed or executive session will follow pursuant to the provision of the Open Meetings Law, Chapter 551, Govt. Code, Vernon's Texas Codes Annotated, in accordance with the authority contained in Sections 551.072 and 551.074.

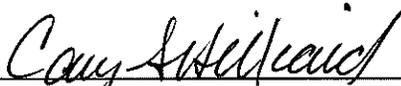
2. EXECUTIVE SESSION FOR DELIBERATIONS REGARDING PERSONNEL MATTERS – CITY MANAGER'S EMPLOYMENT AGREEMENT WITH LONNY CLUCK (Section 551.074) - Mayor Hilliard convened Council into Executive Session at 6:04 p.m.
3. EXECUTIVE SESSION FOR DELIBERATIONS REGARDING POTENTIAL PURCHASE OR LEASE OF REAL PROPERTY – ADMINISTRATIVE OFFICES / CITY HALL (Section 551.072) -

RETURN TO OPEN SESSION

4. RECONVENE TO OPEN SESSION AND CONSIDER ACTION, IF ANY, ON ITEMS DISCUSSED IN EXECUTIVE SESSION - Council reconvened into open session at 6:55 p.m.
5. CONSIDER APPROVAL OF CITY MANAGER EMPLOYMENT AGREEMENT WITH LONNY CLUCK – Councilmember Yarbrough made a motion to approve the contract with the following changes: 1) in Section 1, to change the severance pay at the end of the contract to one year; 2) in Section 3A, to change the annual salary from \$95,000 to \$90,000 to be negotiable after one year; 3) in Section 10A, to change the severance to one year instead of three years and pay the accumulated annual leave and not the sick leave; 4) in Section 12, change the employee's primary employment to employee's exclusive employment; and (5) in Section 15B, to change that the Mayor may reprimand or document by letter to employee and employee would be able to appeal to City Council. Councilmember Burrage seconded. Councilmembers Yarbrough and Burrage voted in favor of the motion and Councilmembers Stewart, Chambless and Benson voted against. Motion failed. Councilmember Yarbrough made a motion to postpone a vote on the contract until December 18, 2012. Councilmember Burrage seconded. Motion failed with Councilmembers Burrage and Yarbrough voting in favor and Councilmember Stewart, Chambless and Benson opposed. Councilmember Stewart made a motion to approve the contract presented in the Council packet which was negotiated and finalized by Mr. Stutes with consent of the Council. Councilmember Chambless seconded. Councilmembers

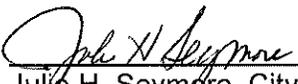
Stewart, Chambless and Benson voted in favor and Councilmembers Burrage and Yarbrough were opposed.

6. ITEMS FOR FUTURE AGENDAS – Mayor Hilliard instructed Ms. Seymore to contact Ed Sanders about his suggestion to discuss property taxes at the next meeting. Mayor Hilliard stated Mr. Sanders' other suggestion of having an agenda posted one week before the meeting would be difficult. Ms. Seymore said the utility extension policy discussion had been tabled so Mr. Stutes could provide Council with proposed language.
7. ADJOURN - There being no further business to discuss, Mayor Hilliard adjourned the meeting at 7:32 p.m.



 Cary S. Hilliard, Mayor

ATTEST:



 Julie H. Seymore, City Secretary

REGULAR MEETING OF THE CANTON CITY COUNCIL
6:00 P.M., TUESDAY, DECEMBER 18, 2012
 City Hall Council Chambers
 290 East Tyler Street, Canton, Texas 75103

MINUTES

The Canton City Council met at the above-named date and time in the City Hall Council Chambers. Members present were Mayor Cary Hilliard and Councilmembers Candice Benson, Marilyn Burrage, Shawn Stewart and Jerry Yarbrough. Councilmember Chambless was absent. City Manager Lonny Cluck, City Secretary / Finance Officer Julie Seymore, Municipal Court Judge Lilia Durham, Police Chief Mike Echols, Fire Chief Bud Sanford, City Attorney Ron Stutes, and Assistant City Secretary Debra Johnson were also in attendance. Discussion and action were as follows:

1. CALL TO ORDER - Mayor Hilliard declared a quorum present and called the meeting to order at 6:00 p.m.
2. INVOCATION was led by Councilmember Stewart.
3. PLEDGE OF ALLEGIANCE was led by Councilmember Benson.
4. MAYOR'S WELCOME – Mayor Hilliard welcomed all newcomers and extended Christmas greetings to everyone.
5. DECLARATIONS REGARDING CONFLICTS OF INTEREST - None
6. PROCLAMATIONS AND ANNOUNCEMENTS - None

CITIZENS FORUM

7. CITIZENS FORUM – CITIZENS ARE INVITED TO SPEAK FOR THREE (3) MINUTES ON MATTERS RELATING TO CITY GOVERNMENT THAT ARE NOT LISTED ON THE REGULAR AGENDA - None

CONSENT AGENDA

8. CONSIDER APPROVAL OF MINUTES OF THE NOVEMBER 20, 2012, CITY COUNCIL MEETING
9. CONSIDER APPROVAL OF NOVEMBER 2012 FINANCIAL STATEMENTS

Items 8 and 9 of the Consent Agenda were unanimously approved upon motion by Councilmember Burrage and second by Councilmember Yarbrough.

INDIVIDUAL CONSIDERATION

10. PUBLIC HEARING AND CONSIDER ADOPTION OF ORDINANCE NO. 2012-14 APPROVING A SPECIFIC USE PERMIT FOR THE OPERATION OF A BED & BREAKFAST ESTABLISHMENT IN THE GATEWAY ZONING DISTRICT, AT 611 S. TRADE DAYS BLVD., CANTON, TEXAS, CURRENTLY OWNED BY BOONE, BISHOP LLC – Mayor Hilliard opened a public hearing at 6:05 p.m. Ms. Seymore explained the request was for a four-room bed and breakfast in the Gateway District. It was consistent with other service establishments in the area. The Planning & Zoning Commission recommended approval and one response was received in favor of the SUP from neighboring property owners. Ed Sanders questioned whether the business would have to be sold as a business in the future. Ms. Seymore clarified any use allowed in the Gateway District could be at this location in the future. Mayor Hilliard closed the public hearing at 6:07 p.m. Councilmember Benson made a motion to approve Ordinance 2012-14. Councilmember Stewart seconded. All voted in favor.
11. CONSIDER POSTING COUNCIL MEETING AGENDAS ONE WEEK PRIOR TO EACH MEETING – Mayor Hilliard tabled the item for a future meeting.
12. DISCUSS ACTIVATION OF CITY OF CANTON AD VALOREM TAXES – Mayor Hilliard tabled the item for a future meeting.
13. CONSIDER ADOPTION OF RESOLUTION NO. 2012-29 APPROVING POLICIES REGARDING THE EXTENSION OF CITY UTILITIES TO PROPERTIES – Councilmember Benson made a motion to adopt Resolution No. 2012-29 combining and approving all three utility extension policies, including the added italicized statements added by Mr. Stutes to the reimbursement policy. Councilmember Burrage seconded. All voted in favor.
14. PRESENTATION BY BROWNSTONE AFFORDABLE HOUSING, LTD. REGARDING APPLICATION FOR AFFORDABLE HOUSING TAX CREDITS – Jeremy Mears with Brownstone Affordable Housing gave a presentation on his proposal for affordable housing tax credits.
15. PRESENTATION BY REA VENTURES GROUP, INC. REGARDING APPLICATION FOR AFFORDABLE HOUSING TAX CREDITS – Sean Brady, Vice President of Development

for Rea Ventures Group, gave a presentation on their proposal for affordable housing tax credits.

16. CITY MANAGEMENT REPORTS

- A. **FIRST MONDAY** – Mr. Cluck reported First Monday revenue was \$40,000 over the same three-month period last year. Reservations were good for January.
- B. **PUBLIC WORKS PROJECTS** – Mr. Cluck said Mr. Hutcherson started on Peace Street that day. The pump station behind the City Office Complex would be completed by year end. They had gone out for bids on the clarifier. They were pouring concrete for the effluent bar screen. The following projects had been completed during the year: another phase of the East Outfall Sanitary Sewer line, the I-20 sewer line, the road improvements on Peace, Church and Terrell, the Billy Street road improvements, the improvements on the clarifier and digester at the wastewater plant, the Woodland Drive culvert, the doors on Trade Center III, and the First Monday South gate entrance. In Councilmember Burrage questioned the concrete work at First Monday. Mr. Cluck said concrete was being poured for two new buildings that fell within the approved First Monday Master Plan. They would be built on existing lots and would not displace any other vendors. Ms. Seymore said the lease agreements were a standard agreement which had been reviewed by a previous city attorney and adopted by council. Mr. Cluck said there were just a few spots left on the grounds where buildings could be constructed. Mr. Cluck explained the City owned the land and the vendors owned the building. If the lease expired, the owner had a certain amount of time to remove the building.

EXECUTIVE SESSION

A closed or executive session will follow pursuant to the provision of the Open Meetings Law, Chapter 551, Govt. Code, Vernon's Texas Codes Annotated, in accordance with the authority contained in Sections 551.071, 551.072, and 551.087.

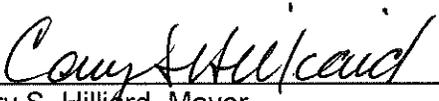
17. **EXECUTIVE SESSION FOR CONSULTATION WITH ATTORNEY AND DELIBERATION REGARDING ECONOMIC DEVELOPMENT NEGOTIATIONS FOR TAX CREDIT HOUSING PROJECTS (Sections 551.071 and 551.087)** – Mayor Hilliard convened Council into Executive Session at 7:17 p.m.

Council reconvened into open session at 7:47 p.m. Councilmember Benson made a motion to direct the city attorney to draft a resolution in support of all three housing projects. Councilmember Yarbrough seconded. All voted in favor.

18. **EXECUTIVE SESSION FOR CONSULTATION WITH ATTORNEY REGARDING PENDING LITIGATION INVOLVING ZANBAKA USA, LLC v. CITY OF CANTON, TEXAS (Section 551.071)** - Mayor Hilliard convened Council into Executive Session at 7:50 p.m.
19. **EXECUTIVE SESSION FOR DELIBERATIONS REGARDING POTENTIAL PURCHASE OR LEASE OF REAL PROPERTY (Section 551.072)**

RETURN TO OPEN SESSION

20. RECONVENE TO OPEN SESSION AND CONSIDER ACTION, IF ANY, ON ITEMS DISCUSSED IN EXECUTIVE SESSION – Council reconvened into open session at 8:10 p.m.
21. CONSIDER APPROVAL OF LEASE AGREEMENT FOR TEMPORARY ADMINISTRATIVE OFFICES – Councilmember Stewart made a motion to approve the lease agreement for temporary administrative offices as presented. Councilmember Benson seconded. All voted in favor.
22. ITEMS FOR FUTURE AGENDAS – Ms. Seymore said next month they would have Mr. Sanders' requests regarding the agenda and the property tax. They would award the bid for the clarifier digester and would call the May election. Mr. Cluck said a management company would give a presentation about management of the new city hall.
23. ADJOURN – There being no further business to discuss, Mayor Hilliard adjourned the meeting at 8:14 p.m.



 Cary S. Hilliard, Mayor

ATTEST:



 Julie H. Seymore, City Secretary

CALLED MEETING OF THE CANTON CITY COUNCIL

6:00 P.M., THURSDAY, JANUARY 3, 2013
 City Hall Council Chambers
 290 East Tyler Street, Canton, Texas 75103

MINUTES

The Canton City Council met at the above-named date and time in the City Hall Council Chambers. Members present were Mayor Cary Hilliard and Councilmembers Candice Benson, Marilyn Burrage, Vicki Chambless, Shawn Stewart and Jerry Yarbrough. City Manager Lonny Cluck, City Secretary / Finance Officer Julie Seymore, CEDC Director Mercy Rushing, and Assistant City Secretary Debra Johnson were also in attendance. Discussion and action were as follows:

1. CALL TO ORDER - Mayor Hilliard declared a quorum present and called the meeting to order at 6:00 p.m. He noted the city attorney was not present, but would be available by phone. Council did not convene in Executive Session.