

**CALLED MEETING OF THE CANTON CITY COUNCIL**  
**6:30 P.M., MONDAY, AUGUST 10, 2015**  
Canton Municipal Courtroom  
24980 Hwy. 64 East, Canton, Texas 75103

**MINUTES**

The Canton City Council met at the above-named date and time in the City Municipal Courtroom. Members present were Mayor Lou Ann Everett and Councilmembers Shawn Stewart, Nathan Moore, Cindy Malouf, Connie Odic and Scott Perkins. Also present were City Manager Lonny Cluck, City Secretary Debra Johnson, and Finance Director Kimberly Kroha.

1. CALL TO ORDER - The meeting was called to order and a quorum was declared by Mayor Lou Ann Everett at 6:39 p.m.

**INDIVIDUAL CONSIDERATION**

2. CONSIDER APPROVAL FOR LETTER OF SUPPORT AS REQUESTED BY BI-COUNTY WSC – No motion made.
3. CONSIDER DESIGN, CONSTRUCTION AND FINANCING OF PROJECTS INCLUDING, BUT NOT LIMITED TO, STREETS AND UTILITIES, IMPROVEMENTS TO FIRST MONDAY GROUNDS, CONSTRUCTION OF NEW CELL TOWER, RELOCATION OF ANTENNAS FROM HISTORIC WATER TOWER, REPAINTING OF HISTORIC WATER TOWER, AND NEW CITY HALL – Mr. Cluck had nothing to report.
4. CONSIDER AWARDING CONTRACT FOR CONSTRUCTION OF I-20 10" WATER MAIN - The following bids were received:

4M Construction	\$ 95,511.00
JDR Contracting	\$102,578.80
Capps-Capco Construction	\$111,804.10
AAA Sanitation, Inc.	\$125,475.50

Councilmember Perkins made a motion to award the contract for construction of the I-20 10" water main to 4M Construction in the amount of \$95,511.00. Councilmember Malouf seconded.

Mayor Pro Tem - Shawn Stewart: Approve  
Council Member - Scott Perkins: Approve  
Council Member - Cindy Malouf: Approve  
Council Member - Connie Odic: Approve  
Council Member - Nathan Moore: Approve

5. CONSIDER AWARDING CONTRACT FOR CONSTRUCTION OF TRADE CENTER IV EXTENSION – The following bids were received:

Athens Steel	\$441,315.00
Van Zandt Steel Inc.	\$464,185.51

Councilmember Stewart made a motion to award the contract to Athens Steel in the amount of \$441,315.00. Councilmember Odic seconded.

Mayor Pro Tem - Shawn Stewart: Approve  
Council Member - Scott Perkins: Approve  
Council Member - Cindy Malouf: Approve  
Council Member - Connie Odic: Approve  
Council Member - Nathan Moore: Approve

6. CITY MANAGEMENT REPORTS

A. OTHER ITEMS – Mr. Cluck said the last time they put a new surface on the tennis courts it only lasted about a year. Mr. Cluck said he consulted with two concrete men about going over the tennis courts with post-tension and was advised the courts would crack again. Mr. Cluck felt they would have to dig up the courts, fill it with select fill and pour a post-tension slab on top. Councilmember Odic said she would prefer to wait on redoing the tennis courts until they knew whether or not the new sports complex would be built.

**WORK SESSION**

7. WORK SESSION ON PROPOSED BUDGET FOR FISCAL YEAR 2015-2016 – Ms. Kroha announced the first hearing on the tax rate would be held August 25, the second hearing on the tax rate and the hearing on the budget would be September 1, and the tax rate and budget would be adopted September 8, 2015. Julie Seymore presented the proposed budget for the CEDC. CEDC projects totaled \$350,000. The total debt service was \$325,415. Projects included a \$50,000 match to the sidewalk grant project downtown on the south side of Dallas Street, \$10,000 for the airport renovation, \$27,000 for incentives to Applebees, \$10,000 to improve the façade of the Plaza Museum, \$60,000 for a pocket park, and \$10,000 to Main Street for renovation grants. The CEDC marketing expenses were \$38,000 which included \$10,000 for updating the website, \$4,000 on community sponsorships, \$3,000 on the I-20 Regional Education Marketing Group, and \$20,000 on direct advertising.

Ms. Seymore then gave an overview of the CVB proposed budget. They planned to host and build on the Balloon Festival and wanted to host a half marathon and recruit other special events. Ms. Seymore explained the Main Street proposed budget included work on the downtown sidewalks, downtown beautification and events such as the Autumn Stroll and outdoor movie series. All three of these budgets would be adopted on September 8, 2015.

Ms. Kroha said her research had shown the water fund was currently at profit level. On the average, over a five-year period, there was a \$50,000 deficit in the Wastewater Fund. The City's philosophy was not to rely on First Monday as much to subsidize these operations. The Water and Wastewater Funds needed to run at profit level. Mr. Cluck said the numbers did not include major capital expenses such as the bulk chemical building, or the bar screen, or the fact that the Utilities and Streets personnel were used to work on water and sewer lines. Mr. Cluck said CEDC had paid for a \$1.8 million water tower which normally would have been funded out of the Water Department. CEDC had also paid for a new water well which was not shown in the budget for the Water Fund. His goal was to have First Monday pay for things like the water towers and water lines and for each fund to support itself. Councilmember Stewart pointed out the numbers

indicated \$300,000 of transfers into the Water Fund and the Wastewater Fund was down almost a half million dollars. Mr. Cluck's recommendation was to increase the sewer rate more than the water rate. It was the consensus of Council to increase the base rate for water by \$1 and the base rate for sewer by \$2. Ms. Kroha reviewed the proposed changes in the Fee Schedule.

8. ITEMS FOR FUTURE AGENDAS – Mr. Cluck said Jim Fuller requested Council discuss whether or not tow trucks would be allowed in the city limits.
9. ADJOURN - There being no further business to discuss, the meeting was adjourned at 8:28 p.m.