

**REGULAR MEETING OF THE CANTON CITY COUNCIL
6:00 P.M., TUESDAY, OCTOBER 20, 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, Cindy Malouf, Connie Odic and Scott Perkins. Councilmember Nathan Moore was absent. Also present were City Manager Lonny Cluck, City Secretary Debra Johnson, Finance Director Kimberly Kroha, Police Chief Brad Allison, CEDC Executive Director Julie Seymore, and City Attorney Ron Stutes.

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

CITIZENS FORUM

7. CITIZENS FORUM

CONSENT AGENDA

8. CONSIDER APPROVAL OF MINUTES OF THE SEPTEMBER 1, 7, 8 AND 15, 2015 CITY COUNCIL MEETINGS
9. CONSIDER APPROVAL OF SEPTEMBER 2015 FINANCIAL STATEMENTS

Councilmember Stewart made a motion to approve Items 8 and 9 of the Consent Agenda. Councilmember Perkins 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: Absent

INDIVIDUAL CONSIDERATION

10. CONSIDER AWARDING CONTRACT FOR CONSTRUCTION OF TRADE CENTER IV UTILITY WORK

The following bids were received:

4M Construction	\$58,098
JDR Contracting	\$85,482
AAA Sanitation	\$91,112

Councilmember Malouf made a motion to award the contract for construction of Trade Center IV Utility Work to 4M Construction in the amount of \$58,098. 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: Absent

11. CONSIDER ADOPTION OF ORDINANCE NO. 2015-23 AMENDING THE BUDGET FOR FISCAL YEAR BEGINNING OCTOBER 1, 2014 AND ENDING SEPTEMBER 30, 2015

Motion: to Adopt Ordinance No. 2015-23
Council Member - Scott Perkins: Motion
Council Member - Connie Odic: 2nd
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: Absent

12. CONSIDER ADOPTION OF RESOLUTION NO. 2015-22 AMENDING THE CEDC BUDGET FOR FISCAL YEAR BEGINNING OCTOBER 1, 2014 AND ENDING SEPTEMBER 30, 2015 - Councilmember Malouf made a motion to adopt Resolution No. 2015-22. Councilmember Stewart 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: Absent

13. CONSIDER AWARD OF CONTRACT FOR DESIGN OF CHERRY CREEK TRAIL – Councilmember Malouf made a motion to have the design for Cherry Creek trail developed by the City Engineer. Councilmember Perkins 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: Absent

14. CONSIDER APPROVAL OF PRELIMINARY PLAT OF RAGLE ADDITION SITUATED IN THE J. DOUTHIT SURVEY, ABST. NO. 198, LOCATED AT 119 ETHERIDGE LANE IN CANTON, TEXAS, CURRENTLY OWNED BY SUE AND PAUL RAGLE - Councilmember Odic made a motion to approve the preliminary plat of the Ragle Addition. Councilmember Perkins 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: Absent

15. CONSIDER APPROVAL OF FINAL PLAT OF RAGLE ADDITION SITUATED IN THE J. DOUTHIT SURVEY, ABST. NO. 198, LOCATED AT 119 ETHERIDGE LANE IN CANTON, TEXAS, CURRENTLY OWNED BY SUE AND PAUL RAGLE - Councilmember Perkins made a motion to approve the final plat of the Ragle Addition. Councilmember Stewart 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: Absent

16. CONSIDER APPROVAL OF REPLAT OF TEXAS BANK & TRUST ADDITION APPROXIMATELY 1.09-ACRES KNOWN AS LOTS 34 AND 35, ORIGINAL TOWN OF CANTON, LOCATED AT 449 S. TRADE DAYS BLVD. IN CANTON, TEXAS, CURRENTLY OWNED BY TEXAS BANK & TRUST - Councilmember Odic made a motion to approve the replat of Texas Bank & Trust Addition. Councilmember Stewart 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: Absent

17. CONSIDER AWARD OF FINANCING FOR NEW FIRE TRUCK – Ms. Kroha said no bids were received after publishing the RFP. She said local banks had been asked to provide loan information before the November 3 meeting.

18. CONSIDER REPEAL OF ORDINANCE NO. 2014-17 PROHIBITING CELL PHONE USE WITHIN CITY LIMITS - A motion was made by Councilmember Odic to repeal Ordinance No. 2014-17 prohibiting cell phone use within city limits. Motion failed for lack of second.

19. CONSIDER ADOPTION OF ORDINANCE NO. 2015-24 REGULATING THE CLASSES AND KINDS OF TRAFFIC ON CERTAIN STREETS WITHIN THE CITY LIMITS - Councilmember Malouf made a motion to adopt Ordinance No. 2015-24. Councilmember Stewart 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: Absent

20. CONSIDER ADOPTION OF ORDINANCE NO. 2015-22 AMENDING FIRST MONDAY RULES AND REGULATIONS - Councilmember Perkins made a motion to adopt Ordinance No. 2015-22. 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: Absent

21. CONSIDER ADOPTION OF RESOLUTION NO. 2015-21 APPROVING THE CITY OF CANTON'S 2015 TAX ROLL AS SUBMITTED BY THE VAN ZANDT COUNTY APPRAISAL DISTRICT - Councilmember Malouf made a motion to adopt Resolution No. 2015-21. Councilmember Perkins 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: Absent

22. DISCUSS SELLING SCRAP MATERIALS FROM CONDEMNATION OF BUILDINGS - Mr. Stutes advised the biggest problem was the possible public perception that the City had torn down a house to make money. He said he would look into the possibility of an offset of the amount earned from the scrap against what the owner was charged by the City.

23. ADOPT RESOLUTION NO. 2015-24 REQUESTING TXDOT WIDEN HIGHWAY 243 FROM STATE HWY 19 WEST PAST THE CANTON ISD SCHOOLS - Councilmember Malouf made a motion to adopt Resolution No. 2015-24. Councilmember Perkins 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: Absent

24. CONSIDER APPOINTMENTS TO THE PLANNING & ZONING COMMISSION - A motion was made by Councilmember Perkins to appoint Juanita Hackney to the Planning & Zoning Commission in the seat vacated by John Fincher for a term to expire May 2017. The motion was seconded by Councilmember Malouf.

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: Absent

25. 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 asked Council about having a portable dais in the renovated City Hall in order to make the room more usable. The grant people had agreed it would fit within the scope of the grant. Council agreed it was a good idea.
26. CITY MANAGEMENT REPORTS
- A. FIRST MONDAY – Ms. Johnson said no date had been set for the First Monday workshop.
 - B. NEW CITY HALL / NEW CELL TOWER – Mr. Cluck reported the tower would be delivered November 4, 2015. They were scheduled to move the equipment from the historic water tower on December 12.
 - C. CITY HALL RENOVATION – Mr. Cluck said the asbestos abatement was completed. They had also completed the demolition and started framing the walls.
 - D. MILL CREEK TRAIL
 - E. CHERRY CREEK TRAIL
 - F. PARKING ON N. BUFFALO BETWEEN HWY 64 AND GROVES – Mr. Cluck brought up the idea of having parallel parking on Buffalo Street between Dallas Street and Groves Street.
 - G. FINANCIAL – Kim Kroha said sales tax revenue was up 7.5% more than expected. There was an increase of 3.8% in the First Monday revenue. There was a significant drop in cash because so many projects were completed at the end of the fiscal year as well as the final payment on the fire truck.
 - H. OTHER ITEMS – Mr. Cluck hoped to fence off the burned portion of the Mountain before First Monday. They were going to ask for a forty-foot fire lane. Oncor cut power to all the burned buildings. Oncor would not return power to a building until the City did a preliminary inspection to make sure the building was up to code. The businesses which had not lost power would be able to proceed as normal. Mr. Cluck announced the East Outfall project had been completed. The project was started in 2006 and had been paid for with CEDC funds. The total project had cost \$1.4 million.

EXECUTIVE SESSION

In accordance with the authority contained in Section 551.087 of the Open Meetings Law, Chapter 551, Govt. Code, Vernon's Texas Codes Annotated, Council will convene in closed or executive session to discuss the following matters.

27. EXECUTIVE SESSION FOR DELIBERATIONS REGARDING ECONOMIC DEVELOPMENT NEGOTIATIONS (Section 551.087) – Council convened into Executive Session at 7:14 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 7:39 p.m.
29. FIRST READING OF RESOLUTION NO. 2015-23 CONCERNING A LOAN AGREEMENT FOR ECONOMIC DEVELOPMENT WITH H3 LOTZ PROPERTIES, LLC. – Mayor Everett gave the first reading of Resolution No. 2015-23.
30. SECOND READING OF RESOLUTION NO. 2015-23 CONCERNING A LOAN AGREEMENT FOR ECONOMIC DEVELOPMENT WITH H3 LOTZ PROPERTIES, LLC. – Mayor Everett gave a second reading of Resolution No. 2015-23.
31. CONSIDER ADOPTION OF RESOLUTION NO. 2015-23 APPROVING LOAN AGREEMENT FOR ECONOMIC DEVELOPMENT WITH H3 LOTZ PROPERTIES, LLC. – Councilmember Stewart made a motion to adopt Resolution No. 2015-23. Councilmember Perkins 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: Absent
32. ITEMS FOR FUTURE AGENDAS – Councilmember Stewart announced there would be a half marathon during the BalloonFest in May.
33. DISCUSS CITY MANAGER CONTRACT – Council agreed to consider this matter at a future meeting.
34. ADJOURN - There being no further business to discuss, the meeting was adjourned at 8:00 p.m.