

**REGULAR MEETING OF THE CANTON CITY COUNCIL
6:00 P.M., MAY 17, 2016**

Canton City Hall
290 E. Tyler, 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 Cindy Malouf, Nathan Moore, Scott Perkins, Shawn Stewart and Connie Odic.

Also in attendance were City Manager Lonny Cluck, Assistant City Manager Andy Wolfe, City Secretary Debra Johnson, Finance Director Kimberly Kroha, Public Works Director Walt Lehmann, Operations Supervisor Linda Boston and Captain Brian Horton. The Assistant City Attorney, David Ritter, was also present.

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 was led by Mayor Lou Ann Everett.
3. PLEDGE OF ALLEGIANCE was led by Mayor Everett.
4. MAYOR'S WELCOME
5. DECLARATIONS REGARDING CONFLICTS OF INTEREST - None

Councilmember Malouf arrived at 6:01 p.m.

6. PROCLAMATIONS AND ANNOUNCEMENTS - Mayor Everett awarded the First Monday Scholarship to Emily Nicks and the Rayford Hutcherson Scholarship to Jacob Corey. Mayor Everett then presented a Sanitation Solutions' scholarship to Devin Hilsabeck and announced Samantha Oakley would be presented with the second Sanitation Solutions' scholarship. Mayor Everett then proclaimed June 2016 as Fair Housing Practices Month.

CITIZENS FORUM

7. CITIZENS FORUM – CITIZENS ARE INVITED TO SPEAK FOR THREE 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 APRIL 19, 2016 CITY COUNCIL MEETING

9. CONSIDER APPROVAL OF APRIL 2016 FINANCIAL STATEMENTS - Items 8 and 9 of the Consent Agenda were unanimously approved upon motion by Councilmember Stewart and second by Councilmember Perkins.

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

INDIVIDUAL CONSIDERATION

10. ISSUE CERTIFICATES OF ELECTION, ADMINISTER STATEMENTS OF ELECTED OFFICER AND OATH OF OFFICE TO NEWLY ELECTED COUNCILMEMBERS – Judge Durham gave the Oath of Office to Cindy Malouf, Scott Perkins and Shawn Stewart as newly-elected Councilmembers.

11. CONSIDER APPOINTMENT OF MAYOR PRO TEM – A motion to appoint Councilmember Stewart as Mayor Pro Tem was made by Councilmember Perkins and seconded by Councilmember Odic.

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

12. CONSIDER ACCEPTANCE OF 2014-2015 FISCAL YEAR AUDIT - Jon Watson of BrooksCardiel gave an overview of the audit for fiscal year 2014-2015. Mr. Watson said the City was in good standing financially.

13. QUARTERLY REPORT FROM MAIN STREET – Tam Erwin presented the Quarterly Report from Main Street. Ms. Erwin reported Canton was celebrating fifteen years in the Main Street Program.

14. CONSIDER GRANTING PERMISSION TO ZAYO GROUP TO INSTALL FIBEROPTIC CABLE UNDERGROUND - Councilmember Moore made a motion to grant permission to Zayo Group to install fiber-optic cable underground from Hwy. 19 to Hwy. 17 as indicated on proposed map. Councilmember Odic seconded.

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

15. CONSIDER ACCEPTANCE OF PROPERTY ON INDUSTRIAL BLVD. – John Butler presented a slide presentation about the water which accumulated at the end of Industrial Road near his property. He thought it was an issue created by the City and requested they remedy the problem. Mr. Cluck said, if the City could obtain a temporary easement

from Brent Crawford of Core Products, they would scrape the road where the mud had accumulated to see if that helped the situation.

16. CONSIDER ADOPTION OF ORDINANCE NO. 2016-09 APPROVING A NEGOTIATED SETTLEMENT BETWEEN ATMOS CITIES STEERING COMMITTEE AND ATMOS ENERGY CORP. – A motion to adopt Ordinance No. 2016-09 was made by Councilmember Stewart and seconded by Councilmember Perkins.

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

17. CONSIDER DRAFT LEASE AGREEMENT FOR BUILDINGS ON FIRST MONDAY GROUNDS - Council requested Mr. Ritter review the current lease and develop a draft for any new leases.

18. CITY MANAGEMENT REPORTS

- A. FIRST MONDAY – Mr. Cluck reported the revenue for the prior month was down due to rain. Revenue was up overall \$50,000 from last year. They would move forward with the completion of the Trade Center IV extension and the new food concessions. Linda Boston said the groundwork had been started at the end of Row 50. She had received feedback that vendors liked the new bathroom.
- B. FINANCIAL REPORT – Ms. Kroha reported sales tax revenue was up 3.5% year-to-date. The Water, Wastewater and Sanitation funds were up. The new city hall was currently under budget. The cell tower was completed under budget.
- C. STATUS ON HOTEL ON I-20 – Julie Seymore reported work had been held up on the hotel. They planned to pour the slab by mid-June.
- D. ADDRESSING BY ETCOG – Ms. Johnson reported ETCOG was trying to correct addresses that were out of alignment with the rest of the neighborhood. Some residents would have to change their addresses. This is really a matter of safety to keep the 911 addresses good for emergency vehicle response.
- E. OTHER ITEMS – Ms. Johnson requested available dates for the planning and zoning training.

At 8:10 p.m. Mayor Everett called a brief recess.

At 8:20 p.m., Council reconvened into Open Session.

19. CONSIDER APPROVAL OF APPLICANTS FOR FIRST MONDAY HIGHWAY 64 CONTRACT PAVING - A motion to approve the list of applicants, as submitted, was made by Councilmember Perkins and seconded by Councilmember Malouf.

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

20. CONSIDER ADOPTION OF RESOLUTION NO. 2016-06 APPROVING CANTON ECONOMIC DEVELOPMENT CORPORATION'S AMENDED BUDGET FOR FISCAL YEAR BEGINNING OCTOBER 1, 2015 AND ENDING SEPTEMBER 30, 2016 - A motion to adopt Resolution No. 2016-06 was made by Councilmember Perkins and seconded by Councilmember Odic.

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

21. CONSIDER AWARDED CONTRACT FOR CONSTRUCTION OF REPAINTING OF HISTORIC WATER TOWER

Bids received:

Principle Industrial Services, Inc.	\$127,000.00
Williams Painting & Sandblasting	\$159,900.00
Utility Service Co., Inc.	\$246,000.00
Anchor Contracting LLC	\$259,330.00

Councilmember Perkins made the motion to award the contract to Principle Industrial Services for the amount of \$127,000, which was seconded by Councilmember Stewart.

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

22. CONSIDER AWARDED CONTRACT FOR CONSTRUCTION OF CITY PARK TRAIL

Bids received:

5W Contracting	\$154,644.50
HGR General Contractors	\$197,629.30
HWH Industrial	\$222,263.30

Councilmember Stewart made a motion to award the contract to 5W Contracting for the amount of \$154,644.50. The motion was seconded by Councilmember Odic.

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

23. CONSIDER AWARDED CONTRACT FOR 2016 ROAD IMPROVEMENTS

Bids received:

SPI Asphalt LLC	\$124,962.90
D&M Contractors	\$150,552.16

Wes Scott, Inc.

\$181,133.89

A motion to award the contract to SPI Asphalt LLC for the amount of \$124,962.90 was made by Councilmember Stewart and seconded by Councilmember Perkins.

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

24. CONSIDER ADOPTION OF RESOLUTION NO. 2016-10 SETTING A PROCEDURAL SCHEDULE FOR THE GATHERING AND REVIEW OF NECESSARY INFORMATION BY ONCOR ELECTRIC DELIVERY COMPANY, LLC TO FILE CERTAIN INFORMATION WITH THE CITY OF CANTON - No motion
25. CONSIDER ADOPTION OF RESOLUTION NO. 2016-08 AUTHORIZING CONTINUED PARTICIPATION WITH THE STEERING COMMITTEE OF CITIES SERVED BY ONCOR - Councilmember Malouf made a motion to adopt Resolution No. 2016-08. Motion was seconded by Councilmember Moore.

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

26. CONSIDER APPOINTMENTS TO THE BOARD OF ADJUSTMENT - Councilmember Malouf made a motion to reappoint Buddy Jacobs; to appoint Jerry Yarbrough as a regular board member; and to appoint Jim Hargrove as alternate. Councilmember Stewart seconded.

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

27. CONSIDER APPOINTMENTS TO THE PLANNING & ZONING COMMISSION – A motion to reappoint Jerry Martin and to appoint Larry Morgan to the Planning & Zoning Commission was made by Councilmember Malouf and seconded by Councilmember Perkins.

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

28. CONSIDER APPOINTMENTS TO CANTON MAIN STREET ADVISORY BOARD – Larry Morgan was appointed to the Main Street Advisory Board upon motion by Councilmember Moore and second by Councilmember Perkins.

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

29. CONSIDER ADDING LIGHTS TO SOCCER FIELD / GIVING PERMISSION FOR COLLEGE AND OUTSIDE TEAMS TO USE FIELDS – A motion to approve the addition of lights to the soccer field and to give permission for outside teams to use the fields was made by Councilmember Perkins and seconded by Councilmember Odic.

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

30. CONSIDER ADOPTION OF ORDINANCE NO. 2016-11 AMENDING THE BUDGET FOR FISCAL YEAR BEGINNING OCTOBER 1, 2015 AND ENDING SEPTEMBER 30, 2016 - Councilmember Stewart made a motion to adopt Ordinance No. 2016-11 amending the budget. There was a second by Councilmember Odic.

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

31. CONSIDER ORDINANCE NO. 2016-12 FOR TWO HOUR PARKING ON DALLAS STREET - Councilmember Perkins made a motion to adopt Ordinance No. 2016-12. A second was made by Councilmember Malouf.

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

32. CONSIDER ADOPTION OF RESOLUTION NO. 2016-07 ADOPTING THE CITY'S INVESTMENT POLICY – Councilmember Stewart made a motion to adopt Resolution No. 2016-07. Councilmember Perkins seconded.

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

Council Member - Nathan Moore: Approve

33. CONSIDER ENFORCEMENT OF SIGN ORDINANCE IN ETJ - Mayor Everett postponed this item until the next meeting on Monday, May 23.
34. CONSIDER COUNCIL'S GOALS, OBJECTIVES AND SPECIAL PROJECT REQUESTS FOR INCLUSION IN THE FISCAL YEAR 2016-17 PROPOSED BUDGET; APPROVE FISCAL YEAR 2016-2017 BUDGET CALENDAR - Councilmember Malouf made a motion approve the Council goals, objectives and special project requests to be included in the Fiscal year 2016-2017 proposed budget and approve the budget calendar for fiscal year 2016-2017. Councilmember Perkins seconded.

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

35. DISCUSS ANNEXATION OF HOUSES LOCATED ON BENTWOOD CIRCLE – Sue Richards requested information about annexing her subdivision into the City and whether or not she would get water and sewer service. It was the consensus of Council that they would accept an annexation petition for the subdivision if the property owners decided to file one.
36. CONSIDER DESIGN, CONSTRUCTION AND FINANCING OF PROJECTS INCLUDING, BUT NOT LIMITED TO, STREETS AND UTILITIES, IMPROVEMENTS TO FIRST MONDAY GROUNDS, REPAINTING OF HISTORIC WATER TOWER, AND NEW CITY HALL - Councilmember Stewart made a motion to paint the word "Canton" on the water tower in dark green using option 6 of the proposed fonts. Councilmember Moore seconded.

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

37. CONSIDER ADOPTION OF RESOLUTION NO. 2016-10 ADOPTING CIVIL RIGHTS PROCEDURES FOR CITY'S TEXAS COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM - Councilmember Malouf made a motion to adopt Resolution No. 2016-10. Councilmember Perkins seconded.

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

38. CONSIDER ADOPTION OF CODE OF CONDUCT POLICY FOR CITY'S TEXAS COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM - Councilmember Stewart

made a motion to adopt the Code of Conduct policy as proposed. Councilmember Odic seconded.

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

39. CONSIDER ADOPTION OF RESOLUTION NO. 2016-11 DESIGNATING CITY POSITIONS AS SIGNATORIES FOR TXCDBG GRANT 7215352 DOCUMENTS - Councilmember Perkins made a motion to adopt Resolution No. 2016-11. Councilmember Odic seconded.

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

Mayor Everett called a brief recess at 10:06 p.m. Council convened into Executive Session at 10:06 p.m.

EXECUTIVE SESSION

In accordance with the authority contained in Sections 551.071 and 551.072 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.

40. EXECUTIVE SESSION FOR CONSULTATION WITH ATTORNEY REGARDING EXISTING OR POTENTIAL LITIGATION (Section 551.071)
- a. *Johnson v. City of Canton*, Cause No. 6:15CV1140, Eastern District of Texas
 - b. *Henry Lewis v. Jane Cox, Joe Groves and the City of Canton*; Cause No. 16-00043, 294th District Court, Van Zandt County
41. EXECUTIVE SESSION FOR DELIBERATIONS/CONSULTATION WITH ATTORNEY REGARDING POTENTIAL PURCHASE/RECEIPT OR LEASE OF REAL PROPERTY (Section 551.072)

RETURN TO OPEN SESSION

42. RECONVENE TO OPEN SESSION AND CONSIDER ACTION, IF ANY, ON ITEMS DISCUSSED IN EXECUTIVE SESSION – Council reconvened into Open Session at 10:18 p.m. with no action taken.
43. ITEMS FOR FUTURE AGENDAS – Item 33 and Church's Chicken
44. ADJOURN – There being no further business to discuss, the meeting was adjourned by Mayor Everett at 10:19 p.m.