

**REGULAR MEETING OF THE CANTON CITY COUNCIL
6:00 P.M, MARCH 17, 2020**

Canton City Hall
201 N. Buffalo, Canton, Texas 75103

MINUTES

The Canton City Council met at the above-named date and time in the Canton City Hall. Members present were Mayor Lou Ann Everett and Councilmembers Daniel Deibert, Cindy Malouf, Nathan Moore, Andrew Vaughn, and Randon Sumner.

Also present were City Manager Lonny Cluck, City Secretary Debra Johnson, Finance Director Teri Pruitt, Municipal Judge Lilia Durham, Police Chief Brad Allison, First Monday Operations Director Brent Stewart, Public Works Director Walt Lehmann, and attorney Michael Martin.

1. CALL MEETING TO ORDER AND DECLARE A QUORUM PRESENT – Mayor Everett called the meeting to order and declared a quorum present at 6:03 p.m.
2. INVOCATION was led by Mayor Everett.
3. PLEDGE OF ALLEGIANCE was led by Mayor Everett
4. MAYOR'S WELCOME
5. DECLARATIONS REGARDING CONFLICTS OF INTEREST – Councilmember Sumner declared a conflict with Item 31 of the Agenda.
6. PROCLAMATIONS AND ANNOUNCEMENTS
 - A. CITY-WIDE CLEANUP – MARCH 23-26, 2020
 - B. CHAMBER OF COMMERCE BANQUET – APRIL 16, 2020 AT CIVIC CENTER. Julie Seymore announced the banquet had been postponed due to the COVID-19 crisis situation.

CITIZENS FORUM

7. CITIZENS FORUM – CITIZENS ARE INVITED TO SPEAK ON MATTERS RELATING TO A CITY GOVERNMENT. SPEAKERS MUST FILL OUT A CARD AND PRESENT IT TO THE CITY SECRETARY PRIOR TO THE START OF THE MEETING AND IDENTIFY WHICH ITEM(S) THEY WISH TO SPEAK ABOUT. SPEAKING TIME WILL BE LIMITED TO NO MORE THAN THREE (3) MINUTES PER SPEAKER.

CONSENT AGENDA

8. CONSIDER APPROVAL OF FINANCIAL REPORTS FOR OCTOBER, 2019
9. CONSIDER APPROVAL OF MINUTES FOR FEBRUARY 12 AND 18, 2020 COUNCIL MEETINGS
10. CONSIDER APPROVAL OF ASSOCIATE JUDGES FOR MUNICIPAL COURT

11. CONSIDER ADOPTION OF RESOLUTION NO. 2020-8 AUTHORIZING CONTINUED PARTICIPATION WITH THE STEERING COMMITTEE OF CITIES SERVED BY ONCOR; AND AUTHORIZING THE PAYMENT OF SEVEN CENTS PER CAPITA TO THE STEERING COMMITTEE TO FUND REGULATORY AND LEGAL PROCEEDINGS AND ACTIVITIES RELATED TO ONCOR ELECTRIC DELIVERY COMPANY, LLC - Councilmember Vaughn made a motion to approve Items 8 through 11 of the Consent Agenda. Councilmember Moore seconded.

Council Member - Cindy Malouf: Approve
Council Member - Nathan Moore: Approve
Council Member - Andrew Vaughn: Approve
Council Member - Daniel Deibert: Approve
Council Member - Randon Sumner: Approve

INDIVIDUAL CONSIDERATION

12. PUBLIC HEARING AND CONSIDER ADOPTION OF ORDINANCE NO. 2020-4 CHANGING ZONING FROM RURAL AGRICULTURAL DISTRICT (RA) TO SINGLE FAMILY DETACHED RESIDENTIAL DISTRICT (R-2) ON THAT APPROXIMATELY 9.74 ACRE TRACT OF LAND LOCATED IN THE J. STOCKWELL SURVEY, ABST. 760, LOCATED AT HIGHWAY 243 AND LAZY U STREET IN CANTON, TEXAS, CURRENTLY OWNED BY GARY FULLER AND JOANNE O'TOOLE

Mayor Everett opened the public hearing at 6:10 p.m. Robert McElwee expressed his concern about flooding and the drainage on the property. Ms. Johnson said the site plan would be done after the zoning change. Any work to be done would be the responsibility of the property owner. The public hearing was closed at 6:19 p.m.

Councilmember Moore made a motion to adopt Ordinance No. 2020-4 changing zoning from Rural Agricultural to Single Family Detached Residential (R-2). Councilmember Malouf seconded.

Council Member - Cindy Malouf: Approve
Council Member - Nathan Moore: Approve
Council Member - Andrew Vaughn: Approve
Council Member - Daniel Deibert: Approve
Council Member - Randon Sumner: Approve

13. PUBLIC HEARING AND CONSIDER ADOPTION OF ORDINANCE NO. 2020-5 GRANTING A SPECIFIC USE PERMIT FOR A COMMERCIAL DAY CARE FACILITY AT 1480 S. BUFFALO, CANTON, TEXAS, CURRENTLY OWNED BY BURKS RENTALS, LLC

Mayor Everett opened a public hearing at 6:20 p.m. The public hearing was closed at 6:22 p.m.

Councilmember Malouf made a motion to adopt Ordinance No. 2020-5 granting a specific use permit at 1480 S. Buffalo for a commercial day care facility. Councilmember Sumner seconded.

Council Member - Cindy Malouf: Approve
Council Member - Nathan Moore: Approve
Council Member - Andrew Vaughn: Approve
Council Member - Daniel Deibert: Approve
Council Member - Randon Sumner: Approve

14. CONSIDER ADOPTION OF ORDINANCE NO. 2020-8 VOLUNTARY ANNEXATION OF APPROXIMATELY 1.75 ACRES OF LAND IN THE Q.C. NUGENT SURVEY, A-618, VAN ZANDT COUNTY, TEXAS, OWNED BY THE ESTATE OF BRENDA GRIFFIN WASHINGTON - Councilmember Sumner made a motion to adopt Ordinance No. 2020-8. Councilmember Deibert seconded.

Council Member - Cindy Malouf: Approve
Council Member - Nathan Moore: Approve
Council Member - Andrew Vaughn: Approve
Council Member - Daniel Deibert: Approve
Council Member - Randon Sumner: Approve

15. CONSIDER ADOPTION OF RESOLUTION NO. 2020-9 SUPPORTING A TEMPORARY SPEED REDUCTION DURING CONSTRUCTION ON THE WESTBOUND LANES OF INTERSTATE 20 FROM 1.6 MILES OF FM 16 NEAR VAN WEST TO 0.4 MILES WEST OF FM 17 IN CANTON - Councilmember Malouf made a motion to adopt Resolution No. 2020-9. Councilmember Vaughn seconded.

Council Member - Cindy Malouf: Approve
Council Member - Nathan Moore: Approve
Council Member - Andrew Vaughn: Approve
Council Member - Daniel Deibert: Approve
Council Member - Randon Sumner: Approve

16. CONSIDER ADOPTION OF RESOLUTION NO. 2020-13 APPROVING AND AUTHORIZING A PERFORMANCE AGREEMENT BETWEEN THE CITY OF CANTON AND CANTON ECONOMIC DEVELOPMENT CORPORATION FOR FINANCIAL ASSISTANCE IN AN AMOUNT NOT TO EXCEED \$370,000 FOR THE EXTENSION OF A WATER LINE ALONG I-20 WITHIN THE CITY OF CANTON, TEXAS - Councilmember Malouf made a motion to adopt Resolution No. 2020-13. Councilmember Moore seconded.

Council Member - Cindy Malouf: Approve
Council Member - Nathan Moore: Approve
Council Member - Andrew Vaughn: Approve
Council Member - Daniel Deibert: Approve
Council Member - Randon Sumner: Approve

17. CONSIDER APPROVAL OF CONTRACT WITH TEXAS DEPARTMENT OF TRANSPORTATION FOR COST-SHARING FOR WATER LINE EXTENSION TO PROPERTY ON FM 1255 – Councilmember Deibert made a motion to approve the contract contingent upon Texas Department of Transportation agreement to annex. Councilmember Vaughn seconded.

Council Member - Cindy Malouf: Approve

Council Member - Nathan Moore: Approve
Council Member - Andrew Vaughn: Approve
Council Member - Daniel Deibert: Approve
Council Member - Randon Sumner: Approve

18. CONSIDER APPROVAL OF CONTRACT FOR 2020 WASTEWATER PLANT SLUDGE WASTING IMPROVEMENTS

The following bids were received:

<i>Capps Capco Construction</i>	<i>\$536,375.00</i>
<i>Gracon Construction</i>	<i>\$826,000.00</i>
<i>AAA Sanitation, Inc.</i>	<i>\$439,980.00</i>

Councilmember Sumner made a motion to approve the contract contingent upon the execution of Change Order 1 by AAA Sanitation, Inc. Councilmember Vaughn seconded.

Council Member - Cindy Malouf: Approve
Council Member - Nathan Moore: Approve
Council Member - Andrew Vaughn: Approve
Council Member - Daniel Deibert: Approve
Council Member - Randon Sumner: Approve

19. CONSIDER APPOINTMENTS TO MAIN STREET ADVISORY BOARD – Councilmember Malouf made a motion to reappoint Mary Lynn Baugh to an additional term and to appoint Kassi High, Jessica Day, and Jonathan Helvey each to a three-year term. Councilmember Deibert seconded.

Council Member - Cindy Malouf: Approve
Council Member - Nathan Moore: Approve
Council Member - Andrew Vaughn: Approve
Council Member - Daniel Deibert: Approve
Council Member - Randon Sumner: Approve

20. CONSIDER APPROVAL OF COUNCIL'S GOALS, OBJECTIVES AND SPECIAL PROJECT REQUESTS FOR INCLUSION IN THE FISCAL YEAR 2020-2021 PROPOSED BUDGET – Councilmember Moore made a motion to approve the Council's goals, objectives and special project requests as proposed. Councilmember Vaughn seconded.

Council Member - Cindy Malouf: Approve
Council Member - Nathan Moore: Approve
Council Member - Andrew Vaughn: Approve
Council Member - Daniel Deibert: Approve
Council Member - Randon Sumner: Approve

21. CONSIDER SELECTION OF CITY OF CANTON'S CITIZEN OF THE YEAR AWARD TO BE PRESENTED AT THE CANTON TEXAS CHAMBER OF COMMERCE GALA – Councilmember Malouf made a motion to accept the Committee's recommendation for Citizen of the Year. Councilmember Moore seconded.

Council Member - Cindy Malouf: Approve
Council Member - Nathan Moore: Approve

Council Member - Andrew Vaughn: Approve
Council Member - Daniel Deibert: Approve
Council Member - Randon Sumner: Approve

22. CITY MANAGEMENT REPORTS

- A. FIRST MONDAY – Brent Stewart reported First Monday was good in both February and March. He was in the process of obtaining bids for the Wi-Fi on the grounds. Good Sams had rescheduled its RV Rally to September. His crew was in the process of replacing electrical plugs on the grounds. So far, they had changed out about 80 plugs. They had 70 or so more to do. Mr. Cluck said the ice vendor had quit servicing the grounds. He was going to get information about having ice machines on the grounds. Mr. Cluck said we were still negotiating with Doug Bass for the Wi-Fi contract. He met with Peoples also and would seek one other bid.
- B. MARKETING - Austin Melton Facebook had 3.2 million impressions with a 1.1 million reach. There were ten different ads running. The website numbers were also up. Mr. Melton said the CEDC had contracted with a company to do an analysis of First Monday and shopping habits.
- C. Q&BREW - Austin Melton explained he had a proposal for selling craft beer at First Monday at three locations. They would have souvenir cups and growlers. This would help develop the pocket parks on the grounds.
- D. OTHER ITEMS – Mr. Cluck explained the differences between R4 zoning and MH zoning districts.

EXECUTIVE SESSION

In accordance with the authority contained in the Texas Government Code, Chapter 551, including but not limited to, Sections 551.071, 551.072, 551.074 and 551.087. Council will convene in closed or executive session to discuss the following matters.

Mayor Everett called a recess at 7:02 p.m. Council convened into Executive Session at 7:10 p.m.

- 23. EXECUTIVE SESSION FOR CONSULTATION WITH ATTORNEY REGARDING EXISTING OR POTENTIAL LITIGATION (Section 551.071) REGARDING ONGOING LITIGATION INVOLVING THE REAL PROPERTY LOCATED AT 673 W. COLLEGE (A/K/A 901 OR 707 W. COLLEGE), INCLUDING CAUSE NOS. 6-19-CV-00365-JDK, AND 6-19-CV-00177-JDK, PENDING IN THE UNITED STATES DISTRICT COURT FOR THE EASTERN DISTRICT OF TEXAS, AND CAUSE NO. 19-00219, PENDING IN THE 294TH DISTRICT COURT OF VAN ZANDT COUNTY
- 24. EXECUTIVE SESSION FOR DELIBERATIONS REGARDING THE POTENTIAL SALE OF REAL PROPERTY (SECTION 551.072)
- 25. EXECUTIVE SESSION FOR DELIBERATION REGARDING ECONOMIC DEVELOPMENT NEGOTIATIONS (SECTION 551.087) REGARDING COMMERCIAL OR FINANCIAL INFORMATION THE CEDC HAS RECEIVED FROM A BUSINESS PROSPECT, AND TO DELIBERATE THE OFFER OF A FINANCIAL OR OTHER INCENTIVE TO BUSINESS PROSPECTS, INCLUDING BUT NOT LIMITED TO C-

STORE OF USA, INC., WATERFRONT HOLDINGS, INC., EAST RISING, LLC, "NEC PROJECT"- A MIXED-USE DEVELOPMENT PROJECT, A LOCAL BUSINESS CAPITAL INVESTMENT PROJECT, AND RECRUITMENT OF NEW COMMERCIAL, INDUSTRIAL, RETAIL, RESTAURANT, HOSPITALITY, AND FAMILY ENTERTAINMENT PROSPECTS.

RETURN TO OPEN SESSION

26. RECONVENE TO OPEN SESSION AND CONSIDER ACTION, IF ANY, ON ITEMS DISCUSSED IN EXECUTIVE SESSION

Council reconvened into Open Session at 8:15 p.m.

27. FIRST READING OF RESOLUTION NO. 2020-10 APPROVING AND AUTHORIZING A PERFORMANCE AGREEMENT BETWEEN C-STORE OF USA, INC. AND CANTON ECONOMIC DEVELOPMENT CORPORATION

28. SECOND READING AND CONSIDER ADOPTION OF RESOLUTION NO. 2020-10 APPROVING AND AUTHORIZING A PERFORMANCE AGREEMENT BETWEEN C-STORE OF USA, INC. AND CANTON ECONOMIC DEVELOPMENT CORPORATION – Councilmember Vaughn made a motion to adopt Resolution No. 2020-10. Councilmember Malouf seconded.

Council Member - Cindy Malouf: Approve
Council Member - Nathan Moore: Approve
Council Member - Andrew Vaughn: Approve
Council Member - Daniel Deibert: Approve
Council Member - Randon Sumner: Approve

29. FIRST READING OF RESOLUTION NO. 2020-11 APPROVING AND AUTHORIZING A PERFORMANCE AGREEMENT BETWEEN WATERFRONT HOLDINGS, INC. AND CANTON ECONOMIC DEVELOPMENT CORPORATION

30. SECOND READING AND CONSIDER ADOPTION OF RESOLUTION NO. 2020-11 APPROVING AND AUTHORIZING A PERFORMANCE AGREEMENT BETWEEN WATERFRONT HOLDINGS, INC. AND CANTON ECONOMIC DEVELOPMENT CORPORATION – Councilmember Vaughn made a motion to adopt Resolution No. 2020-11. Councilmember Malouf seconded.

Council Member - Cindy Malouf: Approve
Council Member - Nathan Moore: Approve
Council Member - Andrew Vaughn: Approve
Council Member - Daniel Deibert: Approve
Council Member - Randon Sumner: Approve

31. CONSIDER ADOPTION OF RESOLUTION NO. 2020-12 APPROVING AND AUTHORIZING AN AMENDED AND RESTATED CHAPTER 380 ECONOMIC DEVELOPMENT PROGRAM AGREEMENT AND PERFORMANCE AGREEMENT BETWEEN CITY OF CANTON, TEXAS, CANTON ECONOMIC DEVELOPMENT CORPORATION, AND EAST RISING, LLC

Councilmember Sumner left the meeting at 8:17 p.m. due to a conflict.

Councilmember Malouf made a motion to adopt Resolution No. 2020-12. Councilmember Deibert seconded.

Council Member - Cindy Malouf: Approve
Council Member - Nathan Moore: Approve
Council Member - Andrew Vaughn: Approve
Council Member - Daniel Deibert: Approve
Council Member - Randon Sumner: Abstain

32. ITEMS FOR FUTURE AGENDAS

Councilmember Sumner returned to the meeting at 8:19 p.m.

33. ADJOURN - There being no further business to discuss, the meeting was adjourned at 8:20 p.m.