

**REGULAR MEETING OF THE CANTON CITY COUNCIL
6:00 P.M, MAY 18, 2021**

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 Blake Fowler, Jim Fuller, Chase Melton, and Nathan Moore. Councilmember Randon Sumner was absent.

Also present were City Manager Lonny Cluck, City Secretary Debra Johnson, Finance Director Teri Pruitt, Director of Operations Peter Lamont, Police Chief Brad Allison, Fire Chief Bud Sanford, Brent Stewart, CEDC Director Julie Seymore, and City Attorney David Ritter.

1. CALL MEETING TO ORDER AND DECLARE A QUORUM PRESENT – Mayor Everett opened the meeting at 6:00 p.m. and declared a quorum present.
2. INVOCATION was led by Mayor Lou Ann Everett.
3. PLEDGE OF ALLEGIANCE was led by Mayor Lou Ann Everett.
4. MAYOR’S WELCOME
5. DECLARATIONS REGARDING CONFLICTS OF INTEREST - None
6. PROCLAMATIONS AND ANNOUNCEMENTS
 - A. PRESENTATION TO RECIPIENTS OF SANITATION SOLUTIONS SCHOLARSHIPS - Mayor Everett presented the Sanitation Solutions scholarship to Kelsi Luce and Victor Ruiz.
 - B. PRESENTATION TO RECIPIENTS OF CITY OF CANTON FIRST MONDAY SCHOLARSHIP AND RAYFORD HUTCHERSON MEMORIAL SCHOLARSHIP – Natali Sweat received the First Monday Scholarsip. Hannah Walker was presented the Rayford Hutchinson Memorial Scholarship.

CITIZENS FORUM

7. CITIZENS FORUM – CITIZENS ARE INVITED TO SPEAK ON MATTERS RELATING TO CITY GOVERNMENT
8. ISSUE CERTIFICATES OF ELECTION, ADMINISTER STATEMENTS OF ELECTED OFFICER AND OATH OF OFFICE TO NEWLY ELECTED COUNCILMEMBERS – Mayor Lou Ann Everett took the oath of office as mayor for a two-year term. Councilmember Moore took the oath for another two-year term as councilmember.

CONSENT AGENDA

9. CONSIDER APPROVAL OF FINANCIAL REPORTS FOR MARCH 2021
10. CONSIDER APPROVAL OF MINUTES FOR APRIL 20, 2021, CITY COUNCIL MEETING
11. CONSIDER APPOINTMENTS OF KIMBERLY KROHA, AMY GEORGE AND JAN ADAMSON TO THE PLANNING & ZONING COMMISSION
12. CONSIDER APPOINTMENTS OF TERRICA STOWELL, CANDICE BENSON, BETSEY MCCARTY AND LINDA BOSTON TO THE BOARD OF ADJUSTMENT
13. CONSIDER APPOINTMENTS TO THE CANTON ECONOMIC DEVELOPMENT BOARD
14. CONSIDER ADOPTION OF RESOLUTION NO. 2021-14 FINDING THAT ONCOR ELECTRIC DELIVERY COMPANY LLC'S APPLICATION FOR APPROVAL TO AMEND ITS DISTRIBUTION COST RECOVERY FACTOR TO INCREASE DISTRIBUTION RATES WITHIN THE CITY SHOULD BE DENIED; AUTHORIZING PARTICIPATION WITH OCSC; AUTHORIZING THE HIRING OF LEGAL COUNSEL AND CONSULTING SERVICES; FINDING THAT THE CITY'S REASONABLE RATE CASE EXPENSES SHALL BE REIMBURSED BY THE COMPANY; FINDING THAT THE MEETING AT WHICH THIS RESOLUTION IS PASSED IS OPEN TO THE PUBLIC AS REQUIRED BY LAW; REQUIRING NOTICE OF THIS RESOLUTION TO THE COMPANY AND LEGAL COUNCIL
15. CONSIDER ADOPTION OF RESOLUTION NO. 2021-16 ADOPTING THE CITY'S INVESTMENT POLICY

Councilmember Moore made a motion to approve Items 9 through 15 of the Consent Agenda. Councilmember Fowler seconded.

Council Member - Nathan Moore: Approve
Mayor Pro Tem - Randon Sumner: Absent
Council Member - Chase Melton: Approve
Council Member - Blake Fowler: Approve
Council Member - Jim Fuller: Approve

INDIVIDUAL CONSIDERATION

16. PUBLIC HEARING AND CONSIDER ADOPTION OF ORDINANCE NO. 2021-8 GRANTING A SPECIFIC USE PERMIT TO ABSOLUTE MOBILE RV FOR A RECREATIONAL VEHICLE SERVICE/SALES BUSINESS AT 18049 I-20 ON PROPERTY CURRENTLY OWNED BY DON PIERSON

Mayor Everett opened a public hearing at 6:14 p.m. There being no comments, the public hearing was closed at 6:14 p.m.

Councilmember Moore made a motion to adopt Ordinance No. 2021-8 granting the specific use permit. Councilmember Melton seconded.

Council Member - Nathan Moore: Approve

Mayor Pro Tem - Randon Sumner: Absent
Council Member - Chase Melton: Approve
Council Member - Blake Fowler: Approve
Council Member - Jim Fuller: Approve

17. CONSIDER GRANTING SOLICITOR PERMIT APPLICATION FROM MASTERCRAFT ENTERPRISES, INC. (DBA MASTERCRAFT ROOFING & CONSTRUCTION) FOR A DOOR-TO-DOOR SOLICITATION PERMIT WITHIN THE CITY OF CANTON – Councilmember Moore made a motion to grant the solicitation permit application. Councilmember Melton seconded.

Council Member - Nathan Moore: Approve
Mayor Pro Tem - Randon Sumner: Absent
Council Member - Chase Melton: Approve
Council Member - Blake Fowler: Approve
Council Member - Jim Fuller: Approve

18. CONSIDER APPOINTMENT OF MAYOR PRO TEM – Councilmember Moore made a motion to appoint Councilmember Randon Sumner as Mayor Pro Tem. Councilmember Fowler seconded.

Council Member - Nathan Moore: Approve
Mayor Pro Tem - Randon Sumner: Absent
Council Member - Chase Melton: Approve
Council Member - Blake Fowler: Approve
Council Member - Jim Fuller: Approve

19. DISCUSS AND CONSIDER AMENDED FIRST MONDAY CONTRACT FOR CIVIC CENTER EVENTS - Councilmember Moore made a motion to approve the proposed contract for the Civic Center. Councilmember Fowler seconded.

Council Member - Nathan Moore: Approve
Mayor Pro Tem - Randon Sumner: Absent
Council Member - Chase Melton: Approve
Council Member - Blake Fowler: Approve
Council Member - Jim Fuller: Approve

20. CITY MANAGEMENT REPORTS

- A. FIRST MONDAY – Brent Stewart reported a good show for May. He said the show would have been better if not for the rain. He said the grand total of revenue for this year was \$2,024,210.57.
- B. MARKETING – Austin Melton reported Facebook reached 1.2 million. They had over 370,000 video views. They had reached 218,000 on Instagram. Compared to 2019, the website results were over 136% in sessions and number of users.
- C. OTHER ITEMS – None discussed

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.

Council convened into Executive Session at 6:24 p.m.

21. EXECUTIVE SESSION FOR DELIBERATIONS REGARDING ECONOMIC DEVELOPMENT NEGOTIATIONS (Section 551.087) REGARDING THE FOLLOWING:

Section 551.087 – to deliberate commercial or financial information the CEDC has received from a business prospect, and to deliberate the offer of a financial or other incentive for Project Bluegreen Development, Moe’s Pizza, Inc. and other business prospects, including but not limited to, a mixed-use development project, a local business retention and expansion project, a local capital investment project, a downtown retail rent subsidy prospect, and recruitment of new commercial, industrial, retail, restaurant, hospitality, and family entertainment prospects.

22. EXECUTIVE SESSION FOR DELIBERATIONS REGARDING ECONOMIC DEVELOPMENT NEGOTIATIONS (Section 551.087) REGARDING THE FOLLOWING:

To deliberate the offer of a financial or other incentive for Kaufman Development and/or Mitchell Kaufman for the construction of a housing subdivision within the city limits

23. EXECUTIVE SESSION FOR CONSULTATION WITH ATTORNEY REGARDING EXISTING OR POTENTIAL LITIGATION (Section 551.071) REGARDING ONGOING LITIGATION INVOLVING CITY OF CANTON VS. JERRY L. HARRELL, CAUSE NO. 20-00121, PENDING IN THE 294TH JUDICIAL DISTRICT COURT OF VAN ZANDT COUNTY; AND DUSTIN REYNOLDS VS. MICHAEL KING ET AL, CAUSE NO. 4:20-CV-691, IN THE U.S. DISTRICT COURT FOR THE EASTERN DISTRICT OF TEXAS

24. EXECUTIVE SESSION FOR CONSULTATION WITH ATTORNEY (Section 551.071)

25. EXECUTIVE SESSION FOR DELIBERATIONS REGARDING POTENTIAL PURCHASE OF REAL PROPERTY (Section 551.072)

RETURN TO OPEN SESSION

Council reconvened into Open Session at 7:38 p.m.

26. CONDUCT FIRST READING AND DISCUSSION OF RESOLUTION NO. 2021-17 APPROVING AND AUTHORIZING A CHAPTER 380 ECONOMIC DEVELOPMENT PROGRAM AGREEMENT AND PERFORMANCE AGREEMENT BY AND BETWEEN THE CITY OF CANTON, CANTON ECONOMIC DEVELOPMENT CORPORATION, AND HBIC, LLC REGARDING BLUEGREEN DEVELOPMENT PROJECT.

27. CONDUCT SECOND READING AND CONSIDER APPROVAL OF RESOLUTION NO. 2021-17 APPROVING AND AUTHORIZING A CHAPTER 380 ECONOMIC

DEVELOPMENT PROGRAM AGREEMENT AND PERFORMANCE AGREEMENT BY AND BETWEEN THE CITY OF CANTON, CANTON ECONOMIC DEVELOPMENT CORPORATION, AND HBIC, LLC REGARDING BLUEGREEN DEVELOPMENT PROJECT.

Councilmember Fowler made a motion to approve Resolution No. 2021-17 with the following amendments:

- (1) Section 4A - dropping the minimum taxable value from \$5 million to \$4.8 million;
- (2) Section 4B - dropping the minimum taxable value from \$5 million to \$4.8 million;
and
- (3) Striking Section 11.Q from the draft

Mayor - Lou Ann Everett: Disapprove (voted due to tie)
Council Member - Nathan Moore: Approve
Mayor Pro Tem - Randon Sumner: Absent
Council Member - Chase Melton: Disapprove
Council Member - Blake Fowler: Approve
Council Member - Jim Fuller: Disapprove

Mayor Everett declared the motion failed.

Council convened into Executive Session at 8:19 p.m. Council reconvened into Open Session at 8:37 p.m.

Councilmember Melton made a motion to close the discussion on this item. Councilmember Fuller seconded.

Council Member - Nathan Moore: Approve
Mayor Pro Tem - Randon Sumner: Absent
Council Member - Chase Melton: Approve
Council Member - Blake Fowler: Approve
Council Member - Jim Fuller: Approve

Councilmember Fowler made a motion to postpone Items 28, 29 and 30 to the next meeting on May 26, 2021. Councilmember Moore seconded.

Council Member - Nathan Moore: Approve
Mayor Pro Tem - Randon Sumner: Absent
Council Member - Chase Melton: Approve
Council Member - Blake Fowler: Approve
Council Member - Jim Fuller: Approve

28. CONSIDER APPROVAL OF DEVELOPMENT AGREEMENT BETWEEN CITY OF CANTON AND HBIC, LLC. ON APPROXIMATELY 20.006 ACRES OF LAND IN THE Q.C. NUGENT SURVEY, A-618, VAN ZANDT COUNTY, TEXAS, OWNED BY BETTY WILKERSON, EDWARD DEARING, DORIS BUTLER, AND THE ESTATE OF JOYCE CRABTREE

29. CONSIDER ADOPTION OF ORDINANCE NO. 2021-2 ANNEXING APPROXIMATELY 20.006 ACRES OF LAND IN THE Q.C. NUGENT SURVEY, A-618, VAN ZANDT COUNTY, TEXAS, OWNED BY BETTY WILKERSON, EDWARD DEARING, DORIS BUTLER, AND THE ESTATE OF JOYCE CRABTREE

30. PUBLIC HEARING AND CONSIDER ADOPTION OF ORDINANCE NO. 2021-3 GRANTING A ZONING CHANGE FROM RURAL AGRICULTURAL (RA) DISTRICT TO A PLANNED DEVELOPMENT (PD) DISTRICT ON THAT APPROXIMATELY 20.006 ACRE TRACT OF LAND IN THE Q.C. NUGENT SURVEY, A-618, LOCATED IN THE NORTHEAST CORNER OF THE INTERSECTION OF HWY 19 AND I-20, CURRENTLY UNDER CONSIDERATION FOR ANNEXATION INTO THE CITY OF CANTON, TEXAS, CURRENTLY OWNED BY EDWARD DEARING, BETTY WILKERSON, DORIS BUTLER, AND THE ESTATE OF JOYCE CRABTREE

31. CONDUCT FIRST READING AND DISCUSSION RESOLUTION NO. 2021-15 APPROVING AND AUTHORIZING A PERFORMANCE AGREEMENT BETWEEN CANTON ECONOMIC DEVELOPMENT CORPORATION AND MOE'S PIZZA, INC. – Mayor Everett read the caption for Resolution No. 2021-15.

32. CONDUCT SECOND READING AND CONSIDER ADOPTION OF RESOLUTION NO. 2021-15 APPROVING AND AUTHORIZING A PERFORMANCE AGREEMENT BETWEEN CANTON ECONOMIC DEVELOPMENT CORPORATION AND MOE'S PIZZA, INC. – Mayor Everett read the caption of Resolution No. 2021-15 a second time. Councilmember Fowler made a motion to approve and authorize a Performance Agreement between Canton Economic Development Corporation and Moe's Pizza, Inc. Councilmember Moore seconded.

 Council Member - Nathan Moore: Approve
 Mayor Pro Tem - Randon Sumner: Absent
 Council Member - Chase Melton: Approve
 Council Member - Blake Fowler: Approve
 Council Member - Jim Fuller: Approve

33. ITEMS FOR FUTURE AGENDAS – Councilmember Melton made a motion to postpone Items 27 to 30 to the next City Council Meeting on Wednesday, May 26, 2021. Councilmember Moore seconded.

 Council Member - Nathan Moore: Approve
 Mayor Pro Tem - Randon Sumner: Absent
 Council Member - Chase Melton: Approve
 Council Member - Blake Fowler: Approve
 Council Member - Jim Fuller: Approve

34. ADJOURN - There being no further business to discuss, the meeting was adjourned at 8:51 p.m.