

**CITY OF SHERMAN
CITY COUNCIL REGULAR MEETING AGENDA
COUNCIL CHAMBERS OF THE CITY HALL
220 WEST MULBERRY STREET
SHERMAN, TEXAS
MONDAY, FEBRUARY 1, 2016
5:00 P.M.**

- A. 1. CALL TO ORDER, QUORUM DETERMINED, MEETING DECLARED OPEN**
- A. 2. PLEDGE OF ALLEGIANCE LED BY COUNCIL MEMBER LAWRENCE DAVIS**
- A. 3. INVOCATION BY COUNCIL MEMBER LAWRENCE DAVIS**
- A. 4. APPROVE MINUTES OF THE CALLED CITY COUNCIL MEETING OF JANUARY 11, 2016 AND OF THE REGULAR CITY COUNCIL MEETING OF JANUARY 18, 2016**

Special Presentation

- B. 1. SPECIAL PRESENTATION**
Introduction of the City of Sherman's New Tourism/Main Street Manager

Public Hearing

- C. 1. PUBLIC HEARING**
Conduct the First Public Hearing Concerning the Annexation of Approximately 274 Acres of Land Near Friendship Road and State Highway 56, Adjacent to the Sherman City Limits and in the City of Sherman's Extra Territorial Jurisdiction

Close Public Hearing and Consider the Consent Agenda

- C. 2. CONSENT AGENDA**
Asterisked (*) items are considered to be routine and will be enacted in one motion without discussion unless a Council Member or a citizen requests a specific item be discussed and voted on separately

Resolutions

- D. 1. RESOLUTION NO. 6055**
Authorizing Execution of an Interlocal Agreement with Grayson County for the Purchase of Various Commodities for the City of Sherman's Street Maintenance Program

D. 2. RESOLUTION NO. 6056

Authorizing the Texas Coalition for Affordable Power, Inc. (TCAP) to Negotiate an Electric Supply Agreement for Five Years for Deliveries of Electricity Effective January 1, 2018; Authorizing TCAP to Act as an Agent on Behalf of the City to Enter into a Contract for Electricity; Authorizing the Executive Director of TCAP or the City of Sherman Mayor or City Manager to Execute an Electric Supply Agreement for Deliveries of Electricity Effective January 1, 2018 and Committing to Budget for Energy Purchases in 2018 through 2022 and to Honor the City's Commitments to Purchase Power for its Electrical Needs in 2018 through 2022 through TCAP

D. 3. * RESOLUTION NO. 6057

Authorizing Execution of an Agreement with Tobar Properties, LLC for the Abatement of Ad Valorem Property Taxes for the Construction of a New Single-Family Residence at 407 Vernon Holland Memorial Drive

Requests to Advertise

E. 1. * REQUEST TO ADVERTISE

Agricultural Lease at the Wastewater Treatment Plant

Other Business

F. 1. * OTHER BUSINESS

Approve Quarterly Investment Report for Quarter Ended December 31, 2015

G. CITIZEN REQUESTS

H. MEDIA QUESTIONS

I. COUNCIL COMMENTS

Executive Session

J. 1. EXECUTIVE SESSION

In Accordance with Chapter 551, Government Code, V.T.C.S. (Open Meetings Law), "The City Council Will Now Hold a Closed Executive Meeting Pursuant to the Provisions of the Open Meetings Law, Chapter 551, Government Code, Vernon's Texas Codes Annotated, in Accordance with the Authority Contained in the Following Sections:

Section 551.071 Consultation with City Attorney concerning Pending or Contemplated Litigation:

- (a) Receive the City Attorney's Briefing on Pending or Contemplated Litigation

Section 551.074

Personnel Matters:

- (a) Consider the Qualifications, Appointment and Removal of Members to Boards and Commissions:
 - (1) Texoma Council of Governments (TCOG) Governing Body (1)

Section 551.087

Deliberation Regarding Economic Development Negotiations:

- (a) Deliberate Regarding Commercial or Financial Information that the City has Received from a Business Prospect and Deliberate any Offers or Incentives to the Business Prospect

The Council reconvenes into General Session

K. 1. OPEN MEETING

Reconvene into Open Meeting and Consider Action, if any, on items discussed in Executive Session

L. ADJOURNMENT

COUNCIL CALENDAR

CERTIFICATION

I, the undersigned authority, do hereby certify that the above Notice of Regular Meeting of the City Council of the City of Sherman is a true and correct copy of said Notice and that I posted a true and correct copy of said Notice on the bulletin board at City Hall of said City of Sherman, Texas, a place convenient to the public, and said notice was posted on January 28, 2016 at 2:00 p.m., and said time of posting was 72 hours before said meeting was convened or called to order.

Dated this 28th day of January, 2016
City of Sherman, Texas

City Clerk

The above agenda schedule represents an estimate of the order for the indicated items and is subject to change at any time.

All agenda items are subject to final action by the City Council.

An unscheduled closed executive session may be held if the discussion of any of the above agenda items concerns the purchase, exchange, lease or value of real property; the appointment, employment, evaluation, reassignment, duties, discipline or dismissal of a public officer or employee; the deployment or use of security personnel or equipment; or requires consultations with the City Attorney.

At the discretion of the City Council, non-agenda items under the headings of "Citizens Requests", "Media Questions", and "Council

Concerns” may be presented to the Council for informational purposes; however, by law, the Council shall not discuss, deliberate, or vote upon such matters except that a statement of specific factual information, a recitation of existing policy, and deliberations concerning the placing of the subject on a subsequent agenda may take place.

The City Attorney has approved the Executive Session items on this agenda.

PERSONS WITH DISABILITIES, WHO PLAN TO ATTEND THIS MEETING AND WHO MAY NEED ASSISTANCE, ARE REQUESTED TO CONTACT LINDA ASHBY AT (903) 892-7204, TWO (2) WORKING DAYS PRIOR TO THE MEETING SO THAT APPROPRIATE ARRANGEMENTS CAN BE MADE.

Mayor

David Plyler

Deputy Mayor

Jason Sofey

Council Members

Kevin Couch, Council-At-Large, PL #1

Jason Sofey, Council-At-Large, PL #2

Lawrence Davis, Council – District #1

Terrence R. Steele, Council – District #2

Tom Watt, Council – District #3

Tammy Johnson, Council – District #4



SHERMAN CITY COUNCIL

Agenda Communication Form

City Council Regular Meeting

Agenda Item No. A. 4.

Meeting Date: 02/01/2016

Prepared By: Linda Ashby, City Clerk

Approved By: Robby Hefton, City Manager

Caption:

**APPROVE MINUTES OF THE CALLED CITY COUNCIL MEETING OF JANUARY 11, 2016
AND OF THE REGULAR CITY COUNCIL MEETING OF JANUARY 18, 2016**

Attachments

January 11, 2016

Transportation Summit

January 18, 2016

STATE OF TEXAS §

January 11, 2016

COUNTY OF GRAYSON §

BE IT REMEMBERED THAT A Called Meeting of the Sherman City Council was begun and held in the City Council Chambers on January 11, 2016.

COUNCIL MEMBERS PRESENT: Mayor David Plyler; Deputy Mayor Jason Sofey.
Council Members Couch, Davis, Johnson, Steele, Watt.

COUNCIL MEMBERS ABSENT: None.

CITY STAFF PRESENT: Robby Hefton, City Manager; Brandon Shelby, City Attorney; Don Keene, Assistant City Manager; Mark Gibson, Director of Utilities; Scott Shadden, Director of Development Services; Steve Ayers, Director of Community and Support Services; Clay Barnett, Director of Public Works and Engineering; Otis Henry, Police Chief; Mary Lawrence, Director of Finance; Jim Cross, Assistant Public Works Director; Clint Philpott, City Engineer; Lisa Whitfield, Engineering and Development Coordinator; Nate Strauch, Communications Manager; Pam Cloer, Assistant to the City Manager; Linda Ashby, City Clerk.

PURPOSE: **Call to Order, Quorum Determined, Meeting Declared Open**

Invocation by Council Member Terrence R. Steele

Discussion of Transportation Issues

Adjournment

CALL TO ORDER, QUORUM DETERMINED, MEETING DECLARED OPEN

Mayor Plyler called the meeting to order at 11:04 a.m., declared a quorum present, and opened the Called City Council Meeting.

INVOCATION BY COUNCIL MEMBER TERRENCE R. STEELE

DISCUSSION OF TRANSPORTATION ISSUES

Robby Hefton, City Manager, introduced the first Transportation Summit held by the City of Sherman to discuss transportation issues. He said the meeting was informational and no Council action was required. The meeting will set the stage for future discussions on transportation issues, including the timing, the extent, and how they will be financed.

Clay Barnett, Director of Public Works and Engineering, said at the April 21, 2015 Budget Planning Meeting the Council begin talking about transportation needs, especially along the Heritage Parkway Corridor and in the northwest quadrant of Sherman. A contract was awarded to Kimley-Horn and Associates for a study of that area.

Mr. Barnett introduced Rob Rae, Project Manager with Kimley-Horn, to present the City's Thoroughfare Plan, which determines alignment, preserves the right-of-way, and defines design guidelines. A Thoroughfare Plan is a 25 year plan, but it is usually updated every five to ten years and is based on demographics and land use changes.

COUNCIL MINUTES – JANUARY 11, 2016

Transportation Plan Update

The City's Thoroughfare Plan is currently included in the 2009 Comprehensive Master Plan, and many things did stay the same. Mr. Rae said the document was removed from the Master Plan and made a "stand alone" document. He outlined updates to the plan.

The work that has recently been done through the Sherman-Denison Metropolitan Planning Organization has created a new MPO Travel Demand Model. The model has a 2010 base year and a 2040 forecast year. The plan used several scenarios that would increase population and employment in this northwest sector that were based on improved traffic forecast data from the Sherman-Denison MPO.

Mr. Rae said the thoroughfare map was also updated in the northwest quadrant to understand where future roadways are needed and where right-of-way will need to be acquired. None of the roadway classifications changed on the map and they remain major arterial, minor arterial, and collector roads. The northwest quadrant is bounded by Hwy 75 on the east, Hwy 82 on the north, Hwy 289 on the west and Hwy 56 on the south.

The design standards were also updated in the plan and show the roadway classifications, pavement width, and the right-of-way width. This plan was expanded to include regional freeways, major arterial, minor arterial, commercial and industrial collectors, residential collectors, urban and rural streets, and alleys. Each of these designations includes the right-of-way, the number of lanes, the pavement width, and whether or not there needs to be a median. Mr. Rae said some of these changes may need to be included as an update to the subdivision regulations. He added that the new plan also includes standard cross-sections, which help developers to understand what is expected and how much right-of-way is needed.

Major arterial standards include both a four-lane divided and a six-lane divided roadway. The four-lane divided road actually preserves right-of-way in the median so if the roadway ever needs to be expanded to six-lanes, the growth would occur in the median so there would not be an impact to the right-of-way or adjacent properties.

Mr. Hefton reiterated that the right-of-way width is the same for a four-lane and a six-lane major arterial in order to preserve the right-of-way until it is actually needed. He said the Council will soon be considering the right-of-way needed for Taylor Street and Washington Street and they need to consider the highest level of build-out that will be needed. In this case, it will be the same amount of right-of-way needed for a four or six lane divided arterial roadway. Mr. Rae confirmed this was correct and said this assures that the impact to adjacent property owners only happens once and not twice.

Mr. Rae showed standards for a minor arterial and for both the commercial/industrial collector and the residential collector. The commercial/industrial collector will have a center turn lane and the residential collector does not. On a commercial/industrial collector, there are more driveways, more access is needed, and there is more turning movement. A two-lane roadway in a residential area is usually sufficient.

The plan establishes a new stand-alone document that is separate from the Comprehensive Plan and can be updated without having to change the Comprehensive Plan.

Council Member Steele asked, in designing this plan, what were the barriers to the east side growth of Sherman. Mr. Rae said this study focused on the northwest quadrant of Sherman. Mr. Hefton said this is step one of several updates. They started with the northwest quadrant, but the other quadrants of Sherman will be updated at a later date. Council Member Steele confirmed that all of Sherman will eventually be included in the Thoroughfare Plan.

COUNCIL MINUTES – JANUARY 11, 2016

Mr. Hefton asked about the major east-west thoroughfares in Sherman. Mr. Rae said many “trips” take Washington Street to Hwy 75. As this area develops, those trips should be accommodated with roads that are wide enough. Taylor, Washington, and Lamberth are all somewhat right-of-way constrained with many homes. Even though the Thoroughfare Plan dedicates a wider street, the ability to widen those streets in the near future is somewhat limited.

Mr. Hefton reiterated that, as traffic moves from west to east, from Hwy 289 toward Hwy 1417, higher volumes of traffic will be driven either north to Hwy 82 or south to Hwy 56, because Taylor, Washington, and Lamberth already have constraints and are as wide as they are going to be. Lamberth Road is not intended to be a four-lane, divided median thoroughfare from Hwy 289 to Hwy 75. He said the main discussion will be what does Lamberth Road look like as it goes west, not what it looks like east of Hwy 1417.

In the future, there will be discussions about O.B. Groner Road, Park Street, and the Texas Department of Transportation Loop, as thoroughfares. Hwy 1417 is the destination for these trips between Hwy 289 and Hwy 1417. The heavy trips will have to be on Hwy 82 or Hwy 56 to move farther east.

Bill Magers, Grayson County Judge, asked, as traffic moves west, out of the City limits, towards Hwy 289, on Washington Street for example, does it make sense to have a wider right-of-way to Hwy 289. He said that decision will impact the County. Mr. Barnett said the road will be the same width to Hwy 289.

Transportation Planning

Mr. Barnett showed examples of municipal planning from 1902 and 1909 which showed transportation modes from the central part of the City to the outlying areas. He also showed Texas cities that have highway “loops” around their central cities, including cities as small as Palestine with a population of 18,617 to Dallas with a population of 1.28 million.

According to Mr. Barnett, Paris, Texas, with a population of 24,895, also has a highway loop. Since Sherman does not have a loop, he explained that TxDOT’s District Headquarters is located in Paris. He said Sherman needs to be more proactive in talking to TxDOT about highway issues such as this to protect Sherman’s part of the highway funding.

He said a portion of the loop around Paris was actually constructed using money designated for Hwy 1417, from Hwy 82 to Taylor Street, about six or seven years ago. Money was budgeted for Hwy 1417 and was taken away from that segment and used for the segment in Paris. Mr. Barnett said TxDOT does have a new District Engineer in Paris now, so it is important to work to protect funds that are dedicated to Sherman.

As for the plans for Hwy 1417, the road is complete from Hwy 691 to Hwy 11 and a section from Hwy 56 to Hwy 82. There are two sections left to complete. One is on TxDOT’s “books” and is actually designed. However it remains incomplete.

He added this is an important reason to preserve the right-of-way. Without preserving the right-of-way, development can occur within the area and would change the nature of the street. Currently there is still room to swing Hwy 1417 around Dos Lagos, but there is no doubt that Dos Lagos introduced a barrier to extending the roadway.

Mr. Barnett said the City needs to continue the transportation planning effort. There are a couple of issues with the current plan, in that it does not show the Hwy 1417 loop, and North Creek Drive was

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built as a collector road instead of a minor arterial road. The City needs to design a viable plan and stick to that plan. If changes continue to be made it will be more difficult to go toward the center of the City.

Council Member Steele said many times developers ask why the City is requiring them to build a road to a certain standard, and he verified that the requirements are for future growth that is planned for the City. Mr. Barnett said that puts the burden on the developer to build something that their development will use but that can be used by all citizens of Sherman. He added that the City needs to look at “partnering” with developers to put in these roadways to help reduce the cost for the developers.

Mr. Barnett said the south half of the Thoroughfare Plan also needs to be adjusted. Park Avenue is shown as a principal arterial six-lane divided roadway, but that is not feasible. There is a huge floodplain that would be cost prohibitive to cross with a bridge. This area also needs to be re-examined.

There are other areas in the south half of the Thoroughfare Plan that need to be addressed. The Travis Street realignment is actually shown on the TxDOT Transportation Maps and the City needs to make sure it is included in their plan. Howe Drive and O.B. Groner are also areas that need to be addressed.

Mr. Barnett presented the cost of continuing to update the Transportation Plan, which would be included in three projects. The southwest quadrant would be addressed in 2017 at a cost of \$25,000; the northern half in 2018 at a cost of \$25,000; and the southeast portion in 2019 at a cost of \$30,000. These updates would complete the Transportation Plan effort.

He explained the need for a City Planner to oversee planning assignments such as the Transportation Study, the Comprehensive Master Plan development, and the Zoning Map development. The Planner would analyze population growth patterns and make recommendations for public infrastructure improvements such as parks and roadways, as well as review Comprehensive Plan amendments, rezonings, annexations, site plans, and plats.

City Street Extensions

Mr. Barnett said the estimated cost for Phase 1 of the Taylor Street West Alignment is \$3.4 million and includes a roundabout. He explained that a vehicle will yield to enter a roundabout but once on, there is no yielding. The vehicle simply exits at the desired location. They are more efficient and used in place of traffic signals to minimize delays.

Phase 2 of the Taylor Street Alignment will go from west of Bentbrook, out to Washington Street. Estimated cost of the project is \$9.7 million for construction only, not for the engineering portion. Phase 3 will go from Washington Street to Hwy 289. The estimated cost of Phase 3 is \$8.9 million.

Other projects include Lamberth Road from Shady Oaks to Meadowlake at an estimated cost of \$3.9 million; Phase 1 of Friendship Road from Hwy 56 to the new Taylor Street realignment at an estimated cost of \$6.1 million; Phase 2 of Friendship Road from Taylor Street to Lamberth Road at an estimated cost of \$8.1 million; extending Quail Run to Friendship Road at an estimated cost of \$3 million; and connecting Swan Ridge (McGee Street) at an estimated cost of \$1.7 million.

Mr. Barnett emphasized the importance of acquiring the right-of-way prior to development of the area. If the right-of-way is not obtained and the area is developed, the plans could be negated with no way to extend the roadways. He added that the cost of right-of-way acquisition for the projects discussed is about \$600,000 and engineering costs for the projects would be approximately \$6 million.

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Loy Lake Road Update

Mr. Barnett updated the City Council on the status of Loy Lake Road. The staff currently has 90% of the plans under review. They are still working on the lighting system and landscaping plans. The request to advertise will be on the January 18, 2016 City Council Agenda and the contract is expected to be awarded at the February 15 Council Meeting. The plans have been given to franchise utilities to relocate their facilities in the right-of-way. He said there is one "hurdle" with Verizon, but they hope to stay on schedule. The anticipated completion date is November 18, 2016. The estimated cost of construction is \$2.15 million.

Council Member Steele verified that the lighting will still be on poles and not underground. Mr. Hefton said Verizon does have fiber optic cables underground in the area and that could hamper the project. There is a major fiber optic connection box located at Gallagher Road and Loy Lake Road that will need to be moved. He said the City would work with Verizon to get it moved as quickly as possible.

Mr. Hefton said the road will be a four lane road with a divided median and landscaping. He said the cost estimate is just an estimate at this time.

City Council Members took a lunch break from 11:38 a.m. to 11:53 a.m.

Council Member Sofey entered the City Council Meeting at 11:52 a.m.

Federal and State Initiatives in Transportation

Mr. Barnett said there was a lot of discussion about transportation funding, both at the Federal and State level. Congress recently passed the FAST Act (Fixing America's Surface Transportation Act) which allocates \$305 billion for five years for Federal transportation programs.

As for State funding, Prop 1 passed on November 4, 2014, which allocates an estimated \$1.2 billion annually for State roadways, and Prop 7 passed on November 3, 2015, which allocates an estimated \$2.5 billion annually for State roadways. He said, because of oil prices, the Prop 1 funding has been cut in half.

Mr. Barnett said the Federal-Aid Highway Act of 1962 required that all metropolitan areas of over 50,000 population have an MPO in order to spend Federal dollars on transportation improvements. The Sherman-Denison MPO was created in 1982 to coordinate transportation planning within the 20 year urban boundary.

The Sherman-Denison MPO estimated funding includes \$15 million over 25 years from the Urban Mobility Funds, all of which is allocated for FY 2018 for Hwy 131 and Hwy 1417; an estimated \$1.71 million annually from Prop 1 Funds; and an estimated \$7.85 million annually from Prop 7 Funds. He discussed how projects were ranked for funding by the Sherman-Denison MPO, by considering safety, maintenance and system efficiency, congestion, and community interest. Mr. Barnett clarified that the information applies to TxDOT facilities, Farm-to-Market roads and above, not City streets.

A list of Sherman-Denison MPO projects was created for the 25 year horizon. The two projects, widening Hwy 131 and Hwy 1417 from Taylor Street to Hwy 82, were funded through Urban Mobility Funds and the other projects were funded through Prop 1 and Prop 7 funds. A member of the audience asked if these were today's dollars or future dollars. Mr. Barnett said they are estimated, but they do include an inflation rate.

Projects for Sherman or adjacent to Sherman (Hwy 691) add up to \$62 million. All projects named by the Sherman-Denison MPO add up to \$108 million. Sherman's percentage of the projects is quiet healthy. Sherman has 42% of the population within the MPO and 52% of the funds will be spent in or around Sherman.

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Sherman's projects include:

- Travis Street, from Hwy 75 to North Creek, at an estimated cost of \$15.8 million
- Heritage Parkway, from Hwy 82 to Taylor Street, at an estimated cost of \$7.8 million
- Hwy 691 East of Hwy 75, from the Hospital to Texoma Parkway, at an estimated cost of \$4.5 million – project will widen to a four-lane, divided road
- Heritage Parkway, from Houston Street to Taylor Street, at an estimated cost of \$9.5 million
- Northeast Loop, from Hwy 691 to Hwy 1417, at an estimated cost of \$10.82 million
- Hwy 691 West of Hwy 1417, on TxDOT's plan to tie into Plainview Road and continue to Hwy 289, at an estimated cost of \$7.8 million

Council Member Steele verified that the projects for Hwy 691 would continue what has already been completed. Mayor Plyler verified that the Travis Street project included a new overpass over Hwy 82. Mr. Barnett added that it is for a four-lane, undivided section, due to right-of-way constraints. Mr. Barnett said on the Northeast Loop project, the City will have to "work around" Dos Lagos.

Mr. Barnett said these projects were planned for Prop 1 money. In November 2015, the State added Prop 7 money. Since that time they have cut Prop 1 money in half. Going forward the MPO will either create a new list of projects or will condense the current list. The necessity for right-of-way will continue to be the subject of much discussion.

Sherman's future funding priorities are Hwy 56, from Case/Riddles Road to Archer Drive. The first segment will be between Case/Riddles Road and Hwy 1417. There is a "hump" at Friendship Road that is dangerous to navigate and a portion of the project would be to eliminate that "hump." After that, the project would include completion of the southeast portion of the loop.

- Hwy 56 West of Hwy 1417, at an estimated cost of \$5.53 million
- Southeast Loop of Hwy 1417, from Lamar Street to Hwy 11, at an estimated cost of \$5.6 million

Mr. Barnett said on October 19, 2015, the City Council approved an agreement with the Sherman-Denison MPO to provide project management services. This agreement will help reduce the cost, provide local representation in the design process, and avoid any conflict of interest issues out of hiring an engineering firm to perform the engineering management oversight services.

The Paris District of TxDOT includes Grayson, Fannin, Lamar, Hunt, Delta, Hopkins, Rains, Red River, and Franklin Counties. In FY 2014, construction expenditures for the District were \$62.9 million. Prop 1 funds were estimated at \$22.2 million annually, and Prop 7 funds were estimated at \$44.4 million annually, for a total available estimated funding for construction of almost \$130 million annually. The Sherman-Denison MPO has estimated annual funding of \$10 million. The City of Sherman is working to receive a good portion of the \$10 million, but there is another \$130 million in Paris that the City needs to be proactive about getting.

Mr. Barnett said TxDOT has made a commitment to extend the Service Road to the Dallas North Tollway, which is an \$8.1 million project; ramp reversals at Hwy 120 in Denison for \$4.5 million; and rebuilding Hwy 75 from Shepherd Drive to the Red River.

As the design process for Hwy 75 begins, the City needs to discuss with TxDOT issues such as the flooding of the highway, the Travis Street Realignment, entry and exit ramp locations, and the Hwy 75/Hwy 82 interchange. Mr. Barnett said there will be a design committee composed of the policy board and the TAC to discuss these and other issues concerning Hwy 75.

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Leveraging Local Funds

Mr. Barnett discussed a local match to help fund transportation projects saying the local match can include designing the projects, acquiring the right-of-way, or funding a percentage of the construction cost. The benefits of a local match are that they show the City has a vested interest in the success of the project, the project can be designed to fit the City's needs, it helps avoid delays and loss of funding, and can get the project moved up on the list. He gave several examples on how a local match could be used for specific projects.

For example, for the Travis Street project between Hwy 75 and North Creek, the estimated cost of acquiring the right-of-way is \$500,000 and must be done in the FY 2017 Budget to avoid the loss of funding for the project. The City could chose to participate in the design cost at an estimated cost of \$1.6 million. This would allow the City to make the bridge look like they want it to look and to have the proper drainage. With a proposed match of \$2.1 million, the City could ask TxDOT to move the project from Sherman-Denison MPO money to the Road and Bridge Fund, which would free up the MPO money for another project.

Council Member Steele asked if the TxDOT District Office had been receptive to this type of local match in the past. Mr. Barnett said the City of Sherman has not been very active about using that method, but the Cities of Denison and Van Alstyne have been, and have received a lot of money for projects. TxDOT has an incentive to participate because it also allows them to free up some of their money for other projects. He said they are open to the local match, but you need to approach them with a plan and some collateral.

He outlined several other possible opportunities to use the local match to leverage funds for projects in Sherman including the ramp reversal for Hwy 75 at Hwy 1417, Hwy 1417 from Taylor Street to Hwy 82, Hwy 1417 from Hwy 56 to Taylor Street, Hwy 56 from Riddles Road to the "split", Hwy 1417 Northeast Loop, Hwy 691 from Hwy 1417 to Hwy 289, and the Hwy 1417 Southeast Loop.

He explained that City participation on each project could include participation in the design cost, in the construction cost, and in some cases, acquiring the right-of-way. Mr. Barnett said Grayson County and the City of Denison have also discussed participating in the Hwy 691 project. By participating in the design of the projects, the City will have a little more control over how they look, with drainage, landscaping, and lighting, and can design for future growth by the use of medians.

Mr. Hefton said by participating in the design of the project, it takes TxDOT out of the design business and makes them a pass through agency for funding only, and essentially expedites the project. TxDOT has said that anytime the City helps them with the design and the right-of-way, that will help expedite the project.

Mr. Barnett said the local match can also apply to traffic signals. Currently the City has 15 traffic signals with one under design. Most of the signals are outdated. TxDOT has 45 signals within the City limits and most of these are also outdated. It is anticipated that Sherman's population will be between 42,000 and 45, 000 by 2020 and between 48,000 and 52,000 by 2030. When the population reaches 50,000, the City will be required to take over maintenance of the TxDOT traffic signals.

He showed the TS1 signal cabinet vs the TS2 signal cabinet. The TS1 is very basic and the signals change from green to yellow to red. With the TS2 cabinet, the programmer can control timing and better control the flow of traffic through town. There are also signals with mutual inductance loops that actually have wires in the pavement that trigger the changing of the signals. Over time the sensors get depressed and continuously signal that a vehicle is there. These are high maintenance signals. The new system is video detection and detects a vehicle as it comes into the travel path. This is a very low maintenance system and a better way to handle traffic. The new communication systems will also allow maintenance without being on the scene.

COUNCIL MINUTES – JANUARY 11, 2016

Mr. Barnett proposed a local match to take over the signal system early from TxDOT in exchange for upgrading the signals. This year the City has hired a traffic signal technician instead of utilizing the Street Department Manager, and is training a second individual. In time, Mr. Barnett said they hope to add a third person.

Cost Summary and Funding Options

Mr. Barnett outlined a cost summary of the projects. Sherman's Construction Phases 1 and 2 are estimated at \$13.4 million, and includes Lamberth Road, Taylor Street to McGee Street, Friendship Road, Quail Road, and Swan Ridge.

Phase 3 is estimated at \$17.8 million and includes the second phase of Friendship Road and the second phase of Taylor Street. Phase 4 is estimated at \$8.9 million and is the last phase of Taylor Street.

TxDOT's Construction Phase 1 is estimated at \$28.1 million, Phases 2 and 3 are estimated at \$10.35 million, and Phase 4 is estimated at \$26.21 million. The estimated cost of the Traffic Signal Project would be \$4 million.

In summary, he outlined the City and TxDOT's costs for the projects. The total proposed local match is almost \$13.5 million and TxDOT construction dollars only is almost \$69 million. Mr. Barnett said this shows the power of leverage. For a \$13,377,000 investment, the City would get \$68,710,000 in infrastructure.

Mr. Hefton said the estimates proposed are just that, estimates. He asked the Council to realize this is not the official plan. That plan will be developed over the next several months as the budget process begins. Since the timing is not actually known, the years stated are simply "place holders." From a conceptual standpoint, Mr. Hefton said these are the priorities over the next few years. Plans for the southwest quadrant of Sherman are not included in these estimates yet, but depending on development, there may be some other projects that are moved to the forefront.

Mr. Hefton said Sherman's primary growth corridor is Hwy 1417 and west. He said there are some opportunities to leverage local dollars to expedite and/or enhance what TxDOT is doing. Some of these TxDOT projects are years away and if the City wants to move these up on the list, there might be some local dollars that could be spent to complete those projects in a way that is beneficial to Sherman and in a timeframe that benefits Sherman. He said there is a phased approach that the staff will be coming back with for all the projects.

Mr. Hefton said sometimes retail follows rooftops, but rooftops are grown through a combination of things such as jobs, schools and education, community amenities, well designed and built cities, and a vibrant and diversified economy. He said Sherman has elements of all of those things and different "players" that the City partners with to grow them. The City has a lot of control over community amenities and how well Sherman is designed and built. He added that industrial, commercial, and retail development always subsidizes residential services, especially in the General Fund. They pay higher taxes because their tax base is high, but they don't use the services. Therefore it is important to have a diversified industrial and commercial base.

Mr. Hefton discussed financing for the City. He said \$1 million in debt is serviced by \$70,000 in revenue. The two major revenue sources in the General Fund are property taxes and sales taxes. From a property tax standpoint, at the City's current tax rate, it would take \$20 million in additional property tax revenue to support \$1 million in debt. From a sales tax standpoint, an "average" national chain fast-food restaurant would service about \$1 million of debt. Therefore, where it would take

COUNCIL MINUTES – JANUARY 11, 2016

about 150 new homes, it would just take one average, retail restaurant to pay for \$1 million in debt service. Sales tax cannot be used as a security for issuing debt through bonds. It must be secured with property taxes.

Mr. Hefton said \$.01 on the tax rate will fund about \$4 million of debt service or new projects. He said Panda II is still on track, even though there is no guarantee they will open in Sherman. They are currently in the permitting process and expect to hear something from the State by summertime. If Panda II does open in Sherman, even after the abatement, their property taxes alone would support \$4 million to \$6 million in new debt. Their taxable amount will be between \$80 million and \$120 million in new property that comes on the rolls.

In a high growth City, and even though Sherman is not growing as fast as Frisco or McKinney, Mr. Hefton said we have seen a higher rate of growth over the last couple of years. He felt that rate of growth would continue with the industrial, retail, and commercial development that is happening. In 2015, Sherman saw the construction of 130 or 140 new houses that averaged about \$160,000 per household. The average household in Sherman currently is about \$100,000 per household, so this new construction is 60% more valuable than the current average. Sherman is currently seeing growth that hasn't been seen in many years.

Mr. Hefton said Sherman can't possibly grow the tax base fast enough to pay for the transportation projects that are needed. He said sales taxes fund operations and property taxes fund both operations and capital items, such as roads and a new fire station. In the upcoming months, the staff will be coming back to the Council for funding items such as the Library renovation and a new southwest Fire Station. These things will be supported by property tax dollars, either through growth in the property tax base or in the rates, or in a combination of both.

He added that all healthy cities, whether they're growing or not, have some reasonably large portion of their tax rate that is used to support debt. Of the cities compared, the average part of the tax rate that goes to support debt is \$0.17 and the part that supports management and operations is \$0.49. Sherman's part of the tax rate that goes to support debt is \$0.04 and the part that supports management and operations is \$0.33. He said those with the higher proportionate debt tax rate are those that are experiencing higher growth. A City must borrow to pay for that type of growth and to do that, they must build up their tax rate. Mr. Hefton said to pay for growth, you must "take out a mortgage."

Mr. Hefton said Sherman is on "the heels of growth" and the pressure we are beginning to feel is from a transportation standpoint. He expressed the importance of future planning for transportation issues so that later, accommodations don't have to be made for development that has forced changes to the original plan. He said, since there is a Transportation Plan, it is imperative that the right-of-way for the planned thoroughfares be obtained to protect the planned transportation corridors.

Mr. Hefton said Hwy 1417 is the next "growth corridor" in Sherman and is already having a big impact. He said land prices are increasing and will continue to increase as development continues. It is important that the corridor be handled correctly and transportation is one of the key factors.

He added that growth and development along Hwy 1417 will increase revenues and allow more to be done and more debt to be issued, without having to increase the tax rate. He urged incremental changes to fund the projects, but he said it can't be done with growth in the property and sales tax base alone. It must be helped out by the rates. He said \$10 million in debt costs about 2½ cents on a tax rate. He said the staff will have a better plan in April for budget discussions, but he urged the Council to think about how to minimize the effect to the taxpayer, but also recognize that the City can't keep up with the growth on a pay-as-you-go basis.

COUNCIL MINUTES – JANUARY 11, 2016

Mr. Hefton asked for any questions that the Council might have.

Council Member Watt verified that Sam's Club is "on board" for reworking the Loy Lake Road Expansion Project. Mr. Hefton added that the City is trying to work with Verizon to get their utilities moved out of the project area.

Council Member Sofey said it is exciting to see the staff and Council working on these projects. In the past the City has been reactive, and if there are problems with any road in Sherman, it can gridlock the entire town, because there aren't east-west thoroughfares. The bulk of the growth is toward the west and he said these projects are very exciting.

Mr. Hefton said this is a great staff and to actually work with the consultants and get a plan on paper is great. He said there's not a plan yet as to how the projects will be accomplished, but the first step is recognizing that there is an issue and then taking steps toward addressing the issue. He said there might be some "pain" to get where they need to go, but they want to be able to say they did the right thing and made hard decisions that were the right thing to do. He also urged a "pro-development" approach to dealing with developers.

Council Member Watt asked if, during the budget work sessions, Mr. Hefton anticipated recommending that the City do the design work on Hwy 1417 to help the process and upgrade the road. Mr. Hefton said all of Hwy 1417, but especially from Hwy 82 to Hwy 56, Phase 1 should be done immediately; at Taylor Street, lining up the right-of-way from where it exists today, to the roundabout, to Hwy 289; expediting some of the TxDOT projects, like Hwy 1417 or Travis Street; and then going from there.

Mr. Hefton said, from a TxDOT standpoint, he felt the City could have the same affect in moving the projects forward, if the City would do the engineering and right-of-way. Mr. Barnett proposed doing the engineering, right-of-way, and 10% of the construction costs. Mr. Hefton said he felt the City should offer to contribute the money for engineering and right-of-way, which equals about 10% to 15% of the project costs and not the additional 10% of the construction cost too. He felt that would be enough to get the project completed through TxDOT.

He asked the City Council if the staff was "heading in the right direction." If so, Mr. Hefton, Mr. Barnett, and Mayor Plyler will be making trips to the TxDOT District Office in Paris to talk with Paul Montgomery, District Engineer, to begin this process. He said the City needs to be proactive, saying they have the available resources to do this and it's important to Sherman. He felt it would be well received and could move those projects along.

Richard Hose, P.O. Box 2044, Sherman

Mr. Hose complimented Mr. Hefton on the work that has been done so far. He has previously lived in Carrollton and Grand Prairie and been involved in planning with TxDOT. He felt there was not enough multi-family development in Sherman. He also felt that good mass transit was needed. He said the Texoma Area Paratransit System or whatever company takes over, needs to be focused on a good mass transit system.

Mr. Hefton said a robust planning effort is needed whether it is for single-family, multi-family, commercial, or industrial development. That type of development doesn't happen as it should without good planning. Those things come naturally as a result of good planning.

COUNCIL MINUTES – JANUARY 11, 2016

ADJOURNMENT

There being no further business to come before the City Council, motion was duly made and approved to adjourn the Called Meeting at 1:05 p.m.

MAYOR

ATTEST

CITY CLERK

Sherman
CLASSIC TOWN. BROAD HORIZON.

TRANSPORTATION SUMMIT

January 11, 2016



Sherman Agenda

CLASSIC TOWN. BROAD HORIZON.

- Transportation Plan Update
- Transportation Planning
- City Street Extensions
- Loy Lake Road Update
- Federal & State Initiatives
- Leveraging Local Funds
- Cost Summary & Funding Options



Sherman Background

CLASSIC TOWN. BROAD HORIZON.

- April 21, 2015 Budget Planning Meeting – City Council identified Heritage Parkway (FM 1417) Corridor as a priority
- May 4, 2015 City Council Meeting – Council approved a contract with Kimley-Horn for transportation and planning services
- December 7, 2015 City Council Meeting – Council a brief overview of the actions taken to date



Sherman
CLASSIC TOWN. BROAD HORIZON.

TRANSPORTATION PLAN UPDATE



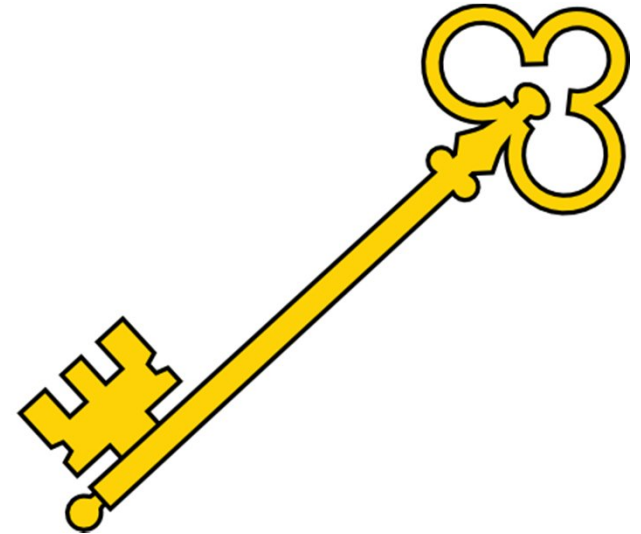
Thoroughfare Plan Purpose

- Makes provisions for roadway improvements to anticipate future population and employment growth
- Updated every 5-10 years
 - Demographic and land use changes
- A guide to:
 - Determine Alignment
 - Preserve Right-of-way
 - Define Design guidelines

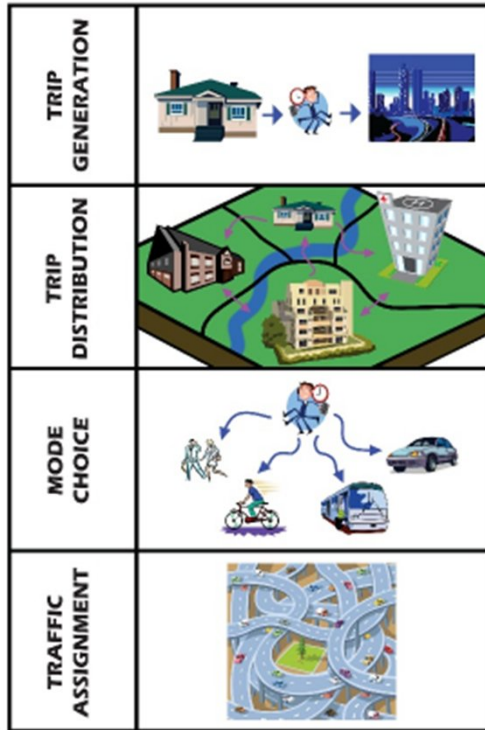


Key Changes to Thoroughfare Plan

- Expanded Technical Analysis
 - Travel Demand Modeling
- Thoroughfare Map Changes
 - Northwest Portion of the city only
- Expanded Roadway Design Table
- Functional Classification Design Standards
- Bicycle and Pedestrian Update
- Document Update



Expanded Technical Analysis



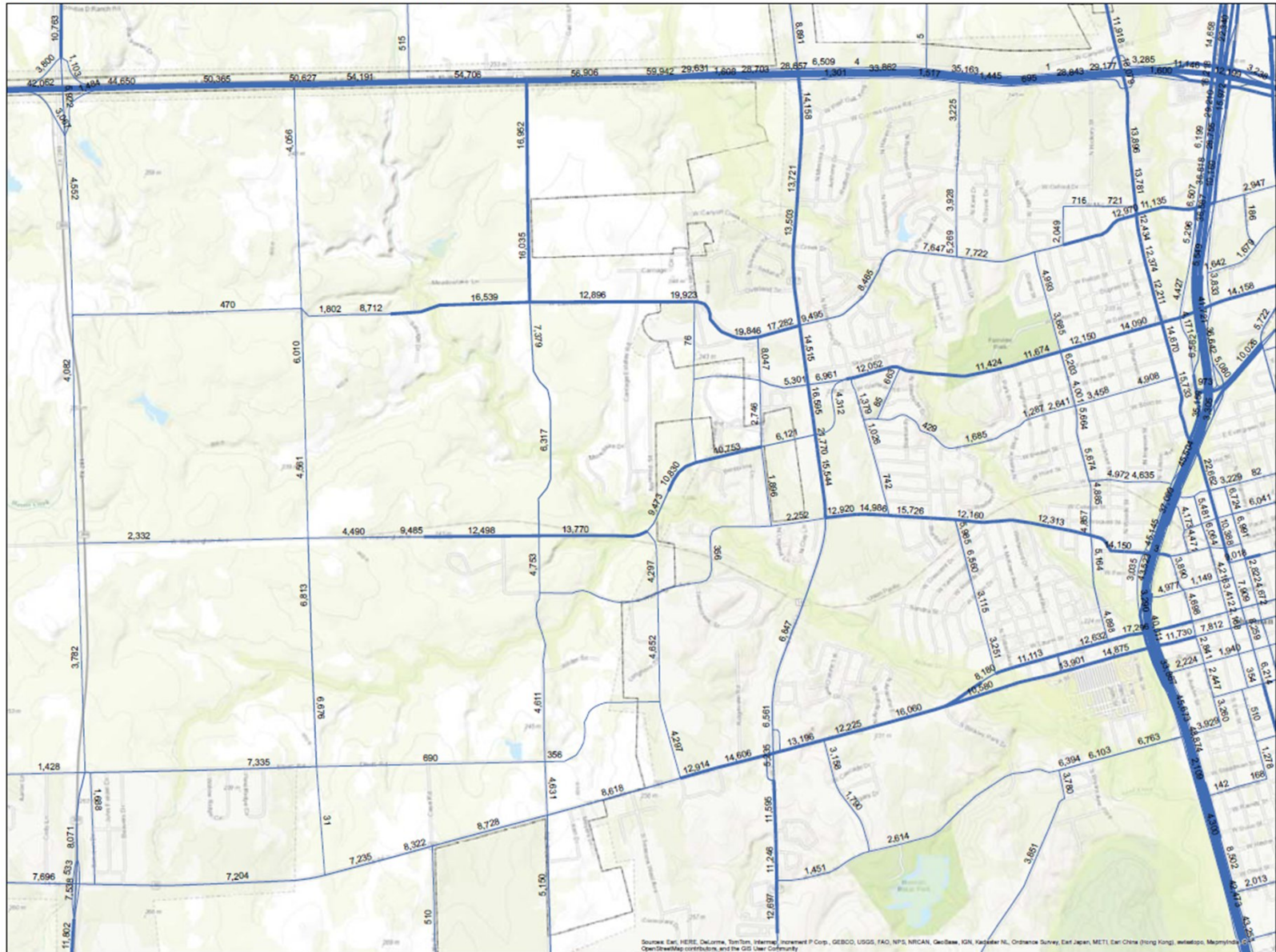
- Updated SDMPO Transportation Plan
- Base Year – 2010
- Forecast Year – 2040
- Improved Traffic Forecast Data with updated SDMPO model

Increase In Population and Employment from the 2040 SDMPO Model

	Scenario 1	Scenario 2	Scenario 3	Scenario 4	Scenario 5
<i>Households</i>	Current	+ 864	+ 1,614	+ 9,731	+ 3,807
<i>Population</i>	SDMPO Plan Demographics	+ 2,160	+ 4,036	+ 24,327	+ 9,517
<i>Employment</i>		+ 1,888	+ 1,888	+ 1,888	+ 1,888

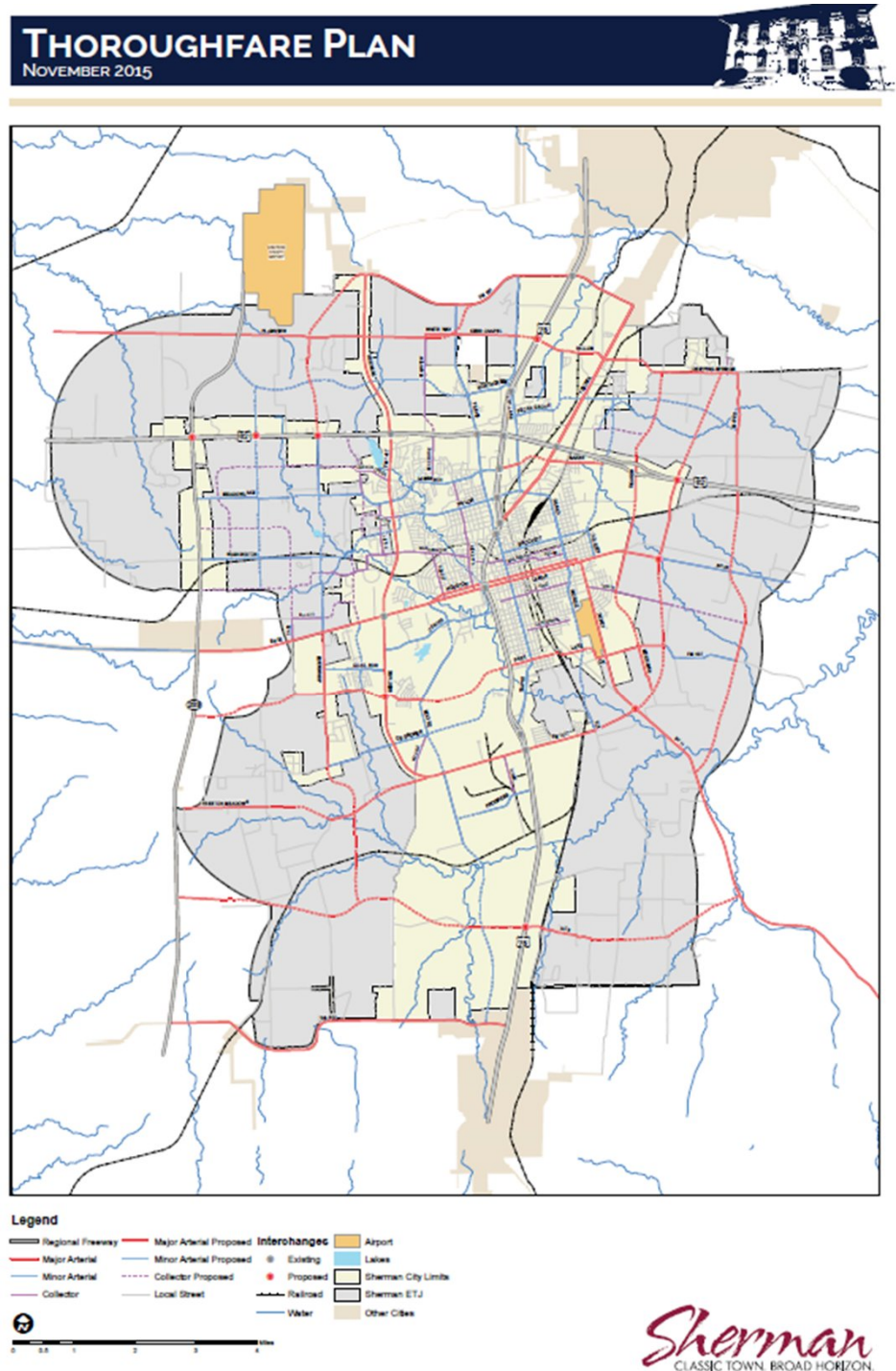
Expanded Technical Analysis

SCENARIO 4 - SMALL LOT LAND USE

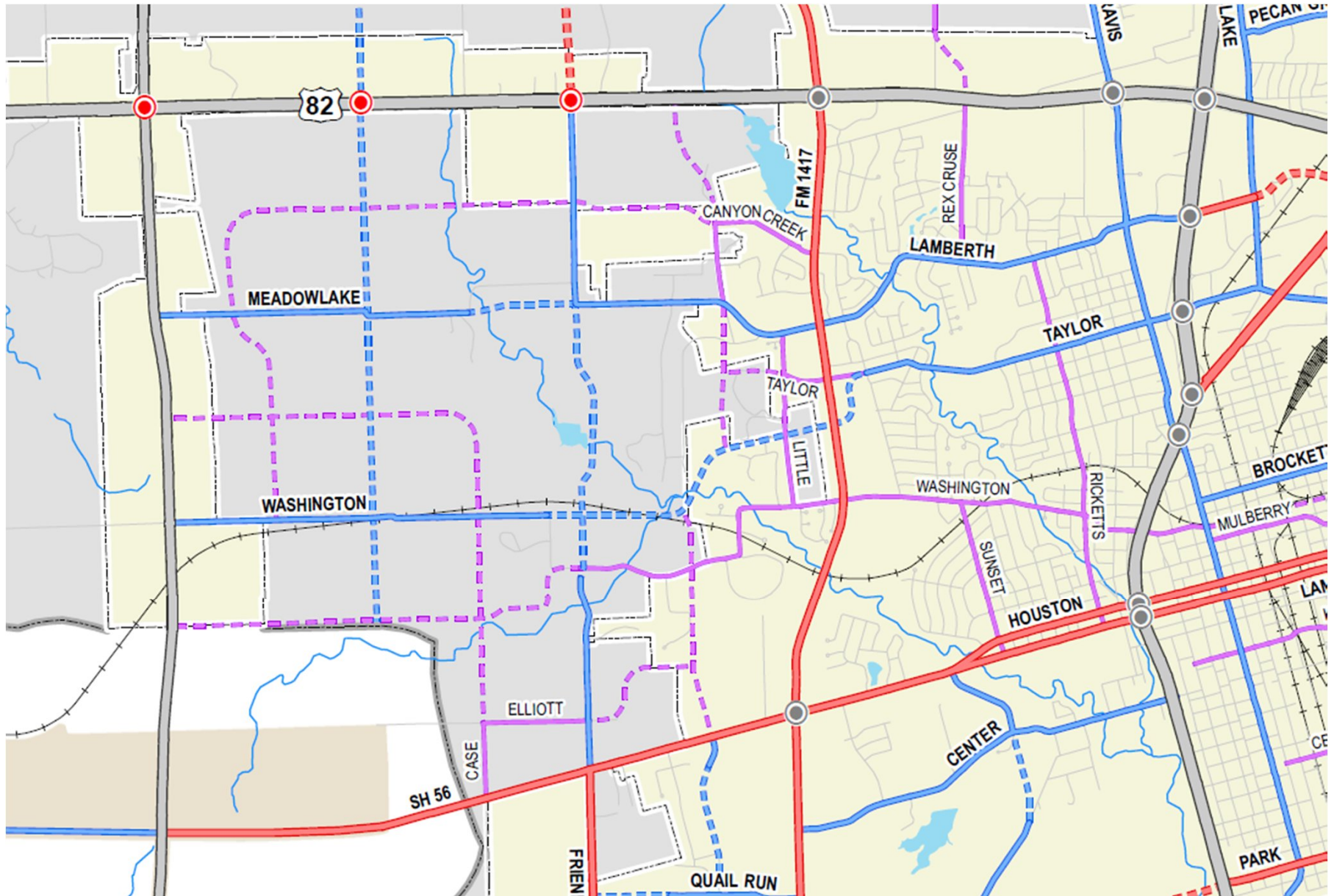


Thoroughfare Plan Map

- Updated map to be used by City Staff, Developers and Land Owners
- Unchanged Roadway Classifications
- Refined network in Northwest Sector



Refined Thoroughfare Network



Expanded Roadway Design Table

Table 4.1, Existing Roadway Design Standards

Category	Minimum Pavement Width (ft)	Right-of-Way Width (ft)
Major Thoroughfares	TBD	TBD
Marginal Access	27	40
Collector	37	60
Local Streets	31	50
Alleys	10	20

Source: City of Sherman Subdivision Regulations, Section 12 Design Criteria

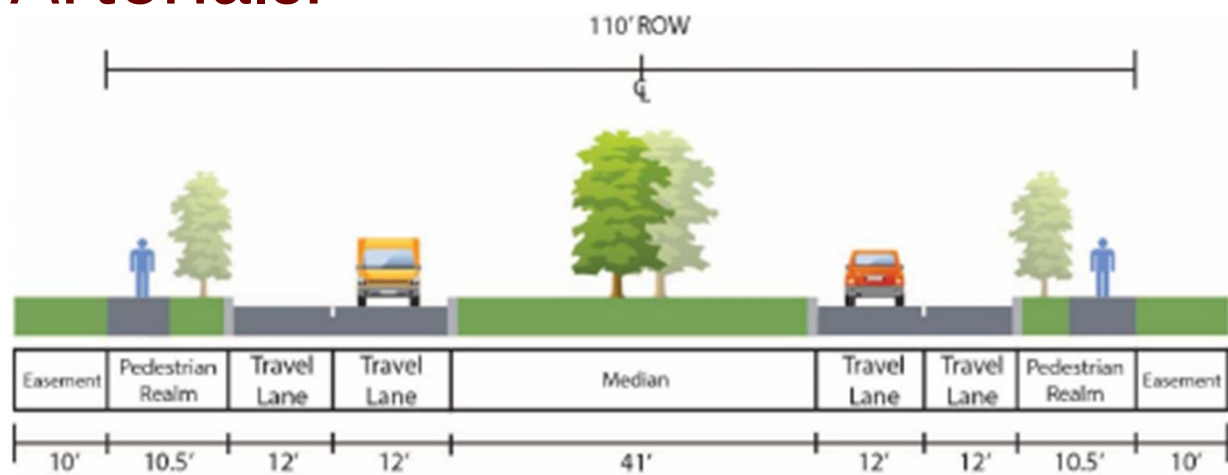


Category*	Right-of-Way	Number of Lanes	Minimum Pavement Width	Median (ft)
<i>Regional Freeway</i>	TBD	TBD	TBD	TBD
<i>Major Arterial</i>	110'	6	72'	17 raised
<i>Minor Arterial</i>	86'	4	48'	17 raised
<i>Commercial/Industrial Collector</i>	65'	2	44'	Center turn lane
<i>Residential Collector</i>	60'	2	36'	None
<i>Urban Street</i>	50'	2	30'	None
<i>Rural Street</i>	70'	2	24'	None
<i>Alleys</i>	16'	-	12'	None
*Functional Classification Categories need to be updated in the City's Subdivision Regulations.				

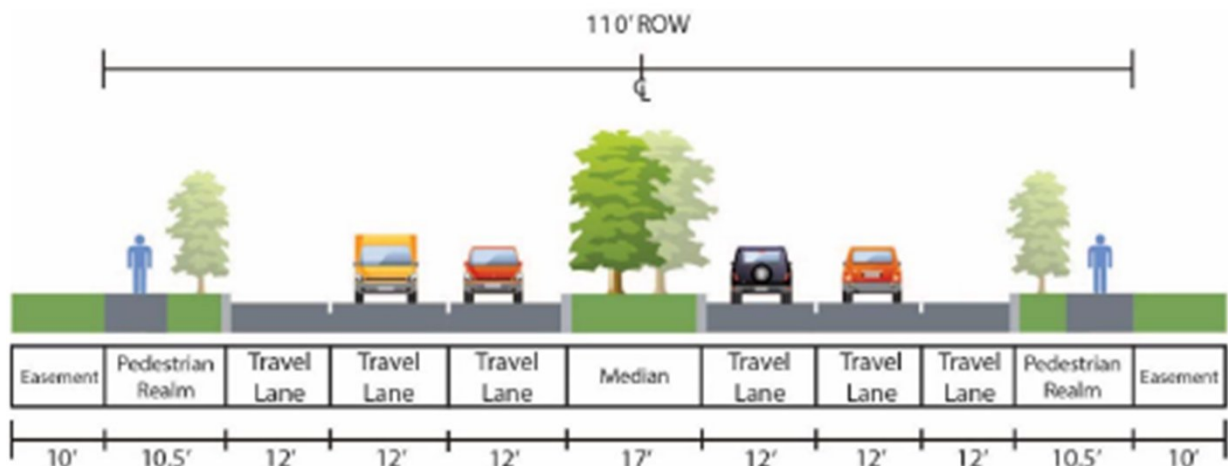
Table 2, Existing Roadway Design Standards

Thoroughfare Plan Standards

- Major Arterials:



Major Arterial – 4 Lanes

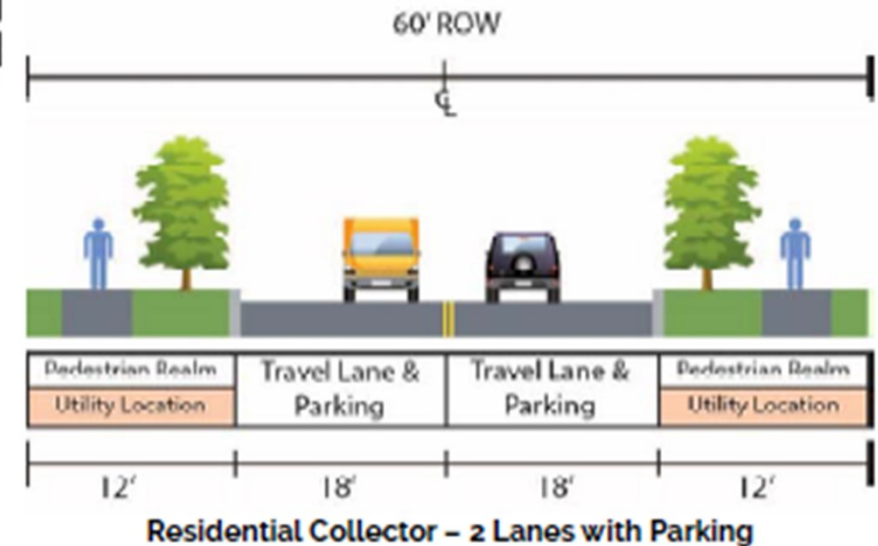
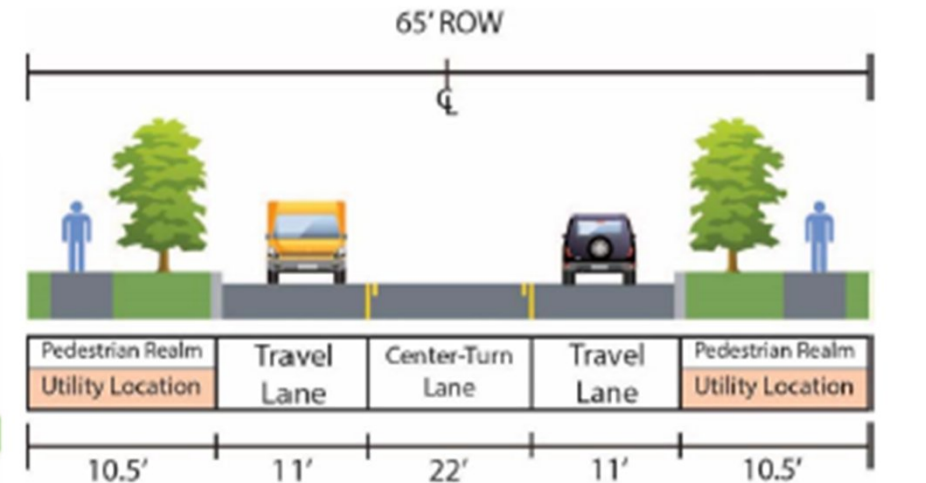
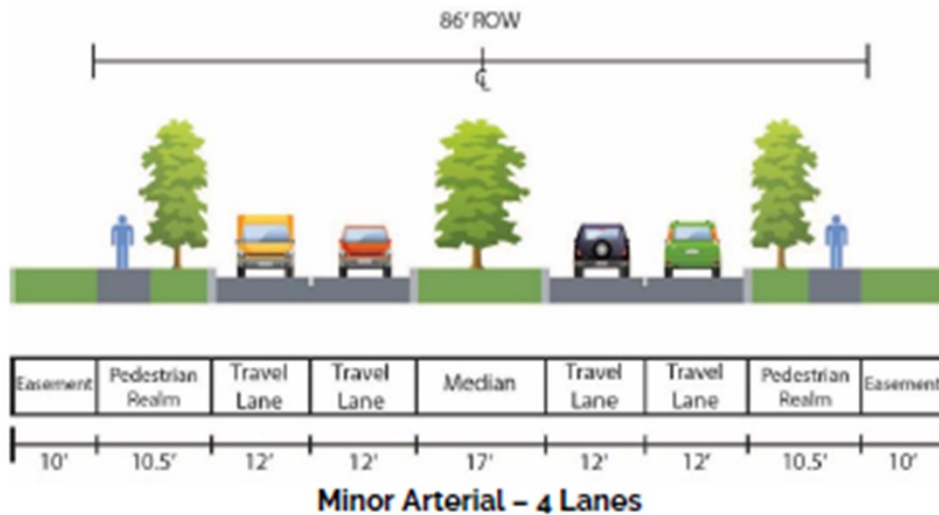


Major Arterial – 6 Lanes

Thoroughfare Plan Standards

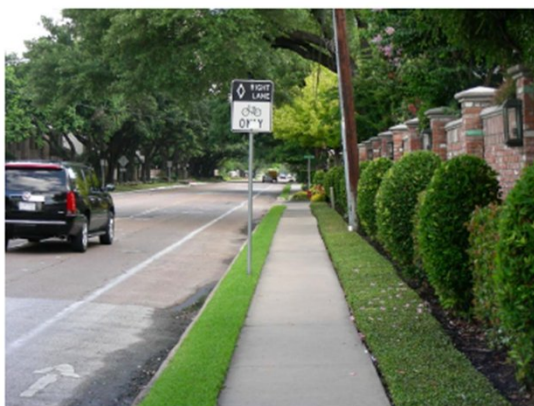
Collectors:

Minor Arterial:



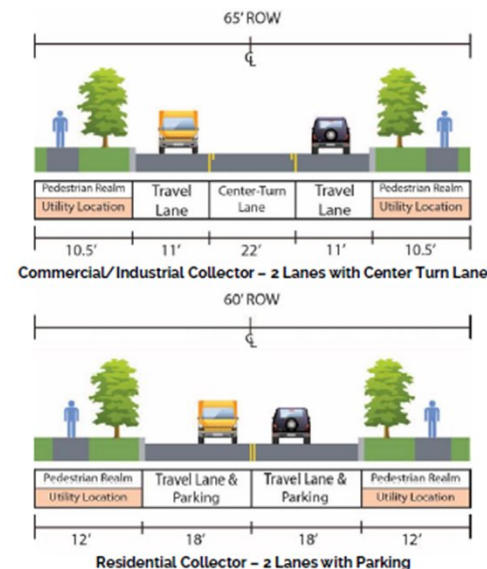
Collector Streets

Subdivision street layout plans, commercial and industrial districts must include collector streets in order to provide efficient traffic ingress/egress and circulation. Since collectors generally carry higher traffic volumes than local streets, they require a wider roadway cross section and added lanes at intersections with arterial streets to provide adequate capacity for both through traffic and turning movements. However, since speeds are slower and more turn movements are expected on collectors versus arterials, a higher speed differential and much closer intersection/access spacing can be used than on arterials. Collectors typically make up about five to 10 percent of the total street system.



There are two types of collectors in the City of Sherman to accommodate the needs of the surrounding land uses. Residential collectors serve the transportation needs of surrounding neighborhoods. These neighborhoods can vary in housing types, but have limited commercial activity including retail or office uses. In contrast, the commercial/industrial collector serves uses related to industrial and commercial traffic. The introduction of the center turn lane provides opportunities to improve traffic flow in areas that have multiple driveway locations and high levels of turning traffic.

The typical cross sections for this street type are shown below.



Local Streets

Local streets allow direct property access within residential, commercial and rural areas. Through traffic and excessive speeds should be discouraged by using appropriate geometric designs, traffic control devices, and traffic calming techniques. Local streets typically comprise about 65 to 80 percent of the total street system.

Urban Streets

The current Sherman standard for an urban street is a right-of-way width of 50 feet and a pavement width of 30 feet. However, these standards do not account for situations where less lane width may be acceptable due to lower density and fewer trips generated. As a result, there is more pavement width than necessary in some cases, which adds to development costs, occupies additional space (thereby reducing development efficiency), often encourages speeding, and results in increased impervious surface and, hence, storm water runoff. Therefore, this plan proposes alternative street cross sections be developed where the standard pavement width is not warranted (based upon such performance characteristics as type of access, number of dwelling units served, and the units' average frontage dimensions).

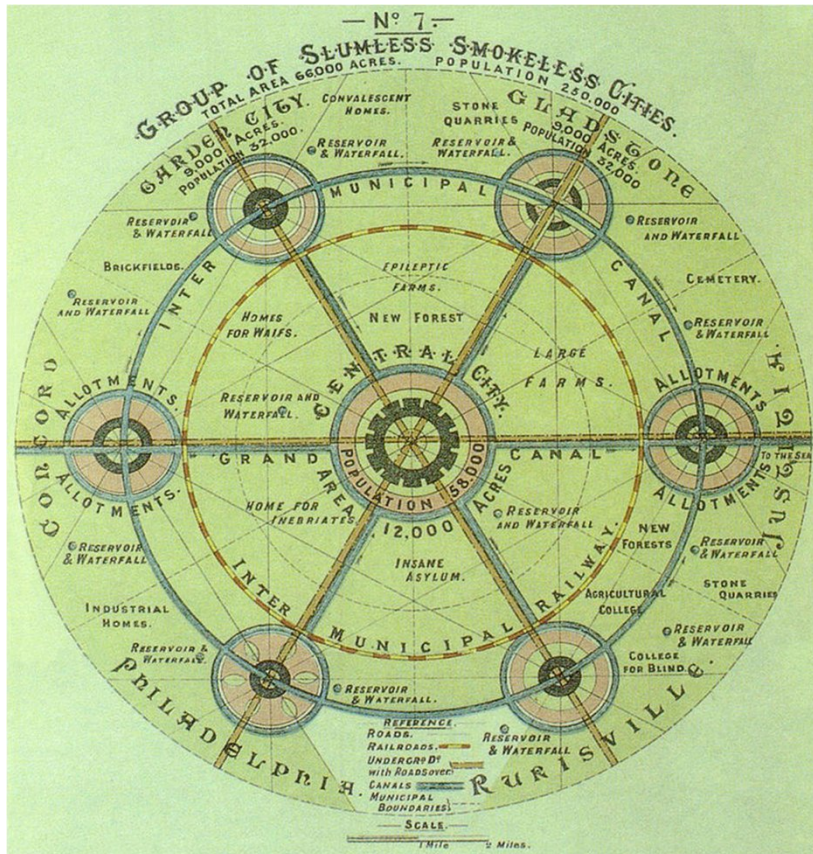


Sherman
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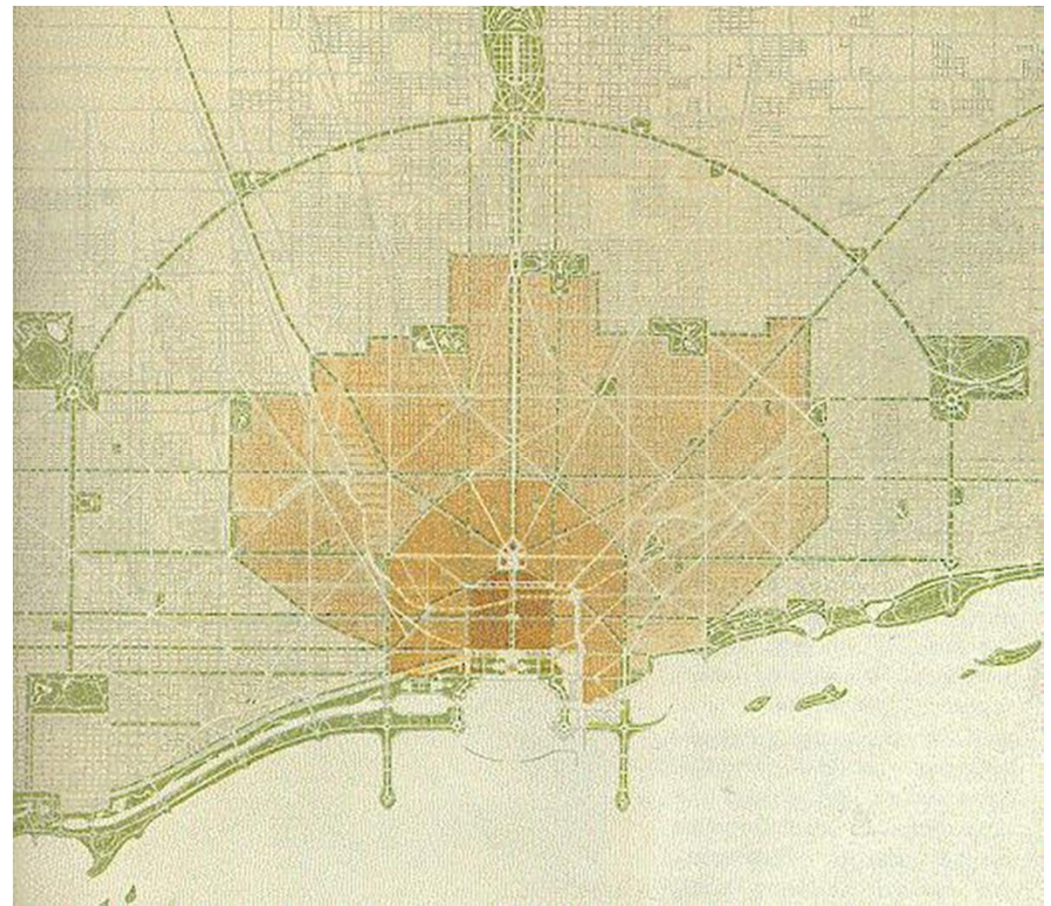
TRANSPORTATION PLANNING



Municipal Planning

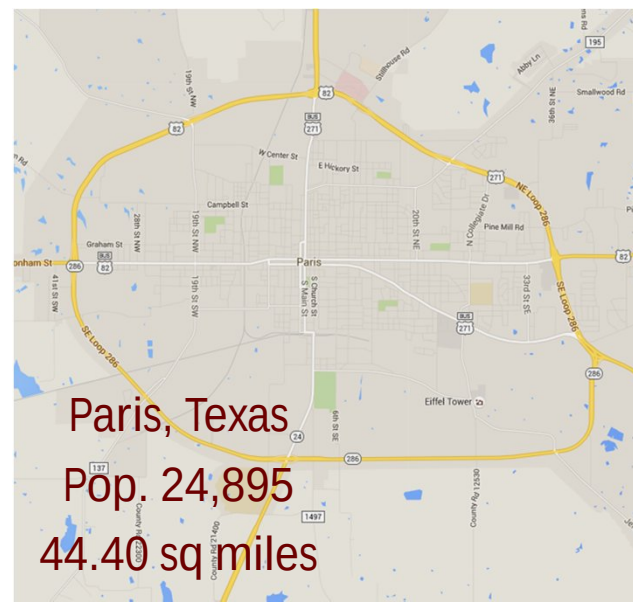
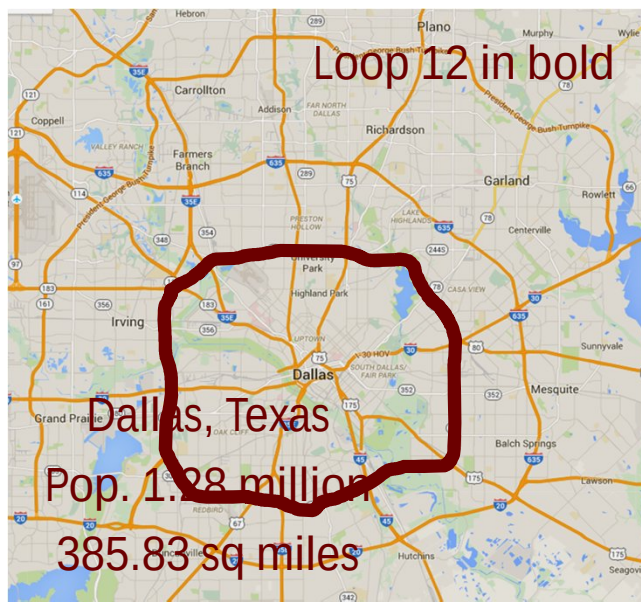
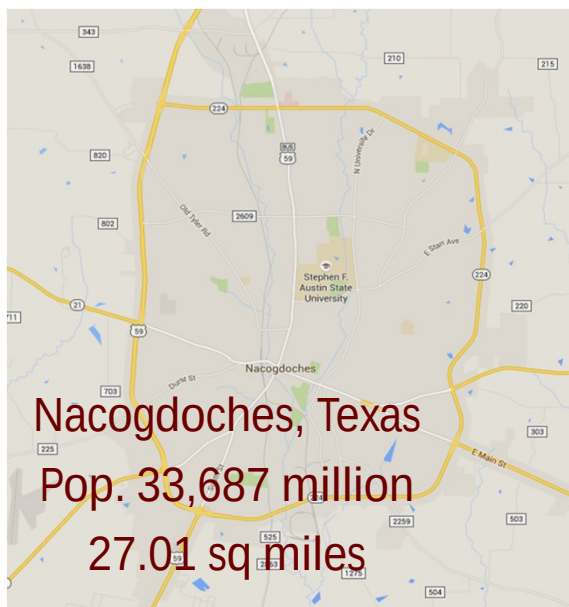
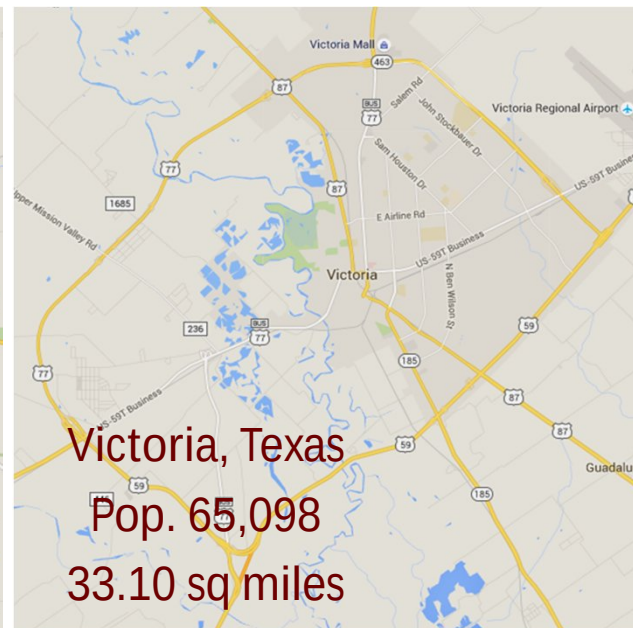
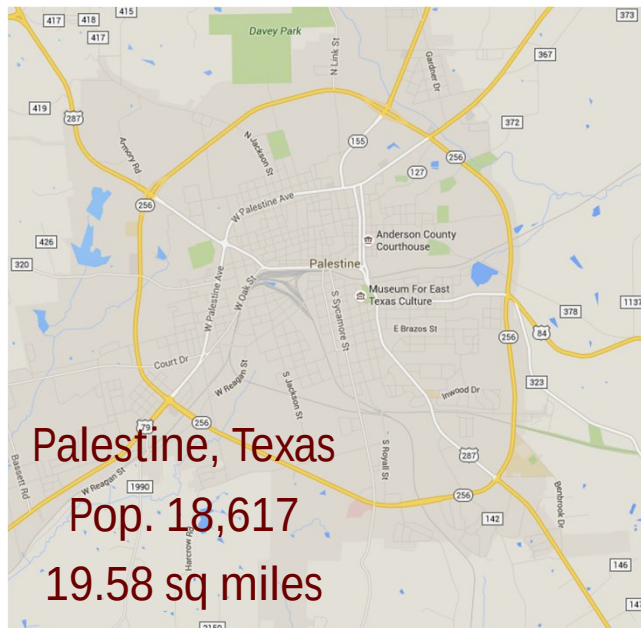
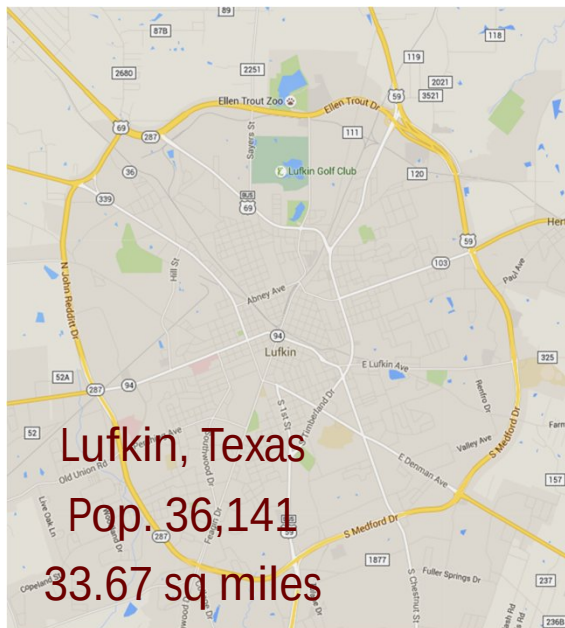


Left: Figure from *Garden Cities of To-morrow* published in 1902 by British urban planner Ebenezer Howard. This book started the garden city movement. Notice the concentric transportation modes surrounding each city.



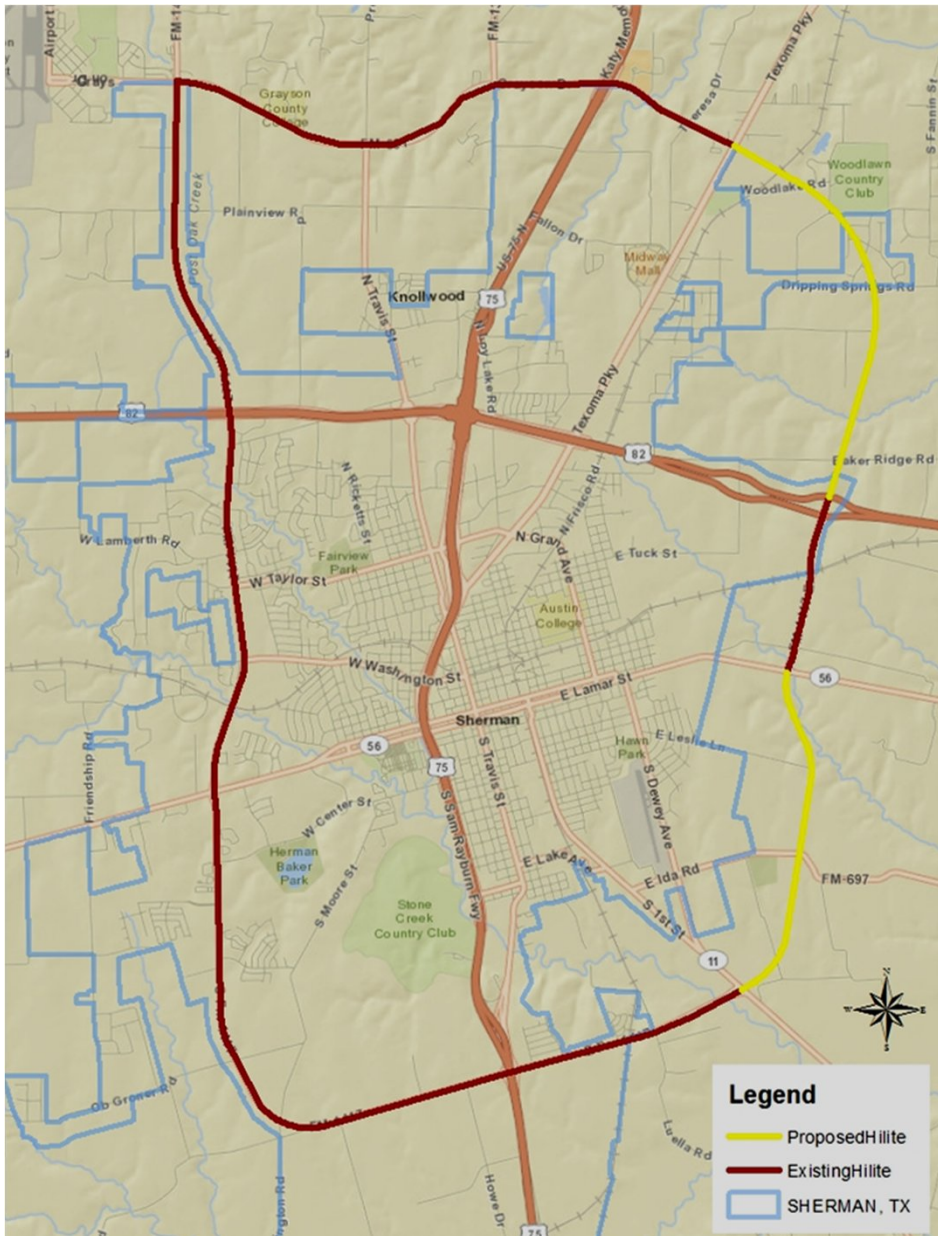
Right: Figure from *The Plan of Chicago* published in 1909 by Daniel Burnham and Edward Bennett. It was the first comprehensive plan for an American city; an outgrowth of the City Beautiful movement. Features include a system of proposed arteries and concentric rings radiating from the CBD.

Cities With Loops

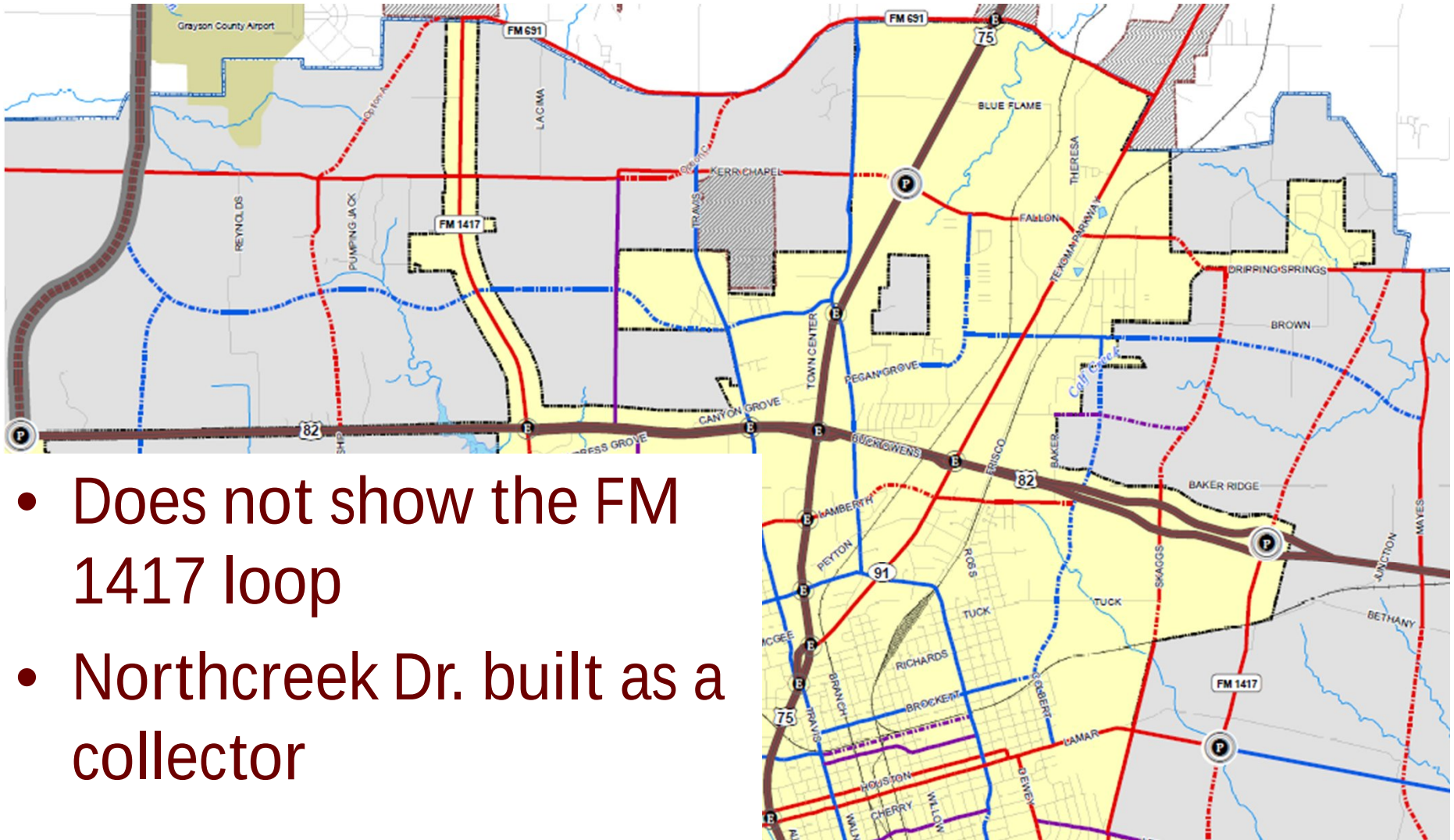


Vision of FM 1417

- Red sections complete
- Yellow sections remain incomplete
- Issue with Dos Lagos



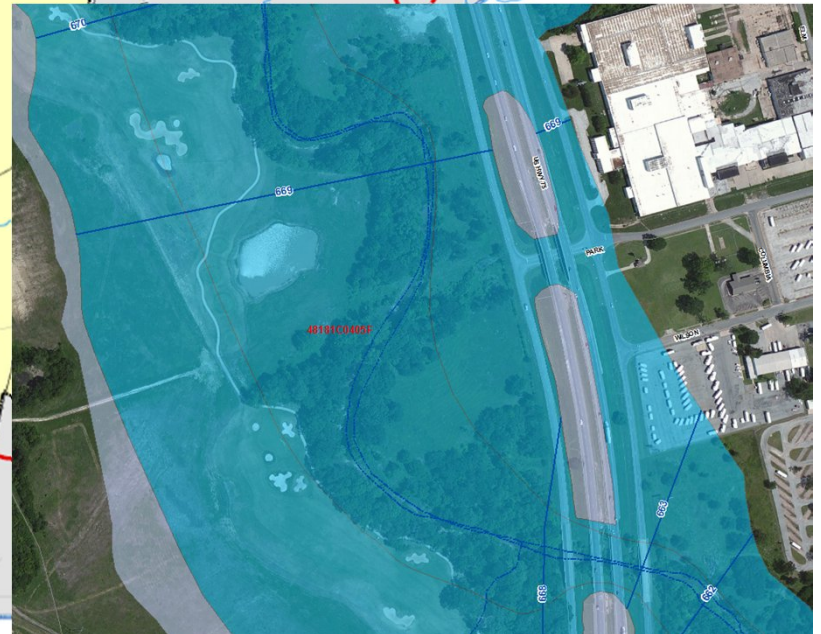
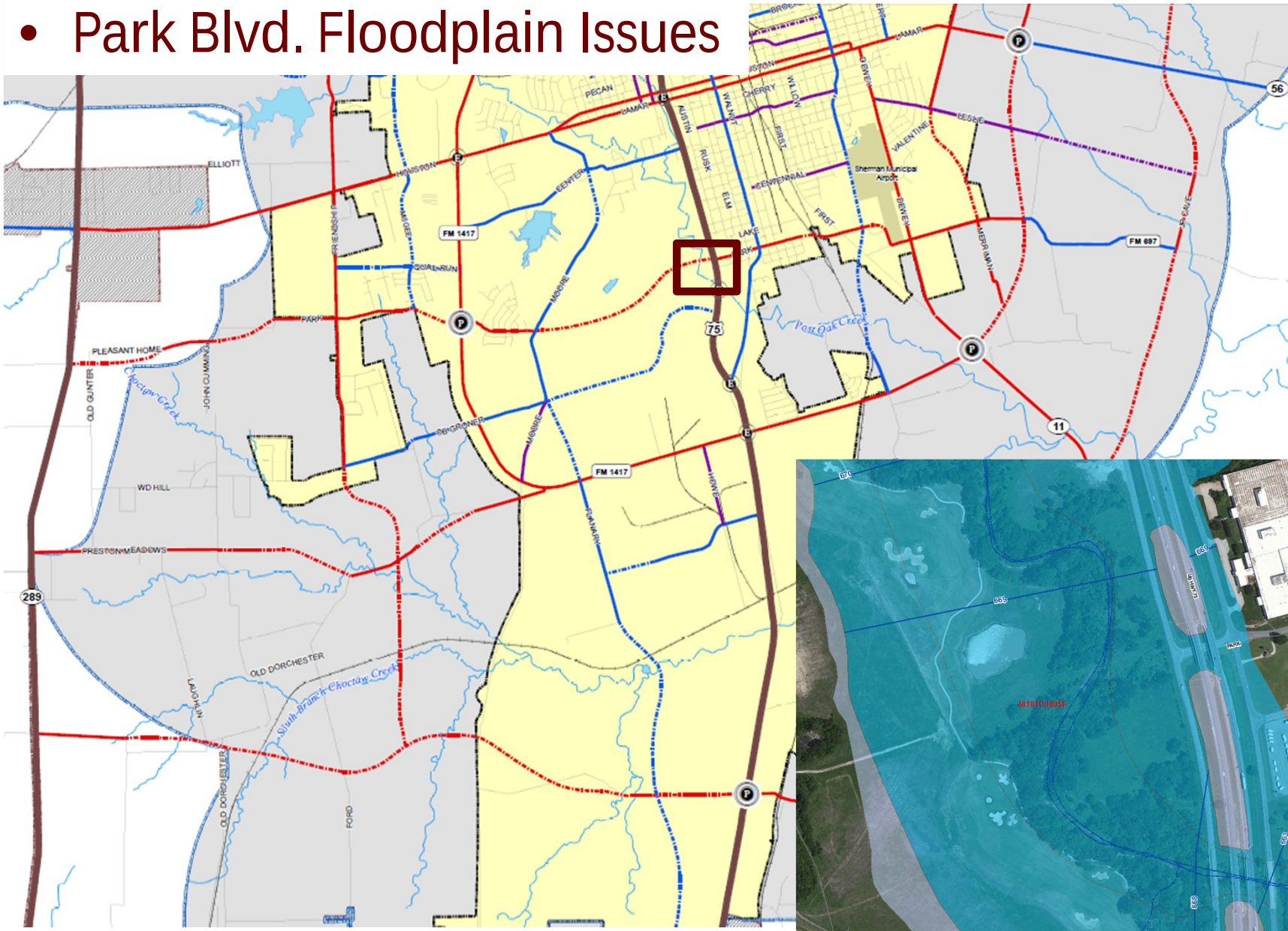
North Half of the Thoroughfare Plan



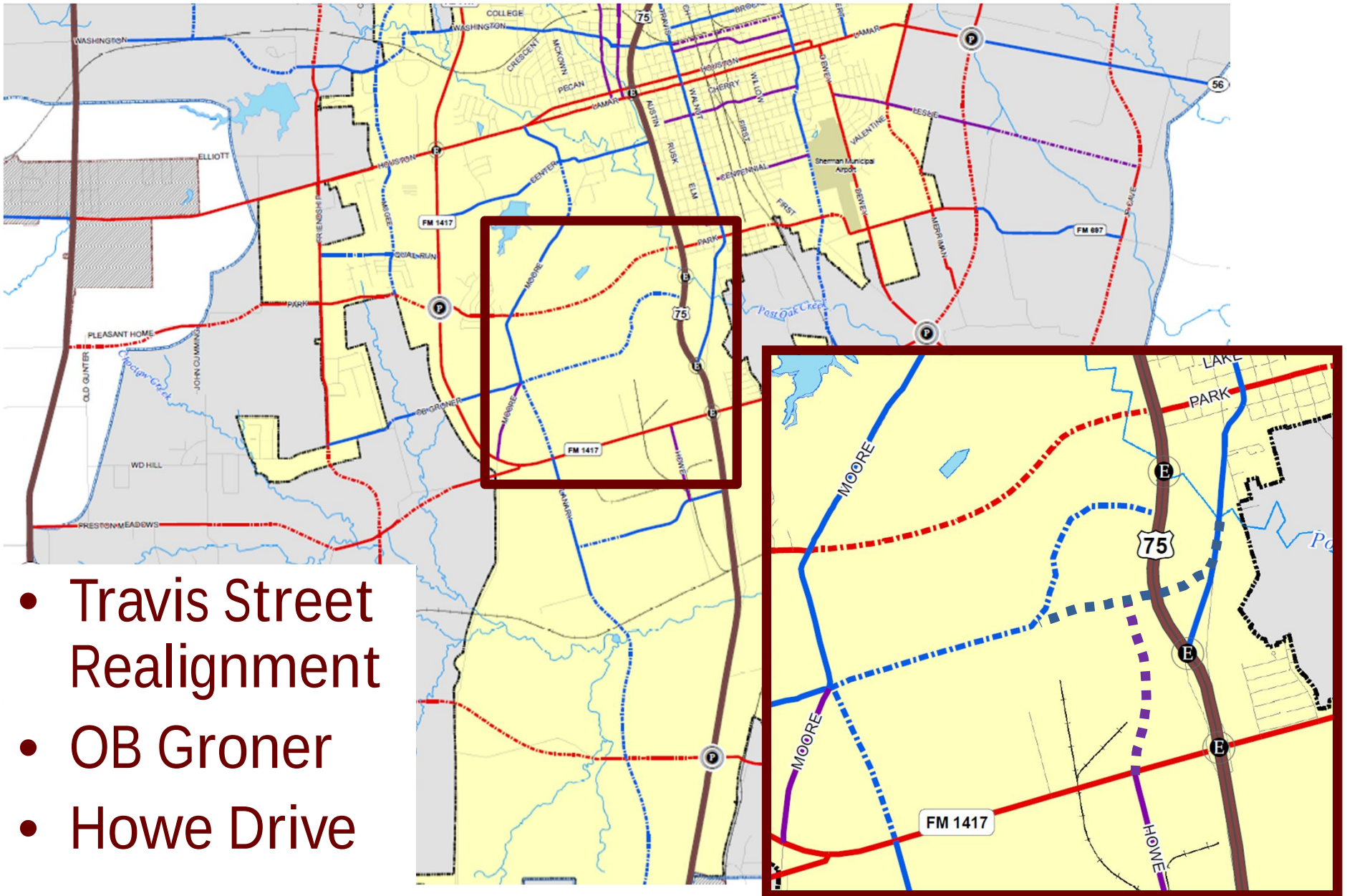
- Does not show the FM 1417 loop
- Northcreek Dr. built as a collector

South Half of the Thoroughfare Plan

- Park Blvd. Floodplain Issues

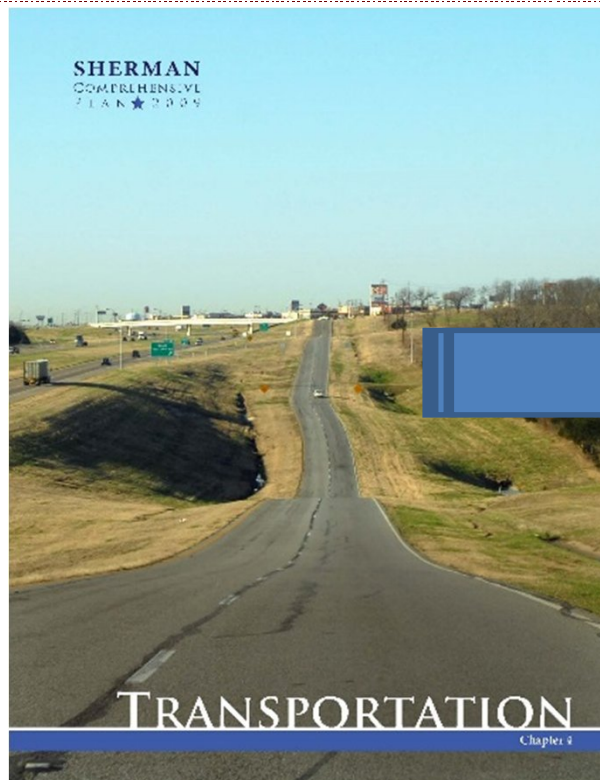


South Half of the Thoroughfare Plan (Cont.)



Continuing to Update the Transportation Plan

Area	Estimated Cost	Fiscal Year
Southwest Quadrant	\$25,000	2017
Northern Half	\$25,000	2018
Southeast	\$30,000	2020





City Planner

- Typical duties of a City Planner:
 - Oversee planning assignments such as:
 - This transportation study
 - Comprehensive Master Plan development
 - Zoning Map development
 - Analyze population growth patterns and make recommendations for locations of public infrastructure improvements such as parks and roadways
 - Reviews comprehensive plan amendments, rezonings, annexations, site plans and plats
- Area cities that have one or more planners:
 - City of Paris, TX, Pop. 24,895
 - City of Ardmore, OK, Pop. 25,226
 - City of Celina, TX, Pop. 6,744
 - Town of Prosper, TX, Pop. 12,943 (3 planners and a planning tech on staff)
 - City of Anna, TX, Pop. 9,515 (2 planners on staff)
 - Town of Little Elm, TX, Pop. 32,701
- Cities currently hiring City Planners:
 - City of Robinson, TX, Pop. 11,300
 - City of Athens, TX, Pop. 12,803

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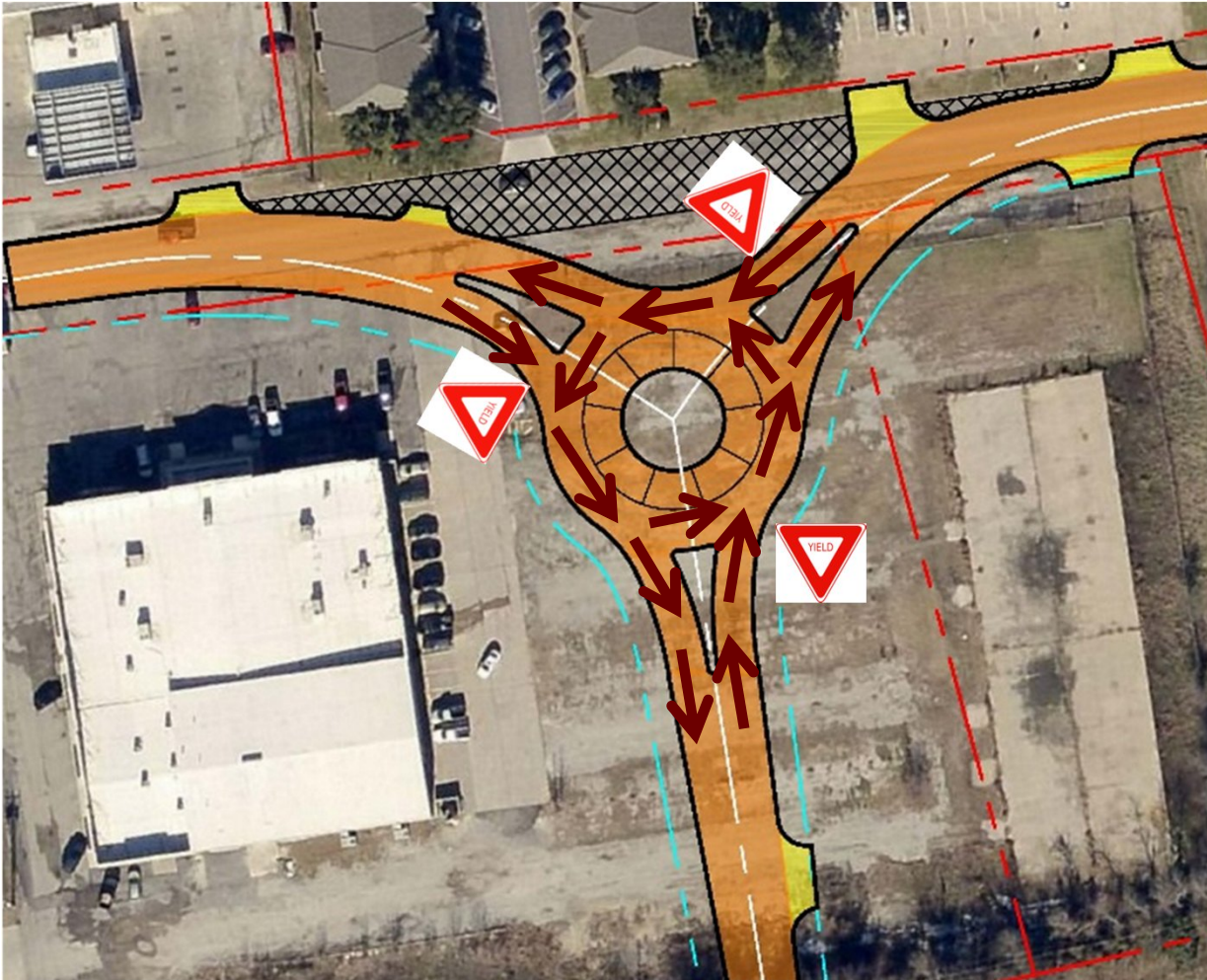
CITY STREET EXTENSIONS



Taylor Street – Phase 1



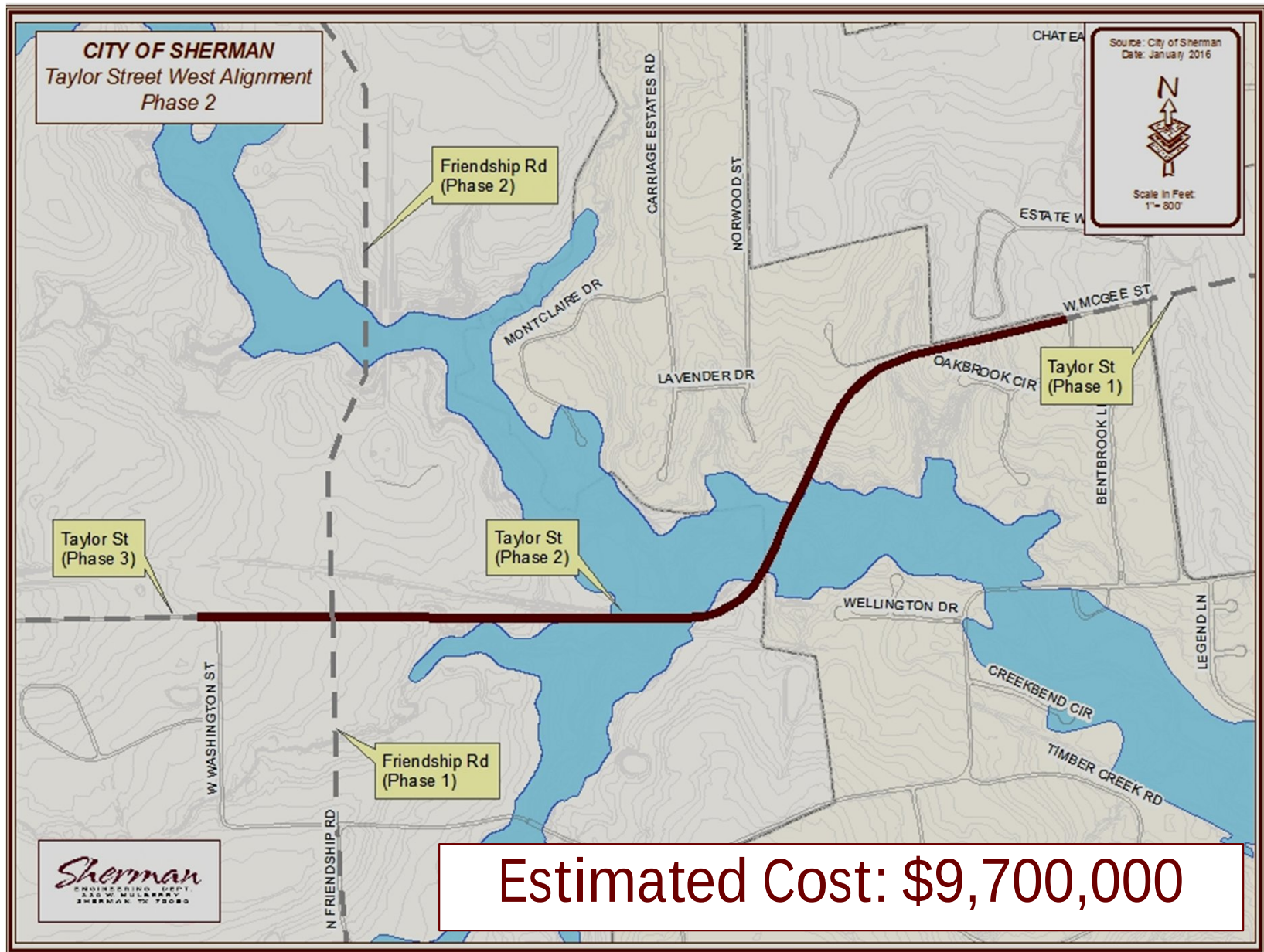
Information on Roundabouts



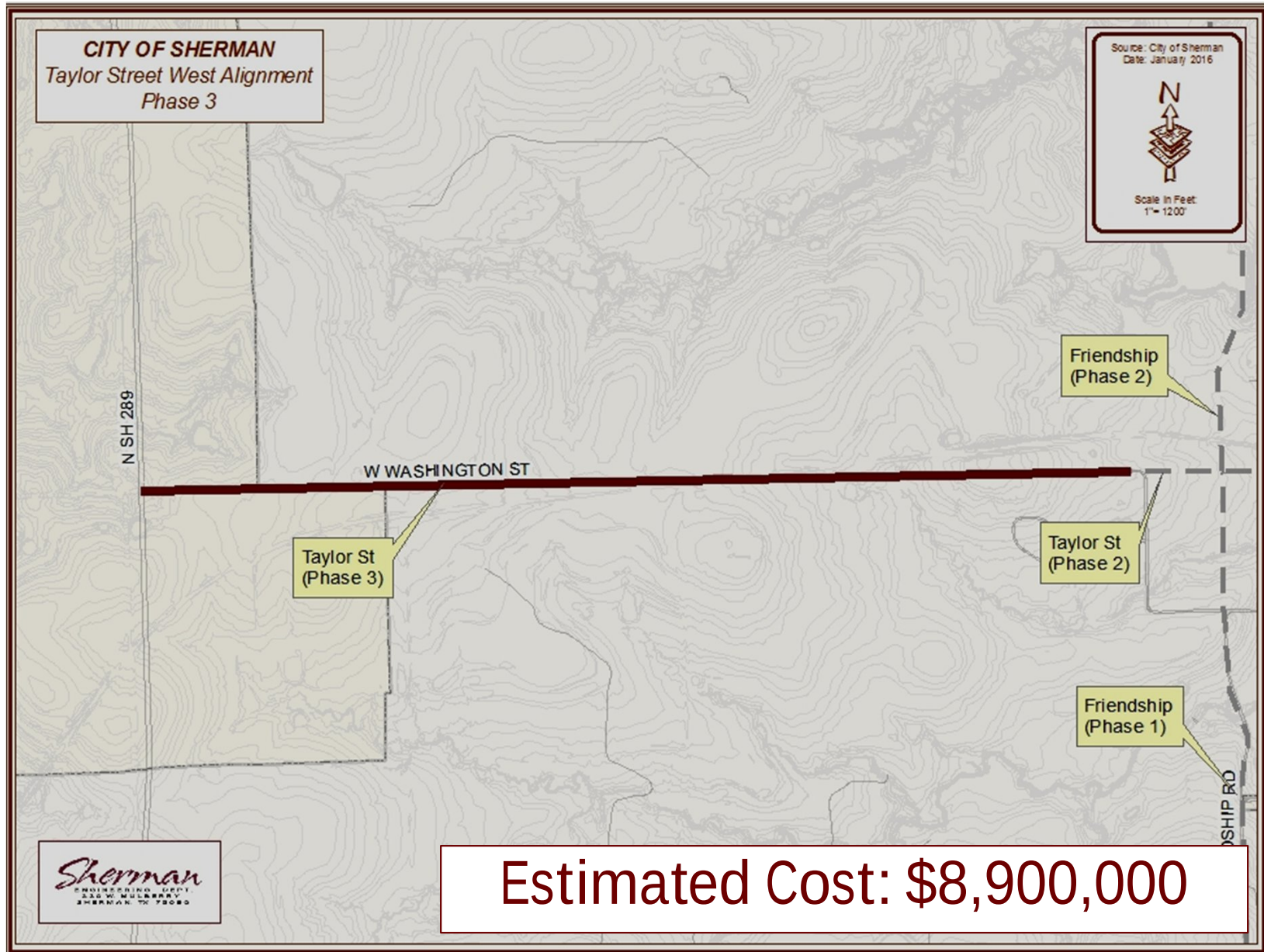
- Yield to get on the roundabout
- Once on the roundabout there is no yielding. Simply exit at the desired location.

- Roundabouts can vary in size from small mini-roundabouts to large freeway interchange roundabouts depending on demand.
- Can be used in place of a traffic signal to minimize delays.

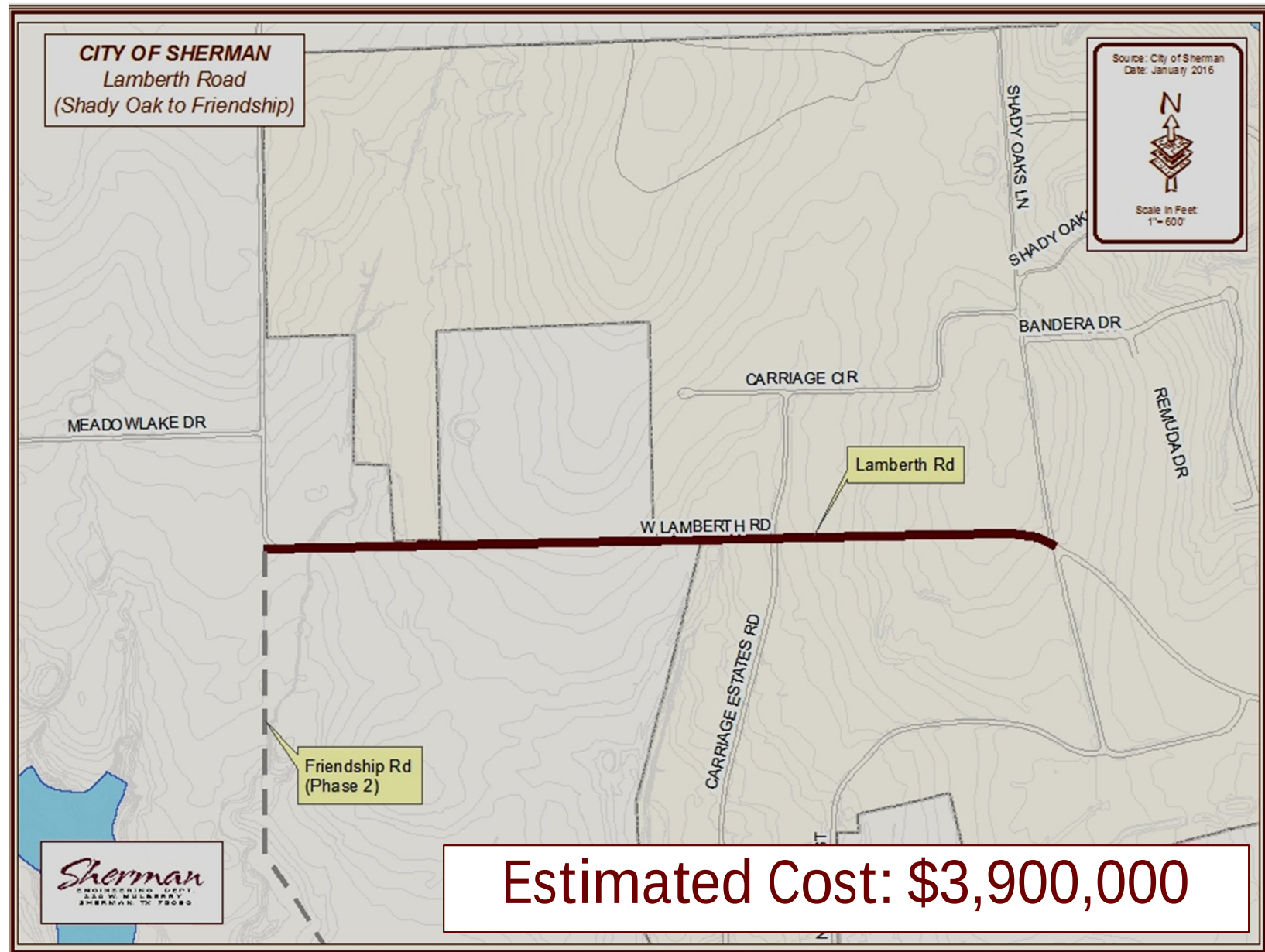
Taylor Street – Phase 2



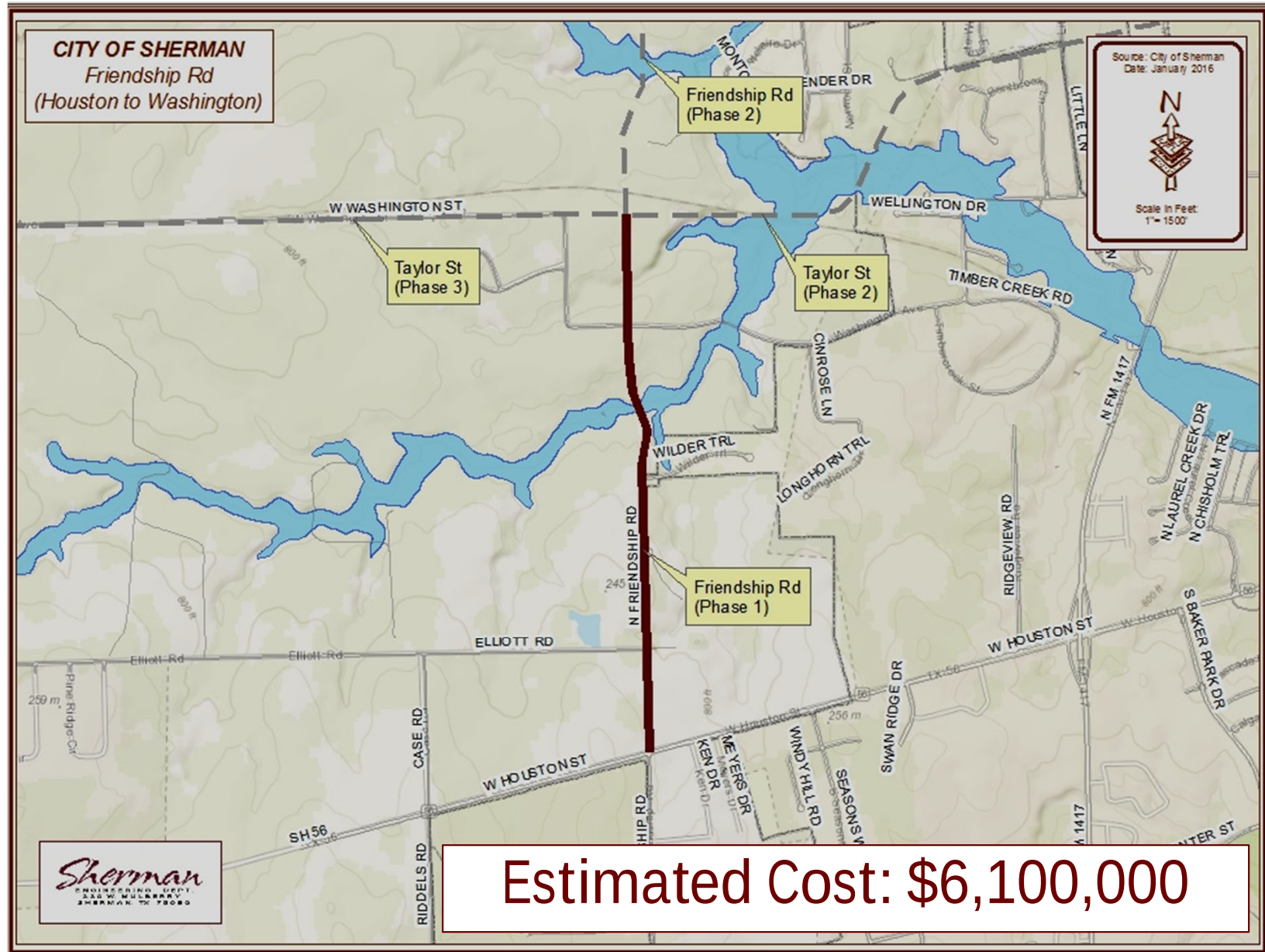
Taylor Street – Phase 3



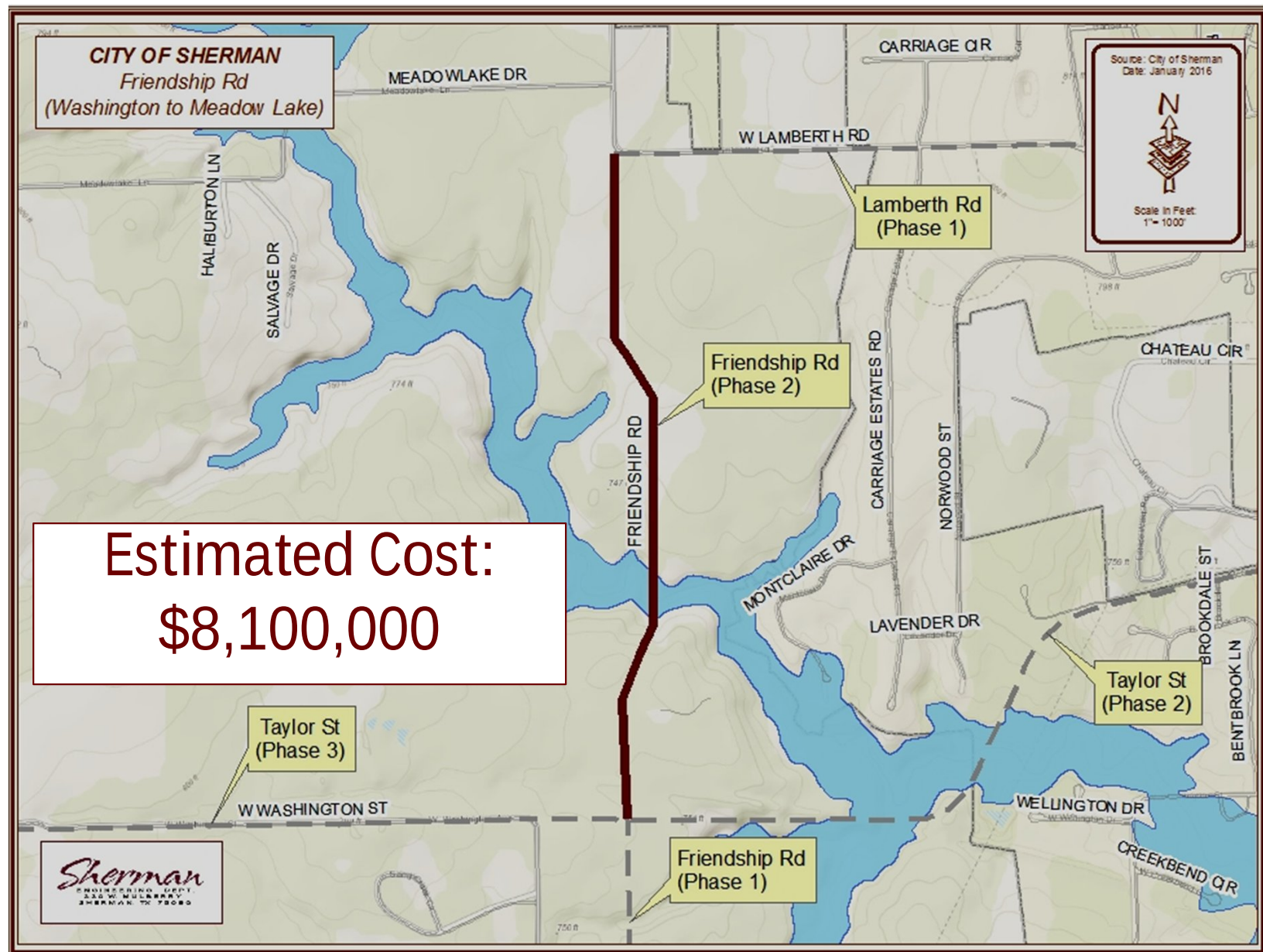
Lamberth Road



Friendship Road – Phase 1



Friendship Road – Phase 2



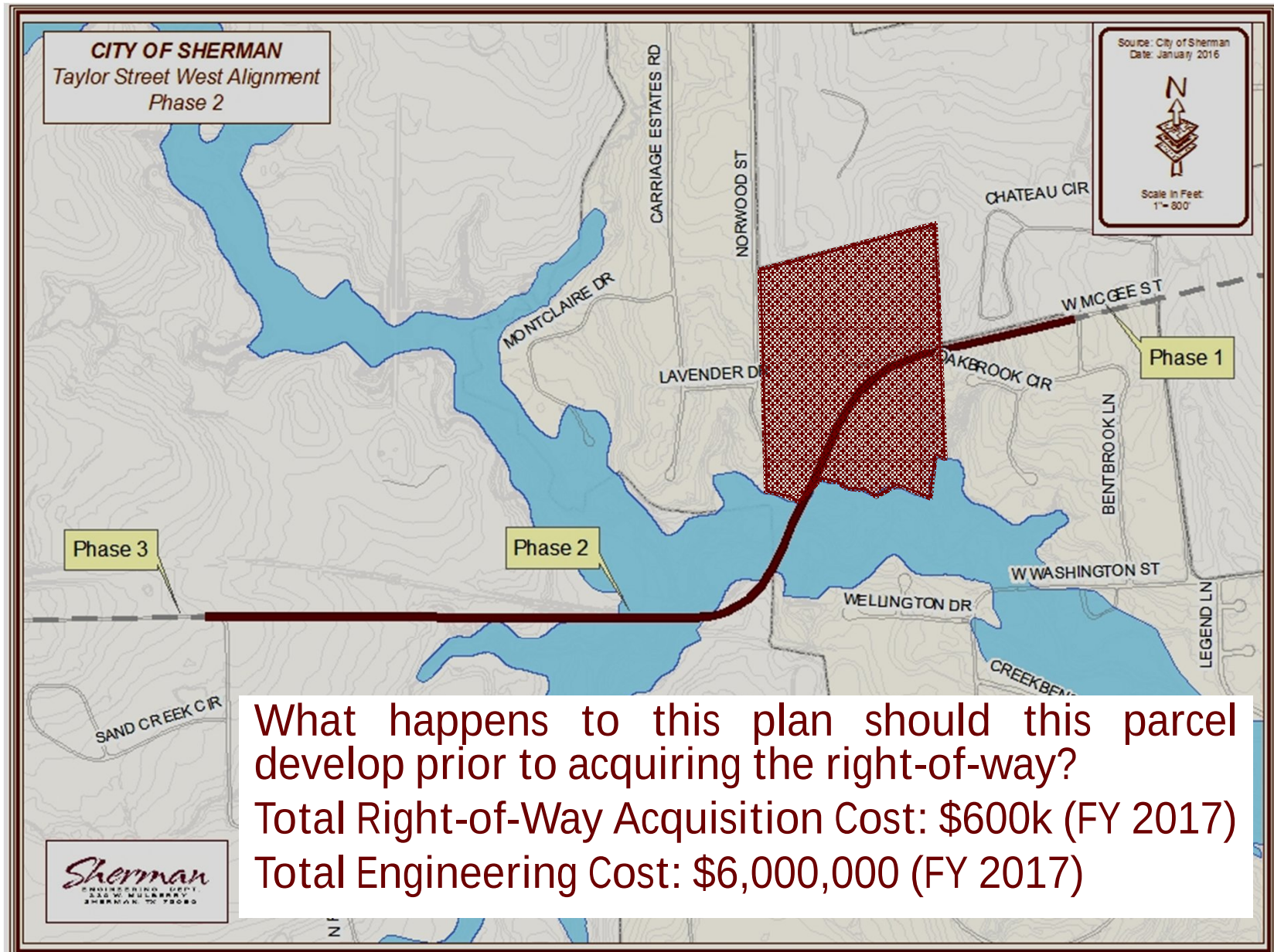
Quail Run



Swan Ridge



Importance of Right-of-way Acquisition



Sherman
CLASSIC TOWN. BROAD HORIZON.

LOY LAKE ROAD UPDATE



Sherman Schedule

CLASSIC TOWN. BROAD HORIZON.

- 90% plans under review
 - Lighting system
 - Landscaping plan
- Request to advertise on the January 18 City Council Agenda
- Agenda item for award of the construction contract on the February 15 City Council Agenda
- Plans given to franchise utilities to relocate facilities in the right-of-way
- Anticipated substantial completion date: November 18, 2016
- Estimated Construction Cost: \$2.15million



Sherman
CLASSIC TOWN. BROAD HORIZON.

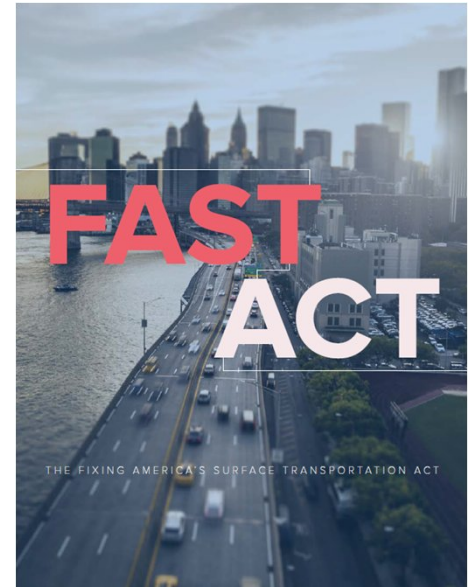
FEDERAL AND STATE INITIATIVES IN TRANSPORTATION



Sherman Funding Sources

CLASSIC TOWN. BROAD HORIZON.

- Federal Funding Changes
 - FAST (Fixing America's Surface Transportation) Act signed Dec. 4, 2015. Allocates \$305 billion for 5 years for Federal Transportation programs.
- State Funding Changes
 - Prop 1 passed by Texas voters on Nov. 4, 2014. Allocates an estimated \$1.2 billion annually for state roadways.
 - Prop 7 passed by Texas voters on Nov. 3, 2015. Allocates an estimated \$2.5 billion annually for state roadways.





SDMPO History & Purpose

- Federal-Aid Highway Act of 1962 required that all metropolitan areas of over 50,000 population have an MPO in order to spend federal dollars on transportation improvements.
- Sherman-Denison MPO created in 1982.
- Purpose: to coordinate transportation planning within the 20 year urban boundary.



SHERMAN-DENISON MPO

METROPOLITAN PLANNING ORGANIZATION
INTERMODAL URBAN TRANSPORTATION PLANNING

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About SD-MPO	Calendar	Committees/Meetings	Planning Documents	Library	Public Transportation	Useful Info/Links
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Promoting transportation systems that efficiently maximize the mobility of people and goods with minimal negative impact.



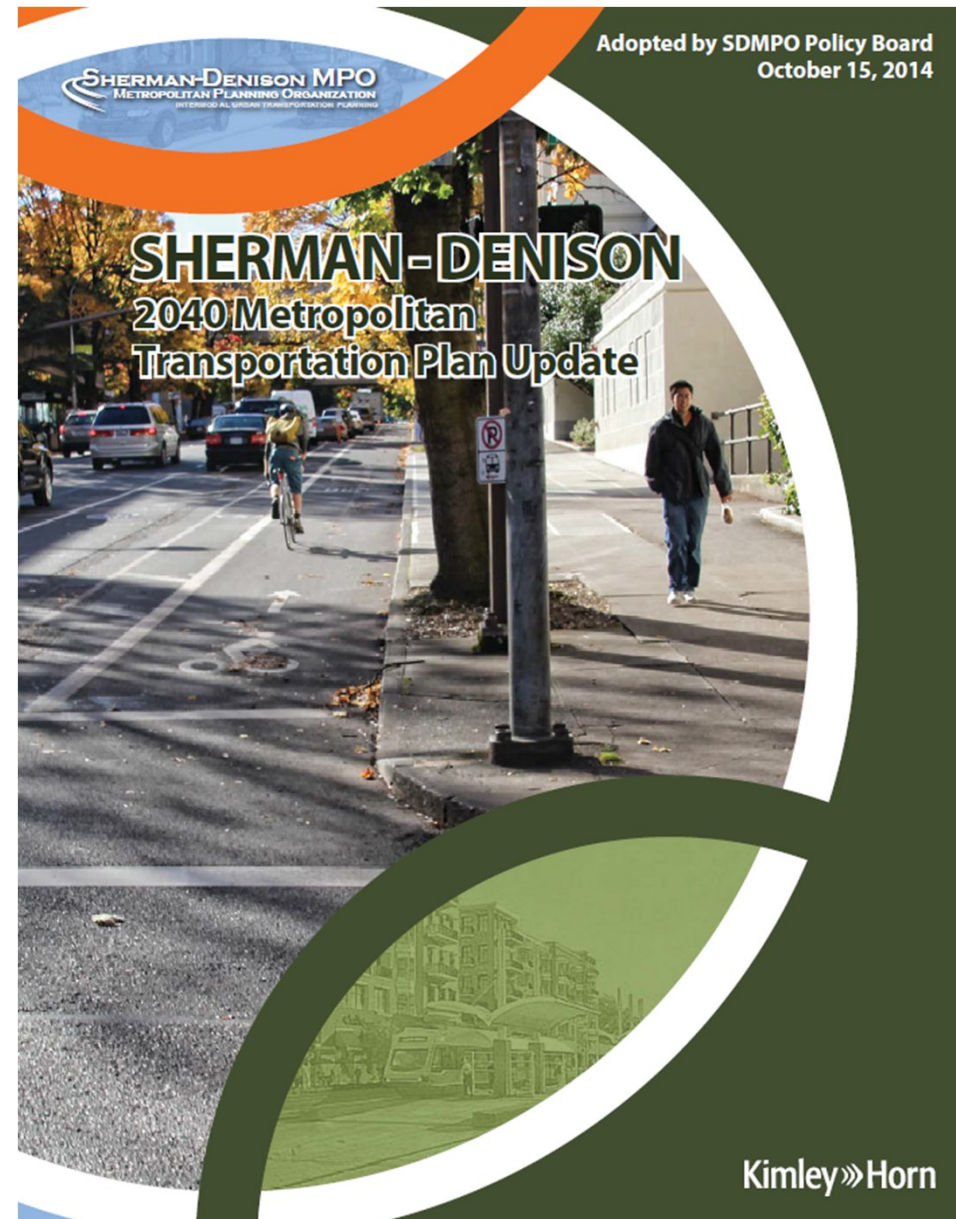
SHERMAN-DENISON MPO

[Read more about our Purpose and Vision](#)



SDMPO Estimated Funding

- Urban Mobility Funds: \$15million over 25 years (all of these funds are allocated for FY 2018 for FM 131 and FM 1417)
- Prop 1 Funds: Estimated at \$1.71million annually
- Prop 7 Funds: Estimated at \$7.85million annually
- Total Prop 1 and Prop 7 Funding: Estimated at \$9.56million annually



Project Ranking Criteria

	Ranking Factors										
	Safety		Maintenance & System Efficiency		Congestion		Community Interest				
	6.75		4.75		4.25		2.25				
Project Name	Accident Density & Severity	Weighted Accident Density & Severity	Maintenace & System Efficiency	Weighted Maintenance & System Efficiency	Level of Service (V/C ratio)	Weighted Congestion	Estimated Cost	Local Match	ROW Acquisition needed	Weighted Economic Vitality	Weighted Total
Example	5	33.75	5	23.75	5	21.25	2	1	2	11.25	90

Project type scoring

Accident density:	Use accident index (0 - 5)
Maintenance & System efficiency:	Use PMIS (0 - 5)
LOS:	A through F based on model input (0 - 5)
Estimated cost:	2 = < \$5 million 1 = \$5 - \$10 million 0 = > \$10 million
Local Match:	1 =< 10% 0 = none or < 10%
Row:	2 = no ROW acquisition necessary 1 = limited parcels 0 = extensive ROW needed

^ A perfect Project would receive a score of 90

MPO PROJECT LIST FY 2015-2019

Project Sponsor		Project Name	From	To	Description		Total Cost
Sherman		FM 131	Taylor	US 82	Widen existing roadway		\$7.3 m
Sherman		FM 1417	Taylor	US 82	Widen existing roadway		\$7.8 m
Denison		US 75	Crawford	FM 120	Ramp Reversals/U-turn		\$4.5 m
Sherman		FM 131	at US 82		Reconstruct interchange		\$3.2 m
Denison		FM 691	SB US 75	Loy Lake Rd	Reconstruct roadway and add two lanes		\$4.2 m
Sherman		FM 131	US 82	N. Creek	Widen existing roadway		\$1.3 m
10	FY2016	0045-03-048	SH56	S BINKLEY PK DR	TOLBERT AVE	MILL AND OVERLAY	\$76,174
11	FY2016	0045-03-049	SH56	S. BINKLEY PK DR	TOLBERT AVE	MILL AND OVERLAY	\$76,174
12	FY2016	0045-04-062	SH56	TOLBERT AVE	HARRISON AVE	MILL AND OVERLAY	\$523,071
13	FY2016	0045-04-063	SH56	TOLBERT AVE	HARRISON AVE	MILL AND OVERLAY	\$523,071
14	FY2016	0047-03-067	US75	AT POST OAK CREEK (SB)		BRIDGE REPLACEMENT	\$1,294,637
15	FY2016	0047-03-068	US75	AT POST OAK CREEK (NB)		BRIDGE REPLACEMENT	\$1,294,637
16	FY2016	0045-19-048	US82	FM1417	FM131	REHAB	\$752,317
17	FY2017	0202-08-058	FM131	US82	US75	OVERLAY	\$218,579
18	FY2017	0045-04-064	SH56	0.376 MILES EAST OF US75	FANNIN COUNTY LINE	TEXTURIZE SHOULDERS, CENTERLINE TEXTURIZING	\$113,491
19	FY2017	0047-13-030	US75	FM902	COLLIN COUNTY LINE	SEAL COAT	\$337,406
20	FY2017	0047-13-031	US75	FM 902	COLLIN COUNTY LINE	SEAL COAT	\$337,406
21	FY2017	0045-18-034	US82	COOKE COUNTY LINE	FM1417	TEXTURIZE SHOULDERS, CENTERLINE TEXTURIZING	\$144,326
22	FY2018	0202-08-954	FM 131	LAMBERTH ST (SHERMAN)	TAYLOR ST (SHERMAN)	WIDEN FRON 2-LANE TO 4-LANE	\$3,150,524
23	FY2018	0202-08-056	FM 131	US82	LAMBERTH ST	WIDEN FROM 2-LANE TO 4-LANE	\$4,146,269
24	FY 2018	2455-01-031	FM 1417	US 82	TAYLOR ST (SHERMAN)	WIDEN NON-FREEWAY	\$7,838,766

MPO PROJECT LIST FY 2020-2024

Project Sponsor	Project Name	From	To	Description	Total Cost
Van Alstyne	SH 5	Spence Rd.	Baldwin St.	Reconstruct and add two lanes	\$3.0 m
Pottsboro	SH 289	Meadowbrook	Fountain Creek	Drainage Improvements	\$150 k
Sherman	FM 131	Taylor St.	US 75	Widen Existing Roadway	\$4.0 m
Sherman/ Denison	FM 691	SH 91	Pool Rd.	Reconstruct roadway and add two lanes	\$4.5 m
Denison	FM 131	FM 691	Seymore Bradley	Reconstruct roadway and construct traffic calming elements w/improved signalization	\$5.0 m
Sherman	FM 1417	at Sand Creek		Reconstruct bridge	\$2.7 m

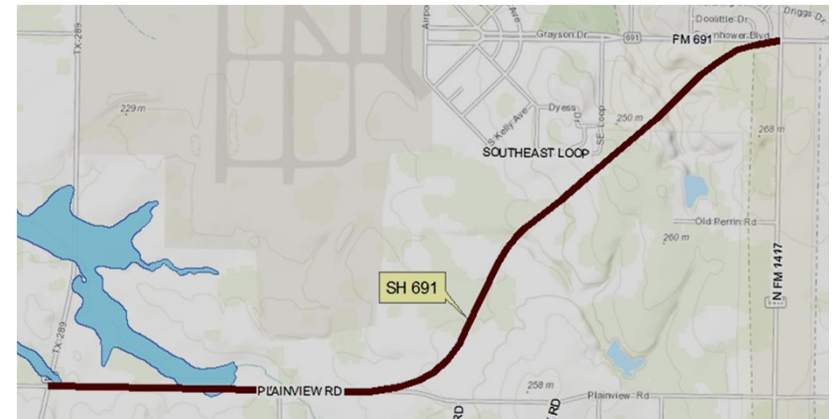
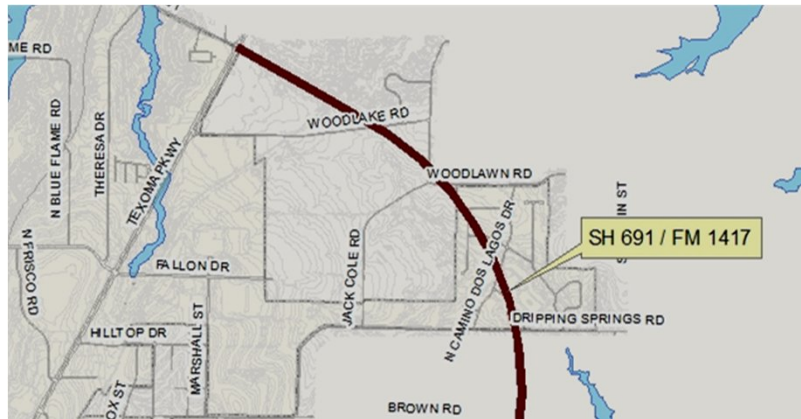


MPO PROJECT LIST FY 2025-2029

Project Sponsor	Project Name	From	To	Description	Total Cost
Denison	FM 120	N. York Ave.	Juanita Dr.	Reconstruct roadway & construct traffic calming elements w/improved signalization	\$4.2 m
Van Alstyne	SH 5	Baldwin St.	Hynds St.	Reconstruct roadway and add two lanes	\$4.8 m
Denison	FM 120	Juanita Dr.	Maurice	Reconstruct roadway & construct traffic calming elements w/improved signalization	\$2.1 m
Sherman	FM 1417	at SH 56		Reconstruct interchange	\$2.8 m
Sherman	FM 1417	Taylor St.	SH 56	Widen existing roadway	\$4.0 m
Pottsboro	SH 289	MPO Boundary	FM 120	Widen/straighten	\$1.6 m

MPO PROJECT LIST FY 2030-2034

Project Sponsor	Project Name	From	To	Description	Total Cost
Denison	FM 131	Seymore Bradley	Davy Lane	Reconstruct roadway and construct traffic calming elements w/improved signalization	\$4.4 m
Sherman/ Denison	FM 691	SH 91	Dripping Springs	Construct new roadway	\$5.9 m
County	FM 691	Plainview	FM 1417	Construct new roadway	\$3.7 m
Van Alstyne	SH 5	Hynds St.	County Line	Reconstruct and add two lanes	\$5.7 m

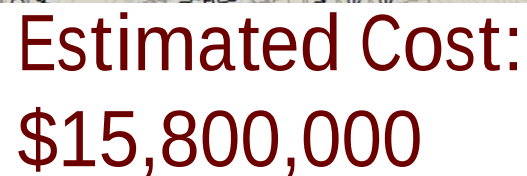




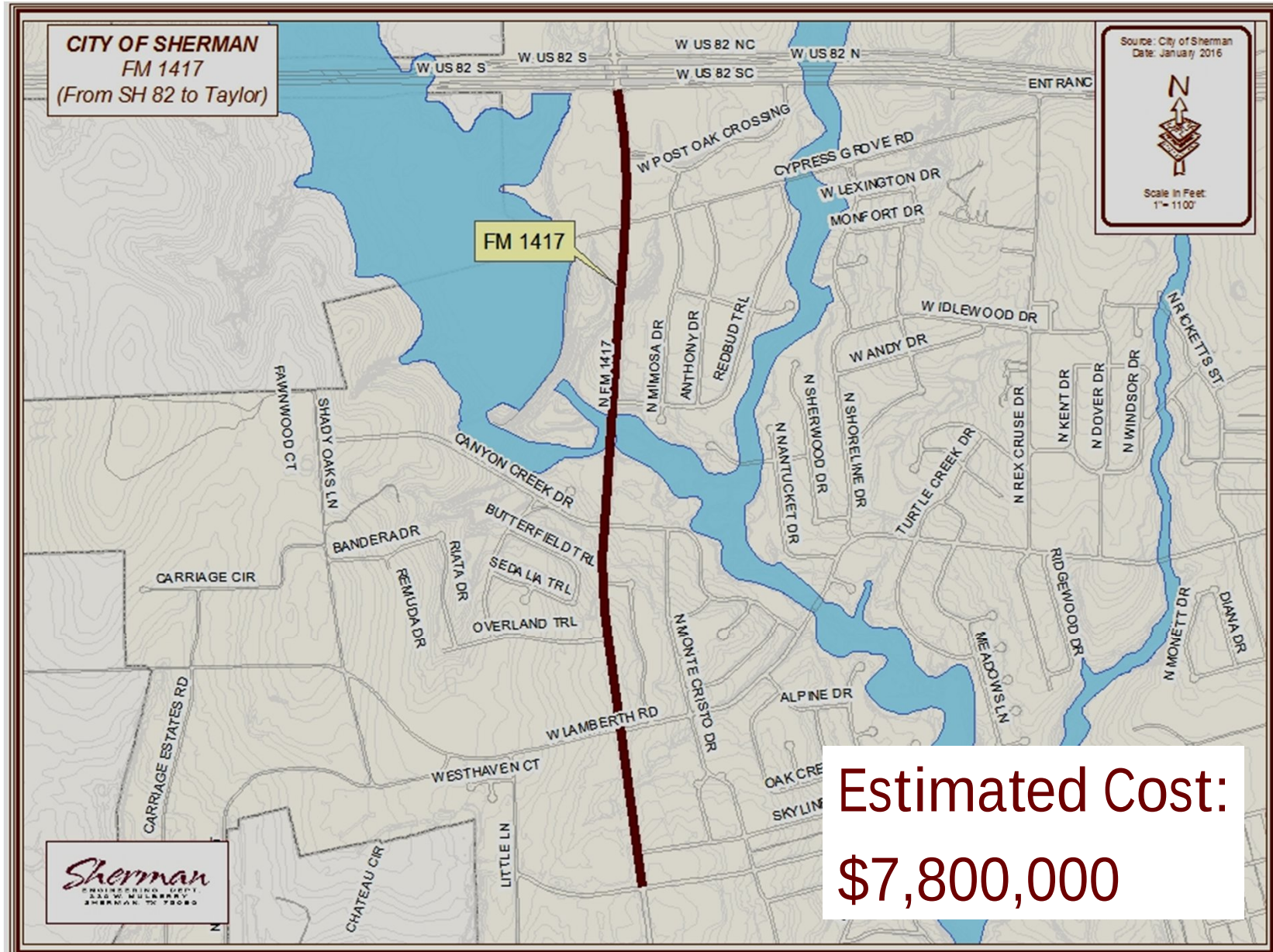
MPO PROJECT LIST FY 2035-2040

Project Sponsor	Project Name	From	To	Description	Total Cost
Denison	FM 131	Davy Lane	Crawford Lane	Reconstruct roadway and construct traffic calming elements w/improved signalization	\$3.2 m
Sherman	FM 1417	US 82	Dripping Springs	Construct new roadway	\$4.9 m
County	FM 691	SH 289	Plainview	Construct new roadway	\$4.1 m
Van Alstyne	FM 121			Reconstruct and add two lanes	\$4.5 m
Pottsboro	SH 289	MPO Boundary	FM 120	Widen/Straighten	\$4.7 m

- Bold Total: \$56.2million
- Grand Total: \$108.1million
- Percentage: 52.0%
- Sherman's percentage of the population: 41.9%

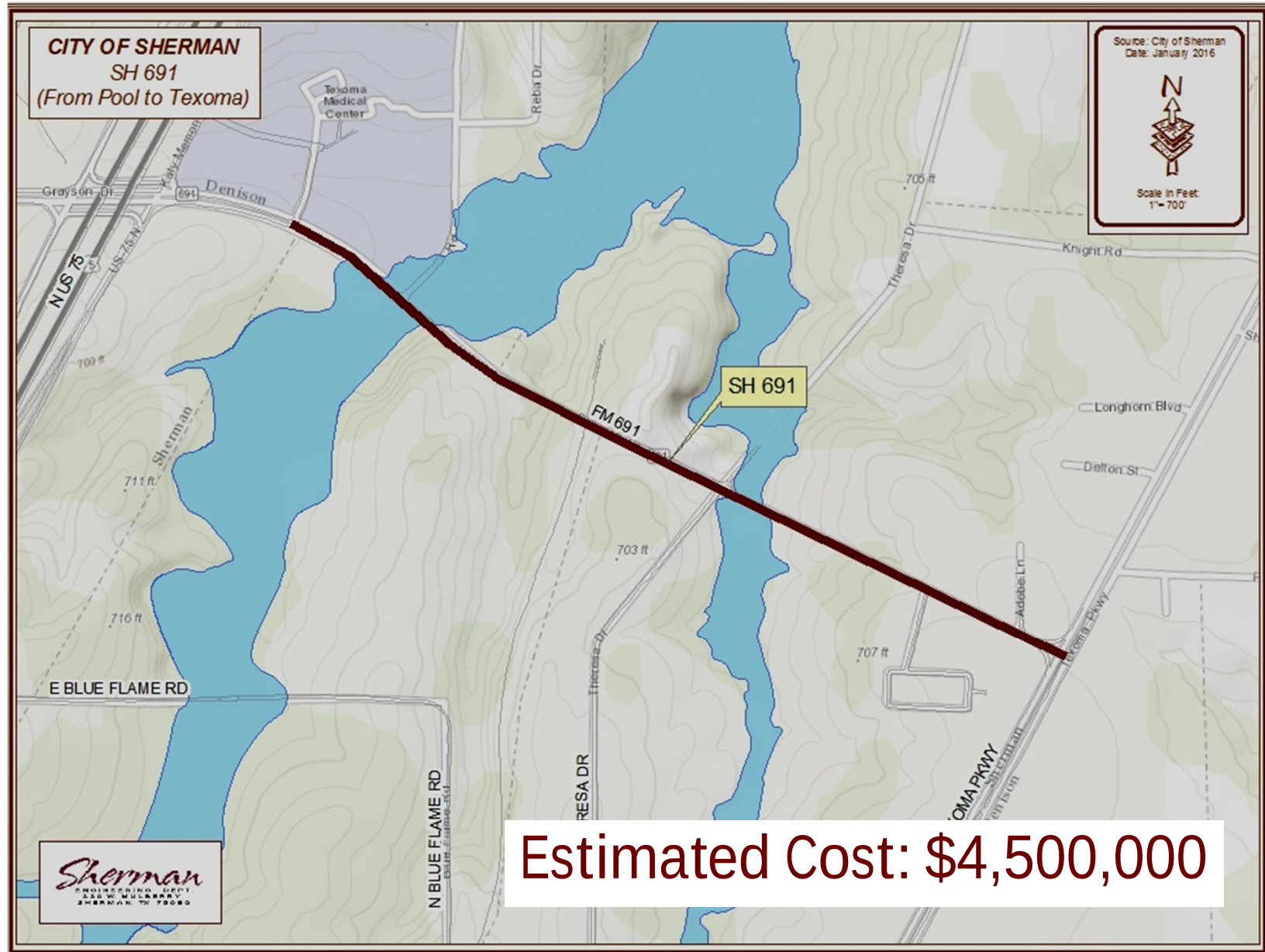


Heritage Parkway (FM 1417)



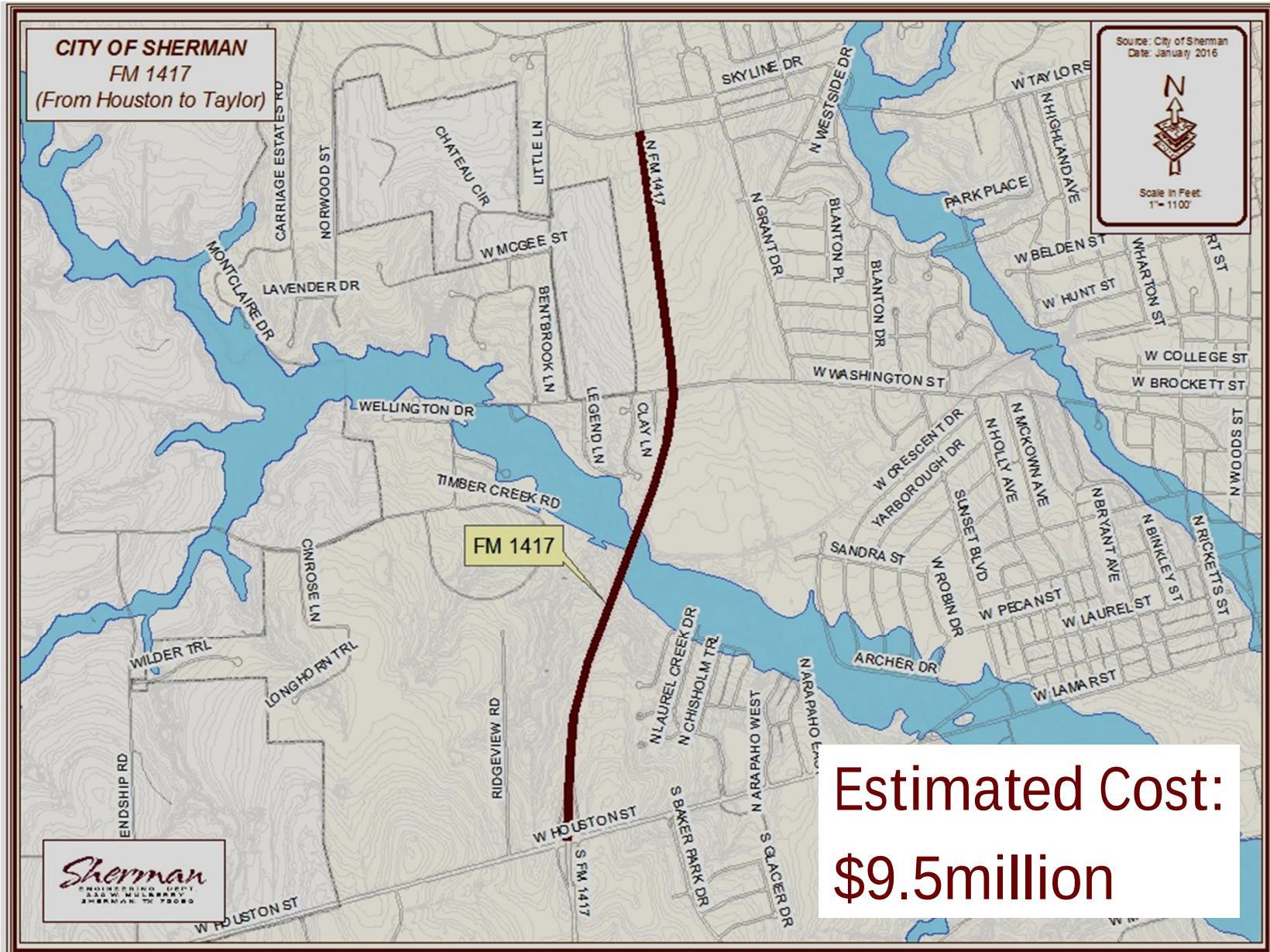
Sherman FM 691 East of US 75
CLASSIC TOWN. BROAD HORIZON.

Sherman FM 691 East of US 75
CLASSIC TOWN. BROAD HORIZON.

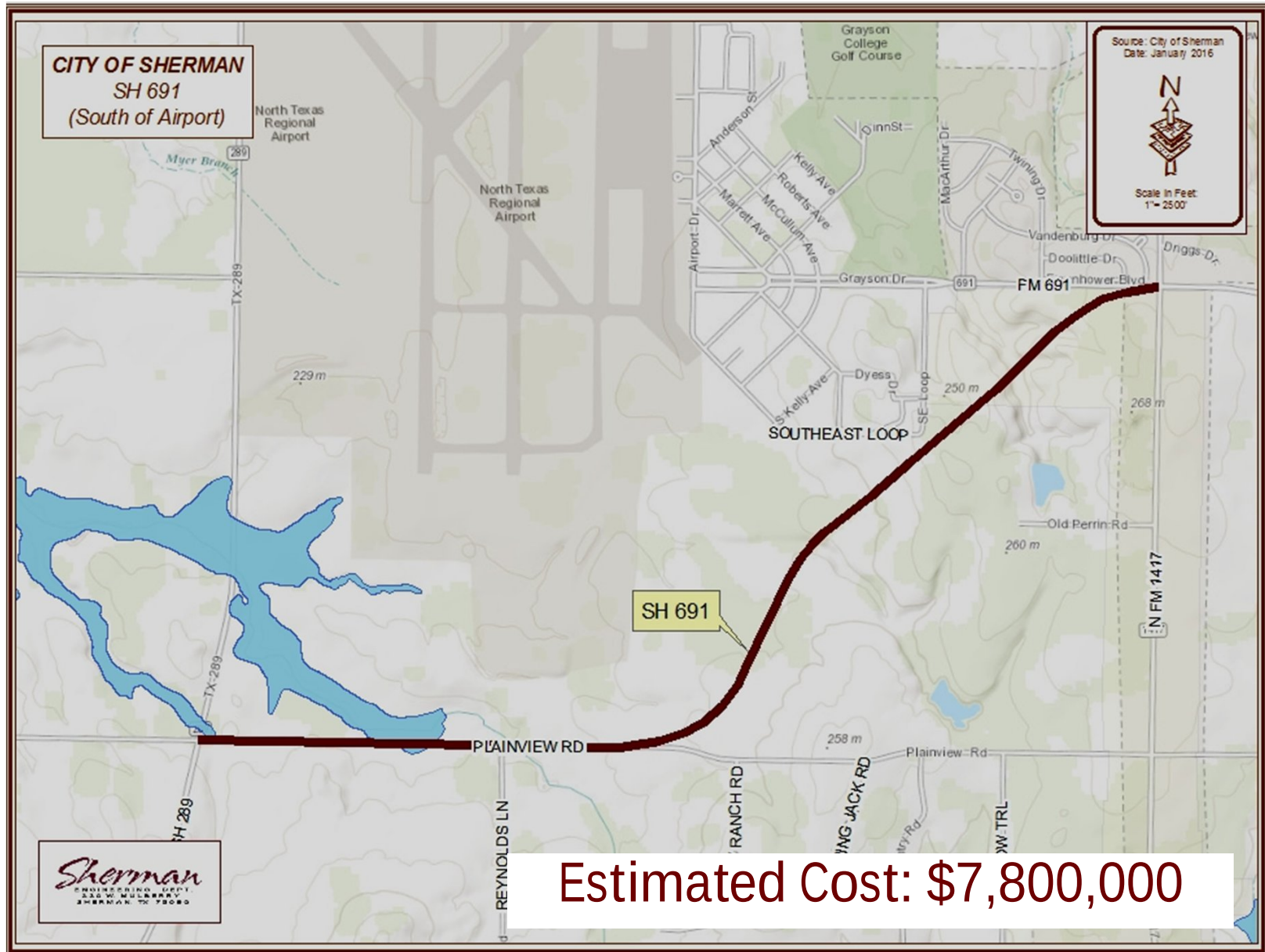


Sherman
CLASSIC TOWN. BROAD HORIZON.

Heritage Parkway (FM 1417)

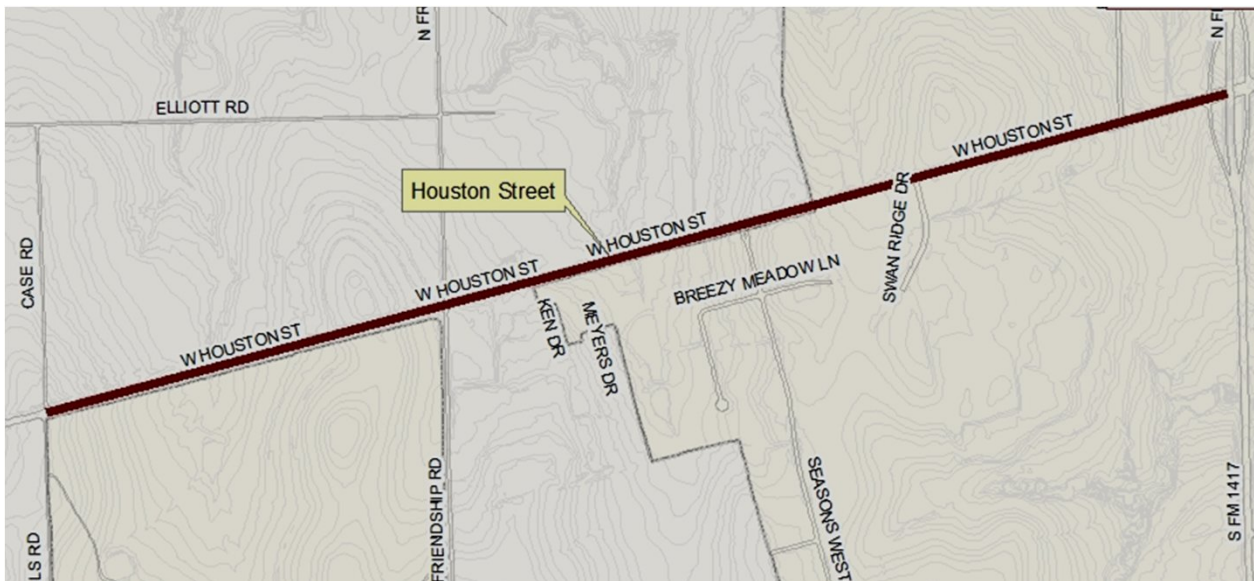


FM 691 West of FM 1417

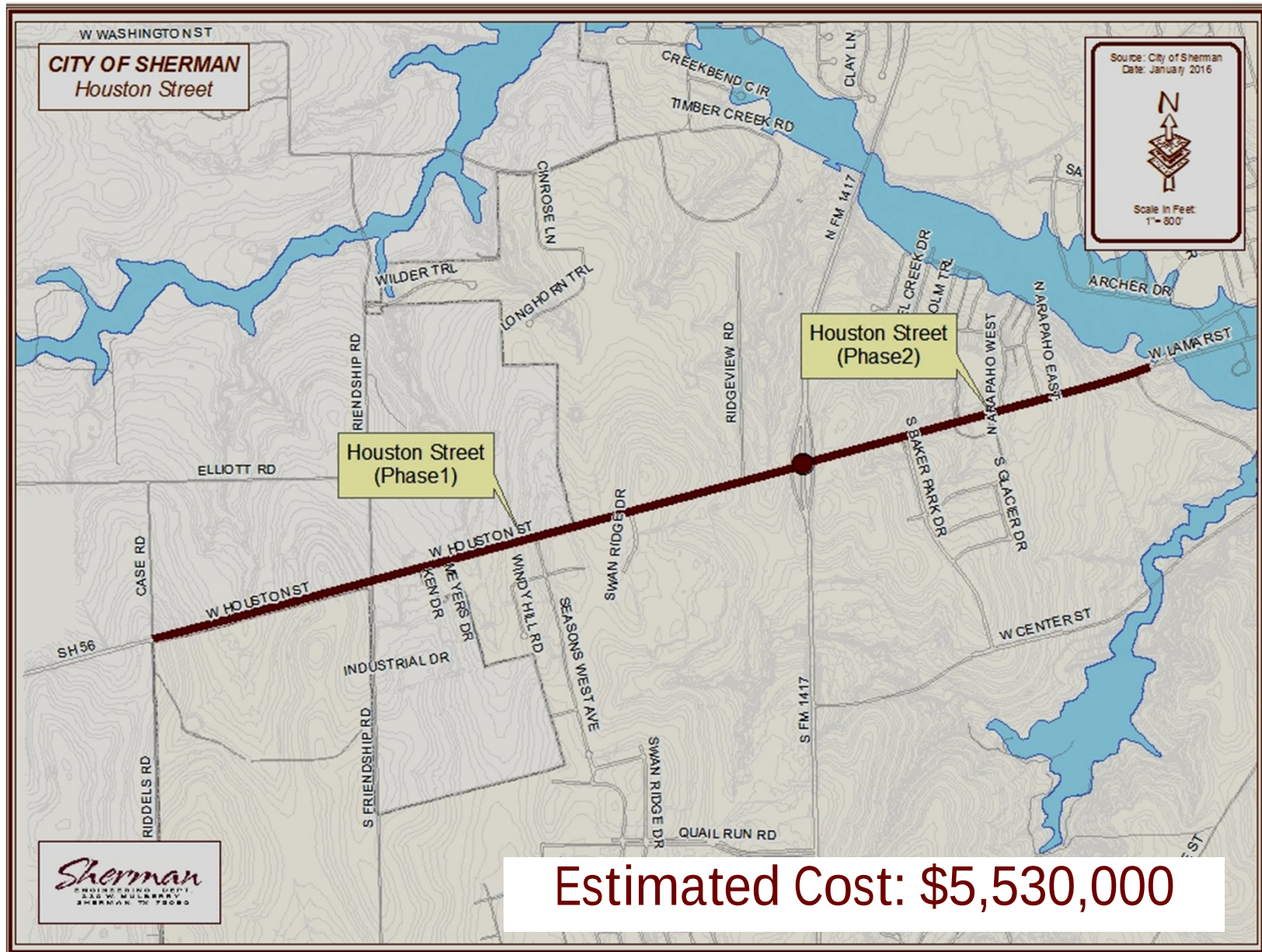


Process Going Forward

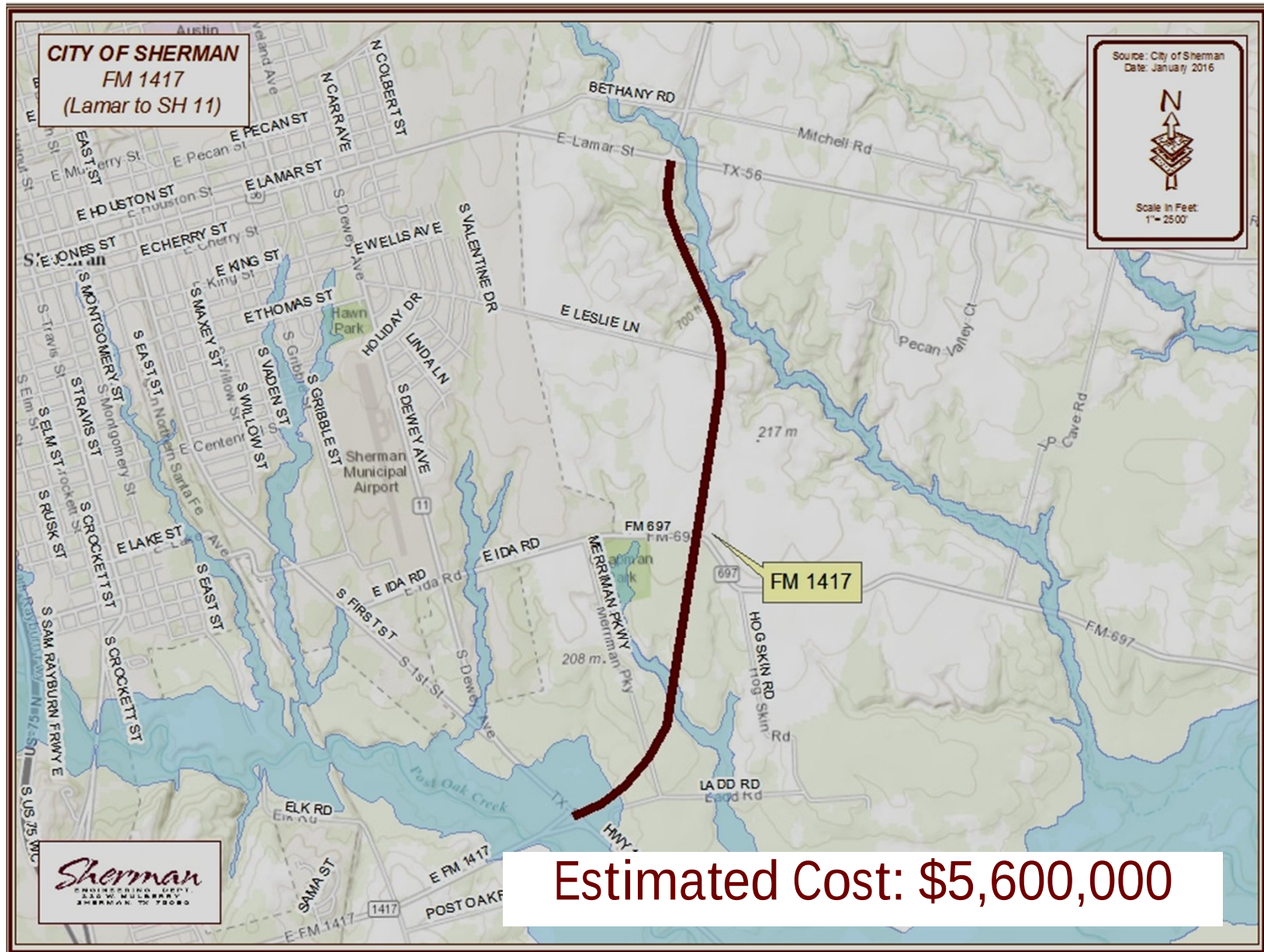
- Prop 7 funds will be added to the mix
- The list will either be condensed and added to or scrapped and a new list created
- The necessity for right-of-way will continue to be considered
- Future funding priorities:
 - SH 56 (Houston St.) from Case/Riddles to Archer
 - Completion of the southeast portion of the loop



SH 56 West of FM 1417



Southeast Loop





Project Management for the MPO

- On Oct. 19, 2015, the City Council approved an agreement with the Sherman-Denison MPO to provide project management services.
- Benefits:
 - Reduce cost
 - Local representation in the design process
 - Avoids any conflict of interest issues that arise out of hiring an engineering firm to perform engineering management oversight services



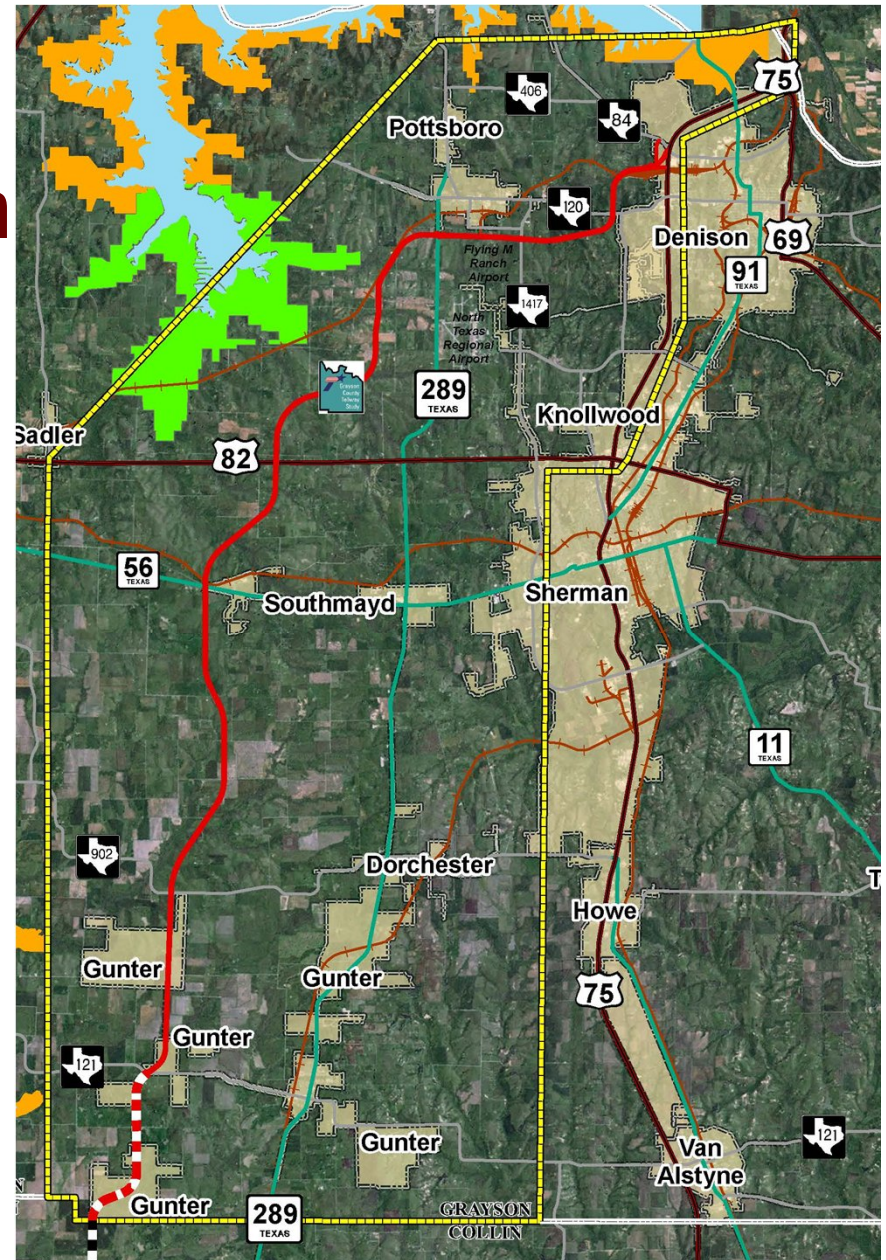
TxDOT Estimated Funding

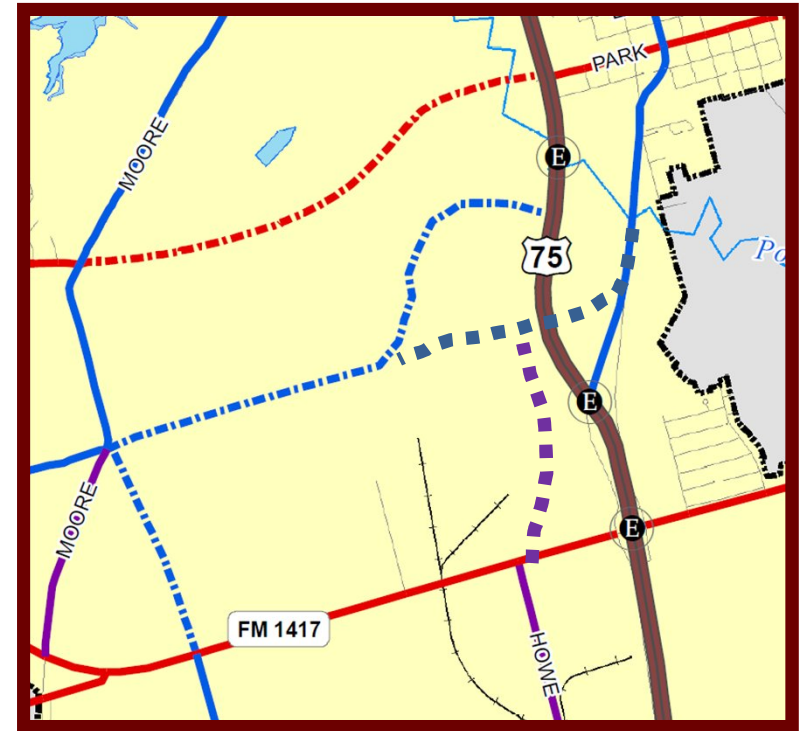
- Construction Expenditures (FY 2014): \$62.9
- Prop 1 Funds: Estimated at \$22.2million annually
- Prop 7 Funds: Estimated at \$44.4million annually
- Total Available Estimated Funding for Construction: \$129.5million annually
- Contrast with the SDMPPO funding of \$10million



TxDOT Commitments

- Dallas North Tollway Service Road - \$8.1million
- Ramp Reversal at FM 120 in Denison - \$4.5million
- US 75 from Shephard Drive to the Red River





- Design considerations for US 75 from Shephard Drive to FM 691
 - Travis Street Realignment
 - Removing the highway from the 100 year floodplain
 - Entry and exit ramp locations
 - FM 131 interchange
 - US 75/US 82 interchange
- Design committee made up of the SDMPD policy board and the TAC will discuss these issues

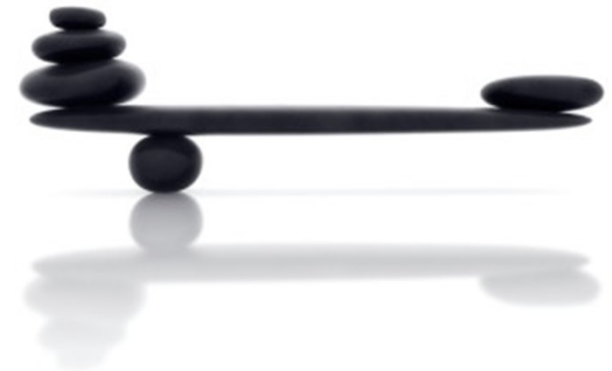
Sherman
CLASSIC TOWN. BROAD HORIZON.

LEVERAGING LOCAL FUNDS



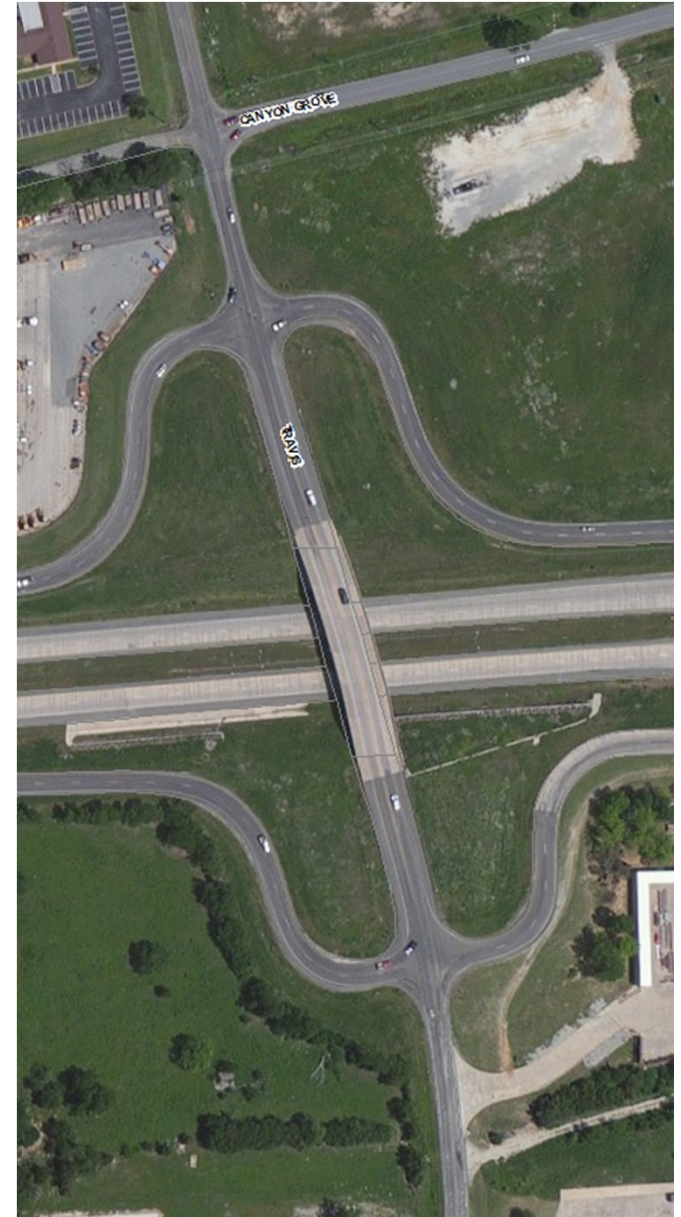
Local Match

- Local Match can be:
 - Designing the projects
 - Acquiring right-of-way up front
 - Funding a portion of the construction cost (i.e. 10%)
- Local match has several benefits:
 - Shows a vested interest in the success of the project
 - The project can be designed to fit our needs
 - Avoids delays and loss of funding
 - Can get the project moved up on the list



Local Match Example 1

- FM 131 (Travis Street) between Taylor and Northcreek
 - Acquiring right-of-way
 - Estimated Cost : \$500k (FY 2017)
 - This must be done for FY 2017 to avoid loss of funds for this project
 - City Participation in the design cost
 - Estimated Design Cost: \$1.6million (FY 2017)
 - Estimated construction cost: \$15.8million
 - Utilize Road & Bridge Funds: \$3.2million
 - These funds can be diverted to move another project up on the list
 - Total Local Match: \$2,100,000



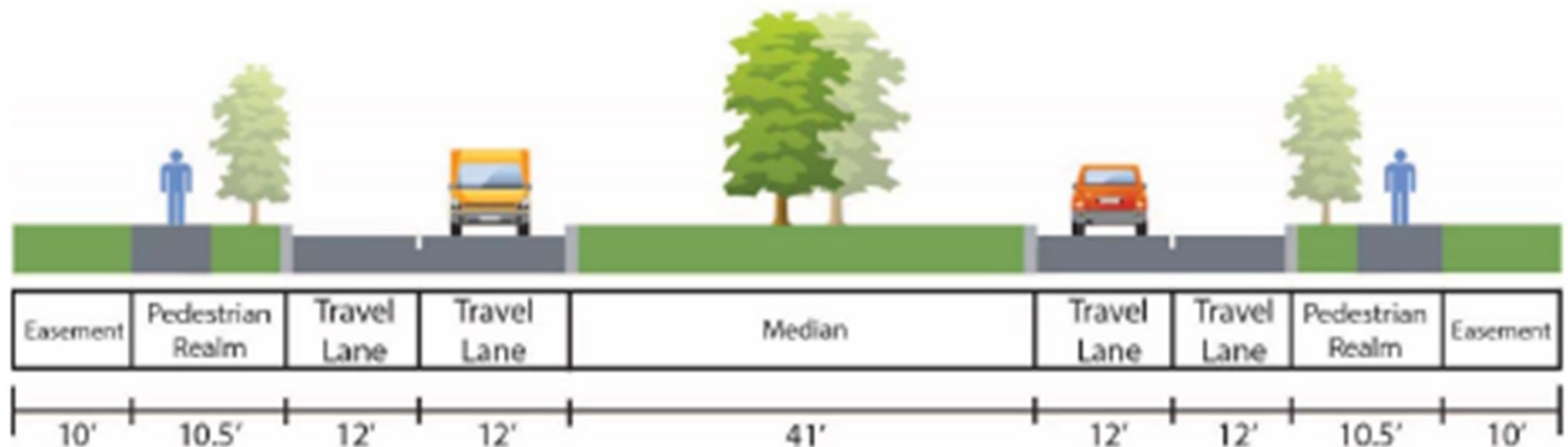
Local Match Example 2

- Ramp reversal for the NB US 75 Ramp at FM 1417
 - City participation in the design cost
 - Estimated Design Cost: \$150k (FY 2017)
 - Estimated Construction Cost: \$1.80million
 - Local Match (10%): \$180k (FY 2018)
 - Total Local Match: \$330k



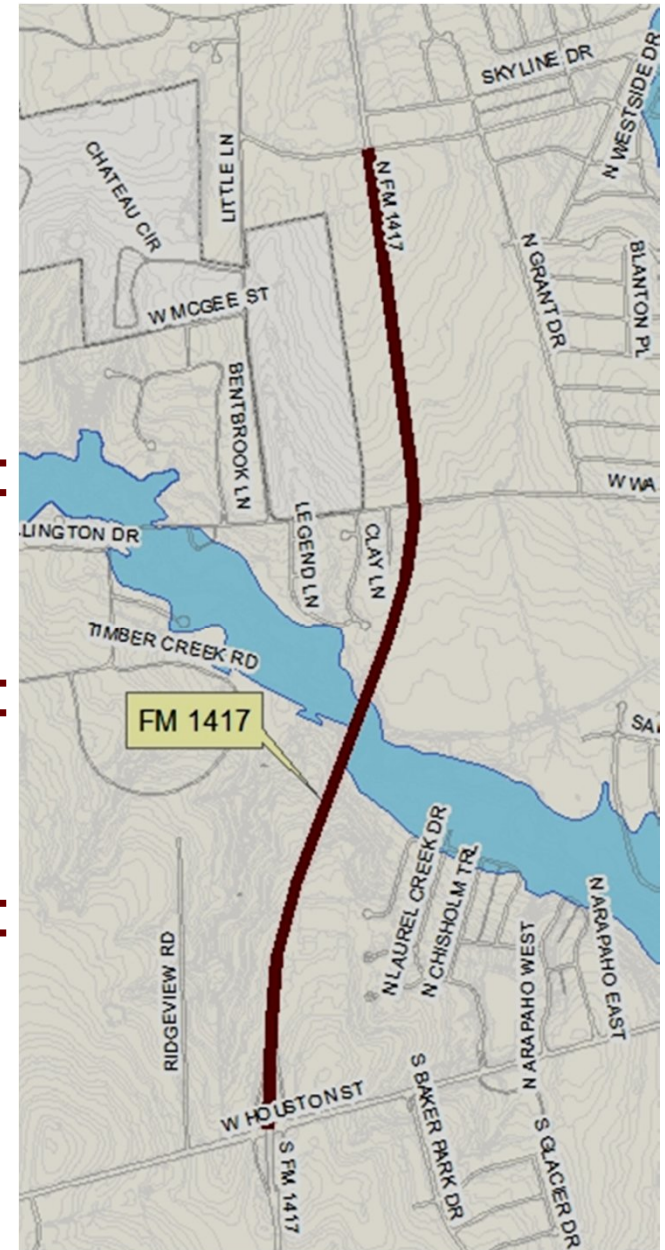
Local Match Example 3

- FM 1417 (Heritage Parkway) from Taylor to US 82
 - City participation in the design cost
 - Estimated design cost: \$780k (FY 2017)
 - Estimated construction cost: \$7.8million
 - Does not include drainage facilities
 - Local Match (10%): \$780k (FY 2018)
 - Total Local Match: \$1.56million



Local Match Example 4

- FM 1417 (Heritage Parkway) from SH56 (Houston Street) to Taylor Street
 - City participation in the design cost
 - Estimated design cost: \$950k (FY 2017)
 - Estimated construction cost Phase 1: \$2.7million
 - Local match (10%): \$270k (FY 2018)
 - Estimated construction cost Phase 2: \$2.8million
 - Local match (10%): \$280k (FY 2019)
 - Estimated construction cost Phase 3: \$4.0million
 - Local match (10%): \$400k (FY 2020)
 - Total Local Match: \$1.90million



Local Match Example 5

- SH56 (Houston St.) from Riddles Road to the split
 - Acquire right-of-way
 - Estimated cost: \$525k (FY 2017)
 - City participation in the design cost
 - Estimated design cost: \$553k (FY 2019)
 - Estimated construction cost Phase 1: \$3.55million
 - Local match (10%): \$355k (FY 2020)
 - Estimated construction cost Phase 2: \$1.98million
 - Local match (10%): \$198k (FY 2021)
 - Total Local Match: \$1.63million

Phase 1



Phase 2

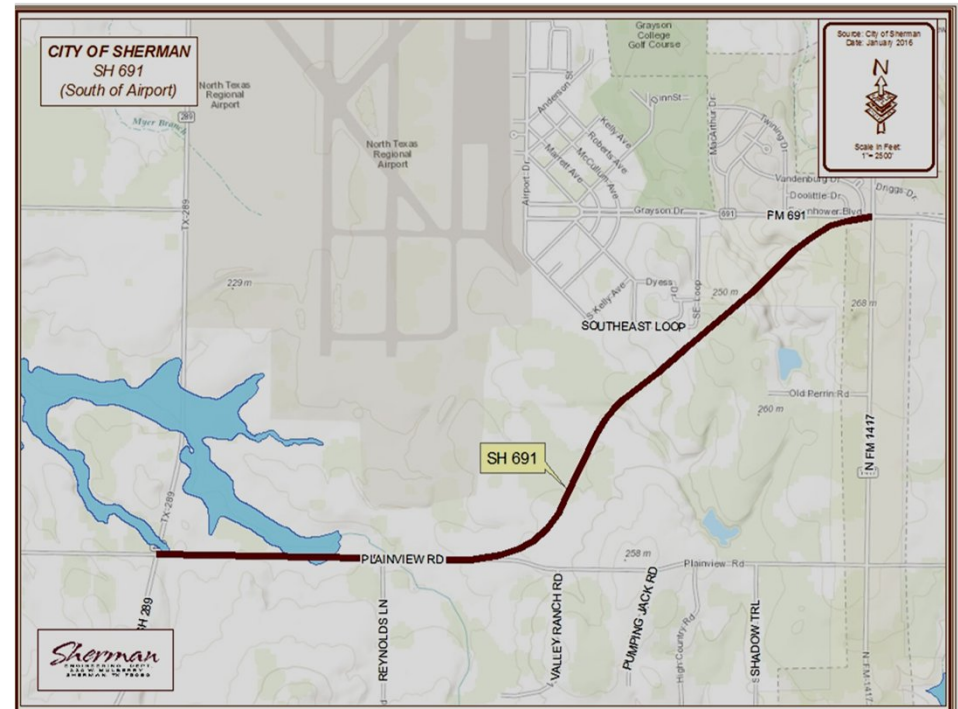
Local Match Example 6

- FM 1417 Northeast Loop
 - Acquire right-of-way
 - Estimated cost: \$1.10million (FY 2017)
 - City participation in the design cost
 - Estimated Design Cost: \$1.08million (FY 2021)
 - Estimated Construction Cost: \$10.82million
 - Total Local Match: \$2.18million



Local Match Example 7

- FM 691 from FM 1417 to SH 289
 - Acquire right-of-way
 - Estimated cost: \$255k (FY 2017)
 - City participation in the design cost
 - Estimated Design Cost: \$781k (FY 2021)
 - Estimated Construction Cost: \$7.81million
 - Total Local Match: \$1.04million
 - Grayson County and the City of Denison have discussed participating in this project



Local Match Example 8

- FM 1417 Southeast Loop
 - Acquire right-of-way
 - Estimated cost: \$400k (FY 2017)
 - City participation in the design cost
 - Estimated Design Cost: \$560k (FY 2021)
 - Estimated Construction Cost: \$5.60million
 - Total Local Match: \$960k



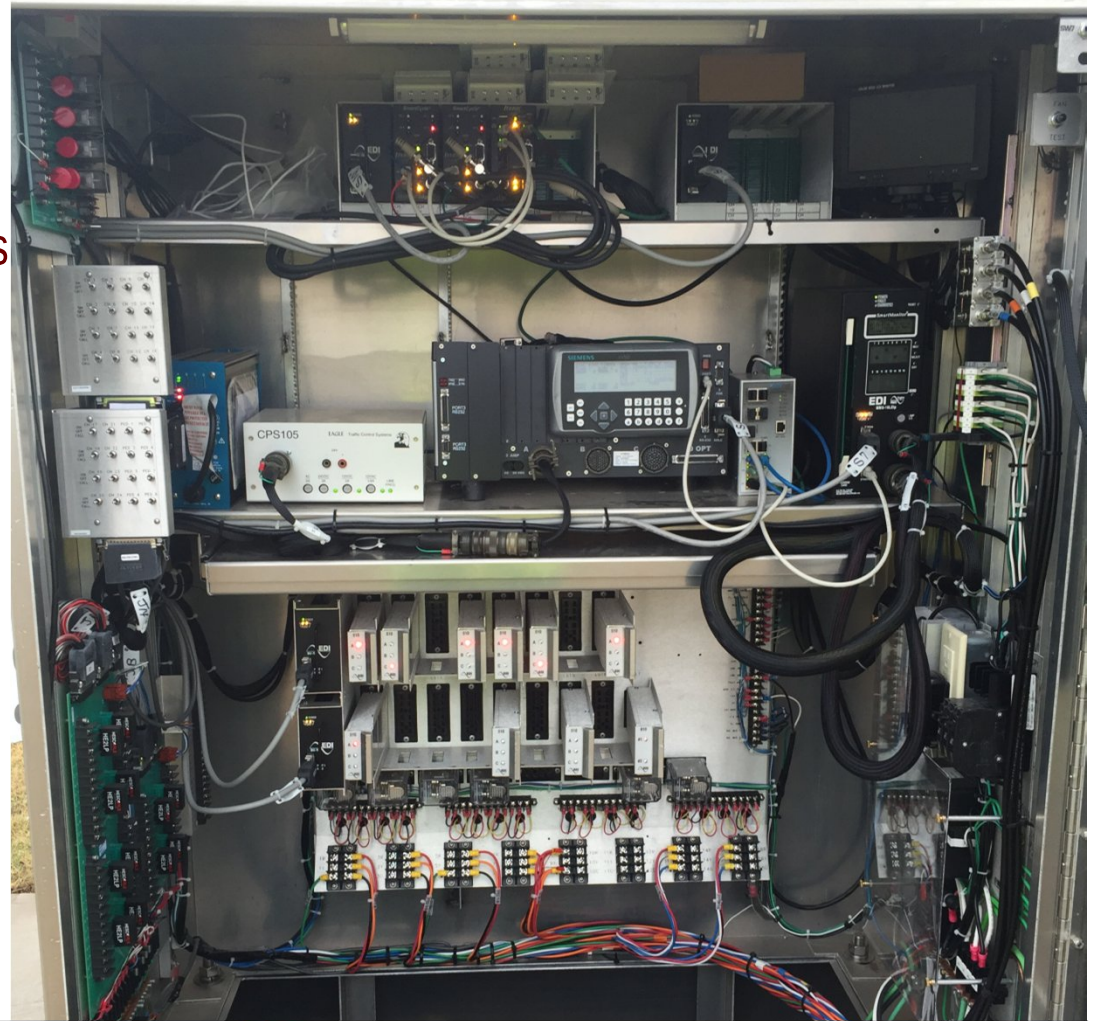
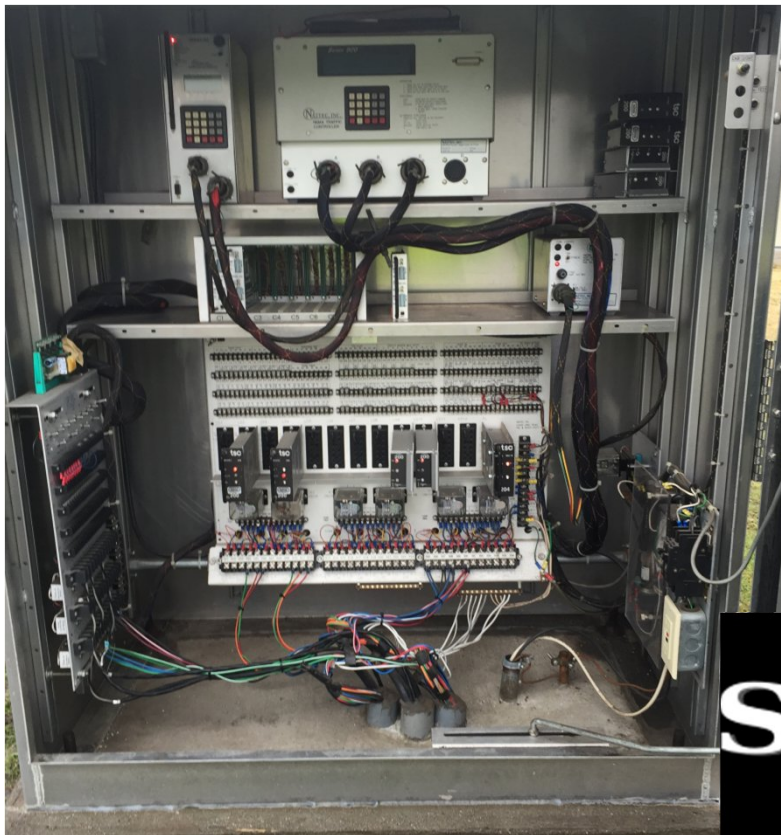
Local Match Example 9

- City of Sherman Traffic Signals
 - 15 traffic signals with 1 under design
 - Most of these signals are outdated
- TxDOT Traffic Signals
 - 45 traffic signals within the Sherman City Limits
 - Most of these signals are outdated
- Population Data
 - Anticipated Population in 2020: 42,000 – 45,000
 - Anticipated Population in 2030: 48,000 – 52,000
 - At 50,000 population, the City of Sherman is required to take over maintenance of the TxDOT traffic signals



Local Match Example 9 (Cont)

- Cabinet technology
 - Cabinet TS1 vs Cabinet TS2
- Detention systems
 - Mutual Inductance Loops vs Video Detection
- Communication Systems



SCIENCE **WARNING** CONTENT

Local Match Example 9 (Cont)

- Take over the system early in exchange for upgrading the signals
 - Excluding signals at US 75 & US 82
- There must be a break-even for TxDOT
- Potential cost of upgrading the system:
 - City of Sherman: \$1.68million (FY 2021)
 - TxDOT: \$4.05million
- Signal Technician Training Program

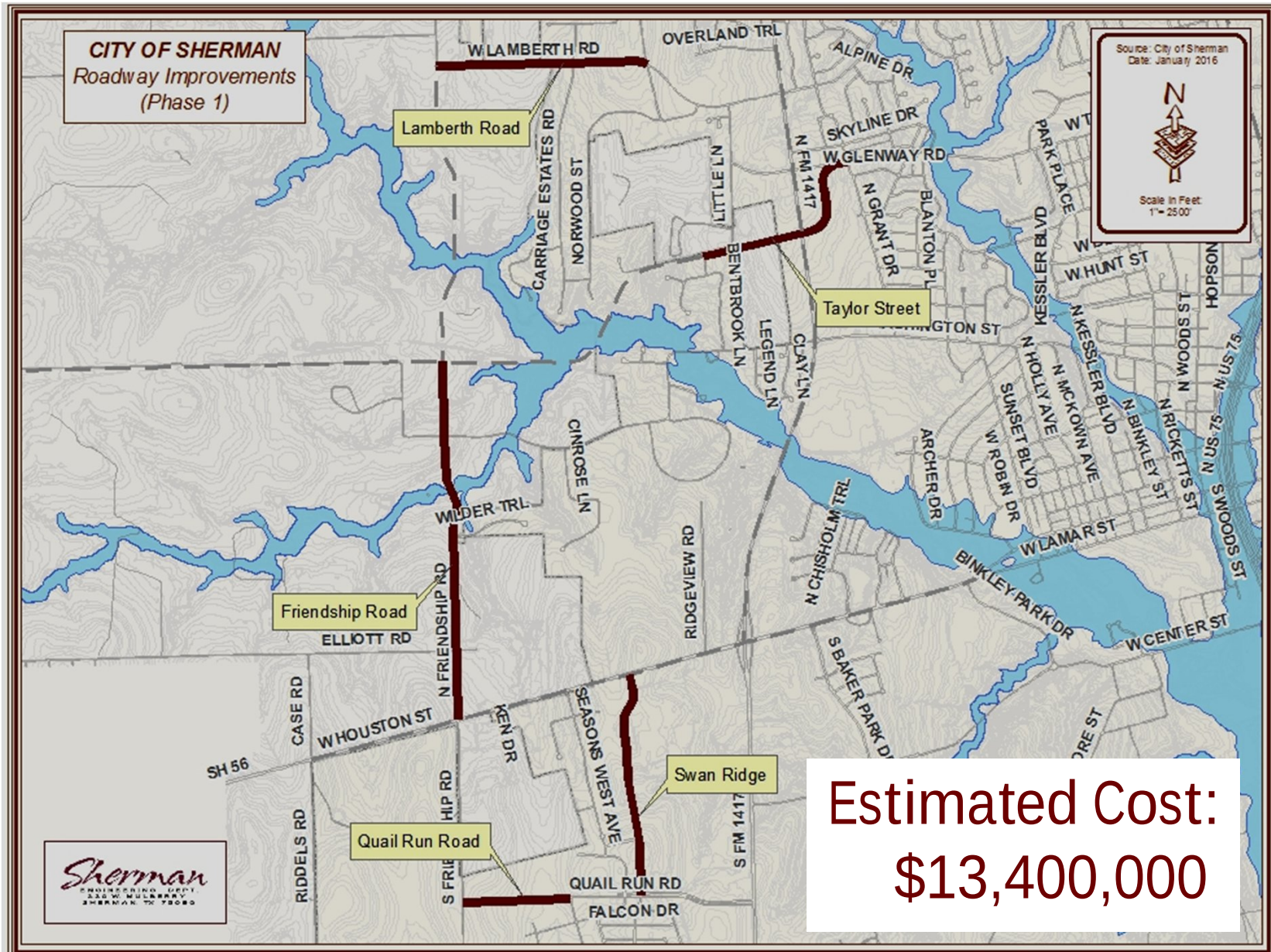


Sherman
CLASSIC TOWN. BROAD HORIZON.

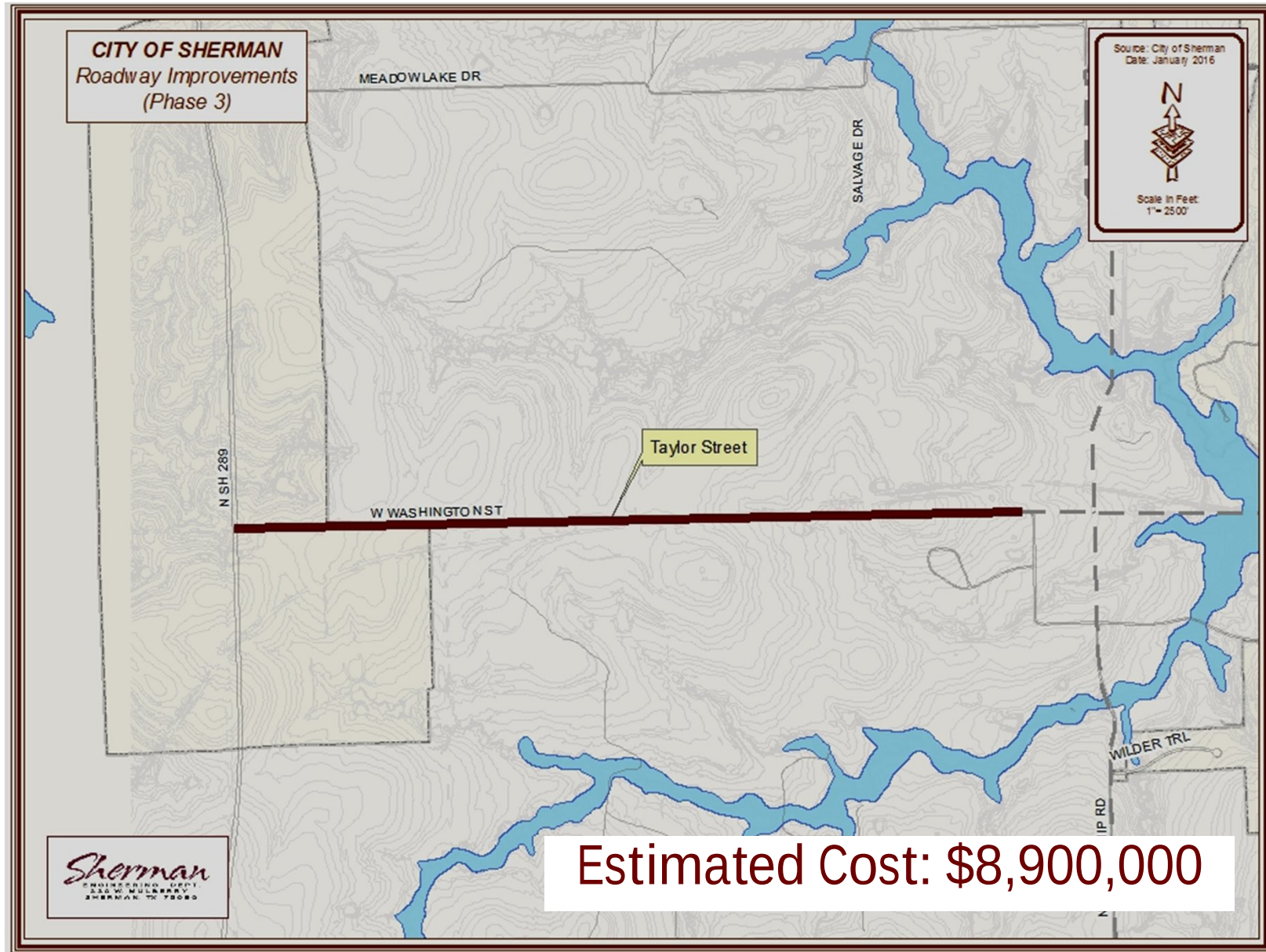
COST SUMMARY AND FUNDING OPTIONS



Sherman Construction Phases 1 & 2



Sherman Construction Phase 4

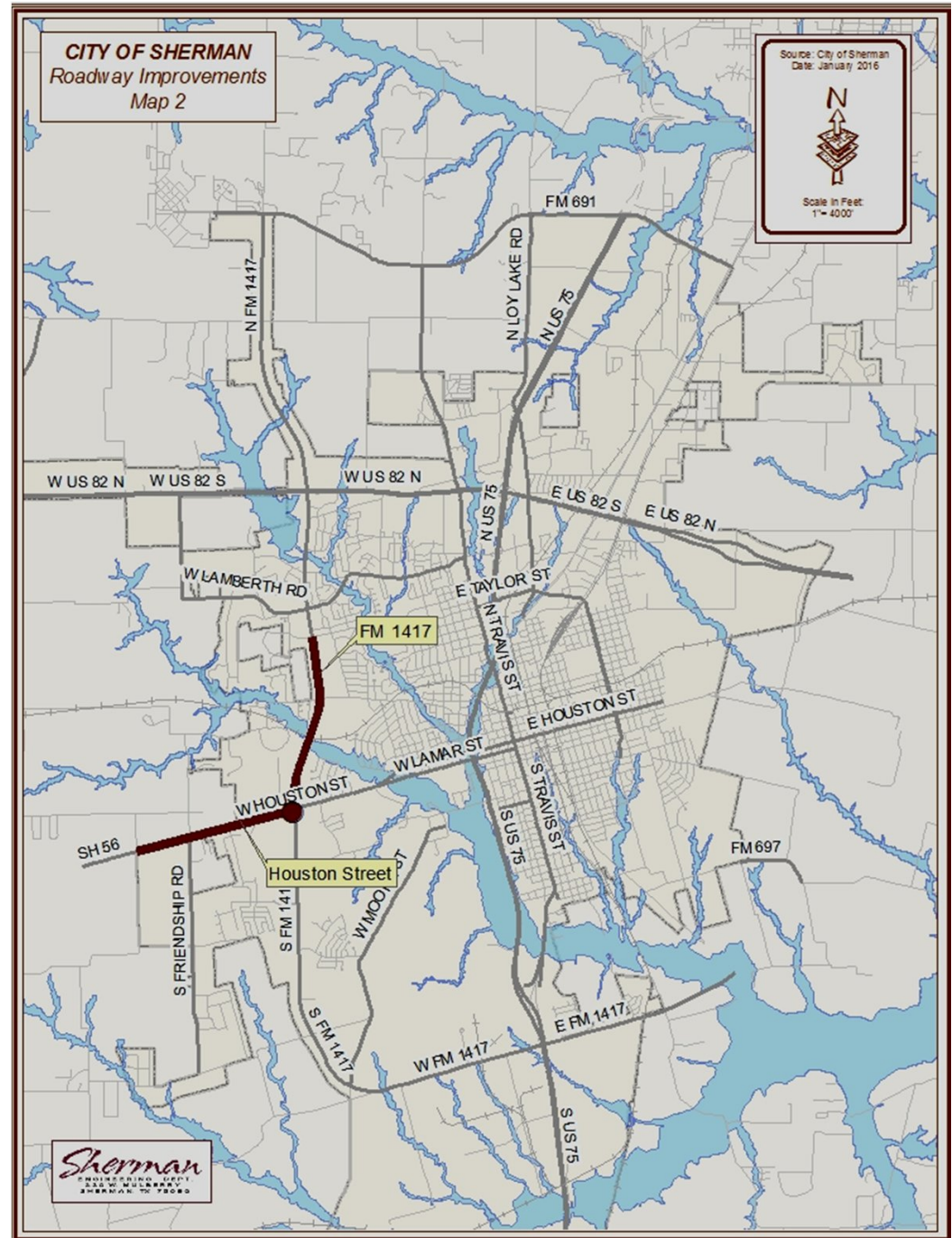




-
- CITY OF SHERMAN**
Roadway Improvements
Map 1
- Source: City of Sherman
Date: January 2016
- N
- Scale in Feet:
1" = 4000'
- FM 691
- N FM 1417
- W US 82 N
- W US 82 S
- W US 82 S
- W US 82 N
- W LAMBERTH RD
- FM 1417
- N LOY LAKE RD
- N US 75
- E US 82 S
- E US 82 N
- Travis Street
- E TAYLOR ST
- N US 75
- N HAINES ST
- E HOUSTON ST
- W LAMAR ST
- W HOUSTON ST
- SH 66
- S FRIENDSHIP RD
- S FM 1417
- W MOORE ST
- S FM 1417
- W FM 1417
- FM 697
- SUS 75 Entrance Ramp
- SUS 75 Exit Ramp
- Sherman
PROGRESS THROUGH
3,333 MILES
SHERMAN TEXAS

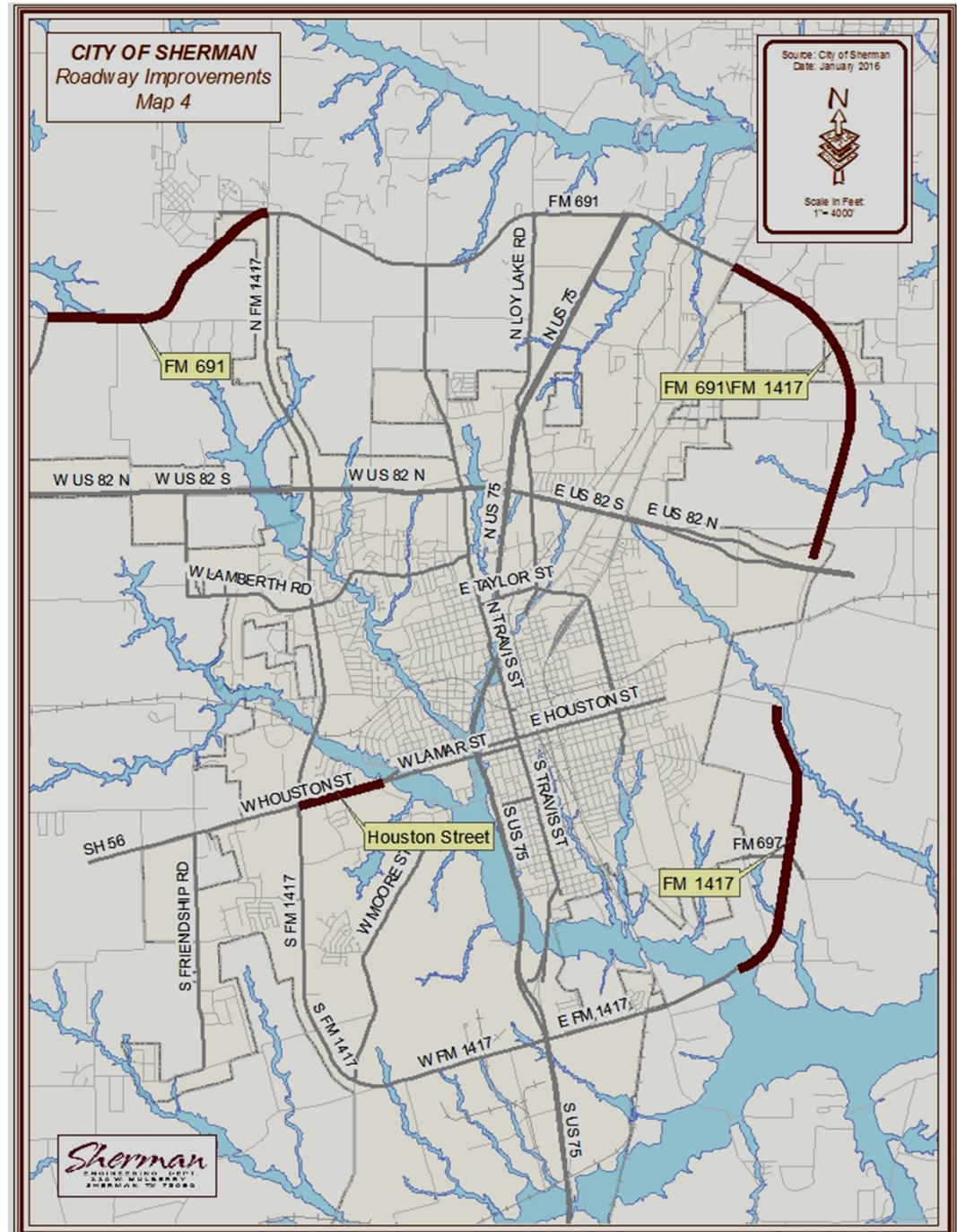
TxDOT Construction Phases 2 & 3

- Estimated Cost:
– \$10,350,000





- Estimated Cost:
 - \$26,210,000
- Traffic Signals:
 - \$4,050,000





Cost Summary

Project Name	FY 17	FY 18	FY 19	FY 20	FY 21	Total
Update the Thoroughfare Plan	\$ 25,000	\$ 25,000	\$ 30,000			\$ 80,000
Taylor Street Extension	\$ 4,210,000		\$ 11,155,000	\$ 10,235,000		\$ 25,600,000
Lamberth Road	\$ 50,000	\$ 4,485,000				\$ 4,535,000
Friendship Road	\$ 150,000	\$ 7,015,000	\$ 9,315,000			\$ 16,480,000
Quail Run	\$ 50,000	\$ 2,990,000				\$ 3,040,000
Swan Ridge	\$ 50,000	\$ 1,610,000				\$ 1,660,000
Travis Street	\$ 2,100,000					\$ 2,100,000
Ramp Reversal	\$ 150,000	\$ 180,000				\$ 330,000
FM 1417 - Taylor to US 82	\$ 780,000	\$ 780,000				\$ 1,560,000
FM 1417 - Houston to Taylor	\$ 950,000	\$ 270,000	\$ 280,000	\$ 400,000		\$ 1,900,000
SH 56 - Riddles to Split	\$ 525,000		\$ 553,000	\$ 355,000	\$ 198,000	\$ 1,631,000
Northeast Loop	\$ 1,100,000				\$ 1,080,000	\$ 2,180,000
FM 691	\$ 255,000				\$ 781,000	\$ 1,036,000
Southeast Loop	\$ 400,000				\$ 560,000	\$ 960,000
Traffic Signals					\$ 1,680,000	\$ 1,680,000
Totals	\$ 10,795,000	\$ 17,355,000	\$ 21,333,000	\$ 10,990,000	\$ 4,299,000	\$ 64,772,000

- Total Local Match: \$13,377,000
- Total TxDOT Street Improvements: \$68,710,000

Growth and Development Principles

- Retail follows rooftops
- Rooftops follow:
 - Jobs (SEDCO)
 - Schools/Education (SISD, GCC, AC)
 - Community Amenities (City)
 - Well designed/built cities (transportation, leisure, cleanliness and health, safety) (City, hospitals/medical)
 - Vibrant/diversified economy (All)
- Industrial, Commercial, Retail development (ICR)
ALWAYS subsidize residential services, because ICR are low users of general services



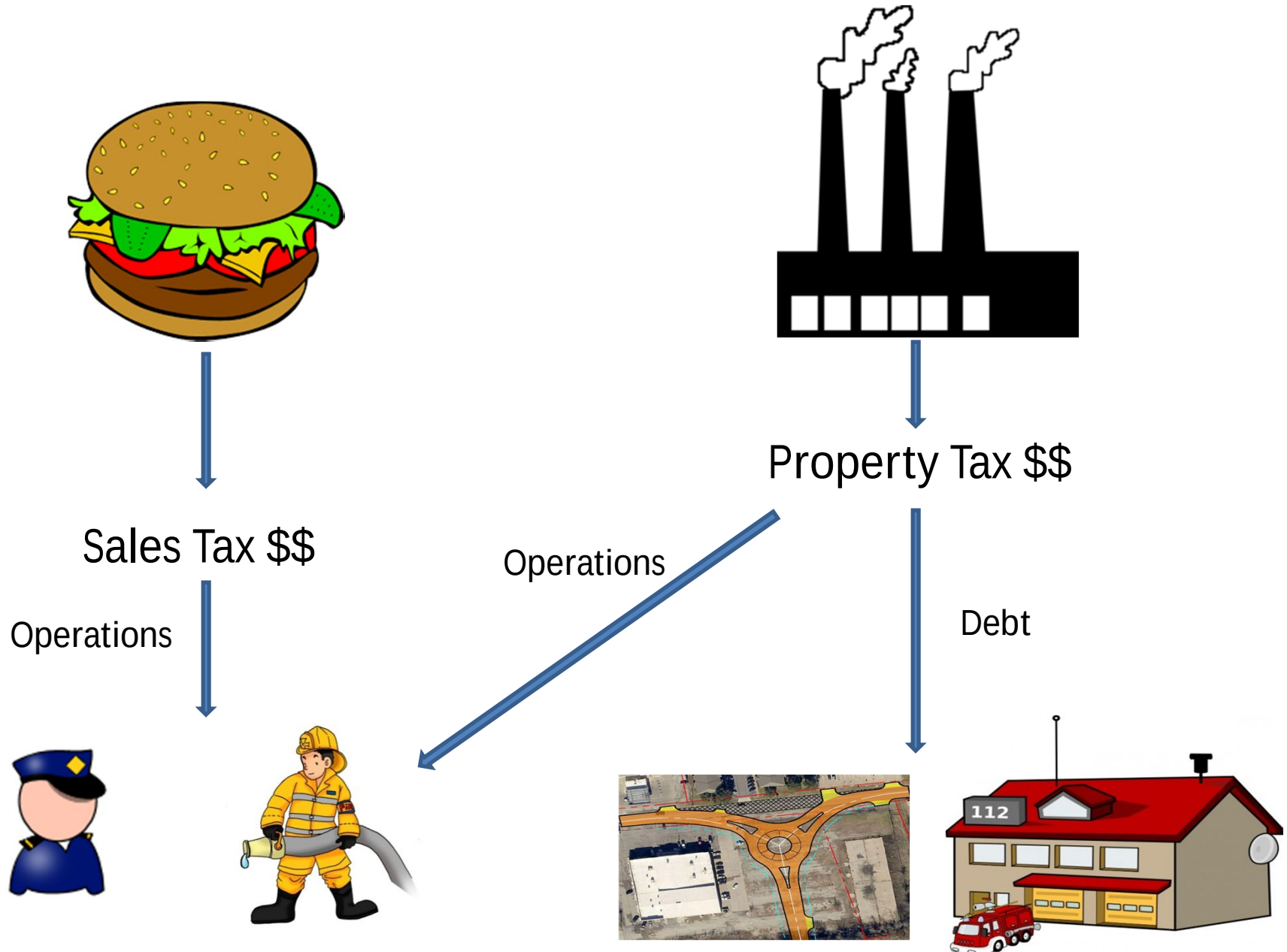
Financing Metrics

- \$1 million debt is serviced by \$70k in revenue
- \$20 million in property tax revenue supports \$1 million in debt
- An “average” national chain fast-food restaurant equates to \$1.0 million in debt service (via sales taxes),
THEREFORE
 - AN AVERAGE NATIONAL CHAIN FAST FOOD RESTAURANT (SALES TAX) = \$20 MILLION IN CAPITAL INVESTMENT
- \$.01 tax rate = \$4 million debt serviced
- Panda II property taxes (after abatement) can support \$4 million to \$6 million in debt

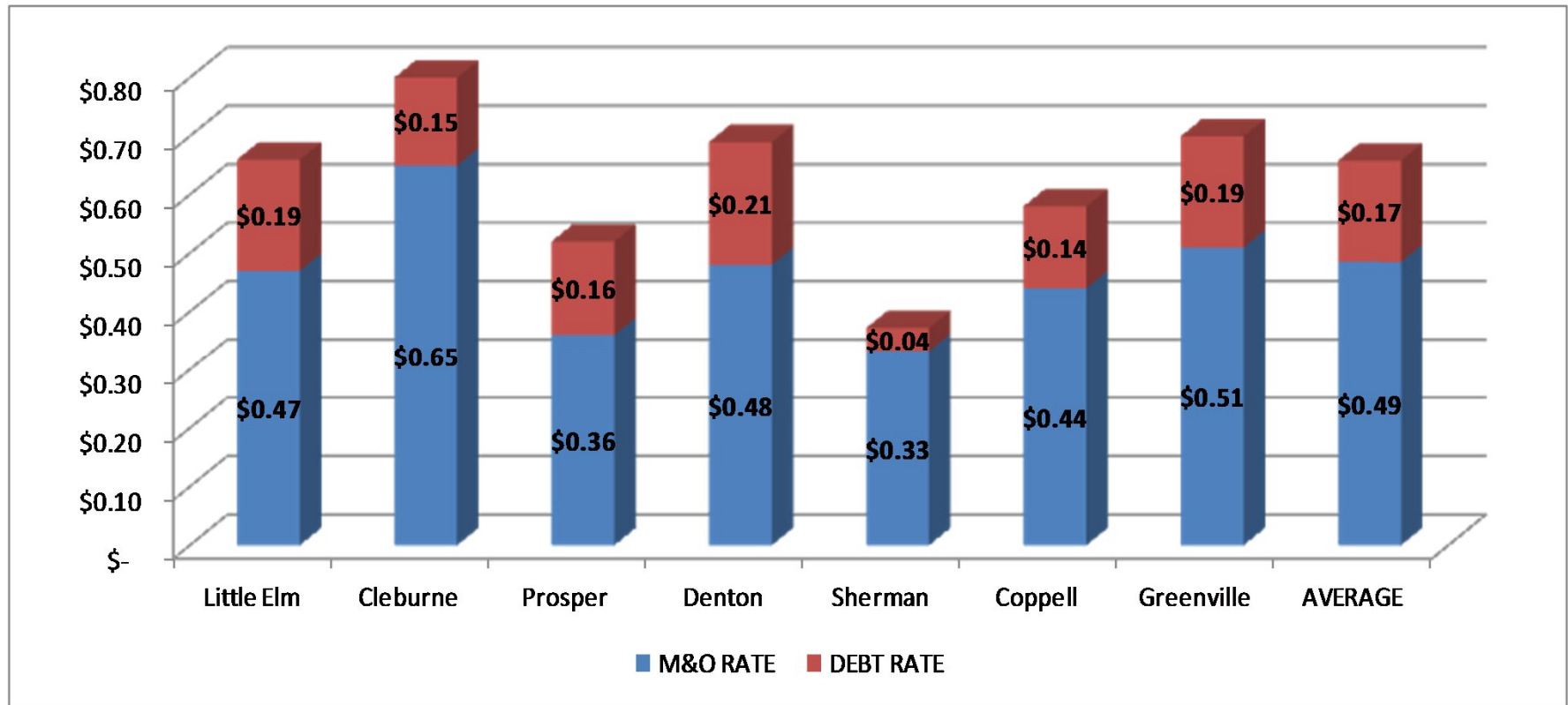
Financing Metrics

- Rate of change in the property tax base (alone) cannot keep up with need for infrastructure development in growing cities
- Example:
 - 3% growth in base = \$75 million (very robust)
 - \$75 million = \$3.5 million in debt serviced
- So, if growth were financed by tax base growth alone:
 - \$25 million in debt serviced = \$500 million in property tax base growth

Sources/Uses of General Funds



M&O and Debt Rate Comparison



What's the point?

- We should be “preparing the soil” for growth, working with the other stakeholders to manage the timing and quality (SISD, SEDCO, developers, investors)
- Our immediate challenge is to lay the foundation via preparing transportation corridors for (westward) growth
- Growth and development along 1417 will allow for more General Fund \$\$ to be used for debt, but funding through the property tax rates is ESSENTIAL
- Our rate of growth alone cannot happen quickly enough to finance infrastructure on a pay-as-you-go basis

Sherman Questions

CLASSIC TOWN. BROAD HORIZON.

“Good fortune is what happens when opportunity meets with planning.”

- Thomas A. Edison



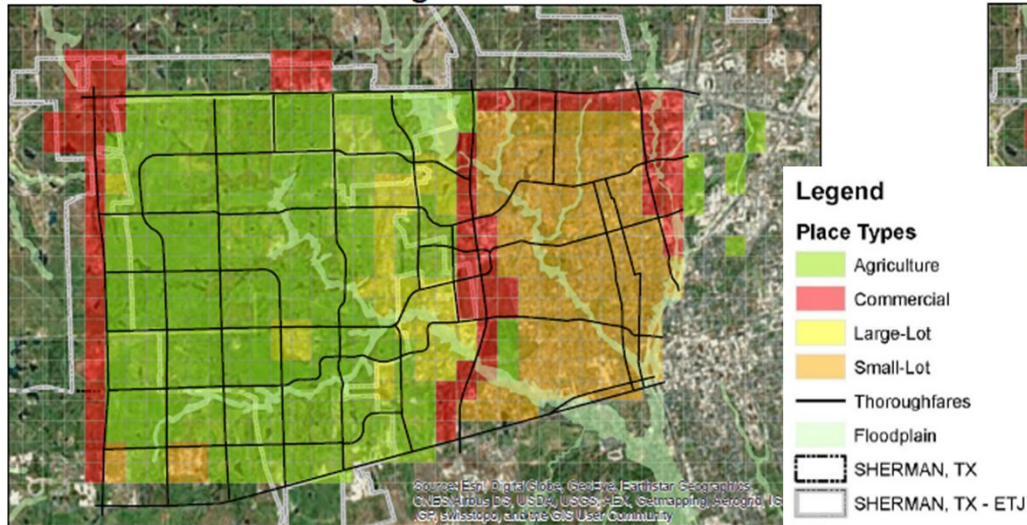


Engineering & Right-of-Way

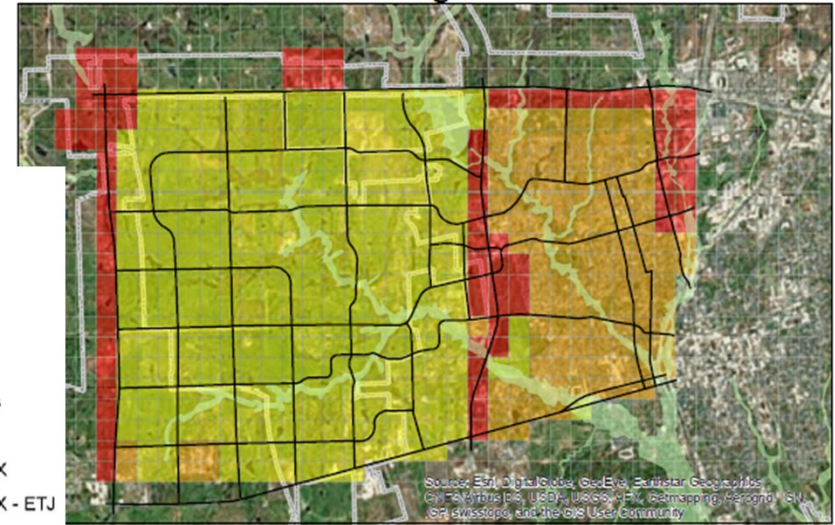
- Sherman Street Improvements
 - Right-of-Way Acquisition
 - \$600,000 (FY 2017)
 - Engineering
 - \$6,615,000 (FY 2017)
- TxDOT Street Improvements
 - Right-of-Way Acquisition
 - \$2,780,000 (FY2017)
 - Engineering
 - \$3,480,000 (FY2017)
 - \$553,000 (FY 2019)
 - \$2,421,000 (FY 2021)

Demographic Scenarios

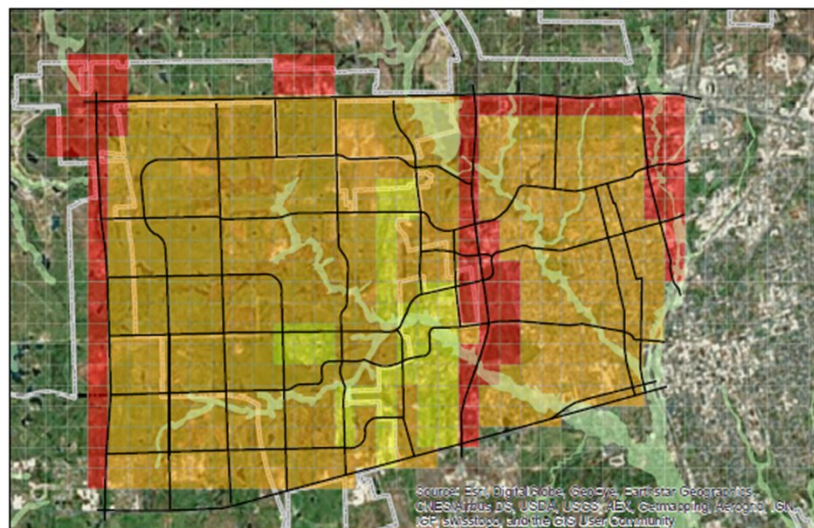
Scenario 2: Ag Land Use



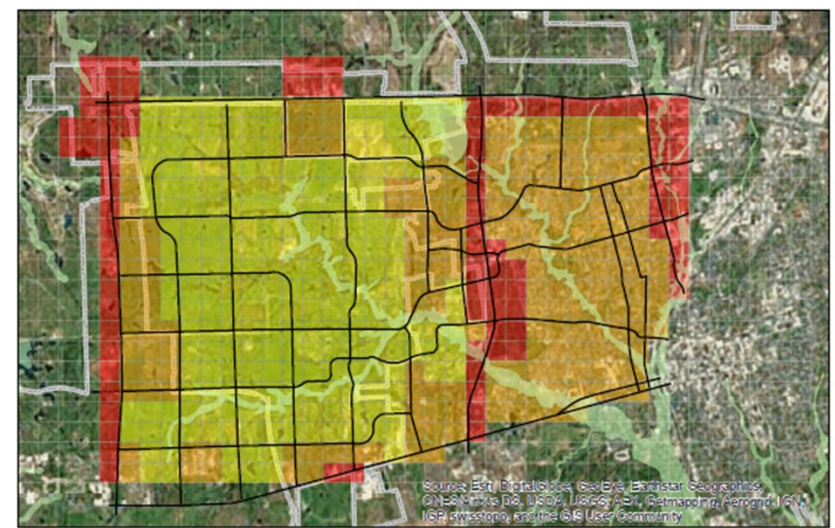
Scenario 3: Large Lot Land Use



Scenario 4: Small Lot Land Use

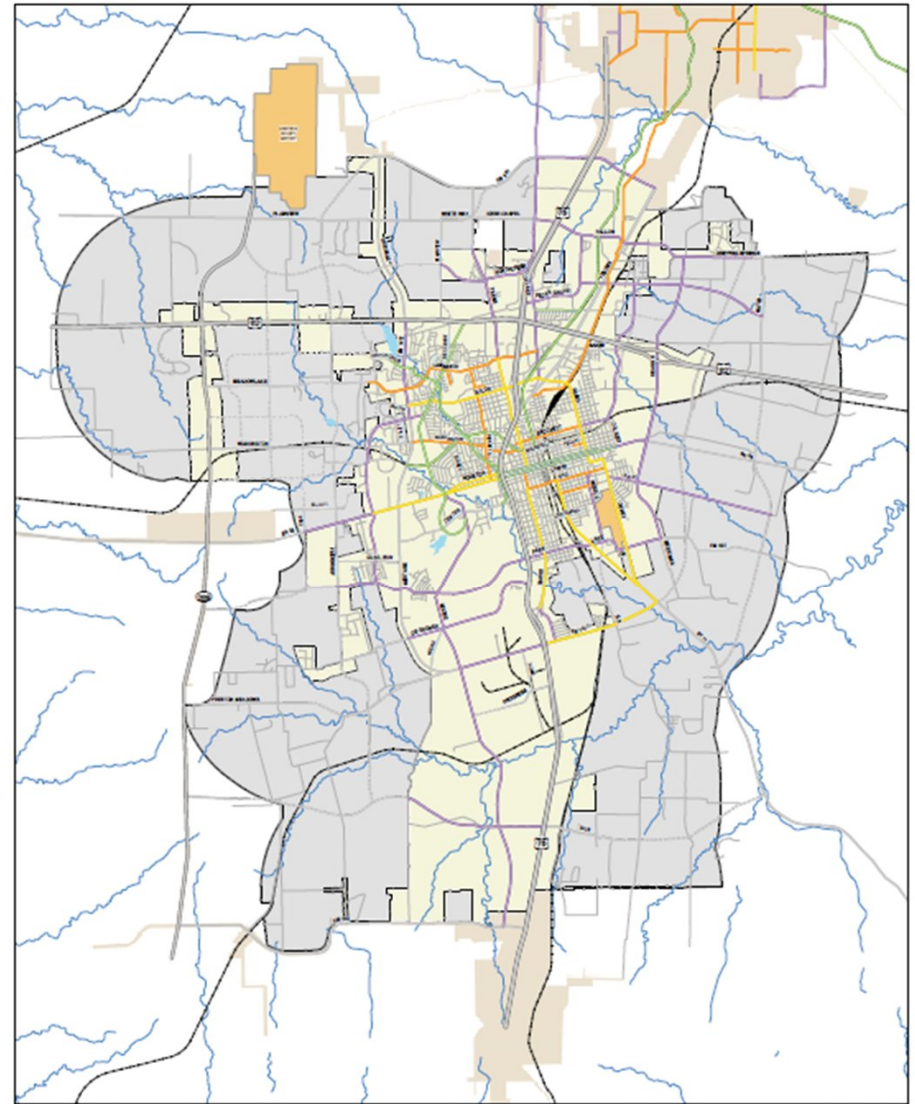


Scenario 5: Mixed Large & Small Lot Land Use



Bike and Pedestrian Changes

- City contributed to SDMPO Bike and Pedestrian Plan (BPP)
- 2009 Comp Plan goals
- TAP Funding Projects



Bike and Pedestrian Changes

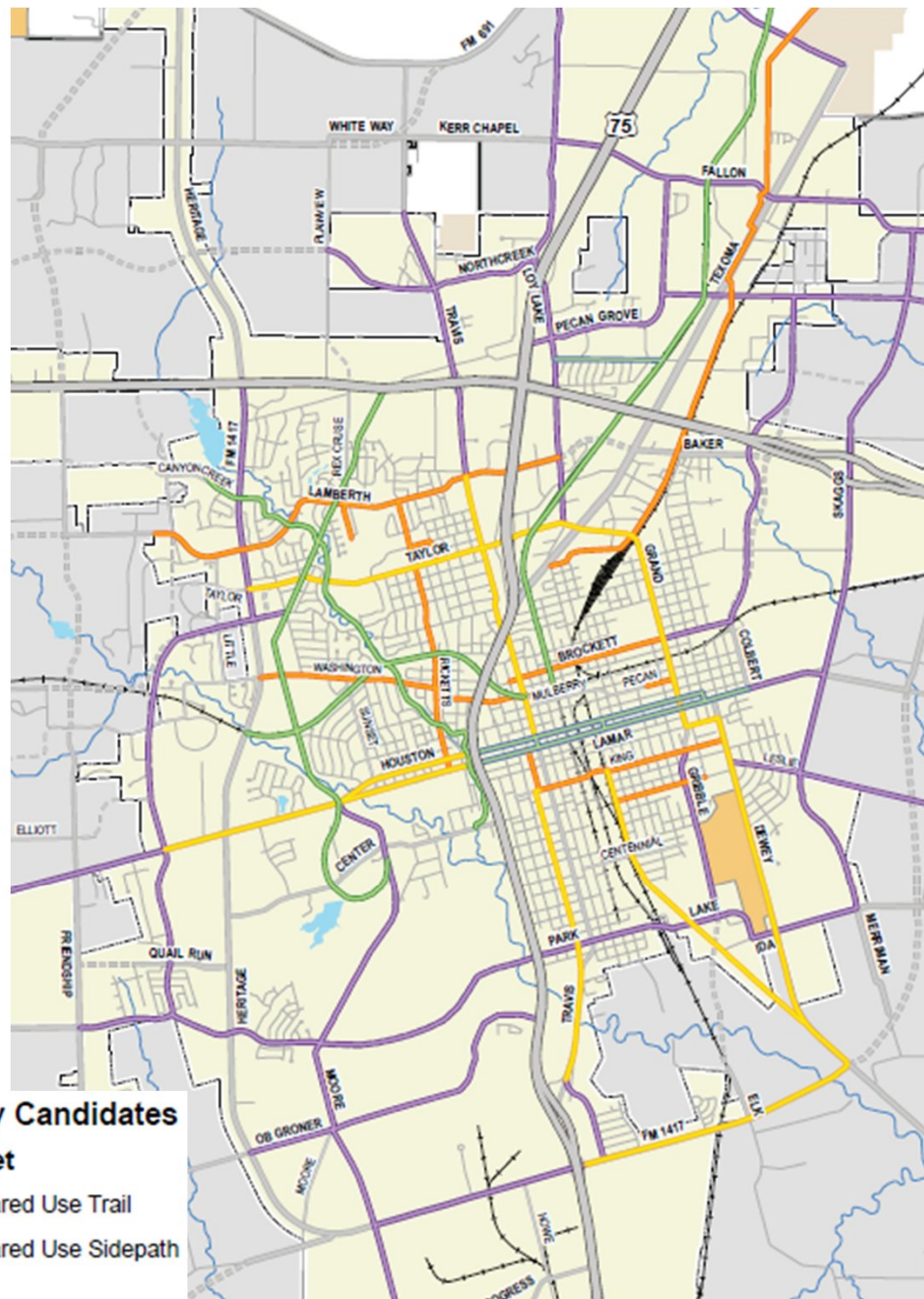
- City contributed to SDMPPO Bike and Pedestrian Plan (BPP)
- 2009 Comp Plan goals
- TAP Funding Projects

Bikeway Candidates On-Street

- Bike Lane
- Bike Route
- Consider Further Study

Bikeway Candidates Off-Street

- Shared Use Trail
- Shared Use Sidepath



January 18, 2016

**MEMBERS PRESENT: MAYOR DAVID PLYLER.
COUNCIL MEMBERS COUCH, DAVIS, JOHNSON, STEELE,
WATT.**

CALL TO ORDER

CALL TO ORDER

APPROVE MINUTES

**DR. MARTIN LUTHER
KING, JR. DAY
PROCLAMATION
(JAN. 18, 2016)**

**ORD 5928
CLOSING &
ABANDONING
SEASONS WEST
ROW**

Ms. Richards said her family recently built a home in The Preserve Subdivision at the end of Seasons West Avenue. She learned that the Seasons West Homeowners Association is prepared to pay and build a gate to close Seasons West Avenue, next to their home. This gate would cut their home off completely from access to Seasons West Avenue and US Hwy 56.

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COUNCIL MINUTES – JANUARY 18, 2016

access code or remote control to go through the gate. It would also not be made available to emergency vehicles.

She said there are approximately 47 homes completed in The Preserve and there are five or six lots left to be sold. She said homeowners in The Preserve are opposing this gate, which would adversely affect many families in the area.

Ms. Richards was concerned about the additional length of time it will take emergency personnel or firefighters to reach the homes in The Preserve if the road is closed. First responders to her subdivision come from near US Hwy 82 at Pecan Grove Park, down FM 1417. She said to access The Preserve from Quail Run takes longer, especially during rush hour. She said the intersection at FM 1417 and Quail Run is also dangerous because there is no traffic signal.

Ms. Richards said she has been told that the issue is about speeding as well as the fact that the road was not originally designed for heavy traffic. She said there is currently no speed limit signs on Seasons West Avenue to alert citizens to the speed limit.

After reading the Traffic Study, she determined that less than 3% of the drivers in the study were going 55 mph or over. She said most drivers were not speeding. She added that construction in the subdivision is almost complete and traffic should then be reduced.

Ms. Richards felt that installing speed limit signs, stop signs at intersections in both Seasons West and in The Preserve, and fully completing Swan Ridge Drive through to SH 56, would greatly reduce the speed and the amount of traffic on Seasons West Avenue and would allow emergency responders to have access in and out of her neighborhood.

Matt Charske, 309 Seasons West

Mr. Charske has lived in the Seasons West Subdivision for about seven years. When the road was originally closed, most residents in the area purchased houses because it was a cul-de-sac with limited traffic.

Since the road has been open he has been talking to the Engineering Department about what might be done to restrict traffic. Everyone in this neighborhood is happy that closing the road is a possibility.

Mr. Charske said he is concerned about speeding and the number of children in his neighborhood. He said many of the speeders are young adults who “live on the other side” and he has had several confrontations with them about their speeding.

Seasons West has no sidewalks or curbs and the houses are away from the street on one acre lots, which offers a “free pass” for speeders. He added that Country Ridge has been

open for about 13 years and for many of those years they only had access on FM 1417, which has a dedicated turn lane. He said entering on SH 56 is more dangerous because there is no turn lane.

Mr. Charske has measured both routes and said there is only about .2 miles of difference. He said it would not be out of the way for emergency vehicles to reach The Preserve.

He said, based on the Traffic Study and the fact that the street was not built for heavy traffic, he felt the City should close Seasons West Avenue.

Samuel Boyle, 4511 Hummingbird Dr.

Mr. Boyle lives in The Preserve, at the corner of Hummingbird Drive and Seasons West Avenue, and the most convenient way to get there is on SH 56, therefore he was against closure of Seasons West Avenue.

He added that if Seasons West Avenue was closed, that would leave one way in or out of their neighborhood. If Quail Run Road was closed, he said citizens could get out by taking Park Street to Friendship Road to SH 56, but that is miles out of the way and would be prohibitive in an emergency situation.

He has seen the Traffic Study and he agreed that speeding is an issue, but felt there were other alternatives that might be instigated prior to closing the street. He suggested speed limit signs, speed bumps, “children at play” signs, or yield signs at the intersections.

John Payne, 802 Swan Ridge Dr.

Mr. Payne lives in The Preserve and was against closing Seasons West Avenue. He was concerned about the safety issue. There is a large electrical line on Quail Run Road and if that line was down, residents would be “trapped.”

He said FM 1417 was not a safe road to enter the subdivision, because even with the turn lane, cars go around those turning. There was recently an accident on FM 1417 and the roadway was closed for 42 minutes. During that time, no one was able to leave the neighborhood.

Mr. Payne said in a medical emergency, SH 56 is faster to Wilson N. Jones Hospital. He said he had no problem with closing Seasons West Avenue if Swan Ridge Drive was completed. The residents need another way in and out of the development because one way is a safety hazard.

Mr. Payne said the City has a traffic calming plan, but none of the level 1 suggestions were ever tried and residents of The Preserve were not invited to the meeting. He urged the Council to try other approaches instead of closing the road.

Paul Reyna, 711 Swan Ridge Dr.

Mr. Reyna said he is not in support of the barricade. His wife has a medical condition and the quickest way to get emergency help for her is on SH 56. He said he understood the concerns about speeding.

He said he did not oppose the barricade if there was a second way to enter or leave the subdivision that was quick and safe. He said as a taxpayer, he should have access to the road and felt that the City should try speed bumps, stop signs, or other methods, rather than the barricade.

One reason Mr. Reyna chose to purchase a home in the subdivision is that it was close to his work and the easiest way to get there is SH 56. He said barricading the road would affect school bus routes and trash pickups. He asked the Council to look at the “big picture.”

Dustin Williams, 400 Seasons West

Mr. Williams said his main concern was safety and when the barricade has been discussed, it was always a breakaway gate, with a lock for the Fire Department, so it could be accessed from both sides. The gate would not be an entry/exit gate to close both sides of the neighborhood, but a breakaway gate to stop through traffic.

He said as for inconvenience versus safety, he measured, and the distance is minimal from one of their other access points into The Preserve. He reiterated that Seasons West has no sidewalks, no curbs, and no “dips” to slow traffic. He said it is probably one of the longest residential straight-aways in Sherman.

Mr. Williams said the first Speed Study was completed in the area a couple of years ago and they were “just under the threshold” of action. It showed that about 70% of traffic was 10 mph over the speed limit, and they needed 75% to begin the process.

Mr. Williams has called the Police Department to patrol the area several times and they have. It works for awhile, but they are short handed and can’t always be there.

This summer he asked for a second speed study and the number of speeders has increased. He said the study showed that, in a 24 hour period, five cars were driving 74+ mph.

He said the road was not built for that much traffic and the road is weakening and will have major problems.

Bruce French, History Maker Homes, 9001 Airport Freeway, North Richland Hills, Texas

Mr. French appeared representing History Maker Homes and has been involved in the acquisition of lots, over five years ago. At that time there was a recorded plat with access to

the north of the property and it had multiple points of access for traffic. They have been building homes in Country Ridge and in The Preserve for the past three years and the subdivision will be completed this year. At some point, they may consider developing additional phases of The Preserve.

He said closing Seasons West Avenue will concentrate a greater level of traffic on FM 1417. He felt that, without being signalized, this additional traffic would be a detriment to the residents. Also closing Seasons West Avenue would create a cul-de-sac issue and impact traffic.

Mr. French asked the City Council to deny the request to close Seasons West Avenue.

Tim Dungan, 308 Seasons West

Mr. Dungan said he previously lived in Country Ridge and has now moved to Seasons West, so he has lived “both sides.” He said when Seasons West Avenue was opened it helped a lot with convenience.

He said Country Ridge has a divided highway with four lanes of traffic going in and out of the subdivision, and there are no power lines that cross the roadway. He said the intersection at FM 1417 and Quail Run Road is a dangerous intersection. He felt a traffic signal might be needed at that location.

He said the convenience to SH 56 is not worth the danger to the citizens of the through traffic. Recently two mailboxes were hit by vehicles and he was concerned that it could have been children.

Lynnae Harrell, 404 Seasons West

Ms. Harrell expressed concern about the safety of the children in both areas. She said the difference for traffic is a few tenths of a mile. She said the 2009 Master Plan said that Swan Ridge Drive would be completed as a collector road. She said if the Master Plan is followed by the City, that will alleviate the issue of dual access to The Preserve.

She added that a breakaway barricade would alleviate any concerns about emergency vehicles being able to get through the area.

Rajendra Wagle, 910 Cormorant Dr.

Mr. Wagle just purchased a home on Cormorant Drive and has small children. He said the fastest way to take his children to school is SH 56 and not FM 1417. He felt that closing Seasons West Avenue did not solve the problem.

No other citizens appeared before the City Council to discuss Ordinance 5928.

Mayor Plyler introduced Ordinance 5929 and called for a public hearing:

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AMENDING CHAPTER 4 OF THE CODE OF ORDINANCES, ENTITLED "BUSINESS REGULATIONS", AT ARTICLE 4.03, ENTITLED "AMBULANCE SERVICE", DIVISION 1, ENTITLED "GENERALLY", SECTION 4.03.003, ENTITLED "CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY REQUIRED"; PROVIDING FOR INCLUSION IN THE CODE OF ORDINANCES; PROVIDING FOR SEVERABILITY; PROVIDING FOR A REPEALER.

ORD 5929
NON-EMERGENCY
AMBULANCE PICK
UPS

Danny Jones, Fire Chief, explained that the ordinance amends the Code to allow cities providing ambulance service in Sherman to be exempt from the requirement to be permitted in order to pick up non-emergency patients within the City limits.

The cities do not provide the same service as private ambulance services. The requirement was enacted to allow the City to make sure the private ambulance services had all their certifications and that their equipment was up to State standards.

No citizens appeared before the City Council to discuss Ordinance 5929.

Mayor Plyler introduced Ordinance 5930 and called for a public hearing:

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AMENDING CHAPTER 9 OF THE CODE OF ORDINANCES, ENTITLED "PERSONNEL", ARTICLE 9.05, ENTITLED "CIVIL SERVICE FOR FIREFIGHTERS AND POLICE OFFICERS", AT SECTION 9.05.026, ENTITLED "AUTHORIZED NUMBER OF POSITIONS", TO AMEND THE NUMBER OF AUTHORIZED POSITIONS IN THE FIRE DEPARTMENT; PROVIDING FOR INCLUSION IN THE CODE OF ORDINANCES; PROVIDING FOR SEVERABILITY; PROVIDING FOR A REPEALER.

ORD 5930
FIRE INSPECTIONS

Chief Jones said this would amend the Code to allow the City to hire two fire inspectors for the Fire Department.

No citizens appeared before the City Council to discuss Ordinance 5930.

The Public Hearing was closed.

ADOPTION OF ORDINANCES

Ordinance 5928

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, CLOSING AND ABANDONING A PORTION OF SEASONS WEST AVENUE RIGHT-OF-WAY LYING BETWEEN BLOCKS ONE (1) AND TEN (10) OF THE

ORD 5928
CLOSING &
ABANDONING
SEASONS WEST
ROW

PRESERVE, PHASE I ADDITION, SAID PROPERTY TO BE MAINTAINED AS A UTILITY EASEMENT.

Robby Hefton, City Manager, said the City has received a petition from the homeowners in the Seasons West Subdivision. The area developed in a way that was different from the original Master Plan.

The street is very wide with houses that are 200 to 400 feet apart. There are no natural traffic calming elements to the street such as narrower streets and houses that are closer together. This is a wide open street that it is easy to go fast on because there is nothing stopping traffic, which creates a safety concern.

He said on the other hand, 20 years ago Seasons West Avenue was designed to be a thoroughfare and carry a high volume of traffic. It developed in a way that was different from how it was originally conceived. It was intended to be a densely populated area where there would not be multiple driveways entering onto the thoroughfare. Seasons West is basically fully developed and is not suited to be a thoroughfare because of the number of driveways entering onto the street.

Mr. Hefton said there is a project in the 2009 Master Plan that would complete Swan Ridge Drive, which is east of Seasons West, and would connect SH 56 and The Preserve. It would require construction of about 2,000 to 3,000 feet of street that is currently undeveloped.

He said the staff does feel that closing Seasons West is something that ultimately needs to happen, but it could be conditioned on the completion of Swan Ridge Drive. In the meantime, additional signage could be added and police patrols could be increased. The completion of Swan Ridge Drive would be included in the proposed projects for the upcoming budget year, but completion would probably be 18 months from now.

Mr. Charske said he was still concerned about his children and the public safety issues. He said a breakaway fence was okay so emergency personnel could have direct access.

Mayor Plyler said the proposal that Mr. Hefton offered was that Swan Ridge Drive be completed, and the City would increase enforcement on the road through Seasons West. He said that would include police, and may include some engineering items such as speed bumps or dips, for a comprehensive plan of action.

Council Member Watt said if and when Swan Ridge Drive is extended, what is the development plan and zoning for that area. Mr. Hefton said the road would be a collector type roadway. Scott Shadden, Director of Development Services, said it would be zoned residential.

COUNCIL MINUTES – JANUARY 18, 2016

Council Member Watt asked what the difference would be in what Seasons West Avenue is now and what Swan Ridge Drive will be. Mr. Hefton said as Swan Ridge Drive is developed, streets would enter the new Swan Ridge instead of driveways entering the roadway. There might be the same number of houses on the road, but not a driveway every 50 to 100 feet, as there is now.

Council Member Watt verified that ultimately the recommendation is to close Seasons West Avenue with a barricade. He felt the City should use some serious traffic calming efforts first, prior to closing the street to through traffic.

Mr. Hefton said there are multiple ways to calm traffic including closing a street and creating a cul-de-sac. He said there are other things that can be done to help calm traffic, but that still doesn't change the fact that it is a 40 foot wide, open street with not much density. The tendency for people to speed will still be there.

Council Member Davis asked about temporary speed bumps until Swan Ridge Drive is completed. Mr. Barnett said the City traditionally doesn't use speed bumps because they are extremely high maintenance and there is the potential for the filing of insurance claims due to damage to vehicles.

The first level of traffic calming is using police enforcement and that has been found not to be effective in this case. Mr. Hefton confirmed that speed bumps on a short term basis would probably be the most effective traffic calming method at this point. Mr. Barnett said they will look at all the options.

Council Member Watt said he has a hard time with putting a barricade up on a street to stop ingress and egress. Part of the government's responsibility is to facilitate the flow of traffic. He asked Mr. Charske if there was a level of traffic calming that the residents would accept short of actually barricading the street.

Mr. Charske said they originally asked for speed bumps and were told that was not done in Sherman. One of the options for the level two traffic calming was road closures. Their Homeowners Association offered to contribute \$2,500 toward the street closing with the City paying the rest of the cost. He felt speed bumps would be fine, but would be more costly.

Council Member Johnson verified that the timeline to complete Swan Ridge Drive would be about 18 months.

Council Member Watt asked if the staff had looked at raising or lowering the surface to where traffic must slow down. Mr. Hefton said the changes couldn't be so dramatic that they cause damages, but it would need to be dramatic enough to

COUNCIL MINUTES – JANUARY 18, 2016

slow the traffic. Council Member Watt agreed there was a problem, but felt there should be a “happy medium” without completely stopping the ingress and egress from one area of the City to another.

Mr. Hefton said traffic counts on Seasons West Avenue have increased significantly in the last 12 months, and as The Preserve continues to grow, and residential development continues in the area, it will continue to get more congested with traffic.

He reiterated that Council Member Watt would prefer not to close Seasons West Avenue, but would like to add permanent traffic calming measures. He expressed concern that the street is long and wide, and that no matter what traffic control is added, the tendency will be to speed.

Council Member Davis said if speed bumps are added and Swan Ridge Drive is built, the Council could always revisit the situation in 18 months to see how it is working. Mr. Hefton said Swan Ridge Drive is included in the Master Plan and it will be built anyway. This issue would just accelerate the need to build it sooner.

Council Member Couch said this sounded like a great compromise and he verified that the Council wanted to approve the ordinance, but move forward with signage and some calming measures. The City would then move forward with the construction of Swan Ridge Drive and then Seasons West would be closed. Council Members discussed the possible motions.

Council Member Johnson asked about a timeline on speed bumps and signage. She felt that most citizens did not want Seasons West Avenue closed.

Council Member Steele felt that the convenience of one community was compromising the other community. Unfortunately you can't change people's habits and he didn't feel that the safety issue could be “fixed” and keep the convenience.

ACTION TAKEN.

Motion by Council Member Couch to adopt Ordinance No. 5928, to close Seasons West Avenue after the completion of Swan Ridge Drive.

Council Member Steele asked to direct the City staff to install traffic calming devices immediately. Mr. Hefton said that did not need to be a part of the motion because the staff will start working on that immediately.

RESTATEMENT OF MOTION.

Motion by Council Member Couch to adopt Ordinance No. 5928, subject to the completion of Swan Ridge Drive.
Second by Council Member Steele.

COUNCIL MINUTES – JANUARY 18, 2016

VOTING AYE: Couch, Davis, Johnson, Steele, Watt.
VOTING NAY: None.
MOTION CARRIED.

Ordinance 5929

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AMENDING CHAPTER 4 OF THE CODE OF ORDINANCES, ENTITLED "BUSINESS REGULATIONS", AT ARTICLE 4.03, ENTITLED "AMBULANCE SERVICE", DIVISION 1, ENTITLED "GENERALLY", SECTION 4.03.003, ENTITLED "CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY REQUIRED"; PROVIDING FOR INCLUSION IN THE CODE OF ORDINANCES; PROVIDING FOR SEVERABILITY; PROVIDING FOR A REPEALER.

ORD 5929
NON-EMERGENCY
AMBULANCE PICK
UPS

Ordinance 5930

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AMENDING CHAPTER 9 OF THE CODE OF ORDINANCES, ENTITLED "PERSONNEL", ARTICLE 9.05, ENTITLED "CIVIL SERVICE FOR FIREFIGHTERS AND POLICE OFFICERS", AT SECTION 9.05.026, ENTITLED "AUTHORIZED NUMBER OF POSITIONS", TO AMEND THE NUMBER OF AUTHORIZED POSITIONS IN THE FIRE DEPARTMENT; PROVIDING FOR INCLUSION IN THE CODE OF ORDINANCES; PROVIDING FOR SEVERABILITY; PROVIDING FOR A REPEALER.

ORD 5930
FIRE INSPECTIONS

ACTION TAKEN.

Motion by Council Member Davis to adopt Ordinance Nos. 5929 and 5930, as presented. Second by Council Member Watt.

VOTING AYE: Couch, Davis, Johnson, Steele, Watt.
VOTING NAY: None.
MOTION CARRIED.

CONSENT AGENDA

The Council reviewed the Consent Agenda. Council Member Couch moved to approve the Consent Agenda, as presented. Second by Council Member Watt. All present voted AYE.

CONSENT AGENDA

RESOLUTIONS

RESOLUTION NO. 6054 – FINDING AND DETERMINING A PUBLIC PURPOSE AND PUBLIC NECESSITY EXISTS FOR CONSTRUCTION OF THE SHERMAN INDUSTRIAL PARK REPLACEMENT SEWER; APPOINTING AN APPRAISER AND NEGOTIATOR AS NECESSARY; AUTHORIZING THE CITY MANAGER TO ESTABLISH JUST COMPENSATION FOR THE PROPERTY RIGHTS TO BE ACQUIRED; AUTHORIZING THE CITY MANAGER TO TAKE ALL STEPS NECESSARY TO ACQUIRE THE NEEDED PROPERTY RIGHTS IN COMPLIANCE WITH ALL APPLICABLE LAWS AND REGULATIONS

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, FINDING AND DETERMINING A PUBLIC PURPOSE AND PUBLIC NECESSITY EXISTS FOR

RES 6054
SHERMAN
INDUSTRIAL PARK
REPLACEMENT
SEWER

CONSTRUCTION OF THE SHERMAN INDUSTRIAL PARK REPLACEMENT SEWER; APPOINTING AN APPRAISER AND NEGOTIATOR AS NECESSARY; AUTHORIZING THE CITY MANAGER TO ESTABLISH JUST COMPENSATION FOR THE PROPERTY RIGHTS TO BE ACQUIRED; AUTHORIZING THE CITY MANAGER TO TAKE ALL STEPS NECESSARY TO ACQUIRE THE NEEDED PROPERTY RIGHTS IN COMPLIANCE WITH ALL APPLICABLE LAWS AND REGULATIONS.
CONSENT AGENDA.

REQUEST TO ADVERTISE
LOY LAKE ROAD RECONSTRUCTION PROJECT

Mr. Barnett said the staff is requesting to advertise for bids for construction of the Loy Lake Road Reconstruction Project. The project will be delayed as they work with Verizon on the relocation of their utilities.

REQ TO ADVERTISE
LOY LAKE ROAD
RECONSTRUCTION
PROJECT

The staff would like to advertise for bids now so when the utilities are relocated they can bid the job and proceed with construction.

ACTION TAKEN.

Motion by Council Member Steele to approve the request to advertise for the Loy Lake Road Reconstruction Project, as presented. Second by Council Member Watt.

VOTING AYE: Couch, Davis, Johnson, Steele, Watt.

VOTING NAY: None.

MOTION CARRIED.

OTHER BUSINESS

CONSIDER APPROVAL OF THE ANNEXATION SCHEDULING PLAN FOR ADOPTION OF APPROXIMATELY 275 ACRES OF LAND NEAR FRIENDSHIP ROAD AND STATE HIGHWAY 56, ADJACENT TO THE SHERMAN CITY LIMITS AND IN THE CITY OF SHERMAN'S EXTRA TERRITORIAL JURISDICTION; AND DIRECTING THE DEPARTMENT OF ENGINEERING SERVICES TO DEVELOP A SERVICE PLAN FOR THE AREA TO BE ANNEXED UPON APPROVAL OF THE ANNEXATION SCHEDULING PLAN

ANNEXATION OF
PROPERTY AT
FRIENDSHIP RD
& SH 56

Mr. Hefton said this is the first step in the annexation process for approximately 275 acres on SH 56 West. There will be public hearings at the next three Council Meetings for both public and Council input.

ACTION TAKEN.

Motion by Council Member Johnson to approve the Annexation Schedule for Approximately 275 Acres near Friendship Road and SH 56, as presented. Second by Council Member Couch.

VOTING AYE: Couch, Davis, Johnson, Steele, Watt.

VOTING NAY: None.

MOTION CARRIED.

RECEIVE DEVELOPMENT SERVICES DIRECTOR SCOTT SHADDEN'S PRESENTATION ON THE REGULATION OF

MOBILE FOOD
VENDORS

MOBILE FOOD VENDORS WITHIN SHERMAN'S CITY LIMITS

Mr. Shadden said Council Member Couch asked the staff to review requirements for mobile food vendors. There are several types of mobile food vendors including catering trucks that go to job sites, special events vendors, food trucks that park on specific lots, and ice cream truck vendors.

The staff reviewed ordinances from several cities and found that many cities require liability insurance and background checks on the operators. The State of Texas and the Grayson County Health Department both have regulations that must be met by mobile food vendors. They also require that the vendor has a commissary that they go to every night to clean the vehicle.

The staff recommendation is to delete the current mobile food vendor ordinance and create a Specific Use Permit for a food truck lot. The proposed ordinance would include liability insurance and background checks. Once they obtain their zoning, and the other requirements, they would obtain an Itinerant Vendor's Permit from the City Clerk's Office. Some cities also have a limit on how long an ice cream truck could stop so they would not be in one location for an extended period of time.

He said tonight the staff would like direction from the Council as to whether the proposal should be put into ordinance form and brought back for their consideration.

Council Member Davis asked about the designated lot and who would own that. Mr. Shadden said this would be a privately owned lot. The owner would obtain the permit and then lease space to vendors. He added that the food truck would then be required to go back to a commercial location each night.

Council Member Couch said the idea is that a land owner would supply his property and receive a small fee from the mobile food vendors to set up on his property. This would be in addition to the City requirements to have a mobile food truck.

Council Member Steele asked if some of the businesses on Texoma Parkway would be closed with the new requirements. Mr. Shadden said there are two businesses and they would be "grandfathered" and would continue to work under the current mobile food vendor ordinance.

Council Member Couch asked about parking stipulations, especially in the downtown area. Mr. Shadden said the traffic laws prohibit a vendor from setting up and selling out of a parking space. Mr. Hefton said the City might also limit the sales in the Central Business District from being on public property, which includes the streets.

COUNCIL MINUTES – JANUARY 18, 2016

Mr. Hefton said the staff will need to delete the current ordinance and put the recommendation in ordinance form for the Council's consideration. He said the State and County laws already regulate many of the health and safety elements of the mobile food vendors. The City would really be "pointing" to those regulations already in place and adding a few regulations specific to the City. Mr. Shadden said the main City requirement would be for zoning on the designated lot.

Council Member Watt verified that a food truck could still go to the various construction sites around town. Council Member Steele verified that snow cone vendors are considered "seasonal" and work under a temporary use permit. They would not be affected.

Council Members did want to move forward and consider a proposed ordinance.

CITIZENS REQUESTS

There were no citizen's requests.

MEDIA QUESTIONS

There were no media questions.

**APPOINT/REMOVE OR CONSIDER QUALIFICATIONS TO
BOARDS AND COMMISSIONS**

LIBRARY BOARD (4)

ACTION TAKEN.

Motion by Council Member Steele to reappoint Nick Keating, John West, and Judith Sloan to the Library Board for a term from January 8, 2016 to January 8, 2019 and to appoint Laurie Mealy for a term from January 19, 2016 to January 19, 2019. Second by Council Member Johnson.

VOTING AYE: Couch, Davis, Johnson, Steele, Watt.

VOTING NAY: None.

MOTION CARRIED.

COUNCIL COMMENTS

DR. MARTIN LUTHER KING, JR. DAY EVENT

Council Member Couch said he attended a great ceremony at Austin College for Dr. Martin Luther King, Jr. Day this morning. He appreciated the Council support for the event.

DR. MARTIN LUTHER KING, JR. DAY EVENT

Council Member Steele said he also enjoyed the breakfast in honor of Dr. King this morning and he thanked everyone that serves in the Sherman community.

DR. MARTIN LUTHER KING, JR. DAY EVENT

Council Member Watt said the breakfast celebrating Dr. King was an amazing collection of members of the community and that is what is awesome about Sherman.

CITIZENS REQUESTS

MEDIA QUESTIONS

LIBRARY BOARD

**DR. MARTIN LUTHER
KING, JR. DAY
EVENT**

**DR. MARTIN LUTHER
KING, JR. DAY
EVENT**

**DR. MARTIN LUTHER
KING, JR. DAY
EVENT**

WAL-MART NEIGHBORHOOD MARKET OPENING

Council Member Johnson said she was excited about the recent grand opening of the Wal-Mart Neighborhood Market.

**WAL-MART
NEIGHBORHOOD
MARKET OPENING**

DR. MARTIN LUTHER KING, JR. DAY EVENT

Mayor Plyler said he appreciated being part of the Dr. Martin Luther King, Jr. parade on Saturday and the ceremony this morning at Austin College. He said he appreciated everyone's participation.

**DR. MARTIN LUTHER
KING, JR. DAY
EVENT**

EXECUTIVE SESSION – IN ACCORDANCE WITH CHAPTER 551, GOVT. CODE, V.T.C.S., (OPEN MEETINGS LAW)

THE CITY COUNCIL WILL NOW HOLD AN EXECUTIVE SESSION PURSUANT TO THE PROVISIONS OF THE OPEN MEETINGS LAW, CHAPTER 551, GOVERNMENT CODE, VERNONS TEXAS CODES ANNOTATED, IN ACCORDANCE WITH THE AUTHORITY CONTAINED IN THE FOLLOWING SECTIONS.

EXECUTIVE SESSION

SECTION 551.071

CONSULTATION WITH CITY
ATTORNEY CONCERNING
PENDING OR CONTEMPLATED
LITIGATION:
RECEIVE THE CITY ATTORNEY'S
BRIEFING ON PENDING OR
CONTEMPLATED LITIGATION

SECTION 551.087

DELIBERATION REGARDING
ECONOMIC DEVELOPMENT
NEGOTIATIONS:
DELIBERATE REGARDING
COMMERCIAL OR FINANCIAL
INFORMATION THAT THE CITY
HAS RECEIVED FROM A
BUSINESS PROSPECT AND
DELIBERATE ANY OFFERS OR
INCENTIVES TO THE BUSINESS
PROSPECT

On Motion duly made and carried, the Open Meeting recessed and reconvened in Executive Session at 6:19 p.m.

On Motion duly made and carried, the Executive Session recessed at 7:14 p.m. and reconvened in Open Meeting.

OPEN MEETING

Reconvene into Open Meeting and take action, if any, on items discussed in Executive Session.

OPEN MEETING

COUNCIL MINUTES – JANUARY 18, 2016

ADJOURNMENT

On Motion duly made and carried, the meeting adjourned at 7:15 p.m.

ADJOURNMENT

MAYOR

CITY CLERK



SHERMAN CITY COUNCIL

Agenda Communication Form

City Council Regular Meeting

Agenda Item No. B. 1.

Meeting Date: 02/01/2016

Prepared By: Steve Ayers, Director of Community and Support Services

Approved By: Robby Hefton, City Manager

Caption:

SPECIAL PRESENTATION

Introduction of the City of Sherman's New Tourism/Main Street Manager

Issue:

The City has recently retained a new Tourism/Main Street Manager. Community and Support Services Director Steve Ayers will take this opportunity to introduce the individual to the City Council, staff and citizens.

Origination:

Robby Hefton, City Manager



SHERMAN CITY COUNCIL

Agenda Communication Form

City Council Regular Meeting

Agenda Item No. C. 1.

Meeting Date: 02/01/2016

Prepared By: Brandon Shelby, City Attorney

Approved By: Robby Hefton, City Manager

Caption:

PUBLIC HEARING

Conduct the First Public Hearing Concerning the Annexation of Approximately 274 Acres of Land Near Friendship Road and State Highway 56, Adjacent to the Sherman City Limits and in the City of Sherman's Extra Territorial Jurisdiction

Issue:

To conduct the first public hearing concerning the annexation of approximately 274 acres of land in the City's extra territorial jurisdiction (ETJ), in accordance with state law and the City Charter

Background:

It is the City's intention to annex specifically identified individual areas in the City's ETJ, in accordance with state law and the City Charter. At its January 18th meeting, the City Council approved the schedule for annexation of this property, which sets this public hearing, a second public hearing for the February 15th regular Council meeting, and introduction and adoption of the Ordinance to annex the subject property at the March 7th regular Council meeting.

Origination:

City Council

Financial Consideration:

The additional property taxes raised from this annexation are estimated at about \$17,000 annually, which approximates the estimated costs associated with providing general City services.

Staff Recommendation:

It is recommended that the City Council conduct its first public hearing concerning the possible annexation of this property.

Alternatives:

As directed by the City Council

Attachments

Municipal Service Plan

Annexation Schedule

Field Notes

Location Map

City of Sherman Municipal Service Plan SH 56 / Friendship Rd.

INTRODUCTION:

The annexation is the site of approximately 29 properties along State Highway 56 and Friendship Rd. lying adjacent to the City of Sherman existing city limits.

This annexation is a step in the process of providing for the orderly growth and development of the City, to protect the City from substandard development and to provide for the enlargement of the city limits by including developments and improvements that are logically a part of the City and receive city utilities.

MUNICIPAL SERVICES TO BE PROVIDED:

POLICE PROTECTION: Patrolling, radio responses to calls, and other routine police services, using present personnel and equipment will be provided on the effective date of annexation.

FIRE PROTECTION: Fire protection by the present personnel and equipment of the fire fighting force will be provided on the effective date of annexation.

SOLID WASTE: The same solid waste collection and disposal service now provided within the City of Sherman will be extended to the annexed area on the effective date of annexation.

BULK WASTE PICKUP: Free monthly bulk trash and brush pickup would be available on the effective date of annexation.

STREETS AND BRIDGES: All roads shall be accepted in current as-is conditions and shall be maintained by City of Sherman. Any future streets or improvements will be developed by the standard provisions of the Developer's Ordinance with future maintenance by the City of Sherman. Street lighting will be established according to city guidelines.

PARKS: No public parks exist in the area to be annexed. Any new park facilities will be developed according to existing City policies as applicable to all city residents.

CONSTRUCTION INSPECTIONS: Building inspection activities will be available upon

annexation.

ENVIRONMENTAL HEALTH AND HEALTH CODE ENFORCEMENT: Enforcement of the City's environmental health ordinances and regulations shall be provided within this area on the effective date of the annexation ordinance.

ANIMAL CONTROL: Animal control services will be provided by the City on the effective date of annexation.

PLANNING AND ZONING: The Planning and Zoning jurisdiction of the City will extend to this area on the effective date of this annexation. All areas will be annexed as an R-A on the effective date of the annexation ordinance.

CAPITAL IMPROVEMENTS:

WATER SERVICE: Upon completion of the annexation, the City of Sherman will perform the following water utility improvements:

- Extend a water main in according to existing City policy along State Highway 56.
- Install fire hydrants in accordance with City of Sherman Subdivision Ordinance requirements and Sherman Fire Department practices.

The City of Sherman will develop a plan to extend a water main north along Friendship Rd.

SEWER SERVICE: All properties within the annexation area are served by individual and privately owned septic systems. Therefore, the City of Sherman will not provide sewer services to this area.

ANNEXATION SCHEDULING PLAN

Annexation of Approximately 274 Acres of Land Near Friendship Road and State Highway 56

- Wednesday, January 20, 2016.....Send written notice to property owners in the area to be annexed, public or private entities that provide services in that area, and any railroads with a right of way in the area to be annexed. The Department of Engineering Services will prepare a service plan that details the specific Municipal Services that will be provided to the area after it is annexed.
- Thursday, January 21, 2016..... Post notice on City's website, newspaper and City Hall for City Council's 1st Public Hearing on intent to annex. Send written notice to each public school district in the area to be annexed. Send by certified mail a second written notice to any railroads with a right of way in the area to be annexed. Obtain required affidavit of publication from newspaper.
- Thursday, January 28, 2016..... Post notice of 1st Public Hearing under the Open Meetings Act.
- Monday, February 1, 2016..... City Council's 1st Public Hearing on intent to annex and service plan.* (Regular Council Meeting)
- Thursday, February 4, 2016 Post notice on City's website, newspaper and City Hall for City Council's 2nd Public Hearing on intent to annex. Obtain required affidavit of publication from newspaper.
- Thursday, February 11, 2016..... Post notice of 2nd Public Hearing under the Open Meetings Act.
- Monday, February 15, 2016..... City Council's 2nd Public Hearing on intent to annex and service plan.* (Regular Council Meeting)
- Thursday, March 3, 2016..... Post notice on City's website, newspaper and City Hall for introduction of annexation ordinance and adoption of the ordinance. Posting will also be in compliance with the Open Meetings Act.*
- Monday, March 7, 2016..... City Council Public Hearing for introduction and consideration of adoption of annexation ordinance.* (Regular Council Meeting)

* If more than twenty (20) adults who are residents of the area to be annexed protest within ten (10) days of the notice by publication, then one (1) of the public hearings must be held in the area to be annexed.



DRAFTING & SURVEYING, INC.

PARCEL DESCRIPTION

Situated in the County of Grayson, State of Texas, being a part of the Elizabeth Jones Survey, Abstract No. 625, the Jason Stamps Survey, Abstract No. 1115, the Pleasant Thompson Survey, Abstract No. 1208, the Elijah N. Deaver Survey, Abstract No. 358, the Joseph Deaver Survey, Abstract No. 359, and the Fielding Bacon Survey, Abstract No. 119, and being more particularly described as follows:

Beginning at a point for the most Southerly Southwest corner of the herein described parcel in the West line of a public road locally known as Friendship Road running along the West line of the said Stamps Survey and East line of the said Thompson Survey (Survey line in center of road), said point being in the extended South line corner of the same tract of land described as 30 acres and referred to as First Tract in 1/2 interest conveyance from James Michael Hicks and Joe Graham Hicks to Joseph Edwin Canon by deed dated August 13, 2004, recorded in Volume 3717, Page 886, Official Public Records, Grayson County, Texas;

Thence North with said West line of Friendship Road to a point for corner in the South right-of-way line of State Highway No. 56;

Thence Southwesterly with said South right-of-way line of Highway No. 56 to a point for corner at the intersection of said South right-of-way line with the extended East line of a public road to the North locally known as Case Road;

Thence Northerly, passing the North right-of-way line of said Highway and East of the Southwest corner of the same tract of land described as 51.497 acres conveyed by Bell 56 Partners, L.P. to Phase II Investments, LP by deed dated August 7, 2006, recorded in Volume 4097, Page 871, said Official Public Records and continuing along said East line of Case Road to a point for corner at the intersection of said East line of Case Road with the South line of an East-West public road locally known as Elliot Road, the centerline of said Elliot Road being the North line of the said Elijah Deaver Survey and South line of the Joseph Deaver Survey;

Thence Easterly with said South line of Elliot Road to the intersection of said South line of Elliot Road with the said West line of Friendship Road;

Thence Northerly with said West line of Friendship Road to the extended North line from the East of the same tract of land described as 12.879 acres conveyed by Linda Sue Simpson to Eufrazio Aleman, Jr. By deed dated October 30, 2002, recorded in Volume 3340, Page 927, said Official Public Records;

Thence Easterly passing the West line of the said Bacon Survey and continuing over and across said Bacon Survey to the Northeast corner of the same tract of land described as 2.758 acres and referred to as Tract Two and the Southeast corner of the same tract of land described as 4.39 acres and referred to as Tract One as conveyed by Wedgewood Capital Management, LLC to Classic Car Liquidators, LLC by deed dated January 14, 2013, recorded in Volume 5238, Page 174, said Official Public Records, in the West line of the same tract of land described as 6.75 acres and referred to as Tract One as conveyed by Ina Miller et al to Ellis Truck & Auto, Inc. by deed dated August 1, 2008, recorded in Volume 4523, Page 334, said Official Public Records;

Thence Northerly to the Northwest corner of the same tract of land described as 2.278 acres and referred to as Tract Two in said Volume 4523, Page 334, also being the Southwest corner of Longhorn Estates addition to the City of Sherman as shown by plat of record in Volume 11, Page 8, Plat Records, Grayson County, Texas;

Thence Easterly with the South line of said Longhorn Estates to the Northeast corner of the same tract of land described as 21.1161 acres and referred to as Tract Three in said Volume 4523, Page 334 and the Northwest corner of the same tract of land described as 15.50 acres conveyed by J. H. G. Corporation, Inc. to Herman D. Irvin et ux by deed dated February 20, 1996, recorded in Volume 2447, Page 675, said Official Public Records;

Thence Southerly with the East line of said Tract Three and West line of the said Irvin tract to an angle point;

Thence Southeasterly, passing the most Easterly Southeast corner of said Tract Three and the Northeast corner of the same tract or land described as 1.607 acres conveyed by J. H. G. Corporation to said Herman D. Irvin et ux by deed dated September 7, 1983, recorded in Volume 1667, Page 506, Deed Records, Grayson County, Texas, and continuing, passing Southeast corner of the said 1.607 acre tract and the Southwest corner of the said 15.50 acre tract in the said centerline of Highway No. 56 and continuing to the said South right-of-way line of Highway No. 56;

Thence Southwesterly with said South right-of-way line of Highway 56 to the Northwest corner of the same tract of land described as 129.70 x 156.66 feet conveyed by Jimmy Dale Jackson et ux to Jorge Adalberto Conzalez and Ivonne Nair Martinez by deed dated August 27, 2010, recorded in Volume 4851, Page 186, said Official Public Records, also being a Northeasterly corner of the same tract of land described as 33.367 acres conveyed by George W. Meyers to Kenneth R. Meyers by deed dated January 7, 1999, recorded in Volume 2740, Page 559, said Official Public Records;

Thence Southerly to the Southwest corner of the said 129.70 x 156.66 feet tract and an inside "L" corner to the said Meyers tract;

Thence Easterly to the Southeast corner of the said 129.70 x 156.66 feet tract and an outside "L" corner to the said Meyers tract in the West line of the same tract of land described as 1.00 acre conveyed by Randy Stowers to Juan Francisco Interiano et ux by deed dated July 20, 2007, recorded in Volume 4291, Page 662, said Official Public Records;

Thence Southerly to the Southwest corner of the said Interiano tract and an inside "L" corner to the said Meyers tract;

Thence Easterly to the Southeast corner of the said Interiano tract and an inside "L" corner to the said Myers tract;

Thence Northerly with the East line of the said Interiano tract and a West line of the said Meyers tract to a point for corner at the extended South line from the East of the same tract of land described as 1.50 acres conveyed by Kight Family Limited Partnership #1 to Melenie Barajas by deed dated December 7, 2012, recorded in Volume 5514, Page 636, said Official Public Records;

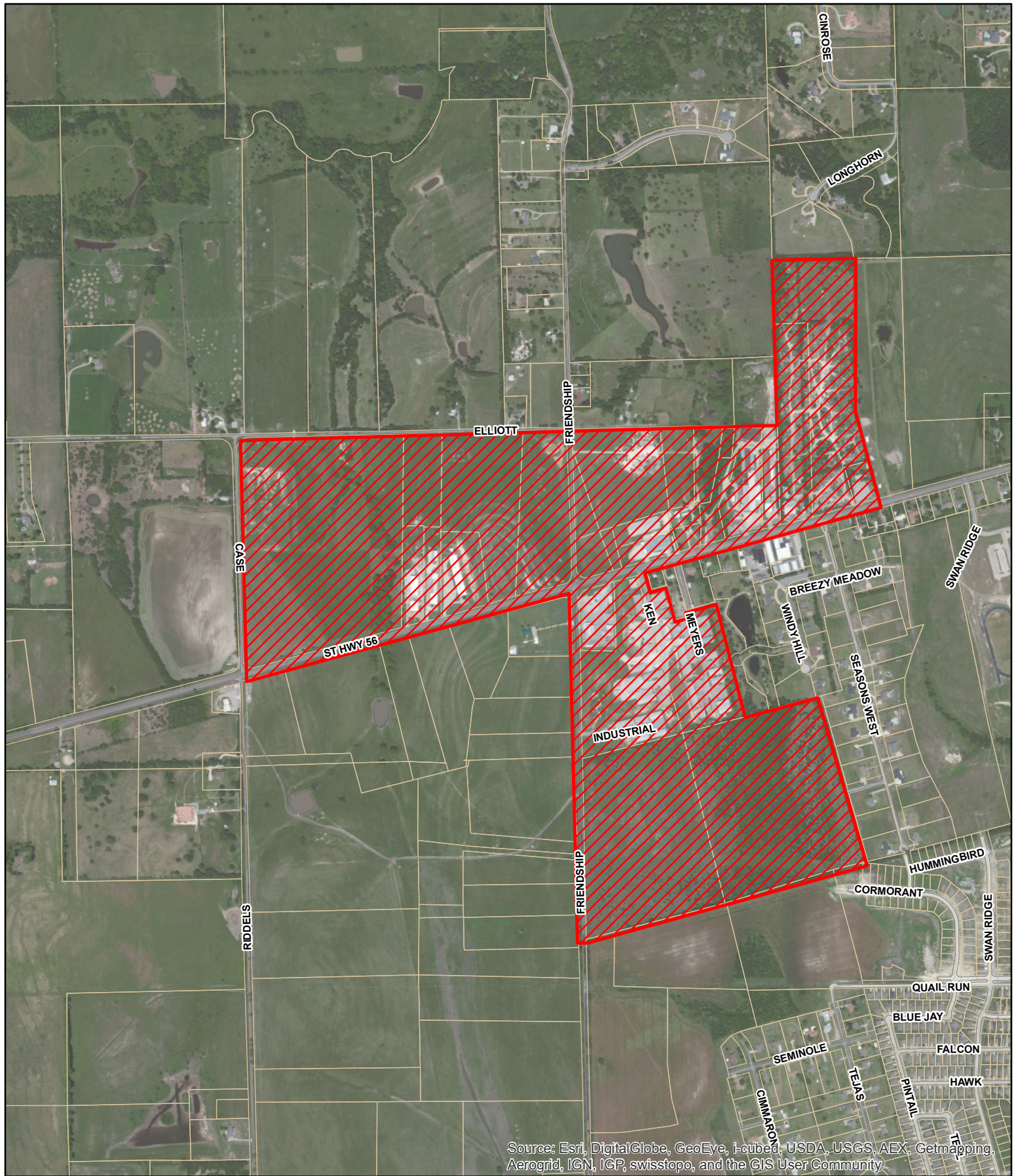
Thence Easterly passing the Southwest corner of the said Barajas tract and an inside "L" corner to the said Meyers tract on the East side of a 50 foot wide strip and continuing to the Southeast corner of the said Barajas tract and the most Easterly Northeast corner of the said Meyers tract in the West line of Seasons West Addition Phase One to said City of Sherman as shown by plat of record in Volume 16, Page 75, said Plat Records;

Thence Southerly to the Southwest corner of said Phase One in the North line of the same tract of land described as 39 acres and referred to as Second Tract conveyed to said Joseph Edwin Canon in Volume 3717, Page 886;

Thence Easterly with the South line of said Phase One to the Northeast corner of said Second Tract and the most Westerly Northwest corner of Season's West Phase Two to said City of Sherman as shown by plat of record in Volume 16, Page 74, said Plat Records;

Thence Southerly to the Southeast corner of said Second Tract and the Southwest corner of said Phase Two;

Thence Westerly with the South line of said Canon Second Tract and First Tract and continuing across said Friendship Road to the Point-of-Beginning and containing approximately 274 acres of land.....



Source: Esri, DigitalGlobe, GeoEye, i-cubed, USDA, USGS, AEX, Getmapping, Aerogrid, IGN, IGP, swisstopo, and the GIS User Community



SHERMAN CITY COUNCIL

Agenda Communication Form

City Council Regular Meeting

Agenda Item No. C. 2.

Meeting Date: 02/01/2016

Prepared By: Pamela Cloer, Assistant to the City Manager

Approved By: Robby Hefton, City Manager

Caption:

CONSENT AGENDA

Asterisked (*) items are considered to be routine and will be enacted in one motion without discussion unless a Council Member or a citizen requests a specific item be discussed and voted on separately

Issue:

D. 3. * RESOLUTION NO. 6057

Authorizing Execution of an Agreement with Tobar Properties, LLC for the Abatement of Ad Valorem Property Taxes for the Construction of a New Single-Family Residence at 407 Vernon Holland Memorial Drive

E. 1. * REQUEST TO ADVERTISE

Agricultural Lease at the Wastewater Treatment Plant

F. 1. * OTHER BUSINESS

Approve Quarterly Investment Report for Quarter Ended December 31, 2015



SHERMAN CITY COUNCIL

Agenda Communication Form

City Council Regular Meeting

Agenda Item No. D. 1.

Meeting Date: 02/01/2016

Prepared By: Clay Barnett, Director of Public Works and Engineering

Approved By: Robby Hefton, City Manager

Caption:

RESOLUTION NO. 6055

Authorizing Execution of an Interlocal Agreement with Grayson County for the Purchase of Various Commodities for the City of Sherman's Street Maintenance Program

Issue:

Authorizing Execution of an Interlocal Agreement between the City of Sherman and Grayson County to appoint Grayson County its true and lawful purchasing agent for the purchase of various commodities, using Annual Contract (Bids)

Background:

Each year, the Street Maintenance Department evaluates and ranks all city streets to determine their need for maintenance. From the street evaluation process, a priority list of streets to be seal coated is prepared. By entering into an Interlocal Agreement with Grayson County, the City of Sherman will have the opportunity to realize competitively bid pricing for various commodities. Chapter 791 of the Texas Local Government Code statutorily authorizes local governments to enter into Interlocal Agreements, which allows the local government to purchase from a contract currently existing between another local government and a vendor. This Interlocal Agreement fully satisfies the statutory competitive bid requirements.

Origination:

Street Maintenance Department

Financial Consideration:

Budgeted funds will be used for related purchases.

Staff Recommendation:

Staff recommends that the City Council authorize execution of an Interlocal Agreement between the City of Sherman and Grayson County.

Alternatives:

As may be directed by the City Council

Attachments

Resolution No. 6055

Grayson County Interlocal Agreement

RESOLUTION NO. 6055

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING EXECUTION OF AN INTERLOCAL AGREEMENT WITH GRAYSON COUNTY FOR THE PURCHASE OF VARIOUS COMMODITIES FOR THE CITY OF SHERMAN'S STREET MAINTENANCE PROGRAM; FINDING AND DETERMINING THAT THE MEETING AT WHICH THIS RESOLUTION IS PASSED WAS NOTICED AND IS OPEN TO THE PUBLIC AS REQUIRED BY LAW.

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS:

SECTION 1. That the Mayor be and is hereby authorized and directed, subject to all contract documents being properly completed and approved as to form and content by the City Attorney, to execute an interlocal agreement with Grayson County to hereby appoint Grayson County the City of Sherman's true and lawful purchasing agent for the purchase of various commodities, using Annual Contract (Bids).

SECTION 2. That it is hereby officially found and determined that the meeting at which this resolution is passed is open to the public and that public notice of the time, place, and purpose of said meeting was given as required by law.

PASSED AND APPROVED on this the ____ day of _____, 2016.

CITY OF SHERMAN, TEXAS

ATTEST:

BY: _____
LINDA ASHBY,
CITY CLERK

BY: _____
DAVID PLYER,
MAYOR

**APPROVED AS TO FORM
AND CONTENT:**

BY: _____
BRANDON S. SHELBY,
CITY ATTORNEY

**INTERLOCAL AGREEMENT
BETWEEN THE CITY OF SHERMAN, TEXAS
AND GRAYSON COUNTY, TEXAS**

THIS AGREEMENT is made and entered into this the _____ day of _____, 2016, by and between the **CITY OF SHERMAN, TEXAS**, acting by and through its governing body, the City Council, hereinafter referred to as “SHERMAN”, and the **COUNTY OF GRAYSON, TEXAS**, acting by and through its governing body, the Grayson County Commissioners Court, hereinafter referred to as “GRAYSON”;

W I T N E S S E T H:

Pursuant to the authority granted by the “Texas Interlocal Cooperation Act,” Chapter 791 of the Texas Government Code, providing for the cooperation between local governmental bodies, the parties hereto, in consideration of the premises and mutual promises contained herein, agree as follows:

WHEREAS, the agreement is made under the authority of Sections 791.001-791.033 of the Texas Government Code; and

WHEREAS, SHERMAN and GRAYSON find that the subject of this agreement is necessary for the benefit of the public and that each party has the legal authority to perform and to provide the governmental function or service which is the subject matter of this agreement; furthermore, the governing bodies find that the performance of this agreement is in the common interest of both parties;

NOW, THEREFORE, SHERMAN and GRAYSON agree as follows:

Section 1. SHERMAN hereby makes, constitutes and appoints GRAYSON its true and lawful purchasing agent for the purchase of various commodities, using Annual Contract (Bids). GRAYSON will maintain a listing of Annual Contracts which are available for local entities’ use. GRAYSON will forward a copy of the requested Annual Contract to the requesting entity. SHERMAN agrees that GRAYSON shall serve as the purchasing agent for selected items, and agrees that the bidding shall be conducted by GRAYSON according to its usual bidding procedures and in accordance with applicable State statutes.

Section 2. This agreement shall take effect upon execution by both signatories.

Section 3. This agreement shall be in effect from the date of execution until terminated by either party to the agreement upon written thirty (30) days notice prior to cancellation.

IN WITNESS WHEREOF, the parties hereto have caused this agreement to be executed by their authorized officers on the day and year first above written.

CITY OF SHERMAN, TEXAS

COUNTY OF GRAYSON, TEXAS

BY: _____
David Plyer, Mayor

BY: _____
Bill Magers, County Judge

ATTEST:

ATTEST:

BY: _____
Linda Ashby, City Clerk

BY: _____
Wilma Bush,
Grayson County Clerk

APPROVED AS TO FORM:

APPROVED AS TO FORM:

BY: _____
Brandon S. Shelby, City Attorney

BY: _____
Craig Price,
Attorney for Grayson County



City Council Regular Meeting

Agenda Item No. D. 2.

Meeting Date: 02/01/2016

Prepared By: Mary Lawrence, Director of Finance

Approved By: Robby Hefton, City Manager

Caption:

RESOLUTION NO. 6056

Authorizing the Texas Coalition for Affordable Power, Inc. (TCAP) to Negotiate an Electric Supply Agreement for Five Years for Deliveries of Electricity Effective January 1, 2018; Authorizing TCAP to Act as an Agent on Behalf of the City to Enter into a Contract for Electricity; Authorizing the Executive Director of TCAP or the City of Sherman Mayor or City Manager to Execute an Electric Supply Agreement for Deliveries of Electricity Effective January 1, 2018 and Committing to Budget for Energy Purchases in 2018 through 2022 and to Honor the City's Commitments to Purchase Power for its Electrical Needs in 2018 through 2022 through TCAP

Issue:

This resolution gives the Texas Coalition for Affordable Power (TCAP) the authority to lock in very favorable electrical rates for the City of Sherman's consumption during the five (5) year period of January 1, 2018 through December 31, 2022.

Background:

The City is a member of TCAP, which acts on behalf of its members to secure power at favorable rates to member cities because of the economies of scale realized by aggregating the power needs of many cities. This item gives TCAP the authority to negotiate for a five-year contract for power at a projected significant cost savings through NextEra.

Origination:

Geoffrey M. Gay of Lloyd Gosselink Rochelle & Townsend, P.C. on behalf of TCAP

Financial Consideration:

There is no financial consideration to approving this resolution. Participating in this contract will provide the City with savings on electricity from January 1, 2018 through December 31, 2022.

Staff Recommendation:

The staff recommends approval of this resolution.

Alternatives:

While not recommended, the City Council could reject the resolution. The City could miss the opportunity to lock-in rates when the ideal pricing becomes available.

Attachments

Resolution No. 6056

Staff Report

RESOLUTION NO. 6056

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING THE TEXAS COALITION FOR AFFORDABLE POWER, INC. (TCAP) TO NEGOTIATE AN ELECTRIC SUPPLY AGREEMENT FOR FIVE YEARS FOR DELIVERIES OF ELECTRICITY EFFECTIVE JANUARY 1, 2018; AUTHORIZING TCAP TO ACT AS AN AGENT ON BEHALF OF THE CITY TO ENTER INTO A CONTRACT FOR ELECTRICITY; AUTHORIZING THE EXECUTIVE DIRECTOR OF TCAP OR THE CITY OF SHERMAN MAYOR OR CITY MANAGER TO EXECUTE AN ELECTRIC SUPPLY AGREEMENT FOR DELIVERIES OF ELECTRICITY EFFECTIVE JANUARY 1, 2018 AND COMMITTING TO BUDGET FOR ENERGY PURCHASES IN 2018 THROUGH 2022 AND TO HONOR THE CITY'S COMMITMENTS TO PURCHASE POWER FOR ITS ELECTRICAL NEEDS IN 2018 THROUGH 2022 THROUGH TCAP; FINDING AND DETERMINING THAT THE MEETING AT WHICH THIS RESOLUTION IS PASSED WAS NOTICED AND IS OPEN TO THE PUBLIC AS REQUIRED BY LAW.

WHEREAS, the City of Sherman, Texas (City) is a member of Texas Coalition For Affordable Power, Inc. (TCAP), a non-profit, political subdivision corporation dedicated to securing electric power for its more than 170 members in the competitive retail market; and

WHEREAS, TCAP has unique rights under Texas law to negotiate directly in the wholesale market and arrange separate contracts for power supply and retail services which provides TCAP leverage to achieve contract provisions that single city negotiations with a Retail Electric Provider (REP) would be unlikely to produce; and

WHEREAS, TCAP's geographic diversity across all four ERCOT zones produces an aggregated peak load that is lower than the total of individual peak loads of the individual TCAP members, allowing price benefits in the wholesale market that are not likely to be available to any given TCAP member alone; and

WHEREAS, TCAP and its predecessor organizations, Cities Aggregation Power Project, Inc. (CAPP) and South Texas Aggregation Project, Inc. (STAP), negotiated favorable contract terms that resulted in rebates from the wholesale supplier and reasonable commodity prices for delivered electricity since 2002 resulting in stable budgets for electricity for members; and

WHEREAS, commodity prices for electricity experienced significant volatility between 2002 and 2009, with prices ranging from 4 cents to over 13 cents per kWh, causing CAPP and STAP members to welcome a five year contractual commitment that came close to cutting the 2008 prices in half, with that contract being extended until December 31, 2017, with a negotiated price reduction of about 1 cent per kWh; and

WHEREAS, TCAP has become a forceful voice for consumer protections and market reform to benefit the public as well as cities and other political subdivisions; and

WHEREAS, TCAP is owned by its members and distributes monetary and other resources according to relative load size of members and is controlled by a 15 member Board of Directors, all of whom must be city employees of members who represent diversity in size and geography; and

WHEREAS, wholesale power prices within the deregulated Texas market are largely determined by the New York Mercantile Exchange (NYMEX) gas futures prices for natural gas which are currently low and relatively stable, but which change daily; and

WHEREAS, daily price changes require retail customers to execute a contract immediately upon receipt of a favorable offer; and

WHEREAS, pursuant to Texas Local Government Code Section 252.022(a)(15), expenditures for electricity are exempt from competitive bidding requirements; and

WHEREAS, on any given day, TCAP is able to capture a favorable wholesale price for any period of time, comparable to or better than any given REP or broker; and

WHEREAS, TCAP intends to continue to contract with its current wholesale supplier, NextEra, because the relationship with NextEra is such that NextEra is willing, after it knows the size of a given load, to execute a contract at or below prescribed price and terms; and

WHEREAS, the City desires to execute a contract for electricity for the period beyond the expiration of its current contract on December 31, 2017, that locks-in favorable wholesale prices under one of three different supply options:

Option 1 - fixed-price, full-requirements at a price not to exceed 4.1 cents per kWh for the North and West zones or 4.25 cents per kWh for the South and Houston zones;

Option 2 - fixed price for on-peak hours and variable spot market prices for off-peak hours; or

Option 3 - block energy at a fixed price to cover the base load hours, a fixed price for solar energy to cover mid-day peak hours (approximately 10% of total load) and variable spot market prices for all remaining consumption; and

WHEREAS, TCAP will allow members six weeks from receipt of this resolution to consider whether to participate in this second opportunity to contract for post-2017 electrical supply, and thereafter allow NextEra until June 30, 2016 to contract for power for five years at a price not to exceed 4.1 cents per kWh in the North and West zones and a price not to exceed 4.25 cents per kWh in the South and Houston zones for Option 1, so long as the aggregated load for any of the three supply options reaches at least 50 megawatts; and

WHEREAS, wholesale suppliers demand assurance that TCAP will pay for all contracted load; and

WHEREAS, the City needs to assure TCAP that it will sign a Commercial Electric Supply Agreement (CESA) reflecting the contract extension and budget for energy purchases for the post-2017 period and honor its commitment to purchase power for its electrical needs for 2018 through 2022 through TCAP;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS:

SECTION 1. That the TCAP Board of Directors and its consultants and advisors are agents authorized to negotiate for the City's electricity needs as a member of TCAP for the period 2018 through 2022 at a price not to exceed 4.1 cents per kWh for the North and West zones and a price not to exceed 4.25 cents per kWh in the Houston and South zones for supply Option 1.

SECTION 2. That the City prefers to participate in supply Option 1 with the following understanding: a) while supply Option 1 is a full-requirements, fixed-price option, Options 2 (fixed price on-peak, variable spot prices for off-peak usage) and 3 (fixed price for base load, fixed price for a portion of peak load, and variable spot market for remainder) have variable price components and savings over Option 1 that cannot be guaranteed, and b) if there is insufficient desire among members to achieve a 50 MW threshold for either Option 2 or 3, the member selecting the inadequately subscribed option will be placed in the Option 1 category. If no option is selected, TCAP will assume that a passed Resolution approves of Option 1.

SECTION 3. That, assuming this resolution is passed before February 25, 2016 and the combined load of TCAP members passing this resolution exceeds 50 megawatts for the preferred Option and NextEra is able to provide TCAP an opportunity prior to June 30, 2016 to contract for power to be delivered to members at a price not to exceed 4.1 cents per kWh for the North and West zones and not to exceed 4.25 cents per kWh in the Houston and South zones for supply Option 1 for the period January 1, 2018 through December 31, 2022, any one of the following individuals is hereby authorized to sign an electric supply agreement for the City within 24 hours of receipt of a contract that has been approved and recommended by the TCAP Board of Directors: the Executive Director of TCAP or the City of Sherman Mayor or City Manager.

SECTION 4. That the City will commit to purchase power to meet all of its electricity needs eligible for competition pursuant to the TCAP approved supply agreement and approve funds necessary to pay electricity costs proportionate to the City's load under the supply agreement (whether wholesale or retail) arranged by TCAP and signed by TCAP's Executive Director or President or other TCAP representatives authorized by the TCAP Board.

SECTION 5. That a copy of this resolution shall be sent to Jay Doegey, Executive Director, TCAP, 15455 Dallas Parkway, Suite 600, Addison, Texas 75001 and Geoffrey M. Gay, legal counsel to TCAP at 816 Congress Avenue, Suite 1900, Austin, Texas 78701.

SECTION 6. That it is hereby officially found and determined that the meeting at which this resolution is passed is open to the public and that public notice of the time, place, and purpose of said meeting was given as required by law.

PASSED AND APPROVED on this the _____ day of February, 2016, by a vote of _____ ayes and _____ nays at a regular meeting of the City Council of Sherman, Texas.

CITY OF SHERMAN, TEXAS

BY: _____
DAVID PLYLER, MAYOR

ATTEST:

BY: _____
LINDA ASHBY, CITY CLERK

**APPROVED AS TO FORM
AND CONTENT:**

BY: _____
**BRANDON S. SHELBY,
CITY ATTORNEY**

Staff Report to Support Resolution Authorizing TCAP to Procure Electricity for 2018-2022

This resolution is designed to support the second of several opportunities for TCAP members to contract for electricity for the post-2017 time period. If interested in contracting for a five-year term (2018-2022) during 2016, the authorizing resolution must be passed by the governing body of the interested TCAP member by February 25, 2016. The deadline will allow definition of the load to be served under each of three different electric supply options, which must be at least a minimum of 50 megawatts. Also, the deadline will give the wholesale provider ample opportunity to lock a fixed-price, equal to or less than a specific benchmark for each ERCOT zone, before June 30, 2016. When that supply scenario is locked, each member that passed the authorizing resolution must immediately sign a contract for that power. Please Note: The draft resolution is in Word and blanks must be filled in to identify the member, the preferred supply option and several individuals by name or position who will sign the contract when the appropriate price point is reached.

Explanation of Whereas Clauses:

What is TCAP?

TCAP is a non-profit, political subdivision corporation, owned and controlled by its 171 political subdivision members, the vast majority of whom are cities. TCAP was formed in 2011 from the merger of Cities Aggregation Power Project (“CAPP”) and South Texas Aggregation Project (“STAP”), both of which were created in 2001, shortly before retail deregulation became effective on January 1, 2002. TCAP is governed by a 15 member board of directors, all of whom must be city employees or elected city officials. Typically, board members have been mayors, city managers, assistant city managers, finance directors or city attorneys.

Market Benefits of TCAP

An individual city, citizen or commercial customer can only purchase power directly from a Retail Electric Provider (“REP”) which under Texas law exists to give the impression of a competitive market. REPs cannot generate electricity, nor can they own wires. REPs are unnecessary middlemen between the wholesale and retail markets. As reflected in the second and fourth Whereas clauses, TCAP, as a political subdivision corporation, uniquely can go directly to the wholesale market. CAPP and STAP, prior to their merger into TCAP, separated contracts between a wholesale supplier and an independent REP, providing TCAP consultants with greater insight into the margins of various market participants than would be possible for most consumers. A broker or a REP would hand a form contract to an individual consumer. In the case of TCAP, no form contract is acceptable and, because of the size of TCAP’s load, both wholesale suppliers and REPs are willing to negotiate contract terms that are beneficial to TCAP members, enabling the refunds members have consistently received, special terms for adds and deletes, including an ability to add new loads at current market prices even if the market price is lower than the price of the master agreement.

TCAP's benefits regarding pricing

TCAP's membership consumes approximately 1.4 billion kWh annually which amounts to approximately \$100 million in revenue for the wholesale provider at current contract prices. The value of the aggregated load is extremely appealing to wholesale market participants, enabling TCAP to get the market competitive pricing at any particular moment. As reflected in the third Whereas clause, in addition to the size of its load, TCAP derives benefit from geographic diversity. TCAP members reside in all four ERCOT zones and are spread between the entire length and breadth of Texas, from Wichita Falls to Harlingen and Fort Stockton to Palestine. Since consumption is influenced by weather and since weather conditions are seldom the same across all of Texas, it is unlikely that all TCAP members are reaching peak consumption simultaneously. If the peaks of all TCAP members were totaled, the sum would equal 313.1 MW. But a wholesale supplier looks at the peak consumption of TCAP as an aggregated load rather than the sum of the peaks of all members. TCAP's peak demand is 246.9 MW. That reduction in peak is a specific and unique benefit of aggregation. And unlike other aggregation groups that accept counties and school districts as members, TCAP has focused its membership on cities and other political subdivisions that have a relationship with cities to maintain the very favorable load factor of cities with high off peak consumption from street lights which provides favorable pricing terms.

History of CAPP, STAP, TCAP pricing

As reflected in the fifth and eighth Whereas clauses, aggregated cities have historically been interested in flat, fixed-price, full-requirements contracts and price stability. The resolution under consideration maintains that goal for a five-year period at a price much lower than the current contract price. In 2002, CAPP and STAP were able to obtain prices for energy at 4 cents per kWh. Very quickly after retail deregulation was implemented, natural gas prices started to rise, and they continued on an upward trend until late 2008. In late 2008, CAPP cities were paying approximately 13.5 cents per kWh. Fear that natural gas price volatility would continue to result in high electricity rates, CAPP cities were excited to lock-in long term rates beginning in 2009 that were significantly lower than prices experienced in the 2007-2008 time frame. STAP cities experienced their highest rate in 2006 at slightly more than 9 cents per kWh. STAP cities saw prices drop to around 7.8 cents per kWh in 2008 and were happy to find a contract that would stabilize prices in the 7 to 8 cent range for an extended period. When CAPP and STAP members signed new contracts in late 2008, no one could have predicted that the economy was about to enter a multi-year recession and that fracking would bring a glut of natural gas to a market with reduced demand, putting natural gas and electricity prices into a downward trend. Fortunately, gas prices have continued to drop and now TCAP members have an opportunity to again capture rates in the range of, and hopefully below, 4 cents per kWh.

Contract Requirements

As explained in the tenth Whereas clause, there is no legal requirement that a city engage in a competitive bidding process prior to contracting for electricity. The primary expectation of contracting for wholesale energy in a deregulated energy market is that a purchaser sign a contract accepting a particular offered price within 24 hours of receipt of the offer. NYMEX gas futures prices change daily, and since gas prices drive electricity prices, it is unlikely that any

given price quote for wholesale electricity during a given period will remain open for more than a day. As explained in the ninth Whereas clause, TCAP members are expected to immediately execute a contract once TCAP's supplier is able to lock in a price at or below the benchmark prices specified in the resolutions for a five-year period commencing January 1, 2018. That is why Section 3 of the resolution requires the naming of specific individuals with whom TCAP can correspond and provide a contract for signing when appropriate.

Resolution's Objective

As explained in the eleventh thru fourteenth Whereas clauses, after the size of the load for the 2015 contract opportunity is defined by February 25, 2016, TCAP's supplier will look for an opportunity to lock prices for the five-year term at or below specified benchmarks (4.1 - 4.25 cents per kWh). That may happen by the second week of March; but, if it appears that prices are trending downward, TCAP will direct its designated supplier, NextEra, to daily monitor the market to hopefully capture a price under lower than benchmarked prices. The window of opportunity for capturing a reasonable price at or below the benchmarks will expire by June 30, 2016. TCAP will develop another supply opportunity in the Fall of 2016 for any members not contracting in this offering.

TCAP benefits to the consuming public

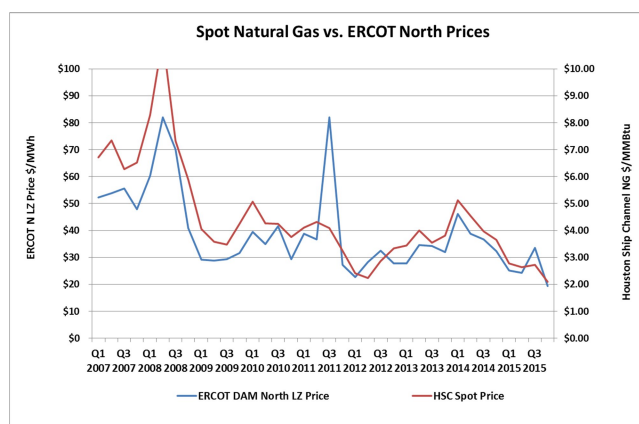
Whereas clause six references TCAP becoming a forceful voice for consumer protections and market reform to benefit the public as well as political subdivisions. When CAPP and STAP merged in 2011, one of the guiding principles established in meetings with members and through subsequent board priority-setting meetings was that TCAP should advocate for reforms in the market that would enhance competition and benefit the general public. TCAP has become the closest thing to a consumer advocate that exists in the deregulated marketplace on both the wholesale and retail sides of the business. TCAP membership not only provides political subdivisions with resources to monitor markets, capture reasonable prices and best available terms, stabilize budgets, address problems with invoices and help with governmental reports, provide best of class portals to understand consumption patterns, membership also affords an opportunity to represent to constituents that they have an advocate on their behalf.

CHOICE OF SUPPLY OPTION

Whereas Clause 13 identifies three different supply options that TCAP has arranged as choices for each member. Option 1 is a fixed price for all consumption regardless of time of day. The price will not exceed 4.1 cents per kWh in the North and West ERCOT zones. It will not exceed 4.25 cents per kWh in the Houston and South zones. The actual price is likely to be less than the benchmark prices. The prices will become effective January 1, 2018. Given that these prices are to be locked in 2016 and will not expire until December 31, 2022, they are reflective of the lowest prices for electricity experienced since the retail market was deregulated January 1, 2002. Generally speaking, there ought to be an expectation that the price of energy will climb marginally for each year of the contract term beyond two years. The possibility of locking-in energy prices at or below 4 cents per kWh for a period that terminates in seven years is truly remarkable based upon the history of deregulation.

In the Spring of 2015, TCAP consultants received indicative fixed-prices around 4.5 cents per kWh. They then developed two supply options to the fixed price full requirements contract that offered attractive savings opportunities. Both Options 2 and 3 have variable components related to the energy spot market. While the average spot price in the past three years has been \$32.14/Mwh (2013), \$38.50/Mwh (2014), \$25.53/Mwh (2015), respectively, it is important to note that spot market prices can change every 15 minutes, therefore it is impossible to provide members a precise price for Options 2 and 3. While they provide an opportunity for savings off of the benchmarked prices for Option 1, savings cannot be guaranteed, and thus Option 2 and 3 involve risk to that does not exist with Option 1. A TCAP member that is completely risk adverse should select Option 1.

Option 2 fixes a price for the peak usage period and then turns to the spot market for all off-peak usage. When TCAP was developing these products in 2014, there was a large enough gap between fixed price options and spot prices that this option looked very attractive. Now, with market prices at historic recent term lows, both spot prices and fixed prices have fallen and their price differential has shrunk to the point that future savings from the spot market may not be as great as the risk of future price increases. The following graph shows how low current spot market prices have gone.



Option 2 was developed with the anticipation that spot prices during the off peak period would be in the range of \$10/MWh to \$40/MWh (\$0.01-\$0.04/kWh) over time for spot purchases. Our latest quotes for fully fixed priced products (Option 1) includes off peak pricing fixed at under \$20/MWh. These low Option 1 fixed prices for off peak usage may make it harder for future off peak spot prices to create additional savings under Option 2 over time even though the customer will be incurring market price risk.

Option 3 begins with the purchase of a block of power to cover the base use of all members who commit to this option. Block power, since it is a firm commitment 24 hours a day, is the cheapest form of energy available in the wholesale market. Daytime peak consumption will be partly covered by a fixed price for solar power with all other consumption supplied by the spot market.

In considering Option 2, TCAP consultants would tell you that with current prices about a half cent less than the price that existed when Option 2 was conceptualized last Spring, it will be difficult for Option 2 to generate savings sufficient to justify its selection. Option 3 with its

majority reliance on the cheapest form of energy has a greater probability than Option 2 of producing savings over Option 1. But again, with such low Option 1 fixed priced products now available to TCAP members, and since there are no guarantees that Options 2 or 3, which utilize spot market pricing, will remain as attractive as they were even a few months ago.

EXPLANATION OF “BE IT RESOLVED” SECTIONS

- Section 1. Authorizes TCAP to submit the members load, along with the load of other authorizing members, to be aggregated into a pool by TCAP’s wholesale supplier for a contract commencing January 1, 2018 and terminating December 31, 2022 with the understanding that the fixed, full-requirements price under Option 1 must not exceed 4.1 cents per kWh in the North and West zones and must not exceed 4.25 cents in the Houston and South zones.
- Section 2. Asks the City to select its preferred Option (recommending Option 1), with the understanding that Option 1 is a full-requirements, fixed-price option.
- Section 3. Sets conditions precedent that the aggregated load exceed 50 MW, that the resolution be passed before February 25, 2016, and that NextEra has until June 3, 2016 to lock in a fixed price for the aggregated load that does not exceed benchmark prices. It also requires the designation of specific individuals, by name or title, who are authorized to sign a contract within 24 hours of submittal, assuming the conditions have been met.
- Section 4. Consistent with the last three Whereas clauses, this section commits the member to budget for and approve funds necessary to pay for the member’s proportionate share of the aggregated load that TCAP commits to with NextEra. TCAP will contract with NextEra based upon representations of authorizing members, each of whom will be provided with a Commercial Electric Service Agreement (“CESA”) with GEXA, the current REP, that extends current retail service terms with the lower wholesale price arranged with NextEra for the 2018-2022 time period.
- Section 5. In order for TCAP to be informed of the passage of the resolution so that the member’s load can be aggregated by NextEra, this section specifies that a copy of the resolution should be sent to TCAP’s Executive Director and General Counsel.
- Section 6. Finds that the meeting at which this resolution is to be considered by the City Council is open to the public and has been published in accordance with state law.



SHERMAN CITY COUNCIL

Agenda Communication Form

City Council Regular Meeting

Agenda Item No. D. 3.

Meeting Date: 02/01/2016

Prepared By: Scott Shadden, Director of Developmental Services

Approved By: Robby Hefton, City Manager

Caption:

*** RESOLUTION NO. 6057**

Authorizing Execution of an Agreement with Tobar Properties, LLC for the Abatement of Ad Valorem Property Taxes for the Construction of a New Single-Family Residence at 407 Vernon Holland Memorial Drive

Issue:

This item is to consider property tax abatement for the construction of a new single-family residence at 407 Vernon Holland Memorial Drive.

Background:

Several years ago, the City Council began a residential tax abatement program to encourage the redevelopment of older sections of town. This application is for the construction of a new single-family residence at this location. This lot is in the designated zone for residential tax abatement.

Origination:

Tobar Properties, LLC, Owner/Applicant

Financial Consideration:

A \$75.00 application fee has been received for this residential lot. If granted, the initial abatement for this property will be approximately \$204.60 annually.

Staff Recommendation:

The staff recommends approval of this abatement since it meets the requirements of the process.

Alternatives:

The City Council could decide against granting this abatement.

Attachments

Resolution No. 6057

Residential Tax Abatement Agreement

Application

Warranty Deed

Building Permit

Site Plan

Photo

Location Map

Residential Reinvestment Zone Map

RESOLUTION NO. 6057

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING EXECUTION OF AN AGREEMENT WITH TOBAR PROPERTIES, LLC FOR THE ABATEMENT OF AD VALOREM PROPERTY TAXES FOR THE CONSTRUCTION OF A NEW SINGLE-FAMILY RESIDENCE AT 407 VERNON HOLLAND MEMORIAL DRIVE; FINDING AND DETERMINING THAT THE MEETING AT WHICH THIS RESOLUTION IS PASSED WAS NOTICED AND IS OPEN TO THE PUBLIC AS REQUIRED BY LAW.

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS:

SECTION 1. That the City Manager be and is hereby authorized and directed, subject to receipt of a fully-executed agreement from Tobar Properties, LLC and subject to all contract documents being properly completed and approved as to form and content by the City Attorney, to execute an agreement with Tobar Properties, LLC for the abatement of ad valorem property taxes for a period of ten (10) years, for the construction of one (1) new single-family residence at 407 Vernon Holland Memorial Drive, lying within the City of Sherman's Residential Tax Reinvestment Zone, in accordance with the City's policies and procedures established for this purpose.

SECTION 2. That it is hereby officially found and determined that the meeting at which this resolution is passed is open to the public and that public notice of the time, place, and purpose of said meeting was given as required by law.

PASSED AND APPROVED on this the ____ day of _____, 2016.

CITY OF SHERMAN, TEXAS

ATTEST:

BY: _____
LINDA ASHBY, CITY CLERK

BY: _____
DAVID PLYLER, MAYOR

**APPROVED AS TO FORM
AND CONTENT:**

BY: _____
**BRANDON S. SHELBY,
CITY ATTORNEY**

THE STATE OF TEXAS §
 §
COUNTY OF GRAYSON §

AGREEMENT

THIS AGREEMENT, entered into by and between the **CITY OF SHERMAN, TEXAS**, a home rule city and municipal corporation of the State of Texas, duly acting herein by and through its City Manager, hereinafter referred to as CITY, and **TOBAR PROPERTIES, LLC**, hereinafter referred to as OWNER,

WITNESSETH:

WHEREAS, on the 18th day of April, 2011, the City Council of Sherman, Texas, passed Ordinance No. 5692 establishing a reinvestment zone for residential tax abatement, as authorized by Chapter 312 of the Texas Tax Code, as amended, hereinafter referred to as CODE; and

WHEREAS, the CITY has adopted a resolution (Resolution No. 5960) stating that it elects to be eligible to participate in a residential tax abatement program; and

WHEREAS, the CITY desires to create the proper economic and social environment to induce the investment of private resources in real estate construction located in incorporated areas of the CITY; and

WHEREAS, the CITY hereby finds that it may effectively encourage and assist the creation of such an environment by participating in tax abatement pursuant to the CITY; and

WHEREAS, the CITY has created a reinvestment zone within its jurisdiction to induce the investment of private resources in real estate construction located in incorporated areas of the CITY, and OWNER has agreed to construct certain real property improvements; and

WHEREAS, OWNER is prepared to comply with the provisions of the CITY'S guidelines and criteria enacted the 18th day of April, 2011;

NOW, THEREFORE, WITNESS THIS TAX ABATEMENT AGREEMENT which provides as follows:

I.

1.01 To the extent authorized by the Texas Constitution and by the Tax Code, CITY hereby agrees to exempt from City of Sherman taxation a portion of the increase in value of taxable real property of OWNER in the CITY over the same real property and its value as calculated by the Grayson Appraisal District for ad valorem property tax purposes in accordance with the following schedule. Such tax exemption shall be in effect for tax years beginning January 1, 2016, and continuing for tax years 2016, 2017, 2018, 2019, 2020, 2021, 2022, 2023,

2024 and 2025, with same constituting ten (10) tax years. However, nothing contained herein shall be construed to grant an abatement of taxes to be assessed based on the change of use of the property from an agricultural use to another use, sometimes referred to as rollback taxes, penalties or interest. In the event rollback taxes are applicable for the real property utilized by OWNER, then such increase in value of taxable property resulting from such rollback shall be used as the tax value for such property for the tax year 2016, sometimes referred to herein as the Base Tax Year.

SCHEDULE OF TAXES ASSESSED

<u>TAX YEAR</u>	<u>ABATEMENT</u>
2016	100%
2017	100%
2018	100%
2019	100%
2020	100%
2021	100%
2022	80%
2023	60%
2024	40%
2025	20%

II.

2.01 OWNER warrants and represents that the real property upon which OWNER has constructed or will construct improvements is qualified property within the meaning of that Act, and that such has been and will remain eligible for tax abatement under the provisions of the Property Redevelopment and Tax Abatement Act, Sections 312.001, et seq., Texas Tax Code.

2.02 To continue to qualify for tax abatement under the terms of this Agreement, OWNER hereby warrants and represents that the improvements made by OWNER on the real property described herein are for residential use.

2.03 The tax abatement granted under the terms of the Agreement shall only be implemented if appraised value of all real property and improvements located thereon owned by OWNER and lying within designated zone exceeds the base year value. The OWNER agrees that Grayson Appraisal District shall, at reasonable times upon reasonable notice, have access to the property made the subject of this Agreement, and that the above set forth inspectors shall be able to inspect the property to insure that the improvements are being made in accordance with the terms and conditions hereof and utilized in accordance with this Agreement.

III.

3.01 The term of this Agreement shall be for tax years 2016, 2017, 2018, 2019, 2020, 2021, 2022, 2023, 2024 and 2025, as indicated above in paragraph 1.01.

IV.

4.01 The kind, number and location of all proposed property improvements are set forth as follows:

Construction of one (1) new single-family residence at 407 Vernon Holland Memorial Drive, Sherman, Texas, and as more particularly described by the following:

ALL that certain lot, tract or parcel of land situated in the J.B. McAnair Survey, Abstract No. 763 in the City of Sherman, Grayson County, Texas, and being known as that tract of land described in a deed to Alejandro Villatoro as recorded in Volume 5377, Page 873 of the Official Public Records of Grayson County, Texas, and being more particularly described as follows:

BEGINNING at a 1/2" iron rod set for comer in the North line of Vernon Holland Memorial Drive at the Southwest comer of said Villatoro tract (hereinafter called Subject Tract);

THENCE N. 14 deg. 59 min. 16 sec. W. with the West line of said Subject Tract and along a tree line, a distance of 145.00 feet to a 1/2" iron rod set for comer in the South line of Lot 11 of Kerr's Broomfield Addition, an addition to said city as recorded in Vol. 92, Pg. 393 of the D.R.H.C.T.;

THENCE N. 74 deg. 00 min. 00 sec. E. with the South line of Lots 11 and 10, a distance of 50.00 feet to a 1/2" iron rod set for comer;

THENCE S. 14 deg. 59 min. 16 sec. E. with the East line of said Subject tract, a distance of 145.00 feet to a 1/2" iron rod set for comer at the Southeast corner of said Subject tract and being in the North line of said drive;

THENCE S. 74 deg. 00 min. 00 sec. W. with the North line of said drive, a distance of 50.00 feet to the **POINT OF BEGINNING and containing 0.166 acres of land more or less.....**

5.01 OWNER agrees that, should he fail to make improvements substantially as described or fail to perform any other term or covenant hereof, CITY shall have the right, after giving notice and opportunity to cure as hereinafter set out, to recapture all tax revenue on said property in the zone lost as a result of this Agreement for the entire term of the Agreement. Such recapture shall mean that all of such property shall be taxed at the full improved value as assessed by the Grayson Appraisal District for all years this Agreement has been in effect. The payment of such recaptured taxes minus any taxes paid by OWNER during the years this Agreement has been in force shall be due January 1 of the next following year and shall be delinquent if not paid on or prior to January 31st. Penalties and interest shall be calculated thereafter as if all taxes had become due in the same year. The CITY agrees prior to enforcement of the terms of this paragraph to give 120 days written notice to the address shown below of OWNER'S default in completing the improvements called for in this Agreement, and OWNER shall have the right to cure such default within the 120-day period.

VI.

6.01 This Agreement shall inure to the benefit of CITY and OWNER, and shall be binding upon them, their heirs, successors and assigns. It is specifically provided and agreed that the right to tax abatement shall inure to the benefit of subsequent owners so long as the term and conditions of this Agreement are in effect.

VII.

7.01 CITY agrees that this Agreement may be assigned and the improvements leased or sub-leased, without any further necessity for consent, by the OWNER to any person, firm or corporation.

VIII.

8.01 At any time before the expiration of the term hereof, this Agreement may be modified by the mutual action of the parties hereto to include other provisions that could have been included in the original agreement or to delete provisions that were not necessary to the original agreement. Such modification must be in writing and signed by all the parties hereto and made by the same procedure by which the original Agreement was approved and executed. In no event may the original Agreement be modified so as to extend the term beyond the original term of this Agreement.

IX.

9.01 This Agreement shall be construed subject to the laws of the State of Texas, and particularly to the Property Redevelopment and Tax Abatement Act, Chapter 312 of the Texas Tax Code.

9.02 All appraisal values for real property shall be made by the Grayson Appraisal District or such other entity as may succeed or replace such District.

9.03 OWNER is hereby notified that the Grayson Appraisal District may impose additional requirements which must be met in order for OWNER to realize the benefit of tax abatement and this Agreement. Contact should be made by OWNER with the District in person at 512 North Travis Street, Sherman, Texas, or by telephone at (903) 893-9673.

X.

10.01 This Agreement is subject to all provisions of all outstanding bond issues of CITY. To the extent that this Tax Abatement Agreement conflicts with any of the provisions of such bond issues, such bond issues and attendant documents thereto shall control.

XI.

11.01 This Tax Abatement Agreement is specifically subject to present laws of the State of Texas and any future laws enacted subsequent to the execution of this Agreement which may provide retroactively for a modification of Agreements of this type as a matter of law. Upon the effective date of any such law, then this Agreement shall automatically be so modified.

XII.

12.01 Notices required by this Agreement shall be mailed to the following addresses as same may be in the future changed by either party upon written notice to the other:

City of Sherman
P.O. Box 1106
Sherman, Texas 75091-1106
(903) 892-7200

Tobar Properties, LLC
1308 Pintail Drive
Sherman, Texas 75092
(903) 816-0416

Copy to: Grayson Appraisal District
512 North Travis Street
Sherman, Texas 75090
(903) 893-9673

This Agreement is performable in Grayson County, Texas. Witness our hands on this the _____ day of _____, 2015.

CITY:
CITY OF SHERMAN, TEXAS

OWNER:
TOBAR PROPERTIES, LLC

BY: _____
ROBBY HEFTON
CITY MANAGER

BY: _____
MARIO TOBAR

ATTEST:

BY: _____
LINDA ASHBY
CITY CLERK

APPROVED AS TO FORM
AND CONTENT:

BY: _____
BRANDON S. SHELBY
CITY ATTORNEY

THE STATE OF TEXAS §
COUNTY OF GRAYSON §

BEFORE ME, the undersigned authority, on this day personally appeared **MARIO TOBAR**, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and consideration therein express.

GIVEN UNDER MY HAND and seal of office this _____ day of _____, 2015 A.D.

NOTARY PUBLIC IN AND FOR THE
STATE OF TEXAS

**CITY OF SHERMAN
APPLICATION FOR RESIDENTIAL TAX ABATEMENT**

Property Owner:

Name: Tobias Properties LLC

Mailing Address: 1308 Pintail Dr. Sherman, TX 75092

Telephone Number: (903) 816-0416

Contact (if different than owner):

Name: Same

Mailing Address: _____

Telephone Number: _____

Property:

Physical Address: 407 Vernon Holland Memorial Dr. Sherman

Summary Legal Description: Lot: 00166 Block: SB. MC Blair Addition: _____

Full Legal Description: Include as an attachment a full legal description with metes and bounds.

Improvements:

Type of Improvements (please check one). New Construction: ☒ Remodeling: _____

Estimated Value of Improvements: \$55,000.00

Estimated Date of Start of Construction: 01/11/16.00

Estimated Date of Completion of Project: 05/11/16.

Description of Project: New Residential

Applicant(s): [Signature]

Date: 01/11/16.

Date: _____

Grayson County
Wilma Bush
Grayson County Clerk
Sherman, Texas 75090



70 2015 00015885

0120414

Instrument Number: 2015-00015885

Recorded On: August 17, 2015

As
Recordings

Parties: VILLATORO ALEJANDRO

Billable Pages: 3

To TOBARS PROPERTIES LLC

Number of Pages: 5

Comment: WD

(Parties listed above are for Clerks reference only)

**** THIS IS NOT A BILL ****

Recordings	24.00
Total Recording:	24.00

***** DO NOT REMOVE. THIS PAGE IS PART OF THE INSTRUMENT *****

Any provision herein which restricts the Sale, Rental or use of the described REAL PROPERTY
because of color or race is invalid and unenforceable under federal law.

File Information:

Document Number: 2015-00015885
Receipt Number: 432783
Recorded Date/Time: August 17, 2015 01:33:03P
Book-Vol/Pg: BK-OR VL-5672 PG-272
User / Station: G WHITE - Cashiering Station 1

Record and Return To:

RED RIVER TITLE CO
421 N. CROCKETT ST
SHERMAN TX 75090



THE STATE OF TEXAS
COUNTY OF GRAYSON
I hereby certify that this instrument was FILED in the File Number sequence on the date/time
printed hereon, and was duly RECORDED in the Official Public Records of Grayson County, Texas.

Wilma Blackshear Bush

Wilma Blackshear Bush, Grayson County Clerk

0120414

00015885

Bk

Vol

Ps

DR

5672

273

"NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OR ALL OF THE FOLLOWING INFORMATION FROM ANY INSTRUMENT THAT TRANSFERS AN INTEREST IN REAL PROPERTY BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER."

WARRANTY DEED

DATE: August 17, 2015

GRANTOR: ALEJANDRO VILLATORO, a single person

GRANTEE AND GRANTEE'S MAILING ADDRESS: TOBAR'S PROPERTIES LLC, a Texas limited liability company, 1308 Pintail Drive, Sherman, Texas 75092

CONSIDERATION: TEN AND NO/100 DOLLARS (\$10.00), and other good and valuable consideration, the receipt of which is hereby acknowledged.

PROPERTY (including any improvements): Being a tract of land measuring 50' x 145' out of the J.B. McAnair Survey, Abstract No. 763, City of Sherman, Grayson County, Texas, and being more fully described in Exhibit "A" attached.

RESERVATIONS FROM CONVEYANCE:

None

EXCEPTIONS TO CONVEYANCE AND WARRANTY:

This conveyance is made and accepted subject to any and all outstanding minerals, mineral leases, restrictions, covenants, conditions and easements, if any, relating to the hereinabove described property, but only to the extent that they are still in force and effect, and shown of record in the hereinabove mentioned County and State; and also to all zoning laws, regulations and ordinances of municipal and/or other governmental authorities, if any, but only to the extent that they are applicable and enforceable against the hereinabove described property.

Grantor, for the consideration and subject to the reservations from and exceptions to conveyance and warranty, grants, sells, and conveys to Grantee the property, together with all and singular the rights and appurtenances thereto in any wise belonging, to have and hold it to Grantee, Grantee's heirs, executors, administrators, successors, or assigns forever. Grantor hereby binds Grantor and Grantor's heirs, executors, administrators, and successors to warrant and forever defend all and singular the property to Grantee and Grantee's heirs, executors, administrators, successors, and assigns, against every person whomsoever lawfully claiming or to claim the same or any part thereof, except as to the reservations from and exceptions to conveyance and warranty.

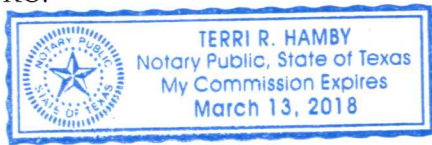
When the context requires, singular nouns and pronouns include the plural.

Current ad valorem taxes on said property having been prorated, the payment thereof is assumed by Grantee.

Alejandro Villatoro
ALEJANDRO VILLATORO

STATE OF TEXAS
COUNTY OF GRAYSON

This instrument was acknowledged before me on the 17th day of August, 2015, by ALEJANDRO VILLATORO.



[Signature]
Notary Public, State of Texas

PREPARED IN THE LAW OFFICE OF:
HYNDS & GORDON, P. C.
500 N. Sam Rayburn Freeway, Suite 200
Sherman, Texas 75090
Red River#0120414/db

EXHIBIT A

	Bk	Vol	Pg
	00015885	OR	5672
			275

DESCRIPTION

All that certain lot, tract or parcel of land situated in the J.B. McAnair Survey, Abstract No. 763, in the City of Sherman, Grayson County, Texas, and being known as that tract of land described in a Deed to Alejandro Villatoro as recorded in Volume 5377, Page 873 of the Official Public Records of Grayson County, Texas, and being more particularly described as follows:

BEGINNING at a 1/2" iron rod set for corner in the North line of Vernon Holland Memorial Drive at the Southwest corner of said Villatoro tract (hereinafter called Subject Tract);

THENCE N. 14 deg. 59 min. 16 sec. W. with the West line of said Subject Tract and along a tree line, a distance of 145.00 feet to a 1/2" iron rod set for corner in the South line of Lot 11 of Kerr's Broomfield Addition, an addition to said city as recorded in Vol. 92, Pg. 393 of the D.R.H.C.T.;

THENCE N. 74 deg. 00 min. 00 sec. E. with the South line of Lots 11 and 10, a distance of 50.00 feet to a 1/2" iron rod set for corner;

THENCE S. 14 deg. 59 min. 16 sec. E. with the East line of said Subject tract, a distance of 145.00 feet to a 1/2" iron rod set for corner at the Southeast corner of said Subject tract and being in the North line of said drive;

THENCE S. 74 deg. 00 min. 00 sec. W. with the North line of said drive, a distance of 50.00 feet to the POINT OF BEGINNING and containing 0.166 acres of land more or less.

CITY OF SHERMAN
RESIDENTIAL BUILDING PERMIT

PERMIT #: 160057 SUBCONTRACTOR: TOBAR PROPERTIES LLC DATE ISSUED: 1/11/2016

PROJECT ADDRESS:	407 VERNON HOLLAND	LOT #:	
	MEMOR DR		
PARCEL ID:	159733	BLK #:	
SUBDIVISION:	MCANAI J B	ZONE ORD:	
ISSUED TO:	TOBAR PROPERTIES LLC	CONTRACTOR:	TOBAR PROPERTIES LLC
ADDRESS:	1308 PINTAIL	ADDRESS:	1308 PINTAIL
CITY, ST ZIP:	SHERMAN TX 75092-4243	CITY, ST ZIP:	SHERMAN TX 75092-4243
PHONE:	903-816-0416	PHONE:	
PROP. USE:	ONE FAMILY RESIDENTIAL	SQ FT:	1,250.00
WORK:	NEW RESIDENTIAL	BEDROOMS:	3
	CONSTRUCTION		
VALUATION:	\$ 55,000.00	BATHROOMS:	2
OCCP TYPE:	ONE FAMILY RESIDENTIAL	STORIES:	1
CNST TYPE:	WOOD FRAME		

FEE CODE	DESCRIPTION	AMOUNT
BLD10	RESIDENTIAL STORMWATER MGMT	\$ 25.00
	TOTAL	\$ 25.00

NOTES:

NOTICE

THIS PERMIT BECOMES NULL AND VOID IF WORK OR CONSTRUCTION AUTHORIZED IS NOT COMMENCED WITHIN 6 MONTHS, OR IF CONSTRUCTION OR WORK IS SUSPENDED OR ABANDONED FOR A PERIOD OF 6 MONTHS AT ANY TIME AFTER WORK IS STARTED.

I HEREBY CERTIFY THAT I HAVE READ AND EXAMINED THIS DOCUMENT AND KNOW THE SAME TO BE TRUE AND CORRECT. ALL PROVISIONS OF LAWS AND ORDINANCES GOVERNING THIS TYPE OF WORK WILL BE COMPLIED WITH WHETHER SPECIFIED HEREIN OR NOT. GRANTING OF A PERMIT DOES NOT PRESUME TO GIVE AUTHORITY TO VIOLATE OR CANCEL THE PROVISION OF ANY OTHER STATE OR LOCAL LAW REGULATING CONSTRUCTION OR THE PERFORMANCE OF CONSTRUCTION.

(SIGNATURE OF CONTRACTOR OR AUTHORIZED AGENT)

1/11/16
DATE

(APPROVED BY) FLOOD PLAIN ADMINISTRATOR

1/11/2016
DATE

(APPROVED BY) BUILDING & ZONING

1/12/16
DATE

DESCRIPTION

All that certain lot, tract or parcel of land situated Abstract No. 763, in the City of Sherman, Grayso known as that tract of land described in a Deed to recorded in Volume 5377, Page 873 of the Official County, Texas, and being more particularly descr.

BEGINNING at a 1/2" iron rod set for corner in t Holland Memorial Drive at the Southwest corner (hereinafter called Subject Tract);

THENCE N. 14 deg. 59 min. 16 sec. W. with the Tract and along a tree line, a distance of 145.00 f corner in the South line of Lot 11 of Kerr's Brook said city as recorded in Vol. 92, Pg. 393 of the D.

THENCE N. 74 deg. 00 min. 00 sec. E. with the a distance of 50.00 feet to a 1/2" iron rod set for

THENCE S. 14 deg. 59 min. 16 sec. E. with the i tract, a distance of 145.00 feet to a 1/2" iron rod i corner of said Subject tract and being in the Nort

THENCE S. 74 deg. 00 min. 00 sec. W. with the distance of 50.00 feet to the POINT OF BEGINI acres of land more or less.

NOTES

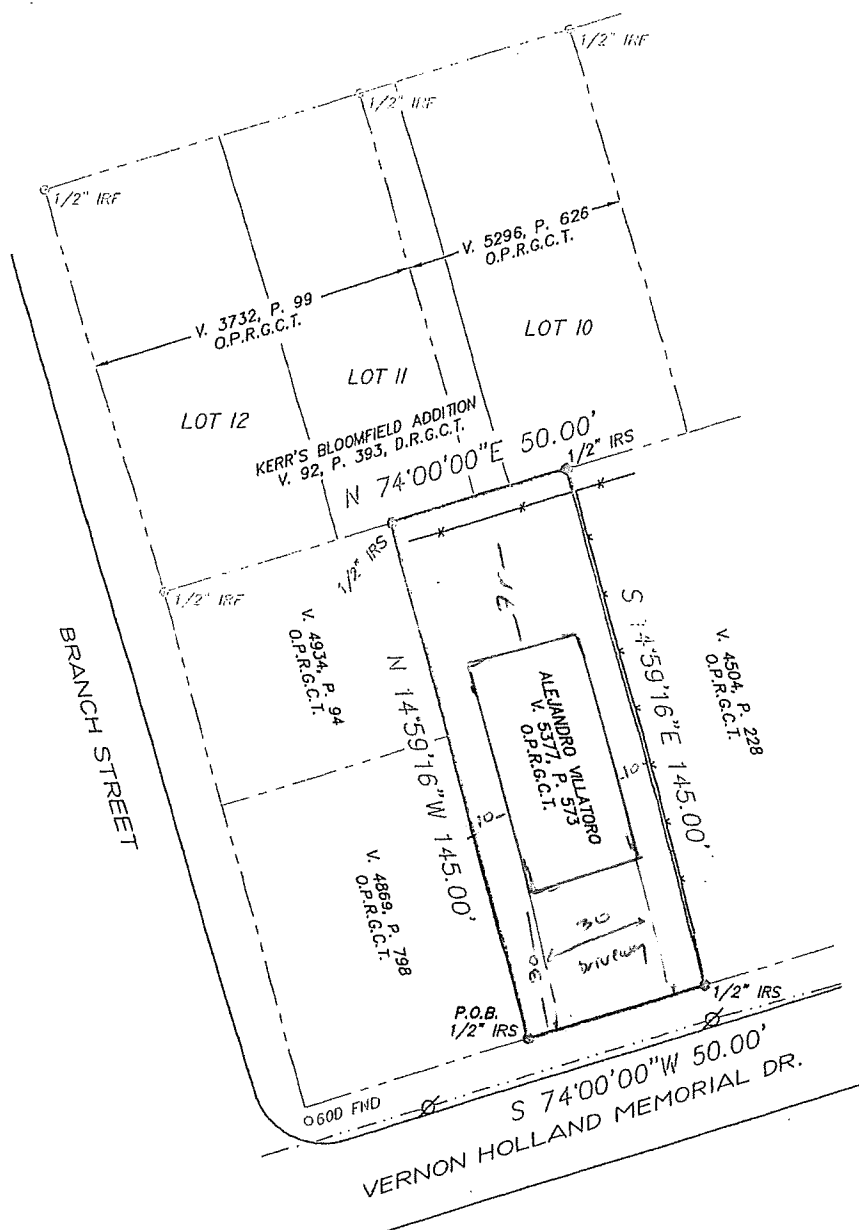
- 1) BEARING SOURCE: SOUTH LINE OF TRACT,
- 2) Survey prepared with benefit of Title Comr. 0120414, Effective Date JULY 20, 2015.

I, David W. Fite, Registered Professional Land do certify that the plat hereon was made fro performed on the ground, the lines and dime being indicated by the plat, the improvement: of the property, set back from the property i indicated and there are NO VISIBLE EASEMEN: CONFLICTS OR PROTRUSIONS, except as show

David W. Fite
David W. Fite, R

LEGEND

⊙	POWER POLE
⊙	LIGHT POLE
⊙	ANCHOR
⊙	ELEC. METER
⊙	GAS METER
⊙	WATER METER
⊙	WATER VALVE
⊙	FIRE HYDRANT
⊙	TELEPHONE PEDESTAL
⊙	CABLE PEDESTAL
⊙	SUBSURFACE UTILITY BOX
⊙	ELECTRIC TRANSFORMER

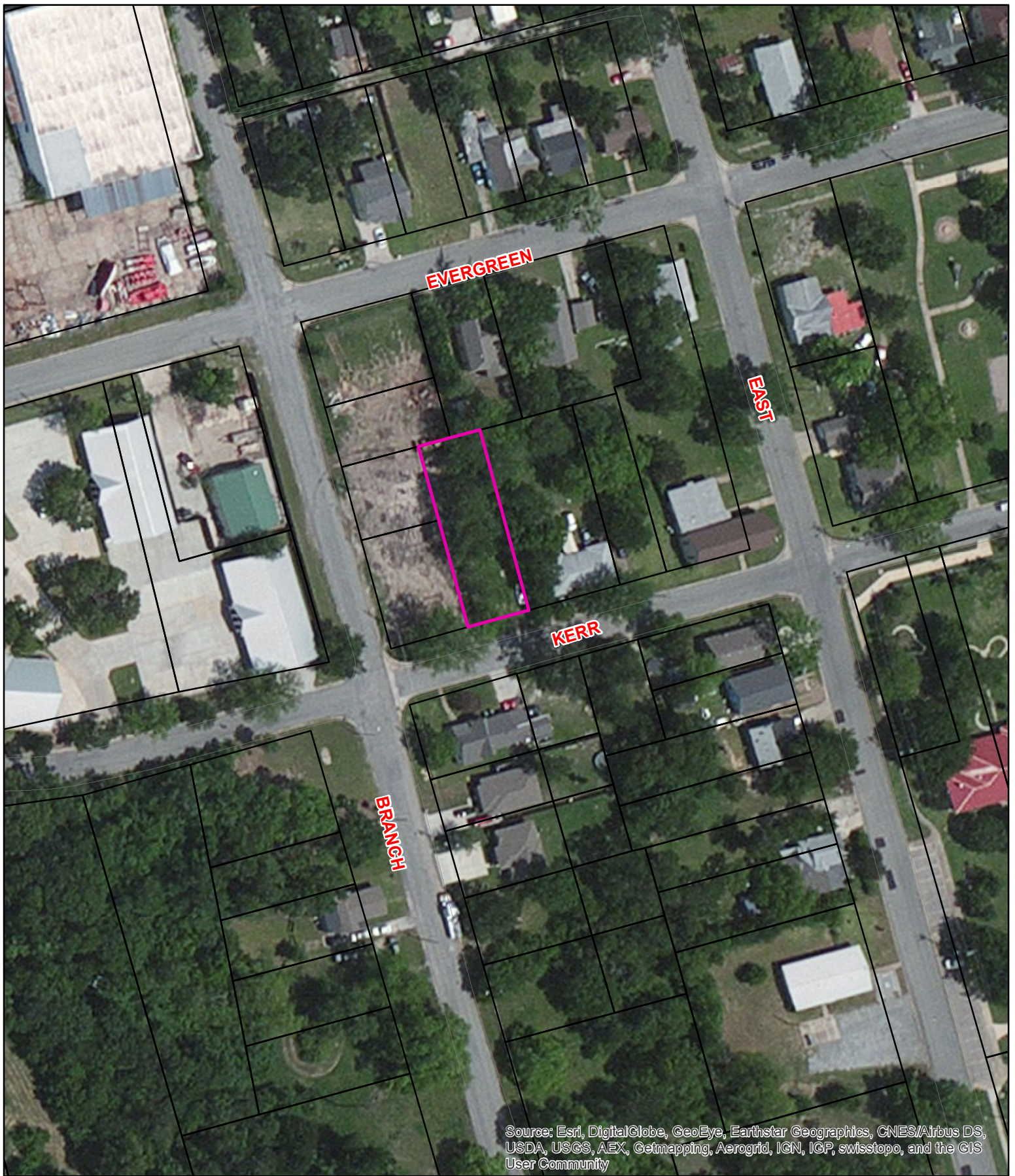


DAVID FITE SURVEYING

SCALE: 1" = 40'	DATE: 8-12-2015
JOB NO. DF150296	GF NO. 0120414
DRAWN: D.W.F.	CHECK: D.W.F.
3480 COUNTY ROAD 3307 GREENVILLE, TX 75402	PH. NO. 903-355-81 FAX NO. 903-454-7 E-MAIL: davidfite@wildblue

407 Vernon Holland Memorial Drive





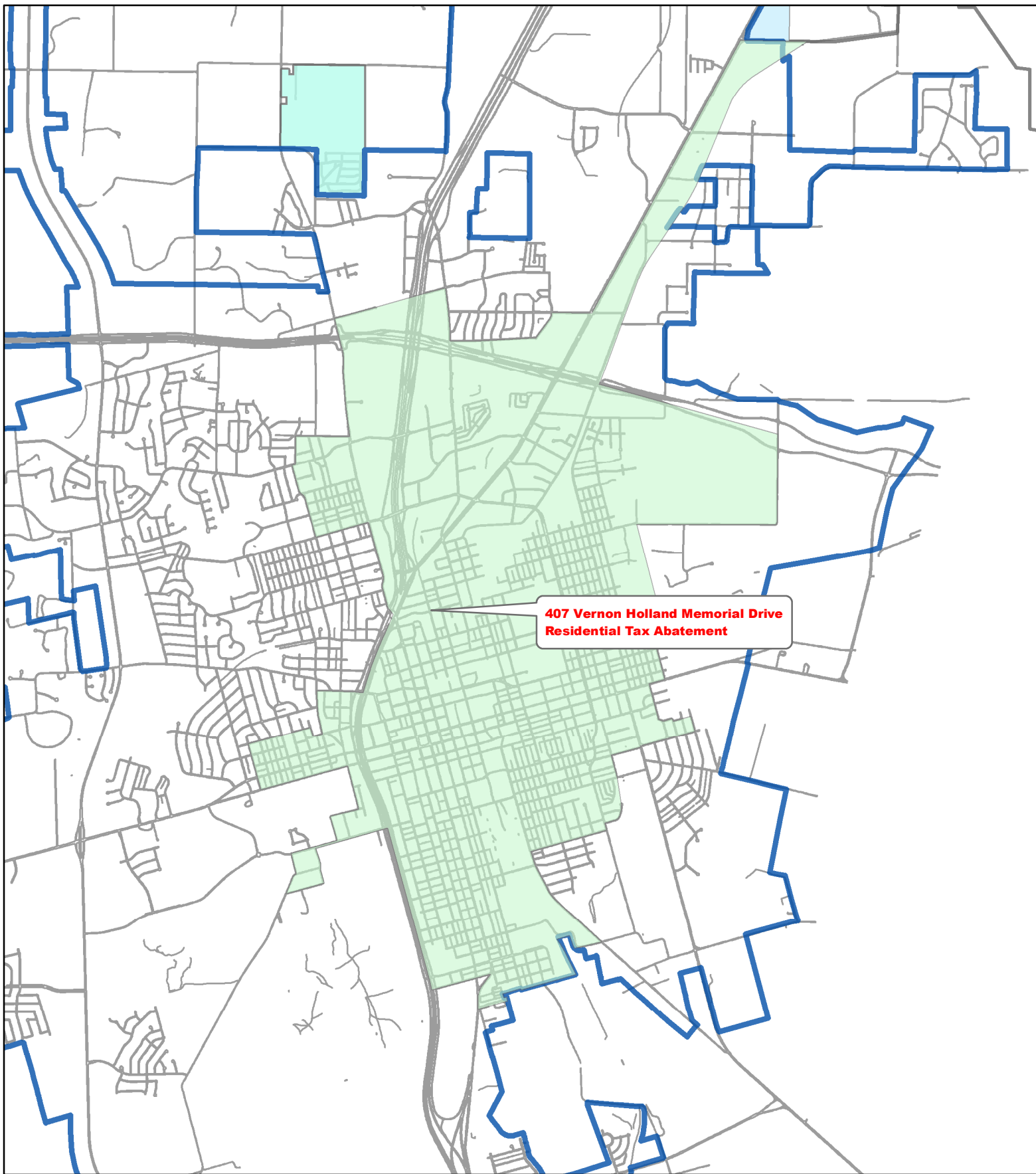
407 Vernon Holland Memorial Drive

City of Sherman, Texas
Developmental Services Department



NOT TO SCALE

1 in = 100 ft



407 Vernon Holland Memorial Drive Residential Tax Abatement



City of Sherman, Texas
Developmental Services Department



NOT TO SCALE
1 inch = 4,000 feet



SHERMAN CITY COUNCIL

Agenda Communication Form

City Council Regular Meeting

Agenda Item No. E. 1.

Meeting Date: 02/01/2016

Prepared By: Mark Gibson, Director of Utilities

Approved By: Robby Hefton, City Manager

Caption:

*** REQUEST TO ADVERTISE**

Agricultural Lease at the Wastewater Treatment Plant

Issue:

Requesting permission to advertise for an agricultural lease on approximately 200 acres of City property at the Wastewater Treatment Plant

Background:

The 200-acre tract was utilized for land application of biosolids in the past. The tract has been leased for agricultural purposes for three years; and the lease will expire on May 14, 2016.

Origination:

Utility Administration

Financial Consideration:

The cost of advertising will be approximately \$200.00.

Staff Recommendation:

It is recommended that the request to advertise be approved.

Alternatives:

As may be directed by the City Council

Attachments

Agricultural Lease Area

Location Map

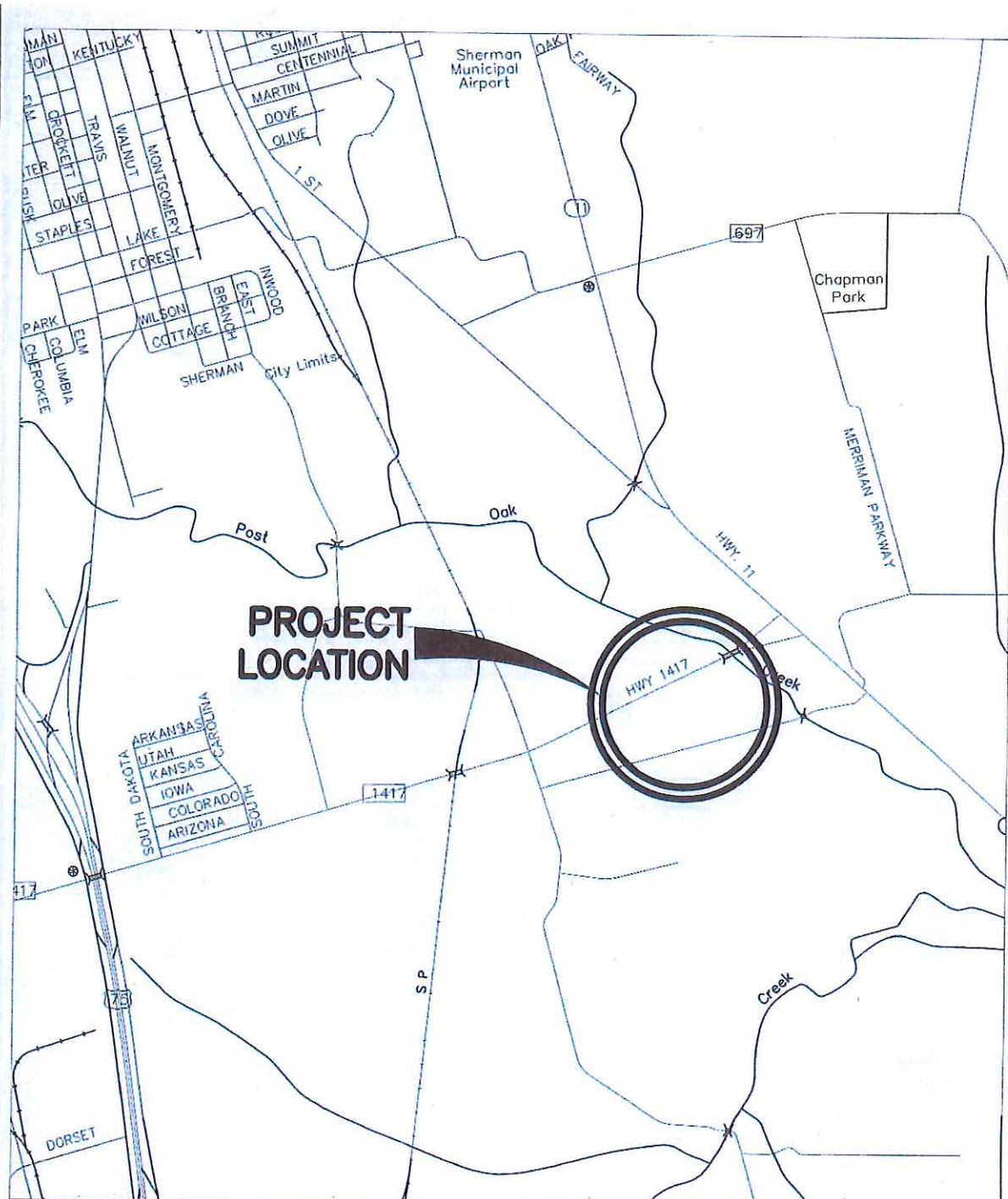


City of Sherman, Texas
Engineering Department

EXHIBIT A
AGRICULTURAL LEASE AREA
WASTEWATER TREATMENT PLANT



0 200 400 800 Feet



City of Sherman, Texas
**AGRICULTURAL LEASE
WASTEWATER TREATMENT PLANT**

PROJECT LOCATION MAP





SHERMAN CITY COUNCIL

Agenda Communication Form

City Council Regular Meeting

Agenda Item No. F. 1.

Meeting Date: 02/01/2016

Prepared By: Mary Lawrence, Director of Finance

Approved By: Robby Hefton, City Manager

Caption:

*** OTHER BUSINESS**

Approve Quarterly Investment Report for Quarter Ended December 31, 2015

Issue:

To approve the Investment Report for the quarterly period ending December 31, 2015

Background:

This report is being presented in accordance with the state law that requires at least quarterly presentation to the Council. The report was given to the Investment Committee prior to submittal to the Council.

As of December 31, 2015, the portfolio was in compliance with applicable state laws and the Investment Policy. The Operating investment portfolio had a book value of about \$15.7 million, a decrease of about \$2.0 million from prior quarter of \$17.8 million, due to a withdrawal from the Local Government Investment Pool (LIGP) and an Agency maturity. The underlying investments were adequately diversified among four different types of securities. This portfolio is appropriately liquid; and its weighted-average maturity was about 487 days, down slightly from 490 days last period. The portfolio yield of 0.812% for the quarter is higher than the benchmark yield of 0.65%. The portfolio value on the City's books is essentially equal to the market value of the overall portfolio.

Origination:

Finance

Financial Consideration:

None

Staff Recommendation:

It is recommended that the Council accept the report as presented.

Alternatives:

The Council could offer suggestions for improvement or could request more frequent reporting.

Attachments

Memo to Investment Committee

Investment Report for QE December 31, 2015



memorandum

DATE: Tuesday, January 26, 2016

TO: The City of Sherman Investment Committee
Councilman Jason Sofey
Councilman Tom Watt
Robby Hefton, City Manager

FROM: Mary Lawrence, Director of Finance 

CC: Don Keene, Assistant City Manager

SUBJECT: Investment Report for Quarter Ended December 31, 2015

Enclosed is a copy of the quarterly investment report for the quarter ended December 31, 2015. As of that date, the City was in compliance with all applicable state laws and internal policies for the portfolio.

The total operating portfolio balance of about \$15.7 million decreased by about \$2.0 million during the quarter, compared to the balance at September 30, 2015 due to a withdrawal from the Local Government Investment Pool (LGIP) and an Agency maturity. The underlying investments were adequately diversified among four different types of securities. The portfolio had a weighted-average maturity of about 487 days, down slightly from 490 days from last quarter. The portfolio yield of 0.812% was higher than our benchmark 1-year Constant Maturity Treasury Index of 0.65%. Book value closely approximated market value.

This investment report will be on the February 1st City Council agenda for their review and approval. Please call me if you have any questions about this item.

attachment (as stated above)

CITY OF SHERMAN, TEXAS
INVESTMENT PORTFOLIO SUMMARY
For the Quarter Ending December 31, 2015

Total Portfolio Summary			
	Current Quarter 12/31/2015	Prior Quarter 9/30/2015	Change From Prior Quarter
Book Value	\$ 15,731,172	\$ 17,762,619	\$ (2,031,447)
Market Value	\$ 15,716,329	\$ 17,787,512	\$ (2,071,183)
Weighted Average Maturity - Days	487	490	(3)
Weighted Average Yield	0.812%	0.738%	0.074%
Earned Income	\$ 33,723	\$ 33,889	\$ (166)
Earned Income - Year-to-Date	\$ 33,723	\$ 115,368	\$ (81,645)

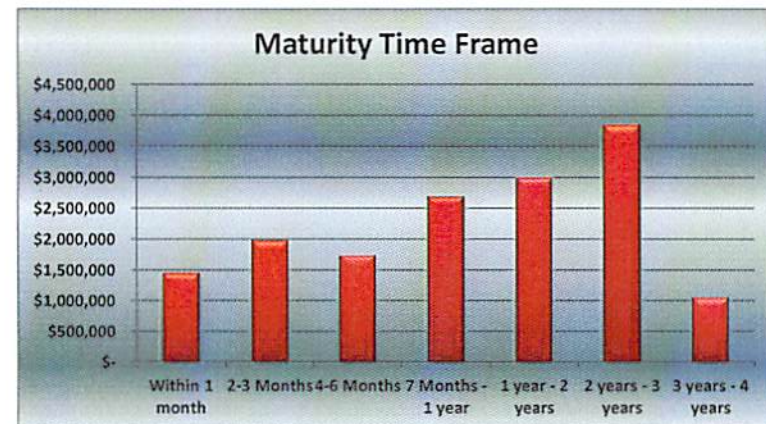
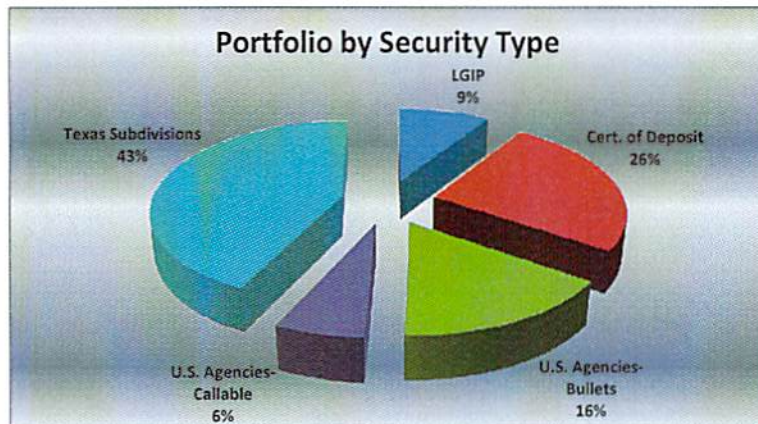
This report complies with the requirements of the public funds investment law and covers all the funds of the City of Sherman that are subject to that law.

As of December 31, 2015, the City's portfolio had a book value of about \$15.7 million, which approximates the market value. Of this amount, \$1.4 million was held in Local Government Investment Pools (LGIP), \$4.0 million was held in Certificates of Deposit (CD), \$3.5 million was held in U.S. Agency Securities and \$6.8 million was held in State of Texas political subdivision obligations.

The portfolio value decreased by \$2 million from the previous quarter due to maturity of a U.S. Agency Security (\$1.0 million) and draws from the Local Government Investment Pools (LGIP) of \$1.0 million.

The weighted average yield on the portfolio was .81%, 16 basis points above the 1-year Constant Maturity Treasury Index of .65% and 7 basis points above the previous quarter.

The weighted average maturity of the portfolio decreased from 490 days at September 30, 2015, to 487 days at December 31, 2015.



Mary Lawrence
Mary Lawrence, Finance Director and City of Sherman Investment Officer

Tammy Davis
Tammy Davis, Controller and City of Sherman Investment Officer

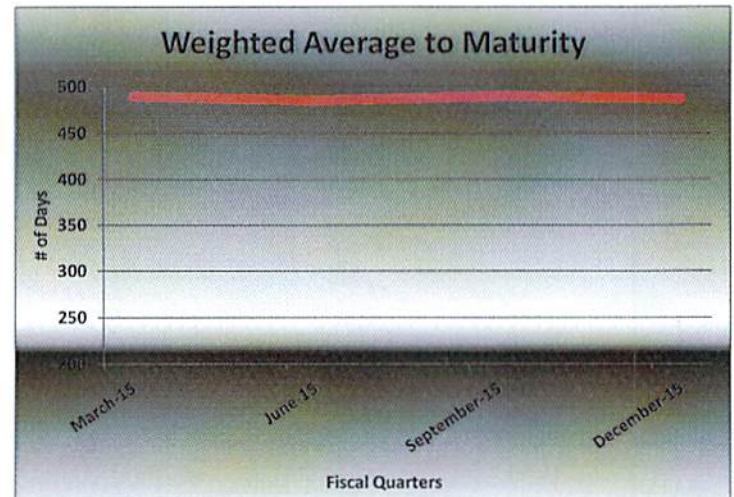
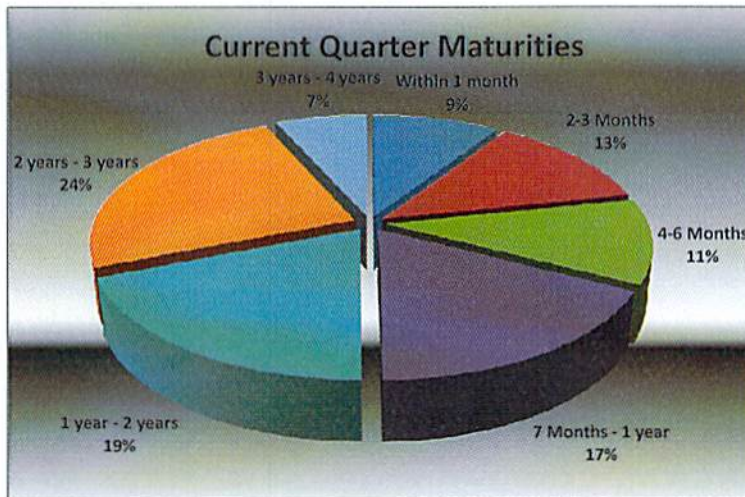
CUSIP	Settlement Date	Security Type	Security Description	CPN Rate	Maturity Date	Credit Rating	Par Value	Purchase Price	Original Cost	Book Value	Market Price	Market Value	Days to Maturity	YTM
Tex-Pool		LGIP	TexPool			AAAm	\$ 59,054	100.00	\$ 59,054	\$ 59,054	99.99	\$ 59,049	1	0.13%
TexStar		LGIP	TexSTAR			AAAm	1,383,881	100.00	1,383,881	1,384,361	99.99	1,384,243	1	0.14%
CD 4176804997	12/22/2014	CD	Landmark Bank	0.50%	03/22/2016		1,000,000	100.00	1,000,000	1,005,009	100.00	1,005,009	82	0.50%
CD 4176805135	04/08/2015	CD	Landmark Bank	0.35%	04/08/2016		1,000,000	100.00	1,000,000	1,001,756	100.00	1,001,756	99	0.35%
CD 4176804344	02/20/2014	CD	Landmark Bank	0.50%	10/20/2016		500,000	100.00	500,000	500,635	100.00	500,635	294	0.50%
CD 4176804781	10/01/2015	CD	Landmark Bank	0.43%	10/01/2016		1,000,000	100.00	1,000,000	1,000,000	100.00	1,000,000	275	0.43%
CD 4176805036	01/12/2015	CD	Landmark Bank	0.50%	11/12/2016		500,000	100.00	500,000	501,872	100.00	501,872	317	0.50%
667825RN5	05/23/2013	Texas Subdivision	Northwest ISD	4.60%	02/15/2016	Aaa	350,000	110.88	388,087	351,768	99.96	351,638	46	0.55%
129703EQ3	02/01/2014	Texas Subdivision	Calhoun Cnty TX ISD	3.00%	02/15/2016	AAA	500,000	105.19	525,965	501,935	99.94	501,610	46	0.38%
82620TMZ4	04/10/2015	Texas Subdivision	Sienna Plantation MUI	2.00%	03/01/2016	A3	115,000	101.28	116,469	115,279	99.94	115,213	61	0.57%
414941MY7	03/27/2015	Texas Subdivision	Harris Cnty MUD	2.00%	04/01/2016	A3	185,000	101.41	187,612	185,655	99.89	185,450	92	0.60%
914729JM1	05/23/2013	Texas Subdivision	Univ of North Texas	4.50%	04/15/2016	Aa2	250,000	111.26	278,153	252,840	99.94	252,688	106	0.55%
54810C6X3	05/23/2013	Texas Subdivision	Lower CO River Auth	5.00%	05/15/2016	A1	290,000	112.86	327,300	294,684	100.03	294,771	136	0.61%
796456DW8	02/14/2013	Texas Subdivision	St Augustine ISD	1.00%	08/15/2016	AAA	500,000	101.21	506,050	501,201	99.95	500,955	228	0.65%
346805EY6	03/25/2015	Texas Subdivision	Ft Bend Cnty TX MUD	2.00%	09/01/2016	A3	185,000	101.46	187,701	186,260	99.90	186,071	245	0.97%
129703ER1	02/01/2014	Texas Subdivision	Calhoun Cnty TX ISD	3.00%	02/15/2017	AAA	500,000	107.20	535,985	513,585	99.89	513,010	412	0.57%
313379VE6	02/20/2015	Agency Bullet	FHLB	1.01%	06/19/2017	AA+	1,000,000	100.40	1,003,970	1,002,503	99.81	1,000,572	536	0.84%
887127TM0	02/24/2015	Texas Subdivision	Timberline TX UD	2.00%	08/01/2017	AA	475,000	102.64	487,559	483,194	99.79	482,163	579	0.90%
3130AOWJ5	03/06/2014	Agency Bullet	FHLB	1.02%	08/07/2017	AA+	1,000,000	100.24	1,002,385	1,001,116	100.17	1,002,788	585	0.95%
67381PKE1	12/17/2014	Texas Subdivision	Oakmont PUD	2.00%	03/01/2018	A3	225,000	102.09	229,712	228,154	99.74	227,567	791	1.33%
667489FV5	02/24/2015	Texas Subdivision	NW Harris Cnty MUD	2.00%	04/01/2018	A2	210,000	102.74	215,748	214,178	99.17	212,411	822	1.10%
643161HB1	05/21/2015	Texas Subdivision	New Caney TX MUD	2.00%	04/01/2018	Aa3	270,000	101.36	273,672	272,895	99.97	272,803	822	1.51%
414911JL2	02/25/2015	Texas Subdivision	Harris Cnty MUD	2.00%	05/01/2018	A3	135,000	102.81	138,789	137,781	100.01	137,800	852	1.10%
41421GFW4	02/27/2015	Texas Subdivision	Harris Cnty MUD	2.00%	09/01/2018	A3	740,000	102.47	758,248	753,878	100.32	756,265	975	1.28%
82620YFZ1	06/19/2015	Texas Subdivision	Sienna Plantation MUI	2.00%	09/01/2018	A3	230,000	100.86	231,978	231,761	100.90	233,843	975	1.73%
34680CDA4	06/23/2015	Texas Subdivision	Ft Bend Cnty TX MUD	2.00%	09/01/2018	A3	650,000	102.02	663,130	660,985	99.34	656,617	975	1.35%
955496GC2	08/06/2015	Texas Subdivision	W Ranch TX Mgmt Dist	1.65%	09/01/2018	A3	340,000	100.60	342,030	341,764	99.15	338,858	975	1.45%
3130A5LB3	06/30/2015	Agency Callable	FHLB	1.50%	12/28/2018	AA+	1,000,000	100.00	1,000,000	1,000,000	100.08	1,000,842	1,093	1.50%
31331KB74	09/30/2015	Agency Bullet	FFCB	1.88%	03/29/2019	AA+	500,000	102.46	512,316	511,404	99.04	506,509	1,184	1.12%
88213ACF0	07/23/2015	Texas Subdivision	TX ST A&M SYS BRD	4.00%	05/15/2019	AA+	500,000	108.07	540,330	535,665	99.56	533,320	1,231	1.80%
Total							\$ 15,592,935		\$ 15,896,123	\$ 15,731,172		\$ 15,716,329		

CUSIP	Settle Date	Security Description	Maturity Date	Market Value 9/30/2015	Change in Market Value	Market Value 12/31/2015
Tex-Pool		TexPool		\$ 1,058,995	\$ (999,946)	\$ 59,049
TexStar		TexSTAR		1,383,994	249	1,384,243
CD 4176804781	10/01/2014	Landmark Bank	10/01/2015	1,002,395	(2,395)	1,000,000
CD 4176804997	12/22/2014	Landmark Bank	03/22/2016	1,003,758	1,251	1,005,009
CD 4176805135	04/08/2015	Landmark Bank	04/08/2016	1,000,872	884	1,001,756
CD 4176804344	02/20/2014	Landmark Bank	10/20/2016	503,751	(3,116)	500,635
CD 4176805036	01/12/2015	Landmark Bank	11/12/2016	501,241	631	501,872
313371VFO	03/11/2013	FHLB	12/11/2015	1,002,884	(1,002,884)	-
667825RN5	05/23/2013	Northwest ISD	02/15/2016	355,583	(3,945)	351,638
129703EQ3	02/01/2014	Calhoun Cnty TX ISD	02/15/2016	505,235	(3,625)	501,610
82620TMZ4	04/10/2015	Sienna Plantation MUC	03/01/2016	115,637	(424)	115,213
414941MY7	03/27/2016	Harris Cnty MUD	04/01/2016	186,099	(649)	185,450
914729JM1	05/23/2013	Univ of N. Texas	04/15/2016	255,358	(2,670)	252,688
54810C6X3	05/23/2013	Lower CO River Auth	05/15/2016	298,169	(3,398)	294,771
796456DW8	02/14/2013	St Augustine ISD	08/15/2016	502,230	(1,275)	500,955
346805EY6	03/25/2015	Ft. Bend Cnty TX MUD	09/01/2016	187,031	(960)	186,071
129703ER1	02/15/2017	Calhoun Cnty TX ISD	02/15/2017	517,070	(4,060)	513,010
313379VE6	02/20/2015	FHLB	06/19/2017	1,006,280	(5,708)	1,000,572
887127TM0	02/24/2015	Timberline TX UD	08/01/2017	484,476	(2,313)	482,163
3130AOWJ5	03/06/2014	FHLB	08/07/2017	1,008,905	(6,117)	1,002,788
67381PKE1	12/17/2014	Oakmont PUD	03/01/2018	228,260	(693)	227,567
667489FV5	02/24/2015	NW Harris Cnty MUD	04/01/2018	213,108	(697)	212,411
643161HB1	05/21/2015	New Caney TX MUD	04/01/2018	273,664	(861)	272,803
414911JL2	02/25/2015	Harris Cnty MUD	05/01/2018	138,417	(617)	137,800
41421GFW4	02/27/2015	Harris Cnty MUD	09/01/2018	760,461	(4,196)	756,265
8260YFZ1	06/19/2015	Sienna Plantation MUC	09/01/2018	235,030	(1,187)	233,843
34680CDA4	06/23/2015	Ft. Bend Cnty TX MUD	09/01/2018	659,549	(2,932)	656,617
955496GC2	08/06/2015	W Ranch TX Mgmt Dis	09/01/2018	342,411	(3,553)	338,858
3130A5LB3	06/30/2015	FHLB	12/28/2018	1,001,874	(1,032)	1,000,842
31331KB74	09/30/2015	FFCB	03/29/2019	512,290	(5,781)	506,509
88213SVG0	07/23/2015	TX ST A&M SYS BRD	05/15/2019	542,485	(9,165)	533,320
Total				\$ 17,787,512	\$ (2,071,183)	\$ 15,716,329

Trade Date	Settle Date	CUSIP	Security Description	Coupon	Maturity Date	Call Date	Par Value	Principal Amount	Interest Purchased/Received	Total Amount	YTM
<u>Maturities</u>											
	10/1/2015	CD 4176804781	Landmark Bank	0.32%	10/1/2015		\$ 1,000,000	\$ 1,002,395	\$ 809	\$ 1,003,204	0.32%
	12/11/2015	313371VFO	FHLB	1.63%	12/11/2015		1,000,000	1,000,354	8,125	1,008,479	0.44%
<u>Withdraws</u>											
	11/5/2015	TEXPOOL	LGIP	0.13%			1,000,000	1,000,000		1,000,000	0.13%
<u>Purchases</u>											
	10/1/2015	CD 4176804781.2	Landmark Bank	0.43%	10/1/2016		1,000,000	1,000,000		1,000,000	0.43%
<u>Income Payments</u>											
	12/31/2015	Tex-Pool	LGIP	0.13%			59,054		112	112	0.13%
	12/31/2015	TexStar	LGIP	0.14%			1,384,361		480	480	0.14%
	10/8/2015	CD 4176805135	Landmark Bank	0.35%	4/8/2016		1,000,000		883	883	0.35%
	10/12/2015	CD 4176805036	Landmark Bank	0.50%	11/12/2016		500,000		632	632	0.50%
	11/20/2015	CD 4176804344	Landmark Bank	0.50%	10/20/2016		500,000		4,386	4,386	0.50%
	12/22/2015	CD 4176804997	Landmark Bank	0.50%	3/22/2016		1,000,000		1,251	1,251	0.50%
	10/1/2015	643161HB1	New Caney TX MUD	2.00%	4/1/2018		270,000		2,250	2,250	0.90%
	10/1/2015	414941MY7	Harris Cnty TX MUD	2.00%	4/1/2016		185,000		2,158	2,158	1.51%
	10/1/2015	667489FV5	NW Harris Cnty MUD#6	2.00%	4/1/2018		210,000		2,800	2,800	1.10%
	10/15/2016	914729JM1	UNT	4.50%	4/15/2016		250,000		5,625	5,625	0.55%
	11/1/2015	414911JL2	Harris Cnty MUD#119	2.00%	5/1/2018		135,000		1,350	1,350	1.10%
	11/15/2015	88213ACF0	TX ST A&M UNIV SYS BRD RGT	4.00%	5/15/2019		500,000		6,222	6,222	1.80%
	11/15/2015	54810C6X3	LCRA	5.00%	5/15/2016		290,000		7,250	7,250	0.61%
	12/19/2015	313379VE6	FHLB	1.01%	6/19/2017		1,000,000		5,050	5,050	0.84%
	12/28/2015	3130A5LB3	FHLB	1.50%	12/28/2016	6/26/2016	1,000,000		7,417	7,417	1.50%
Total									\$ 56,800		

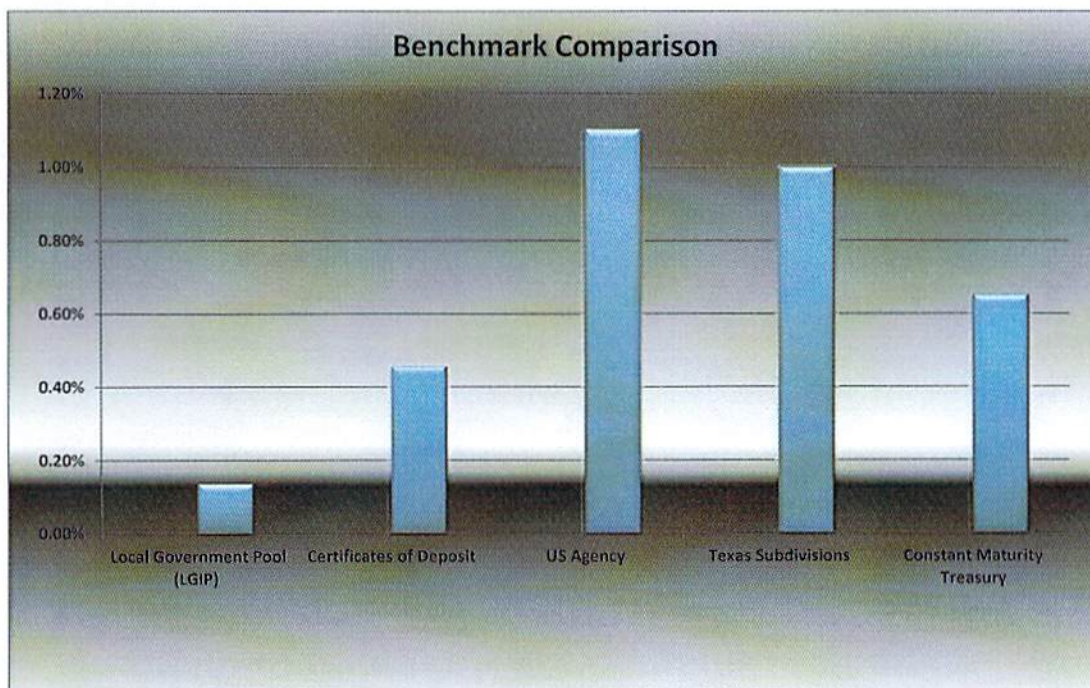
Maturity Time Frame	Balance 3/31/2015	Balance 6/30/2015	Balance 9/30/2015	Balance 12/31/2015	Percent of Portfolio
Within 1 month	\$ 3,444,181	\$ 3,446,198	\$ 3,445,218	\$ 1,443,415	9.18%
2-3 Months	-	512,379	1,002,315	1,973,991	12.55%
4-6 Months	2,006,342	2,006,871	1,979,981	1,734,935	11.03%
7 Months - 1 year	3,026,871	3,731,685	2,428,626	2,689,968	17.10%
1 year - 2 years	4,819,850	4,215,901	4,010,321	3,000,398	19.07%
2 years - 3 years	4,519,232	3,343,205	2,845,537	3,841,396	24.42%
3 years - 4 years	2,341,316	2,651,531	2,050,621	1,047,069	6.66%
4 years - 5 years	-	-	-	-	0.00%
	\$ 20,157,792	\$ 19,907,770	\$ 17,762,619	\$ 15,731,172	100.00%

Liquidity Indicator					Maximum Allowable
Weighted Average Maturity	489.69	485.03	489.80	487.16	500.00

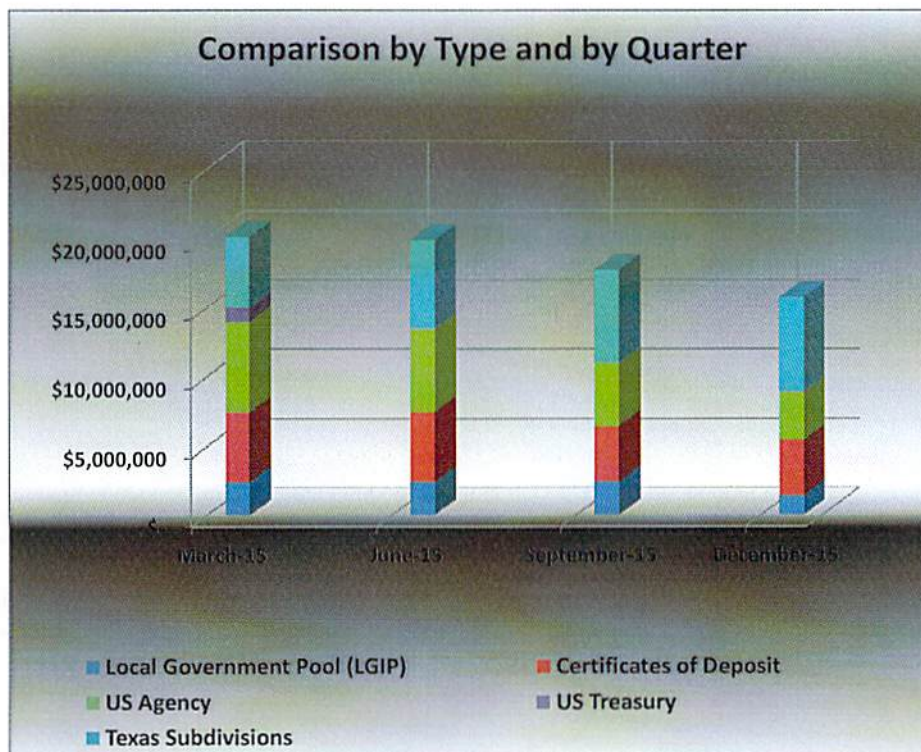
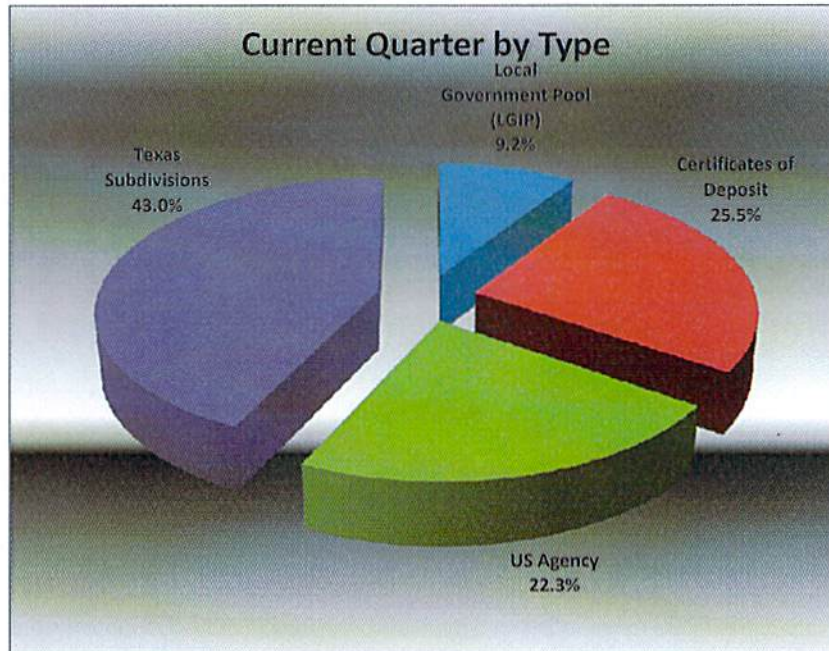


Date Received/ Purchased	CUSIP	Security Description	Coupon	YTM	Interest Purchased/ Received	Accrued Interest/ Amortization	Income Earned
12/31/2015	Tex-Pool	TexPool		0.13%	112	-	112
12/31/2015	TexStar	TexSTAR		0.14%	480	-	480
10/1/2015	CD 4176804781	Landmark Bank	0.32%	0.32%	809	-	809
10/8/2015	CD 4176805135	Landmark Bank	0.35%	0.35%	883	1	884
10/12/2015	CD 4176805036	Landmark Bank	0.50%	0.50%	632	-	632
11/19/2015	CD 4176804344	Landmark Bank	0.50%	0.50%	4,386	(3,777)	609
12/22/2015	CD 4176804997	Landmark Bank	0.50%	0.50%	1,251	14	1,265
12/31/2015	CD 4176804781.2	Landmark Bank	0.43%	0.43%	-	1,022	1,022
10/1/2015	667489FV5	NW Harris Cnty MUD	2.00%	1.10%	2,800	(2,170)	630
10/1/2015	414941MY7	Harris Cnty MUD	2.00%	0.60%	2,158	(1,849)	309
10/1/2015	643161HB1	New Caney TX MUD	2.00%	1.51%	2,250	(1,224)	1,026
10/15/2015	914729JM1	Univ of NorthTexas	4.50%	0.55%	5,625	(5,277)	348
11/1/2015	414911JL2	Harris Cnty MUD	2.00%	1.10%	1,350	(1,024)	326
11/11/2015	88213ACF0	TX ST A&M UNIV SYS	4.00%	1.80%	6,222	(3,887)	2,335
11/15/2015	54810C6X3	Lower CO River Auth	5.00%	0.61%	7,250	(6,794)	456
12/11/2015	313371VFO	FHLB	1.63%	0.44%	8,125	(7,257)	868
12/15/2015	667825RN5	Northwest ISD	4.60%	0.55%	-	579	579
12/15/2015	129703ER1	US Treasury	1.88%	0.52%	-	724	724
12/15/2015	796456DW8	St Augustine ISD	1.21%	0.65%	-	884	884
12/15/2015	129703EQ3	Calhoun Cnty TX ISD	3.00%	0.38%	-	460	460
12/19/2015	313379VE6	FHLB	1.01%	0.84%	5,050	(2,997)	2,053
12/28/2015	3130A5LB3	FHLB	1.50%	1.50%	7,417	(3,709)	3,708
12/31/2015	887127TM0	Timberline TX UD	2.00%	0.90%	-	1,075	1,075
12/31/2015	3130A0WJ5	FHLB	1.02%	0.95%	-	2,374	2,374
12/31/2015	82620YFZ1	Sienna Plantation TX MUI	2.00%	1.73%	-	993	993
12/31/2015	41421GFW4	Harris Cnty MUD	2.00%	1.28%	-	2,487	2,487
12/31/2015	67381PKE1	Oakmont PUD	2.00%	1.33%	-	739	739
12/31/2015	3468CDA4	Ft. Bend Cnty TX MUD	2.00%	1.35%	-	2,214	2,214
12/31/2015	31331KB74	FFCB	1.88%	1.12%	-	1,458	1,458
12/31/2015	346805EY6	Ft. Bend Cnty TX MUD	2.00%	0.97%	-	467	467
12/31/2015	82620TMZ4	Sienna Plantation TX MUI	2.00%	0.57%	-	161	161
12/31/2015	954496GC2	W Ranch TX Mgmt Dist	1.65%	1.45%	-	1,236	1,236

\$ 56,800 \$ (23,077) \$ 33,723



Cash/Investment Type	Balance 3/31/2015	Balance 6/30/2015	Balance 9/30/2015	Balance 12/31/2015	Percent of Portfolio	Portfolio Cap
Local Government Pool (LGIP)	\$ 2,442,070	\$ 2,442,453	\$2,442,823	\$ 1,443,415	9.18%	50.00%
Certificates of Deposit	5,009,659	5,011,570	4,012,017	4,009,272	25.49%	50.00%
US Agency	6,517,738	6,010,104	4,518,830	3,515,023	22.34%	50.00%
US Treasury	1,003,339	-	-	-	0.00%	50.00%
Texas Subdivisions	5,184,986	6,443,643	6,788,949	6,763,462	42.99%	50.00%
Total	\$ 20,157,792	\$ 19,907,770	\$ 17,762,619	\$ 15,731,172	100.00%	





SHERMAN CITY COUNCIL

Agenda Communication Form

City Council Regular Meeting

Meeting Date: 02/01/2016

Prepared By: Pamela Cloer, Assistant to the City Manager

Approved By: Robby Hefton, City Manager

Caption:

COUNCIL CALENDAR

Attachments

2016 Council Calendar

2016

JANUARY						
S	M	T	W	T	F	S
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30
31						

FEBRUARY						
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28	29					

MARCH						
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27	28	29	30	31		

APRIL						
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MAY						
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22	23	24	25	26	27	28
29	30	31				

JUNE						
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JULY						
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24	25	26	27	28	29	30
31						

AUGUST						
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28	29	30	31			

SEPTEMBER						
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18	19	20	21	22	23	24
25	26	27	28	29	30	

OCTOBER						
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16	17	18	19	20	21	22
23	24	25	26	27	28	29
30	31					

NOVEMBER						
S	M	T	W	T	F	S
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13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30			

DECEMBER						
S	M	T	W	T	F	S
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4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31

2/11/2016	Called Council Meeting for Transportation Workshop
7/4/2016	Independence Day/Called Council Meeting on 7/5/2016
9/5/2016	Labor Day/Called Council Meeting on 9/6/2016
