

**CITY OF SHERMAN
CITY COUNCIL REGULAR MEETING AGENDA
COMMUNITY ROOM OF THE SHERMAN POLICE HEADQUARTERS
2600 W. TRAVIS
SHERMAN, TEXAS
MONDAY, NOVEMBER 4, 2024
5:00 PM**

- A.1. CALL TO ORDER, QUORUM DETERMINED, MEETING DECLARED OPEN**
- A.2. PLEDGE OF ALLEGIANCE AND INVOCATION LED BY MAYOR DAVID PLYLER**
- A.3. APPROVE MINUTES OF THE CALLED COUNCIL MEETING (BUDGET) OF JUNE 15, 2023; THE CALLED JOINT MEETING WITH THE SHERMAN ECONOMIC DEVELOPMENT CORPORATION BOARD OF DIRECTORS OF SEPTEMBER 12, 2023; THE CALLED MEETING (TREE ORDINANCE) OF SEPTEMBER 14, 2023; THE CALLED MEETING (BUDGET PLANNING) OF APRIL 19, 2024; THE CALLED MEETING (CAPITAL IMPROVEMENT PROGRAM) OF MAY 23, 2024; AND THE REGULAR CITY COUNCIL MEETING OF OCTOBER 21, 2024.**

Citizen Comments

B.1. CITIZEN COMMENTS

During this meeting, the City Council welcomes public comment only on agenda items listed under the Open Meeting portion of the agenda, in accordance with Texas Government Code Section 551.007. For items not listed on the agenda, those matters may be discussed with City staff during regular business hours, or with the Mayor or any Council member by contacting them at times other than at City Council meetings.

Consent Agenda

C.1. 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

Public Hearing

D.1. INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 6786

Closing and Abandoning the Platted Alley West of Lot 1, Block 29, W. Elliott's Addition, and East of Lots 1-4, Block 20, Continuation of W. Elliott's Addition, in the City of Sherman, Grayson County, Texas, as being shown in Volume 138, Page 265 and Volume 101, Page 484, Deed Records, Grayson County, Texas, and being more particularly described in the Exhibit "A" attached hereto and made a part hereof for all purposes

Close Public Hearing and Consider Adoption of Ordinances

E.1. CLOSE PUBLIC HEARING

Consider Adoption of Ordinance 6786

E.2. INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 6782 (TABLED AT THE OCTOBER 21, 2024 CITY COUNCIL MEETING)

Amending Sherman's Zoning Ordinance/Code Of Ordinances Chapter 14, To Rezone A Tract Of Land Consisting Of 0.870 acres being Lot 1, Lot 2 and Lot 3, Alvarado Estates, in the Robert Thompson Survey, Abstract 1200, City Of Sherman, Grayson County, Texas, Located at 2901, 2909 and 2913 South First Street, Heretofore Zoned R-6 (Single Family Residential) District; Rezoning And Placing The Tract In The R-4 (Single Family Residential) District Zoning Classification, BELACOOB, LLC (Owner), Jay Peskuski (Representative) and Underwood Drafting and Surveying (Surveyor) Providing For A Penalty Not To Exceed \$2,000.00; Providing A Repealing/Savings Clause, Severability Clause And An Effective Date

Resolutions

F.1. RESOLUTION NO. 7416

Approval of the Purchase and Sale Agreement with Bel Air Communities, LLC, for the Purchase and Sale of Approximately 10.0 Acres of Land, Generally Located South of F.M. 1417, East of U.S. Highway 75 and behind the Movie, Bowl, Grill in the City of Sherman, Texas

F.2. RESOLUTION NO. 7417

Awarding a Bid to and Authorizing the Execution of a Contract Between Whole Environmental, Inc. Based on an Invitation to Bid for Demolition and Asbestos Remediation Services for The Baltic and St. Charles Apartments

F.3. RESOLUTION NO. 7418

Authorizing Execution of a Professional Services Agreement with Walter P. Moore and Associates Inc. for a Downtown Building Assessment.

F.4. RESOLUTION NO. 7419

Approving the Greater Texoma Utility Authority's Intention to Amend Contract Language to Article 9 and Article 15, Conversion from CMAR to Lump Sum, to Kiewit Water Facilities South Co.

F.5. RESOLUTION NO. 7420

Approving the Greater Texoma Utility Authority's Intention to Approve Amendment No. 7 (Final GMP) to Kiewit Water Facilities South Co. for the South Wastewater Treatment Plant

F.6. RESOLUTION NO. 7421

Authorizing Execution of an Amended and Restated Professional Services Agreement with Teague Nall and Perkins, Inc. for Design of the Heritage Ranch Public Improvements Project.

F.7. * RESOLUTION NO. 7422

Authorizing Execution of Amendment No. 1 to the Professional Services Agreement with Garver, LLC for the Sherman WTP Sedimentation Basin Mechanism Replacement Project

F.8. * RESOLUTION NO. 7423

Authorizing the Execution of the First Amendment to Addendum to Agreement with SkyTrust, LLC dated March 2, 2020 for Construction of Hangars at the Sherman Municipal Airport

F.9. * RESOLUTION NO. 7424

Authorizing the Execution of a First Amendment to the Contract with SkyTrust, LLC dated February 2, 2020

Any item on this posted agenda may be discussed in Executive Session provided it is within one of the permitted categories under Chapter 551 of the Texas Government Code

for Assignment of Rental Income for Hangar No. 1 at the Sherman Municipal Airport

F.10. * RESOLUTION NO. 7425

Authorizing Execution of a Professional Services Agreement with Halff Associates, Inc. for the Stormwater Management Program (SWMP) Preparation and Phase II MS4 General Permit Assistance

F.11. * RESOLUTION NO. 7426

Authorizing Execution of an Agreement for EMS and Fire Protection Services between Grayson County, Texas and the City of Sherman, Texas for the Period of October 1, 2024 through September 30, 2025

F.12. * RESOLUTION NO. 7427

Authorizing the Purchase of Mowers from Sam's Lawn Riders for the Parks Maintenance Department through Sourcewell Contract

F.13. * RESOLUTION NO. 7428

Authorizing the Purchase of a New Manhole Cutter from Kirby Smith for the Street Maintenance Department Through BuyBoard

F.14. * RESOLUTION NO. 7429

Authorizing the Purchase of a Zero Turn Mower and Attachments from GLK Turf Solutions for the Parks Maintenance Department through Buyboard

F.15. * RESOLUTION NO. 7430

Authorizing Submission of a Grant Application and the Acceptance of the Motor Vehicle Crime Prevention Authority Grant FY25

F.16. * RESOLUTION NO. 7431

Authorizing the Purchase of a New Vermeer Chipper from Vermeer for Street Maintenance Department through Buyboard

Change Orders

G.1. CHANGE ORDER NO. 1

Approving the Greater Texoma Utility Authority's Intention to Approve Change Order No. 1 to Bid Package #3 to Elliot Electric Supply for the Wastewater Treatment Plant Electrical Distribution & Generator Project.

Other Business

H.1. OTHER BUSINESS

1323 SOUTH CROCKETT STREET (Project No. 24-004615) (APPEAL FROM HISTORICAL PRESERVATION BOARD 10/1/2024)

The request of Jacqueline Moore (Owner), Joe Hall (Representative) and Helvey-Wagner Surveying, Inc.(Surveyor) concerning the property at 1323 South Crockett Street, consisting of 0.236 acres, being a part of the Samuel Blagg Survey, Abstract No. 56, being a part of Lot 62, of M.B. Moore's Addition

H.2. OTHER BUSINESS

Reject all Bids for the Construction of the Wastewater Treatment Plan 12.5kV Distribution System (MV Loop Project)

Any item on this posted agenda may be discussed in Executive Session provided it is within one of the permitted categories under Chapter 551 of the Texas Government Code

COUNCIL COMMENTS

EXECUTIVE SESSION

In accordance with the Texas Open Meetings Act, Chapter 551 of the Texas Government Code, the City Council may hold an Executive Session if the discussion of any of the items identified in this agenda, or any of the items identified below, concern one or more of the following:

J.1. TEX. GOV'T CODE § 551.071

Seeking the advice of its attorney about pending or contemplated litigation, settlement offers or any matter in which the duty of the attorney to the City Council under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with the Texas Open Meetings Act.

J.2. TEX. GOV'T CODE § 551.072

Deliberating the purchase, exchange, lease or value of real property if deliberation in an Open Meeting would have a detrimental effect on the position of the City in negotiations with a third person.

J.3. TEX. GOV'T CODE § 551.073

Deliberating a negotiated contract for a prospective gift or donation to the City if deliberation in an Open Meeting would have a detrimental effect on the position of the City in negotiations with a third person.

J.4. TEX. GOV'T CODE § 551.074

Deliberating the appointment, employment, evaluation, reassignment, duties, discipline or dismissal of a public officer or employee; or to hear a complaint or charge against an officer or employee unless the officer or employee who is the subject of the deliberation or hearing requests a public hearing

J.5. TEX. GOV'T CODE § 551.076

Deliberating the deployment, or specific occasions for implementation, of security personnel or devices or a security audit.

J.6. TEX. GOV'T CODE § 551.087

Discussing or deliberating commercial or financial information that the City has received from a business prospect that the City seeks to have locate, stay or expand in or near the City and with which the City is conducting economic development negotiations; or deliberating the offer of a financial or other incentive to a business prospect.

J.7. TEX. GOV'T CODE § 551.089

Deliberating security assessments or deployments relating to information resources technology, network security information, or the deployment or specific occasions for implementation of security personnel, critical infrastructure or security devices.

The Council reconvenes into General Session

COUNCIL CALENDAR

L.1. COUNCIL CALENDAR

Any item on this posted agenda may be discussed in Executive Session provided it is within one of the permitted categories under Chapter 551 of the Texas Government Code

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, 317 S. Travis Street, of said City of Sherman, Texas, a place convenient to the public, and said notice was posted on November 1, 2024 at 4:59 p.m., and said time of posting was 72 hours before said meeting was convened or called to order.

Dated this 1st day of November 2024. 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

Council Members

Henry Marroquin, Council-At-Large, PL #1
Juston Dobbs, Council-At-Large, PL #2
Clay Barnett, Council – District #1

Josh Stevenson, Council – District #2
Pamela L. Howeth, Council – District #3
Daron Holland, Council – District #4

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June 15, 2023

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BE IT REMEMBERED THAT A Called Meeting of the City Council of the City of Sherman, Grayson County, Texas was begun and held in the Community Room of the Sherman Police Department, 2600 West Travis Street, Sherman, Texas, on June 15, 2023.

MEMBERS PRESENT: Mayor David Plyler; Deputy Mayor Josh Stevenson.
Council Members Dobbs, Holland, Marroquin, Teamann.

MEMBERS ABSENT: Council Member Howeth.

STAFF PRESENT: Robby Hefton, City Manager; Clint Philpott, Assistant City Manager; Zach Flores, Executive Director of Public Safety; Wayne Lee, Director of Engineering; Rob Rae, Director of Development Services; Billy Hartsfield, Fire Chief; Leah Campbell, Human Resources Administrator/Civil Service Director; Jason Jeffcoat, Police Chief; Nic Emmons, Assistant Police Chief; Wes Trisler, Assistant Police Chief; Jeremy Cox, Police Lieutenant; Tom Pruitt, Utility Engineer; Mary Lawrence, Director of Finance; Nathan Whiddon, Wastewater Superintendent; Kevin Winkler, Public Works Manager; Eric Sandberg, Assistant Public Works Manager; Theresa Hutchinson, Parks and Recreation Manager; Moises Duran, Emergency Management Coordinator; Jana Garner, Grants Coordinator; Karen Wolff, Administrative Secretary; Jim Cross, Water Systems Manager; Nate Strauch, Community and Support Services Manager; Shawn Hackworth, IT Manager; Sean Hemperley, Parks and Cemetery Maintenance Superintendent; Larry Bollier, Building Official/Chief Plans Examiner; Caleb Green, Quality Neighborhoods Program Zoning Compliance Officer; Melissa Eason, Library Services Manager; Sarah McRae, Tourism/Main Street Manager; Junior Jaimes, Computer Support Technician; Teri Fine, Assistant to the City Manager; Sheena Taylor, Administrative Assistant; and Linda Ashby, City Clerk.

PURPOSE: CALL TO ORDER, QUORUM DETERMINED, MEETING DECLARED OPEN

PLEDGE OF ALLEGIANCE LED BY MAYOR DAVID PLYLER

INVOCATION BY MAYOR DAVID PLYLER

CITIZEN COMMENTS

2023-2024 BUDGET REVIEW

COUNCIL COMMENTS

EXECUTIVE SESSION

In Accordance with the Texas Open Meetings Act, Chapter 551 of the Texas Government Code, the City Council may hold an Executive Session if the discussion of any of the items identified in this agenda, or any of the items identified below, concern one or more of the following:

COUNCIL MINUTES – JUNE 15, 2023

TEX. GOV'T CODE § 551.071 --

Seeking the advice of its attorney about pending or contemplated litigation, settlement offers or any matter in which the duty of the attorney to the City Council under the Texas Disciplinary Rules of Professional conduct of the State Bar of Texas clearly conflicts with the Texas Open Meetings Act.

TEX. GOV'T CODE § 551.072 --

Deliberating the purchase, exchange, lease or value of real property if deliberation in an Open Meeting would have a detrimental effect on the position of the City in negotiations with a third person.

TEX. GOV'T CODE § 551.073 –

Deliberating a negotiated contract for a prospective gift or donation to the City if deliberation in an Open Meeting would have a detrimental effect on the position of the City in negotiations with a third person.

TEX. GOV'T CODE § 551.074 –

Deliberating the appointment, employment, evaluation, reassignment, duties, discipline or dismissal of a public officer or employee; or to hear a complaint or charge against an officer or employee unless the officer or employee who is the subject of the deliberation or hearing requests a public hearing

TEX. GOV'T CODE § 551.076 –

Deliberating the deployment, or specific occasions for implementation, of security personnel or devices or a security audit

TEX. GOV'T CODE § 551.087 –

Discussing or deliberating commercial or financial information that the City has received from a business prospect that the City seeks to have locate, stay or expand in or near the City and with which the City is conducting economic development negotiations; or deliberating the offer of a financial or other incentive to a business prospect

TEX. GOV'T CODE § 551.089 –

Deliberating security assessments or deployments relating to information resources technology, network security information, or the deployment or specific occasions for implementation of security personnel, critical infrastructure or security devices

OPEN MEETING

ADJOURNMENT

CALL TO ORDER, QUORUM DETERMINED, MEETING DECLARED OPEN

Deputy Mayor Stevenson called the meeting to order at 8:22 a.m., declared a quorum present, and opened the meeting. Mayor Plyler was going to be late to the meeting. He was doing an interview with CNBC about the Texas Instruments project.

COUNCIL MINUTES – JUNE 15, 2023

PLEDGE OF ALLEGIANCE AND INVOCATION BY MAYOR DAVID PLYLER

Deputy Mayor Stevenson led the Pledge of Allegiance and asked Robby Hefton, City Manager, to give the Invocation in the Mayor's absence.

CITIZEN COMMENTS

There were no citizen's comments.

2023-2024 BUDGET REVIEW

Opening Comments/FY 2023 Work Plan Update

Mr. Hefton said the focus of the Work Plan will be the massive CIP plan, and the financial effects of that plan, both the cost of the projects and how the City will pay for it. He asked the Council for direction at the end of the day, as to the program and whether they wanted to move forward with it.

They will also discuss building the reserves for the next couple of years to "weather the storm," especially in the Utility Fund. He said the staff is requesting very few positions this year. Market adjustments and cost-of-living increases are built into the budget. There are also adjustments to the plan for police, fire, and streets. He said the theme will be "taking care of what we have."

Mr. Hefton also presented work plan direction for FY 2024, that he received from the City Council. This includes major park improvements, including trails; downtown focus on infrastructure, enhanced incentives; and enhanced economic development efforts.

There has been a significant increase in the property tax base, between new property added, and property values increasing. The staff will propose a slight tax increase for CIP programs in the General Fund for FY 2024. They hope to see decreasing pressure on the rates by FY 2026, building up in FY 2027 and FY 2028. They will ask for a tax rate increase, however 100% of that is capital related. Revenue continues to be strong in the General Fund, with a lot coming from one-time dollars from construction activity.

In the Utility Fund, debt will be coming on, with some of the effect "hitting" immediately. Other debt will be capitalized interest. A significant utility rate increase will not be on residential customers, it will be fully on the back of the larger customer, because those customers are the ones driving the need.

Mr. Hefton said the Group Health Plan has done well over the last few years, but there has been a little struggle this year, and moving into next year. The City did change third-party administrators, to deter an annual trend of growth. He said spending has increased in claims by about 10%.

Today, after the Budget Meeting, Mr. Hefton said there would be a Called Meeting to approve the GTUA bonds for the \$200 million utility projects, including the Water Plant and Wastewater Plant Expansions. The rates were better than expected. The City will save about \$17 million in interest over what was expected.

He added, that there should be rate relief in the FY 2029/2030 timeframe, depending on volumes. The rate structure will be modified accordingly.

In the Solid Waste Fund, reserves are a little less than what is needed in FY 2024. The Texoma Area Solid Waste Authority increased the gate rate in January 2023, and are planning to increase it again in January 2024, to market levels. The increase will be another \$5. Hopefully, with the extra revenue generated by TASWA, they will be refunding it back to the City. If they do, the City

COUNCIL MINUTES – JUNE 15, 2023

will not need a rate increase in the Solid Waste Fund. If they don't refund it, the City will need another rate increase. Since that won't be known until late Summer or early Fall, Mr. Hefton said the staff is proposing to "go with what they have now," and when they get that information they will come back to the Council with a recommendation.

In summation, he said the Utility Fund has much more pressure on rates over the next few years, than the General Fund will have on the tax rates. He presented some five-year projections on the different funds.

Mr. Hefton addressed the Work Plan Summary for FY 2023, and outlined directions that had been completed, were in progress, were delayed, or were postponed. One project, the Recreation Facility Planning was removed from the list, because the City decided to "go in a different direction." Some fleet and equipment purchases have been delayed, including the Fire Department's aerial ladder truck, which was ordered a year ago. It's still not expected for another few months. There is a very long lead time on some of the fleet purchases.

Last year, the Council considered a Commercial Solid Waste rate adjustment, but prior to approval of the budget, it was decided to delay the increase. He also briefly outlined the status of CIP projects.

Public Works - Streets, Street Sales Tax, Stormwater

Clint Philpott, Assistant City Manager, updated the Council on the Street Program, which includes 41 total employees, with two vacancies. There are three divisions, a general crew, stormwater, and traffic operations. Council approved new positions in FY 2023 for a CIP crew, partly being funded from debt service, to do 20-year projects on streets; a pothole crew, actively looking for potholes; and a right-of-way mowing crew. He presented projects that were completed in FY 2022-2023.

Mr. Hefton said another project that was completed was the Old Iron Post parking lot. The City was looking for more downtown parking, and entered into an agreement with Old Iron Post to use their parking lot on East Houston, if the City would renovate it. It definitely enhanced parking downtown and was completed with City crews.

During FY 2022-2023, the Street Department paved 5.57 miles of streets with asphalt, chip sealed 9.84 miles of streets, laid concrete on 0.95 miles of street, and filled 491 potholes.

He briefly explained the process that Kimley-Horn used to design the Pavement Condition Index, PCI, that is used to rate the condition of City streets and their need for repair. He said it is complex to determine on a street when it is at "complete failure" and needs to be repaired, and when it is a maintenance issue. He said the PCI is an ASTM Standard Practice for Roads and Parking Lots and assures that all entities use the same standards. He explained how the roads were rated and how the conditions were determined. The process will be repeated every three or four years, in order to prioritize the street maintenance.

Mayor Plyler entered the Meeting at 8:54 a.m.

Mr. Hefton said the City is also in the final year of the Street Sales Tax Program, which is a four-year program that must be voted on by the citizens every four years. Without this funding, the work plan would be greatly reduced. He said about \$2.4 million annually comes from the Street Sales Tax. The money can not be used for new streets, but can be used for maintenance, repair, and rebuilding of streets in existence, at the time it passed. So, if the sales tax is approved in

COUNCIL MINUTES – JUNE 15, 2023

November of 2023, it can only be used on streets in existence at that time. The money also can't be used as the City's match for Texas Department of Transportation funding on a State highway.

The Sales Tax for Streets was originally approved by Sherman voters in 2007, and has been reauthorized every four years by voters. It amounts to one-eighth of one cent.

Mr. Philpott addressed Sherman's history of flooding, which prompted a Flood Study of Post Oak Creek. This study lists specific projects that should be addressed to help stop the flooding. Twenty-seven original projects were reduced to 18 projects, at a cost of \$55 million. He discussed the projects, and mentioned the importance of spending money with developers to oversize flood retention ponds, and the possibility of purchasing property, that is at high risk of flooding, to be used as a park area or open space.

He explained that the Stormwater Utility Fee is a fee authorized by State law that is charged to everyone in the City, and is dedicated only to stormwater needs. It evaluates the City's stormwater project needs and assesses anyone that contributes to the need for stormwater.

The fee is based on impervious areas that cause stormwater to runoff into the stormwater system. The average residential house in Sherman has an impervious area of about 3,400 square feet, which determines the ERU, the equivalent residential unit. The fee is based on that unit. The square footage of commercial units is then divided by 3,400 to determine their stormwater fee. There are also three tiers for different size residential units. The fee for one ERU is currently \$1. An average home is charged \$1 monthly on their water bill for this fee. It amounts to \$458,000 annually.

In 2017, a \$4 million bond was issued to fund projects including Lamberth Road, Setting Suns, Mapping Post Oak Creek Update, and Property Acquisition. He outlined the current annual budget for the program, adding that there was not enough money to fund it completely with the Stormwater Utility Fee, so the rest must come from the General CIP Fund. He asked the Council to consider making the Stormwater Utility Fee budget a "little bigger."

Mr. Philpot said there are some exemptions from the Stormwater Utility Fee that are required by law and some that are allowed by law. Currently the City's exemptions are only on property required by law.

City Council Members took a break from 9:38 a.m. to 9:52 a.m.

Flyovers w/CIP Projects Update

Nate Strauch, Community and Support Services Manager, presented flyovers of the following projects:

Bel Air	Highway 75	Old Settlers Park
Washington Meadows	FM 1417	Hawn Park
Heritage Ranch	75/82	Pecan Grove West
Three Oaks	Water Treatment Plant	GlobalWafers
Friendship Road	Southeast Sewer Line	Texas Instruments
Interurban Parkway	Fairview Park	
The Grove	MLK Park	

Utilities - Rate Study, Utility Master Plan

Jason Gray, Consultant, Willdan Financial Services, presented the Water and Wastewater Rate Update, to make sure that the water and sewer structures meet the City's needs. They constantly

COUNCIL MINUTES – JUNE 15, 2023

update volumes as new information is received, and they have revised those for the new Global Wafers and Texas Instruments facilities. The new debt to fund the Capital Improvement Program has increased to approximately \$676,671,926, over the next several years. They assess the additional revenue from the additional use. Mr. Gray outlined a tier rate structure that will result in a higher charge on high volume users. Most residential users will see no increase in the water or sewer fee, during the first two years.

He discussed the proposed rate increase for the next five years, for both water and wastewater users. The idea is, the more you use, the higher the impact on the system, and the more those customers end up paying. The same applies to wastewater usage, and there is no proposed increase in 2023 or 2024. Again, higher users, see a higher increase. He said the City has very competitive rates, and even with the proposed increases, will continue to have very competitive rates.

Council Members discussed possible rates for the future.

Mr. Philpott introduced the Water and Wastewater Master Plan from Freese and Nichols, which addresses the needs from the recent industrial growth. He introduced Cullen Carlson, Assistant Project Manager, Freese and Nichols, to discuss the update of the City's model, and how they are creating the long-term Capital Improvement Plan.

Mr. Carlson discussed their process and an overview of the plan and the development for the future, as well as what type of water and wastewater infrastructure will be needed. He discussed current CIP project and future projects. By using the models, the City can run them through different scenarios and enter different proposed developments to determine what infrastructure will be needed.

They have recommended 17 Capital Improvement Projects, which are based on what is known now, and will be refined as the process continues.

TI Update

Mr. Philpott said Alejandro Fernandes, Project Manager for Austin Commercial, had presented an update on the Texas Instruments Project and responded to citizen's complaints. They have worked with the City to help reduce the negative impact from the construction, and he convinced them to present an update for Council Members.

Mr. Fernandes said he is over the Civil Scope of the project, which includes all the piping going into the building, which eventually will connect to the City's water and sewer system. He said they didn't want to interrupt people's lifestyle with the project, and discussed the logistics and access points of the project, since Shepherd Drive would soon be closed.

He outlined the site, showing the location of cranes, fire lanes, and entrance points. Texas Instruments has plans for four fabs at this location, but they are currently contracted for two fabs. There are three entrance gates that will be utilized and they have installed "shaker plates" that will shake off the mud before they enter the frontage road, so there should be no mud tracked onto public streets.

Mr. Philpott updated the Council on the status of the City's infrastructure for the project. Mr. Hefton confirmed that, one year into the project, and it is within one day of being on schedule, and that day will be made up this coming Saturday. The plant is planned to open in 2025.

City Council Members took a lunch break from 11:26 a.m. to 11:45 a.m.

COUNCIL MINUTES – JUNE 15, 2023

Community Improvement Program

Zach Flores, Executive Director of Public Safety, introduced a presentation on the Community Improvement Task Force, that is comprised of participants from several City departments, to carry out the City Council priority of “cleaning up the City.”

Mr. Strauch said the problem was that some of the issues were “someone else’s job” and one department not knowing what the other department was doing. The task force brings all the people together at one time, to help solve the issues. He said hotels and motels were the first issue they dealt with, followed by commercial structures, the homeless problem, and residential “businesses.”

Situations at some of the hotels and motels were causing a myriad of problems, and he discussed some of those problems and the solutions that they achieved through the program.

Another part of the program is commercial demolitions. He said Sherman has one of the most effective substandard structure programs in the State, and he outlined the program and the results they have achieved. The demolition of the old Woodman Circle Home was a “big win” for the program. He discussed other properties that were demolished with the program. He said they aren’t losing the core structure of the program, they are just expanding it to include commercial properties.

Mr. Strauch said many cities are experiencing increasing problems with homelessness, and homeless encampments. He said they are trying to work with the homeless, instead of against them, while still keeping Sherman safe for the citizens.

Another problem is citizens running illegal businesses out of a residential building, a commercial building without permission, or multiple businesses out of the same commercial building, with permission for one of the businesses. Other problems include vehicles stored illegally or no screening devices. Usually these problems are reported by citizens, and then the staff works with them to get into compliance.

He said the program is now moving into bigger problems, including property owners that won’t work with the City to become compliant. These issues have increased the cost and increased time. He said the program is expensive and they have “grossly exceeded their budget,” especially with demolitions. Mr. Strauch outlined future directions that they might use to continue the program to beautify the City, eliminate hazardous buildings and unsafe businesses, and enhance the overall cleanliness of the City.

Mr. Hefton addressed Southgate Apartments and it’s run-down, dangerous state. The apartments are near Washington Elementary School and are owned by Apex. After a recent Municipal Court case, the Judge issued a demolition order and a \$10,000 fine for the owners. They have 30 days to demolish the building themselves, or the City will do it for them. Apex has said they do not intend to appeal the decision and plan to remove the buildings themselves.

Mr. Hefton said there had been discussion about using bond funds for commercial demolitions, and using that money to expand the program. He asked if the Council would be interested in continuing the commercial enforcement and getting some of the funds through bond funds. TIRZ money can also be used for demolition.

City Council Members took a break from 12:30 p.m. to 12:38 p.m.

COUNCIL MINUTES – JUNE 15, 2023

City Hall Update

Mr. Flores introduced representatives from Gensler Architects and Byrne Construction to discuss the proposed City Hall project.

Barry Hand, Architect and Principal, Gensler; introduced Kim Dresdner, City Planner and Urban Planner; and Kevin Turner, Consultant and Strategist, both with Gensler. Jason Moore, Vice President and Director of Preconstruction, Byrne Construction, was also in attendance.

The proposed building would be about 50,000 square feet, and is a “concept design” to allow the contractors to estimate a price. The plan is to bring more of the 600 City staff together. He explained the background of the project and how they worked with the City staff and the contractors.

The plan is to coordinate the City Hall facility with the downtown area and include a master plan for the entire area, making it more than just an office building. They discussed the specific design elements for the facility, including a paperless environment, enhancing public access and safety, and a future of healthy growth.

Mayor Plyler felt it was important to invest in a City Hall site downtown that encourages the growth to create an impetus for people to visit. They are already investing in new infrastructure in the downtown area, and they could really create something unique for Sherman. He asked Council Members to think of City Hall as more than just an office building, because they are creating “urban planning” and a walking district downtown that will encourage growth.

Mr. Hefton said, if the Council is interested, the next step would be a formal design, but he felt it would be advantageous to do some “broad” planning for a more expanded downtown, not just a City Hall. In the past, they have talked about making the downtown area more of a destination, and not just City offices.

Mayor Plyler summed up the discussion saying they should take the “next step” and complete a mini master plan tying the project to the downtown area. Mr. Flores added that they needed to look at the scope of the project too, and determine what to include. Mr. Hefton said they should not include the entire Central Business District.

Mr. Hand said they would look at an entire “area of consideration” and also identify key areas and growth potential. Mr. Hefton said this plan would be “more conceptual.”

City Council Members took a break from 1:42 p.m. to 1:50 p.m.

Public Safety - Police, Fire, Central Fire Station

Jason Jeffcoat, Police Chief, briefed the Council on accomplishments they made over the past He also discussed their goals for the upcoming fiscal year.

In 2021, the Police Department took over responsibility for the Animal Shelter, and he discussed their upgrades and accomplishments.

Chief Jeffcoat also updated the Council on staffing for the Police Department, adding that as the population increases, they will need to increase staffing to maintain the same level of service. Last month they averaged 3,200 calls for service.

He also discussed an Axon taser program that would replace all their “end of life” tasers and supply every officer with a new taser, cartridges, and yearly training. There is also a move to

COUNCIL MINUTES – JUNE 15, 2023

replace many outdated patrol rifles and handguns. All replacement costs are included in the proposed budget.

Chief Jeffcoat discussed market pay adjustments, and said the City had “fallen behind” a few local agencies. The proposed 8% adjustment will put Sherman in line with surrounding agencies’ pay scales, and keep Sherman in the top 1/3 of peers, based on the annual peer survey. This proposed 8% adjustment also applies to the Fire Department.

Fire Department

Mr. Hefton said they have separated the EMT pay from the paramedic incentive pay. EMT is the entry level, so the paramedic incentive will be higher than EMT.

Billy Hartsfield, Fire Chief, said he took over as Fire Chief in February 2022, and he outlined some of his changes. He also discussed changes in Fire Stations and a consolidation of Stations 1 and 2, as well as the location of calls for service. He outlined the efficiency of combining these two stations, and outlined the fleet that would be proposed for the next fiscal year.

A 10-year Facility Master Plan was compiled for the Fire Department, which addressed fire stations, future sites, and needed renovations. Chief Hartsfield also addressed a move to add more paramedics to the staff.

Chief Hartsfield introduced Aaron Babcock, Architect, with Hidell & Associates Consultants, to discuss new Fire Station 1. He presented the current design for Fire Station 1, and discussed the status, layout, and cost of the new station. This station will be a combination of Stations 1 and 2, and will house 11 firefighters.

Mr. Babcock estimated that the proposed fire station would cost an estimated \$7 million. A new facility on the same site, is estimated at a little over \$10 million. Mr. Hefton added that the proposed cost is built into the budget and would be bonded. Mr. Babcock said their plans would be ready by the first of October 2023 for Council approval, and then construction should take about 12 months.

City Council Members took a break from 2:48 p.m. to 2:56 p.m.

Parks

Theresa Hutchinson, Parks and Recreation Manager, briefed the Council on where they’re at based on the 2017 Parks Master Plan. She discussed staffing changes that have been made and programs that were previously contracted out, that are now done in house. The department is also responsible for cemetery services. She discussed many projects that have been completed at the various parks.

They offer many recreational programs and athletic leagues and events, as well as the Taylor Street Gym, The Splash, and the Senior Center. They also offer many special events throughout the year. Ms. Hutchinson discussed the current Capital Improvement Program and updated the status of the projects.

She said they applied for a grant for the Southwest Trail, a 2.8 mile, 12-foot-wide, shared use trail, from Moore Street to Binkley Park. Total estimated cost of the trail would be \$6.2 million, and the City’s part would be \$1.2 million. Results will be announced in October 2023.

She also presented a list of accomplishments since the 2017 Parks Master Plan, and a list of future CIP projects.

COUNCIL MINUTES – JUNE 15, 2023

FY 2024 Work Plan, Staffing/Compensation, Five Year Sneak Peak Financials, Debt & Council Direction

Mr. Hefton summed up many of the topics that were previously discussed, including staffing, market adjustments, police and fire salaries, and the street program. They also plan to contribute \$600 to employee HSA accounts. He outlined the proposed new positions and discussed the proposed workplan. He reiterated Council direction on items previously discussed.

The staff is proposing to keep the M&O rate, unchanged at \$.265, and the total tax rate at \$.508 per \$100 valuation. He also briefly discussed future relief on the rates, reserves, and the fund balances.

He explained that the five-year projections were based on “everything we know,” with projections on assumptions, on growth of new property and increases in values, what is known about sales tax and street sales tax, and things that are known. He also discussed debt in the Utility Fund.

Debit & Tax Update

Mary Lawrence, Director of Finance, discussed the values and what they were proposing for the tax rate. The current tax rate for M&O is \$.265/\$100 and for I&S is \$.204/\$100 for a total of \$.469/\$100. The preliminary tax rate for M&O is \$.265/\$100 and for I&S is \$.243/\$100 for a total of \$.508/\$100. That is a 3.9 cent tax increase in the tax rate, all for I&S. That means it's all for debt, and none goes toward operations.

Ms. Lawrence also presented the proposed Tax Note funding that would pay for the \$4.2 million in equipment that was proposed for FY 24, and for projected uses for the FY23 CO Bonds. The Council has already committed to these CO projects. Council Members discussed various scenarios of the tax rates and what they could fund. She also discussed debt service, and the outstanding Tax Note debt, breaking it down by year. Capital expenses are over half of the proposed budget, this year. She presented the proposed budget for the various funds.

Deputy Mayor Stevenson felt it was important to stay below the voter approval rate on the tax rate, but he said the City is “on the hook” for a lot of new infrastructure. Once the big industries come on line, he felt it would be important to lower the tax rate and the burden on the citizens.

Mr. Hefton said the City is closing two Tax Increment Reinvestment Zones, No. 1 and No. 3, and those close into the General Fund. These funds can be closed because the City made the last debt service payment. These are the TIRZs for Town Center and Woodmont.

Council Members discussed possible scenarios for the stormwater fee and the list of CIP projects. They also discussed the City Hall project and a \$77 million bond issue. They did not want the tax rate any higher than \$.508/\$100.

EXECUTIVE SESSION

In Accordance with the Texas Open Meetings Act, Chapter 551 of the Texas Government Code, the City Council may hold an Executive Session if the discussion of any of the items identified in this agenda, or any of the items identified below, concern one or more of the following:

TEX. GOV'T CODE § 551.071 --

Seeking the advice of its attorney about pending or contemplated litigation, settlement offers or any matter in which the duty of the attorney to the City Council under the Texas Disciplinary Rules of Professional conduct of the State Bar of Texas clearly conflicts with the Texas Open Meetings Act.

COUNCIL MINUTES – JUNE 15, 2023

TEX. GOV'T CODE § 551.072 --

Deliberating the purchase, exchange, lease or value of real property if deliberation in an Open Meeting would have a detrimental effect on the position of the City in negotiations with a third person.

TEX. GOV'T CODE § 551.073 –

Deliberating a negotiated contract for a prospective gift or donation to the City if deliberation in an Open Meeting would have a detrimental effect on the position of the City in negotiations with a third person.

TEX. GOV'T CODE § 551.074 –

Deliberating the appointment, employment, evaluation, reassignment, duties, discipline or dismissal of a public officer or employee; or to hear a complaint or charge against an officer or employee unless the officer or employee who is the subject of the deliberation or hearing requests a public hearing

TEX. GOV'T CODE § 551.076 –

Deliberating the deployment, or specific occasions for implementation, of security personnel or devices or a security audit

TEX. GOV'T CODE § 551.087 –

Discussing or deliberating commercial or financial information that the City has received from a business prospect that the City seeks to have locate, stay or expand in or near the City and with which the City is conducting economic development negotiations; or deliberating the offer of a financial or other incentive to a business prospect

TEX. GOV'T CODE § 551.089 –

Deliberating security assessments or deployments relating to information resources technology, network security information, or the deployment or specific occasions for implementation of security personnel, critical infrastructure or security devices

The Executive Session was not needed.

ADJOURNMENT

There being no further business to come before the City Council today, motion was duly made and approved to adjourn the Called Meeting at 4:54 p.m. Documentation for the Budget Work Session is held in the General File "Budget Work Session FY 2023-2024" in the City Clerk's Office.

MAYOR

ATTEST

CITY CLERK

STATE OF TEXAS

§

September 12, 2023

COUNTY OF GRAYSON

§

BE IT REMEMBERED THAT A Joint Meeting of the Sherman City Council and the Sherman Economic Development Corporation was begun and held in the City Council Chambers on September 12, 2023.

COUNCIL MEMBERS PRESENT: Mayor David Plyler.
Council Members Dobbs, Holland, Howeth, Teamann.

COUNCIL MEMBERS ABSENT: Deputy Mayor Josh Stevenson.
Council Member Marroquin.

SEDCO MEMBERS PRESENT: Janie Bates, Chairman; Scott Bandemir, Vice-Chairman; Jason Brumm, Secretary; Gail Utter; Dr. Al Hambrick; David Plyler (Ex-Officio); Shawn Teamann (Ex-Officio); Juston Dobbs (Ex-Officio); Robby Hefton (Ex-Officio); Dr. Tyson Bennett (Ex-Officio); Jeff Moore, Attorney.

SEDCO MEMBERS ABSENT: None.

CITY STAFF PRESENT: Robby Hefton, City Manager; Clint Philpott, Assistant City Manager; Zach Flores, Assistant City Manager; Rob Rae, Director of Development Services; Mary Lawrence, Director of Finance; Wayne Lee, Director of Engineering; Nate Strauch, Community and Support Services Manager; Leah Campbell, Human Resources Director; Theresa Hutchinson, Parks and Recreation Manager; Shawn Hackworth, IT Manager; Moises Duran, Emergency Management Coordinator; Junior Jaimes, Computer Support Technician; Teri Fine, Assistant to the City Manager; Tasheena Taylor, Administrative Assistant; Linda Ashby, City Clerk.

CITY ATTORNEY: Ryan Pittman, Abernathy, Roeder, Boyd, Hullett

SEDCO STAFF PRESENT: Kent Sharp, President; Ashton Bellows, Chief Administrative Officer; Shannon Blake, Economic Development Specialist; April Day, Executive Assistant.

PURPOSE: Call to Order, Quorum Determined, Meeting Declared Open, Recognition of Guests and Visitors

Pledge of Allegiance and Invocation by Council Member Daron Holland

CITIZEN'S COMMENTS

**SEDCO BOARD TO DISCUSS AND CONSIDER APPROVAL OF THE
SEDCO INVESTMENT POLICY**

RESOLUTION NO. 7154

**Authorizing Execution of a Purchase and Sale Agreement with
Sherman Economic Development Corporation for the Purchase of
Approximately 10.0 Acres of Land, Generally Located South of F.M.**

COUNCIL MINUTES -- SEPTEMBER 12, 2023

1417, East of U.S. Highway 75 and behind Movie Bowl Grill in the City of Sherman, Texas

SEDCO WORK PROGRAM 2022-2023

SEDCO's Presentation of the 2022-2023 Work Program Results

SEDCO WORK PROGRAM 2023-2024

SEDCO's Presentation of the 2023-2024 Work Program

SEDCO WORK PROGRAM 2023-2024

SEDCO Board to Discuss and Consider Approval of the SEDCO Work Program 2023-2024

SEDCO WORK PROGRAM 2023-2024

City Council to Discuss and Consider Approval of the SEDCO Work Program 2023-2024

SEDCO BUDGET 2023-2024

SEDCO's Presentation of the SEDCO Budget 2023-2024

SEDCO BUDGET 2023-2024

SEDCO Board to Discuss and Consider 2023-2024 Budget

SEDCO BUDGET 2023-2024

City Council to Discuss and Consider Approval of the 2023-2024 SEDCO Budget

COUNCIL COMMENTS

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.

TEX. GOV'T CODE § 551.071 --

Seeking the advice of its attorney about pending or contemplated litigation, settlement offers or any matter in which the duty of the attorney to the City Council under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with the Texas Open Meetings Act

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Deliberating the purchase, exchange, lease or value of real property if deliberation in an Open Meeting would have a detrimental effect on the position of the City in negotiations with a third person

TEX. GOV'T CODE § 551.073 --

Deliberating a negotiated contract for a prospective gift or donation to

COUNCIL MINUTES -- SEPTEMBER 12, 2023

the City if deliberation in an Open Meeting would have a detrimental effect on the position of the City in negotiations with a third person

TEX. GOV'T CODE § 551.074 --

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TEX. GOV'T CODE § 551.076 –

Deliberating the deployment, or specific occasions for implementation, of security personnel or devices or a security audit

TEX. GOV'T CODE § 551.087 –

Discussing or deliberating commercial or financial information that the City has received from a business prospect that the City seeks to have locate, stay or expand in or near the City and with which the City is conducting economic development negotiations; or deliberating the offer of a financial or other incentive to a business prospect

TEX. GOV'T CODE § 551.089 --

Deliberating security assessments or deployments relating to information resources technology, network security information, or the deployment or specific occasions for implementation of security personnel, critical infrastructure or security devices

OPEN MEETING

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

ADJOURNMENT

CALL TO ORDER, QUORUM DETERMINED, MEETING DECLARED OPEN, RECOGNITION OF GUESTS AND VISITORS

Mayor Plyler called the meeting to order at 12:04 p.m., declared a quorum present, and opened the City Council Meeting. Janie Bates, Sherman Economic Development Corporation Chairman, called their meeting to order and declared a quorum present.

PLEDGE OF ALLEGIANCE AND INVOCATION BY COUNCIL MEMBER DARON HOLLAND

Council Member Daron Holland led the Pledge of Allegiance and gave the invocation.

CITIZEN COMMENTS

There were no citizen's comments.

SEDCO BOARD TO DISCUSS AND CONSIDER APPROVAL OF THE SEDCO INVESTMENT POLICY

Ms. Bates asked SEDCO Members to review their Investment Policy. Kent Sharp, President, SEDCO, gave a brief update on the policy.

COUNCIL MINUTES -- SEPTEMBER 12, 2023

ACTION TAKEN.

Motion by Ms. Utter to approve the SEDCO Investment Policy, as presented. Second by Mr. Bandemir.

VOTING AYE: Bates, Utter, Hambrick, Bandemir, Brumm.

VOTING NAY: None.

MOTION CARRIED.

RESOLUTION NO. 7154 -- AUTHORIZING EXECUTION OF A PURCHASE AND SALE AGREEMENT WITH SHERMAN ECONOMIC DEVELOPMENT CORPORATION FOR THE PURCHASE OF APPROXIMATELY 10.0 ACRES OF LAND, GENERALLY LOCATED SOUTH OF F.M. 1417, SOUTH OF U.S. HIGHWAY 75 AND BEHIND MOVIE BOWL GRILL IN THE CITY OF SHERMAN, TEXAS

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING EXECUTION OF A PURCHASE AND SALE AGREEMENT WITH SHERMAN ECONOMIC DEVELOPMENT CORPORATION FOR THE PURCHASE OF APPROXIMATELY 10.0 ACRES OF LAND, GENERALLY LOCATED SOUTH OF F.M. 1417, EAST OF U.S. HIGHWAY 75 AND BEHIND MOVIE BOWL GRILL IN THE CITY OF SHERMAN, TEXAS.

Robby Hefton, City Manager, discussed property at the intersection of FM 1417 and Hwy 75, that was previously owned by the City of Sherman and the Texas Department of Transportation. SEDCO purchased an adjacent truck stop, demolished the building, and remediated the property. When the property was sold for the Schulman project, a portion of the money was returned to SEDCO for the land purchase, the cost of the demolition, and profit on the project.

However, at that time, the remaining 10-acre portion of the land was not transferred. This resolution will approve the purchase and sale of this 10 acre tract. The City will still need to reimburse SEDCO approximately \$255,000, for their costs.

A developer would like to purchase the property and include it in their overall development plan.

ACTION TAKEN.

Motion by Council Member Holland to approve Resolution No. 7154, as presented. Second by Council Member Dobbs.

VOTING AYE: Dobbs, Holland, Howeth, Teamann.

VOTING NAY: None.

MOTION CARRIED.

ACTION TAKEN.

Motion by Dr. Hambrick to approve Resolution No. 7154, as presented. Second by Ms. Utter.

VOTING AYE: Janie Bates, Gail Utter, Scott Bandemir, Jason Brumm; Dr. Al Hambrick.

VOTING NAY: None.

MOTION CARRIED.

SEDCO WORK PROGRAM 2022-2023

SEDCO'S PRESENTATION OF THE 2022-2023 WORK PROGRAM RESULTS

Mr. Sharp presented a video of SEDCO's results for the 2022-2023 fiscal year.

COUNCIL MINUTES -- SEPTEMBER 12, 2023

SEDCO WORK PROGRAM 2023-2024

SEDCO'S PRESENTATION OF THE 2023-2024 WORK PROGRAM

Mr. Sharp said the goals for the 2023-2024 Work Program, are the same as the past years, but he presented some "new actions" to help accomplish those goals. They are especially trying to market Sherman to potential workers, and encourage them to come to Sherman.

Generally, they are only marketing Progress Park to companies over \$50 million, unless it would be strategically good for the community. With the industry Sherman has attracted, the "landscape has changed."

Mr. Sharp discussed changes to the RISE program (Raising Innovative Sherman Entrepreneurs). To qualify, a company now must have been in operation for 12 months, and have had minimum sales of \$25,000.

SEDCO WORK PROGRAM 2023-2024

SEDCO BOARD TO DISCUSS AND CONSIDER APPROVAL OF THE SEDCO WORK PROGRAM 2023-2024

Ms. Bates asked for a vote on SEDCO's Work Program for 2023-2024.

ACTION TAKEN.

Motion by Mr. Bandemir to approve the SEDCO Work Program for FY 2023-2024, as presented. Second by Mr. Brumm.

VOTING AYE: Bates, Utter, Hambrick, Bandemir, Brumm.

VOTING NAY: None.

MOTION CARRIED.

SEDCO WORK PROGRAM 2023-2024

CITY COUNCIL TO DISCUSS AND CONSIDER APPROVAL OF THE SEDCO WORK PROGRAM 2023-2024

Mayor Plyler asked for a vote on SEDCO's Work Program for 2023-2024.

ACTION TAKEN.

Motion by Council Member Teamann to approve the SEDCO Work Program for FY 2023-2024, as presented. Second by Council Member Holland.

VOTING AYE: Dobbs, Holland, Howeth, Teamann.

VOTING NAY: None.

MOTION CARRIED.

SEDCO BUDGET 2023-2024

SEDCO'S PRESENTATION OF THE SEDCO BUDGET 2023-2024

Mr. Sharp presented the proposed SEDCO budget for 2023-2024. Their sales tax revenue was over the projected amount and expenses are under the projected amount. He explained the proposed revenues and expenditures for next year. He also discussed SEDCO's future cash flow payouts and debt service.

SEDCO BUDGET 2023-2024

SEDCO BOARD TO DISCUSS AND CONSIDER 2023-2024 BUDGET

Ms. Bates asked for a motion from the SEDCO Board on the updated 2023-2024 SEDCO Budget.

ACTION TAKEN.

Motion by Ms. Utter to approve SEDCO's Updated Budget for FY 2023-2024, as presented.

Second by Mr. Bandemir.

COUNCIL MINUTES – SEPTEMBER 12, 2023

VOTING AYE: Janie Bates, Gail Utter, Scott Bandemir, Jason Brumm; Dr. Al Hambrick.

VOTING NAY: None.

MOTION CARRIED.

SEDCO BUDGET 2023-20234

CITY COUNCIL TO DISCUSS AND CONSIDER APPROVAL OF THE 2023-2024 SEDCO BUDGET

Mayor Plyler asked for a vote on SEDCO's Budget for 2023-2024.

ACTION TAKEN.

Motion by Council Member Howeth to approve the SEDCO Budget for FY 2023-2024, as presented. Second by Council Member Teamann.

VOTING AYE: Dobbs, Holland, Howeth, Teamann.

VOTING NAY: None.

MOTION CARRIED.

COUNCIL COMMENTS

There were no Council comments.

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.

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COUNCIL MINUTES – SEPTEMBER 12, 2023

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Council Members determined there was no need for an Executive Session.

ADJOURNMENT

There being no further business to come before the City Council or the Sherman Economic Development Corporation, motion was duly made and approved to adjourn the Joint Meeting at 12:42 p.m.

MAYOR

ATTEST

CITY CLERK



Sherman City Council & SEDCO Joint Meeting

September 12, 2023





SEDCO Board to Discuss & Consider Approval of the SEDCO Investment Policy



Sherman Economic Development Corporation INVESTMENT POLICY September 12, 2023

1.0 Policy

The purpose of this investment policy is to ensure the Sherman Economic Development Corporation (SEDCO) conducts its investment activities in a responsible manner, fully in compliance with all applicable regulations and within the authority granted by the SEDCO Board of Directors (Board) and the Sherman City Council. This investment policy, as approved, is in compliance with the provisions of the Public Funds Investment Act of the Texas Government Code, Chapter 2256 (PFIA).

2.0 Scope

This policy applies to all financial resources of SEDCO.

3.0 Objectives

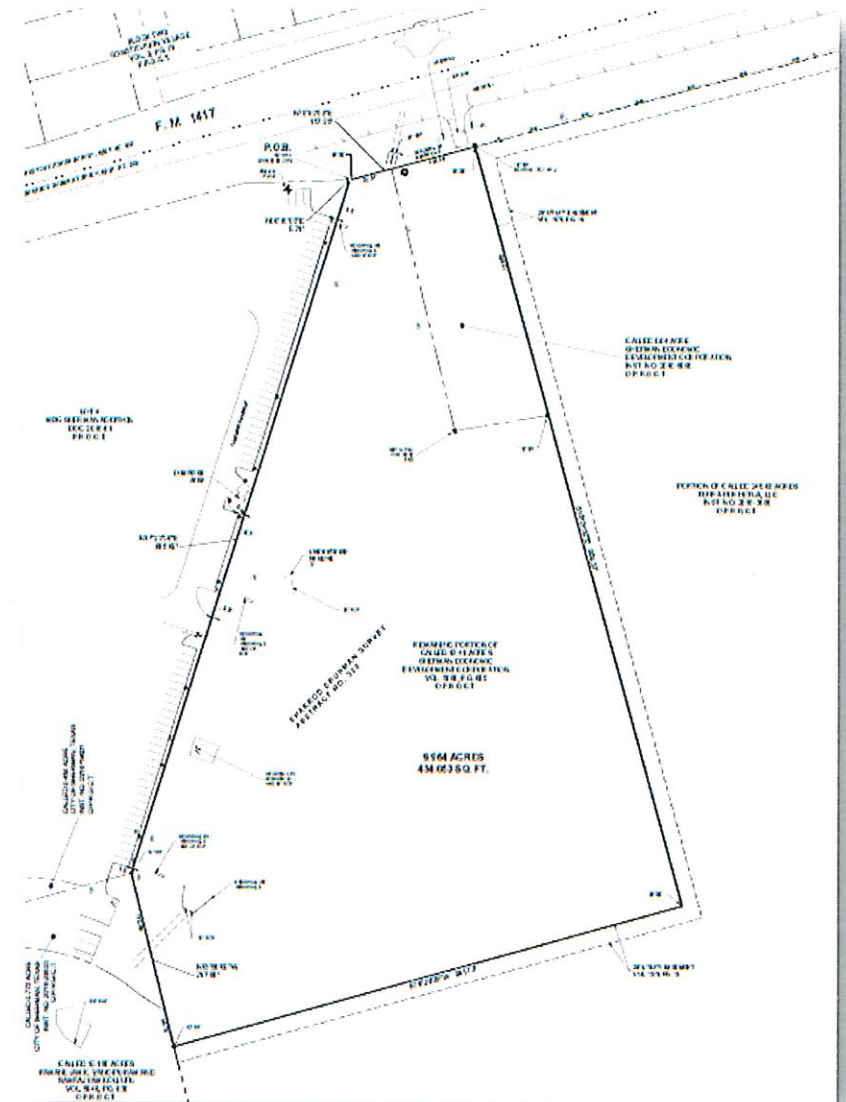
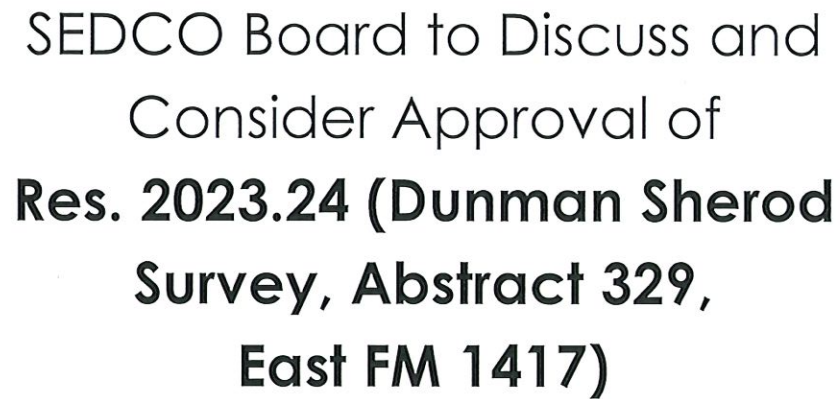
Following, in order of priority, are the primary investment objectives of SEDCO:

3.1 Safety: Safety of principal is the foremost objective of SEDCO's investment policy. Safety is defined as the undiminished return of the principal of SEDCO's investments and deposits.

3.2 Liquidity: Liquidity is important to ensure sufficient cash to meet all operating requirements. A liquid investment is one that can be easily and quickly converted into cash without a substantial loss of value.

3.3 Public Trust: All participants in SEDCO's investment process shall perform their duties at the highest level of public trust. Investment officers shall avoid any transaction that might impair public confidence in SEDCO's ability to effectively manage its resources.

3.4 Yield: For SEDCO, the yield objective is secondary to those of safety and liquidity. Yield is defined as the rate of annual income return on an investment, expressed as a percentage. The three-





Presentation of the 2022-2023 Program of Work Results





Proposed 2023-2024 Program of Work



Goals to Promote Capital Investment and Jobs:

- A. Retain and expand existing primary employers
- B. Recruit targeted primary employers and allies
- C. Support workforce development and employment programs
- D. Manage and market SEDCO real estate to attract industrial real estate investments
- E. Continue the Raising Innovative Sherman Entrepreneurs (RISE) Program
- F. Educate and promote Sherman women-owned and minority-owned (WOMO) businesses



Proposed Program of Work 2023-2024

New Actions for 2023-2024



- **Goal A (Retention)**
 - Work with industrial representatives to retain large and mid-scale projects
- **Goal B (Attraction)**
 - By leveraging our existing industries for supply chain opportunities, we will work to attract more large and mid-scale industrial projects.
- **Goal C (Workforce)**
 - Working with multiple partners and using social media and conventional ads to attract and train a talent pipeline for all industries (EET Program)
 - *Matching workforce grant for Texas Instruments (\$150,000)
- **Goal D (Real Estate)**
 - Focusing on high-value deals for Progress Parks (highest and best use for SEDCO-owned land)
- **Goal E (RISE)**
 - *Updating the qualifications for the RISE application
 - *Adding Lori Ann Cannon, CPA as a RISE partner
- **Goal F (WOMO)**
 - Spotlight some of the WOMO businesses in a video series on social media and sedco.org
 - *Host an annual WOMO event in January

- SEDCO Board to Discuss and Consider Approval of the 2023-2024 *Program of Work*
- City Council to Discuss and Consider Approval of *SEDCO's 2023-2024 Program of Work*



Proposed FY 23-24 Budget	ACCOUNT 850-9850-	ACTUAL FY 21-22	APPROVED FY 22-23	CURRENT ACTUAL FY 22-23	PROPOSED ACTUAL FY 22-23	VARIANCE PROPOSED ACTUAL TO APPROVED FY 22-23	PROPOSED FY 23-24	VARIANCE PROPOSED 23-24 TO APPROVED FY 22-23	FY
SUMMARY									
Revenues									
Sales Tax 4A - SEDCO	60204	\$ 5,509,655	\$ 5,509,654	\$ 6,817,965	\$ 6,817,965	\$ 1,308,311	\$ 6,500,000	\$ 990,346	
Interest Earned	66001	\$ 103,071	\$ 150,000	\$ 596,934	\$ 731,313	\$ 581,313	\$ 652,745	\$ 502,745	
Miscellaneous Revenue	68010	\$ -	\$ 954,818	\$ -	\$ 254,818	\$ (700,000)	\$ 1,060,000	\$ 105,182	
TOTAL REVENUES		\$ 5,612,727	\$ 6,614,472	\$ 7,414,899	\$ 7,804,096	\$ 1,189,624	\$ 8,212,745	\$ 1,598,273	
Expenses									
Personnel Expenses TOTAL	81000	\$ 525,634	\$ 579,265	\$ 433,295	\$ 520,702	\$ (58,563)	\$ 577,445	\$ (1,820)	
Supplies TOTAL	82000	\$ 27,019	\$ 13,500	\$ 4,112	\$ 5,273	\$ (8,227)	\$ 14,500	\$ 1,000	
Maintenance and Repairs TOTAL	83000	\$ 7,319	\$ 8,580	\$ 5,232	\$ 15,954	\$ 7,374	\$ 15,615	\$ 7,035	
Utilities and Communications TOTAL	84000	\$ 12,715	\$ 10,400	\$ 7,055	\$ 8,479	\$ (1,921)	\$ 10,000	\$ (400)	
Contractual or Sundry Services TOTAL	85000	\$ 837,128	\$ 3,607,924	\$ 1,052,672	\$ 1,102,189	\$ (2,505,735)	\$ 2,879,391	\$ (728,533)	
Debt Service TOTAL	86000	\$ 602,892	\$ 566,056	\$ 424,542	\$ 566,056	\$ -	\$ 1,236,537	\$ 670,481	
Capital Expenses TOTAL	88000	\$ 1,113,238	\$ 1,000,000	\$ 18,675	\$ 18,675	\$ (981,325)	\$ 1,575,000	\$ 575,000	
TOTAL EXPENSES		\$ 3,125,945	\$ 5,785,725	\$ 1,945,583	\$ 2,237,328	\$ (3,548,397)	\$ 6,308,488	\$ 522,763	
NET INCOME (LOSS)									
		\$ 2,486,781	\$ 828,747	\$ 5,469,316	\$ 5,566,768	\$ 4,738,021	\$ 1,904,257	Surplus or (Deficit) Amount	
CASH & INVESTMENTS ENDING BALANCE									
		\$ 13,855,745	\$ 14,684,492	\$ 19,325,061	\$ 19,422,513		\$ 21,326,770		

Notes on Future Cash Flow



SEDCO							
Cash Flow	2023-2024	2024-2025	2025-2026	2026 - 2027	2027 - 2028	2028 - 2029	2029 - 2030
TOTAL EXPENDITURES	5,769,710	10,943,577	10,587,119	9,933,186	4,482,353	3,058,686	3,058,686
Surplus / Deficit	3,000,808	-3,726,928	-3,483,828	-2,935,859	2,425,678	3,923,124	4,042,449
ENDING BALANCE (EB)	24,721,425	20,994,497	17,510,669	14,574,811	17,000,488	20,923,612	24,966,061

- SEDCO Board to Discuss and Consider Approval of the *FY 2023-2024 SEDCO Budget*
- City Council to Discuss and Consider Approval of the *FY 2023-2024 SEDCO Budget*





Adjournment



STATE OF TEXAS

§

September 14, 2023

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 September 14, 2023.

COUNCIL MEMBERS PRESENT: Mayor David Plyler; Deputy Mayor Josh Stevenson.
Council Members Dobbs, Howeth, Marroquin, Teamann.

COUNCIL MEMBERS ABSENT: Council Member Holland.

CITY STAFF PRESENT: Robby Hefton, City Manager; Terrence Steele, Assistant City Manager; Rob Rae, Director of Development Services; Jason Jeffcoat, Police Chief; Mary Lawrence, Director of Finance; Nate Strauch, Community and Support Services Manager; Tom Pruitt, Utility Engineer; Kevin Winkler, Public Works Manager; Eric Sandberg, Assistant Public Works Manager; Theresa Hutchinson, Parks and Recreation Manager; Leah Campbell, Human Resource Administrator; Keri Turner, Development Services Coordinator; Lauren Marlow, Development Services Generalist; Caleb Green, Inspector; Junior Jaimes, Computer Support Technician; Trevor Deaton, IT/PC Tech; Tasheena Taylor, Administrative Assistant; Teri Fine, Assistant to the City Manager; Linda Ashby, City Clerk.

CITY ATTORNEY: Ryan Pittman, Abernathy, Roeder, Boyd, Hullett

PURPOSE: Call to Order, Quorum Determined, Meeting Declared Open, Recognition of Guests and Visitors

Pledge of Allegiance and Invocation by Deputy Mayor Josh Stevenson

CITIZEN'S COMMENTS

OTHER BUSINESS

To Review and Discuss Potential Updates to the Sherman Tree Ordinance

COUNCIL COMMENTS

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.

TEX. GOV'T CODE § 551.071 --

Seeking the advice of its attorney about pending or contemplated litigation, settlement offers or any matter in which the duty of the attorney to the City Council under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with

COUNCIL MINUTES – SEPTEMBER 14, 2023

the Texas Open Meetings Act

TEX. GOV'T CODE § 551.072 --

Deliberating the purchase, exchange, lease or value of real property if deliberation in an Open Meeting would have a detrimental effect on the position of the City in negotiations with a third person

TEX. GOV'T CODE § 551.073 --

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OPEN MEETING

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

ADJOURNMENT

CALL TO ORDER, QUORUM DETERMINED, MEETING DECLARED OPEN, RECOGNITION OF GUESTS AND VISITORS

Mayor Plyler called the meeting to order at 11:09 p.m., declared a quorum present, and opened the City Council Meeting.

PLEDGE OF ALLEGIANCE AND INVOCATION BY DEPUTY MAYOR JOSH STEVENSON

Deputy Mayor Josh Stevenson led the Pledge of Allegiance and gave the invocation.

COUNCIL MINUTES – SEPTEMBER 14, 2023

CITIZEN COMMENTS

There were no citizen's comments.

OTHER BUSINESS

TO REVIEW AND DISCUSS POTENTIAL UPDATES TO THE SHERMAN TREE ORDINANCE

Mayor Plyler discussed the history of street names in Sherman, and said many streets were originally named for trees.

Robby Hefton, City Manager, briefed the Council on how they got here, and the original “bare bones” tree ordinance that is currently in place. As Sherman continues to grow, it is important to get direction from the City Council as to the direction they want development to move. He said there should be balance in everything they do.

Rob Rae, Director of Development Services, introduced the on-call consultants at Halff Associates, to discuss the development of a tree ordinance for Sherman.

Jordan Maddox, Planner, Halff Associates, said an open house was held last night to gather input, takeaways, and concerns from citizens and stakeholders, concerning what they wanted for the community. He also introduced his team, Whitney Linder, Planner, Halff Associates, and James Kindred, Landscape Architect, Halff Associates.

From the open house, they received takeaways and concerns, in that depending on how strict the ordinance is, it could increase costs of development, and impact affordability. They were concerned that the preservation of trees would curtail development and be a challenge because of grading and drainage. There was also concern about the “heavily forested” land, if it would apply in the extraterritorial jurisdiction, and whether or not people would clear cut in the ETJ, then request annexation.

Mr. Maddox explained the current regulations, basically landscaping requirements, and what types of regulations could be imposed. Through the open house, they learned that clearcutting was a major concern to the citizens. Community character was also very important to citizens. There are currently more development projects going on and citizens are seeing the results. Today, the status quo is to plant trees after development occurs.

He explained that the Tier 2 would be to have developers survey all trees, prior to design, and allocating the size of tree and species of tree, for some type of mitigation or replacement. Clearcutting would still be allowed in this category.

Tier 3 is a “more layered” type of ordinance, and would require some level of preservation. This could include a minimum type and size of tree for preservation. This tier does not allow clearcutting. Most citizens attending the open house were in favor of Tier 3 with some type of preservation, in addition to replacement and landscaping. They would also like to “remove” clearcutting.

Mr. Rae added that the developers were “comfortable” with more regulations, but costs started to increase at Tier 3 and it was increasing the cost of their construction.

Mr. Maddox said most citizens at the open house would like to see trees protected from a minimum size of 16”, whether by keeping it on site, or replacing it. He highlighted other concerns from participants in the open house. Most citizens wanted to see some action, but generally didn’t want to stop development in Sherman.

Mr. Hefton asked for a description of what a tree survey would actually entail. Mr. Maddox said they can be done by land surveyors, environmentalists, and others, and he explained the process, which

COUNCIL MINUTES – SEPTEMBER 14, 2023

would determine the desirable trees of a specific size or more. It also determines a replacement formula for trees that are removed. The developer would hire and pay the cost for the tree survey.

Council Members discussed the cost of the tree survey and how it would affect developers, and whether or not it would be passed on to homeowners. The cost would vary depending on the number and size of the trees on the property.

Mr. Rae said most developers weren't as opposed to the tree survey, as to the cost to re-engineer a site to save a specific size of tree. They are concerned that they will lose lots and density to preserve trees.

Council Member Stevenson said the City could work with developers and there could be negotiations, but if they just want to clear cut it, there might not be as much cooperation. The City wants to incentivize for preservation. He said negotiating with greenspace is the preservation route.

Mr. Rae said a comment was made earlier that "if they are clearcutting, there is no developer's agreement for them."

He was going to present a staff recommendation to start with, and the Council can tell them to go positive or negative. To require the tree survey, to include any tree 16" or greater, and the trees that need to be surveyed would be a "select tree," not Bois d'Arc or Hackberry. It would be Oak, Elm, or Heritage Trees. It would include mitigation and replacement for trees that are 16" or greater, and the starting point would be the Tier 2 Category. He said they recommended Tier 2, but if the developer does Tier 3, the City would provide regulatory incentives to help offset the costs.

Deputy Mayor Teamann recommended only requiring the tree survey, if the developer was planning to clear trees. Council Members discussed the possible requirements.

Mr. Hefton said the City will also need to cut trees down for future thoroughfares, and even leaving trees in the medians or the rights-of-way, must be trees that won't disturb the foundation of the street. Council Member Dobbs suggested, that if the City cuts trees down for roads, they plant new trees in the parks.

Mr. Hefton suggested that the staff bring back an ordinance for discussion before it is presented for approval. He felt the Council needed a "solid draft" to review. Mr. Maddox felt that they could design a proposed ordinance within the next two to three months, but that they needed public involvement throughout the process. Mr. Rae said it would also be required to go through the Planning and Zoning Commission.

A citizen expressed concern about the 42 projects that were already underway and how the tree ordinance would apply to them. Ryan Pittman, City Attorney, said State law does not allow cities to retroactively apply ordinances that did not exist at the time the developer obtains that right. That is not discretionary.

COUNCIL COMMENTS

There were no Council comments.

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.

COUNCIL MINUTES – SEPTEMBER 14, 2023

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Council Members determined there was no need for an Executive Session.

ADJOURNMENT

There being no further business to come before the City Council, motion was duly made and approved to adjourn the Meeting at 12:19 p.m.

MAYOR

ATTEST

CITY CLERK

STATE OF TEXAS §

April 19, 2024

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 April 19, 2024.

COUNCIL MEMBERS PRESENT: Mayor David Plyler; Deputy Mayor Shawn Teamann.
Council Members Dobbs, Holland, Howeth, Marroquin, Stevenson.

COUNCIL MEMBERS ABSENT: None.

CITY STAFF PRESENT: Robby Hefton, City Manager; Terrence Steele, Assistant City Manager; Clint Philpott, Assistant City Manager; Zach Flores, Assistant City Manager; Ryan Pittman, Attorney, Abernathy, Roeder, Boyd, Hullett; Rob Rae, Director of Development Services; Wayne Lee, Director of Engineering; Mary Lawrence, Chief Financial Officer; Billy Hartsfield, Fire Chief; Jason Jeffcoat, Police Chief; Jana Walker, Controller; Tom Pruitt, Utility Engineer; Nathan Whiddon, Wastewater Superintendent; Shawn Hackworth, IT Manager; Eric Sandberg, Quality Services Manager; Leah Campbell, Human Resources/OD Administrator; Nate Strauch, Community and Support Services Manager; Jim Cross, Water Systems Manager; Theresa Hutchinson, Parks and Recreation Manager; Jimmy Mrozinski, Solid Waste Superintendent; Bart Bowman, Deputy Fire Chief/EMS; Steven Davis, Assistant Fire Marshal; Travis Overturf, Civil Engineer; Tasheena Taylor, Administrative Assistant; Moises Duran, Emergency Management Coordinator; Melissa Eason, Library Services Administrator; Trevor Deaton, IT Support Tech; Teri Fine, Assistant to the City Manager; Linda Ashby, City Clerk.

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

Pledge of Allegiance and Invocation by Council Member Juston Dobbs

Citizen Comments

Financial Update and Council Input for 2024-2025 Budget Year

Council Comments

Executive Session

In Accordance with the Texas Open Meetings Act, Chapter 551 of the Texas Government Code, the City Council may hold an Executive Session if the discussion of any of the items identified in this agenda, or any of the items identified below, concern one or more of the following:

TEX. GOV'T CODE § 551.071 --

Seeking the advice of its attorney about pending or contemplated litigation, settlement offers or any matter in which the duty of the

COUNCIL MINUTES – APRIL 19, 2024

attorney to the City Council under the Texas Disciplinary Rules of Professional conduct of the State Bar of Texas clearly conflicts with the Texas Open Meetings Act.

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Open Meeting

Adjournment

CALL TO ORDER, QUORUM DETERMINED, MEETING DECLARED OPEN

Mayor Plyler called the meeting to order at 11:14 a.m., declared a quorum present, and opened the Called City Council Meeting.

PLEDGE OF ALLEGIANCE AND INVOCATION BY COUNCIL MEMBER JUSTON DOBBS

CITIZEN COMMENTS

There were no citizen's comments.

COUNCIL MINUTES – APRIL 19, 2024

FINANCIAL UPDATE AND COUNCIL INPUT FOR 2024-2025 BUDGET YEAR

Robby Hefton, City Manager, said this would be an update on where the City stands financially, in FY 2024, and discuss long-term planning issues, the upcoming budget year and future projects, and expectations for revenues. He also asked Council Members to advise the staff if there are things they would like to consider and bring back for discussion at the Budget Work Shop.

FY 2024 Work Plan Update

Mr. Hefton updated the Council on the FY 2024 Work Plan items and their current status of completion. There are challenges in the Solid Waste Fund and he said they could postpone a rate adjustment this year, in lieu of a transfer from the General Fund, however they will need to discuss future options. He also addressed rate issues from the FY 2024 Budget. He also briefly discussed the status of the major CIP projects for the budget year.

Financial Update -- Operations

Mary Lawrence, Chief Financial Officer, discussed the ending reserves for FY 2023 in the General Fund, which were at 118 days, slightly below what was budgeted. Staff expects that FY 2024 expenditures will be above budget due to the replacement of the City Hall HVAC, and transfers to the Solid Waste and Tourism programs.

In the Utility Fund, ending reserves were up because of projected well repairs that weren't completed last year, however those will be seen in FY 2024. Projected revenues are better than expected.

Reserves were up in the Solid Waste Fund, mainly due to the deferment of the purchase of two trucks this year.

All projected fund balances, as of September 30, 2024 are at, or above projected fund balances, so the financial performance is generally good.

Ms. Lawrence covered revenues and expenditures for all the major funds. She discussed several financial indicators, including new value and growth in property, and property taxes, and how Sherman's rate compared to comparable cities. A portion of FY 2023 and FY 2024 sales tax revenue is "one-time money" from the construction of Texas Instruments and GlobalWafers.

Mr. Hefton also addressed Texoma Area Solid Waste Authority gate fees in the Solid Waste Fund, which have increased 27% in the last two years. Ms. Lawrence said the commercial solid waste rates are within market, but the residential rates are 280% below the average market rate. She addressed other challenges in the Solid Waste Fund. The Solid Waste Fund is an "enterprise fund" which means it's funded by user fees. She discussed the solid waste fees and the disbursement from TASWA.

Council Member Holland entered the Council Meeting at 11:39 a.m.

Transfers out of the Solid Waste Fund, Utility Fund, and General Fund are going into the Employee Insurance Fund.

Long-Term Planning -- CIP, 5-Year Projections, and Debt Update

Ms. Lawrence presented a list of the Capital Improvement Projects, but said there will be a separate meeting later to cover these items in detail. She also discussed the specific types of debt that the City has, from Certificates of Obligation, General Obligation debt, and Tax Notes. Mr. Hefton discussed the possible use of Tax Notes to help the Solid Waste Fund and possible capital outlay for major equipment purchases.

COUNCIL MINUTES – APRIL 19, 2024

Ms. Lawrence addressed several years of “challenges” on bond payments, and Mr. Hefton said sales tax revenue is expected to go down some, due to the large industrial construction. The normal spending is “healthy,” but the large industrial construction has been a big part of the revenue for the last few years. This was expected to be “one-time money.” She discussed building excess reserves for bond payments prior to the utility revenue from the larger industries coming online.

Mr. Hefton said sales tax revenue is projected to decrease some due to the slowing down of the major industrial projects. The normal spending is still healthy. He said there are a lot of “moving parts” and they are having to make some assumptions, but will report back to Council as things move forward.

The City plans to issue a Certificate of Obligation for some of the larger projects. Ms. Lawrence presented a list of potential tax-backed projects for FY 2024-2025. Mr. Hefton said the participation with the Texas Department of Transportation will be the largest expenditure. Between TxDOT projects and development projects, there are a lot of street projects. There are major rebuilds planned for four streets.

She also presented the utility supported debt with the Greater Texoma Utility Authority. There is a rate plan in place, which will increase utility rates over the next few years, especially for larger users. Ms. Lawrence added that rates would be discussed at the Budget Workshop. She outlined some of the water and sewer capital projects and the funding that would be used for them. Strategies were also discussed to help manage the upcoming debt service.

Ms. Lawrence discussed the significant challenges for the General and Utility Funds, and said the City would accumulate higher reserves to help smooth the effects of revenue lag in the Utility Fund. The Public Works Facility is the only “high dollar” priority, and it is phased.

Mr. Hefton said the focus for the FY 2025 Work Plan is “sustainability” for the “bubble years.” The City is currently spending more money on downtown infrastructure, quality neighborhoods, improving existing parks and trails, streets, and public safety. There is also a concern about labor costs and market adjustments, especially for public safety and streets jobs. There are many “unknowns” in the funds, especially the Utility Fund. The plan is to use the General Fund as a “backstop” to the Utility and Solid Waste Funds for the next few years.

Mr. Hefton discussed various ways to address the sustainability. Because of the cap on the tax rate, the focus needs to be on growth, including more shopping in Sherman, new homes, and new businesses and industries. There needs to be policies in place on how the financing tools will be used, such as TIRZ, MUD, PID, and impact fees. For example, he said the sales tax revenue for the businesses in Crossroads equates to about as much property taxes as the City would get from a \$200 million investment.

As for financial expectations for FY 2025, Mr. Hefton said the City is currently at a tax base of about \$5.7 billion, which is a tremendous increase from last year. The staff is estimating a \$1.2 billion to \$1.7 billion increase in the property tax values for FY 2025. Most of that is industrial. He said the preliminary number is “considerably higher” than that, but they didn’t feel comfortable using that number.

He said they will have a better number by the Budget Workshop. If it does end up being that amount, he said, at a \$0.50 tax rate, it would be a \$6 million to \$8.5 million additional, incremental, one-time ad valorem revenue for next year. It won’t continue to grow that much, because some abatements will begin in 2026.

COUNCIL MINUTES – APRIL 19, 2024

As for sales tax, Mr. Hefton said there will be four to six months of noticeable, incremental sales tax from the industrial construction. However, sales tax revenues are expected to be down for next year. Impact fees are also expected to be lower because those are based on the cost of the industrial project, which has been unusually high. They still plan to build reserves in the General Fund to help the General and Utility Fund during the challenging years.

Changes will be made to the Utility Rate Study as planned, but the block rate structure will continue to be used. CIP projects will determine what the rates will need to be. There will be an increase in expenses for the new Wastewater Treatment Plant coming on line and for its staffing, as well as for well repairs, and the increase in debt service.

There will also be challenges in the Solid Waste Fund, especially related to tipping fees and equipment replacement.

Mr. Hefton said there will be no projected change in the tax rates, and the utility rates will be updated per the Rate Study. The Solid Waste rates will likely increase as needed, with the amount depending on revenue and transfers from other sources.

Mr. Hefton discussed the property tax rate, but said as long as the tax rate stays between the “no new revenue” rate and the “voter approval” rate, “we would be fine.” He did say there maybe swings in the amount of tax revenue, but not in the rate.

FY 2025 Workplan and Budget Focus

He outlined the workplan focus for FY 2025, and asked for Council input on the plan. He said there maybe additional items that come up that are unknown at this time, and they may need to be added to the workplan.

Council Input

Mr. Hefton said there was some questions about Solid Waste costs and their fleet needs and need for a new transfer station. For the next two to three years, he said there were about \$1.5 million in fleet needs for the department. The number of customers and the number of runs are both growing, and there is a need for additional fleet and the replacement of fleet.

He added that ratepayers should pay Solid Waste fees and not taxpayers. Tax Notes will probably be used to purchase some of the fleet. Another unknown is any increased cost from TASWA for landfill tipping fees. He asked the Council to consider what tools the City might use to balance these costs.

Deputy Mayor Teamann asked for a list of all the cities that use TASWA, and what their current rates are. He wanted to know if the lack of distribution from them is subsidizing and driving down the rates for the other cities that aren't founders of the landfill.

Council Member Stevenson verified that there had been an increase due to the weight of construction trash. Mr. Hefton said there had been an increase in commercial solid waste of about \$700,000 or \$800,000 more in revenue than was budgeted. However, nearly all of the revenue is “eaten up” by the fleet costs, fuel costs, people costs, and tipping fees. Because of that, there might be a net of \$100,000 or \$200,000.

Council Member Stevenson asked how long it had been since there was a residential solid waste rate increase. He said \$12 is very reasonable. Mr. Hefton said four or five years ago, the City agreed to lower the residential rate to \$12, as an offset to an increase in another fee, either tax or utilities. Currently, the City's solid waste rate is half or a third of what other cities charge. However, proportionally, the City's residential revenues represent about 20% of the total revenue. That is

COUNCIL MINUTES – APRIL 19, 2024

probably in the residential solid waste program, not the commercial program. It is heavily subsidized by the commercial operation. The routes have to be reshuffled as residential growth continues.

Council Member Stevenson said he would rather have a larger increase in the residential rate this year, rather than smaller rate increases every year. Mr. Hefton added that the City's commercial rates are in the middle of the other peer cities.

Council Members discussed the TASWA annual disbursement, and Council Member Dobbs asked if an ongoing policy could be adopted for a specific disbursement amount. Mayor Plyler said they did put a framework in place, and once the distribution amount is identified, then there is a formula for each City. What makes that difficult, he said, is that TASWA has a lot of Federal, and other regulations that impact their performance, and make their costs a little fluid.

Mr. Hefton said the staff was not proposing a tax rate increase, and utility rates will be presented after the Rate Study is completed. The staff has not discussed an increase in impact or stormwater fees.

He asked Council Members if they had any other concerns they would like to address. Their concerns were:

- Streets and pot hole program (Shawn Teamann)
- Traffic, signal changes, and traffic control (Josh Stevenson)
- Thoroughfare design, signalization, capacity, and speed study (Shawn Teamann)
- Streets and pot holes (Josh Stevenson)
- Outsource someone to help with bigger street maintenance jobs (Henry Marroquin)

Mr. Hefton said there are "six more years of TxDOT projects through Sherman" which will damage internal streets with detours and heavy traffic.

COUNCIL COMMENTS

Council Member Howeth invited everyone to the Texoma Area Paratransit System's groundbreaking on May 3, 2024, at 9:30 a.m.

EXECUTIVE SESSION

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COUNCIL MINUTES – APRIL 19, 2024

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No Executive Session was needed.

ADJOURNMENT

There being no further business to come before the City Council, motion was duly made and approved to adjourn the Called Meeting at 12:59 p.m.

MAYOR

ATTEST

CITY CLERK



Budget Planning Meeting

April 19, 2024

AGENDA

FY2024 Work Plan Update

Financial Update – Operations

Long-term Planning – CIP, 5-year projections, and Debt Update

FY2025 Workplan and Budget Focus

Council Input



Work Plan Update

Work Plan Summary for FY2024

Compensation/Staffing

- ★ 4% COLA, evaluate mid-year
- ★ Market adjustments, as needed
- ★ HSA contribution
- ★ New positions, as presented
- ★ PD,FD, Streets Pay Plan

- ★ Completed
- ★ In-progress
- ★ Delayed
- ★ Postponed

Facilities/CIP

- ★ FD renovations combine Stn 1 & 2
- ★ Various General and Utility CIP projects – more detail at CIP Meeting in May
- ★ ★ New City Hall Planning – postponed in favor of pursuing existing City Hall renovations

Planning & Operations

- ★ Utility rate proposed block rate structure
- ★ Renew Street Sales Tax

Work plan Summary for FY2024

(continued)

Planning and Operations (cont.)

- ★☑ Enhanced Street rebuild program via materials budget, CIP crew
- ☑★ Fleet and equipment purchases
- ☑★ Tax note financing for various equipment/projects
- ☑★ Enhanced Quality Neighborhood program
- ☑★ Downtown focus:
 - ☑★ Enhanced Incentive
 - ☑★ Retail/Restaurant
 - ☑★ Infrastructure
- ☑★ Solid Waste Rate adjustment – postponed in favor of xfer from General Fund
- ★☑★ Major Parks improvements (including trails)
- ☑★ Residential development balanced approach – (see housing study)
- ☑★ Subdivision Ordinance revisions – coming in Spring/Summer

FY2024 Budget - Rates

General Fund

- ★ Tax rate set at \$.508

Utility Fund

- ★ Blocked rate adjustment according to 5-year plan

Solid Waste Fund

- ★ No change in SW rates -

Stormwater Fee

- ★ Increase \$1 to \$2

Major General CIP Projects – Prior Year

- ★ *Lamberth Rd West/Friendship Rd – Hickory Hill*
- ★ *Progress Drive – Flanary to Progress Rail*
- ★ *Flanary Rd – FM1417 to Progress*
- ★ *FM1417 ROW – SH56 to W. Travis*
- ★ *Moore Street – W Travis to FM 1417*
- ★ *Moore Street – Park St to power easement*
- ★ *MLK Restrooms*
- ★ *Beach Club Blvd, London Lane*
- ★ *Shepherd Rd*
- ★ *Bel Air Blvd – Phase II*
- ★ *Pecan Grove West lighting/shade structures/electrical*
- ★ *Fire Station 1&2 combination*
- ★ *Fairview Park Restroom/Concession*
- ★ *OB Groner design – west of FM1417*
- ★ *Future land needs*
- ★ *Blanton St Drainage – Birge to McGee*
- ★ *CIP Crew - Streets*
- ★ *Master Plan trail construction*
- ★ *Center Street Bridge*
- ★ *Sherman Street Improvements*
- ★ *Shark Tooth Park design*
- ★ *Northcreek Subdivision Park*
- ★ *Asphalt Pump Track – Binkley Park*

- ★ Completed/Substantial
- ★ In-Progress
- ★ Delayed/No progress
- ★ Postponed



Major General CIP Projects (General) – FY24

- ★ *Heritage Ranch US 82 Ramp – Eng*
- ★ *SW Trail – Grant Funded*
- ★ *Westhill Creek Erosion*
- ★ *PGE playground/parking*
- ★ *Fairview Tennis resurface/fence/lighting*
- ★ *Baker Park Fishing Pier*
- ★ *OSP Lighting – Phase I*
- ★ *PGW Splash Pad*
- ★ *Fairview Playground*
- ★ *Fairview Large Pavilion*
- ★ *Fairview Softball Field Lighting*
- ★ *Hawn Playground*
- ★ *Hawn Pavilion*
- ★ *Turf Athletic Field*
- ★ *Herman Baker Disc Golf*
- ★ *Station 4 Concrete Rebuild*
- ★ *Public Safety Trunking System*
- ★ *Hills of Sherman Detention*

- ★ Completed/Substantial
- ★ In-Progress
- ★ Delayed/No progress
- ★ Postponed



Major General CIP Projects (Utility) – FY24

- ★ *Abandon Preston Club WWTP/Lift Stations*
- ★ *Abandon S. Crockett lift station*
- ★ *Remove WTP Sludge*
- ★ *Lab Expansion*
- ★ *Bel Air Waterline*
- ★ *WTP and Texoma Pump Station Electrical/Backup*
- ★ *Lamberth Water Line Loop*
- ★ *SE Sewer – Rosedale to First*
- ★ *Shepherd EST*
- ★ *Texoma Pump Station 25 MGD #1*
- ★ *WTP 100 MG Water Storage Reservoir*
- ★ *Post Oak Creek Sanitary Sewer*
- ★ *Downtown Sewer*
- ★ *Lead and Copper Rule Revision*
- ★ *WWTP Electrical, Switchgear, Generator*
- ★ *Brine Disposal Line*
- ★ *WWTP 4 MGD MBR Plant*
- ★ *36" Transmission Line*
- ★ *WTP EDR Rehab*
- ★ *5 MGD WTP Expansion (UF/RO)*

- ★ Completed/Substantial
- ★ In-Progress
- ★ Delayed/No progress
- ★ Postponed





*celebrate
the arts.*

Financial Update - Operations

Financial Update Summary - Operations

General Fund

- FY2023 ending reserves \$4.6M above FY2022
- 118 days at 9/30/23
- FY2024
 - Reserves – \$1.3 M below FY2023
 - Revenues – Sales Tax audit adjustment, Health Fund transfer \$1.2 million
 - Expenses – Personnel, HVAC, Sales Tax grants, transfers to solid waste and tourism

Financial Update Summary - Operations

Continued

Utility Fund

- FY2023 ending reserves up \$850k from FY2022
- FY2024 projected revenue \$800 million under budget; expenses \$1.6 million above due to well repairs, fleet
 - “Normal” year projected

Solid Waste Fund

- FY2023 ending reserves up about \$138k
- FY2024
 - Projected revenues above budget - CSW
 - Expenses above budget – disposal fees

Financial Update Summary - Reserves

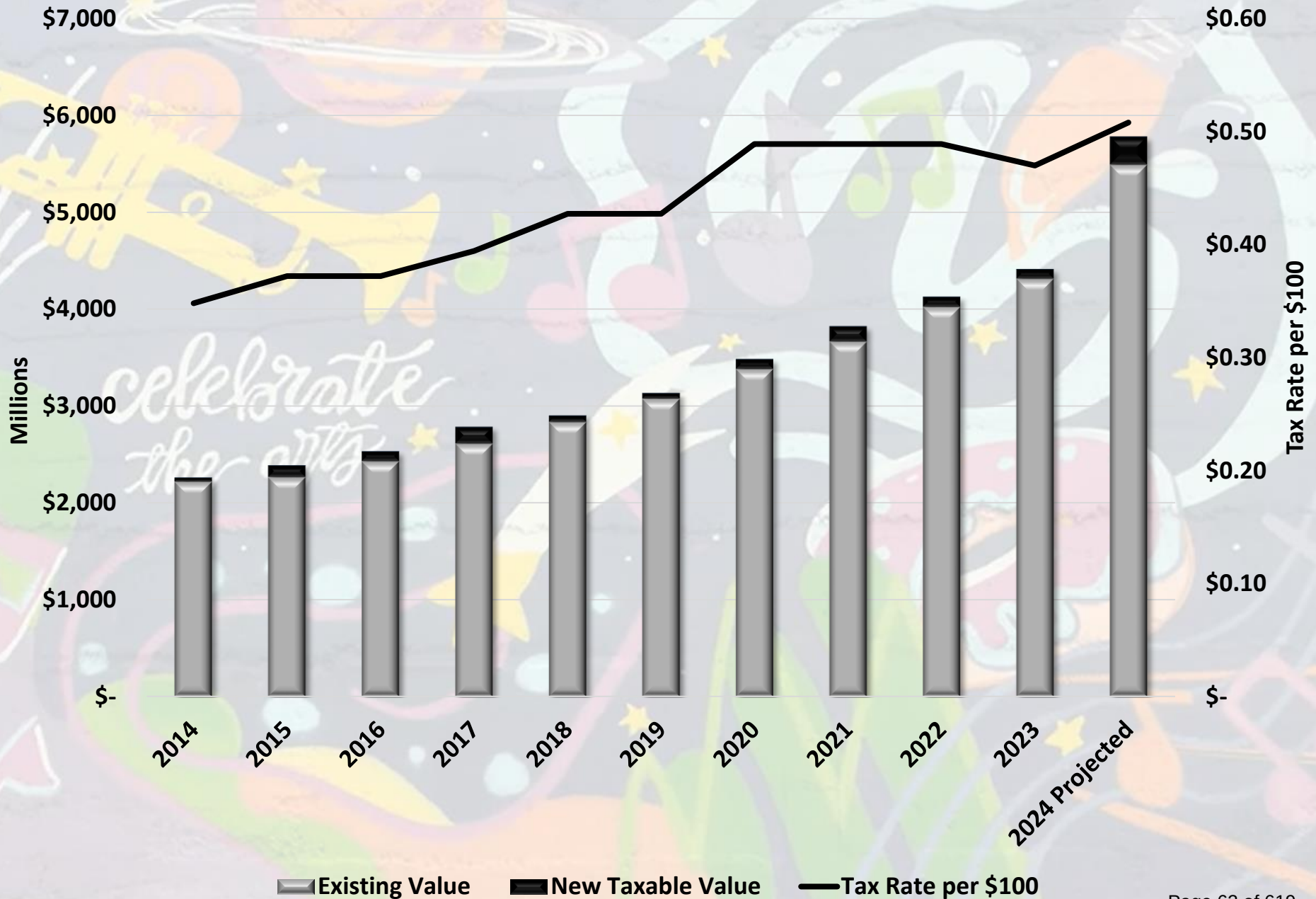
Projected Fund Balances as of Sept. 30, 2024

- General Fund - \$16.8 million
 - \$500k above FY24 adjusted budget
 - 95 days reserves
- Utility Fund - \$6.0 million
 - \$275k below FY24 budget
 - 67 days reserves
- Solid Waste Fund - \$1.7 million
 - \$790k above FY24 budgeted – CSW and General Fund transfer of \$84k
 - 60 days reserves

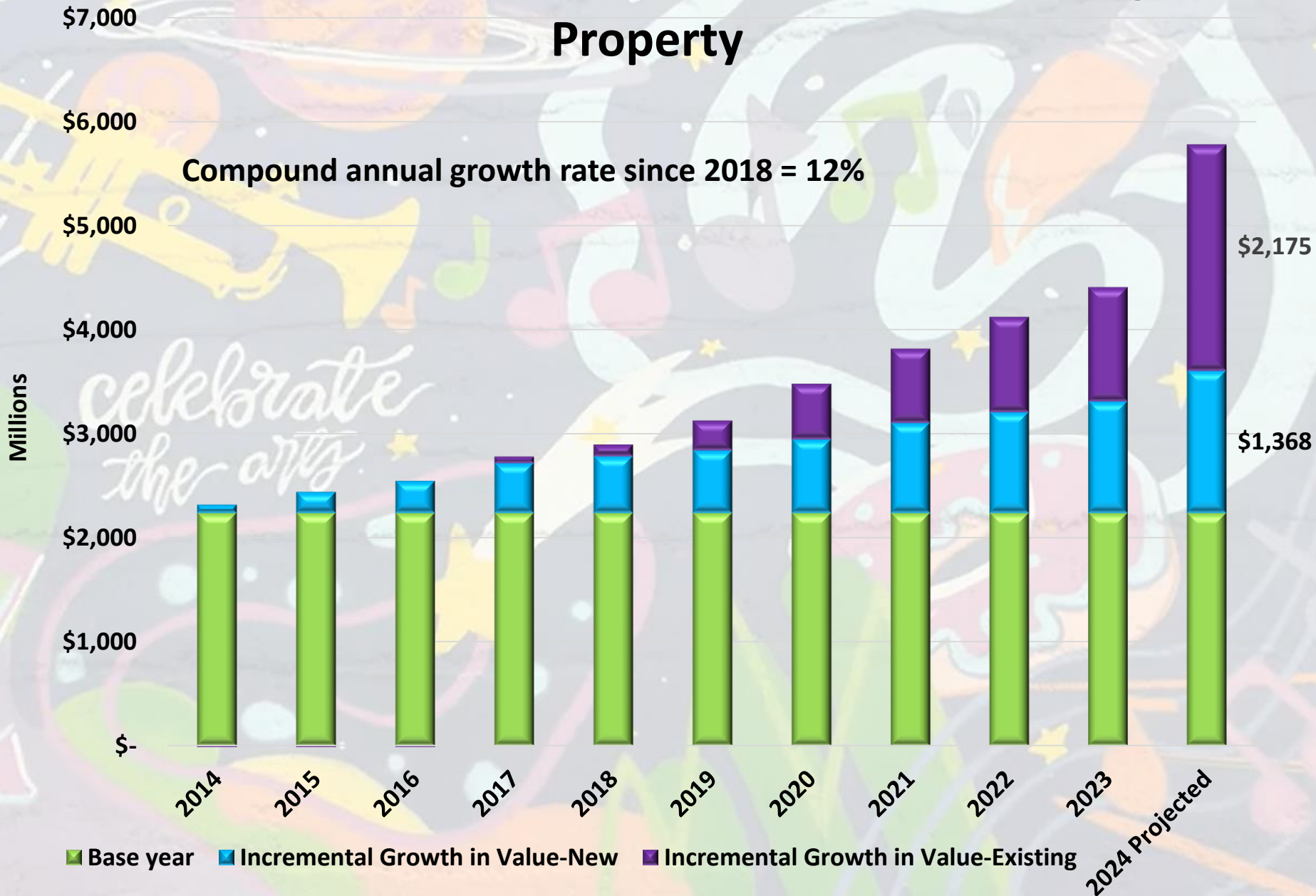
City of Sherman GENERAL FUND

	Actual 2022-2023	Adjusted Budget 2023-2024	Projected 2023-2024
Beginning Fund Balance	\$ 13,523,961	\$ 16,555,152	\$ 18,151,114
Revenues			
Property Tax	12,824,275	15,239,400	14,603,200
Sales Tax	29,544,513	31,250,000	30,170,000
Franchise Tax	3,141,868	3,362,000	3,162,000
Other Taxes	168,765	172,500	172,500
Fines & Penalties	662,613	624,200	624,200
Recreation	362,974	328,500	328,500
Licenses & Permits	2,874,488	2,576,000	2,576,000
Rentals	16,575	1,850	1,850
Cemetery	232,438	217,600	217,600
Sales & Service	2,665,484	1,686,296	1,686,296
Ambulance Service	1,629,725	1,332,000	1,632,000
Interest Income	514,365	340,000	565,000
Grant Revenue	258,129	58,200	58,200
Intergovernmental	169,482	769,650	769,650
Miscellaneous Revenue	1,062,013	229,100	229,100
Total Revenues	56,127,708	58,187,296	56,796,096
Transfers In	4,477,471	5,224,583	6,480,583
Total Revenues and Transfers In	60,605,179	63,411,879	63,276,679
Total Funds Available	74,129,139	79,967,031	81,427,793
Expenditures			
Personnel	36,959,550	41,638,990	41,220,960
Supplies	2,104,641	2,300,993	2,513,993
Repair & Maintenance	2,492,276	3,010,470	3,250,470
Utilities	1,178,066	1,372,690	1,372,690
Information Technology	1,157,179	1,469,120	1,469,120
Services & Charges	5,790,599	7,205,208	7,512,708
Vehicle Usage	3,169,705	2,618,387	2,718,387
Capital Expenses	995,228	1,256,213	1,399,913
Fleet Services & Charges	1,335,781	1,815,453	1,815,453
Transfers Out	795,000	1,000,000	1,334,000
Total Expenditures	55,978,025	63,687,524	64,607,694
Excess Revenues over Expenditures	4,627,153	(275,645)	(1,331,015)
Ending Fund Balance	\$ 18,151,114	\$ 16,279,507	\$ 16,820,099

New Value and Growth in Existing Property



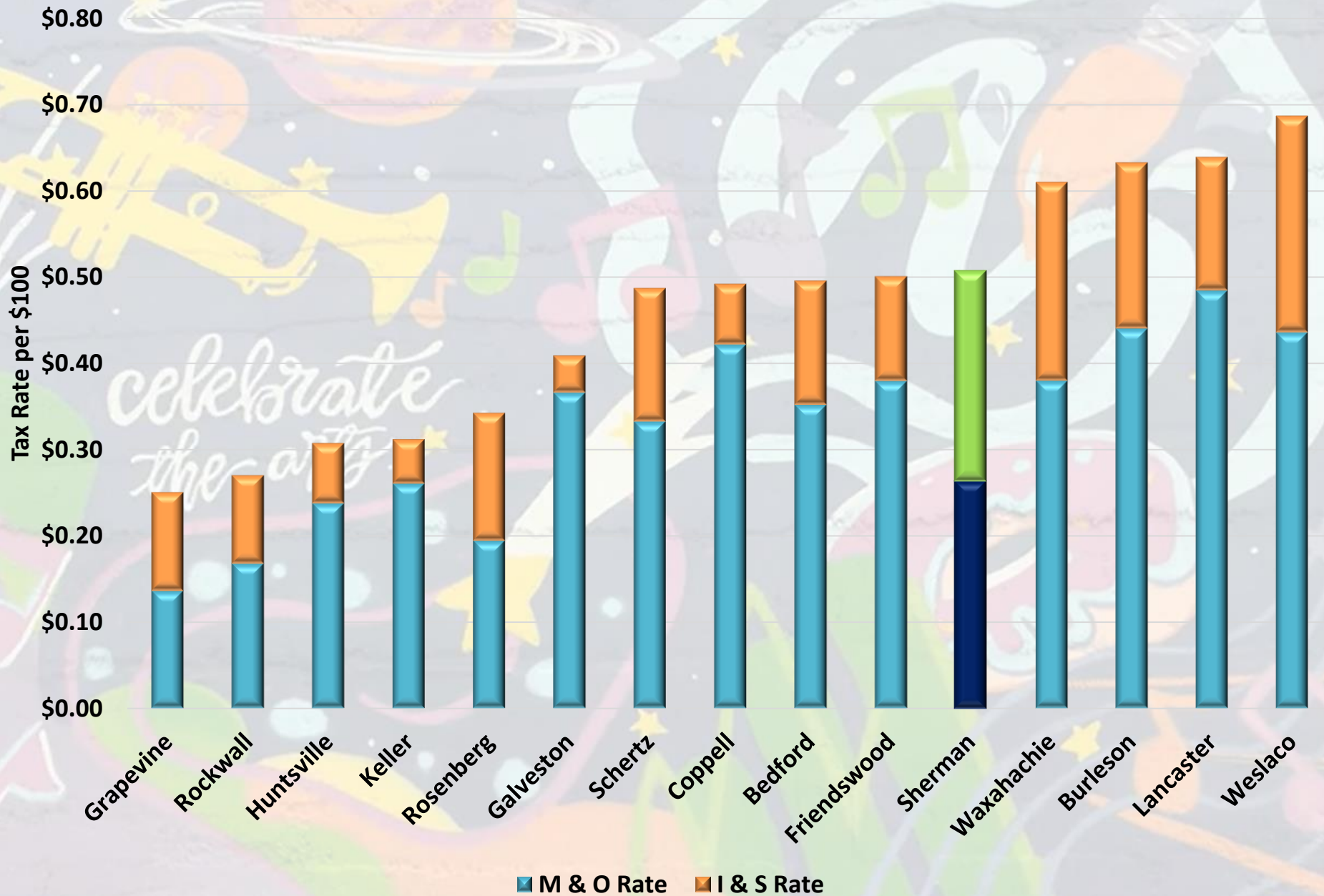
Cumulative New Value and Growth in Existing Property



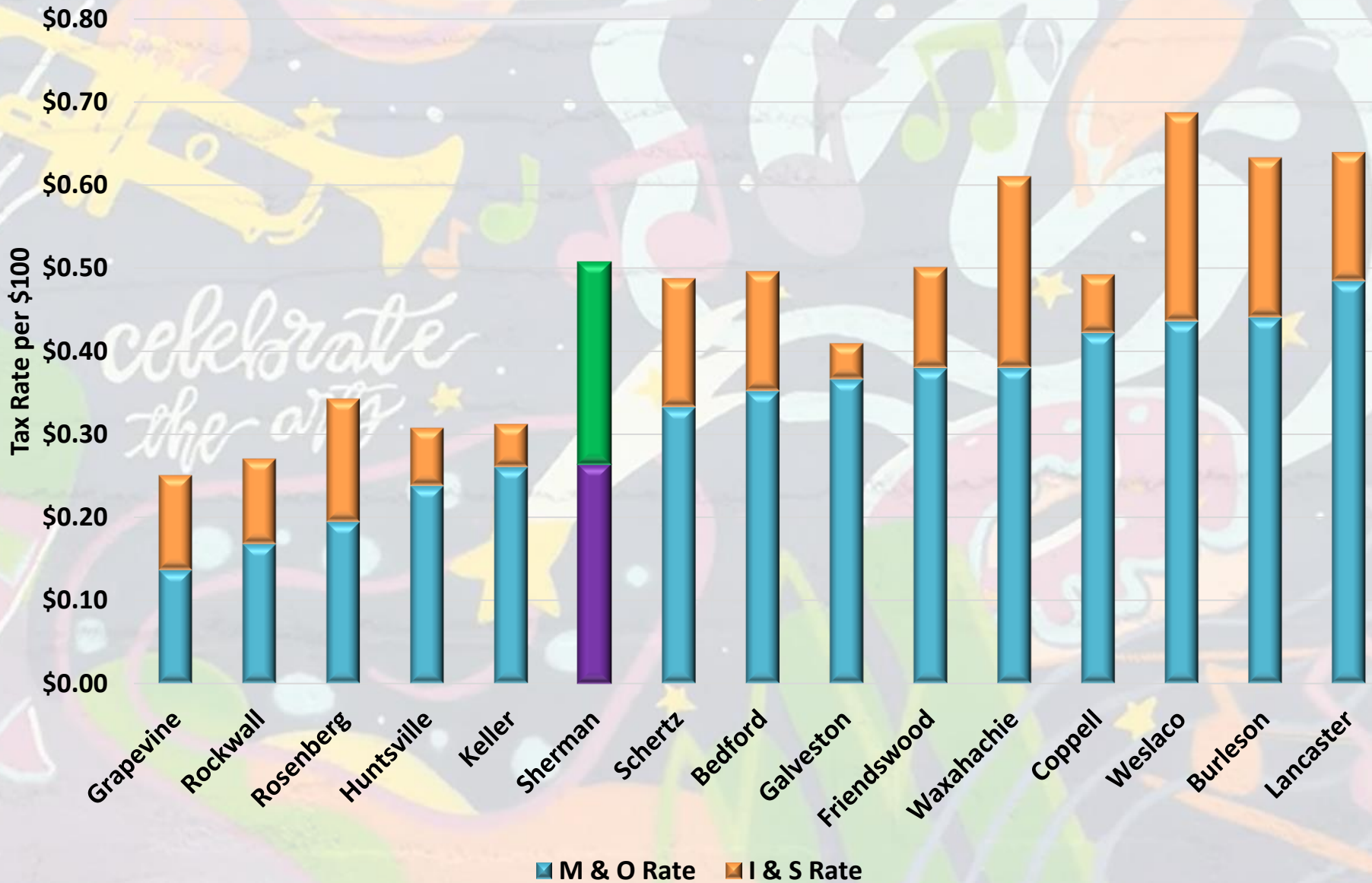
Property Taxes



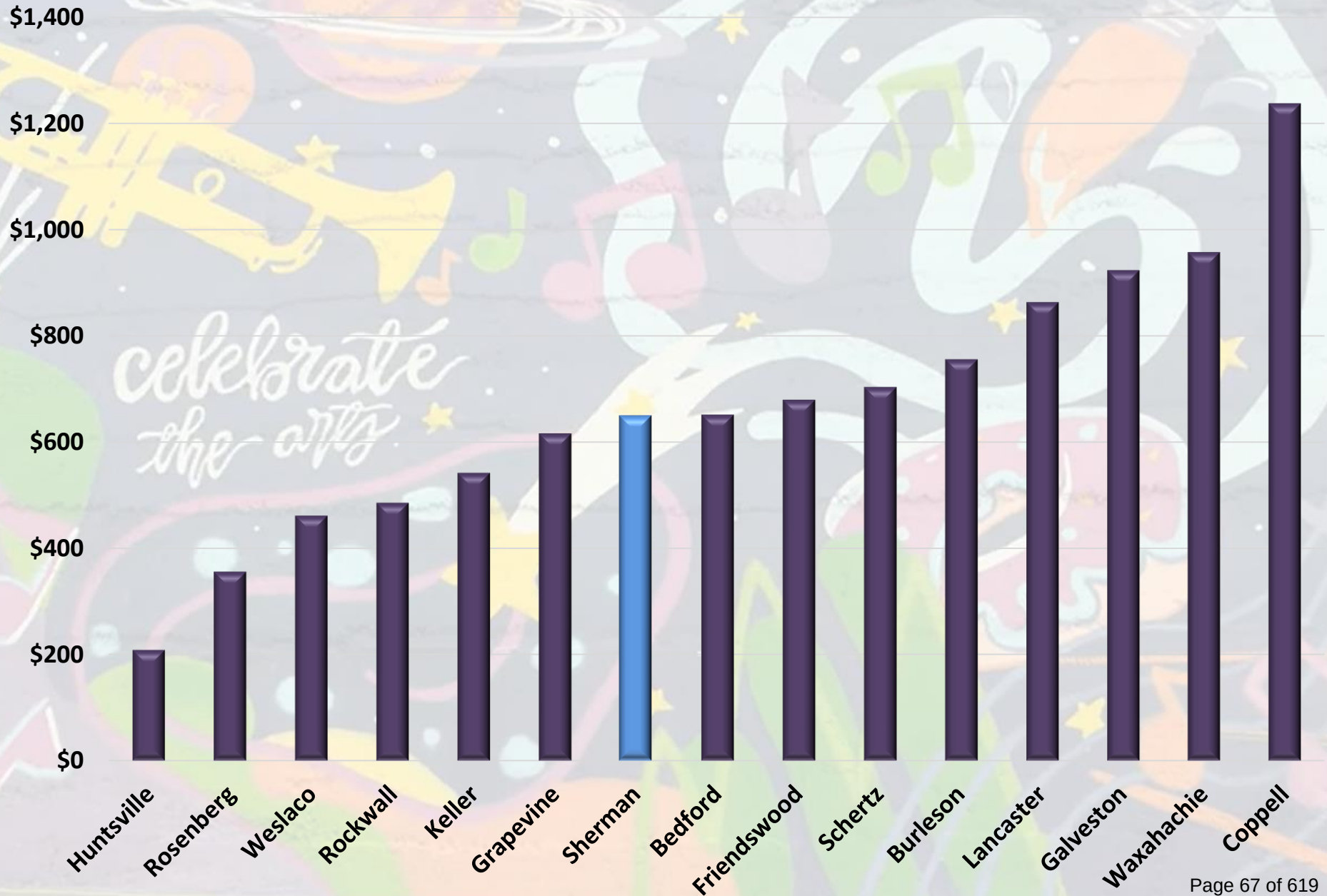
Property Tax Rates of Similarly Sized Cities by Total Tax Rate



Property Tax Rates of Similarly Sized Cities by M&O Tax Rate

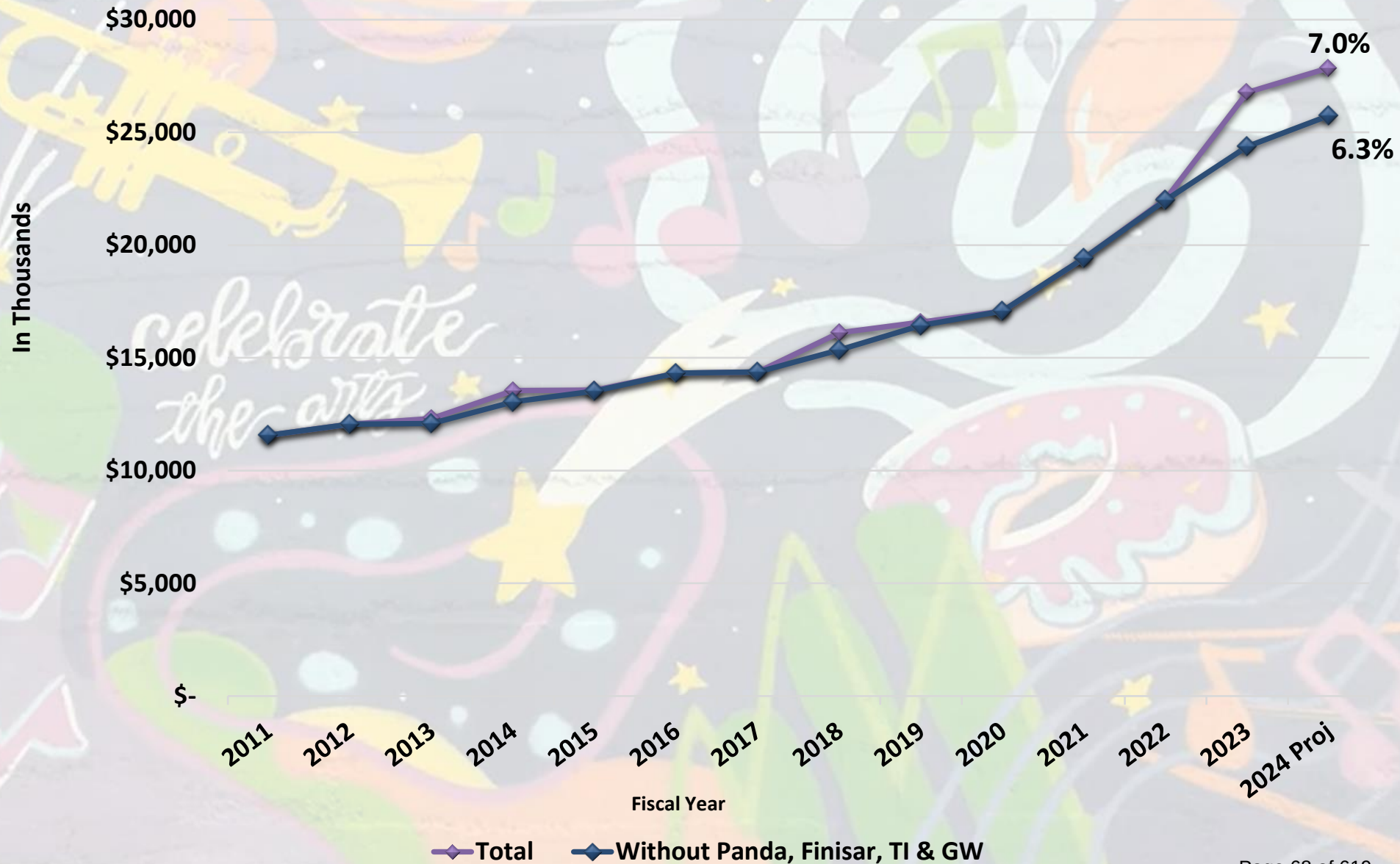


Per Capita Property Taxes

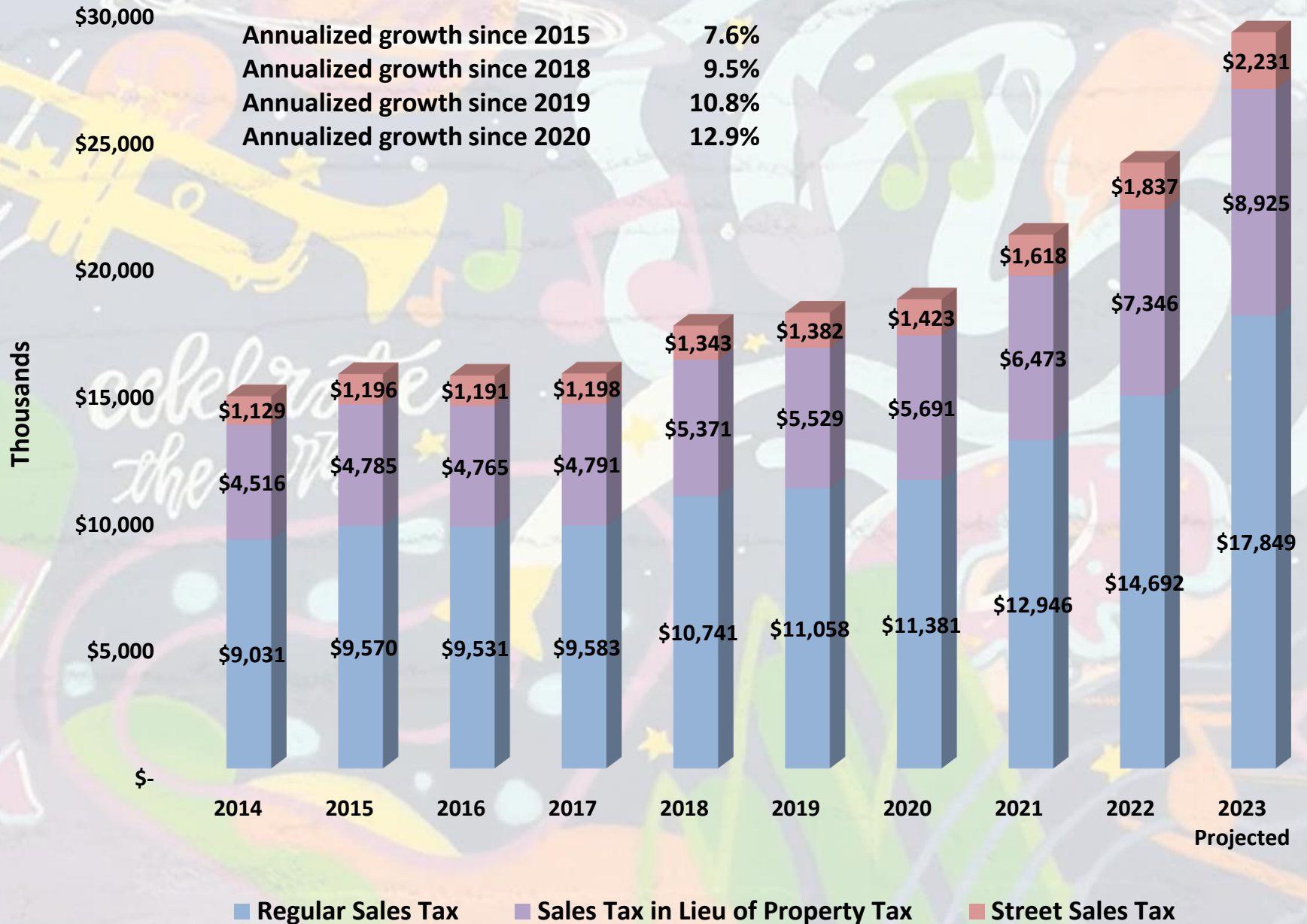


Sales Tax History

(excluding Street tax)



Sales Tax



City of Sherman

UTILITY FUND

	Actual 2022-2023	Adjusted Budget 2023-2024	Projected 2023-2024
Beginning Reserve	\$ 6,576,940	\$ 5,143,093	\$ 7,264,060
Revenues			
Water Sales	16,712,287	16,850,000	17,840,000
Sewer Sales	9,373,673	11,920,000	9,826,300
Laboratory	123,910	183,000	183,000
Service Charges & Penalties	658,132	670,000	670,000
Charges for Services	377,527	300,000	300,000
Interest Income	149,844	100,000	100,000
Intergovernmental	408,574	410,335	410,335
Miscellaneous Revenue	140,415	77,000	77,000
Total Revenues	27,944,362	30,510,335	29,406,635
Transfers In	406,000	1,538,092	1,835,092
Total Revenues and Transfers In	28,350,362	32,048,427	31,241,727
Total Funds Available	34,927,302	37,191,520	38,505,787
Expenditures			
Personnel	7,502,483	8,719,960	8,663,160
Supplies	1,774,873	2,518,128	2,518,128
Repair & Maintenance	3,105,219	3,480,134	5,142,634
Utilities	1,935,031	2,219,890	2,219,890
Information Technology	305,610	411,200	411,200
Debt Service	6,937,130	7,096,117	7,096,117
Services & Charges	1,377,329	2,000,297	1,982,797
Vehicle Usage	738,533	599,096	599,096
Fleet Services & Charges	428,072	187,800	187,800
Capital Expenses	413,698	263,698	263,698
Total Expenditures	24,517,979	27,496,320	29,084,520
Transfers Out	2,978,112	3,456,458	3,456,458
Total Expenditures and Transfers Out	27,496,091	30,952,778	32,540,978
Excess Revenues over Expenditures	854,272	1,095,649	(1,299,251)
Ending Reserve	\$ 7,264,060	\$ 6,238,742	\$ 5,964,808

Water and Sewer Revenues



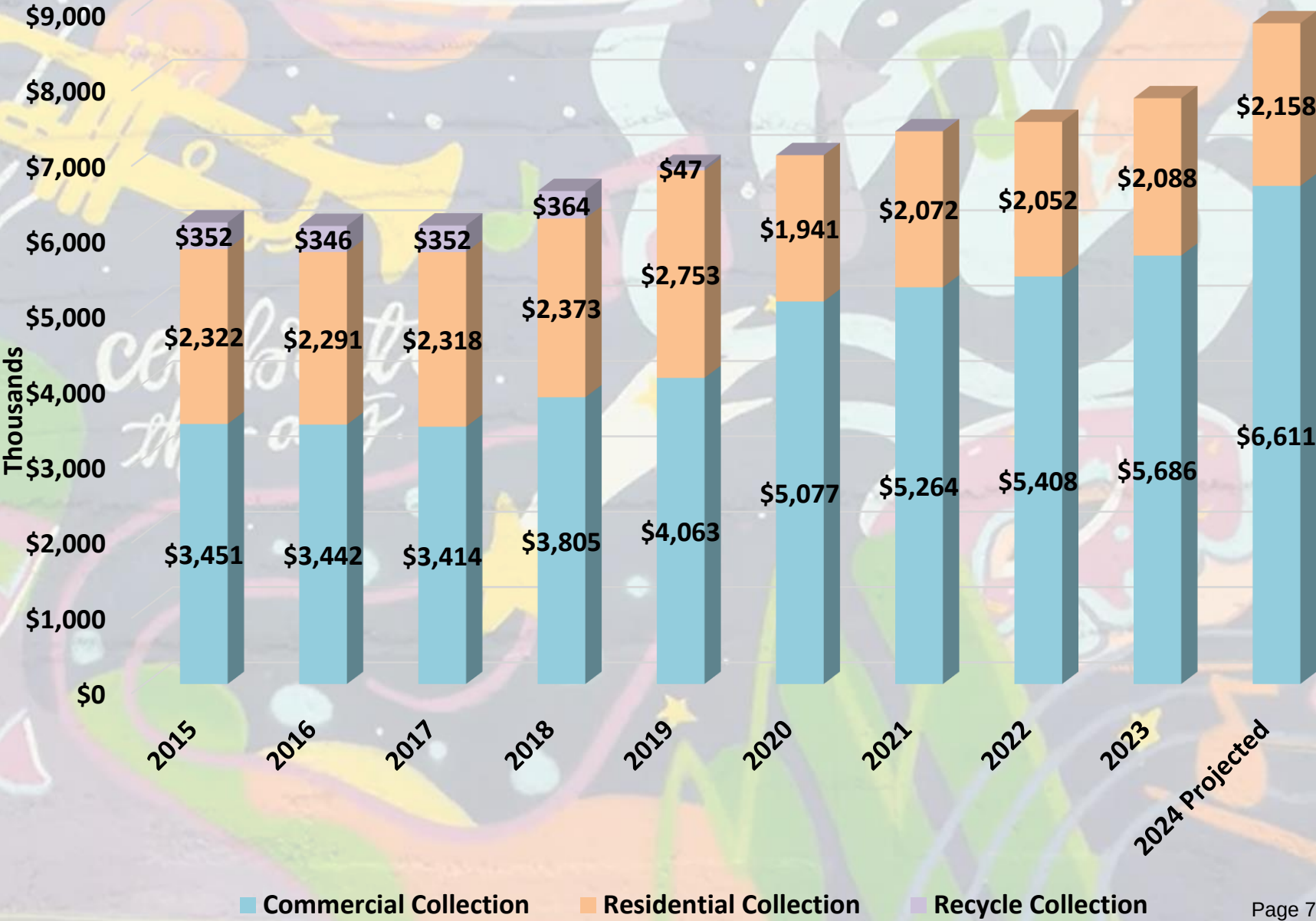
City of Sherman SOLID WASTE FUND

	Actual 2022-2023	Adjusted Budget 2023-2024	Projected 2023-2024
Beginning Fund Balance	\$ 1,742,197	\$ 1,663,043	\$ 1,880,126
Revenues			
Solid Waste Service	7,773,899	8,012,000	8,768,000
Service Charges & Penalties	121,949	125,000	125,000
Interest Income	61,210	67,000	67,000
Miscellaneous Revenue	816,015	787,000	787,000
Transfers In	-	-	164,000
Total Revenues	8,773,074	8,991,000	9,911,000
Total Funds Available	10,515,271	10,654,043	11,791,126
Expenditures			
Personnel	2,125,012	2,542,630	2,542,630
Supplies	321,141	435,338	435,338
Repair & Maintenance	51,571	54,721	54,721
Utilities	62,563	71,470	71,470
Information Technology	92,320	115,050	115,050
Services & Charges	2,568,392	2,920,197	3,267,197
Vehicle Usage	1,598,252	1,552,451	1,552,451
Capital Expenses	123,650	173,000	173,000
Fleet Services & Charges	374,527	47,000	47,000
Transfers Out	1,317,716	1,865,661	1,865,661
Total Expenditures	8,635,145	9,777,518	10,124,518
Excess Revenues over Expenditures	137,929	(786,518)	(213,518)
Ending Fund Balance	\$ 1,880,126	\$ 876,525	\$ 1,666,608

Solid Waste Fund

- **Revenue from charges does not cover costs**
 - **TASWA Fees have increased 27% in the last two years**
 - **Distribution of “excess” has not made up for the increase**
 - **Residential rates are 280% below average market rate**
- **Cost of trucks - e.g. Roll-off truck in 2020 was \$187k; current cost is about \$260k**
- **Roll-off demand has doubled in the last year**
- **Added routes and drivers**
- **Backup trucks are past their useful life and require large and costly maintenance**
- **Solid Waste should pay for their share of new Public Work Facility**
- **New technology and facilities are more efficient in the long-run but have significant up-front costs.**

Solid Waste Revenues

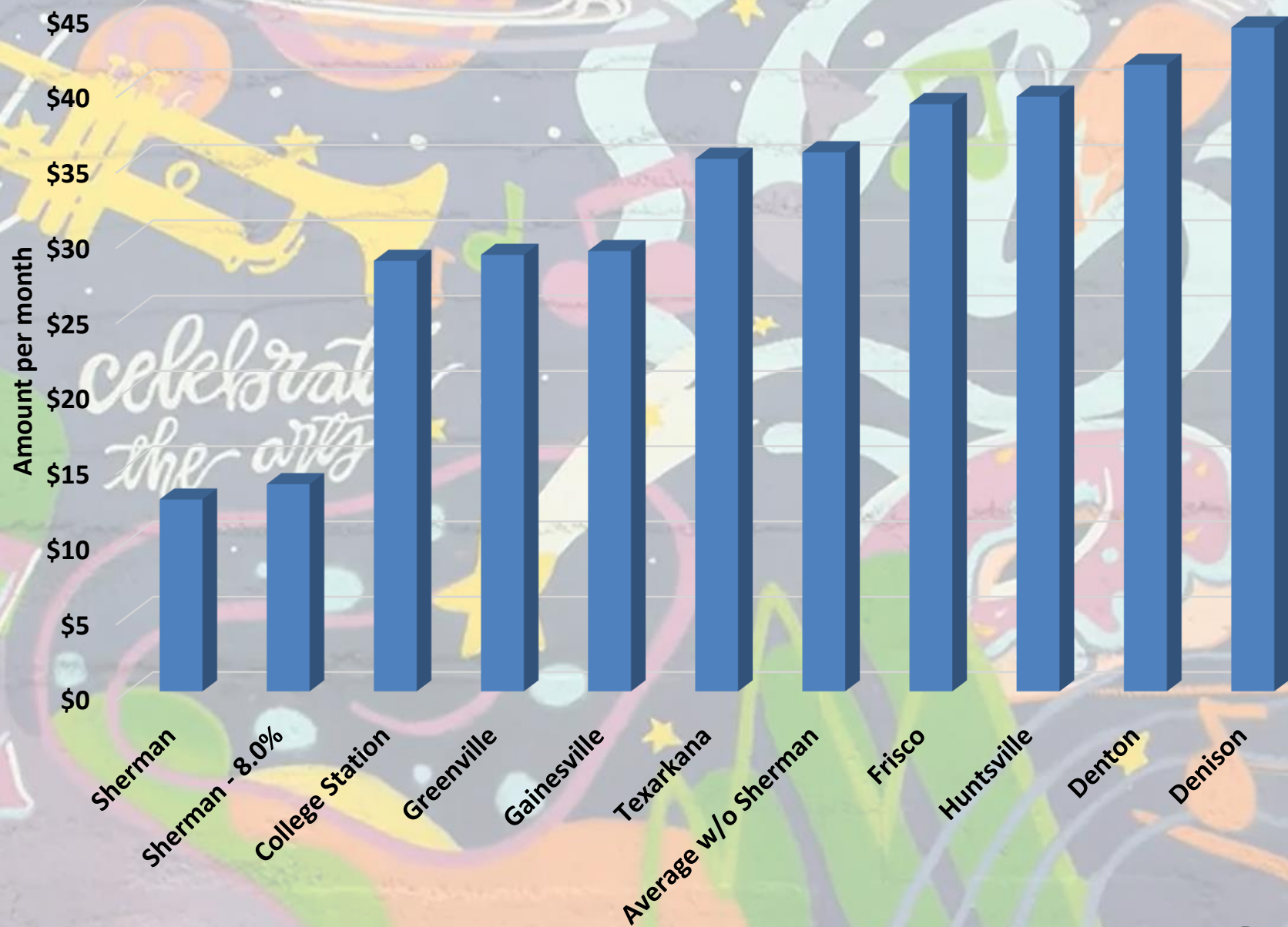


Solid Waste Fund

Current (2 containers)	FY 2024 TASWA distribution	TASWA distribution expressed as RSW rate at 30% of tipping fees	Total rate with TASWA distribution	Rate to balance fund with TASWA distribution and 5.% CSW increase	TASWA distribution needed to balance fund with no rate increase
\$ 12.75	\$ 795,924	\$ 1.37	\$ 14.12	\$ 20.71	\$ 2,500,000

- \$20.71 funds ongoing level of equipment purchases to maintain current fleet.
- Costs for Solid Waste's share of a Public Works Facility or to update the tipping floor are not included, estimated at about \$800k of debt service per year.

Residential Trash Rates

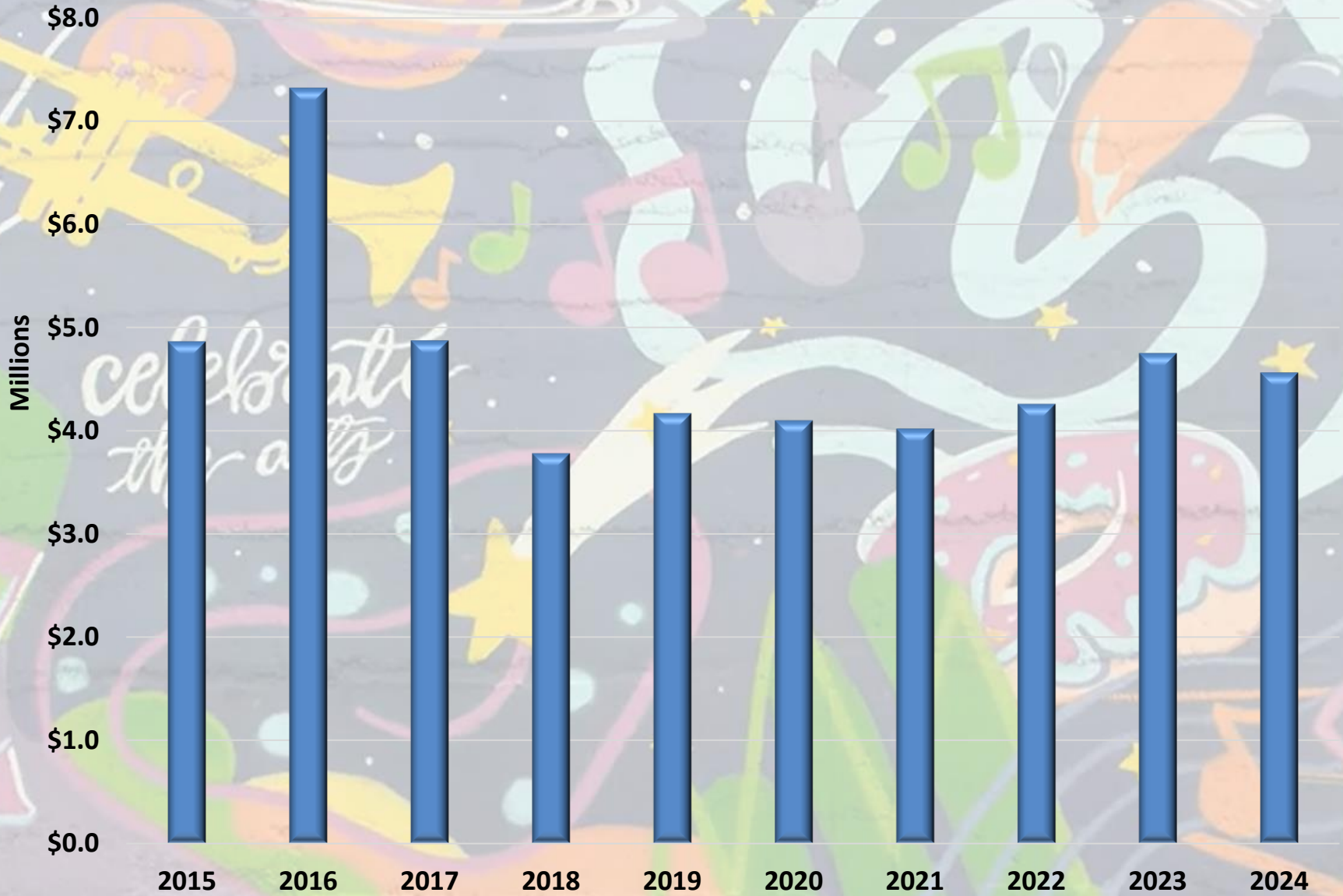


City of Sherman

EMPLOYEE INSURANCE FUND

	Actual 2022-2023	Budget 2023-2024	Projected 2023-2024
Beginning Fund Balance	\$ 503,954	\$ 374,093	\$ 1,364,722
Revenues			
Employer Contributions	5,054,481	5,511,680	5,340,000
Employee Contributions	1,167,399	1,160,500	1,105,000
Retiree Contributions	170,556	180,000	112,000
COBRA Contributions	1,007	1,000	1,000
Miscellaneous Revenue	7,188	-	-
Interest Income	84,995	20,000	65,000
Transfers In	300,000	-	-
Total Revenues	6,785,626	6,873,180	6,623,000
Total Funds Available	7,289,580	7,247,273	7,987,722
Expenditures			
Health Insurance Claims	4,749,349	5,500,000	4,600,000
Administration & Premiums	1,127,973	1,336,000	1,200,000
Life Insurance Premiums	47,535	57,000	62,000
Transfers Out	-	-	1,725,000
Total Expenditures	5,924,858	6,893,000	7,587,000
Excess Revenues over Expenditures	860,768	(19,820)	(964,000)
Ending Fund Balance	\$ 1,364,722	\$ 354,273	\$ 400,722

Group Health Fund Claims History



An aerial architectural rendering of a school campus. The central feature is a large, modern school building with a flat roof and multiple wings. To the left of the building is a large, rectangular sports field, possibly for soccer or football. To the right is another sports field, which appears to be a baseball or softball field. A parking lot with several cars is situated between the building and the sports fields. The campus is surrounded by green lawns and trees. In the background, there is a large, undeveloped area with a crane, suggesting a construction site. The sky is clear and blue.

CIPs

City of Sherman
GENERAL IMPROVEMENT FUND – City Funds

	Actual 2022-2023	Total Project Budget	Project-to-Date 4/12/2024
Transportation			
Projects			
(1) Latex Printer Sign Shop	-	18,165	18,165
(1) Sign Table	-	17,795	17,795
(1) Wanco Message Boards	-	34,082	34,082
(1) Bel Air Blvd Construction Ph I	160,393	1,500,000	1,255,797
(1) Pebblebrook Ph IV Drainage	447,494	545,000	544,700
Total	607,887	2,115,042	1,870,539
Funding Sources			
(1) General Fund transfers/Land sales		2,115,042	
Parks and Recreation			
Projects			
(2) Trail Development The Grove	-	50,000	-
(1) Expand Fairview tennis courts;	516,414	516,414	516,414
(1) Recreation Center Study	21,628	40,000	30,100
Total	538,042	606,414	546,515
Funding Sources			
(1) General Fund transfers/Land sales		556,414	
(2) Tax Notes		50,000	
		606,414	
Facility Maintenance			
Projects			
(1) Auditorium Chiller	187,662	188,000	187,662
(1) Replace Animal Services Storage Bldg	41,943	42,000	41,943
(2) Outdoor Chapel	-	59,000	58,997
Total	229,605	289,000	288,603
Funding Sources			
(1) General Fund transfers/Land sales		230,000	
(2) Tax Notes		59,000	
		289,000	

City of Sherman
GENERAL IMPROVEMENT FUND – City Funds

	Actual 2022-2023	Total Project Budget	Project-to-Date 4/12/2024
Public Safety			
Projects			
(2) Handgun replacements	-	66,699	38,167
(2) Rifle replacements	-	161,727	161,083
(1) Call Recording Software	166,654	170,000	166,654
(1) Watchguard video evidence platform	92,796	294,376	379,177
Total	259,450	692,802	745,080
Funding Sources			
(1) General Fund transfers/Land sales		464,376	
(2) Tax Notes		228,426	
		692,802	
Other			
Projects			
(1) Airport Pavement Maintenance-City	\$ -	\$ 182,500	\$ -
(1) Energov Implementation	137,137	328,000	29,000
(2) Rubrik Backup Device	-	150,000	-
(2) IT Storage	-	90,000	-
(1) Southgate Apartments Purchase	200	891,300	891,062
Total	137,337	1,641,800	920,062
Funding Sources			
(1) General Fund transfers/Land sales	-	1,401,800	920,062
(2) Tax Notes	-	240,000	-
		1,641,800	
Total Expenditures			
	\$ 1,772,321	\$ 5,345,058	\$ 4,370,799

City of Sherman
GENERAL IMPROVEMENT FUND – Bond Funds

	Actual 2022-2023	Total Project Budget	Project-to-Date 4/12/2024
Transportation			
Projects			
(1) Taylor St Extension Eng & ROW/McGee St Ext	\$ 479,524	\$ 2,500,000	\$ 2,693,088
(1) Lamberth Rd Thoroughfare	-	800,000	720,711
(1) Friendship ROW 56 to Lamberth	93,730	1,400,000	988,098
(1) Flanary Rd and Progress Rd Engineering	11,327	200,000	182,571
(1) Moore Street	1,674,263	13,000,000	6,963,299
(1) FM 1417 design/ROW - SH 56 to W. Travis	56,109	3,600,000	384,183
(1) Shepherd Dr	687,630	17,632,174	6,946,540
(1) Bel Air Blvd Ph II/Beach Club/London Ln	665,751	10,500,000	1,045,849
(1) Major Street Rebuilds	-	1,500,000	8,475
(2) Flanary Rd Alignment Study	113,530	254,185	248,789
(1) Sherman St Improvements	143,874	1,200,000	143,874
(2) Progress Drive	-	4,300,000	-
(2) Flanary Road	-	5,400,000	-
(1) OB Groner - west of FM 1417 Design	-	1,500,000	-
(1) FM 1417 Design/ROW - Hwy 75 to RR	-	-	-
(1) Blanton St Drainage-Birge to McGee	-	500,000	-
(1) Center St Bridge at Post Oak Creek	-	750,000	-
(1) Bridges-Center/McGee/Travis	1,820	1,500,000	791,983
(1) Lamberth & Friendship-Shady Oaks thur Hickory Hill	212,105	7,450,000	1,508,820
(1) FM 1417 signal at Bel Air Blvd Design	-	400,000	-
(1) Heritage Ranch Ramps -Eng	-	1,000,000	-
(1) Right-of-Way Agent	-	50,000	-
(2) North-South Road	-	700,000	-
Total	4,139,664	76,136,359	22,626,280

City of Sherman
GENERAL IMPROVEMENT FUND – Bond Funds (continued)

	Actual 2022-2023	Total Project Budget	Project-to-Date 4/12/2024
Parks and Recreation			
Projects			
(1) Asphalt Pump Track at Binkley Park	-	362,200	362,200
(1) Ballfield and Trail Lighting at PGW	21,240	1,350,000	1,331,595
(1) Design "Shark Tooth Park"	-	150,000	-
(1) Electrical at PGW	-	175,000	-
(1) Master Plan Trail Construction	215,445	750,000	242,191
(1) Northcreek Subdivision Park	226,276	500,000	291,754
(1) Restroom and Concession at Fairview Park	-	500,000	-
(1) Trail Lighting and Restroom and PGE	34,249	650,000	79,848
(1) Creek Erosion at Westhill Cemetery	-	1,000,000	-
(1) PGE Inclusive playground and parking	-	800,000	-
(1) Fairview Tennis Court resurface/fence/lighting	-	100,000	-
(1) Baker Park Fishing Pier	-	700,000	-
(1) OSP Lighting - Phase I	-	1,500,000	-
(1) PGW Splash Pad	-	1,000,000	-
(1) Fairview Park playground	-	1,500,000	-
(1) Hawn Park playground	-	1,000,000	44,999
(1) Hawn Park Pavilion	-	200,000	-
(1) Fairview Park Large Pavilion	-	200,000	-
(1) Hawn Park Splash Pad	-	800,000	-
(1) Turf Athletic Field	-	2,000,000	-
(1) Herman Baker Park Disc Golf	-	100,000	-
(1) Fairview Softball Fields Lighting	-	800,000	-
Total	497,209	16,137,200	2,352,586

Facilities			
Projects			
(1) City Hall Renovation	216,403	2,900,000	260,143
Total	216,403	2,900,000	260,143

City of Sherman
GENERAL IMPROVEMENT FUND – Bond Funds (continued)

	Actual 2022-2023	Total Project Budget	Project-to-Date 4/12/2024
Public Safety			
Projects			
(1) New police HQ - Construction	6,006,776	17,700,000	17,652,833
(1) Combine Fire Sta. 1 & 2	269,633	7,000,000	1,344,122
(1) Public Safety Training Facility Design	-	250,000	-
(1) Station #4 Concrete Rebuild	-	250,000	-
(1) Public Safety Trunking System	4,600	3,500,000	1,612,562
Total	6,281,009	28,700,000	20,609,517
Drainage			
Projects			
(1) Hills of Sherman Detention	-	500,000	-
Total	-	500,000	-
Total Expenditures			
	\$ 11,134,285	\$ 124,373,559	\$ 45,848,526



Long-Term Planning Discussion – CIP, 5-year Projections, and Debt Update

An aerial photograph of a school campus. In the center is a large, modern school building with a flat roof and multiple wings. To the left of the building is a large, open grassy field, possibly a sports field. To the right is a paved road with a car visible. The background shows more fields and trees under a clear sky.

Tax-Supported Debt

Outstanding CO/GO Debt - Current

(in 000)

Description	Interest		Principal	
2004 TIF #1	\$	206	\$	1,270
2016 CO		1,935		6,970
2017 A Stormwater		1,453		3,900
2017 CO		8,324		18,110
2017 Refunding		2,291		9,360
2018 CO General Imp		10,374		18,980
2019 CO General Imp		10,124		19,130
2021 CO General Imp		11,837		29,025
2021 Tax Notes		218		1,980
2022 Tax Notes		277		2,100
2023 General Imp		69,388		73,640
2023 Tax Notes		494		3,095
2024 Tax Notes		585		3,725
	\$	117,505	\$	191,285

CO Bond Summary

In millions

Streets

TxDOT 1417 & W. Travis

Intersection

TxDOT-Hwy 75 Gap Project

* TxDOT Ramp Reversal at

75/1417

TxDOT-FM 1417 - US 82 to SH 56

Eng + ROW

Friendship Road - Eng, ROW &

Construction

Lamberth Rd -Eng, ROW &

Construction

Canyon Creek

Swan Ridge

TxDOT - FM 1417 56 to W. Travis

ROW/Eng

Travis St West

Legacy Blvd

Beach Club Blvd/London Ln

Bel Air Blvd Construction Ph II

(excludes utilities)

Bel Air Land sale in TIRZ #7 (net

with Bel Air Blvd)

Signal at FM 1417 & Bel Air Blvd

(TxDOT)

Taylor/Washington Eng + ROW

* Northgate Drive

Moore St - W Travis to Park

Moore St - W Travis to FM 1417

Moore St - Park to Center St

Moore St-Impact Fees

CIP Crew - Dump Truck &

Excavator; Personnel (one Year)

	2016 C.O.	2017 C.O.	2018 C.O.	2019 C.O.	2021 C.O.	2023 C.O.	Total issued
TxDOT 1417 & W. Travis Intersection	\$ -	\$ -	\$ -	\$ 1.95	\$ -	\$ -	1.95
TxDOT-Hwy 75 Gap Project	-	-	-	8.20	-	-	8.20
* TxDOT Ramp Reversal at 75/1417	-	2.50	-	-	-	-	2.50
TxDOT-FM 1417 - US 82 to SH 56 Eng + ROW	1.60	-	2.40	1.35	-	-	5.35
Friendship Road - Eng, ROW & Construction	1.20	-	-	-	0.20	-	1.40
Lamberth Rd -Eng, ROW & Construction	0.80	-	-	-	-	-	0.80
Canyon Creek	2.60	-	-	-	-	-	2.60
Swan Ridge	0.10	-	-	-	-	-	0.10
TxDOT - FM 1417 56 to W. Travis ROW/Eng	-	-	0.90	-	0.70	-	1.60
Travis St West	0.60	4.50	3.40	1.10	-	-	9.60
Legacy Blvd	-	-	-	1.85	-	-	1.85
Beach Club Blvd/London Ln	-	-	-	-	-	7.50	7.50
Bel Air Blvd Construction Ph II (excludes utilities)	-	-	-	-	1.90	1.10	3.00
Bel Air Land sale in TIRZ #7 (net with Bel Air Blvd)	-	-	-	-	-	(1.50)	(1.50)
Signal at FM 1417 & Bel Air Blvd (TxDOT)	-	-	-	-	-	0.40	0.40
Taylor/Washington Eng + ROW	-	1.20	-	0.80	0.50	-	2.50
* Northgate Drive	-	-	0.90	-	-	-	0.90
Moore St - W Travis to Park	-	-	-	2.10	-	-	2.10
Moore St - W Travis to FM 1417	-	-	-	-	2.80	-	2.80
Moore St - Park to Center St	-	-	-	-	2.20	5.90	8.10
Moore St-Impact Fees	-	-	-	-	-	(1.20)	(1.20)
CIP Crew - Dump Truck & Excavator; Personnel (one Year)	-	-	-	-	0.20	-	0.20

CO Bond Summary (continued)

In millions

	2016 C.O.	2017 C.O.	2018 C.O.	2019 C.O.	2021 C.O.	2023 C.O.	Total issued
Streets							
*Flanary Rd Alignment Study	-	-	-	-	-	0.30	0.30
*Flanary Engineering	-	-	-	0.20	-	-	0.20
*Flanary construction	-	-	-	-	-	5.40	5.40
*North-South Road	-	-	-	-	-	0.70	0.70
*Progress Construction & extension	-	-	-	-	-	4.30	4.30
Lamberth & Friendship from Shady Oaks through Hickory Hill - Eng, ROW & Construction	-	-	-	0.65	-	7.45	8.10
Hilre Drive Extension	-	-	-	0.50	-	-	0.50
Major Street Rebuild	-	-	-	-	1.50	-	1.50
Munson Planned Development	-	-	-	0.10	-	-	0.10
OB Groner west of FM 1417 Design	-	-	-	-	-	1.50	1.50
Park Ave Realignment (net)	-	-	1.90	0.10	-	-	2.00
Shepherd Rd Design	-	-	-	-	1.10	-	1.10
Shepherd Rd Design/Construction	-	-	-	-	-	14.40	14.40
Impact Fees - Shepherd Rd	-	-	-	-	-	(3.00)	(3.00)
Signal at Delivery entrance	-	-	-	-	-	0.30	0.30
Sherman St Improvements	-	-	-	-	-	0.20	0.20
Steeplechase Drive Ext	-	-	-	0.50	-	-	0.50
Heritage Ranch ramps - Eng	-	-	-	-	-	1.00	1.00
Heritage Ranch Public Improvements (streets, storm, water) engineering	-	-	-	-	-	1.20	1.20
Right-of-Way Agent	-	-	-	-	-	0.05	0.05
Well St	-	-	-	-	-	0.90	0.90
Total Streets	6.90	8.20	9.50	9.25	11.10	46.90	91.85

CO Bond Summary (continued)

	In millions						
	2016 C.O.	2017 C.O.	2018 C.O.	2019 C.O.	2021 C.O.	2023 C.O.	Total issued
Facilities							
Library	-	-	2.00	-	0.50	-	2.50
Fire Station #4	-	3.10	0.30	0.60	-	-	4.00
Police Headquarters	-	-	-	-	17.60	-	17.60
Combine Sta #1 & #2	-	-	-	-	-	7.80	7.80
City Hall	-	-	-	-	-	2.90	2.90
Public Safety Training Facility	-	-	-	-	-	0.25	0.25
Public Safety Trunking System	-	-	-	-	-	3.50	3.50
Total Facilities	-	3.10	2.30	0.60	18.10	14.45	38.55
TIRZ							
TIRZ #5 Sherman Crossroads	-	3.90	-	-	-	-	3.90
TIRZ #6 Sherman Landing	-	3.10	-	-	-	-	3.10
TIRZ #7 Legacy Village	-	-	2.40	-	-	-	2.40
Total TIRZ	-	7.00	2.40	-	-	-	9.40
Bridges							
Travis/Center/McGee	-	0.50	-	-	0.80	-	1.30
Center St Bridge at Post Oak Creek	-	-	-	-	-	0.75	0.75
McGee St Bridge Design	-	-	-	-	-	0.15	0.15
Total Bridges	-	0.50	-	-	0.80	0.90	2.20

CO Bond Summary (continued)

In millions

	2016 C.O.	2017 C.O.	2018 C.O.	2019 C.O.	2021 C.O.	2023 C.O.	Total issued
Parks							
Pecan Grove West Ballfields	-	-	5.00	-	-	-	5.00
Electrical at Pecan Grove West						0.20	0.20
Ballfield & Trail lighting at PGW						1.40	1.40
Trail lighting and restrooms at PGE						0.70	0.70
Northcreek Subdivision Park						0.50	0.50
Fairview - restroom & concession						0.50	0.50
Asphalt Pump Track at Binkley							
Park						0.40	0.40
Shark Tooth Park						0.20	0.20
Master Plan Trail Construction						0.80	0.80
Creek Erosion at Westhill							
Cemetery						1.00	1.00
PGE Inclusive playground and parking						0.80	0.80
Fairview Tennis Court							
resurface/fence/lighting						0.10	0.10
Baker Park Fishing Pier						0.70	0.70
OSP Lighting-Phase I						1.50	1.50
PGW Splash Pad						0.75	0.75
Fairview Park playground						1.50	1.50
Hawn Park playground						1.00	1.00
Haw Park Pavilion						0.20	0.20
Fairview Park Large Pavilion						0.20	0.20
Hawn Park Splash Pad						0.80	0.80
Turf Athletic Field						2.00	2.00
Herman Baker Park Disc Golf						0.10	0.10
Fairview Softball Fields Lighting						0.80	0.80
Grant Match						1.20	1.20
Interest Earnings						(2.35)	(2.35)
Total Parks	-	-	5.00	-	-	15.00	20.00

CO Bond Summary (continued)

	In millions						Total issued
	2016 C.O.	2017 C.O.	2018 C.O.	2019 C.O.	2021 C.O.	2023 C.O.	
<i>Drainage</i>							
Hills of Sherman upsized detention	-	-	-	-	-	0.50	0.50
Totals	\$ 6.90	\$ 18.80	\$ 19.20	\$ 20.00	\$ 30.00	\$ 77.75	\$ 172.65

Forecasting General Fund

GENERAL FUND	Actual FY 2023	Projection FY 2024	Projection FY 2025	Projection FY 2026	Projection FY 2027	Projection FY 2028
Beginning Fund Balance	\$ 13,523,960	\$ 18,151,114	\$ 16,820,099	\$ 21,826,348	\$ 25,088,932	\$ 24,929,167
Sales Tax	27,271,950	27,850,000	26,785,836	27,857,269	28,971,560	29,840,707
Street Sales Tax	2,272,564	2,320,000	2,232,056	2,321,339	2,414,192	2,486,618
Property Tax Rev	13,983,963	14,603,200	25,454,200	27,592,200	28,679,200	31,535,200
Franchise & Other Taxes	3,310,000	3,304,500	3,305,000	3,305,000	3,305,000	3,305,000
Ambulance	1,629,725	1,630,000	1,630,000	1,630,000	1,630,000	1,630,000
Transfers	4,477,471	6,480,583	5,102,000	5,439,000	5,800,000	6,187,000
Interest	514,365	565,000	565,000	565,000	565,000	565,000
SEDCO	157,482	769,650	769,650	769,650	769,650	769,650
CARES/ARPA/Grants	227,606	-				
Other Revenue	6,760,054	5,753,746	6,329,121	6,962,033	7,658,236	8,424,060
Total Revenues	60,605,179	63,276,679	72,172,863	76,441,490	79,792,838	84,743,234
Personnel	36,959,550	42,018,990	44,960,319	47,657,938	50,517,415	53,548,460
Other Expenditures	14,674,220	16,466,853	18,114,000	19,925,000	21,918,000	24,110,000
Street Repairs	1,218,246	1,426,185	1,426,185	1,426,185	1,426,185	1,426,185
Capital Expenses	1,460,451	2,602,681	1,319,000	3,079,000	1,591,000	1,859,000
Debt Service (Leases)	870,558	758,985	347,108	90,782	-	-
Transfers	795,000	1,334,000	1,000,000	1,000,000	4,500,000	1,000,000
Total Expenditures	55,978,025	64,607,694	67,166,613	73,178,907	79,952,603	81,943,649
Excess (Deficit)	4,627,154	(1,331,015)	5,006,249	3,262,583	(159,765)	2,799,585
Ending Fund Balance	\$ 18,151,114	\$ 16,820,099	\$ 21,826,348	\$ 25,088,932	\$ 24,929,167	\$ 27,728,752

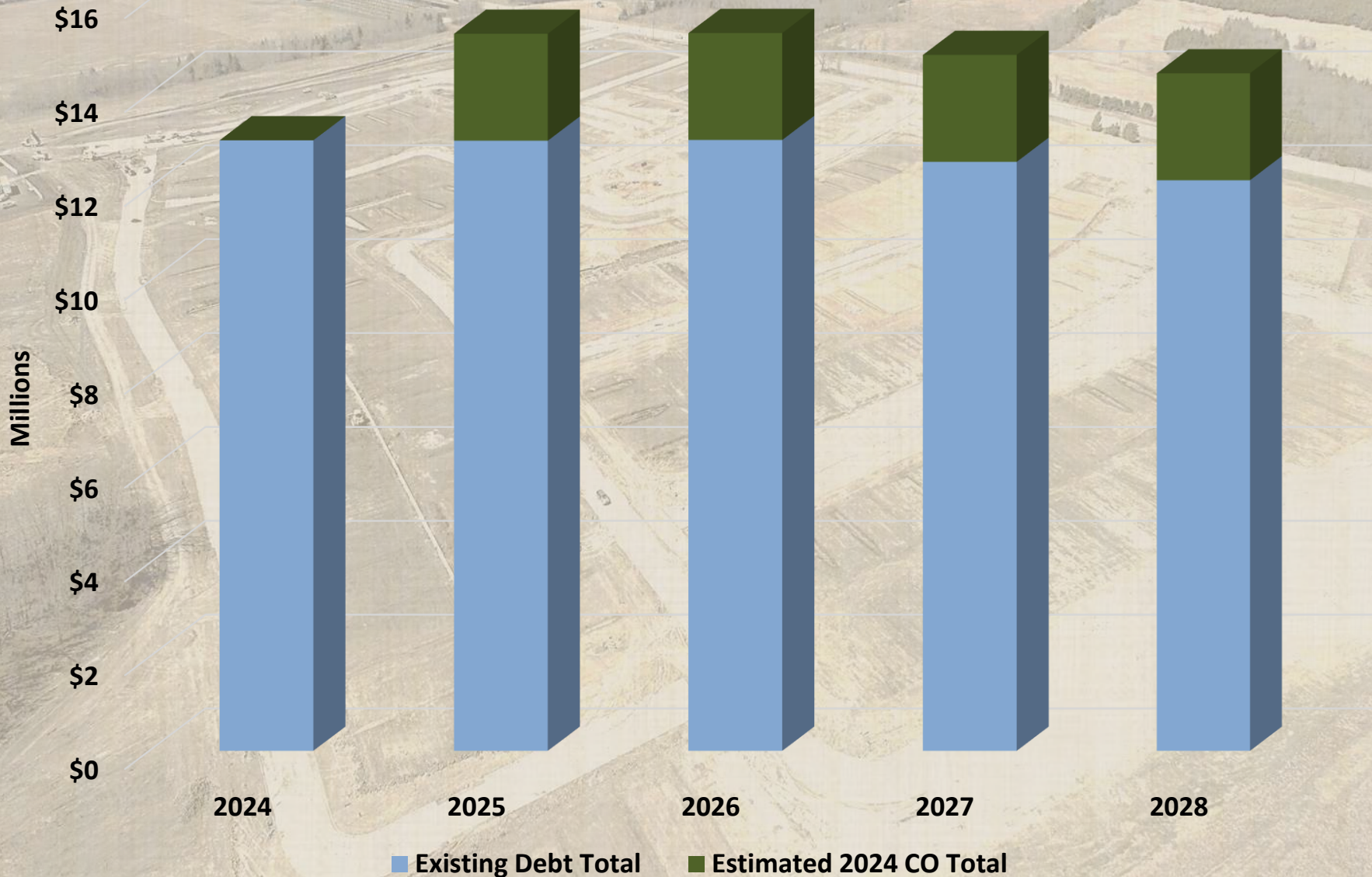
Major Potential Tax-Backed Projects FY24/25

- Streets – (Large Projects only)
 - Planned Developments
 - Heritage Ranch - \$15M, including utilities
 - Pecan Grove Estates – Streets, Utility infrastructure
 - TxDOT
 - US75 (Texoma Pkwy to US82, US82 to 691)- \$13M
 - FM 1417 from Hwy 56 to railroad tracks east of Hwy 75
- Facilities
 - Public Works Facility - \$25M?? (debt in FY26?)
 - Design in FY2024/FY2025
 - Construction – phased beginning in FY2026
 - Fire Station #3 remodel - \$2M-\$3M?
 - PD Firing range - \$3M

Major Potential Tax-Backed Projects

- Streets – (Large Projects only)
 - Major Rebuilds
 - Cherry St.
 - Park Ave.
 - Washington St.
 - Sunset

Tax-backed Debt Service as of March 31, 2024





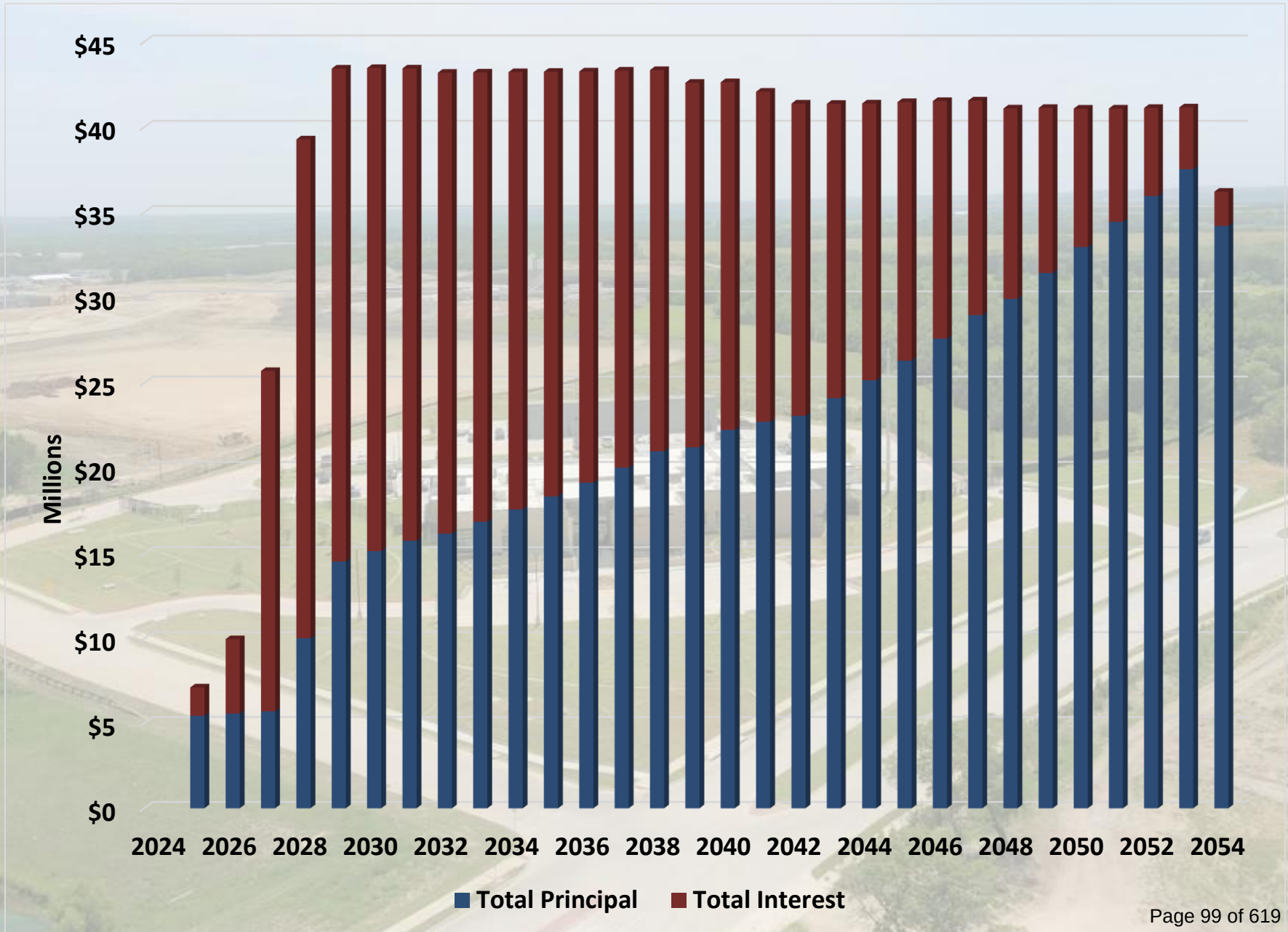
Utility Supported Debt

GTUA Contractual Debt Outstanding - Current

Includes most recent 2024 Issuance

Fiscal					Total	Total	Total
Year	Water Principal	Water Interest	Sewer Principal	Sewer Interest	Principal	Interest	Existing Debt Service
2024	3,094,347	879,358	2,350,133	792,635	5,444,480	1,671,993	7,116,473
2025	3,113,053	3,260,012	2,462,907	1,121,974	5,575,960	4,381,986	9,957,946
2026	3,175,154	9,440,921	2,532,286	10,553,381	5,707,440	19,994,303	25,701,743
2027	4,316,410	11,255,299	5,692,510	18,016,335	10,008,920	29,271,633	39,280,553
2028	5,619,821	11,121,909	8,905,579	17,785,697	14,525,400	28,907,606	43,433,006
2029	5,822,590	10,924,533	9,319,290	17,393,997	15,141,880	28,318,530	43,460,410
2030	6,322,450	10,707,236	9,428,510	16,979,173	15,750,960	27,686,409	43,437,369
2031	6,802,766	10,464,432	9,362,234	16,558,323	16,165,000	27,022,755	43,187,755
2032	7,120,008	10,196,085	9,739,992	16,146,028	16,860,000	26,342,113	43,202,113
2033	7,544,556	9,917,104	10,040,444	15,719,532	17,585,000	25,636,636	43,221,636
2034	7,917,850	9,617,358	10,432,150	15,275,818	18,350,000	24,893,177	43,243,177
2035	8,486,700	9,297,272	10,668,300	14,810,123	19,155,000	24,107,394	43,262,394
2036	8,289,900	8,949,226	11,745,100	14,327,930	20,035,000	23,277,156	43,312,156
2037	8,690,500	8,563,397	12,304,500	13,784,309	20,995,000	22,347,706	43,342,706
2038	8,459,650	8,157,111	12,770,350	13,212,080	21,230,000	21,369,191	42,599,191
2039	8,857,550	7,769,888	13,387,450	12,616,591	22,245,000	20,386,479	42,631,479
2040	8,988,150	7,364,037	13,731,850	11,990,660	22,720,000	19,354,697	42,074,697
2041	9,389,550	6,959,731	13,680,450	11,350,163	23,070,000	18,309,894	41,379,894
2042	9,792,700	6,561,529	14,317,300	10,692,715	24,110,000	17,254,244	41,364,244
2043	10,206,850	6,154,847	14,948,150	10,076,497	25,155,000	16,231,344	41,386,344
2044	10,658,600	5,730,324	15,646,400	9,432,432	26,305,000	15,162,756	41,467,756
2045	11,160,250	5,251,548	16,434,750	8,684,734	27,595,000	13,936,281	41,531,281
2046	11,690,000	4,730,278	17,285,000	7,853,266	28,975,000	12,583,544	41,558,544
2047	11,957,150	4,183,796	17,972,850	6,978,497	29,930,000	11,162,294	41,092,294
2048	12,536,200	3,616,807	18,908,800	6,062,337	31,445,000	9,679,144	41,124,144
2049	13,118,500	3,022,089	19,846,500	5,098,367	32,965,000	8,120,456	41,085,456
2050	13,696,200	2,450,665	20,748,800	4,193,623	34,445,000	6,644,288	41,089,288
2051	14,286,350	1,872,693	21,673,650	3,291,320	35,960,000	5,164,013	41,124,013
2052	14,901,300	1,269,784	22,633,700	2,348,785	37,535,000	3,618,569	41,153,569
2053	11,261,700	640,886	22,943,300	1,364,489	34,205,000	2,005,375	36,210,375
2054	3,568,500	156,122	8,326,500	364,284	11,895,000	520,406	12,415,406
	\$ 270,845,304	\$ 200,486,275	\$ 400,239,736	\$ 314,876,094	\$ 671,085,040	\$ 515,362,369	\$ 1,186,447,409

GTUA Contractual Debt Outstanding - Current



Utility Fund Projections

UTILITY FUND	Actual FY 2023	Projected FY 2024	Projected FY 2025	Projected FY 2026	Projected FY 2027	Projected FY 2028	Projected FY 2029	Projected FY 2030
Beginning Fund Balance	\$ 6,409,785	\$ 7,264,056	\$ 5,964,805	\$ 11,490,469	\$ 15,420,181	\$ 15,093,571	\$ 16,448,567	\$ 16,388,671
Water Sales	15,633,696	16,796,697	20,686,909	25,156,736	28,123,643	32,988,932	37,999,365	44,953,911
TI - Water	1,078,591	1,043,303	3,289,545	2,082,655	5,661,210	11,124,584	13,784,120	19,962,840
Sewer Sales	8,387,687	8,945,212	12,285,385	15,796,999	18,145,280	21,612,117	24,499,166	28,474,964
TI - Sewer	985,986	881,088	2,860,232	1,525,656	4,041,333	8,256,943	10,236,178	14,846,040
SEDCO/GTUA	408,573	410,335	417,870	416,085	415,753	223,267	226,247	224,958
Interest	149,844	149,844	149,844	149,844	149,844	149,844	149,844	149,844
Other	1,299,986	1,180,155	1,180,155	1,180,155	1,180,155	1,180,155	1,180,155	1,180,155
Transfers in	406,000	1,835,092	232,000	239,000	246,000	261,855	271,020	280,506
Total Revenues	28,350,362	31,241,727	41,101,940	46,547,131	57,963,219	75,797,697	88,346,095	110,073,218
Additional General Fund Transfers					3,500,000	-		
SEDCO				1,000,000	1,000,000	1,000,000		
Impact Fees				1,100,000	1,100,000	1,100,000	1,100,000	1,100,000
Personnel	7,502,483	8,719,960	9,156,000	9,614,000	10,095,000	10,600,000	11,130,000	11,687,000
Other	9,664,668	12,676,021	13,310,000	13,980,000	14,960,000	16,460,000	18,110,000	19,920,000
Debt Service	6,937,130	7,311,004	8,349,276	16,094,419	33,517,829	44,043,700	54,826,991	73,756,137
Capital Outlay	413,698	377,535	1,235,000	1,235,000	1,235,000	1,235,000	1,235,000	1,235,000
Transfers	2,978,112	3,456,458	3,526,000	3,794,000	4,082,000	4,204,000	4,204,000	4,204,000
Total Expenditures	27,496,091	32,540,978	35,576,276	44,717,419	63,889,829	76,542,700	89,505,991	110,802,137
Excess (Deficit)	854,271	(1,299,251)	5,525,664	3,929,712	(326,611)	1,354,997	(59,896)	371,081
Ending Fund Balance	\$ 7,264,056	\$ 5,964,805	\$ 11,490,469	\$ 15,420,181	\$ 15,093,571	\$ 16,448,567	\$ 16,388,671	\$ 16,759,752

Detailed Project List – Sewer Collection

City of Sherman
GTUA Project List

4/13/2024

Sum of Budget		Funding				
Type	Project Name	2024 OM	2025 OM	2026 OM	2027 OM	Grand Total
Sewer Collection	42" SS replacement of 24" SS line West of IT Design			570,000		570,000
	42" SS replacement of 24" SS line West of TI- Construction				4,700,000	4,700,000
	72" sewer from north to WWTP; main outfall into WWTP	900,000				900,000
	Crossroads Sewer for hospital	1,200,000				1,200,000
	GlobalWafers Sewer Line (potential project)		9,000,000			9,000,000
	Parallel interceptor for industrial sewer flows- Design	850,000				850,000
	Post Oak Creek Sewer Phase I	2,400,000				2,400,000
	Post Oak Creek Sewer Phase I 25% Contingency	647,000				647,000
	Post Oak Creek Sewer Phase II	1,300,000				1,300,000
	Post Oak Creek Sewer Phase II 25% Contingency	340,000				340,000
	Sewer between Rosedale & First	1,023,000				1,023,000
	Southside Industrial Sewer Phase II	1,401,000				1,401,000
	WTP Concentrate Discharge System Construction	9,011,253				9,011,253
	Grand Total	19,072,253	9,000,000	570,000	4,700,000	33,342,253

Detailed Project List – Sewer Treatment

City of Sherman
GTUA Project List

4/13/2024

Sum of Budget		Funding		
Type	Project Name	2024 OM	2025 OM	Grand Total
Sewer Treatment	1a South WWTP MBR - Eng & Construction	104,369,931		104,369,931
	1a South WWTP MBR - Engineering			
	1b South WWTP MBR		220,000,000	220,000,000
	Post Oak WWTP Electrical Improvements Construction	6,326,530		6,326,530
	Post Oak WWTP Electrical Improvements Contingency	1,897,959		1,897,959
	Rehab Clarifier #3		1,120,000	1,120,000
	Rehab Main Digester Complex	500,000	7,300,000	7,800,000
	WWTP Blower Bldg	2,010,000		2,010,000
Grand Total		115,104,420	228,420,000	343,524,420

Detailed Project List – Water

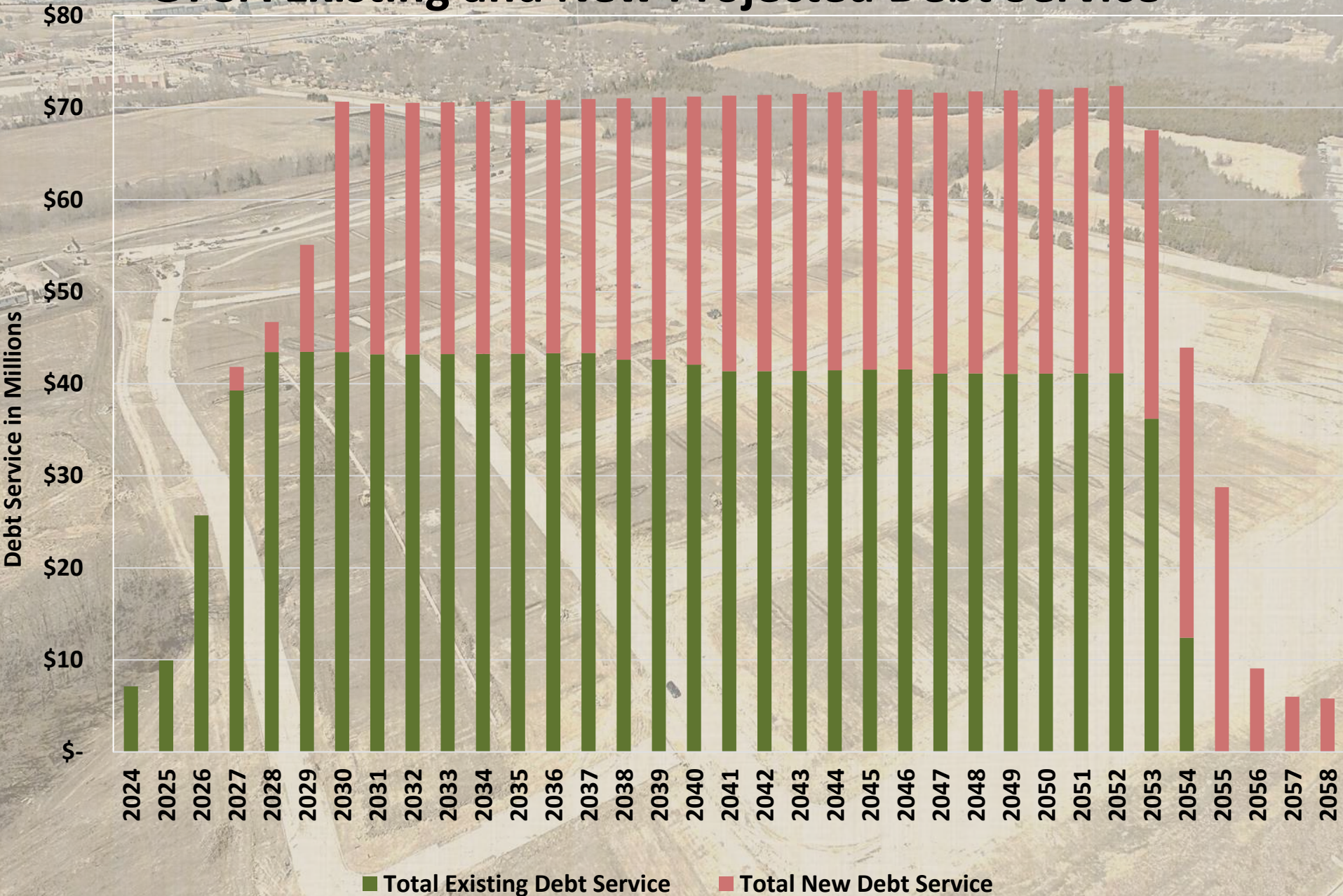
City of Sherman
GTUA Project List

4/13/2024

Sum of Budget		Funding			
Type	Project Name	2024 OM	2024 State	2025 OM	Grand Total
Water & Sewer	Program Management	3,832,636			3,832,636
Water Production	15 MGD WTP South (UF/RO) Construction		200,000,000	50,000,000	250,000,000
	Lake Texoma Backup Generator			1,600,000	1,600,000
	Lake Texoma Electrical Imp (Construction)			3,900,000	3,900,000
	LTPS Expansion 2023 Construction	10,544,400			10,544,400
	LTPS Expansion 2023 Contingency	1,896,600			1,896,600
	WTP Rapid Mix System			4,769,973	4,769,973
Grand Total		16,273,636	200,000,000	60,269,973	276,543,609

Sum of Budget		Funding	
Type	Project Name	2024 OM	Grand Total
Water Distribution	2 MG Elevated Storage Tank Construction	11,784,700	11,784,700
	36" West Sherman Water Main Construction	10,530,692	10,530,692
	Center St water line relocation	600,000	600,000
	Heritage Ranch Water - Plainview Rd	1,000,000	1,000,000
	Miscellaneous Water and WW line improvements Part I	1,750,000	1,750,000
Grand Total		25,665,392	25,665,392

GTUA Existing and New Projected Debt Service



Water and Sewer Rates

- **Update Capital Projects List**

- Visibility into final cost at WW Membrane Plant
- SWIFT (State of Texas program) for WTP South Plant
 - State of Texas AAA rate
 - Interest partially deferred until FY2034 and principal deferred until FY2044
 - Match from City - Open market
- Timing and phasing of projects
- 2024A issue amount is immediate need
- Development needs
- NTMWD second line to WTP funding

- **Debt Service Projections** – Financial Advisor

- **Rate Study** – Willdan

- **Rate discussion at Budget Workshop**

WATER**SEWER**

Meter Sizes (in inches)	Minimum Monthly Amount Oct. 1, 2023
----------------------------	---

5/8 or 3/4	\$24.18
1	\$47.71
1-1/2"	\$95.86
2	\$163.32
3	\$356.06
4	\$625.85
6	\$1,396.76
8	\$2,476.02
10	\$3,863.63
12	\$6,761.35

Gallons	Rate per 1,000 Gallons
1,500–20,000 gallons	\$3.47
20,001–100,000 gallons	\$3.72
100,001–500,000 gallons	\$3.97
500,001–above	\$4.22

Minimum Charge, Whether 1,500 Gallons of Water are Used 1-Oct-23

First 1,500 gallons of water used **\$9.29**

For residential living units, the maximum sewer charge will be thirty-eight dollars and ninety-two cents (\$38.92) per residential living unit for fiscal year beginning October 1, 2022.

Volume charge. For commercial customers, except for multiunit dwelling complexes, the charge for sewer is based on all water consumed in excess of the minimum fifteen hundred (1,500) gallons and shall be billed at a rate as follows (beginning October 1, 2023):

Gallons	Rate per 1,000 Gallons
1,500–100,000 gallons	\$3.95
100,001–500,000 gallons	\$4.20
500,001–above	\$4.45

Debt Service Management Strategies

- Capitalized Interest
- Favorable rates and terms from SWIFT funding
- Accumulating reserves
- Timing of projects and debt issuances
- Separating debt issuances (2024 and 2024A)
- Possible utility rate changes from prior plan approved by Council
- Use of other revenues
 - Impact fees
 - SEDCO
 - Xfers between funds

Major Take-Aways thru 2030

- Significant Challenges in FY26-FY30
 - General Fund/Property Taxes
 - Volatile “Voter-approval” rate from industrial construction and abatements.
 - Accumulate higher reserves (120-150 days) to help smooth effects of revenue lag in Utility Fund
 - Adopting prior year rate or the “Voter-approval” rate could be lower
 - Public Works Facility is only high dollar priority – phased
 - Note: Every \$8M in CIP projects = \$.01 on tax rate

Major Take-Aways thru 2030

- Significant Challenges in FY26-FY29
 - Utility Fund
 - \$600M - \$700M projects in next 3 years (WTP, WWTP, distribution system)
 - Revenues come on after debt service starts, causing problems in FY26-FY29 especially
 - Continue to look at rates annually and adopt rates to fund debt and operations.

An aerial photograph of a large-scale construction or land clearing project. The site is a vast, rectangular area with a complex network of dirt roads and cleared plots. The ground is a mix of dark brown soil and lighter, sandy or gravelly areas. In the background, there are residential neighborhoods with houses and trees, and some industrial buildings. The overall scene suggests a major infrastructure or housing development project.

FY2025 Workplan

Sustainability Focus For FY25 Workplan – What's Driving It?

Increase in level of service/expectations

- Downtown
- Quality Neighborhoods (clean-up City), eg, demolitions
- Parks – trails, improving existing parks
- Streets
- Public Safety

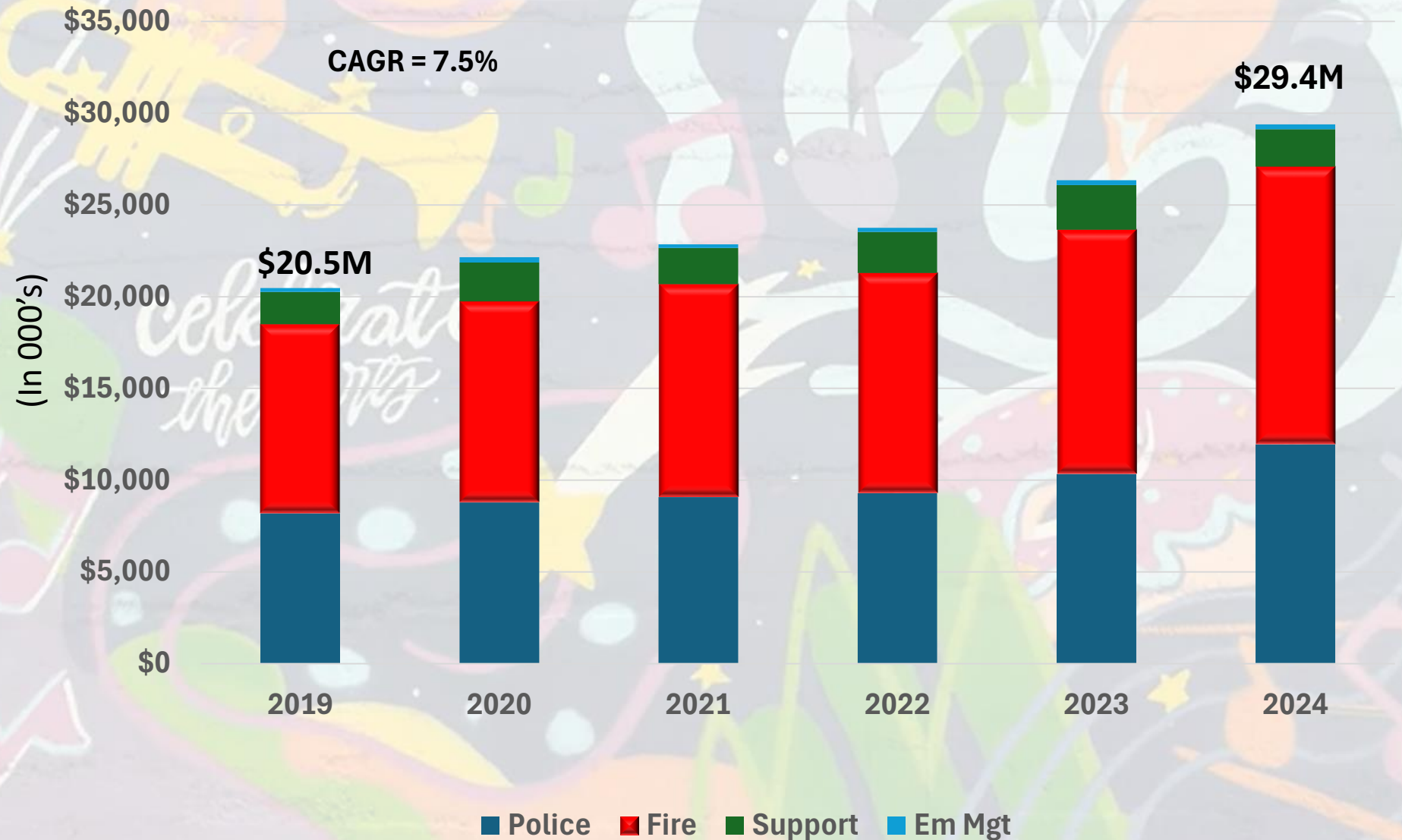
Labor costs/Market Adjustments

- Public safety + Streets, esp

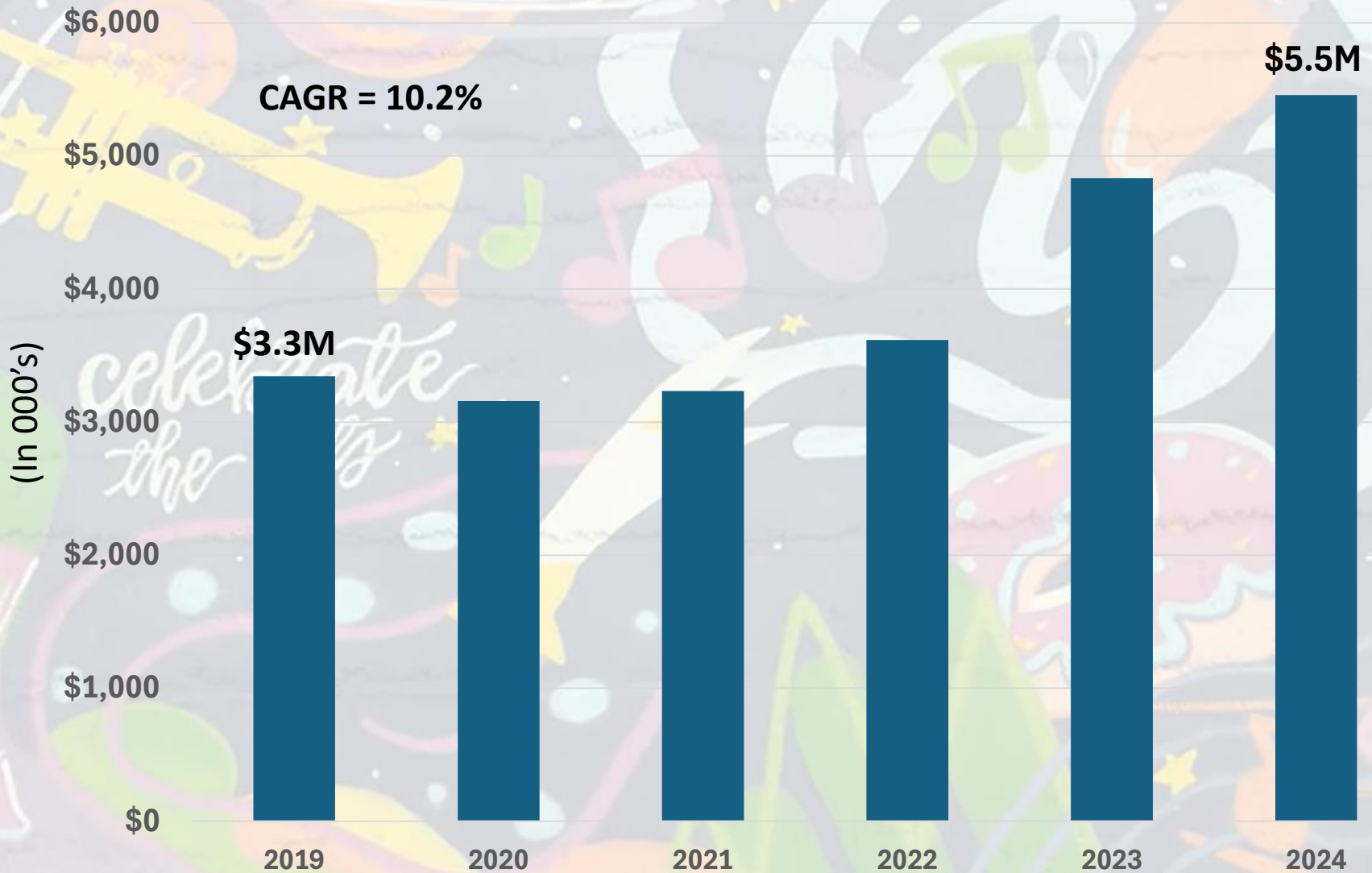
Unknowns in other Funds (esp Utility)

- Gen Fund as “backstop” to Utility, SW Funds for the next few years

PUBLIC SAFETY BUDGET HISTORY



Street Department Budget History



How do we address Sustainability Q's?

Biggest Tools

- **Growth** focus vs. **rate** focus
- Financing tools – TIRZ, MUD, PID (reimb. and bonds), impact fees
- **Financing Policy forthcoming for MUD, PID, TIRZ** ★
- Encouraging continued private investment, esp PDs
 - Residential (TIRZ, PID, MUD)
 - Industrial (SEDCO, tax incentives)
 - Commercial (TIRZ)
 - City infrastructure
- Filling gaps
 - Hospital/Medical
 - Retail in South Sherman

How do we address Sustainability Q's?

What we're sensitive about (political sensitivities)

- Increasing rates that affect existing residents
 - Tax Rate
 - Residential Utility and SW rates
 - Other rates (stormwater, impact fees, etc.)
- Incurring cost to City vs. using incremental revenues generated by the development

What's our focus in light of Sustainability Q?

- Strategic in our investment – focus on investments that **add value** and have a discernable return
- Keep impact on rates low - property tax, residential utility rates
- Use revenue increment to fund investment and incentives (TIRZ, tax abatement, PID/MUD)

Financial Expectations for FY2025 Budget

- General Fund

- Expect property tax values to be up **\$1.2B - \$1.7B** for new property added = \$6M - \$8.5M in A/V revenue **(one-time)**
- Expect sales tax revenues to be relatively flat or slightly down – net effect of industrial construction slowdown with modest retail growth
- Impact Fees, Engineering review fees, building permits down vs. FY24 due to large industrial projects slowdown
- **Continue to build reserves for expected FY26-FY30 challenges**

- Utility Fund

- Revenues – Update Rate Study and make changes accordingly
- Expenses – Increase from WWTP coming on line, well repairs, debt service increase

- Solid Waste Fund

- Equipment replacement needs will exert extreme pressure on financial stability

Expected Rates and Fees – FY2025

- Property Tax Rates
 - No projected change in tax rate
- Utility Rates
 - Per updated Rate Study – “blocked” structure continued
- Solid Waste Rates
 - Rate increase likely needed, amount of which depends on revenue/xfers from other sources
 - Assumes annual TASWA distribution grows

Property Tax Rate

- Expect volatility in the “No-New-Revenue” and “Voter-Approval” Tax rates
 - Debt rate is calculated with New Value
 - M&O rate excludes New Value
- Large amount of new value = lower debt rate and higher M&O rate

	<i>(in millions)</i>		
Example:	FY2024	FY2025	
Taxable Value (Existing and growth in existing)	\$ 5,500	\$ 5,800	
New Value	\$ 300	\$ 2,000	
Total Taxable Value	\$ 5,800	\$ 7,800	
"No-New Revenue" rate	\$ 0.43	\$ 0.48	UP-excludes New Value
Debt Rate	\$ 0.24	\$ 0.14	DOWN-Includes New Value
Adjustment for Sales Tax in Lieu of Property Tax	\$ 0.17	\$ 0.13	DOWN-Includes New Value
"Voter Approval" rate with unused increment	\$ 0.53	\$ 0.51	DOWN-due to Debt Rate decrease

Workplan Focus for FY2025

- Compensation and Personnel
 - Market adjustments/COLA in light of 5% inflation (DFW CPI)
 - Handful of new positions for FY2025 – Pub Safety?, Utility plants
 - Police and Fire Department compensation plan – each year
- Utility Operations
 - Build Reserves
 - Rate adjustment to cover operations, as needed
 - Continued utility system planning
- Facilities
 - Renovate existing City Hall? (More at May CC Mtg)
 - Fire Station #3 renovation
 - PD Firing Range

Workplan Focus for FY2025

- CIP/Capital Expenses
 - Streets – primarily TXDOT projects and Planned Dev thoroughfares
 - Parks – finish 2023 CO bond program
 - Major Utility projects
 - WWTP – Finish Phase 1, begin Phase 2 planning
 - WTP – Finish EDR plant upgrades, finish 5mgd UF/RO expansion, planning for new 15mgd expansion
 - Distribution – finish 36” line
 - Texoma Pump Station – finish 84” line design, begin construction (jointly w/ NTMWD); pumping upgrades
 - WWTP effluent to back to Texoma design

Workplan Focus for FY2025

- Growth and Development

- Bel Air – Phase II
- Sherman Crossroads expansion and continued buildout
- Heritage Ranch – Phase I, Hospital, School
- Hickory Hill PD – multi-family complete, SFR
- Pecan Grove PD – infrastructure, Phase I

- Cleaning up the City

- Residential and commercial focus
- Multi-family/motel focus

- Downtown

- Sewer replacement – Phase I
- Retail/restaurant focus



Council Input for FY25

CALENDAR

April 19, 2024

Budget Planning Meeting

May 3-9, 2024

Management budget reviews

May 23, 2024

CIP Council Workshop

June 20-21, 2024

Budget Workshop – PD Meeting Room

August 5, 2024

Draft Budget to Council

August 19, 2024

Budget Ordinance adopted

COUNCIL MINUTES – MAY 23, 2024

Professional conduct of the State Bar of Texas clearly conflicts with the Texas Open Meetings Act.

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TEX. GOV'T CODE § 551.074 –

Deliberating the appointment, employment, evaluation, reassignment, duties, discipline or dismissal of a public officer or employee; or to hear a complaint or charge against an officer or employee unless the officer or employee who is the subject of the deliberation or hearing requests a public hearing

TEX. GOV'T CODE § 551.076 –

Deliberating the deployment, or specific occasions for implementation, of security personnel or devices or a security audit

TEX. GOV'T CODE § 551.087 –

Discussing or deliberating commercial or financial information that the City has received from a business prospect that the City seeks to have locate, stay or expand in or near the City and with which the City is conducting economic development negotiations; or deliberating the offer of a financial or other incentive to a business prospect

TEX. GOV'T CODE § 551.089 –

Deliberating security assessments or deployments relating to information resources technology, network security information, or the deployment or specific occasions for implementation of security personnel, critical infrastructure or security devices

Open Meeting

Adjournment

CALL TO ORDER, QUORUM DETERMINED, MEETING DECLARED OPEN

Mayor Plyler called the meeting to order at 11:16 a.m., declared a quorum present, and opened the Called City Council Meeting.

PLEDGE OF ALLEGIANCE AND INVOCATION BY COUNCIL MEMBER DARON HOLLAND

Council Member Pam Howeth led the Pledge of Allegiance and Invocation

CITIZEN COMMENTS

There were no citizen's comments.

COUNCIL MINUTES – MAY 23, 2024

CAPITAL IMPROVEMENT PROGRAM UPDATE AND COUNCIL INPUT

CIP Workplan Focus, Approach, Challenges

Robby Hefton, City Manager, explained this meeting would be a summary of where the City is on major projects that are already underway, and a look at upcoming projects, especially those for FY 2025. At the end of the planning process, the City will have an approved Annual Budget and a 5-Year Capital Improvement Program.

He said the staff isn't ready for Council to approve a Park Improvement Fee, but they are ready to discuss Impact Fees.

The CIP features tax-support General Fund projects and Utility Fund projects. The plan for roads is to focus on major infrastructure, so many of the roads pertain to master planned developments, such as Heritage Ranch, Hickory Hill, and Pecan Grove Estates. There are also some thoroughfares and existing streets that need repair. The City's participation with the Texas Department of Transportation is "essentially done" for Hwy 75, and the next participation will be for FM 1417.

Mr. Hefton said the most substantial construction for City facilities will be on the Public Works campus. Plans call for the design work in FY 2025, Phase 1 in FY 2026, and Phase 2 in FY 2027. Renovation of Fire Station 1 will be done by the end of 2024, with renovation and expansion of Station 3 planned for FY 2025. Another facility upgrade will be the Police Department training and gun range.

Plans are still being developed for parks, including trails, existing park upgrades, and new park development.

As for the Utility Fund CIP, Mr. Hefton said it's not how things will be in 2029 and 2030, because when the volumes pickup, everything will be fine. The question is how things will be handled between now and then. Currently plans are being made to expand the Water Treatment Plant, both the EDR membrane upgrades on the current plant, and the new RO/UF plant, both being completed by the end of 2024.

The next step would then be a demand driven approach to a new plant, building it only slightly before it's actually needed. Timing is very deliberate because of the debt needed to construct the improvements. The staff is also checking into using North Texas Municipal Water District as a stopgap measure until phase 2 of Texas Instruments and GlobalWafers is constructed.

Other utility projects include rehabilitation of the wellfields and pump stations to maximize output, complete the new MBR Wastewater Plant, and finish the 36" waterline.

He discussed the staff's approach to managing the CIP plan and funding the projects, which involves timing and prioritizing the projects. He added that the "needs driven" approach is very important for utility projects, to allow the need to catch up. The City has also moved to more of a "let development pay for development" mindset.

As for rate increases, he said they always try to take into account who it's affecting and who is driving the cost. The utility rates are mainly being driven by industrial development, and a little bit of residential development. Therefore, they have pushed the burden of paying for the infrastructure to those that are driving those needs.

Mr. Hefton outlined the approach to financing the CIP plan, including maintaining adequate fund balances, considering rate increases only when other revenue sources aren't enough, comparing tax

COUNCIL MINUTES – MAY 23, 2024

rates and utility rates to other peer cities, and focusing on financial sustainability, especially for the period between FY 2026 and FY 2029.

The General Fund should support itself through property, sales, and other taxes and the Utility Fund and Solid Waste Fund should support itself through rates, volume and impact fees. He added that some of the biggest challenges are the rising costs, of both roads and utilities.

Current Projects Update

Transportation

Clint Philpott, Assistant City Manager, said there are five segments of expansion on US Hwy 75, that the Texas Department of Transportation is financing. The goal is to get all the main lanes up to interstate standards, which includes bridge height clearance, three lanes, and shoulders. He said they are not as concerned about the frontage roads, but they could complete those with the projects.

The Segment 3 portion is the first scheduled, and is from FM 1417 to Travis, and US 82 intersection improvements. Expected completion is the Summer of 2024. Segment 5 will be next, and goes from US 82 to Loy Lake Drive, including Spur 503. He discussed the other segments of the Hwy 75 construction project and their estimated timeframes. He said the entire project should be completed between 2029 and 2031.

Mr. Philpott said the first stage of the FM 1417 Extension is complete, which is from US 82 to SH 56. The second phase is from SH 56 to Travis Street, near the new High School. The design is complete on this section and they are working to obtain rights-of-way, and it is getting close to funding. The City and TxDOT are working together to determine the order for other FM 1417 projects that have been identified since this plan was started. Some additional turn lanes and traffic signals are also being added to FM 1417 for safety, near new developments and industries.

He also updated the Council on the Lamberth Road Extension, which includes an expansion of a portion of Shady Oaks Road, from the park to Lamberth Road. Friendship Road Extension is also in the same area, and includes two phases of construction. They are still working to determine how this road needs to develop.

Another area of development is Heritage Ranch, which resulted in a realignment of Planview Road, which will now be called Lonestar Parkway. In order for this area to be more assessable, there will be a ramp reversal project for US 82 and Plainview Road.

Mr. Philpott also outlined projects for North Travis Street, Bel Air Boulevard, Interurban Parkway Extension, Progress and Interurban Parkway Extension, Interurban Parkway, and Shepherd Drive Extension.

Council Member Daron Holland entered the Council Meeting at 11:52 a.m.

Utility System Projects

Mr. Philpott updated the Council on the construction of utility projects. The Lake Texoma Pump Station Generator Project had to be planned in conjunction with North Texas Municipal Water District's Electrical Expansion Project. The City's Generator Project will allow the City to provide power to the pumps.

Another project is the Lake Texoma Pump Station Pumps Expansion which will provide additional water for the City of Sherman. There are currently four total slots available, three of them house a 7 mgd pump, and they are filling in the unused fourth slot, and replacing one of the existing 7 mgd pumps with two 16 mgd pumps. That will move the City from 21 mgd capacity up to 46 mgd. There is also some additional piping that needs to be completed today, in order to avoid a future shut down.

COUNCIL MINUTES – MAY 23, 2024

Other projects at the Water Treatment Plant include some current upgrades, conventional treatment rehabilitation, concentrate discharge line, and plans for future expansion. At the time the plant was originally constructed, they allowed the structure and housing for an additional 5 mg, which was a 50% increase in capacity, which seemed adequate for another 20 years. However, it has only been good for about six years. It's completed and operational, but they are waiting on a final inspection from TCEQ before it can be turned on.

Pipe is being delivered and installed for the 36" West Sherman Transmission Line. The project will be completed in three segments. A second line is planned for the future. The old Texas Instruments Water Tower is being abandoned and a new, 2 mg Elevated Storage Tank will be constructed nearby.

With Phase 3 and 4 for Texas Instruments, there will be a 15" to 24" Sanitary Sewer Replacement to Howe. It's an old clay tile line and will need to be replaced. Construction won't happen until it's needed. Shepherd's Place will use the same line.

Mr. Philpott said the City has a Master Plan for both water and sewer, and they are tackling projects that are critical to the plan. One critical project is the Post Oak Sanitary Sewer Replacement, which will be relocated out of the creek and into the street.

He outlined all the work that is currently being done at the Wastewater Treatment Plant, including electrical and lab. There are also three phases of work at the Plant that relate to industrial growth. They have an idea what the flows will be from the industrial plant, but don't know for sure. They had to work off of assumptions on chemical and sludge usage from the plants.

Mr. Philpott said another thing under consideration is re-use of the wastewater, for when the City reaches the point that all the water from Lake Texoma is being used. One option to get about 50% more water is to take the water coming out of the Post Oak Creek Treatment Plant, which goes into Post Oak Creek, then into Choctaw Creek, and to the Red River. That is in the same watershed, and there is the potential to send it back to Lake Texoma.

The City could then get credit for the water sent back to Lake Texoma, and it would allow the City to almost double the capacity of water out of the Lake. Sherman is one of the few cities that have the capability to send the water back where it came from. The intent would be to construct this pipeline when it is needed.

Mr. Philpott introduced the concept of a Public Works Campus for Fleet/Equipment Services, Facilities, Grounds Maintenance, Solid Waste, Utility Distribution, Streets, and Public Works Administration. The facility would be located at the current South Plant, located on East Street, which is in an industrial area. He outlined the need for the new facility, and said it would require the purchase of some additional property, about three parcels. He discussed the proposed layout for the facility, and said it would house about 300 employees.

The facility would also include a Tipping Floor, which would replace the current Transfer Station. The current Station only allows for one truck to dump at a time. The new Floor would have four bays for dumping. This would also allow for other waste haulers to bring their stuff in, as well as resident to dump.

Mr. Hefton said there is a possibility that the City could have other private and public haulers that would want to transfer their truck loads, for a fee, for delivery to TASWA. That could be a revenue generating opportunity to help "prop up" the Solid Waste Fund and to generate revenue. Council Member Marroquin asked about the possibility of bringing back the recycling program. Mr. Hefton said the staff isn't opposed to the recycling program, but the question is whether or not there is

COUNCIL MINUTES – MAY 23, 2024

a market for it. If there's not a market for it, it's going in the landfill anyway, so it doesn't save landfill space.

Parks and Recreation

Mr. Hefton outlined the progress of the Parks CIP Plan, and the projects that have been completed or are underway for FY 2024. The City is working with Hewitt-Zollars on a plan for upgrading existing parks. Funding for these improvements will come from the 2023 CO Bond Issue.

Impact Fee Discussion (& Parks Dedication too)

Rob Rae, Director of Development Services, presented a status update on Impact Fees, which were adopted in September 2020, but became effective in June 2021. There was also a one-year grace period for any development that had a plat filed. The grace period ended in June 2022. The Impact Fee Ordinance was updated in September 2022, and the new rate was effective in January 2023.

He discussed the rates that the Council originally approved, and the increase that was effective January 2023. He also presented the staff recommendation for another rate increase, which would bring the water and wastewater rate to 100% of the maximum value. The roadway impact fee would remain at 60%.

He said the Capital Improvement Advisory Committee recommended 80% for the water and wastewater, and leaving the roadway fee at 60%. As of the inception of the Impact Fees, Mr. Rae said the City has collected \$9.3 million, with 26% of that collected from single-family building permits.

Mr. Hefton said the Park/Open Space Dedication does have a component to it, and they are requesting an expansion of what is already in effect for parks and open space. Mr. Rae said currently, in R-4 and R-5 zoning districts, developers that are developing more than 25 lots are required to provide 10% of usable open space. He said the concept of open space is broad, and he gave some examples of open space that would qualify.

Mr. Rae offered three options for consideration by the Council, and the staff recommended option 2, which would expand usable open space requirements to all residential categories, not just R-4 and R-5. At this time, they are not recommending a park improvement fee.

Council Members discussed the various options presented. Council Member Marroquin verified that Sherman's Impact Fees are currently lower than our other peer cities. Council Member Stevenson wanted to be sure Sherman was still competitive, and preferred the CIAC recommendation. He felt the park improvement fee could be set low, and then increased later. Deputy Mayor Teamann was concerned about all fees on building and how they add up. Council Member Howeth felt the City could "start with something" on the park dedication fee. Council Member Stevenson verified that the dedication fee is for the developer and the improvement fee is for the builder.

Taxes, Bonds and Upcoming Projects

Mr. Hefton reiterated that the Council was okay with Option 2 on the open space dedication, and wanted to see the other fees that were proposed and how they compared with peer cities. He presented some basic statistics for tax rates and bond uses.

Fly-Over

Nate Strauch, Community and Support Services Manager, presented a fly-over of the following projects:

Water Treatment Plant
3 Miles of the 11 Mile Pipeline
Bel-Air

Luella Crossing
Wastewater Treatment Plant
Heritage Ranch

COUNCIL MINUTES – MAY 23, 2024

Hickory Hill
Lamberth Road
Fire Station #1

Public Works Facility
Shepherd Drive
Texas Instruments

COUNCIL COMMENTS

There were no Council comments.

EXECUTIVE SESSION

In Accordance with the Texas Open Meetings Act, Chapter 551 of the Texas Government Code, the City Council may hold an Executive Session if the discussion of any of the items identified in this agenda, or any of the items identified below, concern one or more of the following:

TEX. GOV'T CODE § 551.071 --

Seeking the advice of its attorney about pending or contemplated litigation, settlement offers or any matter in which the duty of the attorney to the City Council under the Texas Disciplinary Rules of Professional conduct of the State Bar of Texas clearly conflicts with the Texas Open Meetings Act.

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No Executive Session was needed.

COUNCIL MINUTES – MAY 23, 2024

ADJOURNMENT

There being no further business to come before the City Council, motion was duly made and approved to adjourn the Called Meeting at 1:17 p.m.

MAYOR

ATTEST

CITY CLERK



AGENDA – CIP MEETING

- CIP Workplan Focus, Approach, Challenges Robby
- Projects Clint
 - Transportation
 - Utility System Projects
 - Public Works Campus – FY25+
 - Parks and Recreation
- Impact Fee Discussion (& Parks Dedication too) Rob
- Taxes, Bonds and Upcoming Projects Robby

General Fund (Tax-supported debt) CIP Focus – FY25

➤ Road Infrastructure

- Master planned developments – Heritage Ranch, Hickory Hill, Pecan Grove Estates
- Thoroughfares – Lamberth/Friendship, Interurban Pkwy
- Existing Streets – Cherry, Washington, Sunset, Park
- **Participation w/ TxDOT is essentially done for US75!! FM1417 next**

➤ Facilities

- Fire Station 3 renovation in FY25, Station 5 rebuild/relocation next (FY26??)
- Public Works campus – Design FY25, Phase 1 FY26, Phase 2 FY27
- PD training/gun range?

➤ Parks

- Trails (FY24, FY25)
- Existing parks upgrades – Fairview, Hawn, OSP, MLK, Center/Binkley, Pecan Grove (FY24, FY25)
- New park development – Shark Tooth, Athletic Complex (developer-driven?) (FY25, FY26)

Utility Fund CIP Focus – Winding-up First Wave

- Water Plant/Lake Pump Station
 - Finish conventional EDR membrane upgrades (recaptures 2.5mgd) – Fall 2024
 - Finish RO/UF plant (adds 5 mgd) – Summer/Fall 2024
 - Add new RO/UF plant only when needed; other alternatives being considered to delay timing for second RO/UF Plant (NTMWD water??)
- Wellfields
 - Rehab existing wells/pump stations to maximize output
- Wastewater Plant
 - Finish new MBR plant (adds 4mgd per phase)
 - Continue rehab existing conventional plant as needed – in progress
- Distribution
 - Finish 36" line
 - Rehab existing sanitary sewer distribution – lines, lift stations – to add capacity
 - Design of new lines/capacity for large developments (SW Sherman, NE Sherman)

Approach to Managing CIP Plan

➤ Taxpayer/ratepayer Focus

- Can the project be phased? E.g.,
 - ½ of a four-lane thoroughfare now, finish when traffic warrants – Lamberth, Friendship, Interurban, Pecan Grove
- Timing - Needs-driven approach
- Prioritizing projects – crucial repairs, capacity expansion, replace old
- Scope - The right amount of nice (value engineer to reduce costs)
- Let development pay for development - Impact Fees, **Parks Fees**, Development Agreements, Tax Increment Reinvestment Zones, PID/MUD for developers, SEDCO
- Measured utility rate increases that allow for rate plan changes as utility volumes and CIP plans change – unproven assumptions being used

Approach to Managing CIP Financing Plan

- Are we maintaining adequate fund balances (75 - 90 days)?
- Rate increases only when all other revenue sources aren't enough
- How do tax rates and utility rates compare to peers?
- Mid-term focus on financial sustainability
 - Building bigger reserves now in prep for **FY26-FY29**
 - General Fund “floating” Utility Fund

How is it paid for?

General CIP – Property tax revenue

- Property tax rates
- Property value increases
 - Base growth
 - New value
- Other fees – impact fees, park fees (under discussion)

Utilities – Water and Sewer Revenues

- Rates
- Volume increases from existing &/or new customers
- Impact Fees

Biggest Challenges

General CIP

- **Rising costs - Roads**
 - 2017 – West Travis = \$1,330/ft
 - 2024 – Shepherd Rd = \$3,600/ft

Utilities

- Timing of volume increases vs. debt service timing
- **Rising costs - Utilities**
 - 2015 WTP Expansion costs = \$3.5M/1mgd
 - 2025 WTP Expansion est. costs = \$29.5M/1mgd (23.9% CAGR, **755%** more)
 - 2016 Elevated Storage = \$1.6M/1mg, 2024 Elevated Storage = \$6.25M/1mg (18.6% CAGR, **290%** more)
 - CPI since 2015 = 3.2% CAGR (33% more)

Managing massive number of CIP projects

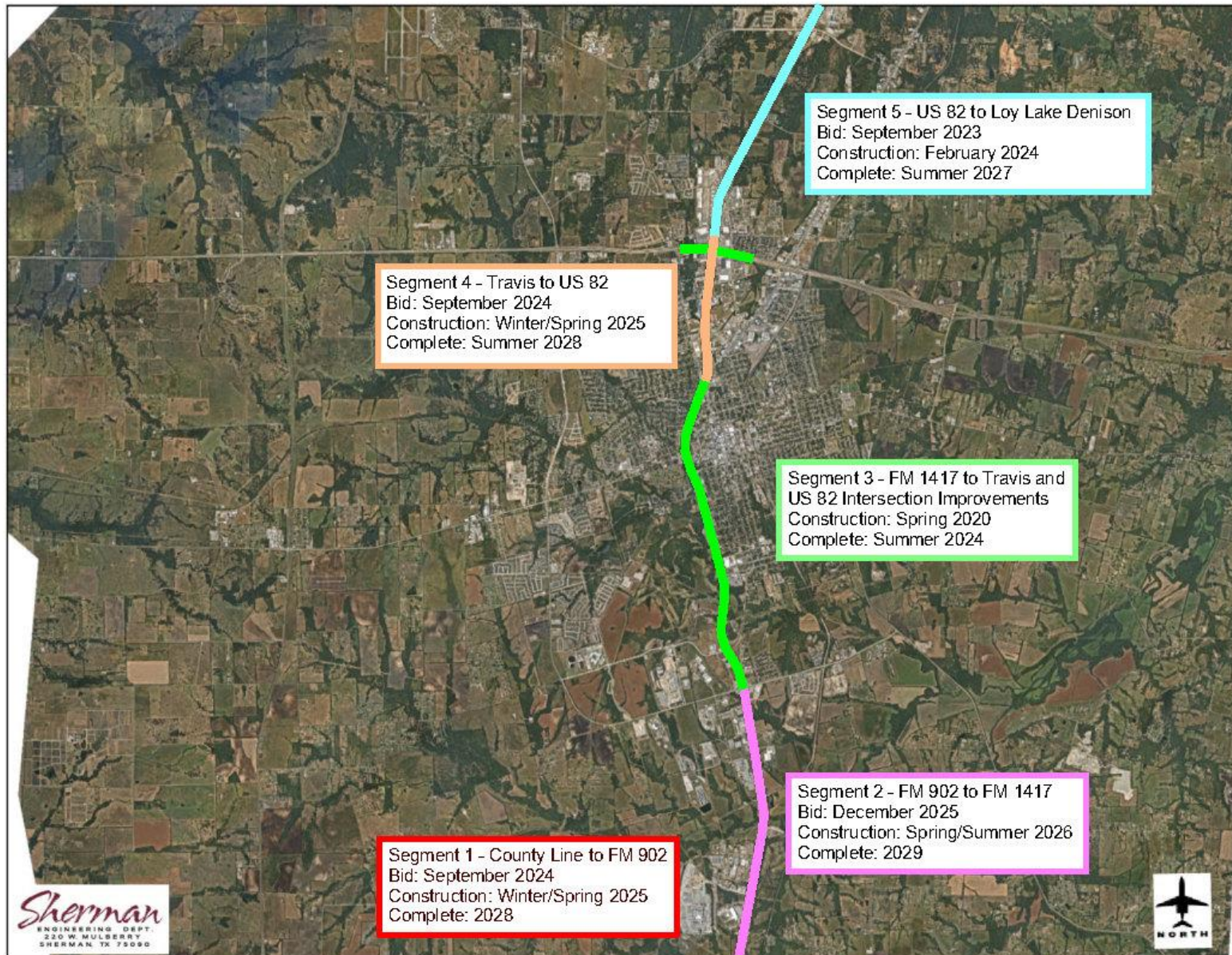


CURRENT PROJECTS UPDATE

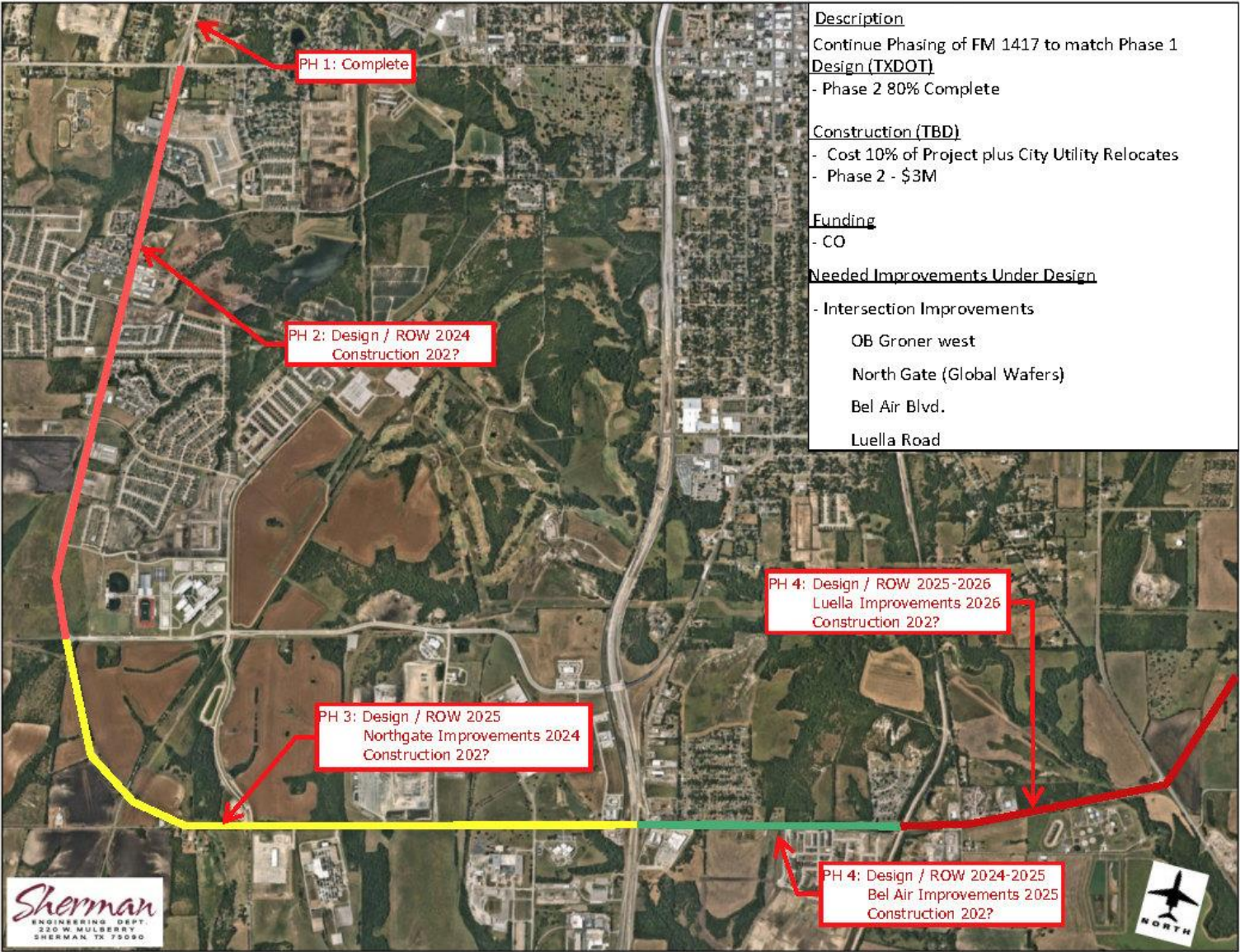
Transportation



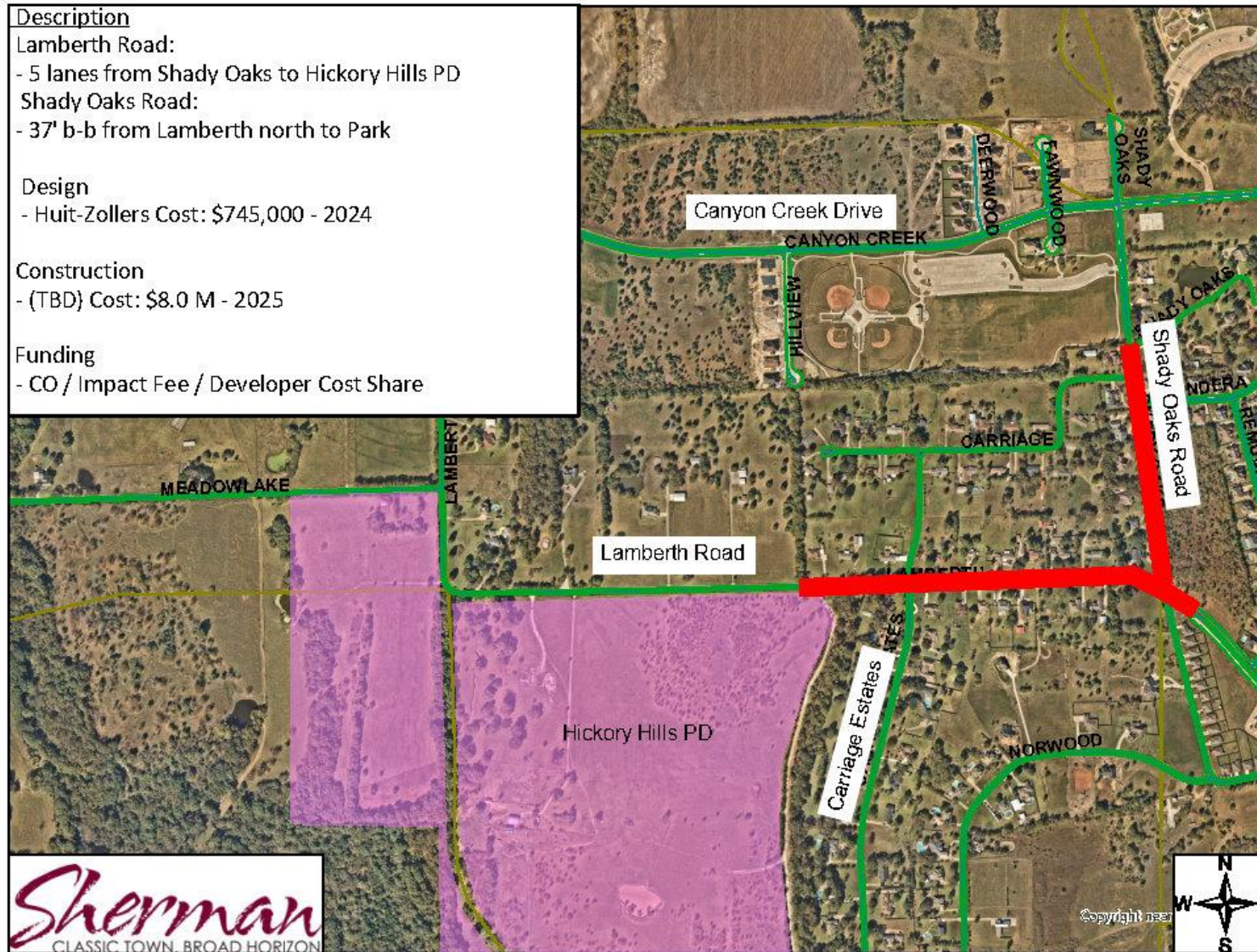
US 75 Expansion



FM 1417 Extension



Lamberth Road Extension



Friendship Road Extension

Description

- Friendship Road, PH 1: Construct 2 lanes of ultimate 4 lanes from proposed Sand Creek Bridge to Lamberth Road
- Friendship Road, PH 2: Construct 2 lanes of ultimate 4 lanes from Lamberth Road to Canyon Creek Drive

Design

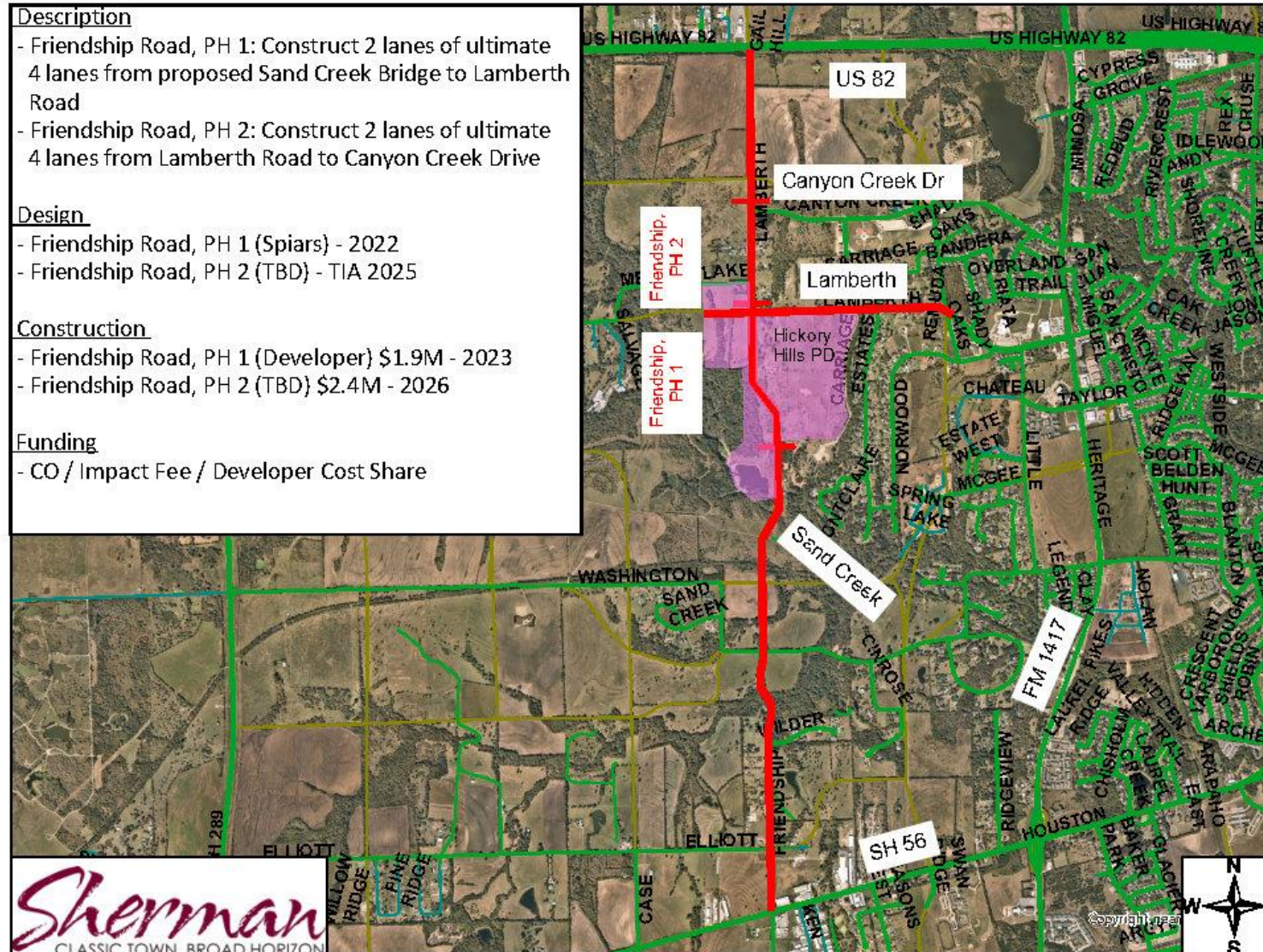
- Friendship Road, PH 1 (Spiars) - 2022
- Friendship Road, PH 2 (TBD) - TIA 2025

Construction

- Friendship Road, PH 1 (Developer) \$1.9M - 2023
- Friendship Road, PH 2 (TBD) \$2.4M - 2026

Funding

- CO / Impact Fee / Developer Cost Share



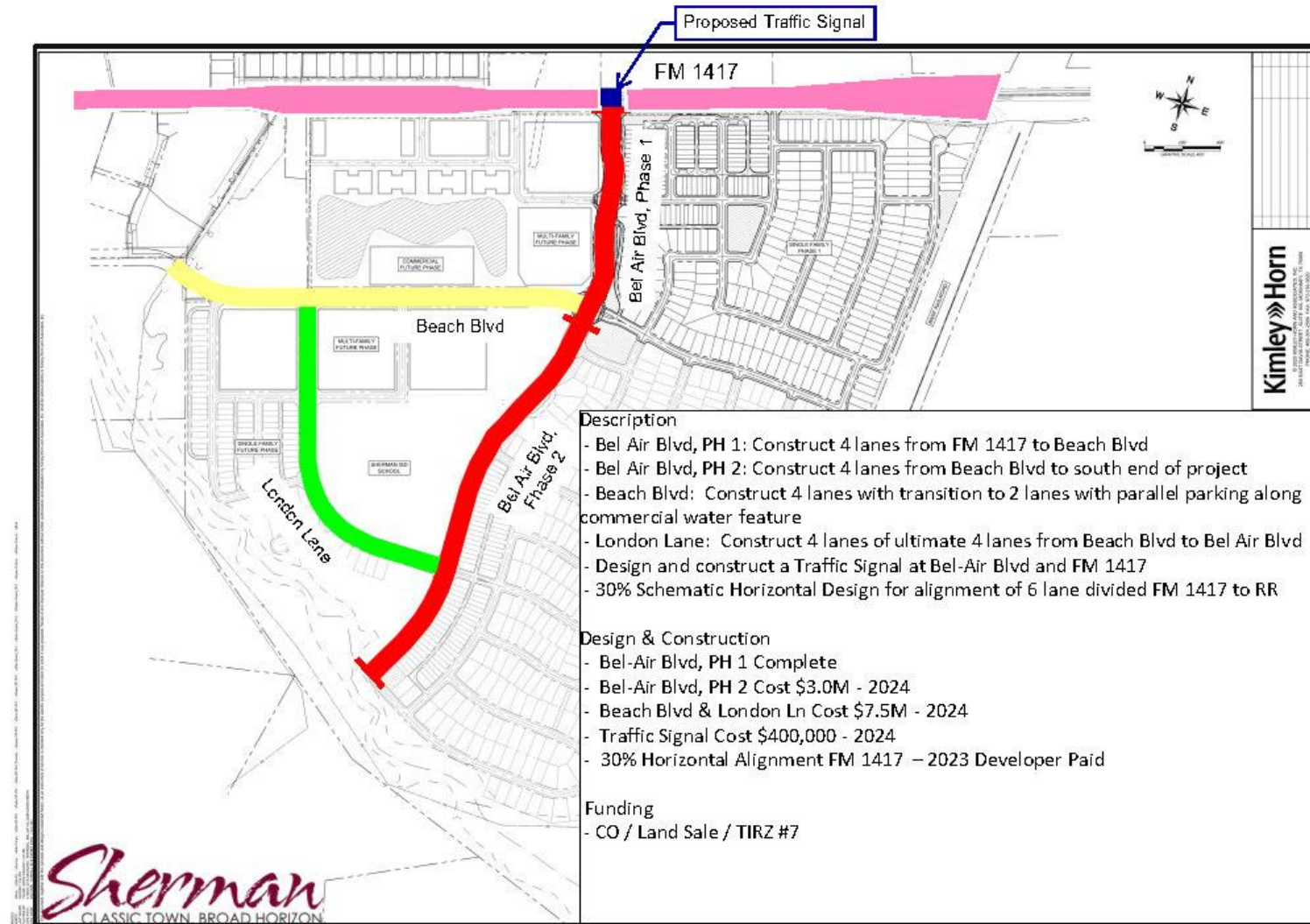
US 82 Ramp Reversal



North Travis Improvements



Bel Air Blvd.



Interurban Parkway Extension



Progress & Interurban Parkway Extension



Interurban Parkway

Description

- Interurban Pkwy, Phase 1 A & B - From Shepherd to Choctaw Creek Floodplain: Each part 2 lanes of a 4 lane road
- Interurban Pkwy, Phase 2 A & B - From Progress to north of BNSF RR: Each part 2 lanes of a 4 lane road
- Interurban Pkwy, Phase 3 - 2,000' of elevated 4 lane road over RR and Choctaw Creek Floodplain

Design (Pacheco Koch)

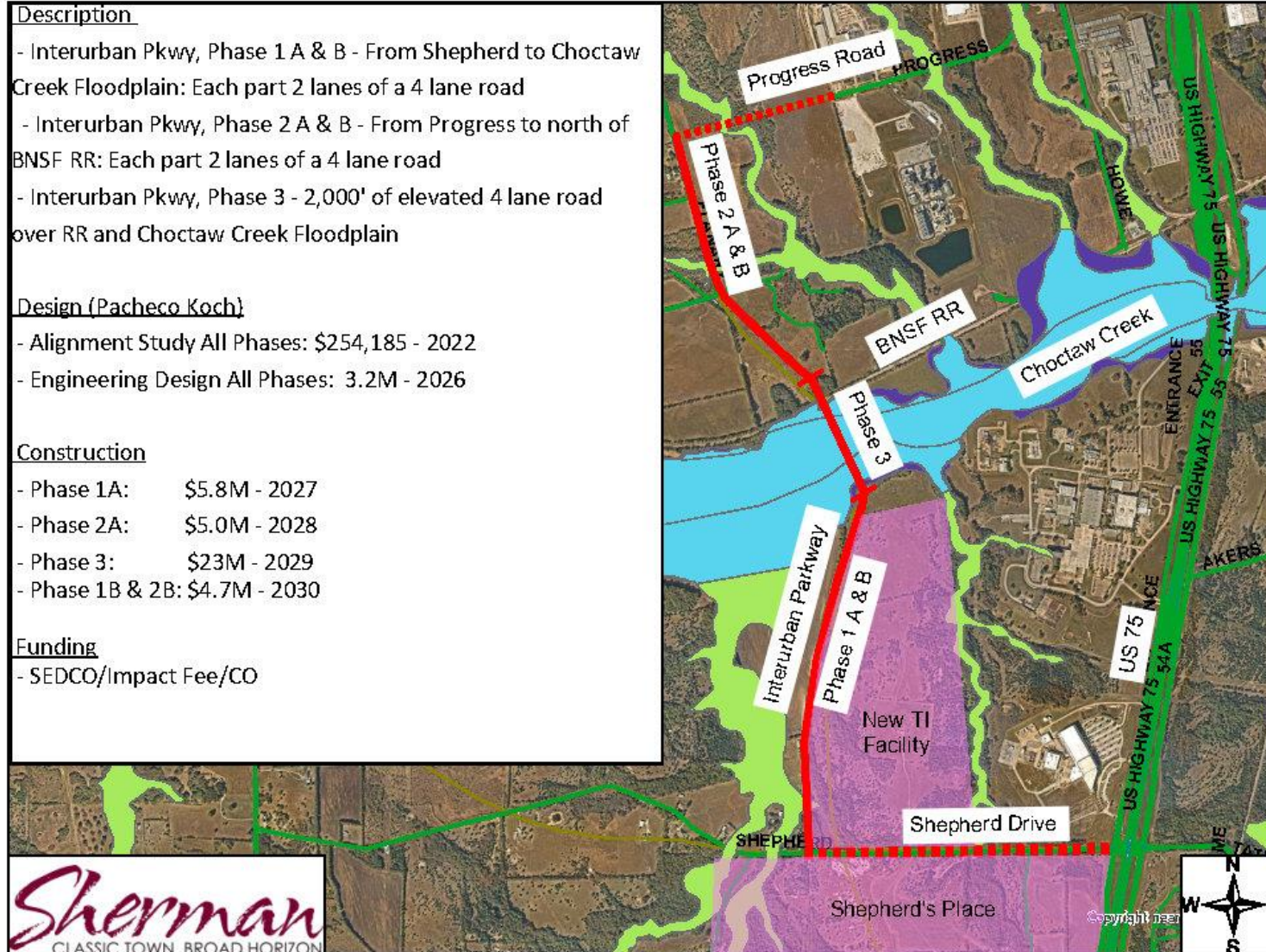
- Alignment Study All Phases: \$254,185 - 2022
- Engineering Design All Phases: 3.2M - 2026

Construction

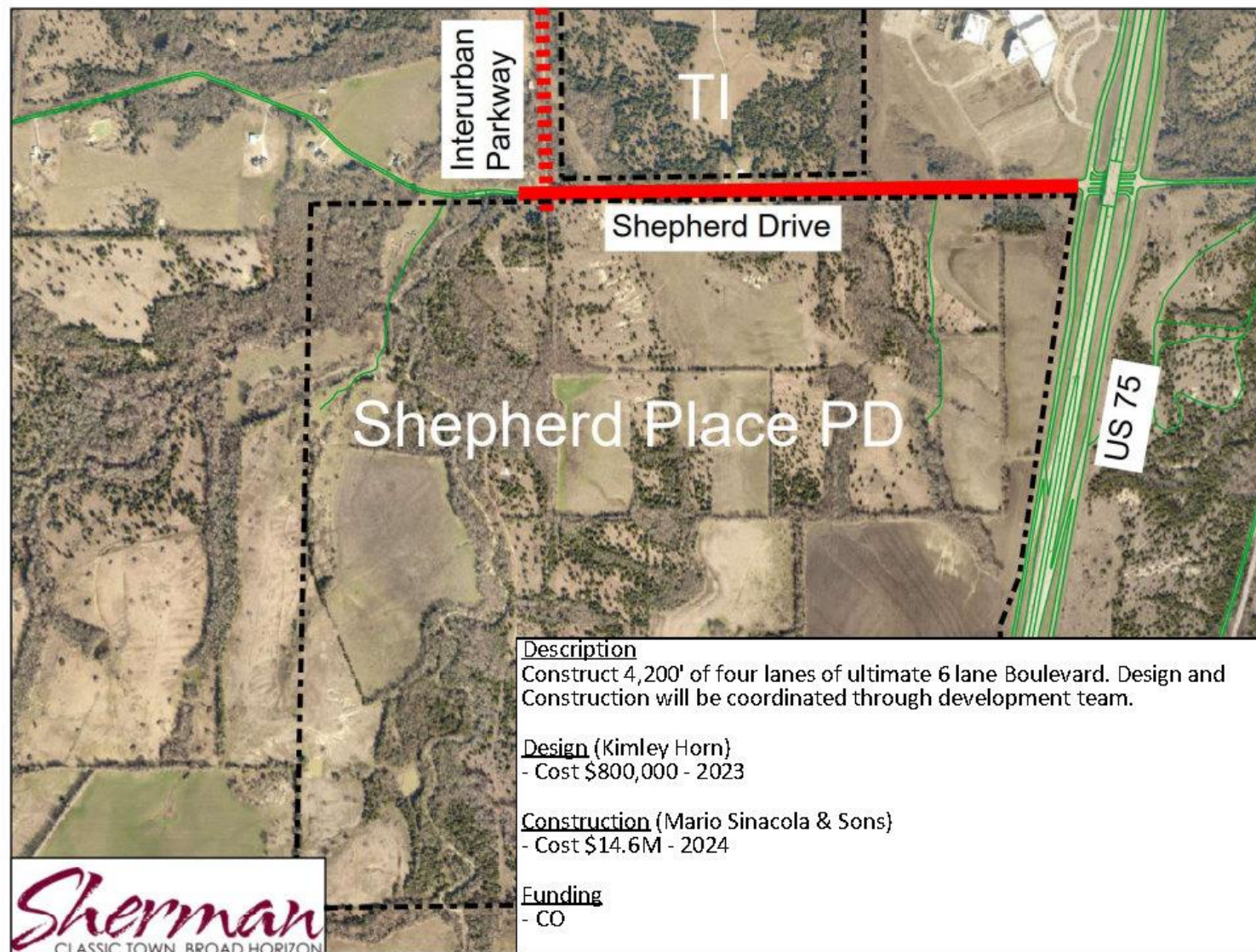
- Phase 1A: \$5.8M - 2027
- Phase 2A: \$5.0M - 2028
- Phase 3: \$23M - 2029
- Phase 1B & 2B: \$4.7M - 2030

Funding

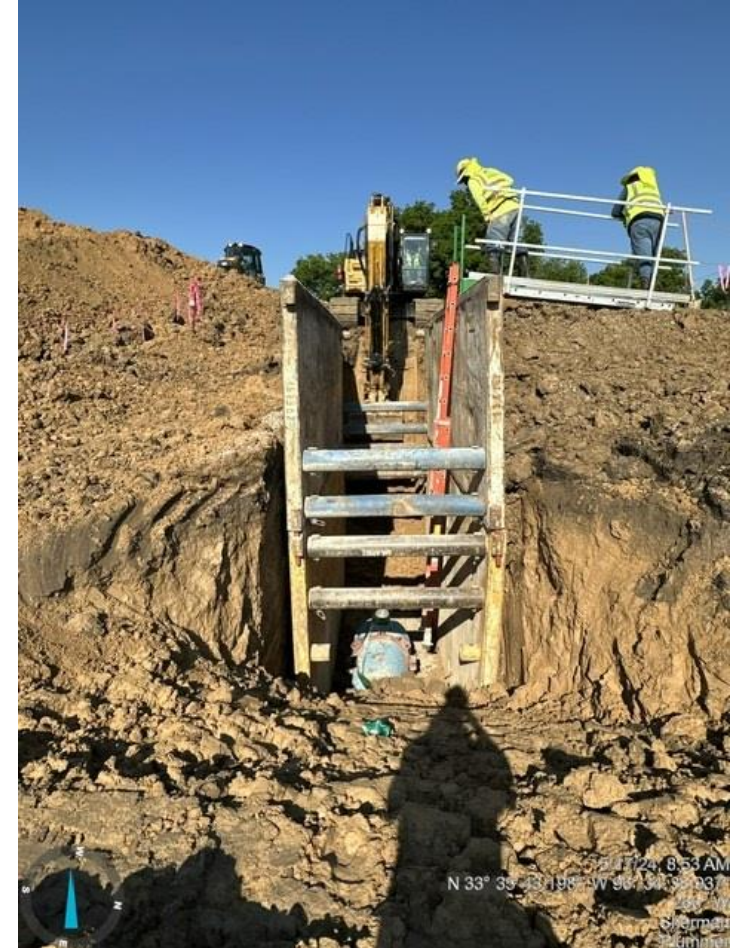
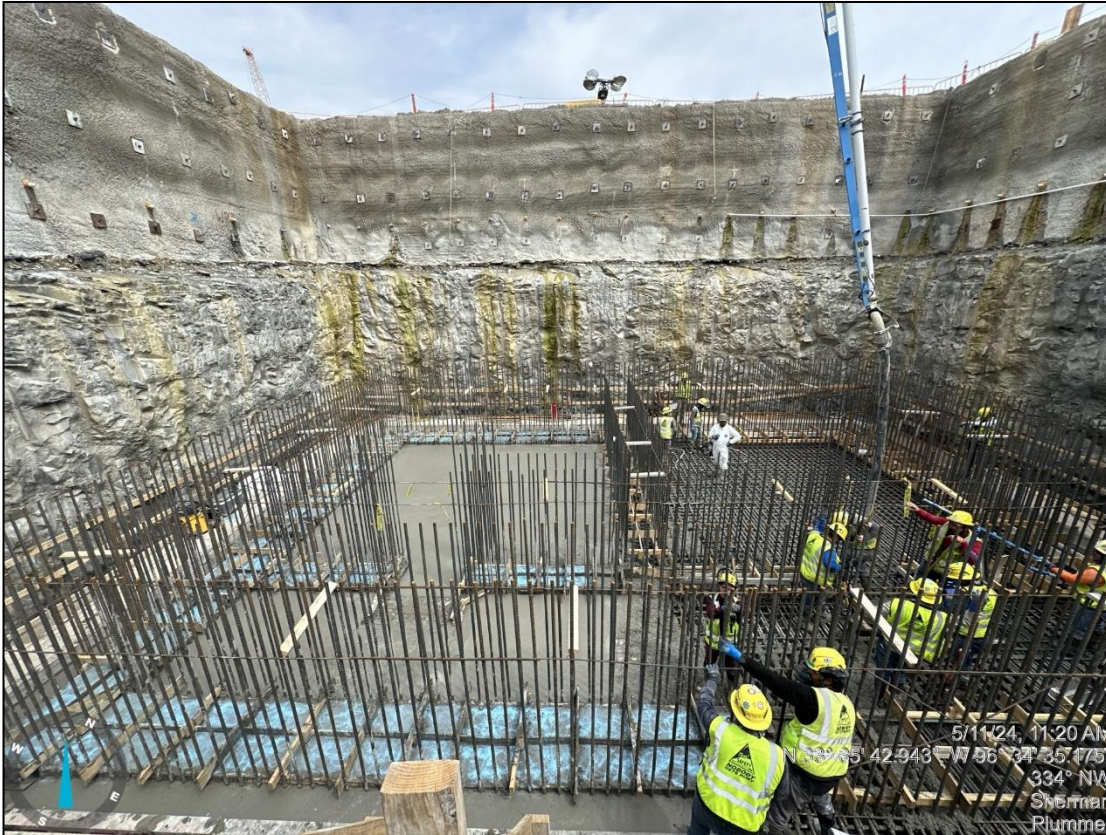
- SEDCO/Impact Fee/CO



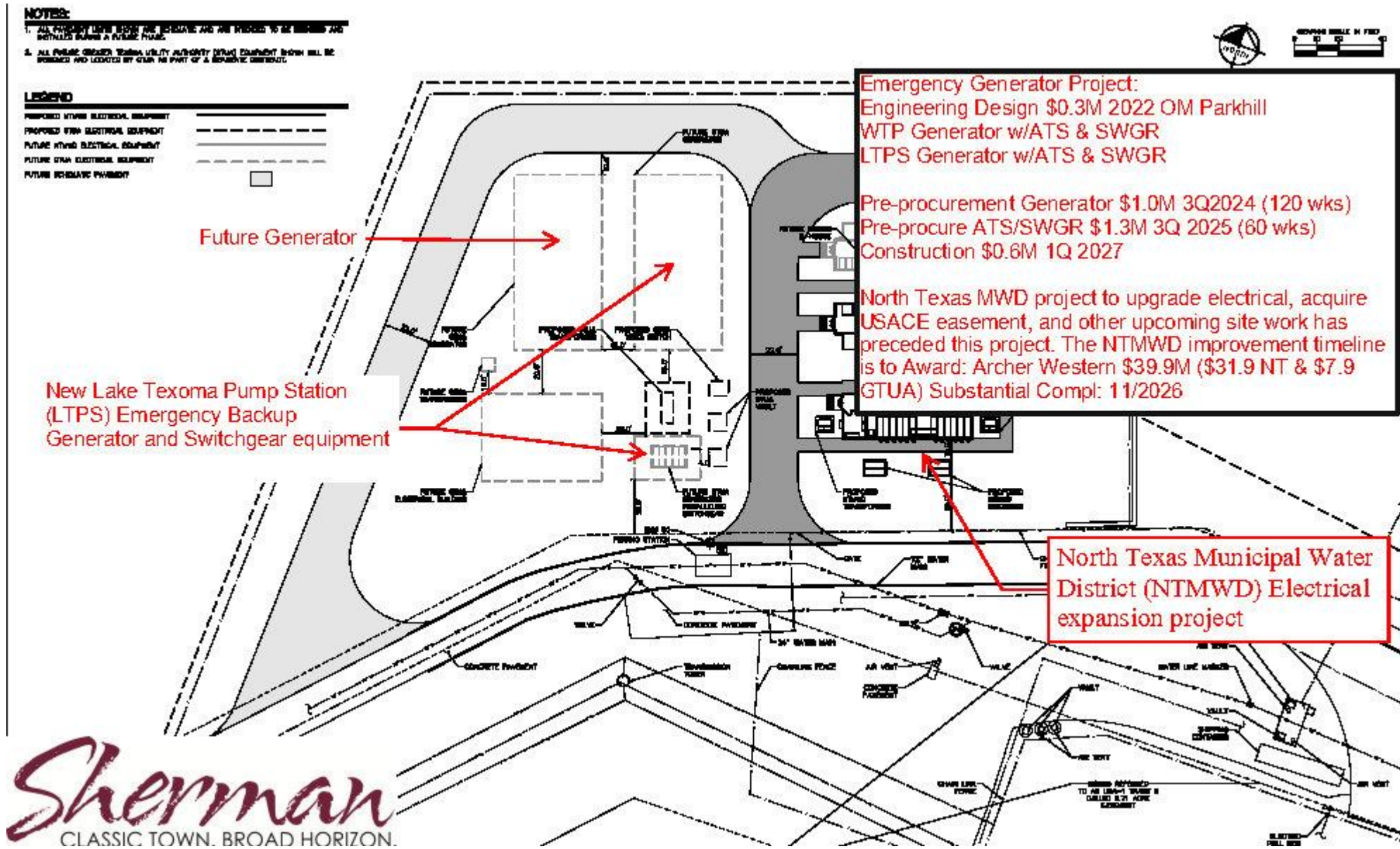
Shepherd Drive Extension



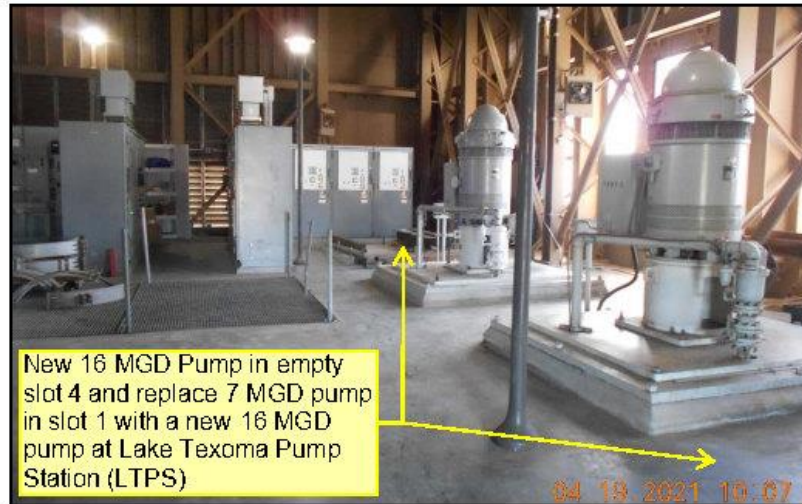
Utilities



Lake Texoma Pump Station Generator



Lake Texoma Pump Station Pumps Expansion



Description

New Raw Water Pumps to provide increased flow to Water Treatment Plant. Current capacity is 3 pumps at 7-MGD to give 21-MGD total capacity (14-MGD firm with largest pump out of service). The new capacity will be 46-MGD (30-MGD with largest pump out of service.)

To avoid a future shut down when NTMWD installs the proposed future 84" raw water transmission main parallel to the existing 72", it was determined prudent to install the planned 54" header out into the yard. An ILA agreement to apply Sherman 20% toward the 84" line would apply.

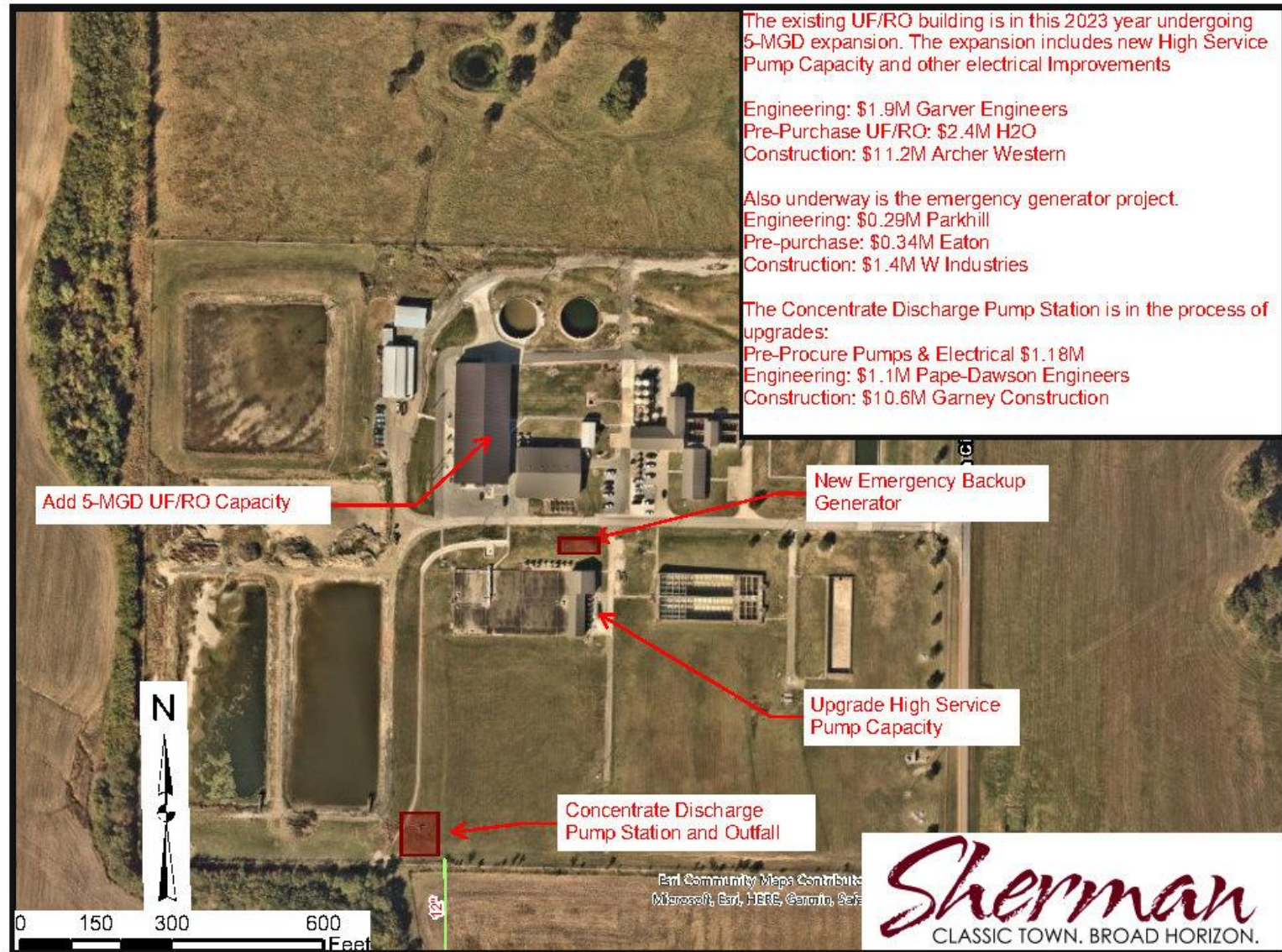
Design: \$1.8M (2023 OM Bonds)

Construction:

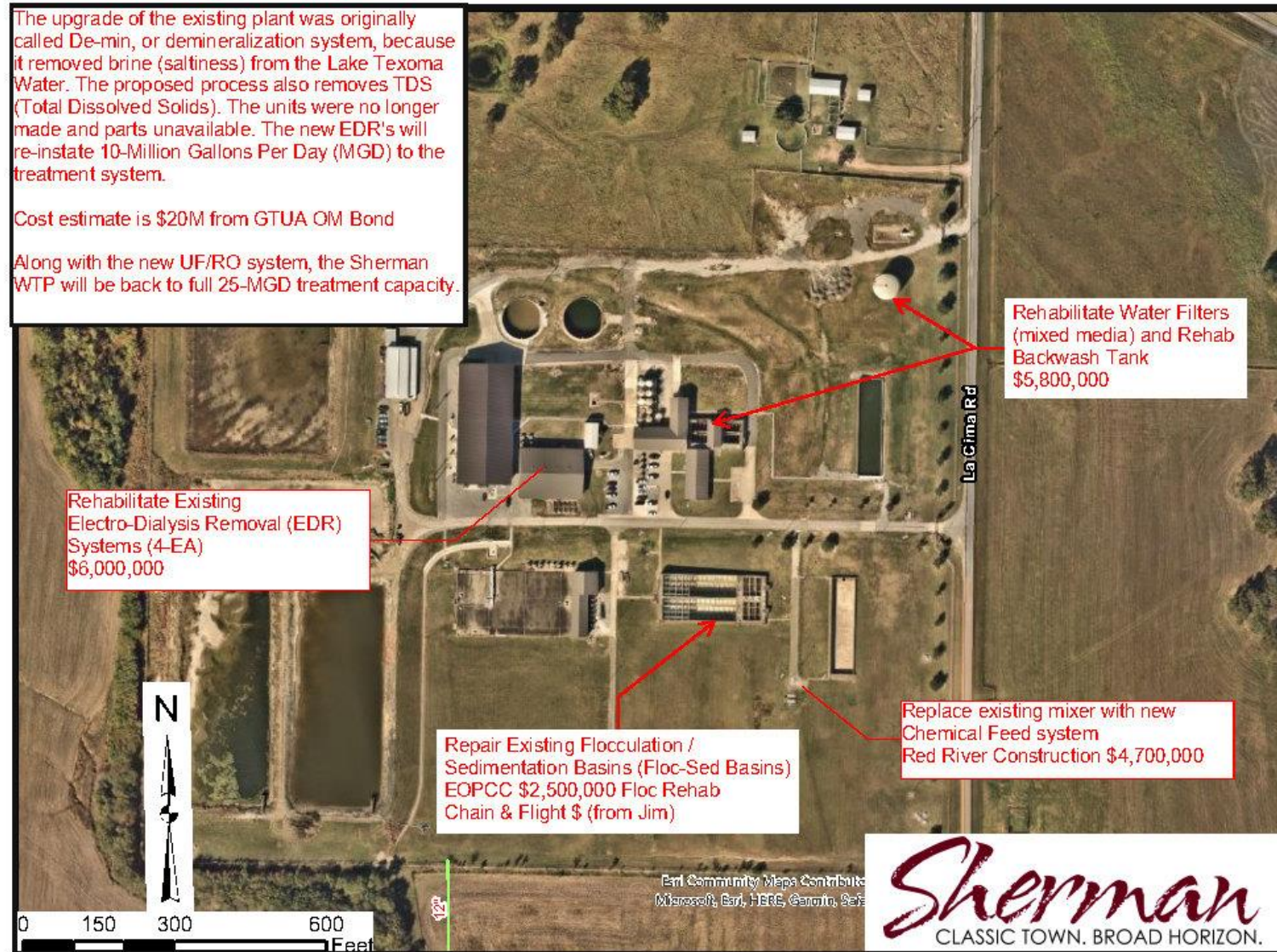
HSP Pre-Procurement	\$2,461,700
MCC Pre-Procurement	\$701,900
Valve Pre-Procurement	\$2,595,024
Construction EOPCC	\$8,670,620
Project Total EOPCC	\$14,429,244

Funding - 2024 GTUA OM

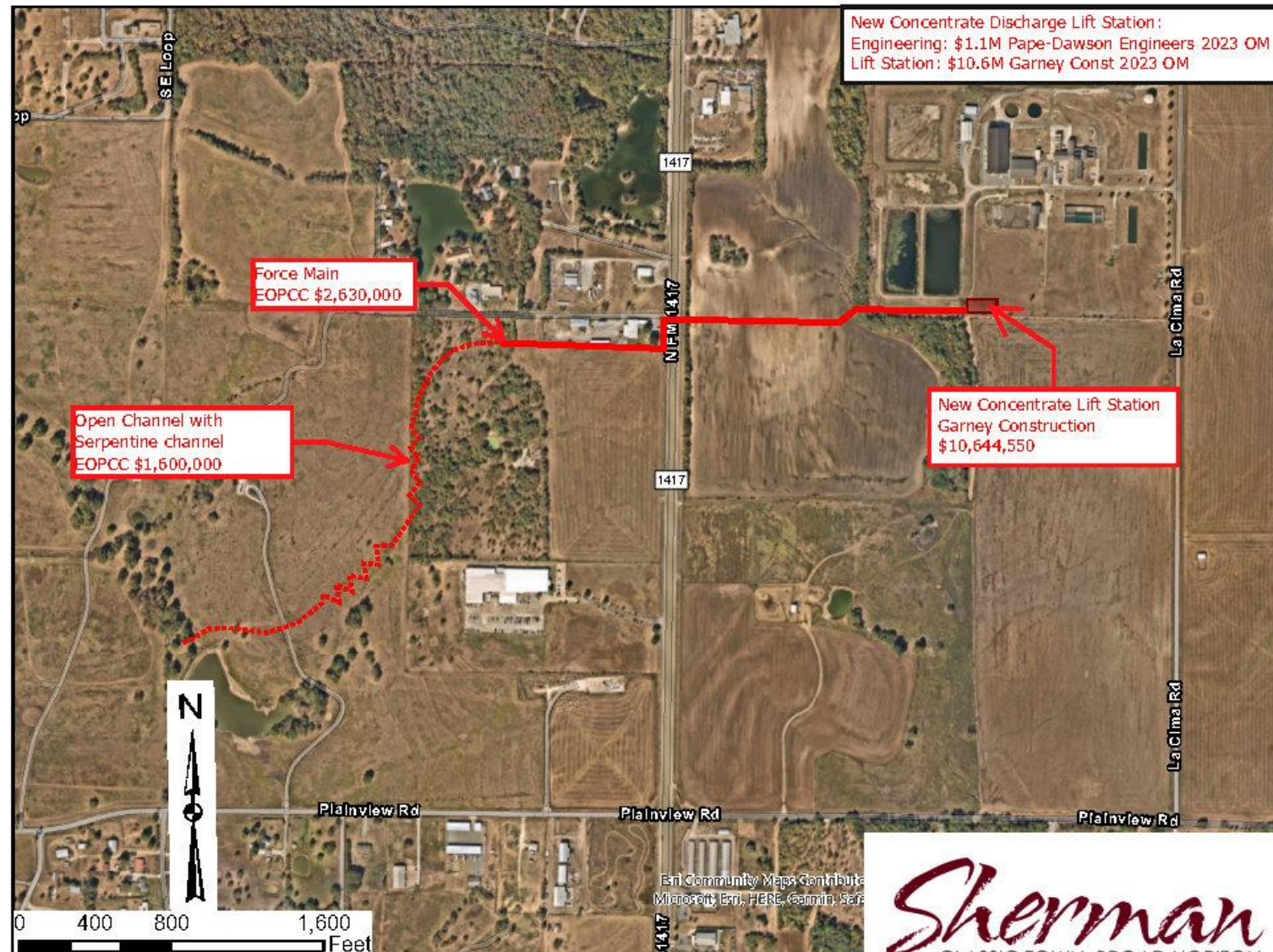
WTP Current Upgrades



WTP Conventional Treatment Rehab.



WTP Concentrate Discharge Line



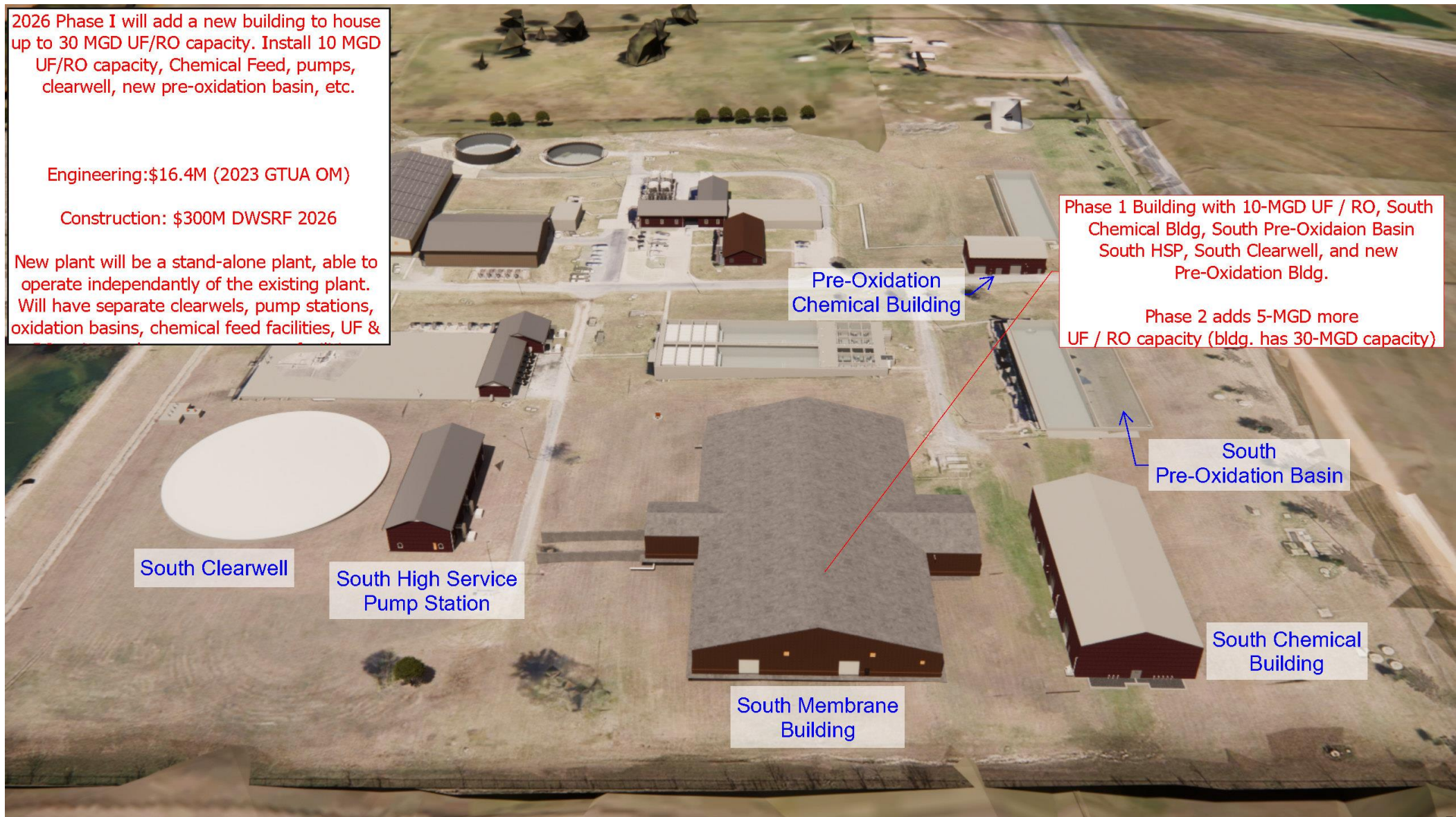
WTP Future Expansion

2026 Phase I will add a new building to house up to 30 MGD UF/RO capacity. Install 10 MGD UF/RO capacity, Chemical Feed, pumps, clearwell, new pre-oxidation basin, etc.

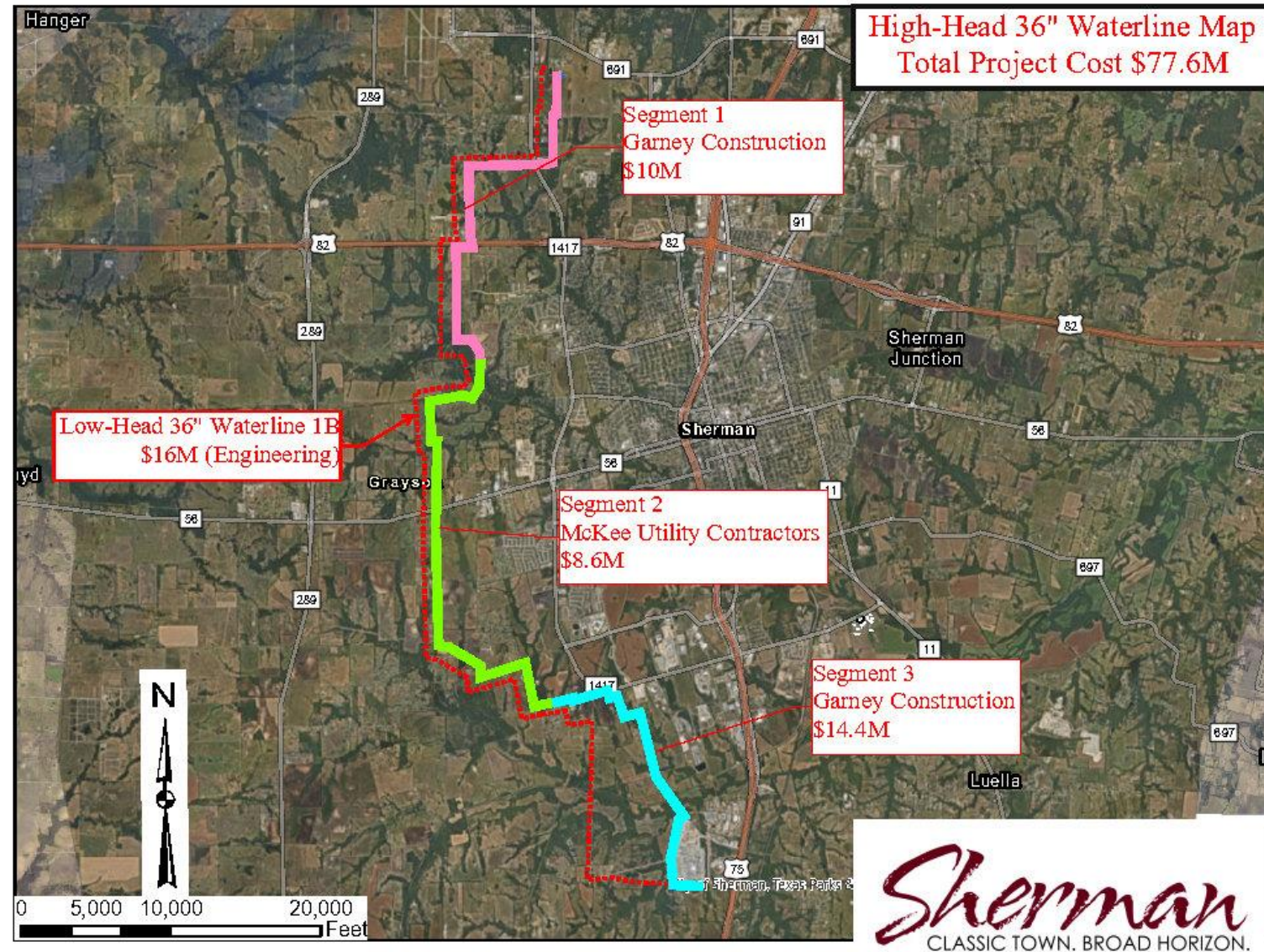
Engineering: \$16.4M (2023 GTUA OM)

Construction: \$300M DWSRF 2026

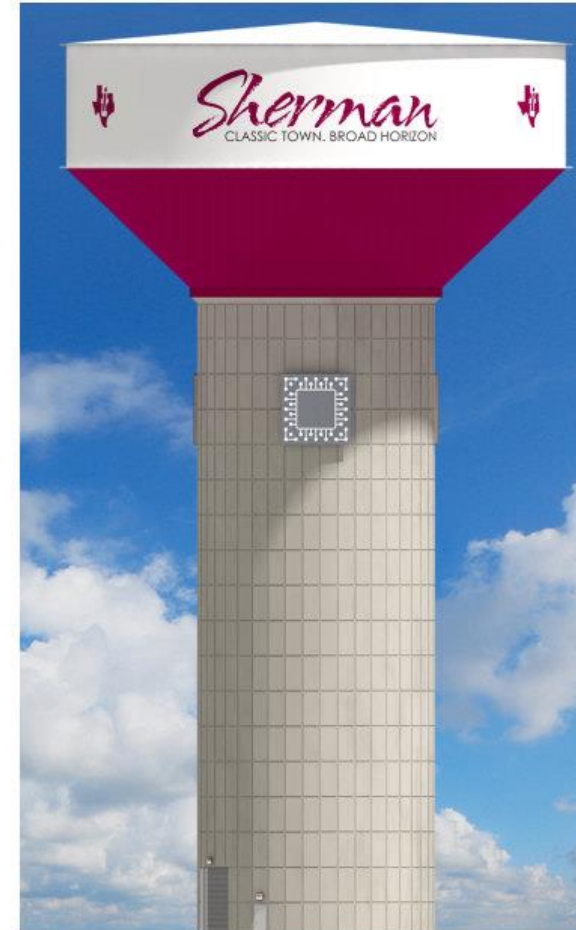
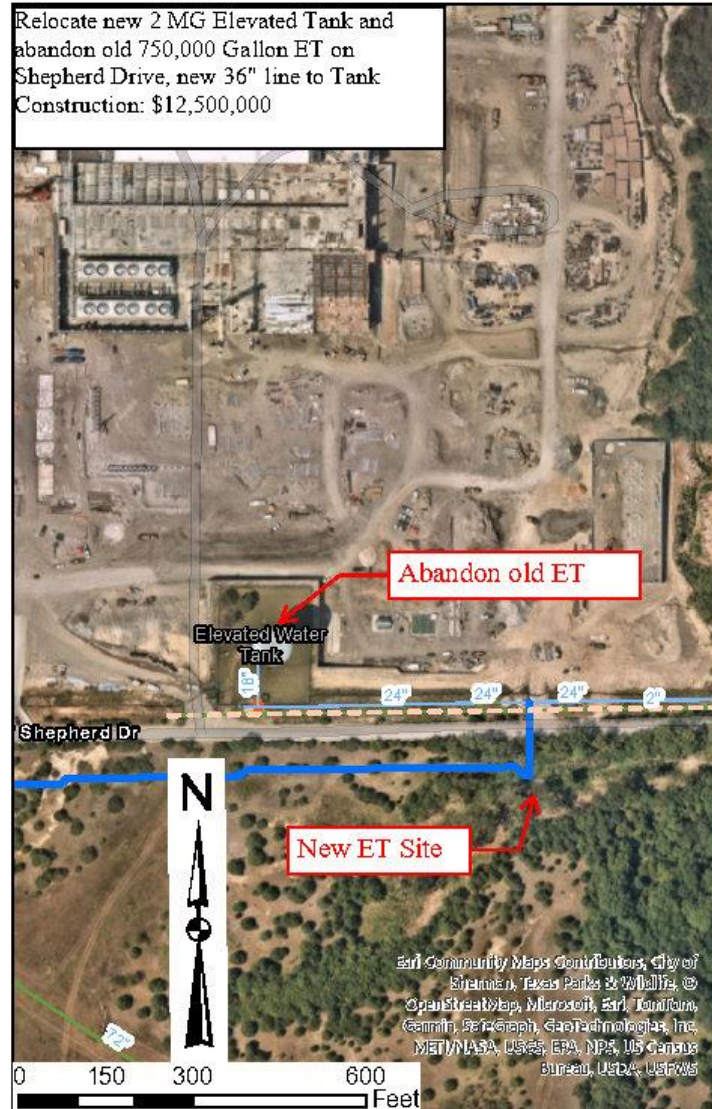
New plant will be a stand-alone plant, able to operate independantly of the existing plant. Will have separate clearwels, pump stations, oxidation basins, chemical feed facilities, UF &



36" West Sherman Transmission Line

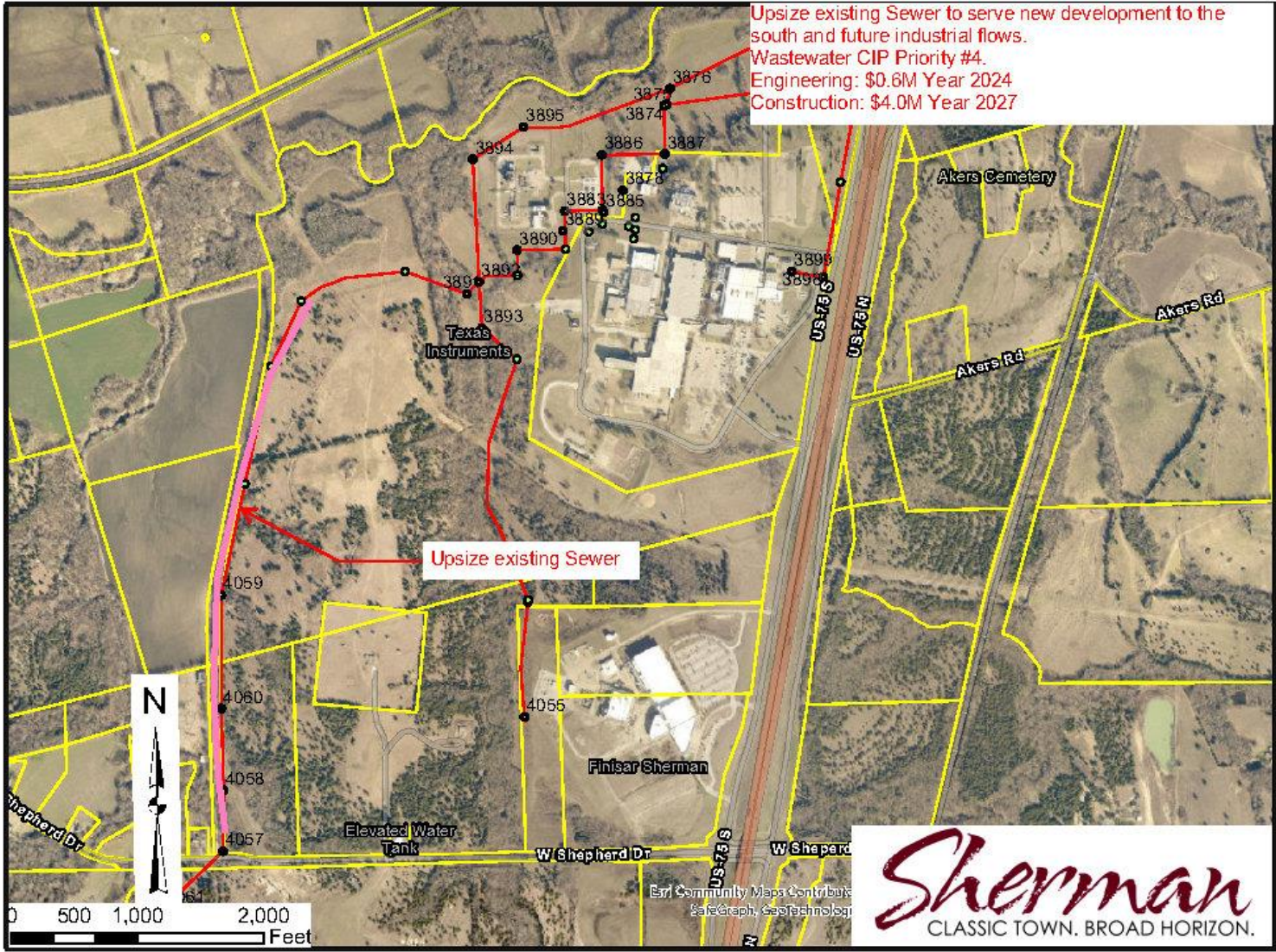


2 MG Elevated Storage Tank

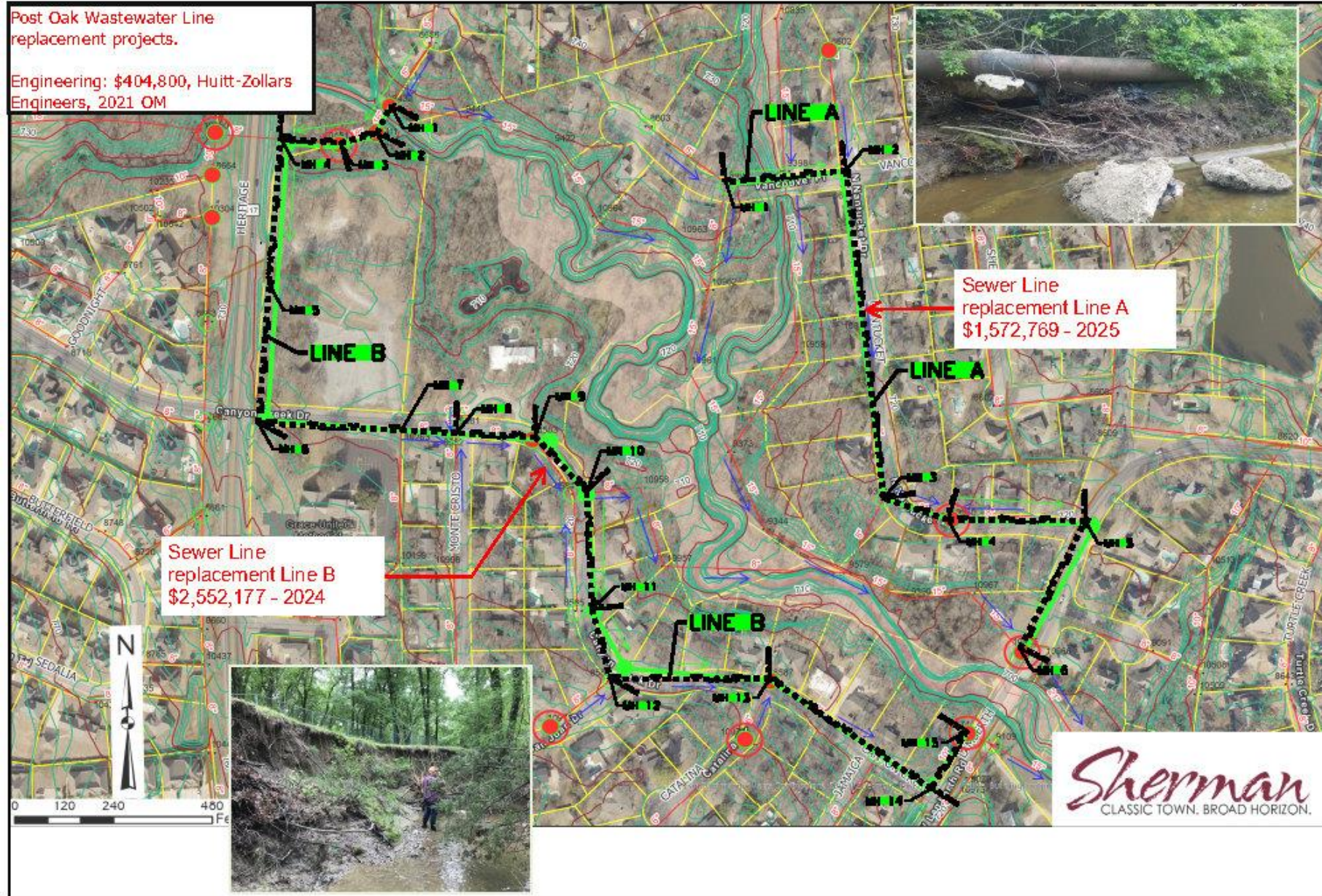


Sherman
CLASSIC TOWN. BROAD HORIZON.

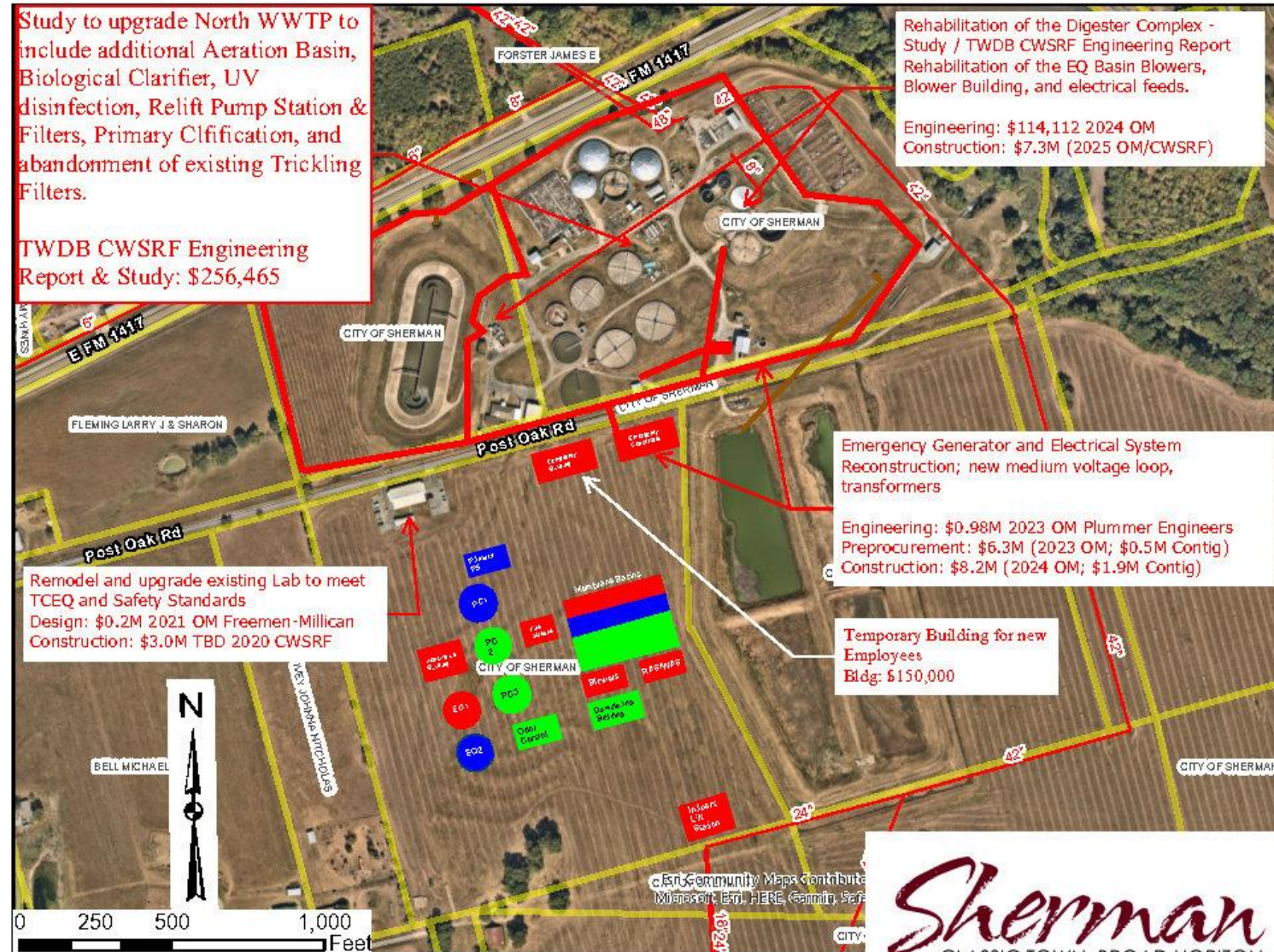
15" to 24" Sanitary Sewer Replacement



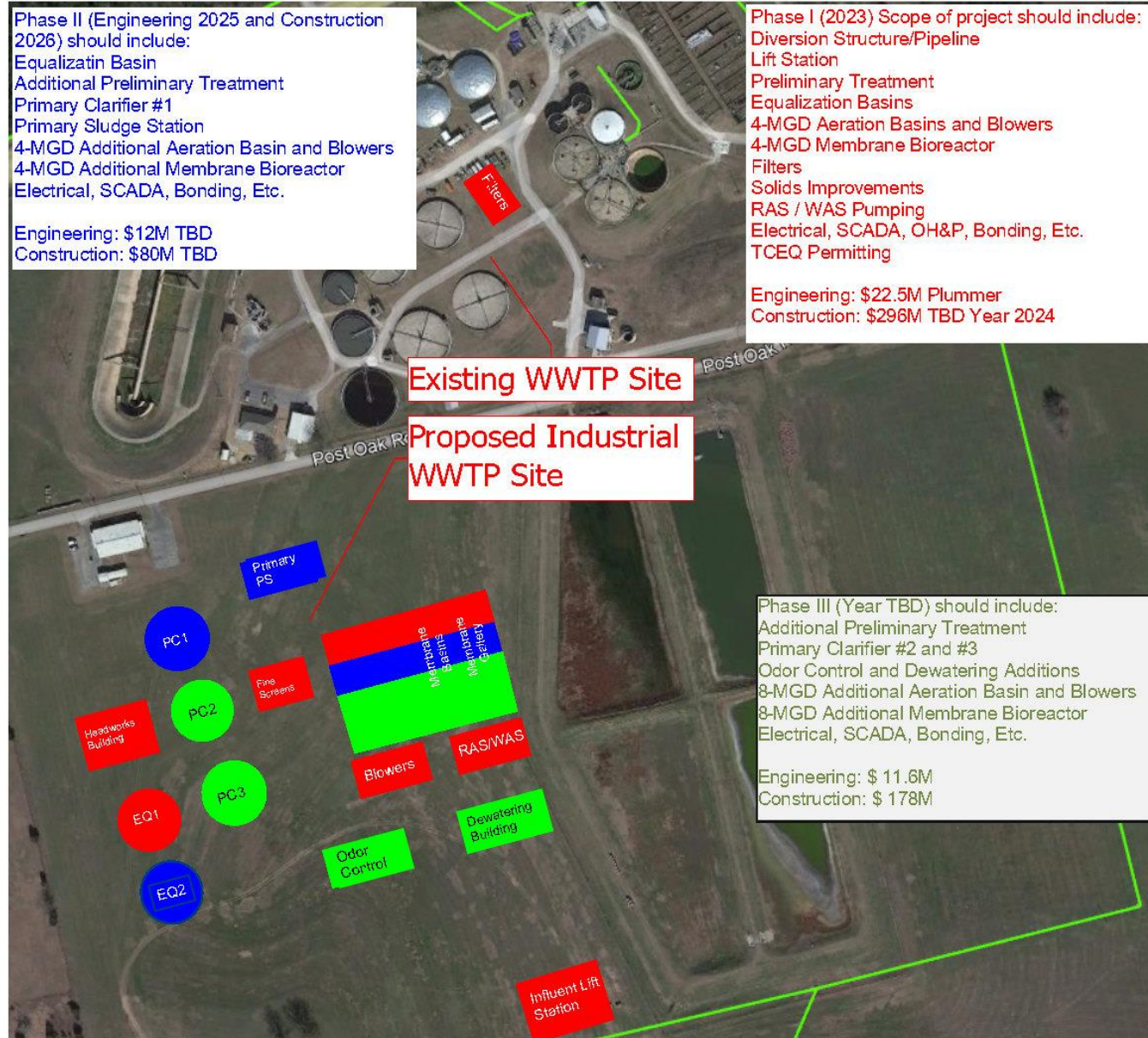
Post Oak Sanitary Sewer Replacement



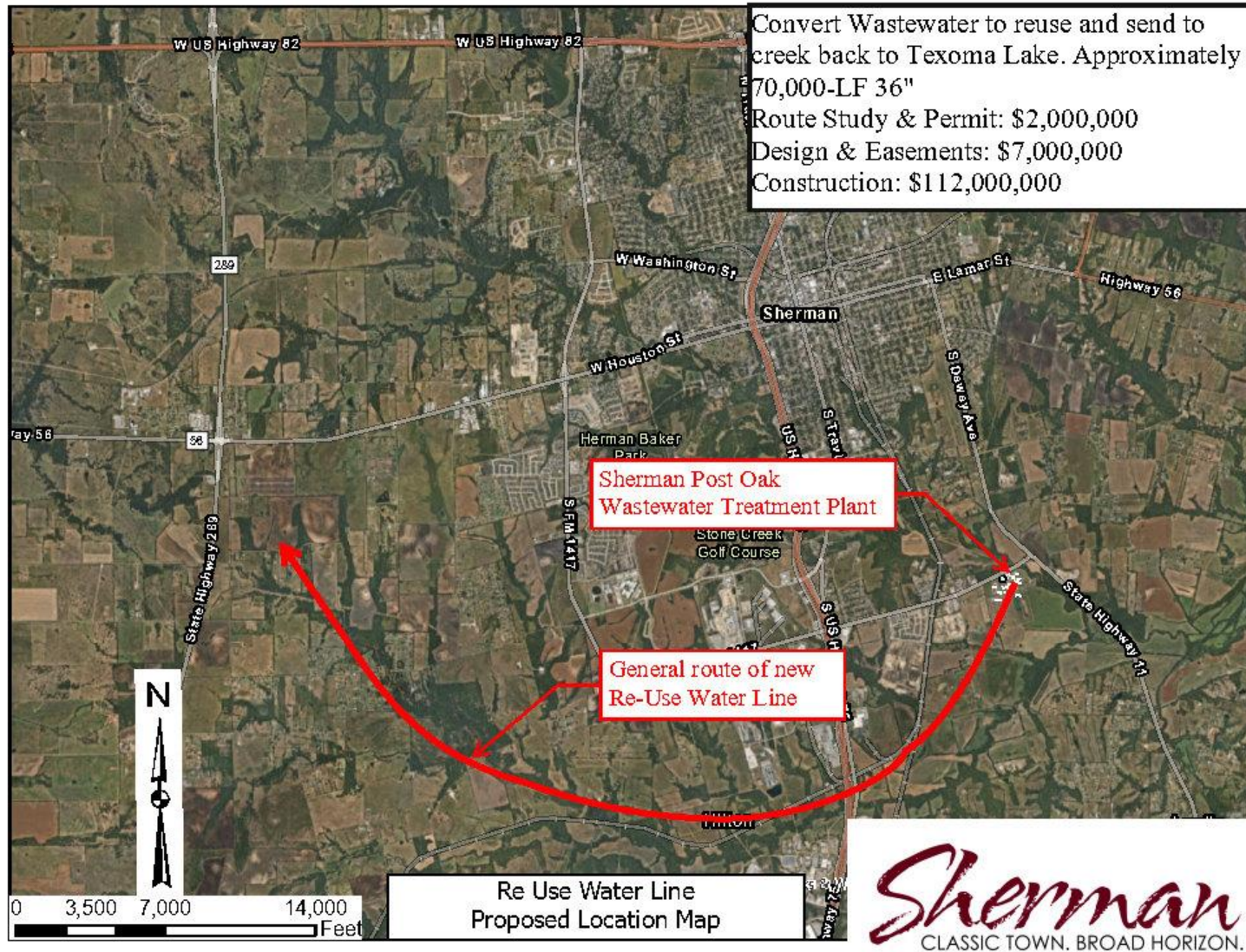
WWTP Existing Plant



WWTP 4-MGD Expansions



WW Re-Use Program



Public Works Campus



FLEET/EQUIPMENT
SERVICES



FACILITIES



GROUND
MAINTENANCE



SOLID WASTE



UTILITY
DISTRIBUTION



STREETS



PUBLIC WORKS
ADMINISTRATION

Public Works Campus



Solid Waste: Tipping Floor



Parks



Parks CIP Progress and Plan

Projects Completed/Underway for FY24 Plan

- ✓ Pecan Grove West ballfield lighting/shade structures
- ✓ Centennial Park
- ✓ Fairview Park Restroom (in progress)
- ✓ Asphalt Pump Track - Binkley
- ✓ MLK Restrooms

Plan for CIP Program

- ✓ Develop plan and priorities (Hewitt-Zollars) for improvements to existing parks
- ✓ Begin construction on various elements by late 2024, early 2025

Impact Fee Discussion

Impact Fee Status Update

- **September 21, 2020 – Impact Fee Ordinance Adopted**
- **June 7, 2021 – Impact Fee Ordinance became effective**
 - **One year grace period for any development that had plat filed.**
- **June 7, 2022 – Grace Period Complete**
- **September 13, 2022 – Impact Fee Ordinance Updated**
- **January 1, 2023 – New Impact Fee Rate Effective**

Impact Fee Status Update – Current Fees

June 7, 2021

Impact Fees

	June 7, 2021 Max Fee	June 7, 2021 Collected Fee	Percent
Water	\$4,478	\$1,000	22%
Wastewater	\$657	\$500	76%
Roadway (SA2)	\$1,565	\$1,000	64%
Total	\$6,700	\$2,500	37%

**Base Impact Fee
\$2,500 per single-
family home**

January 1, 2023

Impact Fees

	January 1, 2023 Max Fee	January 1, 2023 Collected Fee	Percent
Water	\$6,807	\$4,084	60%
Wastewater	\$2,149	\$1,289	60%
Roadway (SA2)	\$3,713	\$2,228	60%
Total	\$12,669	\$7,601	60%

**Increase of \$5,101
per single-family
home**

Impact Fee Status Update – Options

Staff Suggestion

	January 1, 2023 Max Fee	2024 Proposed Collected Fee	Percent
Water	\$6,807	\$6,807	100%
Wastewater	\$2,149	\$2,149	100%
Roadway (SA2)	\$3,713	\$2,228	60%
Total	\$12,669	\$11,184	88%

Increase of \$3,583
per single-family
home

CIAC
Recommendation

	January 1, 2023 Max Fee	2024 Proposed Collected Fee	Percent
Water	\$6,807	\$5,446	80%
Wastewater	\$2,149	\$1,719	80%
Roadway (SA2)	\$3,713	\$2,228	60%
Total	\$12,669	\$9,393	74%

Increase of \$1,792
per single-family
home

Park/Open Space Dedication

- **Currently, R-4 and R-5 subdivision are required to provide 10% Usable Open Space.**
- **Definition:**
 - **Open space that may be improved and set aside, dedicated, designated, or reserved for recreational facilities such as swimming pools, play equipment for children, ball fields, court games, picnic tables, or similar. Natural areas may be included as usable open space if improved with a minimum eight (8) feet wide concrete walking trail. Areas occupied by enclosed buildings (except gazebos and pavilions), drives, parking, overhead electrical transmission lines, drainage channels and antennas may not be included in calculating usable open space. Usable open space areas must be easily viewed from adjacent streets and homes.**

Park/Open Space Dedication

- **Option 1** – Leave it as is and do not include any park dedication requirements in the subdivision update.
- **Option 2** – Expand Usable Open Space requirement to all residential zoning categories, not just R-4 and R-5
 - More broad allowances for usable open space
 - 1:1 for private/HOA amenities
 - No Fee-in-lieu
- **Option 3** – Match peer cities in requirement of park dedication
 - 1 acre for every 50 units
 - Fee-in-lieu by approval of City Manager if dedication cannot be accomplished
 - 50% credit for private parks or HOA parks
- Staff recommends not to implement a park improvement fee at this time.

Subdivision Update – Peer Comparison

Peer City	Park Dedication Requirement
Denison	1 acre of land for every 50 dwelling units Park Dedication Fee: \$500 per dwelling unit
Anna	1 acre of land for every 50 proposed dwelling units Park Development Fee: \$1,500 per single-family unit; \$2,000 per multi-family unit
Melissa	1 acre of land for every 30 proposed dwelling units Park Development Fee: \$4,000 per single-family unit; \$2,000 per multi-family unit Park Development Fee (ETJ): \$5,870 per single-family unit; \$3,870 per multi-family unit
McKinney	1 acre of land (not floodplain) per 37 proposed dwelling units Park Development Fee: \$1,993 per single-family unit; \$1,631 per multi-family unit
Prosper	1 acre of land per 35 proposed dwelling units or 5% of the total acreage, whichever is greater Park Improvement (Development) Fee: \$1,500 per single-family unit; \$2,000 per multi-family unit
Celina	1 acre of land for every 50 proposed dwelling units Park Improvement (Development) Fee: \$1,500 per unit



TAXES, BONDS, UPCOMING PROJECTS

Historical Property Tax Growth

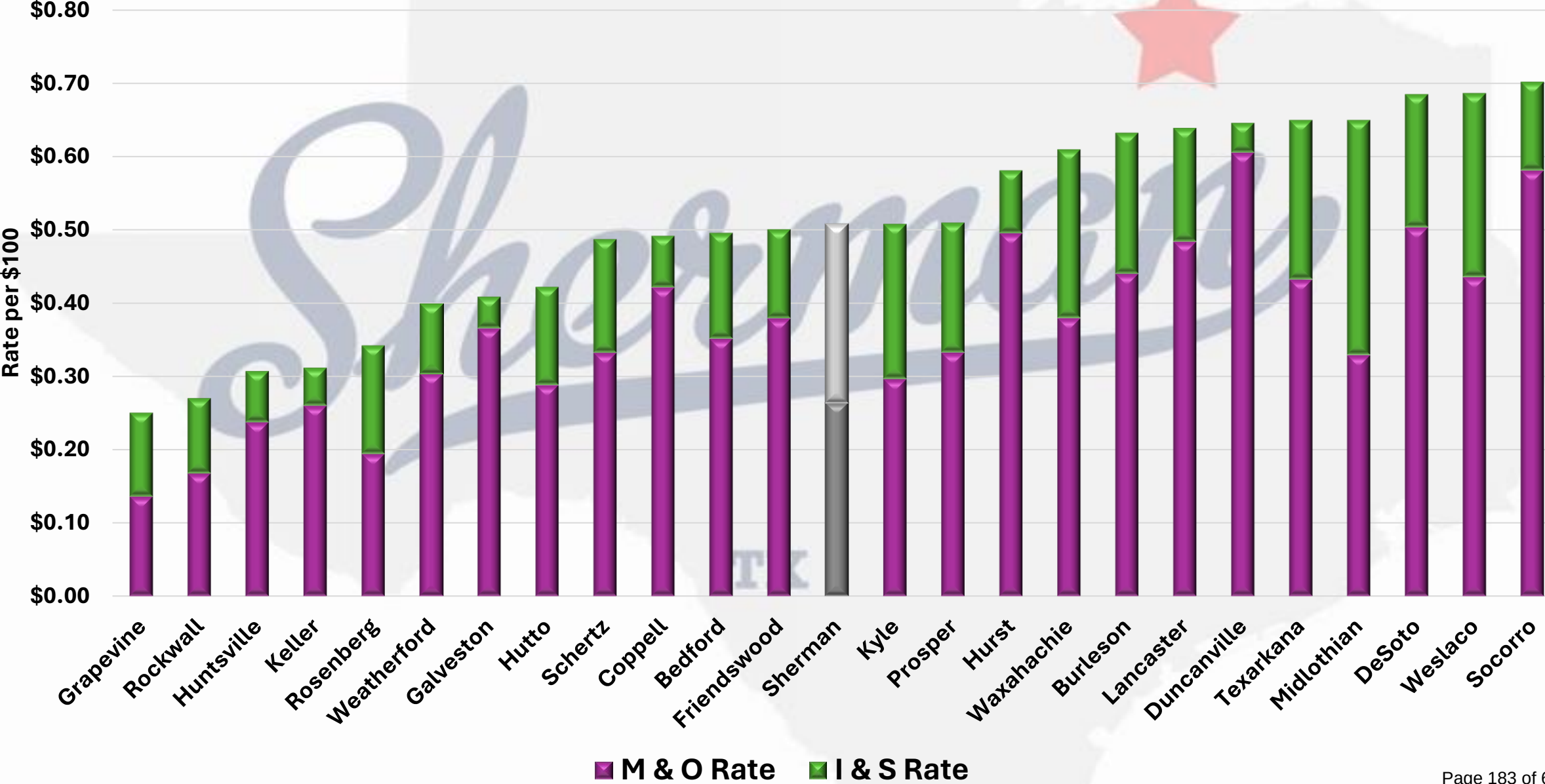
Cumulative New Value and Growth in Existing Property



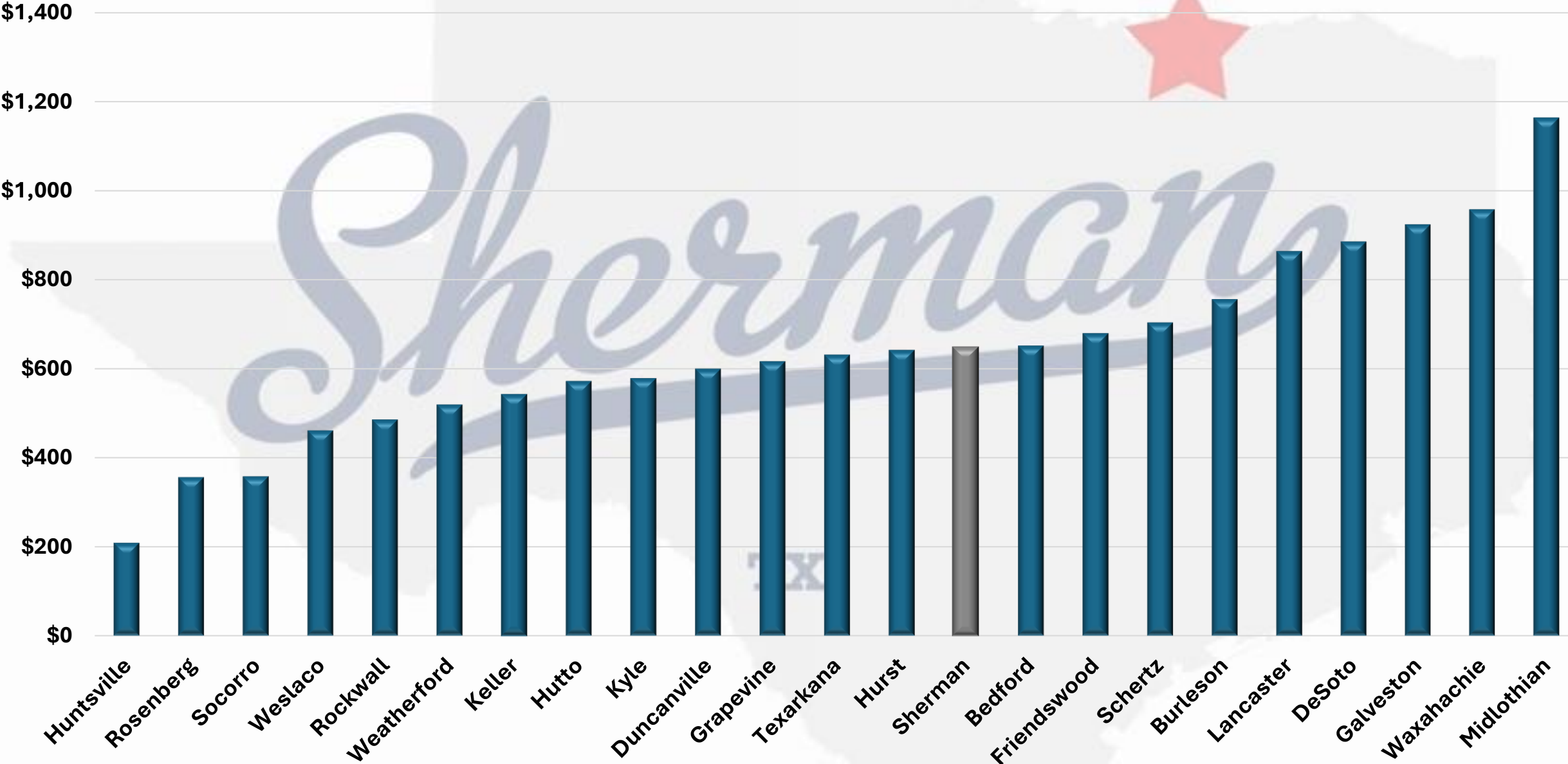
Historical Tax Rate



Tax Rates of Comparably Sized Cities



Per Capita Property Taxes



2024 and 2025 CO Bond Uses

(in \$000)

2024 CO

2025 CO

2024 CO

2025 CO

Streets

TxDOT FM 1417

\$ - \$ 3.00

Major Street Rebuilds

Well St

- 0.70

Cherry St

4.00 -

Park St

3.00 -

Washington

1.50 -

Sunset

1.50 -

Lone Star Parkway + Heritage Ranch

Road

8.00 -

Pecan Grove Estates Infrastructure

- 4.00

Travis Heights Bel Air Blvd

- 3.00

Engineering Design (various)

2.00 -

Three Oaks infrastructure

- 1.00

Total Streets

20.00 11.70

Facilities

Public Safety Training Facility (Gun Range)

- 5.00

Public Works Facility - Design

2.00 -

Fire Station #3 remodel

- 3.00

West Hill erosion

2.50 -

Fire Station #5 land purchase

- 0.50

Total Facilities

4.50 8.50

TIRZ

TIRZ #5 Sherman Crossroads

8.00 -

Total TIRZ

8.00 -

Drainage

Lamberth Rd Drainage

1.50 -

Blanton/McGee drainage

- 2.50

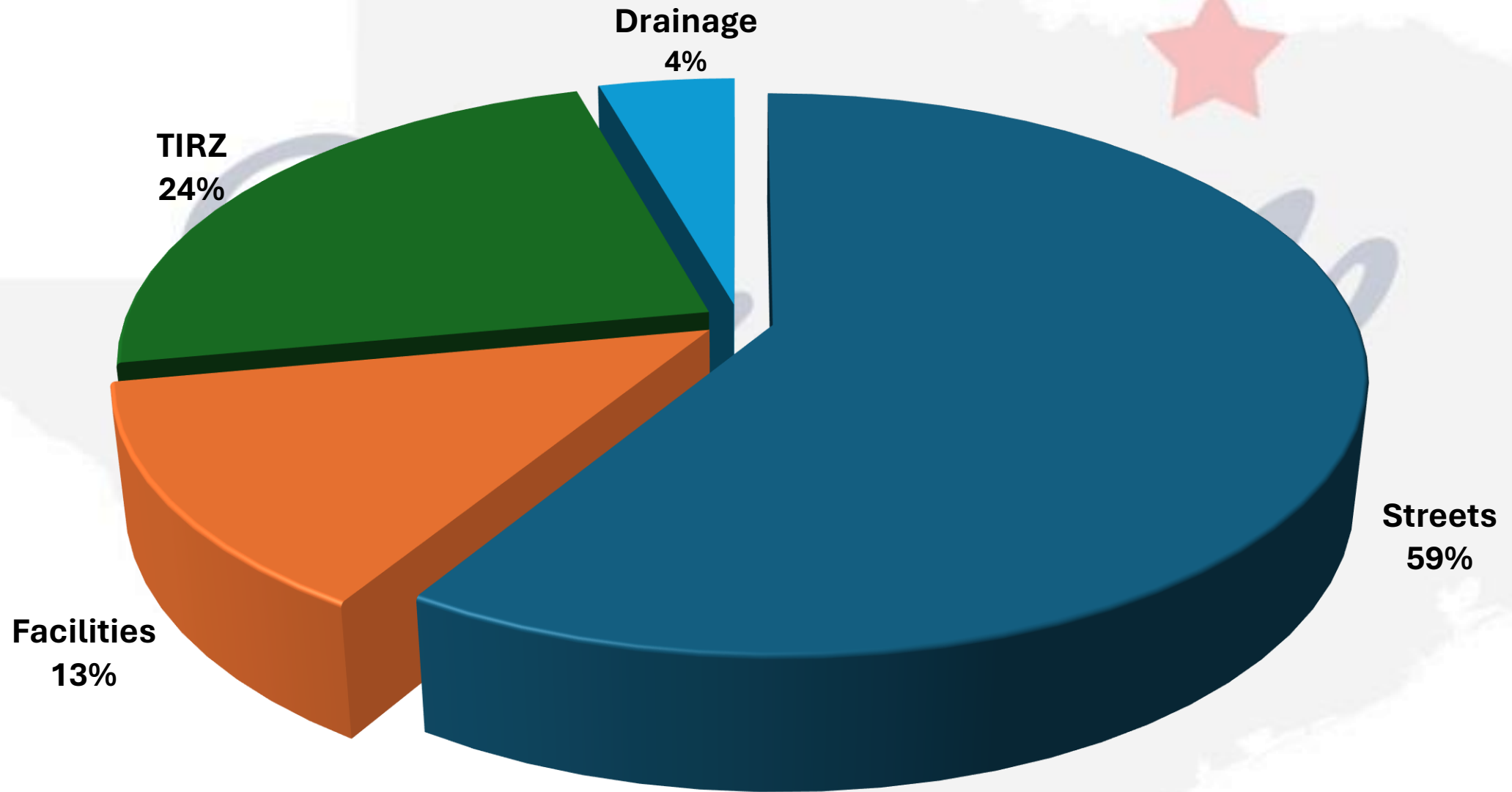
Total Drainage

1.50 2.50

Grand Total

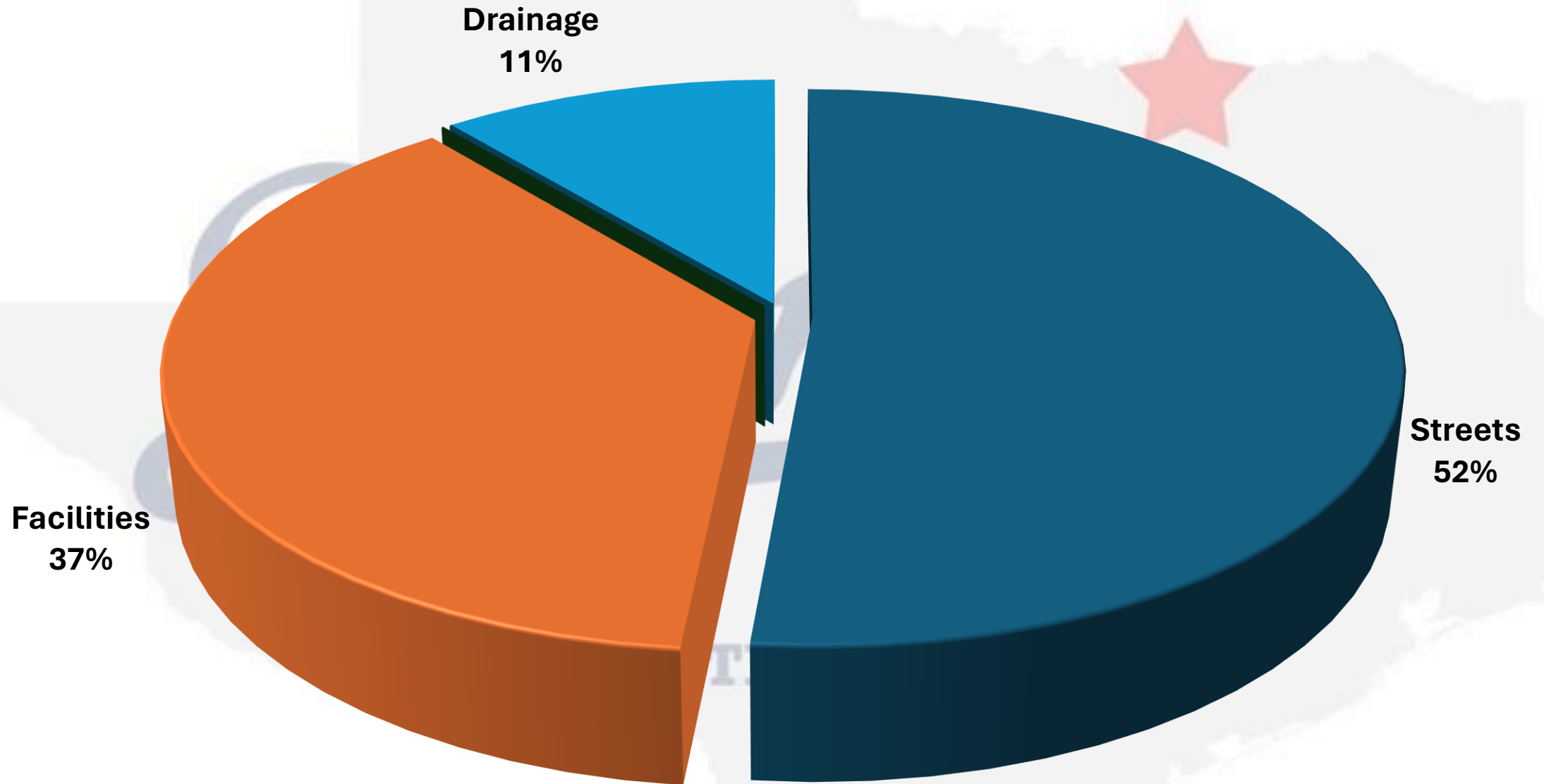
\$ 34.00 \$ 22.70

2024 CO Bond Uses



Note: Streets & related (TIRZ) = 83%

2025 CO Bond Uses



Major Street CIPs and Related Impacts

Project	Description	City Infra Cost (\$M)	Est Tax Value Created	Est A/V Revenue	Est Sales Tax Rev	Total Ann Rev Added
Texas Instruments	Industrial	16	\$ 1,250,000,000	\$ 6,350,000	\$ 200,000	\$ 6,550,000
Global Wafers	Industrial	3	\$ 680,000,000	\$ 3,454,400	\$ 33,333	\$ 3,487,733
Crossroads	Retail/Commercial/Hotel	11	\$ 92,500,000	\$ 469,900	\$ 1,550,000	\$ 2,019,900
Bel Air	910 SFR, 3000 MFR, Retail/Ent	12	\$ 794,500,000	\$ 4,036,060	\$ 560,000	\$ 4,596,060
Heritage Ranch	650 SFR, 600 MFR, Retail/Ent	15	\$ 567,500,000	\$ 2,882,900	\$ 605,000	\$ 3,487,900
Hickory Hill	220 SFR, 1200 MFR	8	\$ 249,000,000	\$ 1,264,920	\$ -	\$ 1,264,920
Grove/Pebblebrook Ph 4	330 SFR, 200 MFR	6	\$ 148,750,000	\$ 755,650	\$ -	\$ 755,650
Travis Heights	400 SFR	6	\$ 160,000,000	\$ 812,800	\$ -	\$ 812,800
Pecan Grove Estates	720 SFR, 500 MFR	9	\$ 422,500,000	\$ 2,146,300	\$ -	\$ 2,146,300
		86	\$ 4,364,750,000	\$22,172,930	\$ 2,948,333	\$25,121,263

Developments and Annual GF Revenues

Project	Revenue in (\$000)							
	2023	2024	2025	2026	2027	2028	2029	2030
Texas Instruments	\$ 5,025	\$ 2,197	\$ 8,382	\$ 3,810	\$ 1,727	\$ 2,718	\$ 2,692	\$ 2,921
Global Wafers	-	987	2,286	953	953	1,077	1,133	1,204
Crossroads	216	496	571	707	837	2,007	2,020	2,020
Bel Air	-	108	457	686	1,423	2,046	2,676	2,904
Heritage Ranch	-	-	-	160	343	1,588	2,175	2,734
Hickory Hill	-	-	24	79	321	625	867	1,108
Grove/Pebblebrook Ph 4	-	127	365	508	603	699	756	756
Travis Heights	-	-	-	-	102	224	345	508
Pecan Grove Estates	-	-	-	-	178	406	635	813
	\$ 5,241	\$ 3,915	\$ 12,086	\$ 6,902	\$ 6,486	\$ 11,389	\$ 13,299	\$ 14,967

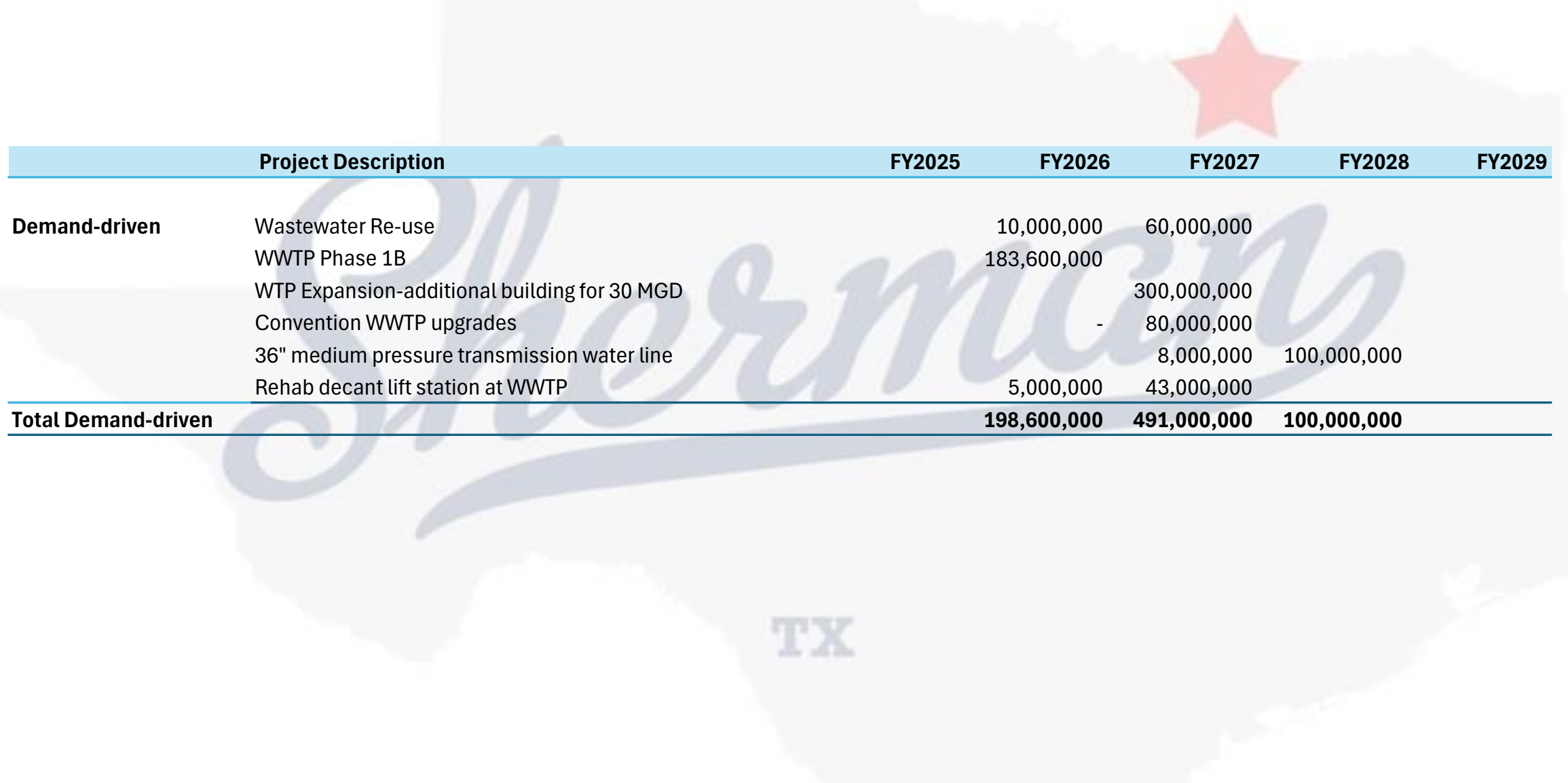
Major Utility Projects in 5-Year CIP

Capital Plan	Project Description	FY2025	FY2026	FY2027	FY2028	FY2029
	Shepherd 2 MG Elevated storage tank with waterline	12,500,000				
	EQ Blower, Blower building and electrical; Sludge digester complex rehab	9,120,000				
	WWTP electrical	8,250,000				
	WWTP Phase 1B	5,600,000				
	New 18" WW line along Choctaw Creek	3,000,000	20,000,000			
	Grit building improvements	2,900,000				
	Stephens Ground Storage Tank Rehab	2,600,000				
	Phase II Legacy waterline	2,200,000				
	Wastewater Re-use	2,000,000				
	Annual sewer line replacements	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
	Annual water line replacements	2,000,000	2,000,000	2,000,000	2,000,000	
	Southside Industrial Sewer replacement	1,850,000				
	Convention WWTP upgrades	1,000,000	-			
	Clarifier #3 Rehab	1,000,000				
	Heritage Ranch collection system	900,000				
	Downtown sewer line replacements	800,000	4,200,000			
	East Side Lift Station Rehab	750,000	5,000,000			
	Shepherd Drive WW line replacement	600,000		4,000,000		
	Water Treatment Plant Backwash Tank Rehab	600,000	4,000,000			
	Shepherd Drive water main replacement	400,000				
	Luella 4T well submersible pump	400,000				
	Lake Texoma Pump Station backup generator	400,000	3,700,000			
	Water Treatment Plant facility improvements	322,000				
	Sherman Street utilities replacements	320,000				
	Oversizing for water and sewer	300,000	300,000	300,000	300,000	500,000
	Lead and Copper sampling and reporting	270,000	219,000	210,000	8,000,000	
	Dripping Springs Road waterline replacement	250,000				
	Water Treatment Plant DEMIN and storage expansion	225,000	2,000,000			
	South Crockett lift station abandonment for gravity sewer lines	190,000				

Major Utility Projects in 5-Year CIP (cont'd)

Capital Plan	Project Description	FY2025	FY2026	FY2027	FY2028	FY2029
	WWTP improvements including safety, corrosion, lighting and EQ basin seams.	170,000				
	Temporary building for new staff at WWTP	150,000		325,000	2,500,000	
	High Country Estates water system	140,000	70,000	75,000		
	Water line to stabilize Fairview and Harrison elevated tanks	78,200	521,000			
	Abandon South Industrial Sewer line	61,000				
	Road replacement	45,000				
	Rehab 2 Ground Water Pump station and tanks				3,000,000	3,000,000
	WTP chemical pumps control panel upgrade		250,000			
	WTP South UF/RO by 10 MGD					30,000,000
	Preston Club and Taylor Street waterline replacements		1,300,000			
	Raw water pump capacity at the Lake Texoma Pump Station			3,000,000	30,000,000	
	Sanitary Sewer along Post Oak Creek to WWTP		7,332,000	9,400,000	3,800,000	
	Legacy Blvd water lines for surface water		1,200,000			
	Underdrainage pumps at WTP			250,000		
	Backwash blower Upgrade		250,000			
	Wastewater line along Choctaw upsizing		1,000,000	7,000,000		
	Rehab Fairview Gund Water Pump Station and Tank		3,000,000			
	Wastewater line along Post Oak Creek upsizing		130,000	8,700,000		
	WWTP Pond upgrade			2,000,000	35,000,000	
	Rehab Dorchester Ground Water Pump Station and tank			3,000,000		
	Rehab 4 WTP filter basins		2,000,000			
	84" raw water line from Lake Texoma to WTP		56,600,000			
	Rehab concrete ground storage tanks and pump station at WTP					1,500,000
Total		63,391,200	117,072,000	42,260,000	86,600,000	37,000,000

Demand-Driven Major Utility Projects



Project Description		FY2025	FY2026	FY2027	FY2028	FY2029
Demand-driven	Wastewater Re-use		10,000,000	60,000,000		
	WWTP Phase 1B		183,600,000			
	WTP Expansion-additional building for 30 MGD			300,000,000		
	Convention WWTP upgrades		-	80,000,000		
	36" medium pressure transmission water line			8,000,000	100,000,000	
	Rehab decant lift station at WWTP		5,000,000	43,000,000		
Total Demand-driven		198,600,000	491,000,000	100,000,000		

FY2024-25 Budget Workshop – What to Expect

- Building reserves in FY25 for General and Utility Funds
- Updates on various aspects of operations – Public Safety, Streets, Public Works, [Utility Rate Plan \(WillDan\)](#), Utilities, Facilities, Neighborhood Enhancement
- Two desserts, again??

A REPEALING/SAVINGS CLAUSE, SEVERABILITY CLAUSE AND AN EFFECTIVE DATE.

Rob Rae, Director of Development Services, said this would update the Specific Use Permit for Sherman High School. They are about to begin construction on Bearcat Stadium.

The Planning and Zoning Commission and the City staff recommend approval of the Specific Use Permit.

Mike Wilson, Engineer, Teague Nall and Perkins

Mr. Wilson was available to answer any questions the Council might have.

No other citizens appeared before the City Council to discuss Ordinance No. 6779.

Mayor Plyler introduced Ordinance No. 6780 and called for a public hearing:

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AMENDING SHERMAN'S ZONING ORDINANCE/CODE OF ORDINANCES CHAPTER 14, TO REZONE A TRACT OF LAND CONSISTING OF 15.230 ACRES BEING PART OF THE JOHN HENDRIX SURVEY, ABSTRACT NO. 503 AND THE SAMUEL McGLOTHLIN SURVEY, ABSTRACT NO. 811, CITY OF SHERMAN, GRAYSON COUNTY, TEXAS, LOCATED IN THE 4100 BLOCK DRIPPING SPRINGS ROAD, HERETOFORE ZONED R-A (RESIDENTIAL AGRICULTURAL) DISTRICT; REZONING AND PLACING THE TRACT IN THE R-4 (SINGLE FAMILY RESIDENTIAL) DISTRICT ZONING CLASSIFICATION, CODY SLAGLE, CS2 PROPERTIES, LLC (OWNER), BREADEN WRIGHT (PROSPECTIVE BUYER), PHILIP SARANDOS, JM CIVIL ENGINEERING (REPRESENTATIVE/CIVIL ENGINEER) AND COPLEY LAND SURVEYING (SURVEYOR) PROVIDING FOR A PENALTY NOT TO EXCEED \$2,000.00; PROVIDING A REPEALING/SAVINGS CLAUSE, SEVERABILITY CLAUSE AND AN EFFECTIVE DATE.

ORD 6780
ZONE CHANGE
(4100 BLOCK
DRIPPING SPRINGS
RD)

Mr. Rae said this zone change would allow for 40' lots, and would be an extension of Dripping Springs Road. The developer is proposing to construct approximately 60, single-family homes.

The Planning and Zoning Commission recommended approval of the zone change, and the staff has no objections.

Kyle Flaming, Sr. Director of Engineering and Development, JM Civil Engineering

Mr. Flaming was available to answer any questions the Council might have.

No other citizens appeared before the City Council to discuss Ordinance No. 6780.

Mayor Plyler introduced Ordinance No. 6781 and called for a public hearing:

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AMENDING SHERMAN'S ZONING

ORD 6781
ZONE CHANGE
(705 E. TAYLOR ST)

ORDINANCE/CODE OF ORDINANCES CHAPTER 14, TO REZONE A TRACT OF LAND CONSISTING OF 0.5872 ACRES BEING LOT A-1-1, TAYLOR PLAZA ADDITION IN THE J.B. McANAIR SURVEY, ABSTRACT NO. 763, CITY OF SHERMAN, GRAYSON COUNTY, TEXAS, LOCATED AT 705 EAST TAYLOR STREET, HERETOFORE ZONED M-1 (LIGHT MANUFACTURING) DISTRICT; REZONING AND PLACING THE TRACT IN THE C-2 (GENERAL COMMERCIAL) DISTRICT ZONING CLASSIFICATION, NNN REIT, LP (OWNER), CHANDLER GARRETT (REPRESENTATIVE/TENANT) AND GONZALEZ AND SCHNEEBERG SURVEYORS (SURVEYOR) PROVIDING FOR A PENALTY NOT TO EXCEED \$2,000.00; PROVIDING A REPEALING/SAVINGS CLAUSE, SEVERABILITY CLAUSE AND AN EFFECTIVE DATE.

Mr. Rae said the property owner would like to open a mattress sales store in an existing building. Current zoning would not allow for a commercial use.

The Planning and Zoning Commission and the staff recommend approval of the Specific Use Permit.

Chandler Garrett, Representative/Tenant

Mr. Garrett was available to answer any questions the Council might have.

No other citizens appeared before the City Council to discuss Ordinance No. 6781.

Mayor Plyler introduced Ordinance No. 6782 and called for a public hearing:

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AMENDING SHERMAN'S ZONING ORDINANCE/CODE OF ORDINANCES CHAPTER 14, TO REZONE A TRACT OF LAND CONSISTING OF 0.870 ACRES BEING LOT 1, LOT 2 AND LOT 3, ALVARADO ESTATES, IN THE ROBERT THOMPSON SURVEY, ABSTRACT 1200, CITY OF SHERMAN, GRAYSON COUNTY, TEXAS, LOCATED AT 2901, 2909 AND 2913 SOUTH FIRST STREET, HERETOFORE ZONED R-6 (SINGLE FAMILY RESIDENTIAL) DISTRICT; REZONING AND PLACING THE TRACT IN THE R-4 (SINGLE FAMILY RESIDENTIAL) DISTRICT ZONING CLASSIFICATION, BELACOOP, LLC (OWNER), JAY PESKUSKI (REPRESENTATIVE) AND UNDERWOOD DRAFTING AND SURVEYING (SURVEYOR) PROVIDING FOR A PENALTY NOT TO EXCEED \$2,000.00; PROVIDING A REPEALING/SAVINGS CLAUSE, SEVERABILITY CLAUSE AND AN EFFECTIVE DATE.

ORD 6782
ZONE CHANGE
(2901, 2909 &
2913 S. FIRST ST)

Mr. Rae said the zone change would allow the applicant to construct four single-family homes, fronting on First Street.

The Planning and Zoning Commission recommended approval of the zone change, and the staff has no objections.

No citizens appeared before the City Council to discuss Ordinance No. 6782.

Mayor Plyler introduced Ordinance No. 6783 and called for a public hearing:

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, APPOINTING AN ALTERNATE MUNICIPAL COURT JUDGE FOR THE CITY OF SHERMAN, GRAYSON COUNTY, TEXAS; PROVIDING FOR A REPEALER CLAUSE.

ORD 6783
ALTERNATE
MUNICIPAL COURT
JUDGE

Mary Lawrence, Chief Financial Officer, said the Municipal Court currently has one judge for the criminal docket. With the increase in the number of cases on this docket, it has become impractical to move them to another docket if the judge is unable to hold court.

Bi Hunt has worked in the Grayson County District Attorney's Office as a prosecutor and has previously worked at the City of Sherman as a prosecutor on an as-needed basis.

No citizens appeared before the City Council to discuss Ordinance No. 6783.

Mayor Plyler introduced Ordinance No. 6784 and called for a public hearing:

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, ABANDONING A PORTION OF ONE (1) TWENTY-FOOT (20') WIDE EASEMENT LOCATED IN THE WILLIAM MARTIN SURVEY, ABSTRACT NO. 765, BEING MORE PARTICULARLY DESCRIBED IN THE EXHIBIT "A" ATTACHED HERETO AND MADE A PART HEREOF FOR ALL PURPOSES, WHICH EASEMENT IS ESTABLISHED IN VOLUME 1455, PAGE 255 OF THE DEED RECORDS OF GRAYSON COUNTY, TEXAS.

ORD 6784
ABANDON EASEMENT

Wayne Lee, Director of Engineering, said this is a request to abandon a wastewater line easement at the end of Howe Drive. Oncor is proposing to build a new substation on the property. The sewer line that was previously on the easement was abandoned and relocated years ago, so the easement is no longer being used.

No citizens appeared before the City Council to discuss Ordinance No. 6784.

Mayor Plyler introduced Ordinance No. 6785 and called for a public hearing:

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AMENDING CHAPTER 13 OF THE CODE OF ORDINANCES, ENTITLED "UTILITIES", ARTICLE 13.08, ENTITLED "UTILITY BILLING", AT SECTIONS 13.08.005 AND 13.08.006, REVISING RATES FOR WATER AND SEWER SERVICES; PROVIDING FOR INCLUSION IN THE CODE OF ORDINANCES; PROVIDING FOR SEVERABILITY; PROVIDING FOR A REPEALER.

ORD 6785
UTILITY RATES

Ms. Lawrence said this ordinance would implement the utility rate plan for FY 2025. The rates for residential customers are unchanged from the workshop. The timing for the rate increase for large users was accelerated because of volume projections.

The staff will continue to look at volume projections and the effect on the City's rate plan throughout the year.

Dan Jackson, Willdan Financial Services

Mr. Jackson was available to answer any questions the Council might have.

No other citizens appeared before the City Council to discuss Ordinance No. 6785.

The Public Hearing was closed.

Ordinance 6782

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AMENDING SHERMAN'S ZONING ORDINANCE/CODE OF ORDINANCES CHAPTER 14, TO REZONE A TRACT OF LAND CONSISTING OF 0.870 ACRES BEING LOT 1, LOT 2 AND LOT 3, ALVARADO ESTATES, IN THE ROBERT THOMPSON SURVEY, ABSTRACT 1200, CITY OF SHERMAN, GRAYSON COUNTY, TEXAS, LOCATED AT 2901, 2909 AND 2913 SOUTH FIRST STREET, HERETOFORE ZONED R-6 (SINGLE FAMILY RESIDENTIAL) DISTRICT; REZONING AND PLACING THE TRACT IN THE R-4 (SINGLE FAMILY RESIDENTIAL) DISTRICT ZONING CLASSIFICATION, BELACoop, LLC (OWNER), JAY PESKUSKI (REPRESENTATIVE) AND UNDERWOOD DRAFTING AND SURVEYING (SURVEYOR) PROVIDING FOR A PENALTY NOT TO EXCEED \$2,000.00; PROVIDING A REPEALING/SAVINGS CLAUSE, SEVERABILITY CLAUSE AND AN EFFECTIVE DATE.

ORD 6782
ZONE CHANGE
(2901, 2909 &
2913 S. FIRST ST)
(TABLED)

Council Member Howeth expressed concern that this lot was originally only one home and they are requesting to building four single-family homes on the property.

Mr. Rae said the property has been platted for three lots and needs the R-6 designation for that. They want to add the fourth lot.

Council Member Howeth said she preferred three lots instead of four. It was confirmed that the zoning could remain R-6 for three lots.

ACTION TAKEN.

Motion by Council Member Howeth to deny Ordinance No. 6782, as presented. Second by Council Member Stevenson.

VOTING AYE: Howeth, Stevenson.

VOTING NAY: Barnett, Dobbs, Holland, Marroquin.

MOTION FAILS.

Council Member Barnett felt the applicant should have a change to respond, and they were not in attendance at the meeting.

ACTION TAKEN.

Motion by Council Member Stevenson to Table Ordinance No. 6782, for further discussion. Second by Council Member Barnett.

VOTING AYE: Barnett, Dobbs, Holland, Howeth, Marroquin, Stevenson.

VOTING NAY: None.

MOTION CARRIED TO TABLE.

Ordinance 6779

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AMENDING SHERMAN'S ZONING ORDINANCE/CODE OF ORDINANCES CHAPTER 14, REPEALING ORDINANCE 6752, AND GRANTING A SPECIFIC USE PERMIT TO ALLOW A HIGH SCHOOL WITH AN AUDITORIUM, ARENA, COLISEUM, THEATER, OR AMPHITHEATER (GRADES 9-12) IN AN R-6 (SINGLE FAMILY RESIDENTIAL) DISTRICT/C-1 (RETAIL BUSINESS) DISTRICT/F.M. HIGHWAY 1417 OVERLAY DISTRICT LOCATED AT 2907 WEST TRAVIS STREET, CITY OF SHERMAN, GRAYSON COUNTY, TEXAS, SHERMAN INDEPENDENT SCHOOL DISTRICT (OWNER), BRANNON KIDD (REPRESENTATIVE), TEAGUE NALL & PERKINS, INC (ENGINEER/SURVEYOR) PRESCRIBING CONDITIONS TO THE SPECIFIC USE PERMIT; PROVIDING A PENALTY NOT TO EXCEED \$2,000.00; PROVIDING A REPEALING/SAVINGS CLAUSE, SEVERABILITY CLAUSE AND AN EFFECTIVE DATE.

ORD 6779

SUP FOR HIGH SCHOOL AUDITORIUM, ARENA, COLISEUM, THEATER OR AMPHITHEATER (2907 W. TRAVIS ST)

Ordinance 6780

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AMENDING SHERMAN'S ZONING ORDINANCE/CODE OF ORDINANCES CHAPTER 14, TO REZONE A TRACT OF LAND CONSISTING OF 15.230 ACRES BEING PART OF THE JOHN HENDRIX SURVEY, ABSTRACT NO. 503 AND THE SAMUEL McGLOTHLIN SURVEY, ABSTRACT NO. 811, CITY OF SHERMAN, GRAYSON COUNTY, TEXAS, LOCATED IN THE 4100 BLOCK DRIPPING SPRINGS ROAD, HERETOFORE ZONED R-A (RESIDENTIAL AGRICULTURAL) DISTRICT; REZONING AND PLACING THE TRACT IN THE R-4 (SINGLE FAMILY RESIDENTIAL) DISTRICT ZONING CLASSIFICATION, CODY SLAGLE, CS2 PROPERTIES, LLC (OWNER), BREADEN WRIGHT (PROSPECTIVE BUYER), PHILIP SARANDOS, JM CIVIL ENGINEERING (REPRESENTATIVE/CIVIL ENGINEER) AND COPLEY LAND SURVEYING (SURVEYOR) PROVIDING FOR A PENALTY NOT TO EXCEED \$2,000.00; PROVIDING A REPEALING/SAVINGS CLAUSE, SEVERABILITY CLAUSE AND AN EFFECTIVE DATE.

ORD 6780

ZONE CHANGE (4100 BLOCK DRIPPING SPRINGS RD)

Council Member Dobbs confirmed that the City's Tree Ordinance would apply to this tract.

Ordinance 6781

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AMENDING SHERMAN'S ZONING ORDINANCE/CODE OF ORDINANCES CHAPTER 14, TO REZONE A TRACT OF LAND CONSISTING OF 0.5872 ACRES BEING LOT A-1-1, TAYLOR PLAZA ADDITION IN THE J.B. McANAIR SURVEY, ABSTRACT NO. 763, CITY OF SHERMAN, GRAYSON COUNTY, TEXAS, LOCATED AT 705 EAST TAYLOR STREET, HERETOFORE ZONED M-1 (LIGHT MANUFACTURING) DISTRICT; REZONING AND PLACING THE TRACT IN THE C-2 (GENERAL COMMERCIAL) DISTRICT ZONING CLASSIFICATION, NNN REIT, LP (OWNER), CHANDLER GARRETT (REPRESENTATIVE/TENANT) AND GONZALEZ AND SCHNEEBERG SURVEYORS (SURVEYOR) PROVIDING FOR A PENALTY NOT TO EXCEED \$2,000.00; PROVIDING A REPEALING/SAVINGS CLAUSE, SEVERABILITY CLAUSE AND AN EFFECTIVE DATE.

ORD 6781

ZONE CHANGE (705 E. TAYLOR ST)

Ordinance 6783

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, APPOINTING AN ALTERNATE MUNICIPAL COURT JUDGE FOR THE CITY OF SHERMAN, GRAYSON COUNTY, TEXAS; PROVIDING FOR A REPEALER CLAUSE.

ORD 6783
ALTERNATE
MUNICIPAL COURT
JUDGE

Ordinance 6784

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, ABANDONING A PORTION OF ONE (1) TWENTY-FOOT (20') WIDE EASEMENT LOCATED IN THE WILLIAM MARTIN SURVEY, ABSTRACT NO. 765, BEING MORE PARTICULARLY DESCRIBED IN THE EXHIBIT "A" ATTACHED HERETO AND MADE A PART HEREOF FOR ALL PURPOSES, WHICH EASEMENT IS ESTABLISHED IN VOLUME 1455, PAGE 255 OF THE DEED RECORDS OF GRAYSON COUNTY, TEXAS.

ORD 6784
ABANDON EASEMENT

Ordinance 6785

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AMENDING CHAPTER 13 OF THE CODE OF ORDINANCES, ENTITLED "UTILITIES", ARTICLE 13.08, ENTITLED "UTILITY BILLING", AT SECTIONS 13.08.005 AND 13.08.006, REVISING RATES FOR WATER AND SEWER SERVICES; PROVIDING FOR INCLUSION IN THE CODE OF ORDINANCES; PROVIDING FOR SEVERABILITY; PROVIDING FOR A REPEALER.

ORD 6785
UTILITY RATES

ACTION TAKEN.

Motion by Council Member Stevenson to approve Ordinance Nos. 6779, 6780, 6781, 6783, 6784, and 6785, as presented.

Second by Council Member Barnett.

VOTING AYE: Barnett, Holland, Howeth, Marroquin, Stevenson.

VOTING NAY: Dobbs (only voted against Ord 6780)

MOTION CARRIED.

RESOLUTION NO. 7357 -- AWARDING A BID TO AND AUTHORIZING EXECUTION OF A CONTRACT BETWEEN KITCHING & CO LLC AND THE GREATER TEXOMA UTILITY AUTHORITY BASED ON AN INVITATION TO BID FOR THE MISCELLANEOUS WATER LINE IMPROVEMENTS 2022 (TABLED AT THE SEPTEMBER 16, 2024 CITY COUNCIL MEETING)

RES 7357
MISCELLANEOUS
WATER LINE
IMPROVEMENTS

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AWARDING A BID TO AND AUTHORIZING EXECUTION OF A CONTRACT BETWEEN KITCHING & CO LLC AND THE GREATER TEXOMA UTILITY AUTHORITY BASED ON AN INVITATION TO BID FOR THE MISCELLANEOUS WATER LINE IMPROVEMENTS 2022.

ACTION TAKEN.

Motion by Council Member Stevenson to remove Resolution No. 7357, from table, for discussion. Second by Council Member Dobbs.

VOTING AYE: Barnett, Dobbs, Holland, Howeth, Marroquin, Stevenson.

VOTING NAY: None.

MOTION CARRIED TO REMOVE FROM TABLE.

Mr. Lee said this resolution would award a bid between the Greater Texoma Utility Authority and Kitching & Co., for miscellaneous water line projects, along Blanton Place, Brockett Street, Kessler Boulevard, and Bryant Avenue.

These streets were identified by the Utility Department as a high priority replacement project for the water system, and consists of about 3,300 feet of 2-inch to 6-inch water main that will be replaced with 6-inch to 12-inch water main.

Nine bids were received, with Kitching & Co. being the lowest, responsible bidder, in the amount of \$685,365.08. The City staff has vetted the company and recommends approval.

ACTION TAKEN.

Motion by Council Member Dobbs to approve Resolution No. 7357, as presented. Second by Council Member Holland.

VOTING AYE: Barnett, Dobbs, Holland, Howeth, Marroquin, Stevenson.

VOTING NAY: None.

MOTION CARRIED.

RESOLUTION NO. 7402 -- AWARDING A BID TO AND AUTHORIZING EXECUTION OF A CONTRACT BETWEEN KITCHING & CO LLC AND THE GREATER TEXOMA UTILITY AUTHORITY BASED ON AN INVITATION TO BID FOR THE MISCELLANEOUS WATER LINE IMPROVEMENTS 2022

RES 7402
WATER LINE
IMPROVEMENTS

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AWARDING A BID TO AND AUTHORIZING EXECUTION OF A CONTRACT BETWEEN HAYES CONSTRUCTION, LLC AND THE GREATER TEXOMA UTILITY AUTHORITY BASED ON AN INVITATION TO BID FOR THE SHEPHERD DRIVE SEWER EXTENSION.

Mr. Lee said this award of bid is between GTUA and Hayes Construction, for a sewer line extension behind Coherent to Shepherd Drive.

The project consists of about 1,000 feet of 24-inch wastewater main. This is part of the City's agreement with Shepherds Place Planned Development to provide wastewater access south of Shepherd Drive.

Three bids were received, with Hayes Construction being the lowest, responsible bidder, in the amount of \$668,730. The engineer and the City staff recommend approval.

ACTION TAKEN.

Motion by Council Member Dobbs to approve Resolution No. 7402, as presented. Second by Council Member Holland.

VOTING AYE: Barnett, Dobbs, Holland, Howeth, Marroquin, Stevenson.

VOTING NAY: None.

MOTION CARRIED.

RESOLUTION NO. 7403 -- APPROVING THE GREATER TEXOMA UTILITY AUTHORITY'S INTENTION TO AWARD THE LABORATORY SERVICES BUILDING ADDITION AND REMODEL TO HAWK BUILDERS LLC

**RES 7403
LABORATORY SVCS
BUILDING ADDITION
& REMODEL**

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, APPROVING THE GREATER TEXOMA UTILITY AUTHORITY'S INTENTION TO AWARD THE LABORATORY SERVICES BUILDING ADDITION & REMODEL TO HAWK BUILDERS, LLC.

Mr. Lee said this award of bid by GTUA was for the Water Quality Laboratory Services Building Expansion and Remodel. This will help the City meet new State mandated testing requirements. This lab serves water quality customers throughout the region.

Four bids were received, with Hawk Builders, LLC, being the lowest responsible bidder, in the amount of almost \$2.7 million. The project is expected to take five years to complete. The engineer and the City staff recommend approval.

ACTION TAKEN.

Motion by Council Member Howeth to approve Resolution No. 7403, as presented. Second by Council Member Dobbs.

VOTING AYE: Barnett, Dobbs, Holland, Howeth, Marroquin, Stevenson.

VOTING NAY: None.

MOTION CARRIED.

RESOLUTION NO. 7404 -- AUTHORIZING EXECUTION OF THE SECOND AMENDED AND RESTATED MASTER DEVELOPMENT AGREEMENT BETWEEN THE CITY OF SHERMAN AND SHERMAN HICKORY HILL, LLC, FOR THE CONSTRUCTION OF PUBLIC FACILITIES OF THE PLANNED DEVELOPMENT KNOWN AS HICKORY HILL, BEING A RESIDENTIAL DEVELOPMENT WEST OF CARRIAGE ESTATES ROAD IN THE CITY OF SHERMAN, TEXAS

**RES 7404
SECOND RESTATED
MASTER
DEVELOPMENT
AGREEMENT
(HICKORY HILL)**

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING EXECUTION OF THE SECOND AMENDED AND RESTATED MASTER DEVELOPMENT AGREEMENT BETWEEN THE CITY OF SHERMAN AND SHERMAN HICKORY HILL, LLC, FOR THE CONSTRUCTION OF PUBLIC FACILITIES OF THE PLANNED DEVELOPMENT KNOWN AS HICKORY HILL, BEING AN RESIDENTIAL DEVELOPMENT WEST OF CARRIAGE ESTATES ROAD IN THE CITY OF SHERMAN, TEXAS.

Clint Philpott, Assistant City Manager, said the public infrastructure is almost all complete on the Hickory Hill Planned Development, except for the park improvements and the park dedication.

After discussions with the Park Department and the developer, the current agreement requires the developer to put in about \$100,000 worth of park improvements. The staff would prefer that the money be given to the City, so they can develop an idea of what the park should look like, and construct the improvements in the near future.

The developer is okay with that, so this amendment would allow the project to be closed out, and the money could be used to fund future improvements, and “supersize” the park.

Council Member Stevenson agreed the City could do it cheaper, but asked if it would take longer.

Mr. Philpott said they didn’t want the developer to put the park in, and then the City decide it should be in a different location. They wanted to be sure they had an actual Master Plan for that park, prior to construction. However, the developer was required to do it prior to closing out the project.

Council Member Howeth wanted to be sure the project was expedited. Mr. Philpott said it’s already open for general use, but as soon as it’s turned over to the City, they will start maintaining it.

ACTION TAKEN.

Motion by Council Member Stevenson to approve Resolution No. 7404, as presented. Second by Council Member Dobbs.
VOTING AYE: Barnett, Dobbs, Holland, Howeth, Marroquin, Stevenson.
VOTING NAY: None.
MOTION CARRIED.

Mayor Plyler asked that the captions of Resolution 7405 and 7406 be read together.

RESOLUTION NO. 7405 -- AUTHORIZING EXECUTION OF A SETTLEMENT AGREEMENT AND RELEASE WITH THE PROPERTY OWNER OF 900 E WELLS TO ADDRESS UNLAWFUL BUILDING CONDITIONS AND UNLAWFUL PROPERTY CONDITIONS
A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING EXECUTION OF A SETTLEMENT AGREEMENT AND RELEASE WITH THE PROPERTY OWNER 900 E. WELLS TO ADDRESS UNLAWFUL BUILDING CONDITIONS AND UNLAWFUL PROPERTY CONDITIONS.

**RES 7405
SETTLEMENT FOR
UNLAWFUL BLDG
CONDITIONS
(900 E. WELLS)**

RESOLUTION NO. 7406 -- AUTHORIZING EXECUTION OF A SETTLEMENT AGREEMENT AND RELEASE WITH THE PROPERTY OWNER OF 1023 E ODNEAL TO ADDRESS UNLAWFUL BUILDING CONDITIONS AND UNLAWFUL PROPERTY CONDITIONS
A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING EXECUTION OF A SETTLEMENT AGREEMENT AND RELEASE WITH THE PROPERTY OWNER 1023 E. ODNEAL TO ADDRESS UNLAWFUL BUILDING CONDITIONS AND UNLAWFUL PROPERTY CONDITIONS.

**RES 7406
SETTLEMENT FOR
UNLAWFUL BLDG
CONDITIONS
(1023 E. ODNEAL)**

Mr. Rae said this was a culmination of efforts by the Community Improvement Group, led by Caleb Green, Development Services Inspector.

The staff has been working with the property owners of the Baltic and St. Charles Apartments, to comply with building code regulations. After a year, it has been determined that both of the

apartment complexes were beyond repair, and need to be demolished.

They have finally come to an agreement on a demolition and asbestos abatement cost sharing. The proposed agreements have been executed by both the property owner and the lien holder, and are ready for approval.

For the Baltic Apartments, demolition costs paid for by the City would be \$116,330, with the property owner paying \$204,617 for asbestos abatement.

For the St. Charles Apartments, demolition costs paid for by the City would be \$61,933, with the property owner paying \$65,136 for the asbestos abatement.

All of the demolition and asbestos remediation would be done by a third-party contractor. The contractor could start as soon as their contract is approved, which would be on the next City Council Agenda, if the agreements are approved tonight.

Council Member Holland confirmed that the acreage for both apartments is just under five acres. After demolition, the property owner would retain ownership of the property.

ACTION TAKEN.

Motion by Council Member Marroquin to approve Resolution Nos. 7405 and 7406, as presented. Second by Council Member Holland.

VOTING AYE: Barnett, Dobbs, Holland, Howeth, Marroquin, Stevenson.

VOTING NAY: None.

MOTION CARRIED.

RESOLUTION NO. 7407 -- AUTHORIZING PURCHASE OF A TRAINING TOWER FROM WHP TRAININGTOWERS THROUGH SOURCEWELL FOR THE FIRE DEPARTMENT

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING THE PURCHASE OF A TRAINING TOWER FROM WHP TRAININGTOWERS THROUGH SOURCEWELL FOR THE SHERMAN FIRE DEPARTMENT.
CONSENT AGENDA.

RES 7407
FIRE DEPT
TRAINING TOWER

RESOLUTION NO. 7408 -- AUTHORIZING THE PURCHASE OF A NEW FORD F-750 DUMP TRUCK FROM RUSH TRUCK CENTER FOR THE STREET MAINTENANCE DEPARTMENT THROUGH BUYBOARD

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING THE PURCHASE OF A NEW FORD F-750 DUMP TRUCK FROM RUSH TRUCK CENTER FOR THE STREET MAINTENANCE DEPARTMENT THROUGH BUYBOARD.
CONSENT AGENDA.

RES 7408
VEHICLE PURCHASE
(STREET DEPT)

RESOLUTION NO. 7409 -- AUTHORIZING THE PURCHASE OF THREE NEW DODGE RAM 4X4 CREW CAB 2500 FOR THE PARKS MAINTENANCE DEPARTMENT FROM GRAPEVINE DODGE THROUGH BUYBOARD

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING THE PURCHASE OF THREE NEW DODGE RAM 4X4 CREW CAB 2500 FOR THE PARKS MAINTENANCE DEPARTMENT FROM GRAPEVINE DODGE THROUGH BUYBOARD.
CONSENT AGENDA.

RES 7409
VEHICLE PURCHASE
(PARKS MAINT DEPT)

RESOLUTION NO. 7410 -- AUTHORIZING THE PURCHASE OF ONE DODGE RAM 4500 4X4 REGULAR CAB FOR THE PARKS MAINTENANCE DEPARTMENT FROM GRAPEVINE DODGE THROUGH BUYBOARD

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING THE PURCHASE OF ONE DODGE RAM 4500 4X4 REGULAR CAB FOR THE PARKS MAINTENANCE DEPARTMENT FROM GRAPEVINE DODGE THROUGH BUYBOARD.
CONSENT AGENDA.

RES 7410
VEHICLE PURCHASE
(PARKS MAINT DEPT)

RESOLUTION NO. 7411 -- AUTHORIZING THE PURCHASE OF A NEW DODGE RAM 2500 4X4 CREW CAB TRUCK FOR THE CEMETERY DEPARTMENT FROM GRAPEVINE DODGE THROUGH BUYBOARD

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING THE PURCHASE OF A NEW DODGE RAM 2500 4X4 CREW CAB FOR THE CEMETERY DEPARTMENT FROM GRAPEVINE DODGE THROUGH BUYBOARD.
CONSENT AGENDA.

RES 7411
VEHICLE PURCHASE
(CEMETERY DEPT)

RESOLUTION NO. 7412 -- AUTHORIZING THE PURCHASE OF A NEW 2500 CREW 4X4 SHORT BED FROM GRAPEVINE DODGE FOR THE STREET MAINTENANCE DEPARTMENT THROUGH BUYBOARD

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING THE PURCHASE OF A NEW 2500 CREW 4X4 SHORT BED TRUCK FROM GRAPEVINE DODGE FOR THE STREET MAINTENANCE DEPARTMENT THROUGH BUYBOARD.
CONSENT AGENDA.

RES 7412
VEHICLE PURCHASE
(STREET MAINT DEPT)

RESOLUTION NO. 7413 -- AUTHORIZING THE PURCHASE OF A NEW 2025 FORD F-750 WITH A 2,000 GALLON WATER BODY FROM RUSH TRUCK CENTER FOR THE STREET MAINTENANCE DEPARTMENT THROUGH BUYBOARD

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING THE PURCHASE OF A NEW 2025 FORD F-750 REGULAR CAB WITH 2,000 GALLON WATER BODY FROM RUSH TRUCK CENTER FOR THE STREET MAINTENANCE DEPARTMENT THROUGH BUYBOARD.
CONSENT AGENDA.

RES 7413
VEHICLE PURCHASE
(STREET MAINT DEPT)

RESOLUTION NO. 7414 -- AUTHORIZING THE PURCHASE OF A NEW SVL97 SKID STEER FROM ZIMMERER KUBOTA FOR THE STREET MAINTENANCE DEPARTMENT THROUGH SOURCEWELL
A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING THE PURCHASE OF A NEW SVL97 SKID STEER FROM ZIMMERER KUBOTA FOR THE STREET MAINTENANCE DEPARTMENT THROUGH SOURCEWELL.
CONSENT AGENDA.

RES 7414
VEHICLE PURCHASE
(STREET MAINT DEPT)

RESOLUTION NO. 7415 -- AUTHORIZING THE PURCHASE OF A NEW 2025 FORD F-550 POTHOLE REPAIR TRUCK FROM TEXAS PACK + LOAD FOR THE STREET MAINTENANCE DEPARTMENT THROUGH SOURCEWELL
A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING THE PURCHASE OF A NEW 2025 FORD F-550 CREW CAB POTHOLE REPAIR TRUCK FROM TEXAS PACK + LOAD FOR THE STREET MAINTENANCE DEPARTMENT THROUGH SOURCEWELL.
CONSENT AGENDA.

RES 7415
VEHICLE PURCHASE
(STREET MAINT DEPT)

CHANGE ORDER NO. 2
CHANGE ORDER NO. 2, TO PROVIDE WATER/WASTEWATER RATE UPDATE SERVICES
The City Council approved a change order for \$40,000 to the contract for Willdan Financial Services, making the total contract amount \$80,000. This brings the total contract value above the \$50,000 threshold; therefore, City Council's approval is required.

CHANGE ORDER
WATER &
WASTEWATER
RATE UPDATE

Willdan has been providing water and wastewater long-term financial planning and rate recommendation services to the City since 2022. This change order will allow the City to continue using their services for approximately one more year.
CONSENT AGENDA.

PAYMENT AUTHORIZATION
YEAR TWO PAYMENT OF THE TASER 7 CERTIFICATION BUNDLES FOR THE SHERMAN POLICE DEPARTMENT
The City Council approved a year two payment to Axon Enterprise, Inc. for the TASER 7 Certification Bundles for the Sherman Police Department.

PAYMENT
AUTHORIZATION
TASER 7
CERTIFICATION
BUNDLES FOR
POLICE DEPT

Authorization was approved in FY 2024 for a 5-year plan of payment, to update the Department's Conductive Energy Devices and training cartridges for the life of the program. This year 2, and remaining years will have an annual cost of \$68,438.52.
CONSENT AGENDA.

OTHER BUSINESS
(TABLED AT THE SEPTEMBER 16, 2024 CITY COUNCIL MEETING)
SITE PLAN FOR HERITAGE RANCH MULTI-FAMILY PHASE 1, TRACT 1, CONSISTING OF 14.650 ACRES OF LAND LOCATED IN THE 300-1000 BLOCKS WEST HIGHWAY 82 IN THE HERITAGE RANCH PD (PLANNED DEVELOPMENT) /75 & 82 OVERLAY DISTRICT

HERITAGE RANCH
PLANNED
DEVELOPMENT
SITE PLAN

ACTION TAKEN.

Motion by Council Member Stevenson to remove the Site Plan for Heritage Ranch Multi-Family Phase 1, from table, for discussion. Second by Council Member Dobbs.

VOTING AYE: Barnett, Dobbs, Holland, Howeth, Marroquin, Stevenson.

VOTING NAY: None.

MOTION CARRIED TO REMOVE FROM TABLE.

Mr. Rae said this is a Site Plan approval for a multi-family complex at the Heritage Ranch Planned Development. Planned Development Site Plans require approval from the Planning and Zoning Commission and the City Council.

This item was originally tabled because the amendment for the Heritage Ranch Planned Development was tabled at the same time. That amendment was approved at the last Council Meeting, with the condition that only 1,200 multi-family units can be constructed in that portion of the Heritage Ranch Planned Development.

The Planning and Zoning Commission recommended approval of the Site Plan, and it does meet all the City's ordinances.

ACTION TAKEN.

Motion by Council Member Stevenson to approve the Site Plan for Heritage Ranch Multi-Family Phase 1, Tract 1, as presented. Second by Council Member Howeth.

VOTING AYE: Barnett, Dobbs, Holland, Howeth, Marroquin, Stevenson.

VOTING NAY: None.

MOTION CARRIED.

RECEIVE PRESENTATION FROM POLICE SERGEANT BRANDON HUGHES ON THE POLICE DEPARTMENT'S ANNUAL HALLOWEEN EVENT, "FRIGHT FEST"

**HALLOWEEN
FRIGHT FEST**

Sergeant Brandon Hughes, Police Public Information Officer, said the Police Department will once again, sponsor the annual "Fright Fest" Halloween Event, on October 31, 2024, from 6:00 p.m. until 8:30 p.m., at Sherman High School.

PRESENTATION FROM FREESE AND NICHOLS, INC. ON THE LEAD AND COPPER RULE REVISIONS (LCRR)

**LEAD & COPPER
RULE REVISIONS**

Mr. Lee said the Environmental Protection Agency released the Lead and Copper Rule Revisions on January 15, 2021, setting new standards to remove harmful levels of lead and copper from drinking water.

The City determined they needed assistance to make sure they were complying with all the rules. At that time, Freese & Nichols was hired to help with the program. Since then, the City has been going through each phase of the requirements.

Koby Bowman, Freese & Nichols

Mr. Bowman outlined the steps for the lead and copper program, and said the City will begin inspecting service lines at the meter box, starting in October 2024. Communication will be mailed out

November 15, 2024 to citizens. The lead service line replacement plan is due in October 2027.

Initially a service line inventory was created. The service line goes from the water main to the customer's residence. From the water main to the water meter is the public side, and owned by the City. From the water meter to the residence is the private side, and owned by the customer.

He said the customer's water service won't be impacted by the inspections, and they do not need to be home when the line is inspected.

Letters will be sent to customers served by the following classifications, those with lead pipes, those with galvanized pipes requiring replacement, and those with unknown lead status. The notifications will be sent out annually, starting in November 2024. The program is mainly concerned with lead pipes.

Mr. Philpott said the City is required to do this inventory, however there is no specific date when the lines will be replaced. The steps include inventory, plan, then budget. He added that there are many unknowns at this time.

Council Member Marroquin expressed concern about the cost to customers and asked that the notice be sent in Spanish too. Council Member Howeth expressed concern about wording in the letter that would cause citizens to panic. Council Member Stevenson wanted to be sure citizens knew this was a Federal program and not a City of Sherman program.

Mr. Bowman said the specific wording in the letter is required, however Council Members discussed including a "cover letter" that is easier for customers to understand.

Peter Tracy, 705 S. Valentine

Mr. Tracy said he has replaced his water lines at his home, and asked if he would be required to prove that he did that.

RECEIVE DRONE UPDATE FROM COMMUNITY AND SUPPORT SERVICES MANAGER NATE STRAUCH

DRONE UPDATE

Nate Strauch, Community and Support Services Manager, presented a drone update of the following current development projects.

Water Treatment Plant
36" Water Line
Fairview School
Fairview Park
Sherman Park Apartments
Crutchfield School
Frontera Project
Industrial WWTP
Luella Crossing
Bel Air, Phase II
Travis Heights

Baker Park Estates
Heritage Court
Pebblerook IV
Sherman High School
Sherman High Stadium
Sherman Heights
Hickory Hill
Birchway Apartments
Courtyard
Heritage Ranch
GlobalWafers

Hidden Meadows
West Center

Jamestown Square
Texas Instruments

**APPROVE INVESTMENT REPORT FOR QUARTER ENDED
SEPTEMBER 30, 2024**

**INVESTMENT
REPORT**

The City Council approved the Investment Report for the quarter ended September 30, 2024. The total operating portfolio book value of about \$35.7 million decreased by about \$11.6 million from the previous quarter due to withdrawals in the Local Government Investment Pools and maturities of US Agency Securities and State of Texas political subdivision obligations.

The underlying investments were adequately diversified among five different types of securities. And the portfolio's weighted-average maturity of 399 days increased from 246 days last quarter.

The portfolio yield of 4.33% was 35 basis points above our benchmark 1-year Constant Maturity Treasury Index. Book value approximated market value.

The debt proceeds portfolio balance of \$61.9 million decreased by \$7.4 million due to payments for capital projects. The portfolio's weighted-average maturity of 17 days decreased from 79 days last quarter. The portfolio yield of 4.52% was 41 basis points below the benchmark yield for this portfolio, the 4-week Constant Maturity Index of 4.93%. Book value approximated market value.
CONSENT AGENDA.

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

MAIN STREET ADVISORY BOARD (7)

**MAIN STREET
ADVISORY BOARD**

Council Members decided to discuss all boards and commissions in Executive Session.

LIBRARY BOARD (2)

LIBRARY BOARD

COUNCIL COMMENTS

COUNCIL COMMENTS

- Thanks to everyone that worked on the Baltic and St. Charles Apartment's abatement. (Juston Dobbs, Henry Marroquin)

ANNOUNCEMENTS

ANNOUNCEMENTS

Mayor Plyler announced the following:

- The Parks and Recreation Department will be hosting a Family Campout on November 1 and 2, 2024, at Herman Baker Park, and a Mother/Son Luau on November 9, 2024 in the Municipal Ballroom.

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

EXECUTIVE SESSION

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.

TEX. GOV'T CODE § 551.071 --

SEEKING THE ADVICE OF ITS ATTORNEY ABOUT PENDING OR CONTEMPLATED LITIGATION, SETTLEMENT OFFERS OR ANY MATTER IN WHICH THE DUTY OF THE ATTORNEY TO THE CITY COUNCIL UNDER THE TEXAS DISCIPLINARY RULES OF PROFESSIONAL CONDUCT OF THE STATE BAR OF TEXAS CLEARLY CONFLICTS WITH THE TEXAS OPEN MEETINGS ACT

- A) Receive legal advice regarding the WWTP MBR Project

TEX. GOV'T CODE § 551.072 --

DELIBERATING THE PURCHASE, EXCHANGE, LEASE OR VALUE OF REAL PROPERTY IF DELIBERATION IN AN OPEN MEETING WOULD HAVE A DETRIMENTAL EFFECT ON THE POSITION OF THE CITY IN NEGOTIATIONS WITH A THIRD PERSON

TEX. GOV'T CODE § 551.073 --

DELIBERATING A NEGOTIATED CONTRACT FOR A PROSPECTIVE GIFT OR DONATION TO THE CITY IF DELIBERATION IN AN OPEN MEETING WOULD HAVE A DETRIMENTAL EFFECT ON THE POSITION OF THE CITY IN NEGOTIATIONS WITH A THIRD PERSON

TEX. GOV'T CODE § 551.074 --

DELIBERATING THE APPOINTMENT, EMPLOYMENT, EVALUATION, REASSIGNMENT, DUTIES, DISCIPLINE OR DISMISSAL OF A PUBLIC OFFICER OR EMPLOYEE; OR TO HEAR A COMPLAINT OR CHARGE AGAINST AN OFFICER OR EMPLOYEE UNLESS THE OFFICER OR EMPLOYEE WHO IS THE SUBJECT OF THE DELIBERATION OR HEARING REQUESTS A PUBLIC HEARING

- A) Sherman Economic Development Corporation Board of Directors (3)
- B) Planning and Zoning Commission (2)

TEX. GOV'T CODE § 551.076 --

DELIBERATING THE DEPLOYMENT, OR SPECIFIC OCCASIONS FOR IMPLEMENTATION, OF SECURITY PERSONNEL OR DEVICES OR A SECURITY AUDIT

TEX. GOV'T CODE § 551.087 --

DISCUSSING OR DELIBERATING COMMERCIAL OR FINANCIAL INFORMATION THAT THE CITY HAS RECEIVED FROM A BUSINESS PROSPECT THAT THE CITY SEEKS TO HAVE LOCATE, STAY OR EXPAND IN OR NEAR THE CITY AND WITH WHICH THE CITY IS CONDUCTING ECONOMIC DEVELOPMENT NEGOTIATIONS; OR DELIBERATING THE OFFER OF A FINANCIAL OR OTHER INCENTIVE TO A BUSINESS PROSPECT

TEXAS GOV'T CODE § 551.089 --

DELIBERATING SECURITY ASSESSMENTS OR DEPLOYMENTS RELATING TO INFORMATION RESOURCES TECHNOLOGY, NETWORK SECURITY INFORMATION, OR THE DEPLOYMENT OR SPECIFIC OCCASIONS FOR IMPLEMENTATION OF SECURITY PERSONNEL, CRITICAL INFRASTRUCTURE OR SECURITY DEVICES

On Motion duly made and carried, the Open Meeting recessed and reconvened in Executive Session at 6:04 p.m.

On Motion duly made and carried, the Executive Session recessed at 6:54 p.m. and reconvened in Open Meeting.

OPEN MEETING

OPEN MEETING

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

Council Member Howeth left during the Executive Session

APPOINT/REMOVE OR CONSIDER QUALIFICATIONS TO BOARDS AND COMMISSIONS

SHERMAN ECONOMIC DEVELOPMENT CORPORATION BOARD OF DIRECTORS (3)

SEDCO

ACTION TAKEN.

Motion by Council Member Dobbs to appoint Rob Wilson to the Sherman Economic Development Corporation Board of Directors, for a term from October 22, 2024 to October 1, 2027. Second by Council Member Barnett.

VOTING AYE: Barnett, Dobbs, Holland, Marroquin, Stevenson.

VOTING NAY: None.

MOTION CARRIED.

PLANNING AND ZONING COMMISSION (2)

PLANNING &
ZONING COMMISSION

ACTION TAKEN.

Motion by Council Member Stevenson to reappoint Leigh Ann Sims to the Planning and Zoning Commission, for a term from February 21, 2024 to February 21, 2027; and to reappoint Clay Mahone, for a term from September 22, 2024 to September 22, 2027. Second by Council Member Dobbs.

VOTING AYE: Barnett, Dobbs, Holland, Marroquin, Stevenson.

VOTING NAY: None.

MOTION CARRIED.

LIBRARY BOARD (2)

LIBRARY BOARD

ACTION TAKEN.

Motion by Council Member Stevenson to reappoint Cort Myrick to the Library Board for a term from August 4, 2023 to August 4, 2026, and to appoint Rebecca Hogenson for a term from October 22, 2024 to October 22, 2027. Second by Council Member Dobbs.

VOTING AYE: Barnett, Dobbs, Holland, Marroquin, Stevenson.

VOTING NAY: None.

MOTION CARRIED.

MAIN STREET ADVISORY BOARD (7)

MAIN STREET
ADVISORY BOARD

ACTION TAKEN.

Motion by Council Member Barnett reappoint Preston Davis to the Main Street Advisory Board for a term from September 7, 2024 to September 7, 2026; to reappoint Aaron Jason Bucy for a term from February 8, 2024 to February 8, 2026; and to reappoint Angela Wilson for a term from July 7, 2024 to July 7, 2026. Second by Council Member Stevenson.

COUNCIL MINUTES – OCTOBER 21, 2024

VOTING AYE: Barnett, Dobbs, Holland, Marroquin, Stevenson.
VOTING NAY: None.
MOTION CARRIED.

ADJOURNMENT

On Motion duly made and carried, the meeting adjourned at 6:57 p.m.

ADJOURNMENT

MAYOR

CITY CLERK

Lead and Copper Rule Revisions and Improvements: Compliance Initiatives

City of Sherman, Council Meeting

Date: October 21, 2024

Key Points

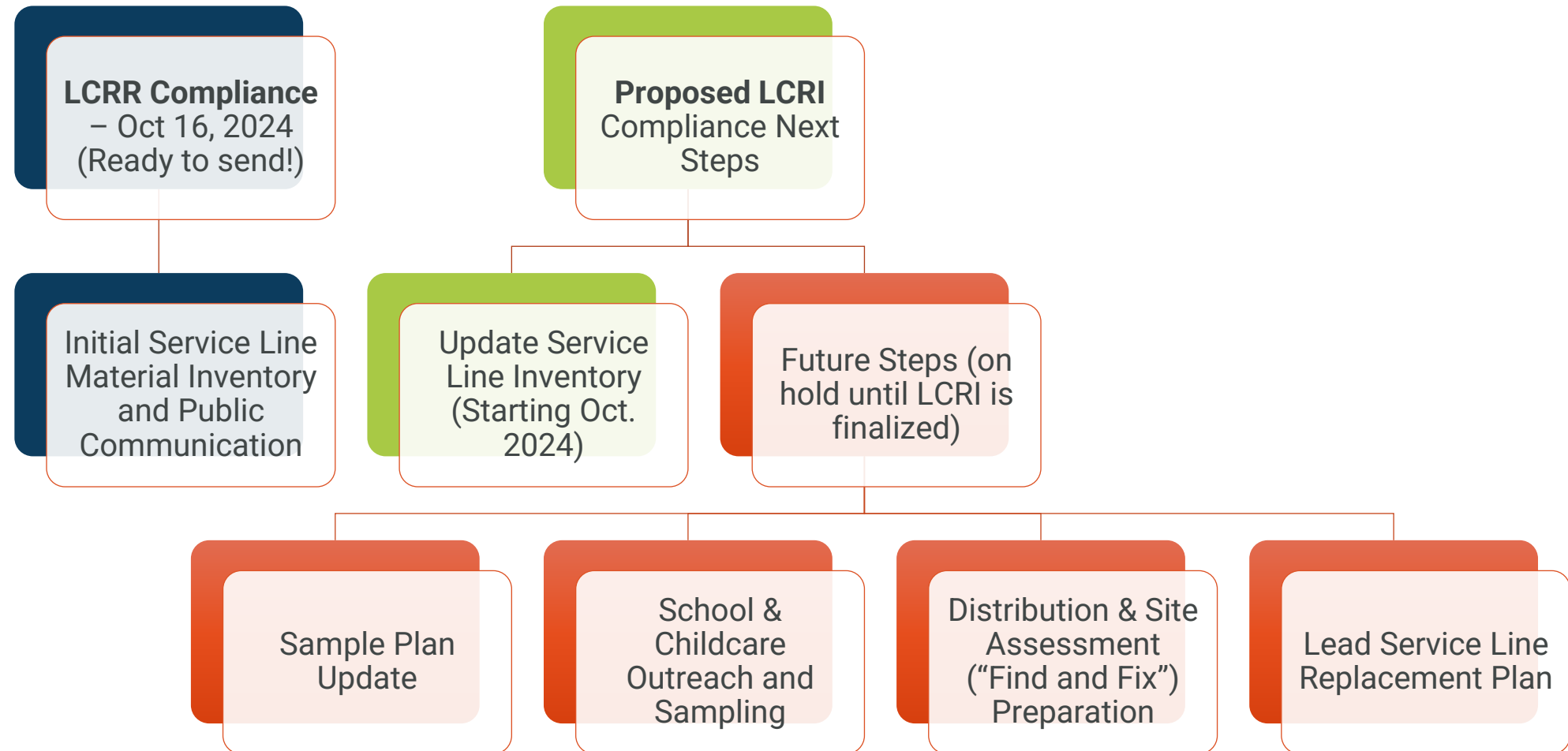
All cities across the country are affected by the rule

Municipalities must:

- Identify Service Line Materials
- Share and Update a Publicly Available Service Line Inventory
- Enhance Public Communication
- Develop a Lead Service Line (LSL) Replacement Plan
- Increase LSL replacement rate

It is ***good*** that Sherman is prepared to meet current 2024 requirements and is taking steps to prepare ahead of the proposed future 2027 deadline

Lead and Copper Rule Revisions (LCRR) & Lead and Copper Rule Improvements (LCRI) Requirements



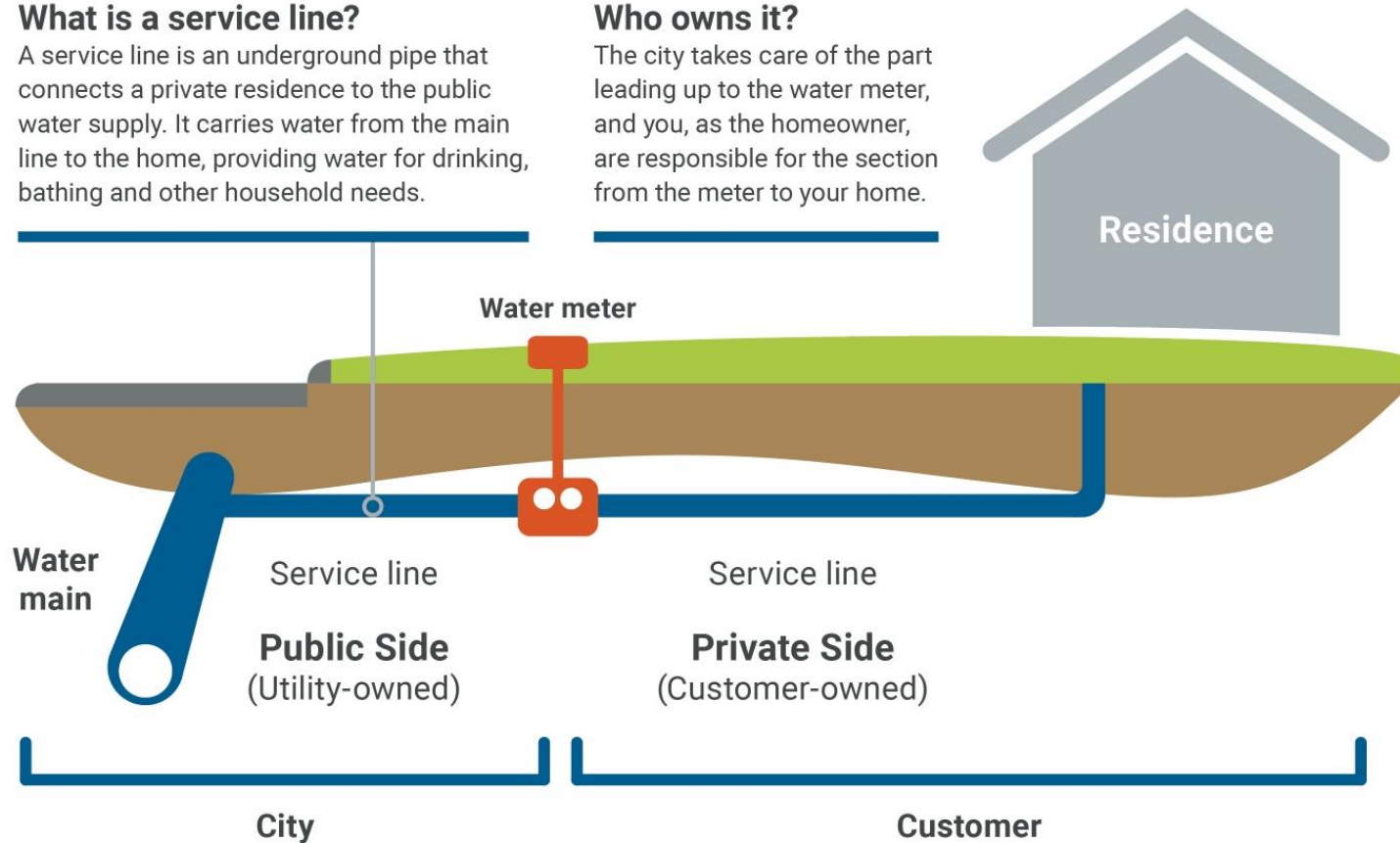
What is a Service Line?

What is a service line?

A service line is an underground pipe that connects a private residence to the public water supply. It carries water from the main line to the home, providing water for drinking, bathing and other household needs.

Who owns it?

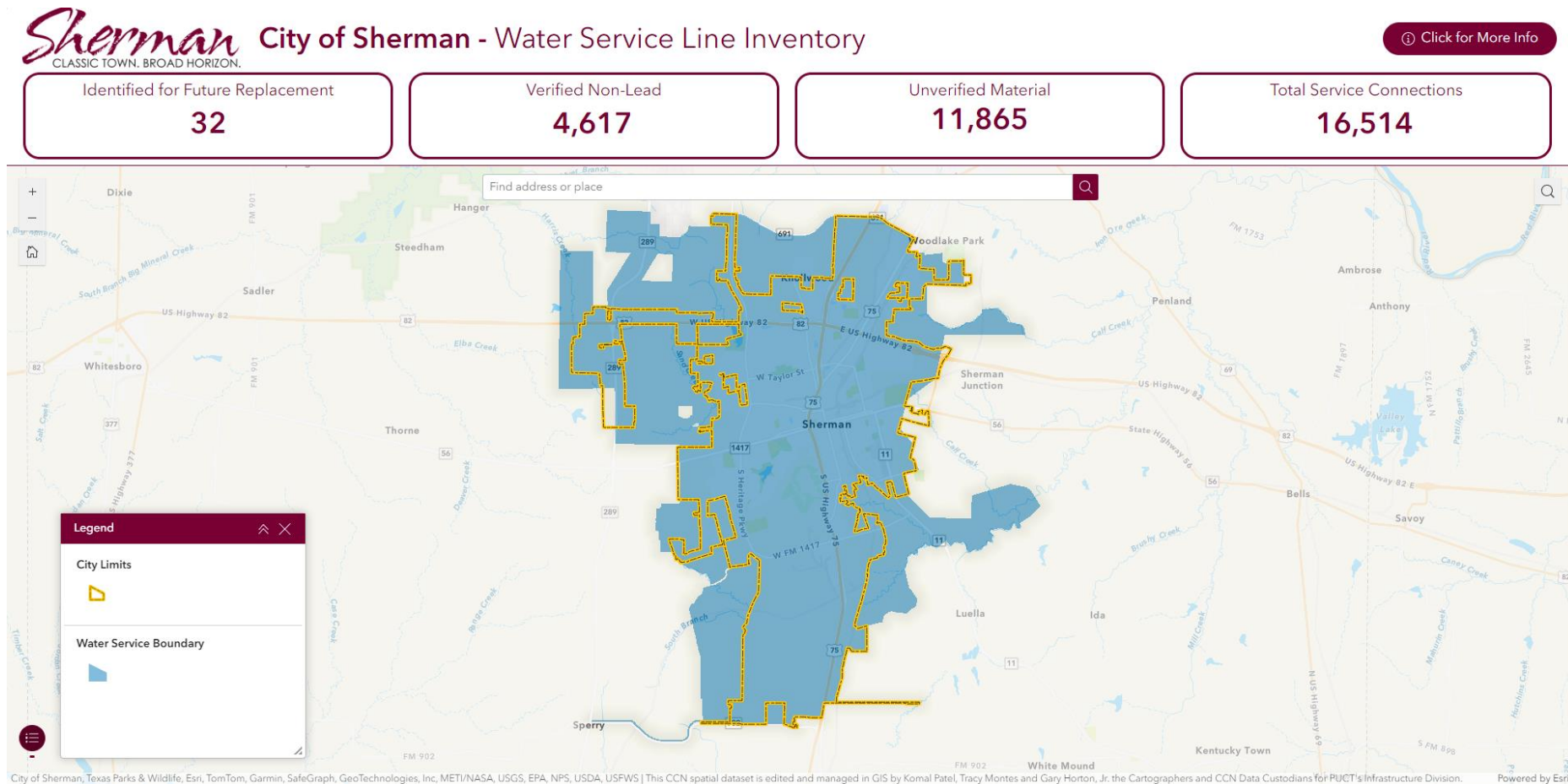
The city takes care of the part leading up to the water meter, and you, as the homeowner, are responsible for the section from the meter to your home.



The City will begin inspecting service lines at the meter box starting October 2024

- ✓ Customers' water service won't be impacted during the inspections
- ✓ Inspectors won't need to enter customer houses
- ✓ Customers don't need to be present during inspections

Public-Facing Inventory



- A public map will be available for customers to verify their service line materials
- Public-facing web map on the City's GIS system
- All rights reserved with the City

Sherman City of Sherman - Water Service Line Inventory

CLASSIC TOWN. BROAD HORIZON.

Click for More Info

Identified for Future Replacement

32

Verified Non-Lead

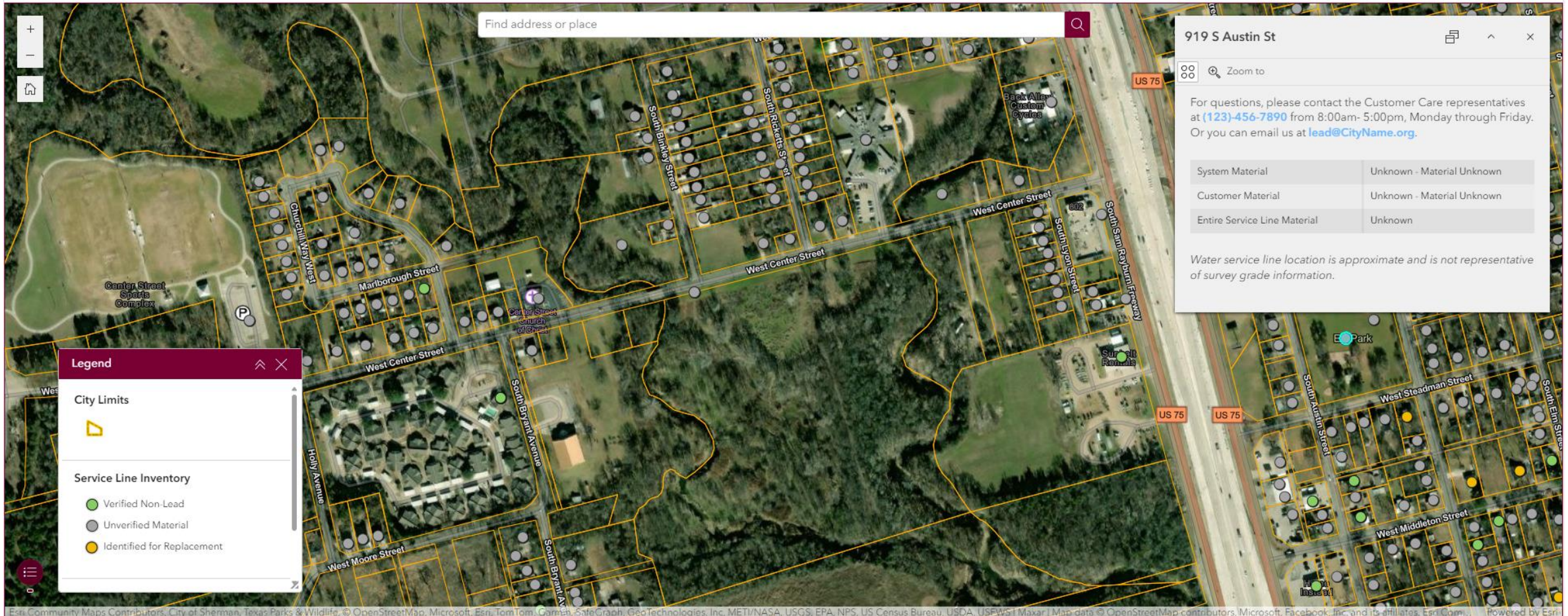
4,617

Unverified Material

11,865

Total Service Connections

16,514



Esri, Community Maps Contributors, City of Sherman, Texas Parks & Wildlife, © OpenStreetMap contributors, Microsoft, Esri, TomTom, Garmin, SafeGraph, GeoTechnologies, Inc., METI/NASA, USGS, EPA, NPS, US Census Bureau, USDA, USEPA, Maxar, Map data © OpenStreetMap contributors, Microsoft, Facebook, Inc. and its affiliates, Esri, Cam, Powered by Esri

Annual Customer Notification Letters

Letters will be sent to customers served by lines classified as:

- Lead
- Galvanized Requiring Replacement
- Unknown Lead Status

The notifications will be sent out once per year, starting in November 2024

DRAFT NOTICE OF LEAD WATER SERVICE LINE

DATE OF NOTICE

CUSTOMER ADDRESS LINE 1
CUSTOMER ADDRESS LINE 2

Material of Your Service Line

The City of Sherman would like to inform you that the water service line to the above address has been classified as a **Lead Service Line**. This means that some or all of the service line piping contains lead. Water supplied through a lead service line can increase your likelihood of exposure to lead. Even though lead contamination in your drinking water has not been confirmed, it's important to be aware of the various health concerns associated with lead exposure. For further information regarding your service line, visit our service line inventory at [WEB MAP LINKS](#).

What is a Service Line?

A service line is the piping that runs from the water main to the building inlet. Ownership varies by water system but is typically split between the water system and the customer. The City of Sherman owns the section of the service line from the road to the water meter, while the section from the water meter to the residence is owned by the customer.

How Can I Replace My Service Line?

The [City](#) is in the process of identifying the material of all service lines, and will be replacing the public side of any lead service lines found. If you choose to replace the private side of your service line, you will need to obtain your own plumber. We are required to replace the public portion of any lead service lines upon notification that the customer-owned portion will be undergoing replacement. If you choose to hire your own plumber, please notify us via email at MReed@cityofsherman.com so we can coordinate our efforts.

Health Effects of Lead

There is no safe level of lead in drinking water. Exposure to lead in drinking water can cause serious health effects in all age groups, especially pregnant women, infants (both formula-fed and breastfed), and young children. Some health effects on infants and children include decreased IQ and attention span. Lead exposure can also result in new or worsened learning and behavior problems. The children of women who are exposed to lead before or during pregnancy may be at increased risk of these harmful health effects. Exposed adults have increased risks of heart disease, high blood pressure, kidney or nervous system problems. Contact your healthcare provider for more information about your risks.

Steps to Reduce Your Exposure to Lead

1. **Run your water to flush out lead.** Run water for 15 – 30 seconds or until it becomes cold or reaches a steady temperature to flush lead from interior plumbing before using it for drinking or cooking if it hasn't been used for several hours.
2. **Use cold water for cooking and preparing baby formula.** Do not cook with or drink water from the hot water [tap](#); lead dissolves more easily in hot water. Don't use water from the hot water tap to make baby formula.
3. **Do not boil water to remove lead.** Boiling water will not reduce lead.
4. **Look into additional treatment of water.** You may want to consider purchasing a water filter. Read the package to be sure the filter is approved to reduce lead. Be sure to maintain and replace a filter device in accordance with the manufacturer's instructions to protect water quality. Contact National Sanitation Foundation (NSF) International at 800-NSF-8010 or visit www.nsf.org for information on performance standards for water filters.
5. **Get your child's blood tested.** Contact your local health department or health care provider to find out how you can get your child tested for lead if you are concerned about exposure.



City Council Regular Meeting

Agenda Item No. C.1.

Meeting Date: 11/4/2024

Prepared By:

Approved By:

Caption:

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:

F. *** RESOLUTION NO. 7422**

7. Authorizing Execution of Amendment No. 1 to the Professional Services Agreement with Garver, LLC for the Sherman WTP Sedimentation Basin Mechanism Replacement Project

F. *** RESOLUTION NO. 7423**

8. Authorizing the Execution of the First Amendment to Addendum to Agreement with SkyTrust, LLC dated March 2, 2020 for Construction of Hangars at the Sherman Municipal Airport

F. *** RESOLUTION NO. 7424**

9. Authorizing the Execution of a First Amendment to the Contract with SkyTrust, LLC dated February 2, 2020 for Assignment of Rental Income for Hangar No. 1 at the Sherman Municipal Airport

F. *** RESOLUTION NO. 7425**

10. Authorizing Execution of a Professional Services Agreement with Halff Associates, Inc. for the Stormwater Management Program (SWMP) Preparation and Phase II MS4 General Permit Assistance

F. *** RESOLUTION NO. 7426**

11. Authorizing Execution of an Agreement for EMS and Fire Protection Services between Grayson County, Texas and the City of Sherman, Texas for the Period of October 1, 2024 through September 30, 2025

F. *** RESOLUTION NO. 7427**

12. Authorizing the Purchase of Mowers from Sam's Lawn Riders for the Parks Maintenance Department through Sourcewell Contract

F. *** RESOLUTION NO. 7428**

13. Authorizing the Purchase of a New Manhole Cutter from Kirby Smith for the Street Maintenance Department Through BuyBoard

F. *** RESOLUTION NO. 7429**

14. Authorizing the Purchase of a Zero Turn Mower and Attachments from GLK Turf Solutions for the Parks Maintenance Department through Buyboard

F. *RESOLUTION NO. 7430

- 15.** Authorizing Submission of a Grant Application and the Acceptance of the Motor Vehicle Crime Prevention Authority Grant FY25

F. *RESOLUTION NO. 7431

- 16.** Authorizing the Purchase of a New Vermeer Chipper from Vermeer for Street Maintenance Department through Buyboard

Background:

Origination:

Financial Consideration:

Staff Recommendation:

Alternatives:

Attachments:

None



City Council Regular Meeting

Agenda Item No. D.1.

Meeting Date: 11/4/2024

Prepared By: Amber Doan, Engineering Coordinator

Approved By: Robby Hefton, City Manager

Caption:

INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 6786

Closing and Abandoning the Platted Alley West of Lot 1, Block 29, W. Elliott's Addition, and East of Lots 1-4, Block 20, Continuation of W. Elliott's Addition, in the City of Sherman, Grayson County, Texas, as being shown in Volume 138, Page 265 and Volume 101, Page 484, Deed Records, Grayson County, Texas, and being more particularly described in the Exhibit "A" attached hereto and made a part hereof for all purposes

Issue:

To consider approving the closure and abandonment of a platted alley west of Lot 1, Block 29, W. Elliott's Addition, and East of Lots 1-4, Block 20, Continuation of W. Elliott's Addition

Background:

City Council minutes dated May 18, 1964 show the subject alley has been abandoned, but there was no documentation filed of record in the Deed Records of Grayson County, Texas. This Ordinance will perform the necessary action to officially close and abandon a platted alley West of Lot 1, Block 29, W. Elliott's Addition, and East of Lots 1-4, Block 20, Continuation of W. Elliott's Addition. A Utility Easement will be retained for the maintenance of existing public utilities within the subject area.

Origination:

Don Chesser, adjacent property owner; Engineering Department

Financial Consideration:

None

Staff Recommendation:

Staff recommends that the City Council approve the Ordinance closing and abandoning the alley, retaining said area as a Utility Easement

Alternatives:

As may be directed by City Council

Attachments:

1. Ordinance No. 6786
2. Signed Request - 914 E. Thomas
3. Minutes Abandoning Alley_1964 May 18
4. Location Map - 914 E. Thomas

ORDINANCE NO. 6786

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, CLOSING AND ABANDONING THE PLATTED ALLEY WEST OF LOT 1, BLOCK 29, W. ELLIOTT'S ADDITION, AND EAST OF LOTS 1-4, BLOCK 20, CONTINUATION OF W. ELLIOTT'S ADDITION, IN THE CITY OF SHERMAN, GRAYSON COUNTY, TEXAS, AS BEING SHOWN IN VOLUME 138, PAGE 265 AND VOLUME 101, PAGE 484, DEED RECORDS, GRAYSON COUNTY, TEXAS, AND BEING MORE PARTICULARLY DESCRIBED IN THE EXHIBITS "A" AND "B" ATTACHED HERETO AND MADE A PART HEREOF FOR ALL PURPOSES; FINDING AND DETERMINING THAT THE MEETING AT WHICH THIS ORDINANCE IS PASSED WAS NOTICED AND IS OPEN TO THE PUBLIC AS REQUIRED BY LAW.

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

SECTION 1. That the platted alley west of Lot 1, Block 29, W. Elliott's Addition, and East of Lots 1-4, Block 20, Continuation of W. Elliott's Addition, in the City of Sherman, Grayson County, Texas, as being shown in Volume 138, Page 265, and Volume 101, Page 484, Deed Records, Grayson County, Texas, and being more particularly described in the Exhibit "A" attached hereto and made a part hereof for all purposes, shall be closed and abandoned:

SECTION 2. That it is the intent of the City Council that the right and interest in such alley herein closed and vacated shall vest to the City of Sherman by appropriate conveyance of said right-of-way herein described. Utility Easement will be retained for the maintenance of existing public utilities within the subject area.

SECTION 3. That it is hereby officially found and determined that the meetings at which this ordinance was introduced and passed were open to the public and that public notice of the time, place, and purpose of said meetings were given all as required by law.

INTRODUCED on this the 4th day of November 2024.

ADOPTED on this the 4th day of November 2024.

EFFECTIVE DATE on this the 4th day of November 2024.

CITY OF SHERMAN, TEXAS

BY:

DAVID PLYLER, MAYOR

ATTEST:

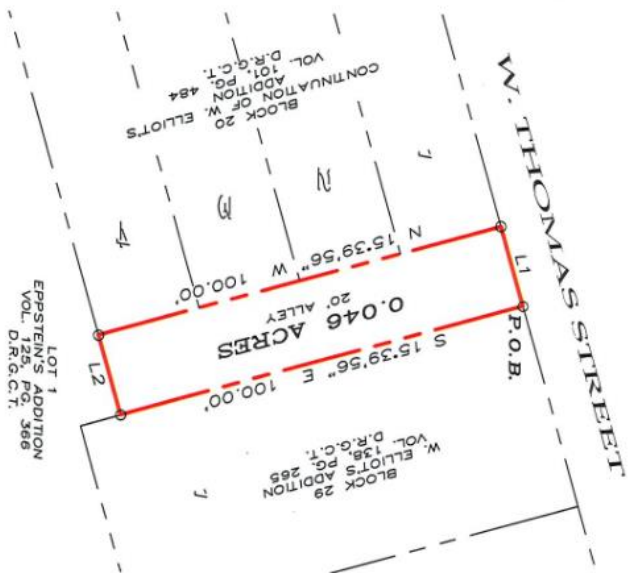
BY: _____
LINDA ASHBY, CITY CLERK

**APPROVED AS TO FORM AND
CONTENT:
THE LAW FIRM OF ABERNATHY,
ROEDER, BOYD & HULLETT, P.C.**

BY: _____
RYAN D. PITTMAN

SCALE
1" = 30'

LINE	BEARING	DISTANCE
1	N 74°20'42" E	20.00
2	N 74°20'42" E	20.00



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LEGEND	
P.O.B.	POINT OF BEGINNING
0	POINT FOR CORNER
---	BOUNDARY LINE
---	PROPERTY LINE

3404 INTERURBAN ROAD

DRAFTING & SURVEYING
DENISON, TEXAS 75021

(903)465-2151



Douglas W. Underwood
Registered Professional
Land Surveyor No. 4709
Firm No. 10006300
DATE OF SURVEY: 09/27/24

D.W. Underwood

LEGAL DESCRIPTION

JOB NO. 24091003
DFT: EB

Situated in the County of Grayson, State of Texas, being a part of a 20 foot alley as shown on the Continuation of W. Elliott's Addition, an addition to the City of Sherman, Texas, as shown by plat of record in Volume 101, Page 484, Deed Records, Grayson County, Texas and being described by metes and bounds as follows:

Beginning at a point for the northwest corner of Lot 1, Block 29, of W. Elliott's Addition, an addition to the City of Sherman, Texas, as shown by plat of record in Volume 138, Page 265, said Deed Records, said point also being in the southerly Right-of-Way line of E. Thomas Street;

Thence South 15°39'56" East, with the easterly line of said 20 foot alley, and with the westerly line of said Lot 1, Block 29, a distance of 100.00 feet to a point in the westerly line of said Lot 1, Block 29;

Thence South 74°20'04" West, a distance of 20.00 feet to a point for the southeast corner of Lot 4, Block 20, of said Continuation of W. Elliott's Addition;

Thence North 15°39'56" West, with the westerly line of said 20 foot alley, and with the easterly line of Lots 1-4, said Block 20, a distance of 100.00 feet to a point for the northeast corner of said Lot 1, Block 20, said point also being in the southerly Right-of-Way line of said E. Thomas Street;

Thence North 74°20'42" East, with the southerly Right-of-Way line of said E. Thomas Street, a distance of 20.00 feet to the Point of Beginning and containing 0.046 acres of land, more or less.

I, Douglas W. Underwood, Registered Professional Land Surveyor, hereby certify that a survey was made on the ground on the property legally described herein, and that the plat herewith is a true, correct and accurate representation of the property legally described hereinabove.

REQUEST TO ABANDON 20' ALLEY AT 914 E. THOMAS

Requestor's Name: Don Chesser, Property Owner

Requestor's Mailing Address: 627 Russell Ln - Denison Texas 75021

Requestor's Email Address: dchesser777@protonmail.com

Requestor's Phone Number: 903-744-9023

Reason for Abandonment Request: The abandonment is being requested due to City Council Minutes dated May 18, 1964 show the alley to be abandoned, but no Ordinance Number was documented to be filed of record to make the abandonment official. Due to lack of documentation, this abandonment request is being done to create an Ordinance Number. The area of the alley has been incorporated by and is being utilized by the adjacent property owner. The adjacent property owner will be replatting the property to officially incorporate the area into their property after approval of the Abandonment.

Signature: _____

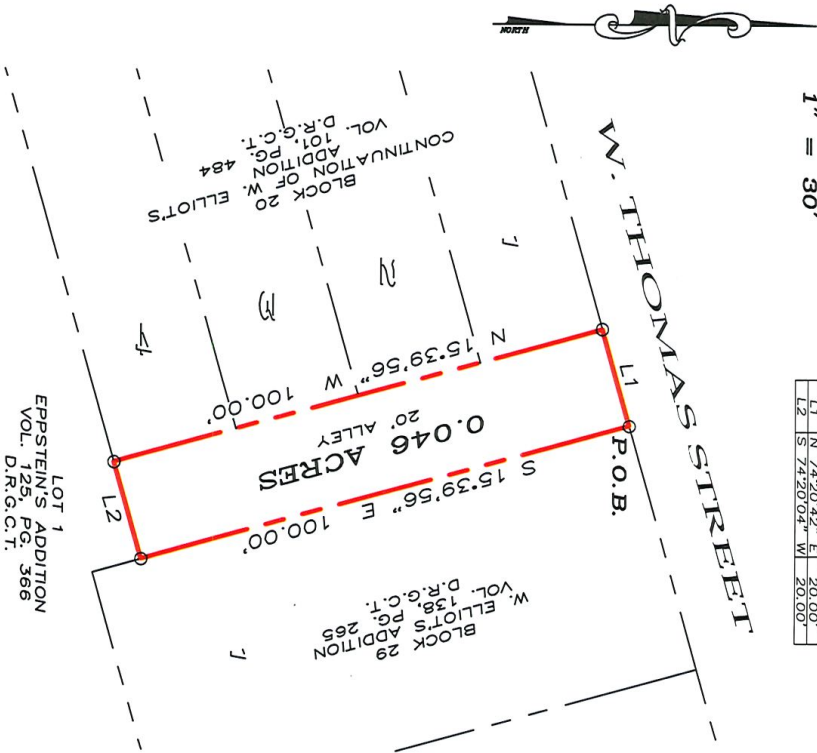


Date: 10/3/2024

Don Chesser, Owner of 914 E. Thomas

SCALE
1" = 30'

LINE	BEARING	DISTANCE
L1	N 74°20'42" E	20.00'
L2	S 74°20'04" W	20.00'



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LEGEND
— O — P.O.B. POINT OF BEGINNING
— — — — — POINT FOR CORNER
— — — — — BOUNDARY LINE
— — — — — PROPERTY LINE

3404 INTERURBAN ROAD

DRAFTING & SURVEYING
DENISON, TEXAS 75021

(903)465-2151



Douglas W. Underwood
Registered Professional
Land Surveyor No. 4709
Firm No. 10006300
DATE OF SURVEY: 09/27/24

Handwritten signature: D.W. Underwood

LEGAL DESCRIPTION

JOB NO. 24091003
D.F.T. EB

Situated in the County of Grayson, State of Texas, being a part of a 20 foot alley as shown on the Continuation of W. Elliott's Addition, an addition to the City of Sherman, Texas, as shown by plat of record in Volume 101, Page 484, Deed Records, Grayson County, Texas and being described by metes and bounds as follows:

Beginning at a point for the northwest corner of Lot 1, Block 29, of W. Elliott's Addition, an addition to the City of Sherman, Texas, as shown by plat of record in Volume 138, Page 265, said Deed Records, said point also being in the southerly Right-of-Way line of E. Thomas Street;

Thence South 15°39'56" East, with the easterly line of said 20 foot alley, and with the westerly line of said Lot 1, Block 29, a distance of 100.00 feet to a point in the westerly line of said Lot 1, Block 29;

Thence South 74°20'04" West, a distance of 20.00 feet to a point for the southeast corner of Lot 4, Block 20, of said Continuation of W. Elliott's Addition;

Thence North 15°39'56" West, with the westerly line of said 20 foot alley, and with the easterly line of Lots 1-4, said Block 20, a distance of 100.00 feet to a point for the northeast corner of said Lot 1, Block 20, said point also being in the southerly Right-of-Way line of said E. Thomas Street;

Thence North 74°20'42" East, with the southerly Right-of-Way line of said E. Thomas Street, a distance of 20.00 feet to the Point of Beginning and containing 0.046 acres of land, more or less.

I, Douglas W. Underwood, Registered Professional Land Surveyor, hereby certify that a survey was made on the ground on the property legally described herein, and that the plat herewith is a true, correct and accurate representation of the property legally described hereinabove.

master plan study will be outlined, but no detailed plans rendered for a specific item; however, recommendations will be made for the correct type, size, etc. that will be needed. In the proposed 701 plan there are approximately nine different phases, each of which will be outlined in detail.

The Council inquired of the engineers what safeguards could be built into a plan to insure its completion.

Mr. Grafe said that the only safeguard that he could think of would be citizenship committee participation. He said also that one Council could not bind another Council to a project completion; that if a master plan was adopted by the City it should be followed by all of the citizens and by all subsequent Councils because it is an intelligent and educated guess as to the future growth and development of the community.

Messrs. R. L. and W. L. Powell of the engineering firm of Powell & Powell also appeared before the Council relative to the master plan of the City of Sherman on which they submitted a proposal. Mr. Powell informed the Council that the proposal which they presented was more or less uniform and was couched in the language which the State Health Department was accustomed to. Mr. Powell said that he was not overly joyed at using federal funds on a program of this type, but that not many cities were financially able to buy a master plan on their own.

The Council asked Mr. Powell if the growth and extension of a City could be controlled; and he said very definitely that it could by the extension of water and sewer lines and proper land use plans. In any master plan a city must look from five to ten years into the future and the best sort of planning must be done to obtain this educated guess.

The Council informed Mr. Powell that they were very desirous of receiving an outline of what and when the various phases of the master plan would be completed. Both engineering firms told the Council that such a project calendar could, and would be furnished.

There was introduced and read the following resolution:

A RESOLUTION CLOSING, ABANDONING AND VACATING A PLATTED ALLEYWAY BETWEEN BLOCKS 20 AND 29, W. ELLIOTT'S ADDITION TO SHERMAN.

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

The platted alleyway between Blocks 20 and 29 of W. Elliott's Addition to Sherman is closed, abandoned and vacated.

Passed and approved this the 18th day of May, 1964.

Ralph Elliott, Mayor

ATTEST: J. Spears, City Clerk

A motion was made by McAfee and seconded by Krumm that the foregoing resolution be passed as presented. The yeas and nays were called. All members voted yea and the motion was declared carried.

Alley Abandonment - 914 E. Thomas



0 25 50 100 Feet





City Council Regular Meeting

Agenda Item No. E.2.

Meeting Date: 11/4/2024

Prepared By: Rob Rae, Developmental Services Director

Approved By: Robby Hefton, City Manager

Caption:

INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 6782 (TABLED AT THE OCTOBER 21, 2024 CITY COUNCIL MEETING)

Amending Sherman's Zoning Ordinance/Code Of Ordinances Chapter 14, To Rezone A Tract Of Land Consisting Of 0.870 acres being Lot 1, Lot 2 and Lot 3, Alvarado Estates, in the Robert Thompson Survey, Abstract 1200, City Of Sherman, Grayson County, Texas, Located at 2901, 2909 and 2913 South First Street, Heretofore Zoned R-6 (Single Family Residential) District; Rezoning And Placing The Tract In The R-4 (Single Family Residential) District Zoning Classification, BELACOO, LLC (Owner), Jay Peskuski (Representative) and Underwood Drafting and Surveying (Surveyor) Providing For A Penalty Not To Exceed \$2,000.00; Providing A Repealing/Savings Clause, Severability Clause And An Effective Date

Issue:

Consideration of a Zone Change for 0.870 acres of land located at 2901, 2909 and 2913 South First Street from an R-6 (Single Family Residential) District to a R-4 (Patio Home Residential) District.

Background:

The property is located at 2901, 2909 and 2913 South First Street near the intersection of South Dewey Avenue and South First Street. The owner is requesting a Zone Change from an R-6 (Single Family Residential) District to a R-4 (Patio Home Residential) District.

Origination:

BELACOO, LLC (Owner)

Jay Peskuski (Representative)

Underwood Drafting and Surveying (Surveyor)

Financial Consideration:

None

Staff Recommendation:

At the September 18, 2024 regular meeting, the Planning and Zoning Commission voted 7/0 to recommend to City Council that the Zone Change be approved. **The proposed use is compatible with the City of Sherman Comprehensive Plan. Staff does not have any objection to this zone change request.**

Alternatives:

The City Council could deny the request.

Attachments:

1. Ordinance No. 6782
2. Exhibit A - Survey
3. Location Map
4. Future Landuse Map
5. Narrative
6. Zoning Map
7. Proposed Elevation
8. Proposed Lot Layout
9. Property Notification Sign

ORDINANCE NO. 6782

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AMENDING SHERMAN'S ZONING ORDINANCE/CODE OF ORDINANCES CHAPTER 14, TO REZONE A TRACT OF LAND CONSISTING OF 0.870 ACRES BEING LOT 1, LOT 2 AND LOT 3, ALVARADO ESTATES, IN THE ROBERT THOMPSON SURVEY, ABSTRACT 1200, CITY OF SHERMAN, GRAYSON COUNTY, TEXAS, LOCATED AT 2901, 2909 AND 2913 SOUTH FIRST STREET, HERETOFORE ZONED R-6 (SINGLE FAMILY RESIDENTIAL) DISTRICT; REZONING AND PLACING THE TRACT IN THE R-4 (SINGLE FAMILY RESIDENTIAL) DISTRICT ZONING CLASSIFICATION, BELACOOP, LLC (OWNER), JAY PESKUSKI (REPRESENTATIVE) AND UNDERWOOD DRAFTING AND SURVEYING (SURVEYOR) PROVIDING FOR A PENALTY NOT TO EXCEED \$2,000.00; PROVIDING A REPEALING/SAVINGS CLAUSE, SEVERABILITY CLAUSE AND AN EFFECTIVE DATE; FINDING AND DETERMINING THAT THE MEETING AT WHICH THIS ORDINANCE IS PASSED WAS NOTICED AND IS OPEN TO THE PUBLIC AS REQUIRED BY LAW

WHEREAS, the City Planning and Zoning Commission and the City Council, in accordance with the state law and the ordinances of the City of Sherman, have given the required notices and have held the required public hearings regarding this proposed rezoning case; and

WHEREAS, the City Council finds that rezoning the property as described in this Ordinance is in accordance with the Comprehensive Plan and will complement or be compatible with the surrounding uses and community facilities; contribute to, enhance, or promote the welfare of the area of request and adjacent properties; not be detrimental to the public health, safety, or general welfare; and conform in all other respects to all applicable zoning regulations and standards; and

WHEREAS, the City Council finds that it is in the public interest to rezone the property as described in this Ordinance.

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

SECTION 1. That, from and after the effective date of this Ordinance, the property described in **Exhibit A – Survey and Legal Description**, attached hereto, located at 2901, 2909 and 2913 South First Street all streets, roads and alleyways contiguous and/or adjacent thereto, shall be rezoned and placed in the R-4 (Single Family Residential) District, and that Sherman's Zoning Ordinance/Code of Ordinances, Chapter 14, is hereby amended so as to hereafter include such property.

SECTION 2. That this Ordinance shall be entered upon the Official Zoning Map as provided in Sherman's Zoning Ordinance/Code of Ordinances, Chapter 14, Section 14.01.002.

SECTION 3. That no person shall acquire any vested interest in this Ordinance or in any other specific regulations contained herein. Any portion of this Ordinance may be repealed or amended by the City Council in the manner provided for by law.

SECTION 4. That it shall be unlawful for any person to make use of the Property in some manner other than as authorized by this Ordinance, and it shall be unlawful for any person to construct on the Property any building that is not in conformity with the permissible uses under this Ordinance. Any person violating any provision of this Ordinance or the General Zoning Ordinance, as they exist or may be amended, shall be deemed guilty of a misdemeanor, and on conviction thereof, shall be fined in an amount not exceeding TWO THOUSAND AND NO/100 DOLLARS (\$2,000.00). A violation of any provision of this Ordinance shall constitute a separate violation for each calendar day in which it occurs. The penal provisions imposed under this Ordinance shall not preclude the City from filing suit to enjoin the violation. The City retains all legal rights and remedies available to it pursuant to local, state, and federal law.

SECTION 5. That the Zoning Ordinance shall remain in full force and effect, save and except as amended by this or any other ordinance. All provisions of any ordinance in conflict with this Ordinance are hereby repealed to the extent they are in conflict, but such repeal shall not abate any pending prosecution for violation of the repealed ordinance, nor shall the repeal prevent a prosecution from being commenced for any violation if occurring prior to the repeal of the Ordinance. Any remaining portions of said ordinances shall remain in full force and effect.

SECTION 6. That in the event any section, subsection, sentence, clause or phrase of this Ordinance be declared unconstitutional and/or invalid by a court of competent jurisdiction, it is expressly provided that any and all remaining portions of this Ordinance shall remain in full force and effect. The City Council hereby declares that it would have passed this Ordinance, and each section, subsection, clause or phrase thereof, regardless of whether any one or more sections, subsections, sentences, clauses or phrases is declared unconstitutional and/or invalid.

SECTION 7. That it is hereby officially found and determined that the meetings at which this Ordinance was introduced and passed were open to the public and that public notice of the time, place and purpose of said meetings were given all as required by law.

SECTION 8. That this Ordinance shall become effective from and after its adoption and publication as required by law and the City Charter.

DULY PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS.

INTRODUCED on this the 21st day of October 2024.

ADOPTED on this the 4th day of November 2024.

EFFECTIVE DATE on this the 4th day of November 2024.

CITY OF SHERMAN, TEXAS

BY: _____
DAVID PLYLER, MAYOR

ATTEST:

BY: _____
LINDA ASHBY, CITY CLERK

APPROVED AS TO FORM:
THE LAW FIRM OF ABERNATHY,
ROEDER, BOYD & HULLETT, P.C.

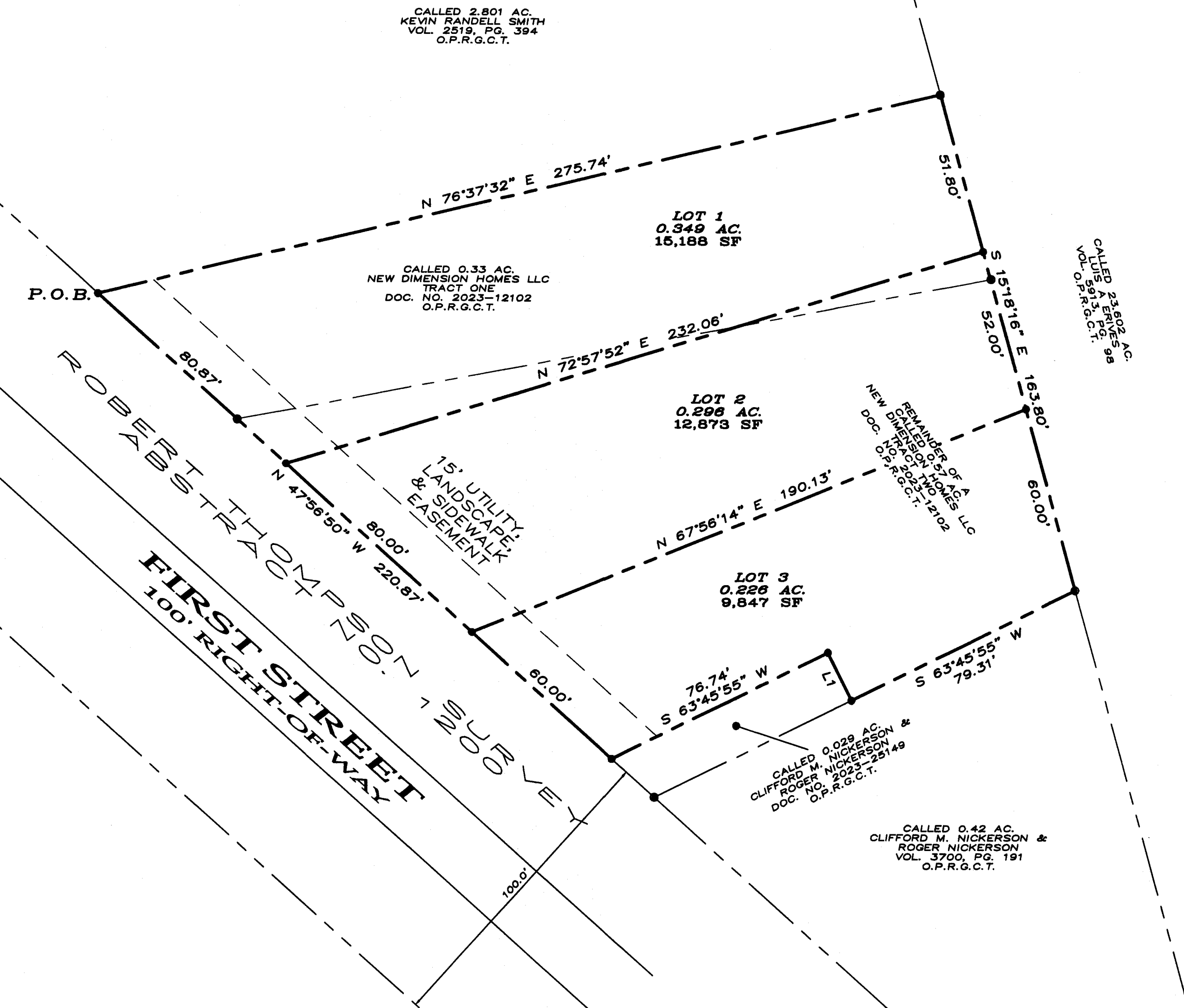
BY: _____
RYAN PITTMAN, CITY ATTORNEY

LINE TABLE		
LINE	BEARING	DISTANCE
L1	N 26°14'05" W	17.00'

LEGEND	
●	1/2" STEEL ROD SET
○	1/2" STEEL ROD FOUND
---	BOUNDARY LINE
---	PROPERTY LINE
---	EASEMENT LINE

~ GENERAL NOTES ~

1. Water Supply to be provided by the City of Sherman.
2. Sewer Service to be provided by the City of Sherman.
3. Electrical service is provided by Onco Electrical Delivery.
4. Blocking the flow of water or construction of improvements in drainage easements, and filling or obstruction of the roadway is prohibited.
5. Any existing easements or drainage channels traversing along or across the addition will remain as open channels and will be maintained by the individual owners of the lot or lots that are traversed by or adjacent to the drainage courses along or across said lots.
6. The City of Sherman will not be responsible for the maintenance and operation of said drainage way or drainage easements for the control of erosion.
7. Neither the City of Sherman nor the undersigned surveyor will be responsible for any damage, personal injury, or loss of life or property occasioned by flooding or flooding conditions.
8. The owners and builders must comply with all other local, state and federal regulations regarding developments of this type.
9. Bearings are based on the City of Sherman Control Monument Network.
10. The City of Sherman reserves the right to require submission of Development Plat based on proposed use of each lot.
11. The subject property does not lie within a Federal Emergency Management Agency (FEMA) designated flood plain as shown by Firm Map No. 4818C 0405 0, effective date September 1, 2022.



LEGAL DESCRIPTION

Situated in the County of Grayson, State of Texas, being a part of Robert Thompson Survey, Abstract No. 1200, and being all of a called 0.33 acre tract of land described as Tract One in the deed to New Dimension Homes LLC, recorded in Document No. 2023-12102, Official Public Records, Grayson County, Texas, and the remaining portion of a called 0.57 acre tract of land described as Tract Two in said deed to New Dimension Homes LLC, and being described by metes and bounds as follows:

Beginning at a 1/2" steel rod set for the northwest corner of said 0.33 acre tract, common to the southwest corner of a called 2.801 acre tract of land described in the deed to Kevin Randall Smith, recorded in Volume 2519, Page 394, said Official Public Records, and on the northeasterly right-of-way line of First Street;

Thence North 76°37'32" East, with the northerly line of said 0.33 acre tract, and with the southerly line of said 2.801 acre tract, a distance of 275.74 feet to a 1/2" steel rod found for the northeast corner of said 0.33 acre tract, and on the westerly line of a called 23.602 acre tract of land described in the deed to Luis A. Erives, recorded in Volume 5913, Page 98, said Official Public Records;

Thence South 15°18'16" East, with the easterly line of said 0.33 acre tract, and with the westerly line of said 23.602 acre tract, passing en route at a distance of 61.00 feet to a found 1/2" steel rod, and continuing on said course, with the easterly line of aforesaid 0.57 acre tract, a total distance of 163.80 feet to a 1/2" steel rod found for the southeast corner of said 0.57 acre tract, common to the northerly corner of a called 0.42 acre tract of land described in the deed to Clifford M. Nickerson and Roger Nickerson, recorded in Volume 3700, Page 191, said Official Public Records;

Thence South 63°45'55" West, with the southeasterly line of said 0.57 acre tract, and with the northwesterly line of said 0.42 acre tract, a distance of 79.31 feet to a 1/2" steel rod set for the easterly corner of a called 0.029 acre tract of land described in the deed to Clifford M. Nickerson and Roger Nickerson, recorded in Document No. 2023-25149, said Official Public Records;

Thence North 26°14'05" West, crossing said 0.57 acre tract, with the northeasterly line of said 0.029 acre tract, a distance of 17.00 feet to a 1/2" steel rod set for the northerly corner of said 0.029 acre tract;

Thence South 63°45'55" West, continuing across said 0.57 acre tract, with the northwesterly line of said 0.029 acre tract, a distance of 76.74 feet to a 1/2" steel rod set for the westerly corner of said 0.029 acre tract, and on the southwesterly line of said 0.57 acre tract, and on the northeasterly right-of-way line of aforesaid First Street;

Thence North 47°56'50" West, with the southwesterly line of said 0.57 acre tract, and with the northeasterly right-of-way line of said First Street, passing en route at a distance of 161.02 feet to a 1/2" steel rod found for the northwest corner of said 0.57 acre tract, and continuing on said course, with the southwesterly line of aforesaid 0.33 acre tract, a total distance of 220.87 feet to the Point of Beginning and containing 0.870 acres (37,908 square feet) of land, more or less.

Not Required

ACCEPTANCE

Certificate of approval by the city planning and zoning commission Approved this 11th day of October, 2023, by the City Planning and Zoning Commission of the City of Sherman, Texas.

Chairman

Secretary

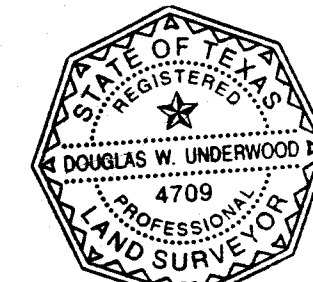
SURVEYOR'S CERTIFICATION

KNOWN ALL MEN BY THESE PRESENTS:

That I, Douglas W. Underwood, Registered Professional Land Surveyor, do hereby certify that I prepared this plat from an actual and accurate survey of the land and that the corner monuments thereon where properly placed, under my personal supervision, in accordance with the subdivision regulations of the City of Sherman, Texas.

Douglas W. Underwood
Registered Professional
Land Surveyor, No. 4709

10/26/23
Date



OWNERS DEDICATION

NOW THEREFORE KNOWN ALL MEN BY THESE PRESENTS:

THAT I, NEW DIMENSION HOMES LLC, do hereby adopt this plat designating the hereinabove property as the ALVARADO ESTATES, an addition to the City of Sherman, and do hereby dedicate to the public use forever the streets and easements shown on this plat for the public use and accommodation of all public and private utilities desiring to use or using same. Any public or private utility shall have the right to remove and keep removed all or part of any buildings, fences, trees, shrubs or other improvements or growths which in anyway endanger or interfere with the construction, maintenance, or efficiency of its respective systems on any of these easements strips and any public or private utility shall, at all times, have a right of ingress and egress to and from and upon the said easement strips for the purpose of constructing, reconstructing, inspecting, patrolling, maintaining and adding to or removing all or part of its respective system without the permission of anyone. This plat approved subject to all ordinances, rules regulations and resolutions of the City of Sherman, Texas.

WITNESS MY HAND this 25th day of October, 2023.

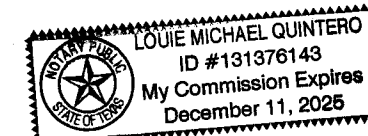
CARLOS ALVARADO
NEW DIMENSION HOMES LLC

STATE OF TEXAS
COUNTY OF GRAYSON
Dallas

BEFORE ME, the undersigned authority, a Notary Public in and for said County and State, on this day personally appeared, CARLOS ALVARADO 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 purpose and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this 25th day of October, 2023.

Yousu Jinn
Notary Public in and for
the State of Texas
Commission Expires Dec 11 2025



AVIGATION RELEASE

THE STATE OF TEXAS
COUNTY OF GRAYSON

WHEREAS, NEW DIMENSION HOMES LLC, hereinafter called OWNER (whether one or more), is the owner of a certain parcel of land situated in the City of Sherman, Grayson County, Texas, being more particularly described as ALVARADO ESTATES, an addition to the City of Sherman, Grayson County, Texas.

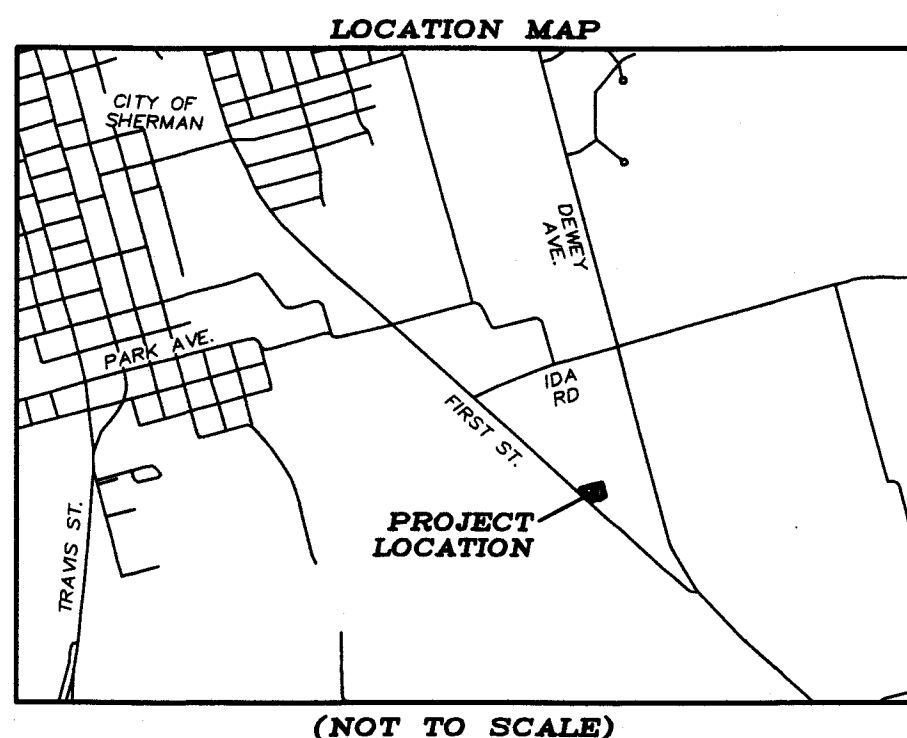
OWNER does hereby waive, release, remise, quit claim and forever hold harmless the City of Sherman, Texas, a municipal corporation, hereinafter called CITY, and Sherman Municipal Airport, hereinafter called AIRPORT, from any and all claims for damages of any kind that OWNER may now have or may hereinafter have in the future by reason of the passage of all aircraft (aircraft being defined for the purposes of this instrument as any contrivance now known or hereinafter invented, used or designed or navigation of or flight in the air) by whomsoever owned and operated, in the airspace above OWNER'S property. Such release shall include, but not be limited to, any damages to the OWNER'S described property, such as noise, vibration, fumes, dust, fuel and lubricant particles, and all other effects that may be caused by the operation of aircraft landing at or taking off from or operating at or on the Sherman Municipal Airport, whether such claim be for injury or death to person or persons damages to or taking off of property; and OWNER does hereby fully remise and release any right or cause of action which it may now have or which it may in the future have against the CITY or AIRPORT, whether such claims be for injury or death to persons or damage to property due to noise, vibration, fumes, dust, fuel and lubricant particles, and all other effects that may be caused or may have been caused by the operation and/or maintenance of aircraft or aircraft engines at or on said Sherman Municipal Airport.

It is agreed that this Release shall be binding upon OWNER, his successors, heirs, executors, administrators and assigns, in interest with regard to said property located at ALVARADO ESTATES, an addition to the City of Sherman, Texas, and it is further agreed that this instrument shall be a covenant running with the land, and shall be recorded in the Deed Records of Grayson County, Texas.

EXECUTED THIS 25 DAY OF October, 2023

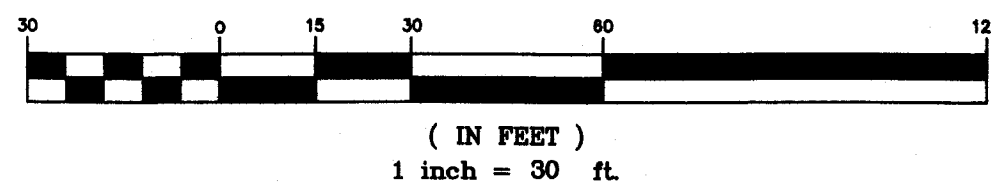
BY: NEW DIMENSION HOMES LLC

CARLOS ALVARADO



~ BASIS OF BEARINGS ~
GRID NORTH, NAD 83
TEXAS STATE PLANE, COORDINATE SYSTEM
NORTH CENTRAL ZONE

GRAPHIC SCALE



OWNERS/DEVELOPER
NEW DIMENSION HOMES LLC
111 W. CLARENDON DRIVE
DALLAS, TX 75208

SURVEYOR
DOUGLAS W. UNDERWOOD
R.P.L.S. NO. 4709
3404 INTERURBAN ROAD
DENISON, TEXAS

UNDERWOOD

FINAL PLAT
ALVARADO ESTATES

Being a part of the ROBERT THOMPSON Survey,
Abstract Number 1200
Being in the City of Sherman
Grayson County, Texas
Containing 0.870 acres of land

08-08-2023

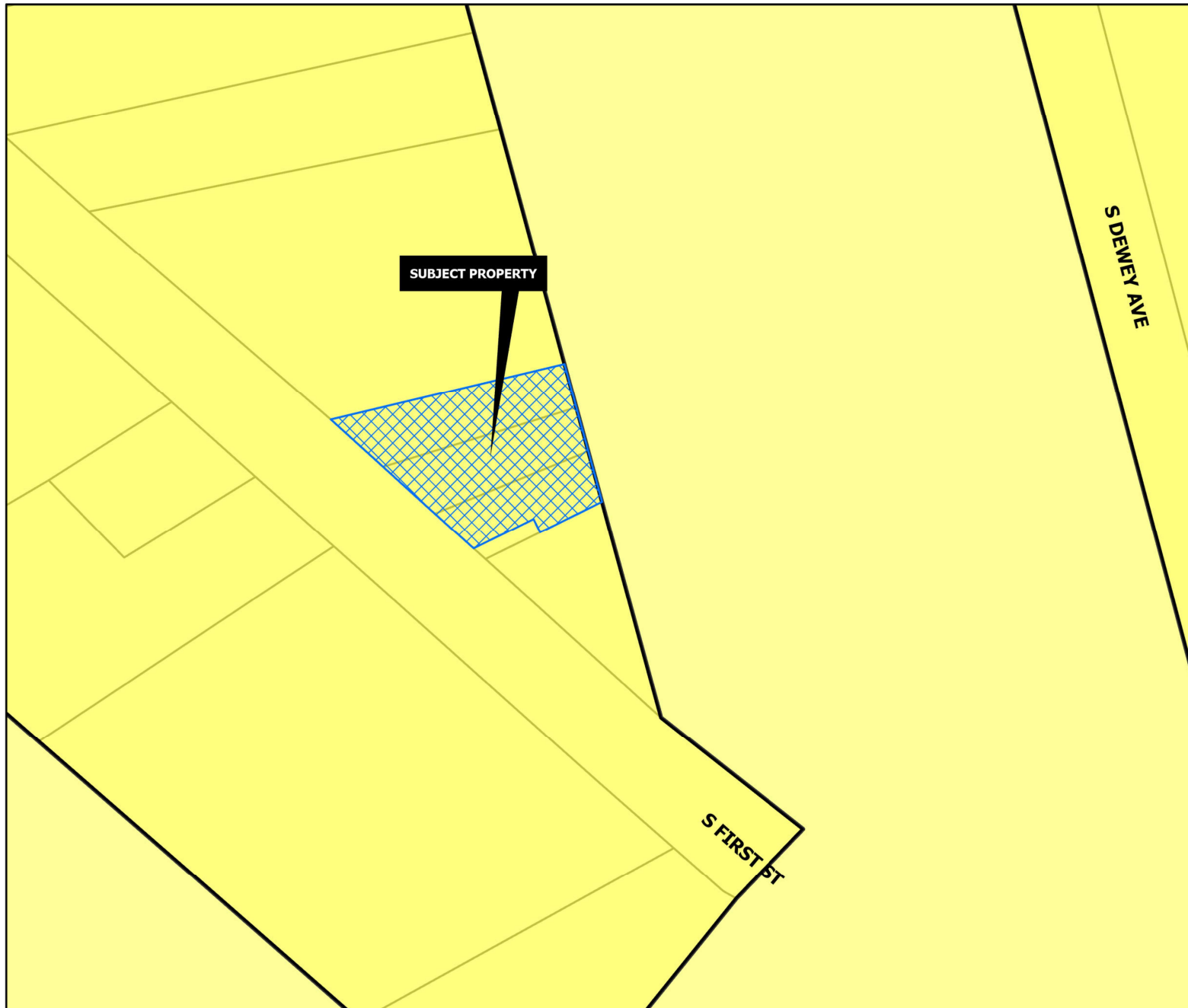
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City of Sherman, Texas
Development Services Department

CITY OF SHERMAN
LOCATION MAP
2901, 2909, 2913 S FIRST ST





SUBURBAN NEIGHBORHOOD

Intent & Character

The Suburban Neighborhood category is intended to allow primarily single-family detached in a “complete neighborhood” setting. New subdivisions should include a mix of housing products and lot sizes. Areas of supporting local commercial should be integrated into the neighborhoods, primarily along major streets near the entrance of neighborhoods. Community amenities such as parks, trails, open spaces, and civic uses should also be included in the creation of new subdivisions. This category gives flexibility for the creation of master-planned neighborhoods that are compatible with the surrounding area.

Appropriate Land Use Types

- Single-family detached (primary land use type)
- Single-family attached (duplexes and townhomes)
- Local/neighborhood commercial and office
- Parks and open space
- Schools and civic uses

Compatible Zoning Districts

- Estate Residential
- Single-Family Residential (R-12, R-6, R-5, and R-4)
- Multi-Family Residential (MF-15 and MF-30)
- Manufactured Housing
- Neighborhood Commercial
- Planned Development

Considerations

- Street connections to existing and future developments.
- Smaller lots and denser development can serve as a transition from the local commercial areas.



Development Services
Department

Agriculture/Rural	Core Neighborhood	Technology Hub
Airport	Downtown	Planning & Zoning
City Parkland	Regional Commercial	
Community Commercial	Suburban Neighborhood	

CITY OF SHERMAN
FUTURE LAND USE MAP
2901, 2909, 2913 S FIRST ST



Date: 7/27/2023 10:56 AM

Marlow, Lauren

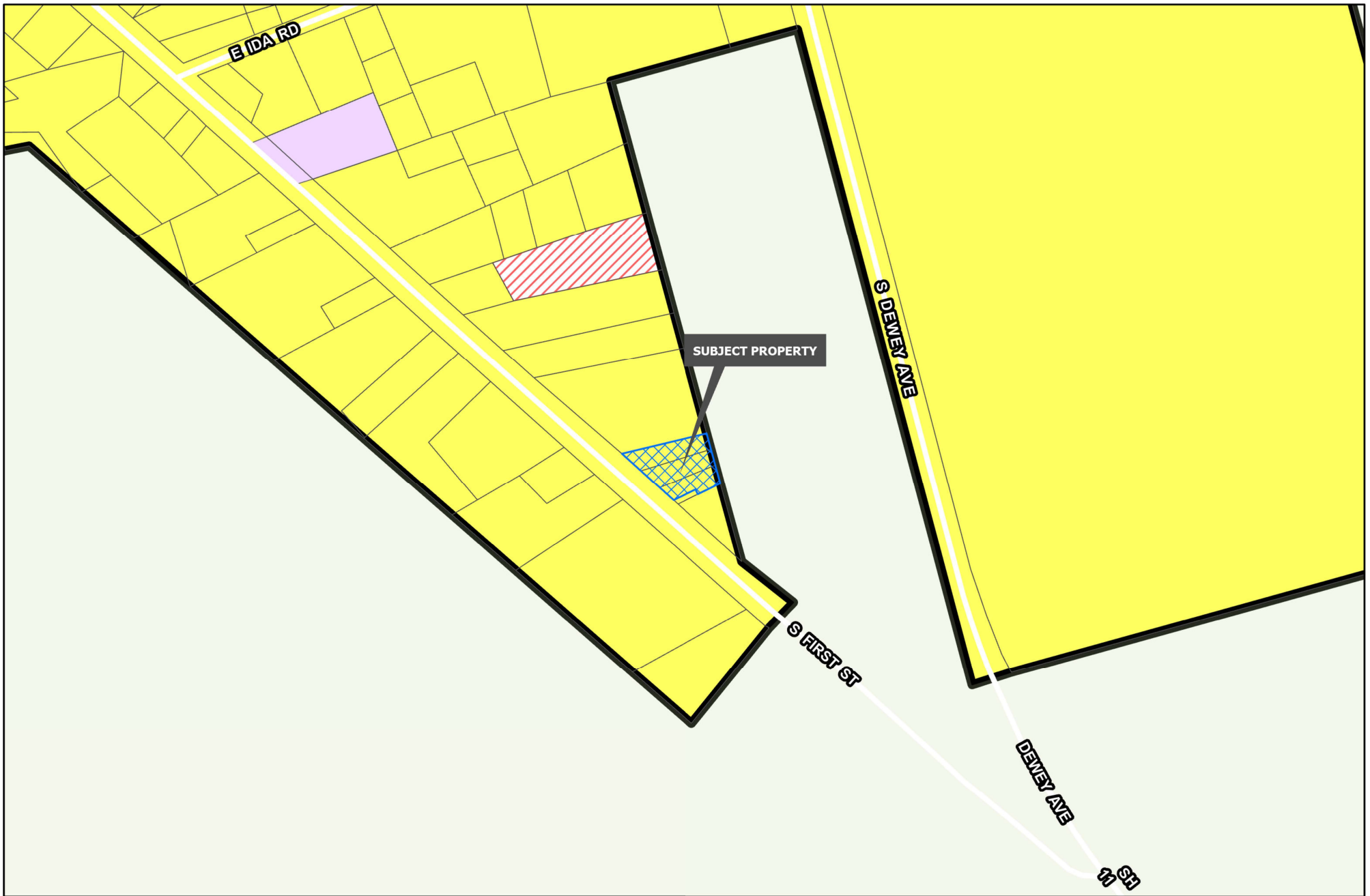
From: laurenm@cityofsherman.com
To: Jay Peskuski
Subject: RE: Updated Narrative_2901, 2909, & 2913 S First Street

From: Jay Peskuski
Sent: Thursday, September 5, 2024 9:35 AM
To: Turner, Kerri
Subject: Updated Narrative_2901, 2909, & 2913 S First Street

Hi Kerri - Please see updated/expanded narrative for the rezone request for - **2901, 2909, & 2913 S First Street** - below. Thanks!!

In consideration of the rezone request/application for these properties we ask that the following be taken into account. These properties, when divided up as we have proposed will still greatly exceed the minimum lot area required for the existing r-6 zoning. Current zoning will require a minimum of 6,000 sqft per lot, and the proposed direction would have the average between the 4 proposed properties at 9,477 sqft. We would have the frontage for 3 of the 4 lots meeting the minimum width of the current r-6 zoning of 60ft, with only one property not meeting this with the frontage dimension. The depth of these lots more than double the minimum for the current zoning (100ft required, average depth of the proposed properties is 213ft). In short, these are large properties, and we propose to keep them as large properties. We are not seeking to break these up as small as we can. They still meet/exceed the existing r-6 zoning by most of the required minimums. Additionally, it is our intention to develop these properties with all unique, single-family homes, exceeding 2,000 sqft of AC/living space per residence. We appreciate your consideration. Thank you.

Jay Peskuski



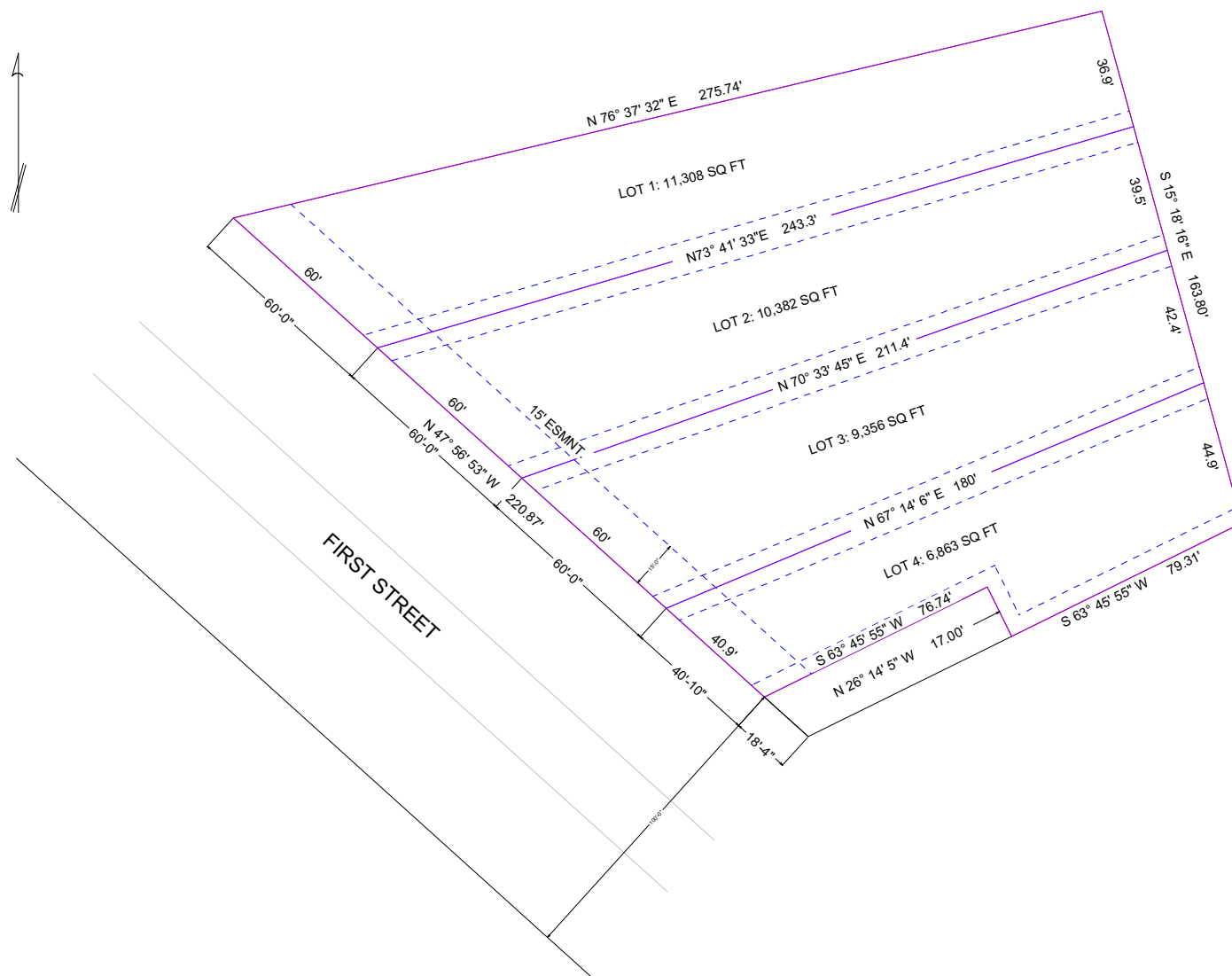
Development Services
Department

R-A Residential Agricultural	MF-15 Multi-Family Residential	M-1.5 Medium Manufacturing
R-E Estate Residential	MF-30 Multi-Family Residential	M-2 Heavy Manufacturing
R-12 Single Family Residential	MH Manufactured Housing	PD Planned Development
R-6 Single Family Residential	C-N Neighborhood Commercial	Road Names All
R-5 Single Family Residential	C-O Office	Planning & Zoning
R-4 Patio Home Residential	C-1 Retail Business	
R-2F Duplex Residential	C-2 General Commercial	
R-TH Townhome Residential	M-1 Light Manufacturing	

CITY OF SHERMAN
ZONING MAP
2901, 2909, 2913 S FIRST ST







SITE PLAN

SCALE: 1" = 16'

SCALE: 1" = 16'

PROJECT NO.

2901

DATE:

8/7/2024

PDF

**PESKUSKI
DESIGN
FIRM**

DALLAS, TEXAS

P: 469 682 8956

F: 972.279.0238

E: JP@JPDFIRM.COM

1000

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PROJECT INFO:

2901, 2909, & 2913 S FIRST ST
LOT 1, 2, & 3, ABSTRACT NO 1200
SHERMAN, TX
GRAYSON COUNTY

2901, 2909, & 2913 S FIRST ST
LOT 1, 2, & 3, ABSTRACT NO 1200

LOI 1, 2, & 3, ABSTRACT NO 1200
SHERMAN TX

SHERMAN, TX
CRAYSON COUNTY

SHEET NO:

A-0





City Council Regular Meeting

Agenda Item No. F.1.

Meeting Date: 11/4/2024

Prepared By: Clint Philpott, Assistant City Manager

Approved By: Robby Hefton, City Manager

Caption:

RESOLUTION NO. 7416

Approval of the Purchase and Sale Agreement with Bel Air Communities, LLC, for the Purchase and Sale of Approximately 10.0 Acres of Land, Generally Located South of F.M. 1417, East of U.S. Highway 75 and behind the Movie, Bowl, Grill in the City of Sherman, Texas

Issue:

To consider the approval of the Purchase and Sale Agreement for the sale of the City-owned real property located near the southeast corner of the intersection of FM 1417 and US 75

Background:

In Fall 2017, the City began working with SEDCO to purchase about 13 acres of land owned by SEDCO at the southeast corner of FM1417 and US 75. This parcel was a former truck stop and was initially purchased by SEDCO about two years prior to that. As part of a retail economic development project in 2018 led by the City, SEDCO agreed to convey this 13 acre tract to the City. Now only 10 acres remain and Bel Air Communities, LLC would like to purchase this tract for the purpose of expanding their development around the commercial activity zone. The money collected will go back into the TIRZ to help pay for additional public infrastructure within the TIRZ.

Origination:

City Management Office

Financial Consideration:

Total acreage will be verified by boundary survey, approximate acreage is 10.0 acres. Total funds due to the City will be about \$1,600,000.00

Staff Recommendation:

It is recommended that the City Council authorize City Manager to finalize and execute this Purchase and Sale Agreement for the sale of the City-owned real property

Alternatives:

As may be directed by the City Council

Attachments:

1. Resolution No. 7416
2. Purchase and Sale Agreement - Bel-Air TIRZ Final 10.25.24

RESOLUTION NO. 7416

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, APROVAL OF THE PURCHASE AND SALE AGREEMENT WITH BEL AIR COMMUNITIES, LLC, FOR THE PURCHASE OF APPROXIMATELY 10.0 ACRES OF LAND, GENERALLY LOCATED SOUTH OF F.M. 1417, EAST OF U.S. HIGHWAY 75 AND BEHIND MOVIE, BOWL, GRILL IN THE CITY OF SHERMAN, TEXAS; 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, subject to all contract documents being properly completed and approved as to form and content by the City Attorney, to execute a Purchase and Sale Agreement with Bel Air Communities, LLC, for the purchase of approximately 10.0 acres of land generally located at the south of F.M. 1417, east of U.S. Highway 75 and behind Movie, Bowl, Grill in the City of Sherman, Texas, for a total amount of One Million Six Hundred Thousand dollars and Zero cents (\$1,600,000.00); in accordance with the terms and provisions of the contract documents attached hereto and incorporated herein for all purposes.

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.

DULY PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS on this the 4th day of November 2024.

CITY OF SHERMAN, TEXAS

ATTEST:

BY: _____
LINDA ASHBY, CITY CLERK

BY: _____
DAVID PLYLER, MAYOR

APPROVED AS TO FORM:
THE LAW FIRM OF ABERNATHY,
ROEDER, BOYD & HULLETT, P.C

BY: _____
RYAN D. PITTMAN, CITY ATTORNEY

PURCHASE AND SALE AGREEMENT
+/- 10.0 acres, City of Sherman, Grayson County, Texas

THIS PURCHASE AND SALE AGREEMENT (this “Agreement”) is made and entered into between **THE CITY OF SHERMAN, TEXAS**, a home-rule municipality (the “Seller”), and **BEL AIR COMMUNITIES, LLC**, a Texas limited liability company (“Purchaser”).

WHEREAS, defined terms are indicated by initial capital letters. Defined terms shall have the meaning set forth herein, whether or not such terms are used before or after the definitions are set forth.

WHEREAS, Purchaser desires to purchase the Property and Seller desires to sell the Property, all upon the terms and conditions set forth in this Agreement.

NOW, THEREFORE, in consideration of the mutual terms, provisions, covenants and agreements set forth herein, as well as the sums to be paid by Purchaser to Seller, and for other good and valuable consideration, the receipt and sufficiency of which are acknowledged, Purchaser and Seller agree as follows:

ARTICLE 1
BASIC INFORMATION

Section 1.1 Certain Defined Terms

The following defined terms shall have the meanings set forth below:

- A. City.** The City of Sherman, Texas.
- B. Closing.** The completion of the transaction described in this Agreement.
- C. Closing Date.** The date that is thirty (30) days after the expiration of the Inspection Period.
- D. Cure Period.** The period beginning on the date Seller receives Purchaser’s Objections and ending on the date that is ten (10) days thereafter.
- E. Due Diligence Delivery Date.** The date that is five (5) days after the Effective Date.
- F. Earnest Money.** FOURTEEN THOUSAND 00/100 DOLLARS (\$14,000.00).
- G. Earnest Money Delivery Date.** The date that is three (3) business days after the fully executed Agreement is delivered to the Title Company.
- H. Effective Date.** The date on which the fully executed Agreement along with the Earnest Money is receipted by the Title Company, as shown on the Title Company Acceptance Page.

I. Inspection Period. The period beginning on the Effective Date and ending on the date which is sixty (60) days after the Effective Date.

J. Purchase Price. The sum of ONE MILLION SIX HUNDRED THOUSAND AND 00/100 DOLLARS (\$1,600,000.00).

K. Purchaser's Broker. Not applicable.

L. Review Period. The period ending fifteen (15) days after Purchaser's receipt of the later of the (i) initial Title Commitment, (ii) Title Documents, and (iii) the Survey.

M. Seller's Broker. Not applicable

N. Survey Delivery Date. The date that is ten (10) days after the Effective Date.

O. Title Commitment Delivery Date. The date that is twenty (20) days after the Effective Date.

P. Title Company. Reunion Title Company.

Q. Title Termination Period. The period beginning on the expiration of the Cure Period and ending on the date that is five (5) days after the Cure Period.

Section 1.2 Closing Costs

Closing costs shall be allocated and paid as follows:

COST	RESPONSIBLE PARTY
Title Commitment	Purchaser
Premium for standard form Title Policy	Purchaser
Premium for endorsements or additional coverage for the Title Policy	Purchaser
Recording Fees	Purchaser
Financing expenses for Purchaser's loan, if any	Purchaser
Escrow Fee charged by Title Company	Purchaser
Commission to Purchaser's Broker, if any	Purchaser
All other Closing costs, expenses, charges and fees customarily paid by purchasers in Grayson County	Purchaser

All other Closing costs, expenses, charges and fees customarily paid by sellers in Grayson County, including Schedule C Curative Items	Seller
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Section 1.3 Notice Addresses

Seller: City of Sherman
 Attn: Robby Hefton, City Manager
 220 Mulberry Street
 Sherman, Texas 75454
 Telephone: 903-819-7452
 Email: robbyh@cityofsherman.com

with copy to: Abernathy, Roeder, Boyd & Hullett, P.C.
 Attn: Ryan D. Pittman
 1700 Redbud Boulevard, Suite 300
 McKinney, Texas 75069
 Telephone: 214-544-4046
 Email: rpittman@abernathy-law.com

Purchaser: 2800 N Dallas Parkway
 Suite 234
 Plano, TX 75093
 Attn: Ronny Guerrero
 Email: ronnyg@americancommunities.com

 with a copy to:
 Pivnick Firm, PLLC
 Attn: Rob Pivnick, Esq.
 Email: rob@pivnickfirm.com

Title Company: Reunion Title Company
 Attn: Loretta Boddy
 1700 Redbud Blvd., Suite 300
 McKinney, TX 75069
 Telephone: 214-544-4000
 Email: lboddy@reuniontitle.com

ARTICLE 2 **PROPERTY**

Section 2.1 Property Description

Upon the terms and conditions hereinafter stated, Seller hereby agrees to sell and convey to Purchaser the following (collectively, the “Property”):

A. Land. Good and indefeasible title to approximately 10.0± acres of land in the City of Sherman, Grayson County, Texas, generally located at the southeast corner of FM 1417 and US Highway 75 (the “Land”), together with all benefits, privileges, easements, tenements, hereditaments, rights and appurtenances thereon or pertaining to such Land, as more specifically described and depicted in **Exhibit “A”**, attached hereto and incorporated herein by this reference.

B. Improvements. All buildings, structures, fixtures, and improvements situated on, in, or under the Land, if any (“Improvements”); all benefits, privileges, tenements, hereditaments, rights and appurtenances thereon or pertaining to the Improvements and all easements owned by Seller, if any, as of the Closing Date which are used or needed in connection with the operation or development of the Land (the Land and the Improvements are herein referenced as the “Real Property”).

C. Personal Property. All of Seller’s right, title, and interest in any personal property owned by Seller, if any, as of the Closing Date that is attached to or located on and used exclusively in connection with the operation, repair, or maintenance of the Real Property, including but not limited to all fixtures, fittings, appliances, apparatuses, equipment, tools, machinery, heating, ventilating, air-conditioning, lighting, plumbing, and electrical fixtures, hot-water heaters, furnaces, heating controls, Agreement rights, claims, systems, and other items of tangible and intangible personal property and replacements, affixed or attached to, situated on, or used exclusively in connection with the Real Property, including any and all warranties and guaranties made by third parties relating to the same (collectively, “Personal Property”).

D. Licenses and Permits. To the extent assignable by Seller to Purchaser, and to the extent any of the following exist and run with the Real Property, all of Seller’s right, title, and interest in and to (i) licenses, permits, certificates of occupancy, or similar documents relating to the Real Property and Personal Property; (ii) all permits, approvals, licenses, water and sewer capacity commitments, all engineering and architectural plans; and (iii) all plans, drawings, specifications, surveys, engineering reports, and other technical descriptions of the Real Property and/or Personal Property (collectively, “Licenses and Permits”).

Section 2.2 Legal Description

The legal description of the Land set forth in the final Survey certified to the Purchaser and Title Company shall be substituted for **Exhibit “A”** at a later date as the description of the Property to be conveyed hereunder and shall become part of this Agreement.

ARTICLE 3 PURCHASE PRICE

Purchaser agrees to purchase the Property at the Purchase Price and upon the terms set forth herein. At Closing, Purchaser shall deliver to Seller the Purchase Price in cash or other immediate funds.

ARTICLE 4

EARNEST MONEY

On or before the Earnest Money Delivery Date, Purchaser shall deposit the Earnest Money in the form of a check or wire transfer with the Title Company in its capacity as escrow agent, to be held in escrow pursuant to the terms of this Agreement. If Purchaser fails to timely deposit the Earnest Money, Seller may terminate this Agreement at any time before Purchaser deposits the Earnest Money with the Title Company, and upon such election, this Agreement shall terminate. Purchaser agrees that One Hundred and No/100 Dollars (\$100.00) of the Earnest Money is given as consideration for this Agreement (the “Independent Consideration”), which Independent Consideration shall be applied to the Purchase Price at Closing, but shall not be returned to Purchaser in the event the Earnest Money is otherwise returned to the Purchaser pursuant to the terms of this Agreement. The Earnest Money shall be credited to the Purchase Price at Closing.

ARTICLE 5

DUE DILIGENCE AND CONTINGENCIES

Section 5.1 Survey and Title Review

A. Survey. If there is an existing survey of the Property, Seller, at its sole cost and expense, shall deliver to Purchaser a copy of such survey (the “Survey”) on or before the Survey Delivery Date. If a new or updated survey of the Property is required, then such new or updated survey shall be obtained by Purchaser at Purchaser’s expense and shall be prepared by a registered land surveyor in conformity with the “Minimum Standard Detail Requirements for ALTA/NSPS Land Title Surveys” jointly established and adopted by ALTA and NSPS in 2011 (or such local equivalent as may exist with respect to the Property), in conformity with such standards as are required by the Title Company as a condition to the removal of the survey exception from the Title Commitment, and certified to Purchaser, the Title Company and such other parties as Purchaser shall designate by written notice to Seller.

B. Title Commitment. On or before the Title Commitment Delivery Date, Seller shall deliver or cause to be delivered to Purchaser (i) a title commitment (the “Title Commitment”) covering the Property binding the Title Company to issue a Texas Owner Policy of Title Insurance (the “Title Policy”) on the standard form prescribed by the Texas State Board of Insurance at the Closing, in the full amount of the Purchase Price, insuring Purchaser’s fee simple title to the Property to be good and indefeasible, subject only to the Permitted Exceptions as defined below, and (ii) the following documents (collectively, the “Title Documents”): (1) true and legible copies of all recorded instruments affecting the Property and recited as exceptions in the Title Commitment, and (2) a current tax certificate.

C. Special Assessment Districts. If the Property is situated within a utility district or flood control district subject to the provisions of Section 50.301, Texas Water Code, then Seller shall give to Purchaser as part of the Title Documents the required written notice and Purchaser agrees to acknowledge receipt of the notice in writing. The notice must set forth the current tax rate, the current bonded indebtedness and the authorized indebtedness of the district, and must comply with all other applicable requirements of the Texas Water Code. If the Property is subject to mandatory membership in a property owner’s association, Seller shall notify Purchaser of the

current annual budget of the property owners' association, and the current authorized fees, dues and/or assessments relating to the Property.

D. Review and Cure Period. During the Review Period, Purchaser shall have the opportunity to review the Survey, the Title Commitment, and the Title Documents. If Purchaser has any objections to the Survey, Title Commitment or Title Documents, Purchaser may deliver such objections to Seller in writing within the Review Period (collectively, "Objections"). Purchaser's failure to provide Objections to Seller prior to the expiration of the Review Period shall be a waiver of Purchaser's right to object, and any item to which Purchaser does not include in its Objections on or before to the expiration of the Review Period shall also be deemed a "Permitted Exception." Items that the Title Company identifies as to be released at Closing will be deemed Objections by Purchaser and shall not be Permitted Exceptions. If Purchaser provides Seller with any Objections, Seller may, but is not obligated to attempt to satisfy the Objections within the Cure Period. Notwithstanding the foregoing, any liens and encumbrances affecting the Property which secure the payment of indebtedness of an ascertainable amount shall never be Permitted Exceptions and need not be excepted to in the Objections.

E. Failure or Refusal to Cure. If Seller cannot satisfy or chooses not to satisfy Purchaser's Objections within the Cure Period, then Purchaser may terminate this Agreement by delivering a written notice to Seller within the Title Termination Period. If Purchaser terminates this Agreement, the Earnest Money shall be immediately returned to Purchaser and thereafter neither party shall have any rights or obligations under this Agreement (except for those which may expressly survive the termination of this Agreement). If Purchaser does not terminate this Agreement, then Purchaser shall be deemed to have waived any uncured Objections, except for those Objections Seller has agreed to cure, and must accept such title as Seller is able to convey as of Closing, subject to the other terms and provisions of this Agreement.

F. Additional Title Matters. If Purchaser obtains an update to the Commitment after the Review Period that reveals any new items not reflected on the initial Commitment, it shall have the same time periods and remedies, and Seller shall have the same cure rights, set forth in this Section 5.1 with respect thereto.

Section 5.2 Due Diligence

On or prior to the Due Diligence Delivery Date, Seller shall deliver to Purchaser copies of all environmental assessments, geotechnical reports and other soil, engineering or flood studies relating to the Property to the extent any of the foregoing are in Seller's possession or control. Notwithstanding Seller's delivery of the above described studies, tests and other due diligence material, if any, Purchaser acknowledges that any information of any type which Purchaser has received or may receive from Seller, or its agents, is furnished to Purchaser as a courtesy only and on the express condition that Purchaser shall make an independent verification of the accuracy of such information, and that all such information is being furnished without any representation or warranty by Seller as to the truth, accuracy, or completeness of such information; provided, however, that Seller confirms that Seller has no current actual knowledge of any material inaccuracies or errors in any such due diligence materials. Further, as a condition to Seller's delivery of any due diligence materials to Purchaser, Purchaser expressly acknowledges the foregoing in its acceptance of such due diligence items from Seller, and agrees to waive any and

all claims against Seller for any cause of action arising from Purchaser's reliance on such Seller furnished due diligence materials.

Section 5.3 Inspection Period

Indemnification for Inspection. Seller hereby grants to Purchaser the right after the Effective Date and prior to the Closing Date to enter upon the Property to the extent Purchaser deems necessary. PURCHASER SHALL INDEMNIFY, DEFEND, AND HOLD HARMLESS SELLER FROM ALL CLAIMS, ACTIONS OR CAUSES OF ACTION WHICH MIGHT OCCUR BY VIRTUE OF THE ENTRY UPON OR TESTING OF THE PROPERTY AND PROVIDED FURTHER THAT IN THE EVENT PURCHASER DOES NOT RETURN THE PROPERTY TO ITS CONDITION PRIOR TO PURCHASER'S ACTIVITIES, PURCHASER SHALL BE RESPONSIBLE FOR ALL DAMAGES OCCASIONED TO THE PROPERTY ARISING OUT OF THE ENTRY UPON OR TESTING OF THE PROPERTY, AND THIS INDEMNITY AND COVENANT WILL SURVIVE THE CLOSING OR TERMINATION OF THIS AGREEMENT FOR A PERIOD OF TWELVE (12) MONTHS, BUT THIS INDEMNITY AND COVENANT SHALL SPECIFICALLY NOT COVER CLAIMS, ACTIONS OR CAUSES OF ACTION TO THE EXTENT OF SELLER'S NEGLIGENCE OR WILLFUL MISCONDUCT, OR THOSE RELATED TO ANY PRE-EXISTING CONDITIONS MERELY DISCOVERED BY PURCHASER, ITS EMPLOYEES, AGENTS, OR INDEPENDENT CONTRACTORS.

ARTICLE 6

REPRESENTATIONS AND WARRANTIES

Section 6.1 Seller's Representation and Warranties and Covenants

Seller represents and warrants to Purchaser as of the Effective Date and as of the Closing as follows:

A. Title. Seller has, or will have as of the Closing Date, the right to convey and will convey to Purchaser good and indefeasible fee simple title to the Property free and clear of any and all liens, assessments, unrecorded easements, security interests and other encumbrances except only to the Permitted Exceptions.

B. Licenses. There are no parties in possession of any portion of the Property as licensees, tenants at sufferance or trespassers except for those disclosed, and delivered to Seller as part of the due diligence materials.

C. Negative Covenants. Seller shall not further encumber any of the Property or allow an encumbrance upon the title to any of the Property or enter into any contract affecting the Property without the written consent of Purchaser. Seller shall not initiate or consent to any material zoning reclassification of the Property or any material change to any approved site plan, special use permit, planned unit development approval or other land use entitlement affecting the Property.

D. Liens and Debts. There are no mechanic's liens, Uniform Commercial Code liens or unrecorded liens against the Property, and Seller shall not allow any such liens to attach to the Property prior to Closing, which will not be satisfied out of the Closing proceeds. Except for

obligations for which provisions are made in this Agreement for prorating at Closing, there will be no obligations of Seller with respect to the Property outstanding as of Closing.

E. Litigation. To Seller's knowledge, there is no pending or threatened litigation, condemnation, or assessment affecting any of the Property. Seller shall promptly advise Purchaser of any litigation, condemnation or assessment affecting any of Property which is threatened or instituted after the Effective Date.

F. Patriot Act. To the extent applicable to Seller, Seller has complied in all material respects with the International Money Laundering Abatement and Anti-Terrorist Financing Act of 2001, which comprises Title III of the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001 (the "Patriot Act") and the regulations promulgated thereunder, and the rules and regulations administered by the U.S. Treasury Department's Office of Foreign Assets Control ("OFAC"), to the extent such laws are applicable to Seller. To the best of Seller's knowledge, Seller is not included on the List of Specially Designated Nationals and Blocked Persons maintained by the OFAC, or is a resident in, or organized or chartered under the laws of, (i) a jurisdiction that has been designated by the U.S. Secretary of the Treasury under Section 311 or 312 of the Patriot Act as warranting special measures due to money laundering concerns or (ii) any foreign country that has been designated as non-cooperative with international anti-money laundering principles or procedures by an intergovernmental group or organization, such as the Financial Action Task Force on Money Laundering, of which the United States is a member and with which designation the United States representative to the group or organization continues to concur.

G. Organization and Authority. Seller is a home-rule municipality validly existing under the laws of the State of Texas. The execution and delivery of this Agreement by those executing this Agreement on Seller's behalf and Seller's performance of this Agreement has been duly authorized by Seller, and this Agreement is binding on Seller and enforceable against Seller in accordance with its terms. The execution of this Agreement and the consummation of the transaction contemplated herein will not violate any restriction, court order or agreement to which Seller or the Property is subject.

H. Compliance with Laws. To the best of Seller's current actual knowledge, neither the Property, nor Seller are currently subject to (i) any existing, pending or threatened investigation or inquiry by any governmental authority or (ii) any remedial obligations, under any applicable law, statute, ordinance, rule, regulation, order or determination of any governmental authority or any board of fire underwriters (or other body exercising similar functions), or any restrictive covenant or deed restriction or zoning ordinance or classification affecting the Property, including, without limitation, all applicable building codes, fire codes, health codes, water codes, flood disaster laws and health and Environmental Laws and regulations (hereinafter sometimes collectively called the "Applicable Laws"). Seller has received no notice from any municipal, state, federal or other governmental authority of any violation of any Applicable Laws issued in respect of the Property which has not been heretofore corrected, and no such violation exists.

I. "AS IS". EXCEPT AS EXPRESSLY PROVIDED HEREIN OR IN ANY CLOSING DOCUMENTS DELIVERED TO PURCHASER, IT IS UNDERSTOOD AND AGREED THAT SELLER IS NOT MAKING ANY WARRANTIES OR

REPRESENTATIONS OF ANY KIND OR CHARACTER, EXPRESS OR IMPLIED, WITH RESPECT TO THE PROPERTY, INCLUDING, BUT NOT LIMITED TO, WARRANTIES OR REPRESENTATIONS AS TO MATTERS OF TITLE (OTHER THAN SELLER'S WARRANTY OF TITLE SET FORTH IN THE DEED TO BE DELIVERED AT CLOSING), ZONING, TAX CONSEQUENCES, PHYSICAL OR ENVIRONMENTAL CONDITION, ABSENCE OF LATENT DEFECTS, OPERATING HISTORY OR PROJECTIONS, VALUATION, GOVERNMENTAL APPROVALS, GOVERNMENTAL REGULATIONS OR ANY OTHER MATTER OR THING RELATING TO OR AFFECTING THE PROPERTY. EXCEPT AS EXPRESSLY PROVIDED HEREIN, PURCHASER AGREES THAT WITH RESPECT TO THE PROPERTY, PURCHASER HAS NOT RELIED UPON AND WILL NOT RELY UPON, EITHER DIRECTLY OR INDIRECTLY, ANY REPRESENTATION OR WARRANTY OF SELLER OR SELLER'S REPRESENTATIVES. PURCHASER WILL CONDUCT SUCH INSPECTIONS AND INVESTIGATIONS OF THE PROPERTY, INCLUDING, BUT NOT LIMITED TO, THE PHYSICAL AND ENVIRONMENTAL CONDITIONS THEREOF, AND RELY UPON SAME, AND, UPON CLOSING, SHALL ASSUME THE RISK THAT ADVERSE MATTERS, INCLUDING, BUT NOT LIMITED TO, LATENT DEFECTS AND ADVERSE PHYSICAL AND ENVIRONMENTAL CONDITIONS, MAY NOT HAVE BEEN REVEALED BY PURCHASER'S INSPECTIONS AND INVESTIGATIONS. EXCEPT AS EXPRESSLY PROVIDED HEREIN, PURCHASER AGREES TO TAKE WHATEVER ACTION AND PERFORM WHATEVER INVESTIGATIONS AND STUDIES PURCHASER DEEMS NECESSARY TO SATISFY ITSELF AS TO THE CONDITION OF THE PROPERTY AND THE EXISTENCE OR NONEXISTENCE OF, OR CURATIVE ACTION TO BE TAKEN WITH RESPECT TO, ANY HAZARDOUS AND/OR TOXIC SUBSTANCES ON OR DISCHARGED FROM THE PROPERTY. PURCHASER ACKNOWLEDGES AND AGREES THAT UPON CLOSING SELLER SHALL SELL AND CONVEY TO PURCHASER AND PURCHASER SHALL ACCEPT THE PROPERTY "AS IS, WHERE IS", WITH ALL FAULTS AND THERE ARE NO ORAL OR WRITTEN AGREEMENTS, WARRANTIES OR REPRESENTATIONS, COLLATERAL TO OR AFFECTING THE PROPERTY BY SELLER OR ANY THIRD PARTY. FURTHER, PURCHASER HEREBY ACKNOWLEDGES TO SELLER THAT PURCHASER AND SELLER ARE NOT IN A SIGNIFICANTLY DISPARATE BARGAINING POSITION. THE TERMS AND CONDITIONS OF THIS PARAGRAPH SHALL EXPRESSLY SURVIVE THE CLOSING AND SHALL NOT BE MERGED THEREIN.

J. Contracts Affecting Property. There are no contracts, leases, or other agreements affecting the Property, or correspondence or default notices related thereto, other than the Title Documents or those which Seller shall deliver to Buyer pursuant to Section 5.2 above.

Section 6.2 Purchaser's Representations and Warranties

Purchaser represents and warrants to Seller as of the Effective Date and as of the Closing as follows:

A. Organization and Authority. Purchaser is a Texas limited liability company validly existing under the laws of the State of Texas. The execution and delivery of this Agreement

by those executing this Agreement on Purchaser's behalf and Purchaser's performance of this Agreement has been duly authorized by Purchaser, and this Agreement is binding on Purchaser and enforceable against Purchaser in accordance with its terms. The execution of this Agreement and the consummation of the transaction contemplated herein will not violate any restriction, court order or agreement to which Purchaser is subject. If Purchaser assigns this Agreement to an allowed third party, such entity shall be duly organized, validly existing and in good standing under the laws of the State of Texas and have all the requisite power and authority to enter into, deliver and perform this Agreement.

B. Litigation. To Purchaser's knowledge, there is no pending or threatened (in writing) litigation affecting Purchaser that would materially impact the transaction described in this Agreement. Purchaser shall promptly advise Seller of any litigation affecting Purchaser and its ability to consummate the transaction contemplated herein which is threatened or instituted after the Effective Date.

C. Patriot Act. To the extent applicable to Purchaser, Purchaser has complied in all material respects with the International Money Laundering Abatement and Anti-Terrorist Financing Act of 2001, which comprises Title III of the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001 (the "Patriot Act") and the regulations promulgated thereunder, and the rules and regulations administered by the U.S. Treasury Department's Office of Foreign Assets Control ("OFAC"), to the extent such laws are applicable to Purchaser. To the best of Purchaser's knowledge, Purchaser is not included on the List of Specially Designated Nationals and Blocked Persons maintained by the OFAC, or is a resident in, or organized or chartered under the laws of, (i) a jurisdiction that has been designated by the U.S. Secretary of the Treasury under Section 311 or 312 of the Patriot Act as warranting special measures due to money laundering concerns or (ii) any foreign country that has been designated as non-cooperative with international anti-money laundering principles or procedures by an intergovernmental group or organization, such as the Financial Action Task Force on Money Laundering, of which the United States is a member and with which designation the United States representative to the group or organization continues to concur.

D. No Prohibitions. Neither Purchaser, nor any employee executing this Agreement on behalf of Purchaser is prohibited from (i) executing or delivering this Agreement; (ii) complying with the terms of this Agreement or (iii) consummating the transactions contemplated by this Agreement by any applicable governmental requirement, agreement, instrument, restriction, or by a judgment, order or decree of any governmental authority having jurisdiction over Purchaser.

Section 6.3 Knowledge

A. Seller's Knowledge. For purposes of this Agreement and any closing document, whenever the phrase "to Seller's actual knowledge," "to Seller's knowledge," "the knowledge of Seller," or "to the best of Seller's knowledge" or similar words of similar import are used, they shall be deemed to refer to facts within the actual knowledge of Robby Hefton, at the times indicated only, without independent inquiry, without any actual or implied duty of inquiry whatsoever and without imputation to such person of the knowledge of any other person. The named individuals are acting for and on behalf of Seller and in a capacity as an officer or

representative of Seller and is in no manner expressly or impliedly making any representations or warranties in an individual capacity. Purchaser waives any right to sue or seek any personal judgment or claim against such individuals.

B. Purchaser's Knowledge. For purposes of this Agreement and any closing document, whenever the phrase "to Purchaser's actual knowledge," "to Purchaser's knowledge," "the knowledge of Purchaser," or "to the best of Purchaser's knowledge" or similar words of similar import are used, they shall be deemed to refer to facts within the actual knowledge of Ronny Guerrero, at the times indicated only, without independent inquiry, without any actual or implied duty of inquiry whatsoever and without imputation to such person of the knowledge of any other person. The named individuals are acting for and on behalf of Purchaser and in a capacity as an officer or representative of Purchaser and is in no manner expressly or impliedly making any representations or warranties in an individual capacity. Seller waives any right to sue or seek any personal judgment or claim against such individuals.

Section 6.4 Remedies

If either party discovers prior to Closing that any of the other party's representations or warranties have been misrepresented or are inaccurate, that such other party has breached any covenant contained herein, or any condition to closing benefiting any party has not been satisfied by Closing (any of the foregoing, a "Default"), then such discovering party may notify the party with deficient representations and/or warranties in writing, and the deficient party may attempt to correct or remedy the misrepresentation or inaccuracy. If the breach or failed condition is not remedied prior to Closing, upon written notice to the deficient party, the discovering party may: (i) proceed to Closing without waiving any claim for breach of warranty or misrepresentation; (ii) delay Closing until ten (10) days after the misrepresentation or inaccuracy is remedied; or (iii) exercise any remedies available for default by the deficient party under this Agreement (including, by way of example only, those set forth in Article 9). The Parties agree that neither party will incur liability or damages pursuant to this section for any claim or cause of action asserted more than six (6) months after the date of the Closing.

Section 6.5 Non-Conformance

Purchaser has or will independently investigate and verify to Purchaser's satisfaction the extent of any limitations or permitted uses of the Property. Purchaser acknowledges that the current use of the Property or any improvements located on the Property (or both) may not conform to applicable Federal, State or municipal laws, ordinances, codes or regulations. Zoning, permitted uses, height limitations, setback requirements, minimum parking requirements, limitations on coverage of improvements to total area of land, requirements of the Americans with Disabilities Act, wetlands restrictions and other matters may have a significant economic impact upon Purchaser's intended use of the Property. Purchaser is not relying upon any warranties or representations of Seller concerning the permitted uses of the Property or with respect to any nonconformance of the Property.

ARTICLE 7 CLOSING

Section 7.1 Closing Date

The Closing shall occur on or before the Closing Date. Seller shall deliver possession of the Property at Closing.

Section 7.2 Seller's Closing Documents

At the Closing, Seller shall deliver the following to Purchaser, the delivery of which such documents shall be conditions to Closing benefitting the Purchaser:

A. A duly executed Special Warranty Deed (the "Deed"), in the form attached hereto as **Exhibit "B"**, conveying the Property to Purchaser in fee simple according to the legal description prepared by the surveyor as shown on the Survey, subject only to the Permitted Exceptions;

B. Subject to Purchaser's obligations in Section 1.2 above, the Title Policy issued by the underwriter for the Title Company pursuant to the Title Commitment, subject only to the Permitted Exceptions, in the full amount of the Purchase Price, dated as of the date of Closing, and with the survey exception deleted except as to "shortages in area;"

C. Only if necessary, a Bill of Sale conveying all of Seller's right, title, and interest in the Personal Property, if any, to Purchaser free and clear of all restrictions, conditions, easements, liens, and other encumbrances, except the Permitted Exceptions;

D. A general assignment assigning to Purchaser all of Seller's interest in any Licenses and Permits;

E. An assignment to Purchaser of Seller's interest in any Leases;

F. Evidence of Seller's authority and capacity to close this transaction;

G. An owner's/lien/parties-in-possession/gap affidavit with respect to the Property sufficient to enable Purchaser to obtain title insurance on the Property; and

H. All other documents reasonably required by the Title Company from Seller to close this transaction.

The obligations of Purchaser under this Agreement are further subject to satisfaction or written waiver by Purchaser of each of the following conditions or requirements on or before the Closing Date: (1) Purchaser shall receive a title insurance commitment insuring its interest in the Property which shall have been issued and "marked down"/"date down" through Closing, subject only to Permitted Exceptions and (2) the physical and environmental condition of the Property shall not have changed from the Effective Date.

Section 7.3 Purchaser's Closing Documents

At the Closing, Purchaser shall deliver the following to Seller, the delivery of which such documents shall be conditions to Closing benefitting the Seller:

A. The Purchase Price;

- B. Evidence of Purchaser's authority and capacity to close this transaction;
- C. All other documents reasonably required by the Title Company from Purchaser to close this transaction.

Section 7.4 Closing Costs

Each party shall pay its respective costs associated with the Closing in accordance with Section 1.2 above.

Section 7.5 Ad Valorem Taxes

As Seller is a home-rule municipality, Seller is not subject to ad valorem taxes with respect to the Property. From the Closing Date forward, Purchaser shall be solely responsible for payment of all ad valorem taxes applicable to the Property, and Seller shall have no responsibility for payment of any ad valorem taxes whatsoever. This provision shall survive the Closing.

Section 7.6 Rollback Taxes

If a change in use of the Property after Closing results or may result in the assessment after the Closing of additional taxes for periods prior to Closing, the additional taxes plus any penalties and interest shall be paid by Purchaser when due. As Seller is a public entity, Seller does not hereby waive any exemption or other exception it, or the Property, may have from rollback taxes pursuant to Texas Tax Code 23.55(f) or other applicable law. This obligation shall survive the Closing.

NOTICE REGARDING POSSIBLE LIABILITY FOR ADDITIONAL TAXES. If for the current ad valorem tax year the taxable value of the Property that is the subject of this Agreement is determined by a special appraisal method that allows for appraisal of the Property at less than its market value, the person to whom the Property is transferred may not be allowed to qualify the Property for that special appraisal in a subsequent tax year and the Property may then be appraised at its full market value. In addition, the transfer of the Property or a subsequent change in the use of the Property may result in the imposition of an additional tax plus interest as a penalty for the transfer or the change in the use of the Property. The taxable value of the Property and the applicable method of appraisal is public information and may be obtained from the tax appraisal district established for the county in which the land is located.

ARTICLE 8

CASUALTY LOSS; CONDEMNATION.

All risk of loss to the Property shall remain upon Seller prior to the Closing. If, prior to the Closing, any portion of the Property is damaged or destroyed by fire or other casualty, or subject to a condemnation or taking or the threat of a condemnation or taking, Purchaser may either terminate this Agreement by delivering a written termination notice to Seller or elect to close. If the transaction is to proceed to Closing, there shall be no reduction in the Purchase Price, but Seller shall assign to Purchaser all of Seller's right and interest in any insurance proceeds and/or condemnation awards, as applicable, plus an amount equal to any insurance deductible.

ARTICLE 9

DEFAULT

Section 9.1 Purchaser's Remedies

If Seller Defaults or otherwise fails to perform its obligations under this Agreement for any reason except Purchaser's default, which continues for more than ten (10) days following delivery of written notice of such default from Purchaser to Seller, then Seller shall be in default and Purchaser may elect to (i) terminate this Agreement and receive the Earnest Money, or (ii) pursue the remedy of specific performance, as its sole and exclusive remedies.

Section 9.2 Seller's Remedies

If Purchaser Defaults or otherwise fails to perform its obligations under this Agreement for any reason except Seller's default, which continues for more than ten (10) days following delivery of written notice of such default from Seller to Purchaser, then Purchaser shall be in default, and Seller may terminate this Agreement and receive the Earnest Money as liquidated damages as its sole and exclusive remedy.

ARTICLE 10

REAL ESTATE COMMISSIONS

Each party to this Agreement represents and warrants to the other party that such party has had no dealings with any person, firm, agent or finder in connection with the negotiation of this Agreement and/or the consummation of the purchase and sale contemplated herein and no real estate broker, agent, attorney, person, firm or entity is entitled to any commission or finder's fee in connection with this transaction as the result of any dealings or acts of such party. To the extent permitted by law, each party hereby agrees to indemnify, defend, protect and hold the other party harmless from and against any costs, expenses or liability for compensation, commission, fee, or charges which may be claimed by any agent, finder or other similar party by reason of any dealings or acts of the indemnifying party.

ARTICLE 11

POST-CLOSING OBLIGATIONS

Provided that title to the Property is conveyed to Purchaser at Closing under this Agreement, on or before the second anniversary of the Closing Date (subject to delays caused by force majeure events), Seller shall, at Seller's sole cost and expense, achieve Substantial Completion of the following (collectively, the "Utilities Work"): the delivery of water and sewer utilities to the western boundary of the Property adjacent to the creek, in all material respects in accordance with the exhibit attached hereto as **Exhibit "C-1"**, together with causing the relocation of Seller's 24" water main, the abandonment of both existing water and sewer lines and the release and abandonment of Seller's easement covering the 24" water main as depicted in **Exhibit "C-2"**, attached hereto. As used herein, "Substantial Completion" shall mean the completion of the Utilities Work in all material respects in accordance with the Plans, as certified by City engineer and the general contractor having performed such Utilities Work, and the same having been accepted or approved by the City of Sherman, Texas (the "City") as evidenced by the City's customary written evidence of such acceptance and approval. In the event that Substantial Completion of the Utilities Work has not occurred by the second anniversary of the Closing Date, Purchaser shall be entitled to perform the Utilities Work and Seller shall reimburse Purchaser, within thirty days after written request therefor, for the actual cost thereof plus an administrative and construction management fee equal to 15% of such actual cost. The obligations described in this Article shall survive the Closing of this transaction.

ARTICLE 12

MISCELLANEOUS PROVISIONS

Section 12.1 Notices

All notices and other communications required or permitted under this Agreement must be in writing and shall be deemed delivered on the earlier of: (i) actual receipt, if delivered in person or by messenger with evidence of delivery; (ii) the date and time of transmission if delivered by email; (iii) email, which shall be effective on the date sent by the sender; or (iv) three (3) business days after deposit in the United States Mail as required below. Notices delivered by mail must be deposited with the U.S. Postal Service and sent by certified mail return receipt requested with postage prepaid, and properly addressed to the intended recipient at the address set forth below. Any party may change its address for notice purposes by delivering written notice of its new address to all other parties in the manner set forth above.

Section 12.2 Forms and Construction

This Agreement is the result of negotiations between the parties, neither of whom has acted under any duress or compulsion, whether legal, economic or otherwise. Accordingly, the terms and provisions hereof shall be construed in accordance with their usual and customary meanings. Seller and Purchaser hereby waive the application of any rule of law which otherwise would be applicable in connection with the construction of this Agreement that ambiguous or conflicting terms or provisions should be construed against the party who (or whose attorney) prepared the executed Agreement or any earlier draft of the same.

Section 12.3 Attorney's Fees

The prevailing party in any legal proceeding brought in relation to this Agreement or transaction shall be entitled to recover from the non-prevailing party's court costs, reasonable attorneys' fees and all other reasonable litigation expenses.

Section 12.4 Assignment

Purchaser may not assign this Agreement without the prior written consent of Seller. Notwithstanding the foregoing, Purchaser may assign its rights under this Agreement to any affiliated entity which directly or indirectly controls, is controlled by or is under common control with Purchaser without the consent of Seller, on the condition that the assignee expressly assumes all of the obligations of Purchaser hereunder in a written agreement, and such written agreement is delivered to Seller prior to the Closing Date. This Agreement shall be binding upon and inure to the benefit of the respective legal representatives, successors, assigns, heirs, and devisees of the parties.

Section 12.5 Integration

This Agreement contains the complete agreement between the parties with respect to the Property and cannot be varied except by written agreement of the parties hereto. The parties agree that there are no oral or signed agreements, understandings, representations or warranties made by the parties which are not expressly set forth herein.

Section 12.6 Survival

Any warranty, representation, covenant, condition or obligation contained in this Agreement not otherwise consummated at the Closing will survive the Closing of this transaction for a period of one (1) year, except for the Post-Closing Obligations described in Article 11.

Section 12.7 Binding Effect

This Agreement shall inure to the benefit of and be binding upon the parties to this Agreement and their respective heirs, legal representatives, successors and assigns.

Section 12.8 Time for Performance

Time is of the essence under each provision of this Agreement. If any date of performance hereunder falls upon a Saturday, Sunday or recognized holiday, such date will be deemed moved forward to the next day which is not a Saturday, Sunday or recognized holiday.

Section 12.9 Business Day

The term "business day" shall mean days elapsed exclusive of Saturday, Sunday or recognized holidays.

Section 12.10 Governing Law

This Agreement shall be construed under and governed by the laws of the State of Texas, and unless otherwise provided herein, all obligations of the parties created under this Agreement are to be performed in the county where the Property is located.

Section 12.11 Severability

If any provision of this Agreement is held to be invalid, illegal, or unenforceable by a court of competent jurisdiction, the invalid, illegal or unenforceable provision shall not affect any other provisions, and this Agreement shall be construed as if the invalid, illegal, or unenforceable provision is severed and deleted from this Agreement.

Section 12.12 Counterparts

This Agreement may be executed in a number of identical counterparts. Each counterpart is deemed an original and all counterparts shall, collectively, constitute one agreement. Executed documents transmitted electronically shall be considered originals.

Section 12.13 Gender; Number

Unless the context requires otherwise, all pronouns used in this Agreement shall be construed to include the other genders, whether used in the masculine, feminine or neuter gender. Words in the singular number shall be construed to include the plural, and words in the plural shall be construed to include the singular.

Section 12.14 Immunity

It is expressly understood and agreed that, in the execution and performance of this Agreement, Seller has not waived, nor shall be deemed hereby to have waived, any defense or immunity, including governmental, sovereign and official immunity, that would otherwise be available to it against claims arising in the exercise of governmental powers and functions. By entering into this Agreement, the parties do not create any obligations, express or implied, other than those set forth herein.

Section 12.15 Further Assurances

The parties each agree that at any time, or from time to time, after the execution of this Agreement each party will, upon the request of the other party hereto, execute and deliver such further documents and do such further acts and things as such other party may reasonably request in order to effect fully the purposes of this Agreement

[SIGNATURES APPEAR ON THE FOLLOWING PAGES]

EXECUTED on the dates stated below, but to be **EFFECTIVE** on the Effective Date defined herein.

Date: _____

SELLER:
CITY OF SHERMAN, TEXAS,
a home-rule municipality

By: _____
Robby Hefton, City Manager

PURCHASER:
BEL AIR COMMUNITIES, LLC,
a Texas limited liability company

Date: _____

By: _____
Printed Name: Ronny Guerrero
Title: Authorized Signatory

TITLE COMPANY ACCEPTANCE

The Title Company acknowledges receipt of the executed Agreement and Earnest Money on _____, 2024, at _____ (a.m./p.m.) and has accepted the Earnest Money subject to the terms and conditions set forth in this Agreement.

TITLE COMPANY:
REUNION TITLE COMPANY

By: _____
Name: _____
Title: _____

Reunion Title Company
Attn: Loretta Boddy
1700 Redbud Blvd., Suite 300
McKinney, TX 75069

[illegible]

EXHIBIT "B"
FORM OF SPECIAL WARRANTY DEED

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.

SPECIAL WARRANTY DEED

STATE OF TEXAS §
 § KNOW ALL PERSONS BY THESE PRESENTS:
COUNTY OF GRAYSON §

THAT the CITY OF SHERMAN, TEXAS, a home-rule municipality ("Grantor"), for and in consideration of the sum of Ten Dollars (\$10.00) and other good and valuable consideration to Grantor in hand paid by _____, a _____ ("Grantee"), the receipt and sufficiency of which is hereby acknowledged by Grantor, has GRANTED, SOLD AND CONVEYED, and by these presents does hereby GRANT, SELL AND CONVEY unto Grantee that certain real property more particularly described on Exhibit 1 attached hereto and incorporated herein (the "Land"), together with all and singular, the rights and appurtenances pertaining to the Land, including any right, title and interest of Grantor in and to adjacent streets, alleys or rights-of-way, and including all of Grantor's rights to all oil, gas and other minerals in and under the Land, if any, together with any improvements, fixtures, and personal property situated on and attached to the Land (collectively, the "Property").

This conveyance is made and accepted subject to all those certain easements, covenants, restrictions and other matters more particularly described in Exhibit 2 attached hereto and incorporated herein by this reference for all purposes, to the extent that same are valid and subsisting and affect the Property (the "Permitted Exceptions").

By acceptance of this Deed, Grantee hereby agrees and acknowledges that:

EXCEPT AS EXPRESSLY SET FORTH HEREIN, IT IS UNDERSTOOD AND AGREED THAT THE PROPERTY IS BEING SOLD AND CONVEYED HEREUNDER "AS IS" WITH ANY AND ALL FAULTS AND LATENT AND PATENT DEFECTS WITHOUT ANY EXPRESS OR IMPLIED REPRESENTATION OR WARRANTY BY GRANTOR. GRANTOR HAS NOT MADE AND DOES NOT HEREBY MAKE AND HEREBY SPECIFICALLY DISCLAIMS (EXCEPT AS EXPRESSLY SET FORTH HEREIN) ANY REPRESENTATIONS OR WARRANTIES OF ANY KIND OR CHARACTER WHATSOEVER, EXPRESS OR IMPLIED, ARISING BY OPERATION OF LAW OR OTHERWISE, WITH RESPECT TO THE PROPERTY (OTHER THAN GRANTOR'S SPECIAL WARRANTY OF TITLE CONTAINED HEREIN), INCLUDING, WITHOUT LIMITATION ANY REPRESENTATION OR WARRANTY RELATING TO: (I) THE USE, INCOME POTENTIAL, EXPENSES, MAINTENANCE, OPERATION, CHARACTERISTICS, ZONING OR CONDITION OF THE PROPERTY OR ANY PORTION THEREOF, INCLUDING, WITHOUT LIMITATION, WARRANTIES OF SUITABILITY,

TENANTABILITY, HABITABILITY, MERCHANTABILITY, DESIGN OR FITNESS FOR ANY SPECIFIC PURPOSE OR A PARTICULAR PURPOSE; (II) THE NATURE, MANNER OR CONDITION OF THE PROPERTY, ON THE SURFACE OR SUBSURFACE THEREOF, WHETHER OR NOT OBVIOUS, VISIBLE OR APPARENT; (III) THE ENVIRONMENTAL CONDITION OF THE PROPERTY AND THE PRESENCE OR ABSENCE OF OR CONTAMINATION BY HAZARDOUS MATERIALS OR THE COMPLIANCE OF THE PROPERTY WITH ANY APPLICABLE REGULATIONS OR LAWS INCLUDING WITHOUT LIMITATION THOSE REGULATIONS OR LAWS PERTAINING TO HEALTH, SAFETY OR THE ENVIRONMENT AND (IV) THE SOIL CONDITIONS, DRAINAGE, GROUNDWATER CONDITION, FLOODING CHARACTERISTICS, UTILITIES OR OTHER CONDITIONS EXISTING IN, ON OR UNDER THE PROPERTY.

GRANTEE ACKNOWLEDGES AND AGREES THAT IT IS ACCEPTING THIS DEED WITHOUT RELYING (EXCEPT AS EXPRESSLY SET FORTH HEREIN) UPON ANY SUCH REPRESENTATION, WARRANTY, STATEMENT OR OTHER ASSERTION, ORAL OR WRITTEN, MADE BY GRANTOR OR ANY REPRESENTATIVE OF GRANTOR OR ANY OTHER PERSON ACTING OR PURPORTING TO ACT FOR OR ON BEHALF OF GRANTOR WITH RESPECT TO THE PROPERTY. GRANTEE ACKNOWLEDGES AND AGREES THAT GRANTEE IS EXPERIENCED IN THE OWNERSHIP AND OPERATION OF PROPERTIES SIMILAR TO THE PROPERTY AND THAT GRANTEE PRIOR TO THE CLOSING DATE WILL HAVE INSPECTED THE PROPERTY TO GRANTEE'S SATISFACTION AND GRANTEE IS QUALIFIED TO MAKE SUCH INSPECTION. GRANTEE ACKNOWLEDGES THAT, EXCEPT AS EXPRESSLY SET FORTH HEREIN, IT IS SOLELY RELYING ON GRANTEE'S (OR GRANTEE'S REPRESENTATIVES') INSPECTION, EXAMINATION AND EVALUATION OF THE PROPERTY. GRANTEE ACKNOWLEDGES THAT, EXCEPT AS EXPRESSLY SET FORTH HEREIN, GRANTEE HAS (OR GRANTEE'S REPRESENTATIVES HAVE), OR PRIOR TO THE CLOSING DATE WILL HAVE, THOROUGHLY INSPECTED AND EXAMINED THE PROPERTY TO THE EXTENT DEEMED NECESSARY BY GRANTEE IN ORDER TO ENABLE GRANTEE TO EVALUATE THE CONDITION OF THE PROPERTY AND ALL OTHER ASPECTS OF THE PROPERTY (INCLUDING, BUT NOT LIMITED TO, THE ENVIRONMENTAL CONDITION OF THE PROPERTY), AND GRANTEE ACKNOWLEDGES THAT, EXCEPT AS EXPRESSLY SET FORTH HEREIN, GRANTEE IS RELYING SOLELY UPON ITS OWN (OR ITS REPRESENTATIVES') INSPECTION, EXAMINATION AND EVALUATION OF THE PROPERTY. EXCEPT AS EXPRESSLY SET FORTH HEREIN, GRANTEE REPRESENTS THAT IT SHALL INSPECT THE PROPERTY AND SHALL RELY SOLELY ON ITS OWN INVESTIGATION OF THE PROPERTY TO DETERMINE THE CONDITION OF THE PROPERTY AND NOT ON ANY INFORMATION PROVIDED OR TO BE PROVIDED BY GRANTOR. GRANTEE FURTHER ACKNOWLEDGES AND AGREES THAT THE PROVISIONS OF THIS PARAGRAPH WERE A MATERIAL FACTOR IN GRANTOR'S DETERMINATION OF THE CONSIDERATION FOR THE TRANSFER OF THE PROPERTY TO GRANTEE.

GRANTEE, ON BEHALF OF GRANTEE AND GRANTEE'S SUCCESSORS AND ASSIGNS (COLLECTIVELY, "GRANTEE PARTIES") AND ANYONE CLAIMING BY, THROUGH OR UNDER GRANTEE, EXCEPT AS EXPRESSLY SET FORTH HEREIN, HEREBY FULLY, UNCONDITIONALLY AND IRREVOCABLY RELEASES GRANTOR AND GRANTOR'S EMPLOYEES, OFFICERS, DIRECTORS, REPRESENTATIVES,

AGENTS, SERVANTS, ATTORNEYS, SUCCESSORS AND ASSIGNS, AND ALL PERSONS, FIRMS, CORPORATIONS AND ORGANIZATIONS ACTING ON THE BEHALF OF EACH OF THE FOREGOING (COLLECTIVELY, THE "GRANTOR PARTIES") FROM ANY AND ALL CLAIMS, COUNTERCLAIMS, COSTS, LOSSES, LIABILITIES, OBLIGATIONS, LEGAL OR ADMINISTRATIVE ORDERS OR PROCEEDINGS, DAMAGES, PUNITIVE DAMAGES, EXPENSES, PENALTIES, FINES, DEMANDS, ACTIONS OR CAUSES OF ACTION AND JUDGMENTS (COLLECTIVELY, "CLAIMS") THAT GRANTEE, ANY GRANTEE PARTY OR ANYONE CLAIMING BY, THROUGH OR UNDER GRANTEE MAY NOW HAVE OR HEREAFTER ACQUIRE AGAINST ANY GRANTOR PARTY (INCLUDING AS A RESULT OF A GRANTOR PARTIES' NEGLIGENCE OR STRICT LIABILITY) ARISING FROM OR RELATED TO ANY CONSTRUCTION DEFECTS, ERRORS, OMISSIONS OR OTHER CONDITIONS, WHETHER GEOTECHNICAL, SEISMIC OR OTHERWISE, AFFECTING THE PROPERTY OR ANY PORTION THEREOF, EXCEPT TO THE EXTENT CAUSED BY GRANTOR'S GROSS NEGLIGENCE OR WILLFUL MISCONDUCT.

THE PROVISIONS OF THE ABOVE PARAGRAPHS WERE BARGAINED FOR BY THE PARTIES AND IF GRANTEE REQUIRED GRANTOR EITHER (A) TO MAKE ANY REPRESENTATIONS OR WARRANTIES ABOUT THE CONDITION OF THE PROPERTY OTHER THAN THOSE EXPRESSLY SET FORTH HEREIN OR (B) TO MAKE REPAIRS, ALTERATIONS OR IMPROVEMENTS WITH RESPECT TO SAID CONDITION, THE SALES PRICE AND OTHER TERMS OF THE TRANSACTION WOULD HAVE BEEN MATERIALLY DIFFERENT.

TO HAVE AND TO HOLD the Property, together with all and singular the rights and appurtenances thereto in anywise belonging unto Grantee, its successors and assigns forever, and Grantor does hereby bind itself, its successors and assigns to WARRANT AND FOREVER DEFEND, all and singular the title to the Property unto Grantee, its successors and assigns, against every person whomsoever lawfully claiming or to claim the same or any part thereof, by, through, or under Grantor, but not otherwise, subject only, however, to the Permitted Exceptions.

[Signature pages follow.]

IN WITNESS WHEREOF, Grantor has executed this Special Warranty Deed to be effective as of the _____ day of _____, 2024.

GRANTOR:

STATE OF TEXAS §
 §
COUNTY OF _____ §

BEFORE ME, the undersigned authority, a Notary Public, on this day personally appeared _____, a _____.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this ____ day of _____, 2024.

Notary Public in and for the State of Texas
My Commission Expires: _____

After Recording Return to:

EXHIBIT 1
Legal Description of the Property

EXHIBIT 2
The Permitted Exceptions

EXHIBIT "C-1" **UTILITIES WORK**

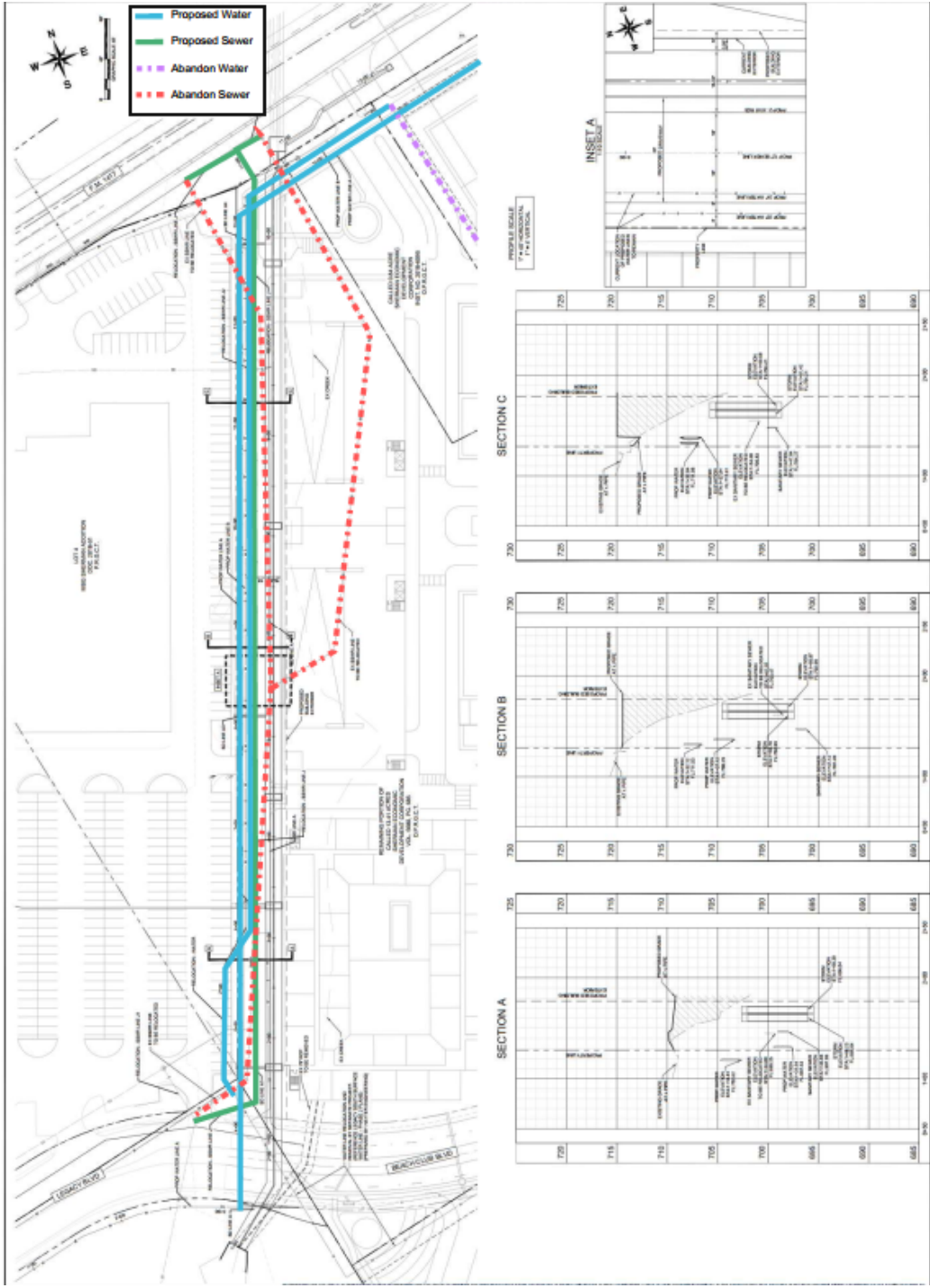


EXHIBIT "C-2"
WATER EASEMENT TO BE ABANDONED





City Council Regular Meeting

Agenda Item No. F.2.

Meeting Date: 11/4/2024

Prepared By: Caleb Green, Development Services Inspector

Approved By: Robby Hefton, City Manager

Caption:

Resolution No. 7417

Awarding a Bid to and Authorizing the Execution of a Contract Between Whole Environmental, Inc. Based on an Invitation to Bid for Demolition and Asbestos Remediation Services for The Baltic and St. Charles Apartments

Issue:

To consider authorizing execution of a contract with Whole Environmental Inc. for the demolition and asbestos remediation of The Baltic and St. Charles Apartment complexes

Background:

For two years, the City of Sherman's Development Services department has been working with the property owner in seeking to bring 900 E Wells & 1023 E Odneal into compliance due to the unlawful building conditions and unlawful property conditions. Each property is now beyond repair and sits empty. Each has suffered from vandalism, theft and decay, making both properties uninhabitable.

- On 10/21/2024, the City Council approved an agreement to participate in the demolition of 900 E Wells & 1023 E Odneal that will take approximately 12 weeks to complete.
- On 10/24/2024, the property owner provided the City with the funds for its share of the demo and remediation.
- On 10/25/2024, a temporary construction fence was installed around each of the subject properties to secure each property from further criminal actions.

Origination:

Development Services

Financial Consideration:

Cost will be \$448,016.00. Of that total contract cost, the property owner is contributing \$269,753 (60.2%). The City will be contributing \$178,263 (39.8%).

Staff Recommendation:

It is recommended that the City Manager be authorized to execute the required contract documents.

Alternatives:

As may be directed by City Council

Attachments:

1. Resolution No. 7417
2. Exhibit A
3. Baltic St Charles Contractor Agreement
4. Exhibit D_CIQ
5. Exhibit C Affidavit of Prohibitive Interest
6. Form 2270
7. ACORD Form 20241029-100303
8. 1295

RESOLUTION NO. 7417

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AWARDED A BID TO AND AUTHORIZING THE EXECUTION OF A CONTRACT BETWEEN WHOLE ENVIRONMENTAL, INC. BASED ON AN INVITATION TO BID FOR DEMOLITION AND ASBESTOS REMEDIATION SERVICES FOR THE BALTIC AND ST. CHARLES APARTMENTS; 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 is authorized to negotiation and execute the contract for the demolition and asbestos remediation services for the Baltic and St. Charles between the City of Sherman and the Whole Environmental, Inc; subject to all Contract Documents being properly completed and approved as to form and content.

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.

DULY PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS on this the 4th day of November 2024.

CITY OF SHERMAN, TEXAS

BY: _____

DAVID PLYLER, MAYOR

ATTEST:

BY: _____

LINDA ASHBY, CITY CLERK

**APPROVED AS TO FORM AND
CONTENT:**

**THE LAW FIRM OF ABERNATHY,
ROEDER, BOYD & HULLETT, P.C.**

BY: _____

RYAN D. PITTMAN, CITY ATTORNEY

Exhibit A



Whole Environmental
941 FM 1139
Rockwall, TX 75032
Phone: (214) 500-6338
david@wholeenvironmental.com

RE: BID- Asbestos Abatement – The Baltic Apartments, 900 E Wells, Snberman, TX

Based on an asbestos survey report by Texas Asbestos Inspections, we are pleased to furnish the necessary labor, material, and equipment to perform the asbestos abatement for the above project.

SCOPE OF WORK

This proposal is for the removal and disposal of asbestos (ACM) as identified in the survey report written by Texas Asbestos Inspections, report dated 12/7/2023. The scope of work is the abatement of the items and quantities listed in table 2. Because of the unique nature of asbestos only being able to be determined under microscope, we have to rely on information provided to us about the quantity of removal necessary.

ASBESTOS ABATEMENT

<u>Proper removal and disposal of identified ACM:</u>	\$45,767.00	
<u>Texas Dept of State Health Services Notice Fees:</u>	\$ 3,210.00	
<u>Asbestos removal specifications and air monitoring:</u>	\$ 7,650.00	required as a third party
TOTAL:	\$56,627.00	

SCHEDULE SUMMARY

Please, allow up to 11 work-shifts to complete the abatement work. Mandatory 10 working day notice must be submitted to the State of Texas.

PROPOSAL BASED UPON

- Owner/City will provide temporary utilities for abatement (electricity, lighting, restroom, and water).
- One Mobilization. An additional mobilization will add \$700.00.
- Work to be performed during normal business hours or night and weekends at our choice.
- Payment to be made within 25 days of submission. Total billing will be submitted at the end of abatement or progress billing monthly. Any delay that may be encountered, including weather, gives us the option of submitting a partial progress invoice.
- Not responsible for removal of any additional materials not listed in this proposal or additional, unidentified layers of materials.
- Items removed in selective demolition work (removed to access asbestos materials) may be left on site for the demolition contractor or retained as scrap and made a part of our pricing.
- Any work stoppage, dismissal, or termination of services by either party allows us to change any contract to time and materials with 10% for overhead and 15% for profit based on our time in our time sheets and materials/equipment used.
- Asbestos specifications and third-party air monitor being acceptable and approved by us.

EXCLUSIONS

- Hazardous materials not included in the scope of work in this proposal.
- Texas Department of State Health Services Notification Fees. These are billed directly to the owner by the state. Fee should be approximately \$3,210.00 for asbestos and \$57 for demo.
- Utility disconnects, demolition, or removal (cutting and capping).
- Construction fencing, barricades, or security to include after-hours personnel to "watch" the work area(s).
- Temporary lighting and utilities and restroom facilities.

QUALIFICATIONS

- A) All work and related activities to conform to TDSHS, EPA, OSHA and All Regulatory Agencies.
- B) Contractor to provide proper transportation and disposal of all waste to an approved landfill in accordance with NESHAP Regulations.
- C) One million dollar occurrence based liability (two million general aggregate), one million automobile, one million worker's compensation insurance, pollution liability, and five million umbrella liability.
- D) This proposal is subject to change if not accepted within 60 days.
- E) Invoiced upon completion, net 25 or progress billed toward the end of every month.
- F) **LIEN RIGHTS- Whole is allowed by this proposal and agreement to charge an additional \$450 for mailing it's 1st notice of intent to lien for non-payment to protect its lien rights for non-payment. Whole is allowed to charge an additional \$2,500.00 for having to file a lien for non-payment. Whole is allowed to charge an additional \$4,500 for having to file suit for non-payment plus all court costs, attorney's fees, and contractor's expenses and any interest or damages allowed by law. Owner(s)/Lease Holder(s) will not dispute the character, timeliness, or content of contractor's notices as long as the notices are sufficient enough to show that proper payment has not been made according to the terms of this agreement.**

Should you have any additional questions, please feel free to contact me at the above captioned office number or on my mobile at 214.500.6338.

Sincerely,



David Cross

CLIENT ACCEPTANCE

Agreed to this _____ day of _____
2024.

Amount: \$ _____

Authorized Signature

Title

Company Name

Address

City/State/Zip

Phone

Whole Environmental and Demolition



Bid Qualifications: BID- 900 E Wells, The Baltic

Included in work:

Scope of work is limited to items in our scope sheet.
Work to be performed during normal work hours, no overtime
One mobilization
Salvage becomes our right and ownership
This proposal to become an exhibit of any subsequent contract with all rights reserved
We will file TX DSHS required notice of demolition with owner approval
Concrete/pavement removal based on up to 6" thickness, asphalt at 4" thickness, and gravel at 4" thickness
Priority placement of dumpsters/trucks and adequate space to use large machinery to load waste
Use of motorized machinery inside the building and around the building
Owner/contractor to provide temporary utilities (electricity, water, and lighting), water for dust control
One million dollar occurrence based liability (two million general aggregate), one million automobile,
one million worker's compensation insurance, five million umbrella, and pollution liability.
All furniture and furnishings to be removed by others
Waste and disposal costs

NOT included in work:

City permit(s) or the cost thereof and/or additional city requirements (ie. rodent abatement, etc)
Texas Department of State Health Services notification fees. **NOTE:** 10 working day waiting period to start work after n
Utilities or Utility company disconnection or termination of services
Sidewalk or driveway damage from accessing property with trucks and equipment
Tree, shrub, or vegetation removal unless specifically in our scope sheet
Salvage or protection of irrigation system.
Establish, maintain, or protect grasses, landscape, or vegetation.
Any items to be salvaged to be removed prior to our commencement of work
Any special circumstances or requirements
Trades work or their demolition to include cutting, capping, disconnection of utilities, including sewer
Temporary protection of surfaces or temporary enclosures/barricades, including temporary fence or security
SWPPP plan, storm water protection, and construction entrance.
Other layers of materials or unknowns (ie. concrete under asphalt, hidden slabs/foundations, basements)
Import of fill dirt or grading or landscaping. Area(s) to be left level or to drain.
Asbestos survey and all hazardous materials or regulated waste, including freon recovery
Bid does not include any contingency funds
Sawcutting or coring that is not listed on our scope sheet

Whole Environmental

SCOPE SHEET

CMU/Brick Structure	19,851 sf	Parking North, Asphalt	6,324 sf
Storage N End	780 sf	Drive North	3,600 sf
Concrete Foundation	20,631 sf	Parking South	29,952 sf
Sidewalk	6,102 sf	Portables	14 ea
Concrete Pad	400 sf	Asbestos CMU Walls	1 Unit
		4 Concrete Stoops	200 sf

(214) 500-6338



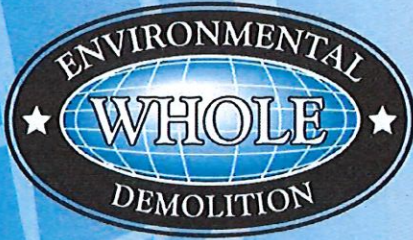
Whole Environmental and Demolition

BID- 900 E Wells, The Baltic

Demolition of Structure/Slab	\$116,330
Asbestos CMU Demo	\$147,990

TOTAL BASE BID	\$264,320
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David Cross
9/24/2024
(214) 500-6338



Whole Environmental
941 FM 1139
Rockwall, TX 75032
Phone: (214) 500-6338
david@wholeenvironmental.com

September 27, 2024

RE: BID- Asbestos Abatement – St Charles Apartments, 1023 Odneal, Sherman, TX

Based on an asbestos survey report by Texas Asbestos Inspections, we are pleased to furnish the necessary labor, material, and equipment to perform the asbestos abatement for the above project.

SCOPE OF WORK

This proposal is for the removal and disposal of asbestos (ACM) as identified in the survey report written by Texas Asbestos Inspections, report dated 2/17/2024. The scope of work is the abatement of the items and quantities listed in table 2. Because of the unique nature of asbestos only being able to be determined under microscope, we have to rely on information provided to us about the quantity of removal necessary.

ASBESTOS ABATEMENT

<u>Proper removal and disposal of identified ACM:</u>	<u>\$53,679.00</u>	
<u>Texas Dept of State Health Services Notice Fees:</u>	<u>\$ 3,107.00</u>	
<u>Asbestos removal specifications and air monitoring:</u>	<u>\$ 8,350.00</u>	required as a third party
TOTAL:	\$65,136.00	

SCHEDULE SUMMARY

Please, allow up to 12 work-shifts to complete the abatement work. Mandatory 10 working day notice must be submitted to the State of Texas.

PROPOSAL BASED UPON

- Owner/City will provide temporary utilities for abatement (electricity, lighting, restroom, and water).
- One Mobilization. An additional mobilization will add \$700.00.
- Work to be performed during normal business hours or night and weekends at our choice.
- Payment to be made within 25 days of submission. Total billing will be submitted at the end of abatement or progress billing monthly. Any delay that may be encountered, including weather, gives us the option of submitting a partial progress invoice.
- Not responsible for removal of any additional materials not listed in this proposal or additional, unidentified layers of materials.
- Items removed in selective demolition work (removed to access asbestos materials) may be left on site for the demolition contractor or retained as scrap and made a part of our pricing.
- Any work stoppage, dismissal, or termination of services by either party allows us to change any contract to time and materials with 10% for overhead and 15% for profit based on our time in our time sheets and materials/equipment used.
- Asbestos specifications and third-party air monitor being acceptable and approved by us.

EXCLUSIONS

- Hazardous materials not included in the scope of work in this proposal.
- Texas Department of State Health Services Notification Fees. These are billed directly to the owner by the state. Fee should be approximately \$3,050.00 for asbestos and \$57 for demo.
- Utility disconnects, demolition, or removal (cutting and capping).
- Construction fencing, barricades, or security to include after-hours personnel to "watch" the work area(s).
- Temporary lighting and utilities and restroom facilities.

QUALIFICATIONS

- A) All work and related activities to conform to TDSHS, EPA, OSHA and All Regulatory Agencies.
- B) Contractor to provide proper transportation and disposal of all waste to an approved landfill in accordance with NESHAP Regulations.
- C) One million dollar occurrence based liability (two million general aggregate), one million automobile, one million worker's compensation insurance, pollution liability, and five million umbrella liability.
- D) This proposal is subject to change if not accepted within 60 days.
- E) Invoiced upon completion, net 25 or progress billed toward the end of every month.
- F) **LIEN RIGHTS-** Whole is allowed by this proposal and agreement to charge an additional \$450 for mailing it's 1st notice of intent to lien for non-payment to protect its lien rights for non-payment. Whole is allowed to charge an additional \$2,500.00 for having to file a lien for non-payment. Whole is allowed to charge an additional \$4,500 for having to file suit for non-payment plus all court costs, attorney's fees, and contractor's expenses and any interest or damages allowed by law. Owner(s)/Lease Holder(s) will not dispute the character, timeliness, or content of contractor's notices as long as the notices are sufficient enough to show that proper payment has not been made according to the terms of this agreement.

Should you have any additional questions, please feel free to contact me at the above captioned office number or on my mobile at 214.500.6338.

Sincerely,



David Cross

CLIENT ACCEPTANCE

Agreed to this _____ day of _____
2024.

Amount: \$ _____

Authorized Signature

Title

Company Name

Address

City/State/Zip

Phone

Whole Environmental and Demolition

Bid Qualifications: BID- 1023 Odneal



Included in work:

Scope of work is limited to items in our scope sheet.
Work to be performed during normal work hours, no overtime
One mobilization
Salvage becomes our right and ownership
This proposal to become an exhibit of any subsequent contract with all rights reserved
We will file TX DSHS required notice of demolition with owner approval
Concrete/pavement removal based on up to 6" thickness, asphalt at 4" thickness, and gravel at 4" thickness
Priority placement of dumpsters/trucks and adequate space to use large machinery to load waste
Use of motorized machinery inside the building and around the building
Owner/contractor to provide temporary utilities (electricity, water, and lighting), water for dust control
One million dollar occurrence based liability (two million general aggregate), one million automobile,
one million worker's compensation insurance, five million umbrella, and pollution liability.
Waste and disposal costs

NOT included in work:

City permit(s) or the cost thereof and/or additional city requirements (ie. rodent abatement, etc)
Texas Department of State Health Services notification fees. **NOTE:** 10 working day waiting period to start work after nc
Utilities or Utility company disconnection or termination of services
Sidewalk or driveway damage from accessing property with trucks and equipment
Tree, shrub, or vegetation removal unless specifically in our scope sheet
Salvage or protection of irrigation system.
Establish, maintain, or protect grasses, landscape, or vegetation.
Any items to be salvaged to be removed prior to our commencement of work
Any special circumstances or requirements
Trades work or their demolition to include cutting, capping, disconnection of utilities, including sewer
Temporary protection of surfaces or temporary enclosures/barricades, including temporary fence or security
SWPPP plan, storm water protection, and construction entrance.
Other layers of materials or unknowns (ie. concrete under asphalt, hidden slabs/foundations, basements)
Import of fill dirt or grading or landscaping. Area(s) to be left level or to drain.
Asbestos survey and all hazardous materials or regulated waste, including freon recovery
Bid does not include any contingency funds
Sawcutting or coring that is not listed on our scope sheet

Whole Environmental

SCOPE SHEET

Brick Structure	14,744	sf
Slab	14,744	sf
Concrete Walks/Drives	6,947	sf
Asphalt Drive	9,300	sf
Asphalt Drive	4,320	sf

(214) 500-6338



Whole Environmental and Demolition

BID- 1023 Odneal

Demolition of Structure	\$61,933
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TOTAL BASE BID	\$61,933
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Alternate #1	NO BID
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Alternate #2	NO BID
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Alternate #3	NO BID
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TOTAL WITH ALTERNATES	\$61,933
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Received Addendums

NONE

David Cross
9/24/2024
(214) 500-6338

CONSTRUCTION AGREEMENT BETWEEN THE CITY OF SHERMAN, TEXAS AND WHOLE ENVIRONMENTAL

The **CITY OF SHERMAN, TEXAS**, a home-rule municipality ("SHERMAN"), and **Whole Environmental, an Incorporated Company** ("Contractor"), enter into this Construction Agreement ("Agreement") for the **Baltic & St Charles Apartment Demolition Project**. SHERMAN and Contractor are sometimes referred to collectively as the "parties" or individually as a "party."

WHEREAS, SHERMAN desires to engage Contractor to provide services in connection with the **Baltic & St Charles Demolition Project** under the terms and conditions of this Agreement ("Project");

WHEREAS, Contractor has agreed to provide the services for the Project.

NOW, THEREFORE, in consideration of the mutual agreements and covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. Scope of Services.

Contractor shall provide the services and deliverables that are set forth and described in the Agreement Documents (hereinafter defined) and shall furnish all personnel, labor, equipment, supplies and all other items necessary to provide the services and deliverables as specified by the terms and conditions of the Agreement Documents (collectively, "Services"). The parties understand and agree that deviations or modifications to the scope of Services described in the Agreement Documents, in the form of one or more written change orders, may be authorized from time to time by SHERMAN ("Change Orders"). "Extra" work, "claims" invoiced as "extra" work or "claims" which have not been issued as a duly executed, written Change Orders by the SHERMAN City Manager or his designee will not be authorized for payment and/or shall not become part of this Agreement. A duly executed, written Change Order shall be preceded by the SHERMAN City Council's authorization for the SHERMAN City Manager to execute said Change Order. Contractor agrees that SHERMAN's project managers, superintendents and/or inspectors are not authorized to issue verbal or written Change Orders.

2. Term.

Contractor shall mobilize on-site and commence performance of the Project (the "Mobilization Date") within ten (10) calendar days of the Effective Date of this Agreement (hereinafter defined) and shall complete the Services within One Hundred Seventy (170) calendar days of the Notice to Proceed. All obligations relating to time set forth herein are material and are of the essence of this Agreement. This Agreement shall remain in full force and effect until completion of the Project to SHERMAN's satisfaction. The obligations listed hereunder shall be fulfilled upon the completion of the Project to SHERMAN's satisfaction.

3. Compensation.

In exchange for the Services as described in the Agreement Documents, SHERMAN agrees to pay the Contractor in an amount not to exceed Four hundred & forty-eight thousand & sixteen and 00/100 dollars (\$448,016.00) for the completion of the Project contemplated by and in accordance with the Agreement Documents as follows:

On a monthly basis, Contractor shall submit a written invoice to SHERMAN for all Services completed in the immediately preceding month. The applicable portion of Contractor's Fee as reflected in each such invoice shall be due and payable by SHERMAN within thirty (30) days after SHERMAN finally accepts the Services described in each such invoice in accordance with the Agreement Documents and SHERMAN's ordinances, rules, regulations and requirements, as they exist, may be amended or in the future arising, except that SHERMAN is entitled to retain an amount equal to five percent (5%) of the Contractor's Fee, which shall be due and payable within thirty (30) days after Contractor completes the Project and SHERMAN finally accepts the same. Notwithstanding anything to the contrary herein, SHERMAN shall not be required to pay any invoice submitted by Contractor if Contractor is in breach of this Agreement.

Contractor and SHERMAN acknowledge and agree that the continuation of this Agreement after the close of any given fiscal year of SHERMAN, which fiscal year ends on September 30th of each year, shall be subject to SHERMAN City Council approval. In the event that the SHERMAN City Council does not approve the appropriation of funds for this Agreement, the Agreement shall terminate at the end of the fiscal year for which funds were appropriated, and the parties shall have no further obligations hereunder, except that SHERMAN shall be obligated to pay monies owed Contractor for Services it has provided pursuant to this Agreement through the end of that fiscal year provided that Contractor is not in breach of this Agreement.

4. Agreement Documents.

The "Agreement Documents," as that term is used herein, shall mean and include the following documents, and this Agreement expressly incorporates the same herein by reference for all purposes:

- a. This Agreement;
- b. The Submittal, attached hereto as Exhibit A;
- c. SHERMAN's Insurance Requirements, attached hereto as Exhibit B;
- d. Affidavit of No Prohibited Interested, attached hereto as Exhibit C;
- e. Conflict of Interest Questionnaire, attached hereto as Exhibit D;

This Agreement shall incorporate the terms of the Agreement Documents in their entirety. To the extent that Exhibit A, Exhibit B, Exhibit C, Exhibit D are in conflict with provisions of this Agreement or each other, the provisions of this Agreement, then the provisions of Exhibit A, Exhibit C, Exhibit D and Exhibit B shall prevail in that order.

5. Liquidated Damages.

Contractor acknowledges and agrees that if Contractor fails to timely perform or complete any of the Services required under the terms of the Agreement Documents, SHERMAN will sustain actual damages as a result of such failure. The exact amount of such damages will be difficult to ascertain. Therefore, the parties agree that if Contractor fails to timely perform or complete any of the Services required under the terms of the Agreement Documents, then Contractor shall pay SHERMAN the sum of two hundred fifty and 00/100 dollars (\$250.00) for each calendar day in which the Services are not completed, not as a penalty but as liquidated damages for the damages that would be suffered by SHERMAN as a result of delay for each and every calendar day that the Contractor shall have failed to have completed the Services as required herein.

7. Entire Agreement.

The Agreement Documents contain all representations, understandings, contracts and agreements between the parties regarding the subject matter of this Agreement. The Agreement Documents supersede all oral or written previous and contemporaneous agreements, writings, understandings, representations or contracts between the parties regarding the subject matter of this Agreement. This Agreement in no way modifies or supersedes any document executed by the parties prior to the Effective Date of this Agreement which does not concern the subject matter of this Agreement. No amendment to the Agreement Documents shall be made except on the written agreement of the parties, which shall not be construed to release either party from any obligation of the Agreement Documents except as specifically provided for in such amendment.

8. Required Insurance.

Contractor shall not start work under this Agreement until Contractor has obtained, at Contractor's expense, all of the insurance specified in, and required by, the Agreement Documents. Contractor shall procure and keep in full force and effect the types and amounts of insurance specified in SHERMAN's Insurance Requirements, attached hereto as Exhibit C and incorporated herein for all purposes, for and during all aspects and phases of Contractor's work throughout the term of this Agreement at no expense to SHERMAN. Contractor also shall comply with all other requirements set forth in Exhibit C.

9. No Prohibited Interest; Vendor Disclosure.

Contractor acknowledges and agrees that it is aware of, and will abide by, the no prohibited interest requirement of the SHERMAN City Charter. Contractor shall execute and deliver to SHERMAN the Affidavit of No Prohibited Interest, attached hereto as Exhibit D and

incorporated herein for all purposes, no later than the Effective Date of this Agreement (hereinafter defined). Contractor acknowledges and agrees that the existence of a prohibited interest during the term of this Agreement will render this Agreement voidable. Contractor further acknowledges and agrees that it also is aware of, and will abide by, the vendor disclosure requirements set forth in Chapter 176 of the Texas Local Government Code, as amended. In this connection, Contractor shall execute and deliver to SHERMAN the Conflict of Interest Questionnaire, Form CIQ, attached hereto as Exhibit E and incorporated herein for all purposes, no later than the Effective Date of this Agreement.

10. Indemnity.

CONTRACTOR HEREBY RELEASES AND SHALL DEFEND, INDEMNIFY AND HOLD HARMLESS SHERMAN AND ITS CITY COUNCIL MEMBERS, OFFICERS, AGENTS, REPRESENTATIVES AND EMPLOYEES (COLLECTIVELY REFERRED TO AS “SHERMAN” FOR PURPOSES OF THIS SECTION) FROM AND AGAINST ALL DAMAGES, INJURIES (WHETHER IN CONTRACT OR IN TORT, INCLUDING PERSONAL INJURY AND DEATH), CLAIMS, PROPERTY DAMAGES (INCLUDING LOSS OF USE), LOSSES, DEMANDS, SUITS, ACTIONS, JUDGMENTS, LIENS, COSTS AND EXPENSES, INCLUDING REASONABLE ATTORNEY’S FEES AND EXPENSES (INCLUDING ATTORNEY’S FEES AND EXPENSES INCURRED IN ENFORCING THIS SECTION), THAT IN WHOLE OR IN PART ARISE OUT OF OR ARE CONNECTED WITH GOODS AND/OR SERVICES PROVIDED BY CONTRACTOR, ITS OFFICERS, AGENTS, REPRESENTATIVES, EMPLOYEES, SUBCONTRACTORS, LICENSEES, INVITEES OR ANY OTHER THIRD PARTIES FOR WHOM CONTRACTOR IS LEGALLY RESPONSIBLE (COLLECTIVELY REFERRED TO AS “CONTRACTOR” FOR PURPOSES OF THIS SECTION) PURSUANT TO THIS AGREEMENT AND/OR THE NEGLIGENT, GROSSLY NEGLIGENT AND/OR INTENTIONAL WRONGFUL ACT AND/OR OMISSION OF CONTRACTOR IN ITS/THEIR PERFORMANCE OF THIS AGREEMENT, REGARDLESS OF THE JOINT OR CONCURRENT NEGLIGENCE OF SHERMAN (COLLECTIVELY, “CLAIMS”). THIS INDEMNIFICATION PROVISION AND THE USE OF THE TERM “CLAIMS” IS ALSO SPECIFICALLY INTENDED TO APPLY TO, BUT IS NOT LIMITED TO, ANY AND ALL CLAIMS, WHETHER CIVIL OR CRIMINAL, BROUGHT AGAINST SHERMAN BY ANY GOVERNMENT AUTHORITY OR AGENCY RELATED TO ANY PERSON PROVIDING SERVICES UNDER THIS AGREEMENT THAT ARE BASED ON ANY FEDERAL IMMIGRATION LAW AND ANY AND ALL CLAIMS, DEMANDS, DAMAGES, ACTIONS AND CAUSES OF ACTION OF EVERY KIND AND NATURE, KNOWN AND UNKNOWN, EXISTING OR CLAIMED TO EXIST, RELATING TO OR ARISING OUT OF ANY EMPLOYMENT RELATIONSHIP BETWEEN CONTRACTOR AND ITS EMPLOYEES OR SUBCONTRACTORS AS A RESULT OF THAT SUBCONTRACTOR’S OR EMPLOYEE’S EMPLOYMENT AND/OR SEPARATION FROM EMPLOYMENT WITH CONTRACTOR, INCLUDING BUT NOT LIMITED TO ANY DISCRIMINATION CLAIM BASED ON SEX, SEXUAL ORIENTATION OR PREFERENCE, RACE, RELIGION, COLOR, NATIONAL ORIGIN, AGE OR DISABILITY UNDER FEDERAL, STATE OR LOCAL LAW, RULE OR REGULATION, AND/OR ANY CLAIM FOR WRONGFUL TERMINATION, BACK PAY, FUTURE WAGE LOSS, OVERTIME PAY, EMPLOYEE BENEFITS, INJURY SUBJECT TO RELIEF UNDER THE WORKERS’ COMPENSATION ACT OR WOULD BE SUBJECT TO

RELIEF UNDER ANY POLICY FOR WORKERS COMPENSATION INSURANCE, AND ANY OTHER CLAIM, WHETHER IN TORT, CONTRACT OR OTHERWISE.

IN ITS SOLE DISCRETION, SHERMAN SHALL HAVE THE RIGHT TO APPROVE OR SELECT DEFENSE COUNSEL TO BE RETAINED BY CONTRACTOR IN FULFILLING ITS OBLIGATION HEREUNDER TO DEFEND AND INDEMNIFY SHERMAN, UNLESS SUCH RIGHT IS EXPRESSLY WAIVED BY SHERMAN IN WRITING. SHERMAN RESERVES THE RIGHT TO PROVIDE A PORTION OR ALL OF ITS OWN DEFENSE; HOWEVER, SHERMAN IS UNDER NO OBLIGATION TO DO SO. ANY SUCH ACTION BY SHERMAN IS NOT TO BE CONSTRUED AS A WAIVER OF CONTRACTOR'S OBLIGATION TO DEFEND SHERMAN OR AS A WAIVER OF CONTRACTOR'S OBLIGATION TO INDEMNIFY SHERMAN PURSUANT TO THIS AGREEMENT. CONTRACTOR SHALL RETAIN SHERMAN-APPROVED DEFENSE COUNSEL WITHIN SEVEN (7) BUSINESS DAYS OF SHERMAN'S WRITTEN NOTICE THAT SHERMAN IS INVOKING ITS RIGHT TO DEFENSE OR INDEMNIFICATION UNDER THIS AGREEMENT. IF CONTRACTOR FAILS TO RETAIN COUNSEL WITHIN SUCH TIME PERIOD, SHERMAN SHALL HAVE THE RIGHT TO RETAIN DEFENSE COUNSEL ON ITS OWN BEHALF, AND CONTRACTOR SHALL BE LIABLE FOR ALL COSTS INCURRED BY SHERMAN.

THE RIGHTS AND OBLIGATIONS CREATED BY THIS SECTION SHALL SURVIVE TERMINATION OF THIS AGREEMENT.

11. Liability.

To the fullest extent permitted by law, Contractor shall be fully and solely responsible and liable for its own acts and omissions, including those of its officers, agents, representatives, employees, subcontractors, licensees, invitees and all other parties performing services for or on behalf of Contractor under this Agreement, and for any and all damage to Contractor's equipment and other property. SHERMAN assumes no such responsibility or liability. SHERMAN shall have no such responsibility or liability to either Contractor or its officers, agents, representatives, employees, subcontractors, licensees, invitees or other persons.

12. Compliance with Laws; Standard of Care.

Contractor shall comply with all federal, state and local laws, statutes, ordinances, regulations and policies, as they exist, may be amended or in the future arising, applicable to Contractor and its work. Contractor shall ensure that its officers, agents, representatives, employees, subcontractors, licensees, invitees and other parties performing services for or on behalf of Contractor under this Agreement comply with all applicable laws, statutes, ordinances, regulations and policies. If Contractor observes or is notified that the work under this Agreement is at variance with applicable laws, statutes, ordinances, regulations and policies, Contractor shall immediately notify SHERMAN in writing. Contractor shall perform the Services in accordance with the prevailing standard of care by exercising the skill and care ordinarily utilized by professionals performing the same or similar services under the same or similar circumstances in the State of Texas.

13. Termination.

SHERMAN is entitled to terminate this Agreement at any time for any reason or for no reason by giving Contractor at least thirty (30) days' prior written notice of the termination date.

SHERMAN is entitled to terminate this Agreement immediately on breach of any term or provision of the Agreement Documents by Contractor. If at any time during the term of this Agreement, Contractor shall fail to commence the work in accordance with the provisions of the Agreement Documents or fail to diligently perform the Services in an efficient, timely and careful manner and in strict accordance with the provisions of the Agreement Documents, then SHERMAN shall have the right to terminate this Agreement and complete the work in any manner it deems desirable, including engaging the services of other parties, if Contractor does not cure any such default after five (5) days written notice thereof. Any such act by SHERMAN shall not be deemed a waiver of any other right or remedy of SHERMAN.

If after exercising any remedy provided herein, the cost to SHERMAN of the performance of the balance of the work on the Project is in excess of that part of the Contractor's Fee which has not yet been paid to Contractor hereunder, Contractor shall be liable for and shall reimburse SHERMAN for such excess, without waiver of any other right or remedy of SHERMAN.

The rights and remedies provided by this Agreement are cumulative, and the use of any one right or remedy by either party shall not preclude or waive its rights to use any or all other remedies. These rights and remedies are given in addition to any other rights the parties may have by law, statute, ordinance, or otherwise.

14. Authority to Execute.

Each party represents and warrants to the other that it has the full power and authority to enter into and fulfill the obligations of this Agreement. The respective signatories to this Agreement, by affixing their signatures hereto, warrant and represent that they have the authority to bind their respective parties as duly authorized representatives thereof.

15. Assignment.

Contractor agrees that neither this Agreement nor the work to be performed hereunder will be assigned or sublet without the prior written consent of SHERMAN. Contractor further agrees that the assignment or subletting of any portion or feature of the work or materials required in the performance of this Agreement shall not relieve Contractor of its full obligations to SHERMAN as provided by this Agreement. All such approved work performed by assignment or subletting shall be billed through Contractor, and there shall be no third party billing.

16. No Waiver of Immunity.

The parties acknowledge and agree that, in executing and performing this Agreement,

SHERMAN has not waived, nor shall be deemed to have waived, any defense or immunity, including governmental, sovereign and official immunity, that would otherwise be available to it against claims arising in the exercise of governmental powers and functions. By entering into this Agreement, the parties do not create any obligations, express or implied, other than those set forth herein.

17. Savings/Severability.

In the event that a term, condition or provision of this Agreement is determined to be invalid, illegal, void, unenforceable or unlawful by a court of competent jurisdiction, then that term, condition or provision shall be deleted and the remainder of the Agreement shall remain in full force and effect as if such invalid, illegal, void, unenforceable or unlawful provision had never been included in this Agreement.

18. Consideration.

This Agreement is executed by the parties without coercion or duress and for substantial consideration, the sufficiency of which is forever confessed.

19. Attorneys' Fees.

If either party files any action or brings any proceeding against the other arising from this Agreement, then as between SHERMAN and Contractor, the prevailing party shall be entitled to recover as an element of its costs of suit, and not as damages, reasonable and necessary attorneys' fees and litigation expenses both at trial and on appeal, subject to the limitations set forth in TEX. LOC. GOV'T CODE § 271.153, as it exists or may be amended, if applicable.

20. Governing Law; Venue.

The laws of the State of Texas shall govern the interpretation, validity, performance and enforcement of this Agreement, without regard to conflict of law principles. This Agreement is performable in Collin County, Texas, and the exclusive venue for any action arising out of this Agreement shall be a court of appropriate jurisdiction in Collin County, Texas.

21. Binding Effect.

This Agreement shall be binding on and inure to the benefit of the parties and their respective heirs, executors, administrators, legal representatives, successors and assigns when permitted by this Agreement.

22. No Waiver.

Waiver by either party of any breach of this Agreement, or the failure of either party to enforce any of the provisions of this Agreement, at any time, shall not in any way affect, limit, or waive such party's right thereafter to enforce and compel strict compliance.

23. Headings.

The headings of the various sections of this Agreement are included solely for convenience of reference and are not to be full or accurate descriptions of the content thereof.

24. Indemnity.

The parties agree that the indemnity provision set forth in Section 10 herein is conspicuous and the parties have read and understood the same.

25. Notice.

Any notice provided or permitted to be given under this Agreement must be in writing and may be served by depositing the same in the United States Mail, addressed to the party to be notified, postage pre-paid and registered or certified with return receipt requested; by electronic mail, with documentation evidencing the addressee's receipt thereof; or by delivering the same in person to such party a via hand-delivery service, or to any courier service that provides a return receipt showing the date of actual delivery of the same to the addressee thereof. Notice given in accordance herewith shall be effective on receipt at the address of the addressee. For purposes of notification, the addresses of the parties shall be as follows:

If to Contractor, to: Whole Environmental
941 FM 1139
Rockwall, Texas 75032
Telephone: (214) 500-6338
Email: david@wholeenvironmental.com

If to SHERMAN, to: City of SHERMAN
Attn: Robby Hefton, City Manager
220 W. Mulberry Street
Sherman, Texas 75090
Telephone: (903) 892-7201
Facsimile: (903) 892-7355
Email: robbyh@cityofsherman.com

With a copy to:

Abernathy, Roeder, Boyd & Hullett, P.C.
Attn.: Ryan D. Pittman
1700 Redbud Blvd., Suite 300
McKinney, Texas 75069
Telephone: (214) 544-4000
Facsimile: (214) 544-4054
Email: rpittman@abernathy-law.com

26. Representations.
Each party states that they have carefully read this Agreement, know the contents hereof, have consulted with an attorney of their choice regarding the meaning and effect hereof and is signing the same solely of their own judgment.
27. Independent Contractor.
Contractor covenants and agrees that Contractor is an independent contractor and not an officer, agent, servant or employee of SHERMAN; that Contractor shall have exclusive control of and exclusive right to control the details of the work performed hereunder and all persons performing the same; that the doctrine of respondent superior shall not apply as between SHERMAN and Contractor, its officers, agents, employees, contractors, subcontractors and consultants; and that nothing herein shall be construed as creating a partnership or joint enterprise between SHERMAN and Contractor.
28. Incorporation of Recitals.
The representations, covenants and recitations set forth in the foregoing recitals of this Agreement are true and correct and are hereby incorporated into the body of this Agreement and adopted as findings of SHERMAN and the authorized representative of Contractor.
29. Reference to Contractor.
When referring to “Contractor” herein, this Agreement shall refer to and be binding upon Contractor, and its officers, directors, partners, employees, representatives, contractors, subcontractors, licensees, invitees, agents, successors, assignees (as authorized herein), vendors, grantees, trustees, legal representatives and/or any other third parties for whom Contractor is legally responsible.
30. Reference to SHERMAN.
When referring to “SHERMAN” herein, this Agreement shall refer to and be binding upon SHERMAN, its Council Members, officers, agents, representatives, employees and/or any other authorized third parties for whom SHERMAN is legally responsible.
31. Certifications Required by Texas Law.
In accordance with Chapter 2270 of the Texas Government Code (to the extent applicable), Contractor hereby certifies that Contractor does not boycott Israel and will not boycott Israel during the term of any contract with City, including during the term of this Agreement. In accordance with Chapter 809 of the Texas Government Code (to the extent applicable), Contractor hereby certifies that Contractor does not boycott energy companies and will not boycott energy companies during the term of any contract with City, including during the term of this Agreement. In accordance with Chapter 2274 of the Texas Government Code (to the extent applicable), Contractor hereby certifies that Contractor does not have a practice, policy, guidance or directive that discriminates against a firearm entity or firearm trade association and will not discriminate against a firearm entity or firearm trade association during the term of any contract with City, including during the term of this Agreement. The foregoing terms in this Section have the meanings ascribed

to them in the referenced statutes if defined therein.

32. Debarment/Suspension.

SHERMAN is prohibited from making any award or permitting any award at any tier to any party which is debarred or suspended or otherwise excluded from or ineligible for participation in federal assistance programs under Executive Order 12549, Debarment and Suspension. SHERMAN, Contractor and Contractor's subcontractors shall comply with federal and state regulations regarding debarment and suspension. Contractor shall include a statement of compliance with federal and state debarment and suspension regulations in all third-party agreements for work on the Project.

33. Restrictions on Lobbying.

SHERMAN and Contractor are prohibited from using funds awarded under the Agreement for lobbying purposes. Contractor shall include a statement of compliance with this provision in applicable procurement solicitations and third-party agreements for work on the Project.

34. Miscellaneous Drafting Provisions.

This Agreement shall be deemed drafted equally by all parties hereto. The language of all parts of this Agreement shall be construed as a whole according to its fair meaning, and any presumption or principle that the language herein is to be construed against any party shall not apply. Headings in this Agreement are for the convenience of the parties and are not intended to be used in construing this document.

35. Multiple Counterparts.

This Agreement may be executed in a number of identical counterparts, each of which shall be deemed an original for all purposes. An electronic mail and/or facsimile signature will also be deemed to constitute an original if properly executed and delivered to the other party.

[Signature page follows.]

IN WITNESS WHEREOF, the parties have executed this Agreement and caused this Agreement to be effective when all the parties have signed it. The date this Agreement is signed by the last party to sign it (as indicated by the date associated with that party's signature below) will be deemed the effective date of this Agreement ("Effective Date").

CITY OF SHERMAN, TEXAS,
a home-rule municipality

By: _____
Robby Hefton, City Manager

Date: _____

ATTEST:

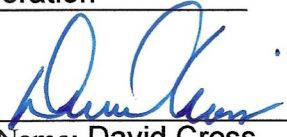
APPROVED AS TO FORM:

Linda Ashby, City Clerk

Abernathy, Roeder, Boyd & Hullett, PC
Ryan D. Pittman, City Attorneys

Whole Environmental, Inc.

a Corporation

By: 

Printed Name: David Cross

Title: President

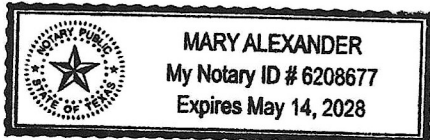
Date: October 28, 2024

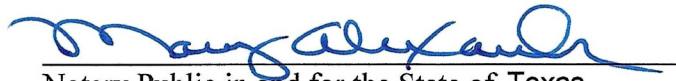
STATE OF TEXAS §

COUNTY OF Rockwall §

BEFORE ME, the undersigned authority, on this day personally appeared David Cross, known to me to be one of the persons whose names are subscribed to the foregoing instrument; that he acknowledged to me he is the President and duly authorized representative for Whole Environmental, Inc. and that he executed said instrument for the purposes and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this 28th day of October, 2024.




Notary Public in and for the State of Texas
My Commission Expires: May 14, 2028

CONFLICT OF INTEREST QUESTIONNAIRE

FORM CIQ

For vendor doing business with local governmental entity

This questionnaire reflects changes made to the law by H.B. 23, 84th Leg., Regular Session.

This questionnaire is being filed in accordance with Chapter 176, Local Government Code, by a vendor who has a business relationship as defined by Section 176.001(1-a) with a local governmental entity and the vendor meets requirements under Section 176.006(a).

By law this questionnaire must be filed with the records administrator of the local governmental entity not later than the 7th business day after the date the vendor becomes aware of facts that require the statement to be filed. See Section 176.006(a-1), Local Government Code.

A vendor commits an offense if the vendor knowingly violates Section 176.006, Local Government Code. An offense under this section is a misdemeanor.

OFFICE USE ONLY

Date Received

1 Name of vendor who has a business relationship with local governmental entity.

N/A

2 ☐ Check this box if you are filing an update to a previously filed questionnaire. (The law requires that you file an updated completed questionnaire with the appropriate filing authority not later than the 7th business day after the date on which you became aware that the originally filed questionnaire was incomplete or inaccurate.)

3 Name of local government officer about whom the information is being disclosed.

Name of Officer

4 Describe each employment or other business relationship with the local government officer, or a family member of the officer, as described by Section 176.003(a)(2)(A). Also describe any family relationship with the local government officer. Complete subparts A and B for each employment or business relationship described. Attach additional pages to this Form CIQ as necessary.

A. Is the local government officer or a family member of the officer receiving or likely to receive taxable income, other than investment income, from the vendor?

☐ Yes☐ No

B. Is the vendor receiving or likely to receive taxable income, other than investment income, from or at the direction of the local government officer or a family member of the officer AND the taxable income is not received from the local governmental entity?

☐ Yes☐ No

5 Describe each employment or business relationship that the vendor named in Section 1 maintains with a corporation or other business entity with respect to which the local government officer serves as an officer or director, or holds an ownership interest of one percent or more.

6 ☐ Check this box if the vendor has given the local government officer or a family member of the officer one or more gifts as described in Section 176.003(a)(2)(B), excluding gifts described in Section 176.003(a-1).

7 
Signature of vendor doing business with the governmental entity


Date

Exhibit D
Affidavit of No Prohibited Interest

THE STATE OF Texas §

THE COUNTY OF Rockwall §

I, David Cross, an authorized agent of Contractor, make this affidavit and hereby under oath state the following:

I, and/or a person or persons related to me, have the following interest in a business entity that would be affected by the work or decision under this Agreement (Check all that apply):

_____ Ownership of ten percent (10%) or more of the voting shares of the business entity.

_____ Ownership of Twenty-Five Thousand and 00/100 Dollars (\$25,000) or more of the fair market value of the business entity.

_____ Funds received from the business entity exceed ten percent (10%) of my income for the previous year.

_____ Real property is involved, and I have an equitable or legal ownership with a fair market value of at least Twenty-Five Thousand and 00/100 Dollars (\$25,000).

_____ A relative of mine has a substantial interest in the business entity or property that would be affected by my business decision of the public body which I am a member.

_____ Other: _____

☒ None of the Above.

Upon filing this affidavit with the City of Sherman, Texas, I further affirm that no relative of mine, in the first degree by consanguinity or affinity, as defined in Chapter 573, TEX. GOV'T CODE, as amended, is a member of a public body which took action on the agreement.

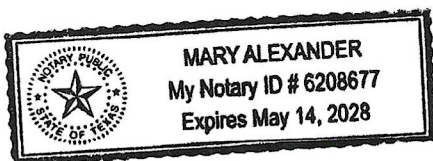
Signed this 28th day of October, 2024.

David Cross
Signature of Official/Title

BEFORE ME, the undersigned authority, this day personally appeared David Cross, and on oath stated that the facts hereinabove stated are true to the best of his/her knowledge or belief.

Sworn to and subscribed before me on this 28th day of October, 2024.

Mary Alexander
Notary Public in and for the State of Texas
My commission expires: 5/14/2024



VERIFICATION REQUIRED BY TEXAS GOVERNMENT CODE CHAPTER 2270

By signing below, the signatory hereby verifies that the firm it represents:

1. Does not boycott Israel; and,
2. Will not boycott Israel during the term of the contract.

SIGNED BY:

David Cross

Print Name & Title:

David Cross, President

Firm Name:

Whole Environmental, Inc

Date Signed:

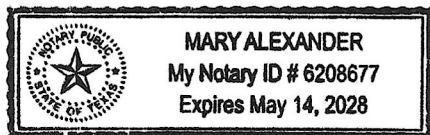
10/28/2024

NOTARIZATION

THE STATE OF Texas)
)
COUNTY OF Rockwall)

BEFORE ME, the undersigned notary public on this day personally appeared David Cross, on behalf of Whole Environmental, Inc (Company), who, being duly sworn, stated under oath that he/she has read the foregoing verification required by Texas Government Code Section 2270.002 and said statements contained therein are true and correct.

SWORN TO AND SUBSCRIBED before me on the 28th day of Oct, 2024.



Mary Alexander
NOTARY PUBLIC IN AND
FOR THE STATE OF Texas

The following definitions apply to Texas Government Code Section 2270.001:

(1) "Boycott Israel" means refusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations specifically with Israel, or with a person or entity doing business in Israel or in an Israeli-controlled territory, but does not include an action made for ordinary business purposes; and

(2) "Company" means a for-profit sole proprietorship, organization, association, corporation, partnership, joint venture, limited partnership, limited liability partnership, or limited liability company, including a wholly owned subsidiary, majority-owned subsidiary, parent company, or affiliate of those entities or business associations that exists to make a profit.

State law requires any firm entering into an agreement or contract with the Authority to complete the foregoing verification. TEX. GOV'T CODE § 2270.002.



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

10/29/2024

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER TDECU Insurance Agency LLC 1001 FM 2004 Lake Jackson TX 77566		CONTACT NAME: Tajuana Iselt PHONE (A/C, No, Ext): (979) 238-8283 E-MAIL: tiselt@tdecuinsurance.org FAX (A/C, No): (866) 613-7716	
INSURED Whole Environmental, Inc. 941 FM 1139 Rockwall TX 75032		INSURER(S) AFFORDING COVERAGE INSURER A: AXIS Surplus Ins Co INSURER B: Acadia Insurance Company INSURER C: Texas Mutual Insurance Company INSURER D: INSURER E: INSURER F:	
		NAIC # 26620 31325 22945	

COVERAGES**CERTIFICATE NUMBER:** 24-25 GLBAUMBPOLLWC**REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	☒ COMMERCIAL GENERAL LIABILITY ☐ CLAIMS-MADE ☒ OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: ☐ POLICY ☒ PRO-JECT ☐ LOC OTHER:			SP006287-01-2024	02/02/2024	02/02/2025	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 100,000 MED EXP (Any one person) \$ 10,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COMP/OP AGG \$ 2,000,000 Pollution Liability (\$2MM) \$ 1,000,000
	☒ AUTOMOBILE LIABILITY ☒ ANY AUTO ☐ OWNED AUTOS ONLY ☐ SCHEDULED AUTOS ☐ HIRED AUTOS ONLY ☐ NON-OWNED AUTOS ONLY			CNA 4771283-16	03/11/2024	03/11/2025	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
	☐ UMBRELLA LIAB ☒ EXCESS LIAB ☐ CLAIMS-MADE ☒ OCCUR DED ☒ RETENTION \$ 10,000			SX006288-01-2024	02/02/2024	02/02/2025	EACH OCCURRENCE \$ 5,000,000 AGGREGATE \$ 5,000,000 \$
	☒ WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below Y / N ☒ N		N / A	0001156600	04/16/2024	04/16/2025	☒ PER STATUTE ☐ OTH-ER E.L. EACH ACCIDENT \$ 1,000,000 E.L. DISEASE - EA EMPLOYEE \$ 1,000,000 E.L. DISEASE - POLICY LIMIT \$ 1,000,000
A	Pollution			SP006287-01-2024	02/02/2024	02/02/2025	Each Occurrence \$1,000,000 Aggregate \$2,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

The General Liability & auto policy includes a blanket automatic additional insured endorsement that provides additional insured status to the certificate holder only when there is a written contract between the named insured and the certificate holder that requires such status.

The General Liability, auto & workers compensation policy includes a blanket automatic waiver of subrogation endorsement that provides this feature only when there is a written contract between the named insured and the certificate holder that requires it.

If required by written contract or agreement, such insurance is afforded by this policy shall be primary insurance, and any insurance or self insurance

CERTIFICATE HOLDER**CANCELLATION**

City of Sherman PO Box 1106 Sherman TX 75091-1106	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.
	AUTHORIZED REPRESENTATIVE Tajuana L. Iselt

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AGENCY CUSTOMER ID: _____

LOC #: _____

ADDITIONAL REMARKS SCHEDULE

Page ____ of ____

AGENCY TDECU Insurance Agency LLC		NAMED INSURED Whole Environmental, Inc.
POLICY NUMBER		
CARRIER	NAIC CODE	EFFECTIVE DATE:

ADDITIONAL REMARKS**THIS ADDITIONAL REMARKS FORM IS A SCHEDULE TO ACORD FORM,****FORM NUMBER:** 25 **FORM TITLE:** Certificate of Liability Insurance: Remarks

If required by written contract or agreement, such insurance is afforded by this policy shall be primary insurance, and any insurance or self insurance maintained by the above additional insured(s) shall be excess of the insurance afforded to the Named Insured and shall not contribute to it.

Excess policy follows forms.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

BUSINESS AUTO ULTRA PLUS ENDORSEMENT

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

SUMMARY OF COVERAGE EXTENSIONS

Para-graph No.	Name Of Extension	Limit or Included
A.	Additional "Insured" By Contract Or Agreement	Included
B.	Airbags Coverage Extension	Included
C.	Employees As Insureds	Included
D.	Hired Auto Physical Damage Coverage (Limited)	\$100,000
E.	Employee Hired Autos (Limited)	\$100,000
F.	Knowledge Of Accident, Claim, Suit, Or Loss	Included
G.	Limited Fellow Employee Coverage	Included
H.	Limited Loan/Lease Gap Coverage	\$1,500
I.	Limited Rental Reimbursement Coverage	45 Days
	Sublimits: 1. \$75 Maximum Rental Expenses Per Day	
	2. \$3,375 Maximum Rental Expenses Because Of Loss To Any One Covered "Auto"	
	3. \$15,000 Maximum Rental Expenses Because Of All "Loss" To All Covered "Autos" In Any One Policy Period.	
J.	Newly Formed Or Acquired Organizations	Included
K.	Supplementary Payments – Increased Limits:	
	1. Bail Bonds	\$3,000
	2. Loss Of Earnings (Per Day)	\$1,000
L.	Towing And Labor Coverage Extension	\$75
M.	Waiver Of Subrogation By Contract Or Agreement	Included

The above is a summary only. Please consult the specific provisions that follow for complete information on the extensions provided. If there is a conflict between this summary and the endorsement provisions that follow, the endorsement provisions shall prevail.

A. ADDITIONAL INSURED BY CONTRACT OR AGREEMENT

1. The **Who Is an Insured** provision for **Covered Autos Liability Coverage** is changed to add as an additional insured any person or organization when you and such person or organization have agreed in writing in a contract or agreement that such person or organization be added as an additional insured on your policy, subject to the following additional provisions

- a. Such person or organization is an additional insured only with respect to their vicarious legal responsibility for "bodily injury" or "property damage" caused by an "accident" and resulting from your ownership, maintenance or use of a covered "auto", and then only to the extent of that liability.
- b. Such person or organization is not an additional insured for any covered "auto" owned by, hired from, or borrowed from such person or organization or a member of such person's household.
- c. Such written contract or agreement must be executed prior to, and be in effect at the time of, the "bodily injury" or "property damage".
- d. Paragraph H. "Insured Contract" contained in **Section V—Definitions** is changed to add sub-paragraph d. to the end of that definition, as follows:

An "insured contract" does not include that part of any contract or agreement:

- d. That pertains to the ownership, maintenance or use of an "auto" and which indemnifies a person or organization for other than the vicarious liability of such person or organization for "bodily injury" or "property damage" caused by an "accident" and resulting from your ownership, maintenance or use of a covered "auto".
2. None of the following shall be an additional insured under this endorsement:
- a. Any "motor carrier" for hire or his or her "employees"; or
 - b. Any rail, water or air carrier or their "employees"
- for any covered "auto".
3. Paragraph A.1. **Who Is An Insured** contained in **Section II – Covered Autos Liability Coverage**, is changed to delete sub-paragraph c.

4. The additional insured is not required to pay for any premiums stated in the policy or earned from the policy. Any return premium shall be payable to you.
5. You are authorized to act for the additional insured in all matters pertaining to this insurance.
6. The additional insured will retain any right of recovery as a claimant under this policy.

B. AIRBAGS COVERAGE EXTENSION

Exclusion B.3.a. contained in **Section III – Physical Damage Coverage** does not apply to the unintended discharge of an airbag. However, coverage is excess over any other collectible insurance or warranty specifically designed to provide coverage.

C. EMPLOYEES AS INSURED

The following is added to the **Section II – Covered Autos Liability Coverage**, Paragraph A.1. **Who Is An Insured** provision:

Any "employee" of yours is an "insured" while using a covered "auto" you don't own, hire or borrow in your business or your personal affairs.

However, the insurance provided by this provision, **C. Employees As Insureds**, does not apply if separate Employees As Insured coverage (or any similar or equivalent coverage) has been provided by a separate endorsement issued by us and made a part of this policy or coverage part.

D. HIRED AUTO PHYSICAL DAMAGE COVERAGE (LIMITED)

If hired "autos" are covered "autos" for **Covered Autos Liability Coverage** in this policy or coverage part, then such **Physical Damage Coverage** that is provided in this policy or coverage part for your owned "autos" will be extended to certain "autos" you lease, hire, rent or borrow, subject to the following additional provisions:

1. This extension for **Hired Auto Physical Damage Coverage (Limited)** does not apply to:
 - a. Any "auto" you lease, hire, rent or borrow that is a land vehicle that would qualify under the definition of "mobile equipment" under this policy or coverage part if it were not subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged;

- b. Any "auto" you lease, hire, rent or borrow from any of your "employees", partners (if you are a partnership), members (if you are a limited liability company) or members of their households; or
- c. Any other "auto" you lease, hire, rent, or borrow:
 - (1) For a period of more than 30 days; or
 - (2) With a driver.

2. Physical Damage Coverage

The **Physical Damage Coverage** provided will be:

- (a) With respect to Other Than Collision coverage:
 - (1) Comprehensive Coverage if any covered "auto" owned by you has this coverage under this policy or coverage part; or,
 - (2) Specified Causes Of Loss Coverage if, under this coverage part or policy, any covered "auto" owned by you has this coverage and no other covered "auto" owned by you has Comprehensive Coverage; and
- (b) Collision Coverage if any covered "auto" owned by you has this coverage under this policy or coverage part.

3. Limit Of Insurance

The most we will pay in any one "loss" will be the lesser of:

- a. The actual cash value of the damaged or stolen "auto" as of the time of the "loss";
- b. The cost to repair or replace the damaged or stolen "auto" with other property of like kind and quality; or
- c. \$100,000,

except that such amount will be reduced by a deductible as determined by paragraph **D.4.** below.

4. Deductible

Our obligation to pay for, repair, return or replace such damaged or stolen covered hired "auto" will be reduced by a deductible for each coverage afforded under **D.2.(a)** and **D.2.(b)** above equal to the amount of the largest deductible applicable for that coverage to any covered "auto" owned by you.

5. Loss Of Use

For any "auto" which is a covered "auto" under this extension **D. Hired Auto Physical Damage Coverage (Limited)**, and subject to the coverages provided under paragraph **D.2. Coverage** above, we will also pay expenses for loss of use of such "auto", subject to the following additional provisions:

- a. Such "auto" is leased or rented under a written rental contract or agreement;
- b. Such loss of use is a direct consequence of a "loss" covered under this extension **D. Hired Auto Physical Damage Coverage (Limited)**:
 - (1) For which an "insured" is legally responsible; and
 - (2) As a result of which the leasing or rental entity sustains a monetary loss;
- c. The most we will pay for any expenses for loss of use is \$300 per day, subject to a maximum of \$2,100; and
- d. Paragraph **b. Loss Of Use Expenses** of Paragraph **4. Coverage Extensions** of Paragraph **A. Coverage** contained in **Section III – Physical Damage Coverage** does not apply.

6. Other Insurance

Coverage under this extension **D. Hired Auto Physical Damage Coverage (Limited)** will be excess over any other valid and collectible insurance available to the "insured", except that no coverage will be afforded if any physical damage coverage is provided for hired "autos" under **Item Four – Schedule Of Hired Or Borrowed Covered Auto Coverage And Premiums** in the **Business Auto Declarations** in this policy or coverage part (or which would have been provided except for the application of an exclusion).

E. EMPLOYEE HIRED AUTOS (LIMITED)

- 1. If hired "autos" are covered "autos" for **Covered Autos Liability Coverage** in this policy or coverage part, then the following provision applies:

Changes In Covered Autos Liability Coverage
The following is added to the Who Is An Insured Provision:

An "employee" of yours is an "insured" while operating an "auto" hired or rented under a written contract in an "employee's" name, while performing duties related to the conduct of your business.

However, this extension does not apply to:

- a. Any "auto" that is hired or rented with a driver;
- b. Any "auto" that is hired or rented for a period of more than 30 days;
- c. "Mobile equipment", or
- d. Any "auto" hired or rented that is a land vehicle that would qualify under the definition of "mobile equipment" under this policy or coverage part if it were not subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged.

2. If hired "autos" are covered "autos" for Physical Damage Coverage in this policy or coverage part, then the following provisions apply:

a. Changes in General Conditions

Paragraph 5.b. of the Other Insurance Condition of Section IV – Business Auto Conditions is replaced by the following:

For Hired Auto Physical Damage Coverage, the following are deemed to be covered "autos" you own:

(1) Any covered "auto" you lease, hire, rent or borrow; and

(2) Any covered "auto" hired or rented by your "employee" under a written contract in an "employee's" name, while performing duties related to the conduct of your business.

However, none of the following are covered "autos":

- (i) Any "auto" that is leased, hired, rented or borrowed with a driver;
- (ii) Any "auto" that is hired or rented for a period of more than 30 days;
- (iii) "Mobile equipment", or

(iv) Any other land vehicle that would qualify under the definition of "mobile equipment" under this policy or coverage part if it were not subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged.

b. Limit Of Insurance

The most we will pay in any one "loss" will be the lesser of:

- (1) The actual cash value of the damaged or stolen "auto" as of the time of the "loss";
- (2) The cost to repair or replace the damaged or stolen "auto" with other property of like kind and quality; or
- (3) \$100,000.

3. Any insurance afforded by this provision E. Employee Hired Autos (Limited) does not apply if separate Employees Hired Autos coverage (or any similar or equivalent coverage) has been provided by a separate endorsement issued by us and made a part of this policy or coverage part.

F. KNOWLEDGE OF ACCIDENT, CLAIM, SUIT, OR LOSS

Sub-paragraph a. contained in Paragraph A.2. Duties In The Event Of Accident, Claim, Suit Or Loss, of Section IV – Business Auto Conditions is replaced by the following:

- a. In the event of "accident", claim, "suit" or "loss", you must give us or our authorized representative prompt notice of the "accident" or "loss" only when the "accident", claim, "suit" or "loss" is known to:

- 1. You, if you are an individual;
- 2. A partner, if you are a partnership;
- 3. A manager, if you are a limited liability company; or
- 4. An "executive officer" or the "employee" designated by you to give such notice, if you are an organization other than a partnership or a limited liability company.

- (1) How, when and where the "accident" or "loss" occurred;
- (2) The "insured's" name and address; and

- (3) To the extent possible, the names and addresses of any injured persons and witnesses.

G. LIMITED FELLOW EMPLOYEE COVERAGE

Paragraph 5. **Fellow Employee** of Paragraph B. **Exclusions** contained in **Section II – Covered Autos Liability Coverage** is replaced by the following:

5. Fellow Employee

- a. "Bodily injury" to any fellow "employee" of the "insured" arising out of and in the course of the fellow "employee's" employment or while performing duties related to the conduct of your business; or
- b. The spouse, child, parent, brother or sister of that fellow "employee" as a consequence of Paragraph a. above.

However, this exclusion does not apply to liability incurred by your "employees" that are "executive officers".

Such coverage is excess over any other collectible insurance, and Paragraph 5. **Other Insurance** of Paragraph B. **General Conditions** under **Section IV – Business Auto Conditions** is changed accordingly.

Any insurance provided by this provision **G. Limited Fellow Employee Coverage** does not apply if separate Fellow Employee Coverage (or any similar or equivalent coverage) has been provided by a separate endorsement issued by us and made a part of this policy or coverage part.

As used in this provision, "executive officer" means a person holding any of the officer positions created by your charter, constitution, by-laws or any other similar governing document.

H. LIMITED LOAN/LEASE GAP COVERAGE

The following is added to **Section III – Physical Damage Coverage**, Paragraph C.:

In the event of a total "loss" to a covered "auto", we will pay up to \$1,500 on the unpaid amount due on the lease or loan for a covered "auto" less:

The amount paid under the Physical Damage Coverage section of the policy; and any:

- a. Overdue or any deferred loan/lease payments at the time of the "loss";
- b. Financial penalties imposed under a lease for excessive use, abnormal wear and tear or high mileage;
- c. Security deposits not returned by the Lessor;
- d. Costs for extended warranties, Credit Life Insurance, Health, Accident or Disability Insurance purchased with the loan or lease; and

- e. Carry-over balances from previous loans or leases; or

Coverage provided under this extension will be excess over any other collectible insurance including, but not limited to, any coverage provided by or purchased from the lessor or any financial institution.

However, this provision does not apply to the extent loan/lease gap coverage has been provided by separate endorsement to this policy.

I. LIMITED RENTAL REIMBURSEMENT COVERAGE

We will pay for rental reimbursement expenses incurred by you for the rental of an "auto" because of a covered physical damage "loss" to a covered "auto" you own, subject to the following additional provisions:

1. As used in this Rental Reimbursement Coverage provision, "auto" means a land motor vehicle, "trailer" or semitrailer designed for travel on public roads.

However, "auto" does not include:

- a. "Mobile equipment"; or
- b. Any other land vehicle that would qualify under the definition of "mobile equipment" under this policy or coverage part if it were not subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged.

2. Payment applies in addition to the otherwise applicable amount of each coverage you have on the covered "auto".
3. No deductible applies to this coverage.
4. We will pay only for those expenses incurred during the policy period beginning 24 hours after the "loss" and ending, regardless of the expiration date of the policy, with the lesser of the following number of days:

- a. The number of days reasonably required to repair or replace the covered "auto"; or
- b. 45 days

5. Our payment is limited to the lesser of the following amounts:

- a. Necessary and actual expenses incurred.
- b. The maximum rental expenses shown below:
 - (1) \$75 any one day;
 - (2) \$3,375 because of "loss" to any one covered "auto";

(3) \$15,000 because of all "loss" to all covered autos in any one policy period.

6. This coverage does not apply while there are spare or reserve "autos" available to you for your operations.
7. Paragraph a. **Transportation Expenses** of Paragraph 4. **Coverage Extension** of Paragraph A. **Coverage** contained in **Section III – Physical Damage Coverage**, does not apply and is entirely deleted.
8. The insurance afforded for **Limited Rental Reimbursement Coverage** in this extension endorsement does not apply if separate Rental Reimbursement Coverage is issued by us as an endorsement and made a part of this policy or coverage part.

J. NEWLY FORMED OR ACQUIRED ORGANIZATIONS

The Named Insured shown in the Business Auto Declarations is amended to include any organization you newly form or acquire, other than:

- (i) a partnership, joint venture, or limited liability company; or
- (ii) an organization excluded either by the provisions of this Coverage Part, or by endorsement,

and over which you maintain ownership or majority interest of more than 50%, subject to the following additional provisions:

1. This insurance does not apply to any newly formed or acquired organization that is an "insured" under any other automobile policy or would be an "insured" under such policy but for its termination or the exhaustion of its Limit of Insurance.
2. Coverage under this provision does not apply to injury, damage, expense, or "loss" that occurred before you formed or acquired the organization.
3. Coverage under this provision is afforded only until the next anniversary date of this policy's effective date after you acquire or form the organization, or the end of the policy period, whichever is earlier.

K. SUPPLEMENTARY PAYMENTS – INCREASED LIMITS

The following changes are made to the Paragraph a. **Supplementary Payments** of Paragraph 2. **Coverage Extensions** of

Paragraph A. **Coverage** contained in **Section II – Covered Autos Liability Coverage**:

1. The limit shown in Subparagraph (2) for the cost of bail bonds is changed from \$2,000 to \$3,000.
2. The limit shown in Subparagraph (4) for all reasonable expenses incurred at our request, including actual loss of earnings because of time off work, is changed from \$250 to \$1,000 per day.

L. TOWING AND LABOR COVERAGE EXTENSION

Paragraph 2. **Towing** of Paragraph A. **Coverage** under **Section III – Physical Damage Coverage** is entirely replaced by the following:

With respect to any "private passenger auto" or "light or medium truck" you own that is provided both Comprehensive Coverage and Collision Coverage in this policy or coverage part, we will pay up to \$75 for towing and labor costs incurred each time such "private passenger auto" or "light or medium truck" is disabled, subject to the following additional provisions:

1. The labor must be performed at the place of disablement;
2. This coverage does not apply to stolen "autos".
3. If, at the time of disablement, such "private passenger auto" or "light or medium truck" is also a covered "auto" for the **Physical Damage Towing And Labor** coverage shown under **Item Two** of the **Business Auto Declarations** in this policy or coverage part, the most we will pay for each covered disablement is the greater of:
 - a. The limit shown under **Item Two** in the **Declarations**, or
 - b. \$75
4. As used in this coverage:
 - a. "Private passenger auto" means a four-wheel auto of the private passenger or station wagon type; and
 - b. "Light or medium truck" means a pick-up or panel truck, sport utility vehicle or similar "auto", with a Gross Vehicle Weight (GVW) of 20,000 pounds or less.

Gross Vehicle Weight (GVW) is the maximum loaded weight for which a single "auto" is designed, as specified by the manufacturer.

M. WAIVER OF SUBROGATION BY CONTRACT OR AGREEMENT

The following is added to Paragraph A.5. **Transfer Of Rights Of Recovery Against Others To Us** contained in **Section IV – Business Auto Conditions**:

The Transfer Of Rights Of Recovery Against Others To Us Condition does not apply to any person(s) or organization(s) for whom you have agreed under written contract or agreement to waive subrogation with respect to the coverage provided under this Coverage Form, but only to the extent that subrogation is waived prior to the "accident" or the "loss".

Endorsement No. 7

Effective Date: 02/02/2024@12:01 a.m. Standard Time at the address of the Named Insured

Policy Number: SP006287-01-2024

Insured Name: Whole Environmental, Inc., DBA: Texas Asbestos Inspections

Issuing Company: AXIS Surplus Insurance Company

Additional (Return) Premium: \$0

If the Endorsement Effective Date is blank, then the effective date of this Endorsement is the Inception Date of the Policy.

ADDITIONAL INSURED/PRIMARY COVERAGE
INCLUDING COMPLETED OPERATIONS
(CGL & CONTRACTORS POLLUTION COVERAGE)

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies the Specialty Package Policy.

In consideration of the premium charged, it is agreed that:

SECTION III – WHO IS AN INSURED is amended to include as an Additional Insured the person or organization shown in the schedule below as respects Coverages A, B and D, but only for liability arising out of Your Work or Covered Operations performed by you or on your behalf for that Additional Insured and not due to any actual or alleged independent liability of said Additional Insured.

This endorsement does not apply to Bodily Injury. Property Damage or Loss arising out of the sole negligence or willful conduct of, or for defects in design furnished by the Additional Insured.

As respects the coverage afforded the Additional Insured, this insurance is primary and non-contributory where a written contract or written agreement in effect prior to any related Claim requires you to provide such coverage. When this insurance is primary and non-contributory, our obligations are not affected by any other insurance carried directly by such additional insured whether it is primary or excess coverage.

However, regardless of the provisions above:

We will not extend any insurance coverage to the additional Insured person or organization:

- (1) That is not provided to you in this Policy; or
- (2) That is broader coverage than you are required to provide to the additional Insured person or organization in the written contract or written agreement.

This endorsement does not increase the Company's Limits of Insurance as specified in the Declarations of the Policy.

SCHEDULE OF ADDITIONAL INSUREDS

Where required by written contract in effect prior to any Claim

All Projects/Locations

Endorsement No. 13

Effective Date: 02/02/2024 @12:01 a.m. Standard Time at the address of the Named Insured

Policy Number: SP006287-01-2024

Insured Name: Whole Environmental, Inc., DBA: Texas Asbestos Inspections

Issuing Company: AXIS Surplus Insurance Company

Additional (Return) Premium: \$0

If the Endorsement Effective Date is blank, then the effective date of this Endorsement is the Inception Date of the Policy.

DESIGNATED CONSTRUCTION PROJECT(S) GENERAL AGGREGATE LIMIT ENDORSEMENT
(GENERAL LIABILITY COVERAGE)

THIS ENDORSEMENT MODIFIES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies the SPECIALTY PACKAGE POLICY

Schedule of Designated Construction Projects:

Where required by written contract in force prior to any claim

- A. For all damages which can be attributed only to ongoing operations under Section I - Coverage A shown in the schedule above:
1. A separate Designated Construction Project Limit applies to each Designated Construction Project, and that limit is equal to the amount of the General Aggregate Limit shown in the Declarations
 2. Except for damages because of Bodily Injury or Property Damage included in the Products Completed Operations hazard, the Designated Construction Project Limit is the most we will pay for the sum of all such damages, regardless of the number of:
 - a. Insureds;
 - b. Claims made or Suits brought; or
 - c. Persons or organizations making Claims or bringing Suits.
 3. Any payments made for such damages under Section 1 - Coverage A shall reduce the Designated Construction Project Limit for that Designated Construction Project. Such payments shall not reduce the General Aggregate Limit shown in the Declarations nor shall they reduce any other Designated Construction Project Limit for any other Designated Construction Project shown in the Schedule above.
 4. The limits shown in the Declarations for Each Occurrence and for Damage to Premises Rented to You continue to apply to a Designated Construction Project. However, instead of being subject to the General Aggregate Limit shown in the Declarations, such limits will be subject to the applicable Designated Construction Project Limit.
 5. The Designated Construction Project General Aggregate Limit is the most we will pay for the sum of all damages under the Designated Construction Project Limit described in Paragraphs 1. and 2. above. Regardless of the number of construction projects or Designated Construction Projects covered under this policy, the most we will pay under the Designated Construction Project General Aggregate is \$2,000,000.

If no amount is entered above, the most we will pay under the Designated Construction Project General Aggregate Limit is \$5,000,000.

- B. For all sums which the insured becomes legally obligated to pay as damages under Section 1 - Coverage A to which this insurance applies and which cannot be attributed only to ongoing operations shown in the Schedule above:
 - 1. Any payments made for such damages shall reduce the amount available under the General Aggregate Limit or the Products-Completed Operations Aggregate Limit, whichever is applicable; and
 - 2. Such payments shall not reduce any Designated Construction Project General Aggregate Limit.
- C. When coverage for liability arising out of the Products-Completed Operations Hazard is provided, any payments for damages because of Bodily Injury or Property Damage included in the Products-Completed Operations Hazard will reduce the Products-Completed Operations Aggregate Limit, and shall not reduce the General Aggregate Limit or the Designated Construction Project General Aggregate Limit.
- D. If the applicable Designated Construction Project has been abandoned, delayed, or abandoned and then restarted, or if the authorized contracting parties deviate from plans, blueprints, designs, specifications or timetables, the project will still be deemed to be the same construction project.
- E. The provisions of SECTION IV – LIMITS OF INSURANCE AND DEDUCTIBLE not otherwise modified by this endorsement shall continue to apply as stipulated.

All other terms and conditions of this Policy remain unchanged.

Endorsement No. 14

Effective Date: 02/02/2024@12:01 a.m. Standard Time at the address of the Named Insured

Policy Number: SP006287-01-2024

Insured Name: Whole Environmental, Inc., DBA: Texas Asbestos Inspections

Issuing Company: AXIS Surplus Insurance Company

Additional (Return) Premium: \$0

If the Endorsement Effective Date is blank, then the effective date of this Endorsement is the Inception Date of the Policy.

ADDITIONAL INSURED – OWNERS, LESSEES OR CONTRACTORS – SCHEDULED PERSON OR ORGANIZATION

This endorsement modifies insurance provided under the following:

SPECIALTY PACKAGE POLICY

SCHEDULE

Name Of Additional Insured Person(s) Or Organization(s)	Location(s) Of Covered Operations
Where required by written contract in force prior to any claim	All Projects/Locations
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.	

A. **Section III – Who Is An Insured** is amended to include as an additional insured the person(s) or organization(s) shown in the Schedule, but only with respect to liability for **Bodily Injury, Property Damage** or **Personal And Advertising Injury** caused, in whole or in part, by:

1. Your acts or omissions; or
2. The acts or omissions of those acting on your behalf;

in the performance of your ongoing operations for the additional insured(s) at the location(s) designated above.

However:

1. The insurance afforded to such additional insured only applies to the extent permitted by law; and
2. If coverage provided to the additional insured is required by a contract or agreement, the insurance afforded to such additional insured will not be broader than that which you are required by the contract or agreement to provide for such additional insured.

B. With respect to the insurance afforded to these additional insureds, the following additional exclusions apply:

This insurance does not apply to **Bodily Injury** or **Property Damage** occurring after:

1. All work, including materials, parts or equipment furnished in connection with such work, on the project (other than service, maintenance or repairs) to be performed by or on behalf of the additional insured(s) at the location of the covered operations has been completed; or
2. That portion of **Your Work** out of which the injury or damage arises has been put to its intended use by any person or organization other than another contractor or subcontractor engaged in performing operations for a principal as a part of the same project.

- C. With respect to the insurance afforded to these additional insureds, the following is added to **Section IV – Limits Of Insurance:**

If coverage provided to the additional insured is required by a contract or agreement, the most we will pay on behalf of the additional insured is the amount of insurance:

1. Required by the contract or agreement; or
2. Available under the applicable Limits of Insurance shown in the Declarations;

whichever is less.

This endorsement shall not increase the applicable Limits of Insurance shown in the Declarations.

Endorsement No. 15

Effective Date: 02/02/2024@12:01 a.m. Standard Time at the address of the Named Insured

Policy Number: SP006287-01-2024

Insured Name: Whole Environmental, Inc., DBA: Texas Asbestos Inspections

Issuing Company: AXIS Surplus Insurance Company

Additional (Return) Premium: \$0

If the Endorsement Effective Date is blank, then the effective date of this Endorsement is the Inception Date of the Policy.

ADDITIONAL INSURED – OWNERS, LESSEES OR CONTRACTORS – COMPLETED OPERATIONS

This endorsement modifies insurance provided under the following:

SPECIALTY PACKAGE POLICY

SCHEDULE

Name Of Additional Insured Person(s) Or Organization(s)	Location And Description Of Completed Operations
Where required by written contract in effect prior to any Claim	All Projects/Locations
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.	

A. Section III – Who Is An Insured is amended to include as an additional insured the person(s) or organization(s) shown in the Schedule, but only with respect to liability for **Bodily Injury** or **Property Damage** caused, in whole or in part, by **Your Work** at the location designated and described in the Schedule of this endorsement performed for that additional insured and included in the **Products-Completed Operations Hazard**.

However:

1. The insurance afforded to such additional insured only applies to the extent permitted by law; and
2. If coverage provided to the additional insured is required by a contract or agreement, the insurance afforded to such additional insured will not be broader than that which you are required by the contract or agreement to provide for such additional insured.

B. With respect to the insurance afforded to these additional insureds, the following is added to Section IV – Limits Of Insurance:

If coverage provided to the additional insured is required by a contract or agreement, the most we will pay on behalf of the additional insured is the amount of insurance:

1. Required by the contract or agreement; or
2. Available under the applicable Limits of Insurance shown in the Declarations;

whichever is less.

This endorsement shall not increase the applicable Limits of Insurance shown in the Declarations.

Endorsement No. 16

Effective Date: 02/02/2024@12:01 a.m. Standard Time at the address of the Named Insured

Policy Number: SP006287-01-2024

Insured Name: Whole Environmental, Inc., DBA: Texas Asbestos Inspections

Issuing Company: AXIS Surplus Insurance Company

Additional (Return) Premium: \$0

If the Endorsement Effective Date is blank, then the effective date of this Endorsement is the Inception Date of the Policy.

WAIVER OF TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US

This endorsement modifies insurance provided under the following:

SPECIALTY PACKAGE POLICY

SCHEDULE

Name Of Person Or Organization: Where required by written contract in effect prior to any Claim
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

The following is added to Paragraph 12.
Subrogation of Section VI – Common Conditions:
We waive any right of recovery we may have against the person or organization shown in the Schedule above because of payments we make for injury or damage arising out of your ongoing operations or **Your Work** done under a contract with that person or organization and included in the **Products-Completed Operations Hazard**. This waiver applies only to the person or organization shown in the Schedule above.

TEXAS WAIVER OF OUR RIGHT TO RECOVER FROM OTHERS ENDORSEMENT

This endorsement applies only to the insurance provided by the policy because Texas is shown in item 3.A. of the Information Page.

We have the right to recover our payments from anyone liable for an injury covered by this policy. We will not enforce our right against the person or organization named in the Schedule, but this waiver applies only with respect to bodily injury arising out of the operations described in the schedule where you are required by a written contract to obtain this waiver from us.

This endorsement shall not operate directly or indirectly to benefit anyone not named in the Schedule.

The premium for this endorsement is shown in the Schedule.

Schedule

1. ☐ Specific Waiver

Name of person or organization

☒ Blanket Waiver

Any person or organization for whom the Named Insured has agreed by written contract to furnish this waiver.

2. Operations: ALL TEXAS OPERATIONS

3. Premium:

The premium charge for this endorsement shall be **2.00** percent of the premium developed on payroll in connection with work performed for the above person(s) or organization(s) arising out of the operations described.

4. Advance Premium: Included, see Information Page

This endorsement changes the policy to which it is attached effective on the inception date of the policy unless a different date is indicated below.
(The following "attaching clause" need be completed only when this endorsement is issued subsequent to preparation of the policy.)
This endorsement, effective on 4/16/24 at 12:01 a.m. standard time, forms a part of:

Policy no. 0001156600 of Texas Mutual Insurance Company effective on 4/16/24

Issued to: WHOLE ENVIRONMENTAL INC

DBA: TEXAS ASBESTOS INSPECTIONS

This is not a bill



Authorized representative

NCCI Carrier Code: 29939

4/3/24

INSTRUCTIONS for State Law Mandated Certificate of Interested Parties Form (Form 1295)

1. Pursuant to House Bill 1295 passed by the 84th Texas Legislature (Section 2252.908, Texas Government Code, as amended) and formal rules released by the Texas Ethics Commission (TEC), all contracts with private business entities requiring approval by the Sherman City Council must be accompanied by an original signature unsworn declaration, Certificate of Interested Parties, Form 1295.
2. Form 1295 must be completed in accordance with the TEC Rules: (<https://www.ethics.state.tx.us/legal/ch46.html>) and Section 2252.908 of the Texas Government Code, as amended: (<http://www.legis.state.tx.us/tlodocs/84R/billtext/html/HB01295F.htm>).
3. For questions or issues regarding the TEC rules and state law provisions and how Form 1295 should be completed, please consult with your own legal counsel.
4. In order to fill out and submit Form 1295, you will need to log in as directed on the TEC website: [https://www.ethics.state.tx.us/whatsnew/elf info form1295.htm](https://www.ethics.state.tx.us/whatsnew/elf%20form1295.htm)

Tutorials for creating an account and for creating and submitting Form 1295 may also be found on this web page.

5. Please provide the bolded information exactly as it appears below when creating your certificate:

Who is the contract with? Click the button for **Other**

Governmental Entity

Agency/Entity Name: **City of Sherman**

Contract ID Number: **2025-04**

Description of Goods and Services to be provided: **Baltic and St Charles Demolition**

6. All other fields as required or as applicable to the individual vendor must be completed as explained in the tutorial video.
7. Vendors must provide a signed, original signature copy of this form along with four signed, notarized, original signature copies of the contract no later than 14 days after Notice of Recommendation for Award is received. All documents shall be signed by an Officer, Director or other Authorized Agent of the company. If the individual signing as Authorized Agent is not an officer or director of the company, appropriate documentation must be included with these documents to confirm that the individual has the authority to bind the company contractually.

Build Number: V4.1.0.48da51f7 (07/24/2024)

TEXAS ETHICS COMMISSION

Certificate of Interested Parties - Submitted

Submitted on 2024-10-29 16:01:14.793

Unique Certificate Identifier: 2024-1232621



City Council Regular Meeting

Agenda Item No. F.3.

Meeting Date: 11/4/2024

Prepared By: Rob Rae, Developmental Services Director

Approved By: Robby Hefton, City Manager

Caption:

RESOLUTION NO. 7418

Authorizing Execution of a Professional Services Agreement with Walter P. Moore and Associates Inc. for a Downtown Building Assessment.

Issue:

To consider a Professional Services Agreement with Walter P. Moore and Associates, Inc. for a Downtown Building Assessment.

Background:

This Downtown Building Assessment project aims to evaluate the structural integrity and overall condition of critical buildings in Downtown Sherman. This initiative seeks to provide the City Council with essential data to inform future development and revitalization strategies.

Structural engineers with Walter P Moore will perform detailed inspections of each selected building within the scope of services to identify potential structural concerns that could affect surrounding properties, including those within the public right-of-way. Walter P Moore will assess the exterior of each building; no interior inspection will be conducted for this assessment.

A detailed report outlining the assessment findings will be provided at the project's conclusion.

The Downtown Building Assessment project will take a proactive approach to preserving downtown buildings while ensuring their safety and vitality. This project provides another step in the path of downtown enhancement.

Origination:

Development Services

Financial Consideration:

Funding needed for this Downtown Building Assessment is \$99,700.

Staff Recommendation:

It is recommended that the professional service agreement with Walter P. Moore and Associates, Inc. be approved.

Alternatives:

As may be directed by City Council.

Attachments:

1. Resolution No. 7418
2. Agreement

RESOLUTION NO. 7418

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING EXECUTION OF A PROFESSIONAL SERVICES AGREEMENT WITH WALTER P. MOORE AND ASSOCIATES, INC. FOR THE DOWNTOWN BUILDING ASSESSMENT; 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 all contract documents being properly completed and approved as to form and content by the City Attorney, to execute a Professional Services Agreement with Walter P. Moore and Associates, Inc. for the Downtown Building Assessment, in accordance with all contract documents attached hereto and made a part hereof for all purposes.

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.

DULY PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS on this the 4th day of November 2024.

CITY OF SHERMAN, TEXAS

BY:

DAVID PLYLER, MAYOR

ATTEST:

BY:

LINDA ASHBY, CITY CLERK

**APPROVED AS TO FORM AND
CONTENT:**

**THE LAW FIRM OF ABERNATHY,
ROEDER, BOYD & HULLETT, P.C.**

BY:

RYAN D. PITTMAN, CITY ATTORNEY

October 18, 2024

Mr. Rob Rae
Director of Development Services
City of Sherman, Texas
307 S. Travis Street
Sherman, Texas 75090

**Re: Downtown Building Assessment
Sherman, Texas
Walter P Moore Proposal No. 24-2857**

Dear Mr. Rae:

Walter P Moore is pleased to submit this proposal to provide professional services for the referenced project.

This proposal is presented to establish a basis for the commencement of our scope of services for the Project. We anticipate that this Proposal and Agreement for Professional Services and attachments, when signed, will serve as our entire Agreement unless superseded by another document signed by both parties.

Basis of Proposal

This proposal is based on our meeting at the City offices on September 25, 2024

Agreement

If this proposal is acceptable, please sign the attached Proposal and Agreement for Professional Services where indicated and return the signed copy to us. This proposal is valid for 60 days.

We very much appreciate the opportunity to provide these services and look forward to working with you on this Project.

Sincerely,

WALTER P. MOORE AND ASSOCIATES, INC.



Brandon Rossetti, P.E.
Senior Associate

Attachments:
Agreement for Services

cc: Jeffrey Kobes, P.E., S.E. | Principal
Jacob Bice, Ph.D., P.E. | Managing Director



PROPOSAL AND AGREEMENT FOR PROFESSIONAL SERVICES – Terms Attached

Project: City of Sherman Downtown Building Assessment
Client: City of Sherman
Client Contact: Mr. Rob Rae
Proposal Date: October 18, 2024
Proposal Number: 24-2857

Walter P. Moore and Associates, Inc. (Walter P Moore) shall provide services to Client for the Project as defined below and in accordance with the attachments listed below:

Project Description: It is our understanding that the project consists of the visual structural safety survey of approximately 107 unreinforced masonry building exteriors in downtown Sherman to provide a baseline assessment of the condition of the exterior masonry walls. The buildings to be included in the survey are indicated on the "Downtown Building Inventory" provided by the City of Sherman (attached as Exhibit A). Based on this assessment, Walter P Moore will provide a report documenting our findings, including a description of the general condition of the buildings' exterior masonry walls, observed items that appear to be an immediate public safety concern, and our recommendations for further investigations.

Observations will be made from the exterior public areas (streets, sidewalks, and alleys) and locations where the property representative allows access. It is understood that the City will be responsible for communicating and coordinating any access to private property.

Our proposal is based on the project as described. If our understanding of the project scope is inaccurate or the project scope materially changes, we understand that our compensation will be equitably adjusted.

Scope of Services: As defined in the attached Schedule SD10 and this Agreement.

Compensation: Walter P Moore proposes to provide the defined Scope of Services on a Lump Sum Fee basis as follows:

Structural Survey	\$ 66,900
Report	\$ 29,300
Presentation of Findings	\$ 3,500
Total	\$ 99,700

Compensation shall be equitably adjusted for changes in the scope of the project as described in the Project Description or changes in the scope of service as described in the Scope of Service.

Miscellaneous out-of-pocket project related expenses are included in the fee above.

Additional Services

Walter P Moore proposes to provide Additional Services not included in the Scope of Services as requested and approved by the Client in writing. Additional Services shall be provided without invalidating this Agreement. Additional Services shall be compensated at a mutually agreed upon fee.

Client's Responsibilities

The Client shall provide overall management and coordination of the Project. Walter P Moore agrees to participate in the coordination effort, to be led by the Client, in order that our Portion of the Project is coordinated with the designs and deliverables of the other members of the Project team.

The Client shall provide to Walter P Moore in a timely manner full information of which the Client is aware regarding any special conditions, design criteria, reports, or special services needed, and to make available any existing data or drawings concerning the Project and Project Site. Walter P Moore shall be entitled to rely upon the accuracy and completeness of any such information provided.

Project Schedule

Walter P Moore will endeavor to achieve the requirements of a reasonable schedule determined appropriate for the Project. Walter P Moore's fee for the defined Scope of Services is based, in part, upon the Project being executed in a timely manner without significant delays or interruptions.

In order for Walter P Moore to proceed with its services toward the accomplishment of the Project Schedule, the following information shall be provided by the Client in a timely manner:

- An executed copy of the Agreement for Professional Services
- Existing building drawings, where available

Payment: As defined in the attached Schedule T3

Limitation of Liability

To the maximum extent permitted by law, Client agrees to limit Walter P Moore's liability for claims arising from or related to the Agreement or the Scope of Services to the Sum of \$50,000 or Walter P Moore's paid fee, whichever is less. This limitation shall apply regardless of the cause of action or legal theory pleaded or asserted, including any kind of indemnity.

Terms of Agreement

In accordance with the Schedule T3 Terms of Agreement.

Attachments:

The following attachments are incorporated by reference as if set forth at length. In the event of a direct conflict between this Agreement and the content of any of the Attachments, this Agreement shall govern.

- Schedule SD10: Scope of Services
- Schedule T3: Terms of Agreement

Executed on this ____ day of _____, 2024 by:

Client: City of Sherman	Walter P. Moore and Associates, Inc.: Jeffrey Kobes, P.E., S.E., Principal
	

SCHEDULE SD10

SCOPE OF BASIC SERVICES

Visual Review

I. Basic Services

- A. In general Walter P Moore's Scope of Basic Services will consist of a visual Phase I assessment documentation of the buildings described in the proposal letter in an effort to document the condition of the unreinforced exterior masonry walls. Our Phase I assessment will include visual observations of the buildings' exteriors, and field documentation of existing conditions that relate to the masonry walls. This phase does not include repair or fix of any distressed elements of the structures.
- B. The services will be performed under the supervision of a professional engineer licensed in the State of Texas.

II. Phase I Condition Assessment

- A. Walter P Moore will perform an onsite visual observation of exterior walls of the buildings identified in the City of Sherman's "Downtown Building Inventory" map, as described in the proposal letter. These observations will be directed to provide a baseline assessment of the condition of the exterior unreinforced masonry walls. The site visits will be done at a time mutually acceptable to Walter P Moore and the CLIENT who will provide list of structures to be evaluated in a Microsoft Excel format. Walter P Moore assumes that the CLIENT will provide information regarding each property owner, address, and approximate date of construction. Walter P Moore assumes that the CLIENT will provide a map of each district identifying an approximate location of each property and its address. The assessment will be made from the exterior of the structures from the ground without removal of any finishes. Review of the structures from the interior will not be performed as part of this assessment.
- B. Walter P Moore will conduct the assessment collecting information about structures, their general condition, construction materials used, and potential presence of common walls. Assessment of approximately 107 structures will be performed.
- C. Walter P Moore will provide a Phase I report based on visual observations of typical distress conditions for the structures that includes the following:
 - 1. A brief description of Walter P Moore's scope of services;
 - 2. An executive summary of our findings;
 - 3. A list of structures visually assessed;
 - 4. A one to two-page summary of each structure including the following:
 - a) Photo documentation of the exterior masonry wall conditions.
 - b) General observations of visible portions of the exterior walls, and observed distress in the walls.
 - c) A rating for each structure based on agreed upon parameters.
 - 5. General recommendations for further action that may be required for typical structural distressed conditions.

- E. Walter P Moore will participate in up to two onsite meetings and prepare brief presentations of the findings if required. Walter P Moore assumes that the onsite meetings will be held at a time prior or after the assessment.

III. Phase II: Additional Structural Services (Not included in this fee proposal)

Based on the findings of the Phase I investigation, further structural engineering services may be advised. These services may be provided under separate proposal or as additional services to this Agreement. These additional services are not included in these Basic Services. Phase II services may include such items of work as:

- A. Assessment of the buildings' interiors, including interior faces of exterior walls, common walls between adjoining buildings, interior walls and interior structural framing.
- B. Coordination of any testing and/or surveying services that Walter P Moore has recommended in Phase I and the CLIENT has agreed to provide.
- C. Assisting a contractor to develop a rough estimate of the costs required to implement the repairs or other course of action recommended.
- D. Preparation of structural design and/or construction documentation to remedy any structural deficiencies found in Phase I that require correction to maintain structural integrity.
- E. Construction-related services related to the remedy of any noted structural deficiencies.



Schedule T3

TERMS OF AGREEMENT

I. Fee Basis

- A. Lump Sum - Invoices and payments will be based on percent complete to date for work performed by Walter P. Moore and Associates, Inc., "WALTER P MOORE".
Reimbursable Expenses - For project-related expenses and subcontracts will be billed and paid at cost. Mileage will be charged at the current prevailing federal rate of reimbursement. Sales taxes, if applicable will be paid by the CLIENT.
- B. If WALTER P MOORE is subpoenaed related to this project or is requested by CLIENT to perform services in support of litigation or any other legal proceeding, including but not limited to by preparing a certificate of merit, or its equivalent, then CLIENT will be responsible for WALTER P MOORE'S fees on a time and material basis and such services shall be performed under a separate Agreement between WALTER P MOORE and CLIENT.

II. Invoices and Payments

- A. WALTER P MOORE will prepare and present invoices to CLIENT and CLIENT shall pay WALTER P MOORE for approved invoices within thirty (30) days from date CLIENT receives invoice from WALTER P MOORE.
- B. Payment for the full fee is due to WALTER P MOORE upon completion of the project.

III. Responsibilities of Client

- A. The CLIENT shall, with reasonable promptness, provide all available information regarding requirements for This Part of the Project.
- B. The CLIENT shall advise WALTER P MOORE of the identity and scope of services of other consultants participating in the Project.

IV. Use of WALTER P MOORE's Documents

- A. Except for reference and coordination purposes in connection with future additions or alterations to the Work, Reports, Drawings, Specifications, and other documents prepared by WALTER P MOORE are instruments of WALTER P MOORE's service for use solely with respect to this Project and, unless otherwise provided, WALTER P MOORE shall be deemed the author of these documents and shall retain all common law, statutory, and other reserved rights, including the copyright. WALTER P MOORE's Drawings, Specifications or other documents shall not be used by the CLIENT or others on other projects, or for completion of the Project by others except by agreement in writing and with appropriate compensation to WALTER P MOORE.

- B. WALTER P MOORE's Reports, Drawings, Specifications, Photographs, Data or other documents shall be used by WALTER P MOORE for internal and external training, teaching, publishing and marketing purposes. WALTER P MOORE will maintain confidentiality of the client names and project details if specifically requested to do so.

V. Modifications of Documents

No changes shall be made to WALTER P MOORE's documents without written permission of WALTER P MOORE.

VI. Insurance

WALTER P MOORE shall obtain insurance covering claims arising out of the performance of professional services under this Agreement and caused by errors, omissions, or negligent acts for which WALTER P MOORE is legally liable. This insurance shall be maintained in force by WALTER P MOORE for a reasonable period after the date of Substantial Completion of the Project as agreed to by the CLIENT and WALTER P MOORE.

VII. Controlling Law and Disputes

The Agreement, and its interpretation and performance, shall be governed by the laws of the United States of America and State of Texas notwithstanding any choice of law principles. Exclusive venue for any dispute arising out of the interpretation or performance of the Agreement shall be in county and state where the Project is located.

VIII. Limit of Liability

- A. WALTER P MOORE shall meet the recognized standards of practice in performing the services covered by this Agreement. **WALTER P MOORE makes no other express or implied warranties regarding the performance or result of these services.**
- B. WALTER P MOORE shall not be responsible for the acts or omissions of the CLIENT, other consultants, CONTRACTOR, Subcontractors, or other persons performing any of the Work
- C. Inasmuch as the remodeling and/or rehabilitation of an existing structure requires that certain assumptions be made regarding existing conditions, and because these assumptions may not be verifiable without expending inordinate amounts of time and money, or damaging otherwise adequate and serviceable portions of the structure, the CLIENT shall, except for cases of proven negligence on the part of WALTER P MOORE, hold harmless, indemnify, and defend WALTER P MOORE from and against any and all claims

arising out of the assumptions made regarding existing conditions in the performance of professional services provided under this Agreement.

D. To the maximum extent permitted by law, Client agrees to limit Walter P Moore's liability for claims arising from or related to the Agreement or the Scope of Services to the Sum of \$50,000 or Walter P Moore's paid fee, whichever is less. This limitation shall apply regardless of the cause of action or legal theory pleaded or asserted, including any kind of indemnity.

E. WALTER P MOORE shall indemnify and hold harmless the CLIENT from and against all damages to the extent caused by the negligent acts or omissions of WALTER P MOORE for services performed under this Agreement.

F. CLIENT shall indemnify and hold WALTER P MOORE harmless from and against all claims, damages, losses, and expenses, including but not limited to attorney's fees, to the extent caused by the negligent acts or omissions of CLIENT.

IX. Successors and Assigns

A. The CLIENT and WALTER P MOORE, respectively, bind themselves, their partners, successors, assigns, and legal representatives to the other party to this Agreement and to the partners, successors, assigns and legal representatives of such other party with respect to all covenants of this Agreement. Neither CLIENT nor WALTER P MOORE shall assign this Agreement without written consent of the other.

B. Unless specifically stated to the contrary in any written consent to an assignment, no assignment will release or discharge the assignor from any duty or responsibility under this Agreement.

C. Nothing contained in this paragraph shall prevent WALTER P MOORE from employing such independent professional associates and consultants as WALTER P MOORE may deem appropriate to assist in the performance of services hereunder.

D. Nothing under this Agreement shall be construed to give any rights or benefits in this Agreement to anyone other than CLIENT and WALTER P MOORE, and all duties and responsibilities undertaken pursuant to this Agreement will be for the sole and exclusive benefit of CLIENT and WALTER P MOORE and not for the benefit of any other party.

X. Hazardous Materials

WALTER P MOORE shall have no responsibility for the discovery, presence, handling, removal, or disposal of or exposure of persons to hazardous materials in any form at the Project site, including but not limited to asbestos, asbestos products, polychlorinated biphenyl (PCB) or other toxic substances.

XI. Termination

This Agreement may be terminated by either party upon not less than seven days' written notice should the other party fail substantially to perform in

accordance with the terms of this Agreement through no fault of the party initiating the termination.

XII. Force Majeure

In the event that WALTER P MOORE is obstructed, interrupted, or impeded, directly or indirectly, in performing any of its obligations under the Agreement by sickness, disease, infection, epidemic, government order, building closure, adverse weather, war, attack, labor unrest or shortage, civil unrest or any other occurrence beyond the control of WALTER P MOORE, or by any complications, responses (e.g., COVID plans), or unreasonable risks arising from such occurrences, then WALTER P MOORE shall be excused from any further performance of its obligations under the Agreement and entitled to adjustment of the Project schedule and its compensation under this Agreement. Additionally, any obligation by WALTER P MOORE to attend an in-person meeting or site visit shall be: (a) excused if it would, in WALTER P MOORE's judgment, be unsafe or its purposes may be satisfied virtually, and (b) subject to any reasonable protocols that WALTER P MOORE has adopted for the health and safety of its employees.

XIII. Waiver

The failure on the part of either party, at any time, to require full performance by the other party of any portion of the Agreement, shall not be deemed a waiver of, or in any way affect, that party's rights to enforce such provisions or any other provision at a later time. Any waiver by any party of any provision or on any occasion shall not be taken or held to be a waiver of any other provision or on any other occasion.

XIV. Severability and Survival of Terms

If any one or more provisions of the Agreement, any portion thereof, or the application thereof to any person or circumstance, shall for any reason be held invalid, illegal or unenforceable in any respect, any such invalidity, illegality or unenforceability shall be deemed stricken and shall not affect any other provision of the Agreement or the application of such provisions to other persons or circumstances, and the balance of the Agreement shall be enforced to the greatest extent permitted by law. Limitations of liability and remedies and all indemnity obligations shall survive termination of the Agreement for any cause.

XV. Dispute Resolution

A. If a dispute arises out of or relates to this contract or the breach thereof, and if the dispute cannot be settled through negotiation, the parties agree first to try to settle the dispute by mediation administered by the American Arbitration Association under its Construction Industry Mediation Procedures before resorting to arbitration or litigation.

XVI. Meaning of Terms

- A. WALTER P MOORE - WALTER P MOORE shall mean Walter P. Moore and Associates, Inc. and WALTER P MOORE'S independent professional associates or consultants.
- B. CLIENT - CLIENT shall mean the party with whom this contract is executed by WALTER P MOORE.
- C. CONTRACTOR-- CONTRACTOR shall mean a third party, if any, engaged to provide construction services based on the Work provided by WALTER P MOORE.



Walter P Moore and Associates, Inc.
500 North Akard, Suite 2300
Dallas, TX 75201

214.740.6200

Project Name:

CITY OF SHERMAN
DOWNTOWN BUILDING
ASSESSMENT

Client:

CITY OF SHERMAN, TEXAS

No.	Date	Description

Designed by:

Approved by:

Drawn by:

Project Number: 24-2857

Date: 10/18/2024

Sheet Title:

CITY OF SHERMAN
DOWNTOWN
BUILDING INVENTORY

Sheet Title:

EX-A

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Downtown Building Inventory

1" = 200'





City Council Regular Meeting

Agenda Item No. F.4.

Meeting Date: 11/4/2024

Prepared By: Clint Philpott, Assistant City Manager

Approved By: Robby Hefton, City Manager

Caption:

RESOLUTION NO. 7419

Approving the Greater Texoma Utility Authority's Intention to Amend Contract Language to Article 9 and Article 15, Conversion from CMAR to Lump Sum, to Kiewit Water Facilities South Co.

Issue:

To approve the Greater Texoma Utility Authority's intention to amend contract language to Article 9 and Article 15, Conversion from CMAR to Lump Sum, to Kiewit Water Facilities South Co.

Background:

The purpose of the contract language revision is to allow the contract to be converted from CMAR contract to a Lump-Sum contract. City Staff, Greater Texoma Utility Authority, Pape-Dawson and Kiewit have agreed to the language to convert the project from a Guaranteed Maximum Price (GMP) to a Lump-Sum amount. This conversion will provide the most efficient method of completing the project within the agreed cost and schedule. The language changes provided in the revised contract are based on the accepted EJCDC recommendation for this event in a standard CMAR contract.

The Final Lump-Sum request is on a separate agenda item for approval at this meeting.

Origination:

Engineering Department

Financial Consideration:

Funds were allocated in 2023A and 2024 GTUA Open Market (OM) bonds.

Staff Recommendation:

It is recommended that the City Council approve GTUA's intention to amend the contract language to Kiewit Water Facilities South for the South Wastewater Treatment Plant.

Alternatives:

As may be directed by the City Council.

Attachments:

1. Resolution No. 7419
2. Recommendation Letter Contract Language Change
3. Contract Language Changes
4. Location Map
5. City Council Meeting Update 11-04-24

RESOLUTION NO. 7419

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, APPROVING THE GREATER TEXOMA UTILITY AUTHORITY'S INTENTION TO AMEND CONTRACT LANGUAGE TO ARTICLE 9 AND ARTICLE 15, CONVERSION FROM CMAR TO LUMP SUM TO KIEWIT WATER FACILITIES SOUTH CO.; 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 of Sherman hereby approves the Greater Texoma Utility Authority's intention to amend contract language to Article 9 and Article 15, to Kiewit Water Facilities South Co.

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.

DULY PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS on this 4th day of November 2024.

CITY OF SHERMAN, TEXAS

BY: _____
DAVID PLYLER, MAYOR

ATTEST:

BY: _____
LINDA ASHBY, CITY CLERK

APPROVED AS TO FORM AND CONTENT:
THE LAW FIRM OF ABERNATHY,
ROEDER, BOYD & HULLETT, P.C.

BY: _____
RYAN D. PITTMAN, CITY ATTORNEY

10/30/224

GTUA/City of Sherman
220 W Mulberry St.
P.O. Box 1106
Sherman, TX 75091
(903) 892-7208

Re: COSK South Wastewater Treatment Plant - MBR Project
Contract Language Change – Lump Sum

Dear GTUA/City of Sherman:

For the South Wastewater Treatment Plant – MBR Project, all parties have agreed to convert the project contract from a Guaranteed Maximum Price to a Lump Sum amount. The Program Management team recommends this change because it provides the most efficient method of completing the project within the agreed cost and schedule. In order to make this contract conversion, contract language is needed. The Engineers Joint Contract Documents Committee (EJCDC) have provided language for this event in a standard CMAR contract. We have utilized this language to develop the recommended changes which are included the attached markup of *Section 00 52 23 – Construction Management at Risk Services Agreement*.

Respectfully,



Toby Flinn, PE
Vice President

Attachments:

1. Markup of Section 00 52 23 Construction Management at Risk Services Agreement

THIS CONSTRUCTION MANAGEMENT AT RISK SERVICES AGREEMENT, hereinafter referred to as the "Agreement," is made and dated as of September 18, 2023, between the Greater Texoma Utility Authority on the behalf of the City of Sherman, having its principal office at Dennison, Texas, hereinafter referred to as "GTUA/City of Sherman " and , Kiewit Water Facilities South Co., a Corporation organized and operating under the laws of the State of Delaware, having an office at Westlake, Texas, hereinafter referred to as "CMAR," (each also hereinafter referred to as "Party" individually or "Parties" collectively), for construction management at risk services in connection with the Major Infrastructure Improvements Program, Wastewater Treatment Plant South- MBR.

Recitals

- GTUA has determined to implement a program for the construction of Major Infrastructure Improvements Program. The Wastewater Treatment Plant South-MBR Work primarily consists of 4MGD Wastewater treatment plant, complete with lift station/ force main, equalization basin, headworks, fine screens, blowers, membrane basins (MBR), RAS/WAS pumping equipment, electrical, site grading, and all necessary equipment, pre- procurement bid packages, and oversight as maybe needed to treat municipal and industrial wastes, including installation commissioning, start up and testing, permitting and final, completion.

The Wastewater Treatment Plant South-MBR project will be completed using the construction manager-at- risk ("CMAR") project delivery method in accordance with Chapter 2269 of the Texas Government Code.

GTUA has determined to contract with a construction manager-at-risk to perform the preconstruction, procurement and construction services. The services will include working and coordinating with the design engineers selected pursuant to one or more separate procurements.

GTUA issued a Request for Qualifications (the "RFQ") on June 6, 2023. Statements of Qualifications ("SOQs") submitted in response to the RFQ were received on July 10th, 2023 from 3 proposers.

The SOQs were reviewed by GTUA and assigned a score based on the evaluation criteria and weighting set forth in the RFQ.

Based on the evaluations and scoring of the SOQs, the 3 highest ranked Proposers ("Short Listed Proposers") were short-listed to receive the Request for Proposals ("RFP").

The RFP was released to the Short Listed Proposers on July 20, 2023

The proposals submitted in response to the RFP ("Proposals") were received on August 11, 2023

The Proposals were reviewed by GTUA and assigned a score based on the evaluation criteria and weighting set forth in the RFP.

Agreement

City of Sherman Major Infrastructure Improvements Program -
WWTP South - MBR

Based on the evaluations and scoring of the Proposals, the highest ranked Proposer provided the best value Proposal for the performance of the services among the Short Listed Proposers responding to the RFP.

In August of 2023, GTUA initiated negotiations with Kiewit Water Facilities South Co. for performance of the services, which have concluded with this Agreement.

On September 18, 2023, the governing body of GTUA authorized the execution and delivery of this Agreement.

In consideration of the mutual covenants herein contained, the parties hereto, intending to be legally bound, agree as follows:

ARTICLE 1: REPRESENTATIONS AND WARRANTIES

1.01 Representations and Warranties of the CMAR.

A. The CMAR hereby represents and warrants that:

1. Existence and Powers. The CMAR is a corporation duly organized, validly existing and in good standing under the laws of the State of Delaware, with the full legal right, power and authority to enter into and perform its obligations under this Agreement.
2. Due Authorization and Binding Obligation. This Agreement has been duly authorized, executed and delivered by all necessary corporate action of the CMAR and constitutes the legal, valid and binding obligation of the CMAR, enforceable against the CMAR in accordance with the terms contained herein and pursuant to applicable law.
3. Information Supplied by the CMAR. The information supplied and representations and warranties made by the CMAR in all submittals made in response to the RFP with respect to the CMAR (and to the best of its knowledge after due inquiry, all information supplied in such submittals with respect to any CMAR Team Member) are true, correct and complete in all material respects.
4. No Conflict of Interest. The CMAR understands that as a political subdivision of Texas, the laws governing GTUA/City of Sherman's Board, employees, and agents may prohibit certain persons from having a financial interest, directly or indirectly, in any contract with the GTUA/City of Sherman ("Prohibited Persons"). The CMAR represents and certifies that its GTUA/City of Sherman's, officers, employees and agents are not Prohibited Persons and that it has tendered to the GTUA/City of Sherman all necessary disclosures and other documents in compliance with the GTUA/City of Sherman's policies and governing laws, including, without limitation, a discretionary contracts disclosure statement and a Conflict of Interest Questionnaire.
5. No Commitments Limiting Ability to Perform CMAR Services. The CMAR has no

commitments, obligations, or impediments of any kind that would have a material and adverse impact on the ability of the CMAR to perform the Services in accordance with the Agreement. The CMAR covenants that it will not enter into any such commitment throughout the period of the performance of the Services.

6. No approvals required. No approval, authorization, order of consent or declaration of, or registration of filing with any governmental body is required for the valid execution and delivery of the Agreement by the CMAR except as such have been duly obtained or made.
7. Licensing and Registration Requirements. The CMAR possesses all licenses required under Laws and Regulations to perform all services required of the CMAR under this Agreement and is not in violation of any of the terms or conditions of such licenses. The CMAR is registered with all appropriate governmental bodies to the extent necessary to perform all of the Services. The CMAR has the authority to do business in the State of Texas.
8. No Litigation. Except as disclosed in writing to GTUA/City of Sherman, there is no legal proceeding, at law or in equity, before or by any court, arbitral tribunal or other governmental body pending or, to the best of the CMAR's knowledge after due inquiry, overtly threatened or publicly announced against the CMAR, in which an unfavorable decision, ruling or finding could reasonably be expected to have a material and adverse effect on the execution and delivery of this Agreement by the CMAR or the validity, legality or enforceability of this Agreement against the CMAR, or any other agreement or instrument entered into by the CMAR in connection with the transactions contemplated hereby, or on the ability of the CMAR to perform its obligations hereunder or under any such other agreements or instruments. For the purposes of this section only, "material" is defined to be an effect in excess of \$1M.
9. Claims and demands. Except as disclosed in writing to GTUA/City of Sherman, there are no material and adverse claims or demands based in environmental, contract or tort law pending or threatened against the CMAR or any of its affiliates that would have a material and adverse effect upon the ability of the CMAR to perform the Services. For the purposes of this section only, "material" is defined to be an effect in excess of \$1M.
10. Laws and Regulations Compliance. Neither the CMAR nor any of its affiliates has any knowledge of any material violation of any law, order, rule or regulation with respect to any facilities or structures constructed by the CMAR or any of its affiliates. For the purposes of this section only, "material" is defined to be an effect in excess of \$1M.
11. The CMAR represents that it is familiar with the ethics requirements of the GTUA/City of Sherman and agrees to comply with such requirements.

ARTICLE 2: WORK, SERVICES AND THE PROJECT

- 2.01 CMAR shall complete all Work as specified or indicated in the Contract Documents. The "Work" is generally described as follows, and includes (but is not limited to) all Construction Management at Risk Services (the "Services") as specified or indicated in the Contract Documents Section 01 01 01, as well as the following:

Wastewater Treatment Plant South-MBR Project ("Project"). The Project consists of:

4MGD Wastewater treatment plant, complete with lift station/ force main, equalization basin, headworks, fine screens, blowers, membrane basins (MBR), RAS/WAS pumping equipment, electrical, site grading, and all necessary equipment, pre- procurement bid packages, and oversight as maybe needed to treat municipal and industrial wastes, including installation commissioning, start up and testing, permitting and final, completion.

- 2.02 The GTUA/City of Sherman's Budget for this project is \$ 155 Million. Construction could be initiated towards end of 2023 with an anticipated completion to allow the Project to be Substantially Complete by April 30, 2025.
- 2.03 This Project is commonly referred to as follows:

Wastewater Treatment Plant South-MBR

ARTICLE 3: ENGINEERS

- 3.01 GTUA/City of Sherman has retained the services of the following identified engineering firms to perform those professional services identified below.
- 3.02 Engineering design shall be performed by the following firm(s) with regard to the general scopes of work as set forth below:
- A. Plummer Associates, Inc.
- 3.03 Collectively, the engineering firms are referred to as the "Engineers." The Engineer shall mean that engineering firm that has primary responsibility for the design and any construction administration obligations over the respective scope of the Work. Each Engineer shall be legally responsible and liable for those consultants and subconsultants retained by the Engineer to provide the engineering services required in its agreement with the GTUA/City of Sherman.
- 3.04 Engineer, who is to act as GTUA/City of Sherman's representative, shall assume all duties and responsibilities, and have the rights and authority assigned to Engineer in the Contract Documents in connection with the completion of the Services and the Work in accordance with the Contract Documents.

ARTICLE 4: CONTRACT TIMES

- 4.01 Time of the Essence: All time limits for Milestones, if any, Substantial Completion, and

completion and readiness for final payment as stated in the Contract Documents are of the essence of the Contract.

4.02 Dates for Substantial Completion and Final Payment:

The Work will be completed and ready for final payment in accordance with Paragraph 14.07 of the General Conditions of the Construction Contract on or before the dates contemplated in Paragraph 2.02, above. These dates are approximate as of the time of this initial Agreement and will be fixed if and when a Guaranteed Maximum Price Amendment for the entire Work is established.

4.03 Liquidated Damages

CMAR and GTUA/City of Sherman recognize that time is of the essence in this Agreement and that GTUA/City of Sherman will suffer financial loss if the Work is not completed within the times specified in Paragraphs 2.01 and 2.02 above, plus any extensions of the Contract Times allowed in accordance with this Agreement and the General Conditions of the Construction Contract. The parties also recognize the delays, expense, and difficulties involved in proving in a legal or arbitration proceeding the actual loss suffered by GTUA/City of Sherman if the Work is not completed on time. Accordingly, instead of requiring any such proof, GTUA/City of Sherman and CMAR agree that as liquidated damages for delay (but not as penalty), CMAR shall pay GTUA/City of Sherman the amount of (\$25,000) per day as Liquidated Damages stipulated in the Amendment establishing the Guaranteed Maximum Price for each day that expires after the time specified in Paragraphs 2.01 and 2.02 for Substantial Completion until the Work is substantially complete, not to exceed an amount equal to \$5,000,000. The achievement of Substantial Completion will be as described in Article 14 of the General Conditions. After Substantial Completion, if CMAR shall neglect, refuse, or fail to complete the remaining Work and achieve final completion within an agreed upon number of days after achieving Substantial Completion, CMAR shall pay GTUA/City of Sherman the amount of (\$20,000) per day as Liquidated Damages stipulated in the Amendment establishing the Guaranteed Maximum Price, not to exceed an amount equal to \$2,000,000. Liquidated Damages will be Owner's sole remedy for damage for CMAR's failure to achieve timely Substantial Completion and final completion. Assessment of Liquidated Damages by the GTUA/City of Sherman shall not constitute a waiver of the GTUA/City of Sherman's right to sue and collect additional damages which GTUA/City of Sherman may sustain by the failure of the CMAR to perform in accordance with the terms of its Contract.

4.04 Early Completion Bonus

GTUA/City of Sherman shall pay the CMAR at the time of Final Payment an early completion bonus ("Early Completion Bonus") of Twenty Five Thousand Dollars (\$25,000.00) per Day for each Day that Substantial Completion occurs before the date of April 30, 2025 up to a maximum bonus of Two Million Dollars (\$2,000,000). GTUA/City of Sherman shall not be liable for any Early Completion Bonus amounts in excess of Two Million Dollars (\$2,000,000), nor shall CMAR be entitled to any portion of the Early Completion Bonus if Substantial Completion does not occur before April 30, 2025.

ARTICLE 5: CONTRACT PRICE

Contract Price shall be as defined by Section 1.01 A (13) of the General Conditions of the Construction Contract, which is incorporated herein by reference.

ARTICLE 6: CMAR'S CONSTRUCTION SERVICES FEE

6.01 CMAR's construction services fee ("CMAR Fee") shall be nine-point nine five percent (9.95 %) of the Cost of the Work. CMAR Fee is intended to compensate CMAR for its profit, as well as its indirect overhead costs not compensated through reimbursement for its General Conditions, defined below and in the General Conditions of the Construction Contract.

6.02 As funds are utilized for contingency work in accordance with Article 8 of this Agreement, CMAR shall be paid nine-point nine five percent (9.95 %) of the contingency funds utilized as its fee for construction services associated with the contingency work.

ARTICLE 7: COST OF THE WORK

7.01 Cost of the Work shall be defined by Section 11.01 of the General Conditions of the Construction Contract, which is incorporated herein by reference.

ARTICLE 8: CONTINGENCY FUNDS

8.01 The contingency funds are for the exclusive use of the CMAR while executing the Work to reimburse the CMAR for Costs of Work due to unforeseen causes or details not capable of reasonable anticipation at the time of the execution of the Agreement.; such contingency funds are not intended for changes in the scope of the Work or for reimbursement of expenses and costs not otherwise recoverable as a Cost of Work under Paragraph 11.01 of the General Conditions of the Construction Contract. The contingency funds shall not be allocated to any particular line item in the Cost of Work.

8.02 The amount of the contingency funds shall be as agreed between the parties when they develop the Guaranteed Maximum Price. Contingency funds will be additive as GMPs are approved and can be used in any aspect of the Work.

8.03 Subject to prior written approval by the GTUA/City of Sherman, the contingency funds may be used for costs incurred in accordance with this Article by the CMAR. The CMAR shall prepare and submit to GTUA/City of Sherman a detailed listing and written justification as to the need to use any part of the contingency funds. GTUA/City of Sherman's approval for such use will not be unreasonably withheld. Approval or concise reasons for disapproval will be provided by GTUA/City of Sherman within 48 hours of receipt of request. Charges against the contingency funds will be tabulated and reported by the CMAR as part of the CMAR's monthly Progress Meeting. CMAR will also provide a tracking system for the measurement and transfer of contingency accounts.

8.04 It is understood that the amount of any such contingency funds is the maximum amount available to the CMAR to cover costs incurred in accordance with this Article and that all cost overruns in excess of the contingency funds will be borne by the CMAR. As an incentive, any unused CMAR Contingency funds can be shared with 60% retained by the Owner and 40% paid

to the contractor at the discretion of GTUA/City of Sherman.

ARTICLE 9: GUARANTEED MAXIMUM PRICE

- 9.01 At the time specified in Section 9.02, below, the CMAR shall prepare a Guaranteed Maximum Price proposal (the "GMP Proposal") for the GTUA/City of Sherman's review and acceptance. The Guaranteed Maximum Price in the GMP Proposal shall be the sum of the CMAR's estimate of the Cost of Work, including contingencies described in Article 8, plus the CMAR Fee described in Article 6. If signed by the GTUA/City of Sherman, this total shall be established as the Guaranteed Maximum Price in an Amendment to the Agreement and shall be subject to authorized increases or decreases for changes in the Work. By signing the Guaranteed Maximum Price Amendment, CMAR guarantees that the total Contract Price will not exceed the GMP unless the GTUA/City of Sherman authorizes an increase in accordance with the Agreement. The CMAR is responsible for all costs in excess of the GMP, unless the GMP has been increased by Change Order for a change in scope of Work by the GTUA/City of Sherman.
- 9.02 The CMAR will provide GMP Proposals per the mutually established Procurement Plan which will outline the packages and timing requirements, in such form and with such backup documentation as required herein for the GMP Proposal. Except as may otherwise be agreed by the GTUA/City of Sherman and the CMAR in advance, the GMP Proposal shall include a contingency fund of no more than is specified in Section 8.02, above.
- 9.03 Any GMP Proposal shall include the following, unless the Parties mutually agree otherwise:
- A. The proposed GMP will be developed as specified in Article 9 of this Agreement and as set out herein. The GMP Proposal shall be submitted in a binder with a title page that indicates whether the GMP Proposal is for an Early Work Package or GMP Proposal for the entire Work. If for an Early Work Package it shall be numbered and titled and dated. Binder pages shall be numbered. Binder shall include all specified items and components of a GMP as required by the Agreement. Sections must be divided by tabs for ease of reference. The GMP Proposal will be organized as follows:
 - 1. Transmittal Letter
 - 2. Table of Contents
 - 3. Tab 1 - Executive Summary- brief general summary, including the Scope of Work for the GMP Proposal.
 - 4. Tab 2 - A list of Drawings and Specifications and other Contract Documents, with the most recent revisions dates, upon which the GMP Proposal is based
 - 5. Tab 3 - Description of Variations, Substitutions proposed to the Drawings and Specifications.
 - 1. Specification listing- provide a detail listing of Specifications by division and section, which describes exclusions, substitutions, modifications, etc. If no changes are proposed for a particular section, insert "as per specifications".
 - 2. "Qualifications and Assumptions- a narrative summary of all qualifications and assumptions included in the Specifications listing.
 - 3. Exclusions- a summary of all exclusions included in the Specifications listing, plus any exclusions not related to the Specifications

4. Value Analysis recommendations - if applicable.
 5. Allowance Schedule - a list of allowances including definitions for all allowances or any open pricing terms and a statement of their basis - if applicable.
 6. A schedule of unit prices - if applicable.
 7. All other information used as the basis for the GMP Proposal.
6. Tab 4 - The proposed GMP for the designated portion of the Work -Cost of the Work Breakdown:
1. Estimated Cost of the Work shall be broken down into previously agreed divisions and such additional sections and Early Work Packages as may have been directed by GTUA/City of Sherman prior to the submission of the GMP Proposal.
 2. Cost breakdown will be a lump sum for each Division and, if applicable, a section with information on proposed subcontractors and pricing supporting such costs.
 3. Itemized listing of all proposed General Conditions costs, including all definitions of cost categories.
 4. The GMP Proposal shall provide for contingency funds in accordance with the Agreement.
 5. Allowances and unit prices shall be included
 6. It must include a description of how the estimated Cost of the Work was derived and prepared in accordance with the requirements of the Agreement.
7. Tab 5 Progress Schedule
1. The Progress Schedule for a GMP Proposal must include detailed activities for all events and Milestones included in the construction phase.
 2. Additionally, the Progress Schedule update must include detailed, logic driven activities for all construction phase activities.
 3. All paths in the Progress Schedule must lead to Milestone activities to ultimately achieve Substantial Completion on or before the Milestone for Substantial Completion.
 4. The Progress Schedule must be provided in hard copy form in the binder and also in an electronic format attached to the binder.
 5. A Schedule of Values based upon the Contract Time requirements.
8. GTUA/City of Sherman and CMAR acknowledge that information provided by CMAR as part of the GMP Proposal, or other deliverables, may contain certain confidential or proprietary information of CMAR. The parties agree to follow the process set forth in the General Conditions regarding such information.
- 9.04 Early Work Package shall be defined as a portion of Work that the Parties agree should be performed prior to the establishment of a Guaranteed Maximum Price for the Project. Prior to being provided with 90% Construction Drawings or establishment of a GMP Proposal for the entire Work, Early Work Packages may be awarded to the CMAR to facilitate the early preparation of the Site, purchase long lead time materials and equipment and otherwise accelerate certain portions of the Work in advance of an agreement between the GTUA/City of

Sherman and CMAR regarding the GMP Amendment for the entire Work.

- 9.05 Either GTUA/City of Sherman or the CMAR may propose Early Work Packages to proceed prior to that time the GMP Proposal for the entire Work is approved by the GTUA/City of Sherman. Based upon the written agreement of the Parties, the CMAR may either self-perform, if selected by the GTUA/City of Sherman as the successful Bidder, or subcontract such Early Work Packages before the GMP Proposal for the entire Work has been submitted and approved. The approved "not to exceed" amount for the scope of the Work included in any Early Work Package shall later be included within the GMP Proposal for the entire Work as an individual line item with reference made to the appropriate Early Work Package agreement. For any Early Work Package payments, the CMAR's fee shall be the same percentage of the Cost of Work set forth in Section 6.01, above. Additionally, CMAR's General Conditions costs relating to the Early Work Package shall be calculated either in the same manner and in the same percentage stated in Article 2.02 of the Cost Proposal, or per the General Conditions GMP. The CMAR will be obligated to provide payment and performance bonds in accordance with Article 5 of the General Conditions of the Construction Contract for the GMP amount of any Early Work Package.
- 9.06 The GTUA/City of Sherman may choose to accelerate the completion of certain portions of the design work so that some specific Early Work Packages may be awarded by the CMAR prior to the completion of the remaining Construction Documents or acceptance by the GTUA/City of Sherman of the GMP Proposal for the entire Work. The CMAR shall verify that the Engineer has provided the documents necessary to Bid and award any Early Work Package. Any Early Work Package shall contain language which makes those subcontracts 100% assignable to GTUA/City of Sherman at GTUA/City of Sherman's option, in the event this Agreement is terminated, and that the Subcontractors shall be obligated to accept that assignment if it should occur.
- 9.07 After submission of any Early Work Package "not to exceed" proposal, as well as after submission of the GMP Proposal for the entire Work, the CMAR and GTUA/City of Sherman shall promptly meet to discuss and review the proposals.
- A. If GTUA/City of Sherman has any comments regarding the respective proposal or finds any inconsistencies or inaccuracies in the information presented, it shall promptly give written notice to the CMAR of such comments or findings.
- B. To the extent that the estimated Cost of the Work of the GMP Proposal exceeds the GTUA/City of Sherman's Budget, the CMAR shall exercise best efforts (as measured by its applicable standard of care under this Agreement) to propose Value Analysis solutions and other cost reduction measures to bring such construction costs within the GTUA/City of Sherman's Budget.
1. The GTUA/City of Sherman and CMAR may cooperate in the revision of the Scope of Work to reduce the cost and re-Bid those portions of the Scope of Work that were revised.
 2. The GTUA/City of Sherman may authorize the CMAR to re-bid some or all portions of the Scope of Work within a reasonable time in an attempt to reduce costs.
 3. The GTUA/City of Sherman may direct the Engineer to take such reasonable steps to revise the design such to meet the GTUA/City of Sherman's intent such that cost can be

achieved within GTUA/City of Sherman's Budget.

- C. If appropriate, the CMAR shall, upon receipt of GTUA/City of Sherman's notice to the CMAR, make appropriate adjustments to the GMP Proposal.
 - D. If GTUA/City of Sherman accepts a GMP Proposal, as may be amended by GTUA/City of Sherman and the CMAR, the GMP Proposal and its basis shall be set forth in a GMP Amendment to this Agreement. Then GTUA/City of Sherman will authorize Engineer to prepare appropriate revisions to the Contract Documents to incorporate all agreed-upon assumptions, clarifications and exclusions contained in the GMP Proposal in a timeframe that supports the construction schedule.
 - E. Notice to Proceed on a GMP Amendment may be issued immediately upon full approval and execution and receipt of all required bonds and insurance.
 - F. The CMAR agrees that to the best of its knowledge that the Contract Documents at the time of the execution of the respective GMP Amendment are sufficient to enable it to determine the GMP for all the Work covered by such GMP Amendment and that such Work can be completed in accordance with the Contract Documents for the GMP. By agreeing to a GMP, the CMAR agrees with the GTUA/City of Sherman that the Work required by the Contract Documents for the Work covered by the respective GMP Amendment, including without limitation, construction means, methods, procedures and techniques necessary to perform the Work, will be consistent with (i) good and sound practices within the construction industry, (ii) generally prevailing and accepted industry standards applicable to the Work, and (iii) requirements of any warranties applicable to the Work.
- 9.08 If GTUA/City of Sherman rejects the GMP Proposal for the entire Work (which it may do in its sole discretion) or fails to notify the CMAR in writing within thirty (30) calendar days of receipt of the GMP Proposal that it accepts the GMP Proposal, the GMP Proposal shall be deemed withdrawn and of no effect. In such event, GTUA/City of Sherman and the CMAR shall meet and confer as to how the Project will proceed with GTUA/City of Sherman having the following options, the selection of which option GTUA/City of Sherman may make in its sole discretion:
- A. GTUA/City of Sherman may suggest modifications to the GMP Proposal and consider the CMAR's additional Value Analysis proposals and other suggestions for cost reduction, whereupon, if such modifications are accepted in writing by the GTUA/City of Sherman and CMAR, the GMP Proposal shall be deemed accepted and the parties shall proceed in accordance with Section 9.07 D, E and F above; or
 - B. GTUA/City of Sherman may authorize and direct, in writing, the CMAR to proceed with the specified Work on the basis of reimbursement as provided in Article 6 (CMAR's Fee) and Article 7 (Cost of the Work) hereof without a GMP, in which case all references in Agreement to the GMP will not be applicable; or
 - C. GTUA/City of Sherman may terminate this Agreement in accordance with Article 18.

- 9.09 If the GTUA/City of Sherman fails to take any action within thirty (30) days of the 'meet and confer' held in accordance with Section 9.08, CMAR may terminate the Agreement. GTUA/City of Sherman will pay CMAR for Services actually rendered through the date of termination.
- 9.10 The intent of the Contract Documents is to include all items necessary for the proper execution and completion of the Work by the CMAR. The Contract Documents are complementary, and what is required by one shall be as binding as if required by all; performance by the CMAR shall be required only to the extent consistent with the Contract Documents and reasonably inferable from them being necessary to produce the indicated results. To the extent the Drawings and Specifications are anticipated to require further development by the Engineer, the CMAR has provided in the GMP for such further development consistent with the Contract Documents and reasonably inferable therefrom. Such further development does not include such things as changes in scope, systems, kinds and quality of materials, finishes or equipment, all of which, if required shall be incorporated by Change Order.
- 9.11 **9.11 Conversion of Cost of Work to a Lump Sum Amount**
- A. If Owner and CMAR mutually agree, compensation for all Work on the Project may be converted to a lump sum (stipulated amount). If compensation for all Work on the Project is converted to a lump sum amount, this lump sum amount will include costs for Construction Support Cost, Cost of the Work, the CMAR Fee, and all other costs associated with the Contract, including any CMAR Contingency Allowance, all as if bid as a lump sum amount. CMAR will no longer have access to CMAR Contingency Allowance funds and bears all risk associated with delivering the Work for the lump sum amount.
- B. The following will continue to apply for conversions to lump sum covered in Paragraph A:
1. The Cost of the Work provisions in Article 7 will continue to apply to pricing certain Change Orders and other similar matters, as set forth in the General Conditions of the Construction Contract.
 2. Owner's Contingency Account will continue to be available per Article 8.

ARTICLE 10: CHANGES IN THE GUARANTEED MAXIMUM PRICE

- 10.01 The amount of any increases or decreases in the GMP that result from a change in the scope of Work shall be set forth in an applicable written Change Order. The amount of any such increase or decrease in the GMP shall be determined by Articles 11 and 12 of the General Conditions of the Construction Contract.

ARTICLE 11: PAYMENT PROCEDURES

- 11.01 Submittal and Processing of Payments for Services associated with the Pre-Construction Services and Procurement Services:
- A. On the first working day following the last Saturday of each month, Contractor shall submit to Engineer for review an Application for Payment completed and signed by Contractor covering the Services completed as of the date of the Application and accompanied by such documentation as may be required, use Microsoft office 365 SharePoint system to submit

the pay application per instructions set forth in the Contract Documents.

- B. Engineer will within 10 days after receipt of each Application for Payment, either indicate in writing a recommendation of payment and present Application to GTUA/City of Sherman or return the Application to CMAR indicating in writing Engineer's reasons for refusing to recommend payment. In the latter case, Contractor may make the necessary corrections and resubmit the Application.
- C. Engineer's recommendation of any payment requested in an Application for Payment will constitute a representation by Engineer to GTUA/City of Sherman, based on Engineer's knowledge and review of the Services completed, that such Services were generally in accordance with the requirements of the Agreement and the Contract Documents.
- D. Twenty days after presentation of the Application for Payment to GTUA/City of Sherman with Engineer's recommendation, the amount recommended will become due, and when due will be paid by GTUA/City of Sherman to CMAR. GTUA/City of Sherman will be responsible for interest on late payment of any undisputed invoice amounts in accordance with the Texas Government Code, Chapter 2251.

11.02 Submittal and Processing of Payments for Services associated with the Construction Services: CMAR shall submit Applications for Payment of the Work in accordance with Article 14 of the General Conditions of the Construction Contract. Applications for Payment will be processed by Engineer as provided in the General Conditions of the Construction Contract.

11.03 Progress Payments and Retainage for the Work:

- A. GTUA/City of Sherman shall make progress payments on the basis of CMAR's Applications for Payment.. All such payments will be measured by the Schedule of Values established as provided in Paragraph 2.07.A of the General Conditions of the Construction Contract. The allocation of the Guaranteed Maximum Price under this Section 11.03 and the General Conditions of the Construction Contract shall not constitute a separate guaranteed maximum price for the Cost of the Work of each individual line item in the schedule of values.
- B. GTUA/City of Sherman shall make progress payments on the basis of CMAR's Applications for Payment within 20 days of receipt of the engineer reviewed/ approved application for payment. Payment will be less the aggregate of payments previously made and less such amounts as GTUA/City of Sherman may be entitled to withhold pursuant to the Contract Documents, including but not limited to Liquidated Damages, in accordance with Paragraph 14.02 of the General Conditions of the Construction Contract. In addition to the amount retained above, the GTUA/City of Sherman may retain additional amounts as permitted elsewhere in the Contract Documents.
- C. Retainage: No retainage will be withheld from progress payments.

- 11.04 Final Payment: Upon final completion and acceptance of the Work in accordance with Paragraph 14.07 of the General Conditions of the Construction Contract, GTUA/City of Sherman shall pay within thirty (30) days the remainder of the Contract Price, as modified in accordance with the Contract Documents, and as recommended by Engineer as provided in said Paragraph 14.07. In no event shall such final payment cause the total amount paid by GTUA/City of Sherman to exceed the Guaranteed Maximum Price.

ARTICLE 12: WORK SELF-PERFORMED BY CMAR OR A CMAR TEAM MEMBER

- 12.01 The CMAR may seek to perform portions of the Work itself, other than the work that may be included in the CMAR's General Conditions costs, if the CMAR submits its Bid and is awarded for those portions of the Work in the same manner as all other Subcontractors. If the CMAR intends to submit a Bid for such Work or a CMAR Team Member intends to submit a Bid, it shall notify GTUA/City of Sherman prior to soliciting Bids and all such Bids will be submitted directly to the GTUA/City of Sherman or the Engineer. If the GTUA/City of Sherman determines that the CMAR's Bid or CMAR Team Member's Bid provides the best value for GTUA/City of Sherman, the CMAR or CMAR Team Member will be awarded that portion of the Work. GTUA/City of Sherman's determination in such matters is final.

ARTICLE 13: INTEREST

- 13.01 The GTUA/City of Sherman is not obligated to pay interest on monies not paid except as provided in Chapter 2251 of the Texas Government Code.

ARTICLE 14: CMAR'S REPRESENTATIONS FOR THE WORK

- 14.01 CMAR makes the following representations as of the date of this Agreement:
- A. CMAR has examined and carefully studied the Contract Documents and the other related data identified in the Request for Proposals.
 - B. CMAR has visited the Site and become familiar with and is satisfied as to the observable general, local, and Site conditions that may affect cost, progress, and performance of the Work.
 - C. CMAR is familiar with and is satisfied as to all federal, state, and local Laws and Regulations that may affect cost, progress, and performance of the Work.
 - D. CMAR has carefully studied: (1) reports of explorations and tests of subsurface conditions at or contiguous to the Site and all drawings of physical conditions in or relating to existing surface or subsurface structures at or contiguous to the Site including Underground Facilities provided in Paragraph 4.02 of the General Conditions of the Construction Contract and (2) reports and drawings of a Hazardous Environmental Condition, if any, at the Site which has been identified in Paragraph 4.06 of the General Conditions of the Construction Contract.

- E. To the extent made available to CMAR by GTUA/City of Sherman, CMAR has obtained and carefully studied additional or supplementary examinations, investigations, explorations, tests, studies, and data concerning conditions including surface, subsurface, and Underground Facilities at or contiguous to the Site which may affect cost, progress, or performance of the Work or which relate to any aspect of the means, methods, techniques, sequences, and procedures of construction to be employed by CMAR, including any specific means, methods, techniques, sequences, and procedures of construction expressly required by the Contract Documents, and safety precautions and programs incident thereto or assumes responsibility for doing so.
- F. CMAR does not consider that any further examinations, investigations, explorations, tests, studies, or data are necessary for the performance of the Work at the Contract Price, within the Contract Times, and in accordance with the other terms and conditions of the Contract Documents.
- G. CMAR is aware of the general nature of Work to be performed by GTUA/City of Sherman and others at the Site that relates to the Work as indicated in the Contract Documents.
- H. CMAR has correlated the information known to CMAR, information and observations obtained from visits to the Site, reports and drawings identified in the Contract Documents, and all additional examinations, investigations, explorations, tests, studies, and data with the Contract Documents.
- I. CMAR has given Engineer written notice of all conflicts, errors, ambiguities, or discrepancies that CMAR has discovered in the Contract Documents, and the written resolution thereof by Engineer is acceptable to CMAR. Notwithstanding, GTUA/City of Sherman acknowledges CMAR is not a designer, engineer or architect and has reviewed the Contract Documents for constructability purposes.
- J. The Contract Documents are generally sufficient to indicate and convey understanding of all terms and conditions for performance and furnishing of the Work.

ARTICLE 15: ACCOUNTING RECORDS

~~15.01—Accounting Record Availability: CMAR shall keep such full and detailed accounts of materials incorporated and labor and equipment utilized for the Work consistent with the requirements of Paragraph 11.01.B of the General Conditions of the Construction Contract and as may be necessary for proper financial management under this Agreement. Subject to prior written notice, GTUA/City of Sherman shall be afforded reasonable access during normal business hours to all CMAR's records, books, correspondence, instructions, drawings, receipts, vouchers, memoranda, and similar data relating to any cost reimbursable payments made to CMAR. CMAR shall preserve all such documents for a period of 5 years after the final payment by GTUA/City of Sherman.~~

- 15.01 **Accounting Record Availability:** CMAR shall keep such full and detailed accounts of materials incorporated and labor and equipment utilized for the Work consistent with the requirements of Paragraph 11.01.B of the General Conditions of the Construction Contract and as may be necessary for proper financial management under this Agreement. Subject to prior written notice, GTUA/City of Sherman shall be afforded reasonable access during normal business hours to all CMAR's records, books, correspondence, instructions, drawings, receipts, vouchers, memoranda, and similar data relating to any payments made to CMAR after the date of Amendment 06 on the basis of cost under Section 11.01 of the General Conditions of the Construction Contract. CMAR shall preserve all such documents for a period of 5 years after the final payment by GTUA/City of Sherman.

ARTICLE 16: CONTRACT DOCUMENTS

16.01 Contents

- A. The Contract Documents consist of the following:
1. Specifications
 2. Addenda (Numbers 00 91 00-1 to 00 91 00-4, inclusive)
 3. Documentation submitted by Contractor prior to Notice of Award (pages insert page numbers, inclusive).
 4. 00 42 23.01 Cost Proposal
 5. This Agreement.
 6. General Conditions of the Construction Contract
- B. The following are also Contract Documents which may be delivered or issued on or after the Effective Date of the Agreement and are not attached hereto
1. Notice to Proceed.
 2. Amendment(s)
 3. Change Order(s).
 4. Field Order(s)
 5. Work Change Directive(s).
- C. The documents listed in Paragraph 16.01.A are attached to this Agreement (except as expressly noted otherwise above).
- D. There are no Contract Documents other than those listed above in this Article 16.
- E. The Contract Documents may only be amended, modified, or supplemented as provided in Paragraph 3.04 of the General Conditions of the Construction Contract.

ARTICLE 17: NON-APPROPRIATION OF FUNDS

- 17.01 Notwithstanding any other provision of this Agreement, this Agreement may be terminated if for

any reason there are not sufficient appropriated and available monies for the purpose of maintaining GTUA's payment obligations under this Agreement. In the event of such termination, the termination will be in accordance with Paragraph 15.03 of the General Conditions of the Construction Contract.

ARTICLE 18: TERMINATION

- 18.01 In addition to the termination terms and conditions in Article 15 of the General Conditions of the Construction Contract, CMAR's failure to provide the Key Personnel or Alternate Key Personnel will justify termination for cause by the GTUA/City of Sherman, unless such failure is due to death, disability or the personnel's voluntary separation from employment from the CMAR or its CMAR Team Members.
- 18.02 In addition to the termination terms and conditions in Article 15 of the General Conditions of the Construction Contract, upon three days written notice, GTUA/City of Sherman may, without cause and without prejudice to any other right or remedy of GTUA/City of Sherman, terminate this Agreement at the conclusion of the Pre-Construction Services or failure of the GTUA/City of Sherman and CMAR to come to an agreement on the Guaranteed Maximum Price Proposal for the entire Work. Such termination shall be subject to the confidentiality provisions set forth in the Contract. The CMAR shall be paid for Services actually rendered through the date of termination. GTUA/City of Sherman's use or alteration of any deliverable furnished prior to any termination by CMAR without CMAR's participation shall be at GTUA/City of Sherman's sole risk and without liability to CMAR.

ARTICLE 19: MISCELLANEOUS

- 19.01 Terms: Terms used in this Agreement will have the meanings stated in the General Conditions of the Construction Contract.
- 19.02 Assignment of Contract: No assignment by a party hereto of any rights under or interests in the Contract will be binding on another party hereto without the written consent of the party sought to be bound; and, specifically but without limitation, moneys that may become due and moneys that are due may not be assigned without such consent (except to the extent that the effect of this restriction may be limited by law), and unless specifically stated to the contrary in any written consent to an assignment, no assignment will release or discharge the assignor from any duty or responsibility under the Contract Documents.
- 19.03 Successors and Assigns: GTUA/City of Sherman and CMAR each binds itself, its partners, successors, assigns, and legal representatives to the other party hereto, its partners, successors, assigns, and legal representatives in respect to all covenants, agreements, and obligations contained in the Contract Documents.
- 19.04 Severability: Any provision or part of the Contract Documents held to be void or unenforceable under any Law or Regulation shall be deemed stricken, and all remaining provisions shall continue to be valid and binding upon GTUA/City of Sherman and CMAR, who agree that the Contract Documents shall be reformed to replace such stricken provision or part thereof with a valid and enforceable provision that comes as close as possible to expressing the intention of the stricken provision.

- 19.05 Venue: CMAR agrees that venue shall lie exclusively in district courts of Grayson County, Texas for any legal action.
- 19.06 CMAR shall provide GTUA/City of Sherman with any necessary documents as required by GTUA.
- 19.07 In the execution of the contract, the Contractor must comply with all applicable local, state and federal laws, including but not limited to laws concerned with labor, safety, minimum wages, and the environment. The Contractor shall be familiar with and at all times shall observe and comply with all federal, state, and local laws, ordinances and regulations which in any manner affect the conduct of the work, and shall defend, indemnify and save harmless the GTUA/City of Sherman, Engineer, and their representatives against any claim arising from violation of any such law, ordinance or regulation by the Contractor, their Subcontractor or their employees.
- 19.08 GTUA/City of Sherman may, but is not obligated to, advance to CMAR a lump sum amount of the anticipated General Conditions to cover costs associated with CMAR's project mobilization (the "Mobilization Advance"). In exchange for the Mobilization Advance, the General Conditions percentage to be paid on all future payment applications will be reduced by an amount agreed to by GTUA/City of Sherman and CMAR until Project completion. After the true-up calculation has been performed, GTUA/City of Sherman and CMAR will make any adjustments necessary to reconcile what GTUA/City of Sherman has actually paid CMAR for General Conditions versus what GTUA/City of Sherman should have paid CMAR for General Conditions. If GTUA/City of Sherman overpaid CMAR for General Conditions, CMAR shall promptly pay (or credit) back to GTUA/City of Sherman any such overpayment.

ARTICLE 20: ENDANGERED SPECIES

- 20.01 No activity is authorized that is likely to jeopardize the continued existence of a threatened or endangered species as listed or proposed for listing under the Federal Endangered Species Act (ESA), and/or the State of Texas Parks and Wildlife Code on Endangered Species, or to destroy or adversely modify the habitat of such species.
- 20.02 If a threatened or endangered species is encountered during construction, the Contractor shall immediately cease work in the area of the encounter and notify the GTUA/City of Sherman, who will immediately implement actions in accordance with the Federal Endangered Species Act and applicable State statutes. These actions shall include reporting the encounter to the U.S. Fish and Wildlife Service, and the Texas Parks and Wildlife Department, obtaining any necessary approvals or permits to enable the work to continue, or implement other mitigation actions. The Contractor shall not resume construction in the area of the encounter until authorized to do so by the GTUA/City of Sherman. If a delay to the Work is caused by an encounter with threatened or endangered species as described above, and expressly conditioned upon such delay being on the critical path of Contractor's Work at the time of the encounter, Contractor shall be entitled to seek an extension of the Contract Time and an increase in the GMP in accordance with Article 12 of the General Conditions.

IN WITNESS WHEREOF, GTUA/City of Sherman and CMAR have signed this Agreement in duplicate. One counterpart each has been delivered to GTUA/City of Sherman and CMAR. All portions of the Contract Documents have been signed or identified by GTUA/City of Sherman and CMAR or on their behalf.

This Agreement will be effective on **Date to be inserted at the Time of Contract Execution.**

GTUA/City of Sherman: _____

CMAR: _____

typed or printed)

(typed or printed)

By: _____

(Individual's signature)

By: _____

(Individual's signature)

Name: _____

(typed or printed)

Name: _____

(typed or printed)

Attest: _____

(Individual's signature)

Attest: _____

(Individual's signature)

Address for giving notice:

Designated representative:

Name: _____

Designated representative:

Name: _____

Title: _____

Title: _____

Address: _____

Address: _____

Phone: _____

Phone: _____

Facsimile: _____

Facsimile: _____

E-mail: _____

E-mail: _____



SOUTH WWTP – MBR PROJECT



As of April 3, 2024

- **Total Personnel Onsite:
181**

- Onsite Staff: 67
- Onsite Craft: 78
- Onsite Subcontractors: 36

- **Total Percent Complete**

- Excavation: 73%
- Backfill: 14%
- UG Pipe: 3.5%
- UG Electrical: 0%
- Concrete: 10%
- AG Pipe: 0%
- AG Electrical: 0%
- Process Mechanical: 0%

As of September 30, 2024

- **Total Personnel Onsite:
377**

- Onsite Staff: 93
- Onsite Craft: 223
- Onsite Subcontractors: 61

- **Total Percent Complete**

- Excavation: 83%
- Backfill: 40%
- UG Pipe: 58%
- UG Electrical: 68%
- Concrete: 60%
- AG Pipe: 0%
- AG Electrical: 0%
- Process Mechanical: 0%

- **Total Manhours without a Recordable**
 - 320,626 MH
 - 55,493 in September 2024
- **Total Contracts Executed**
 - 71 Total
 - 20 Subcontracts
 - 25 Service Agreements
 - 26 Material Contracts
- **Total Submittals Approved**
 - 460 Approved or Approved As Noted
 - 72 Information Only
 - 46 Currently in Review
- **Total Off Site Vendor Surveillance Inspections**
 - 2 supplier facility quality inspections
 - 14 supplier pre-fab meeting quality inspections



Oct 19, 2023

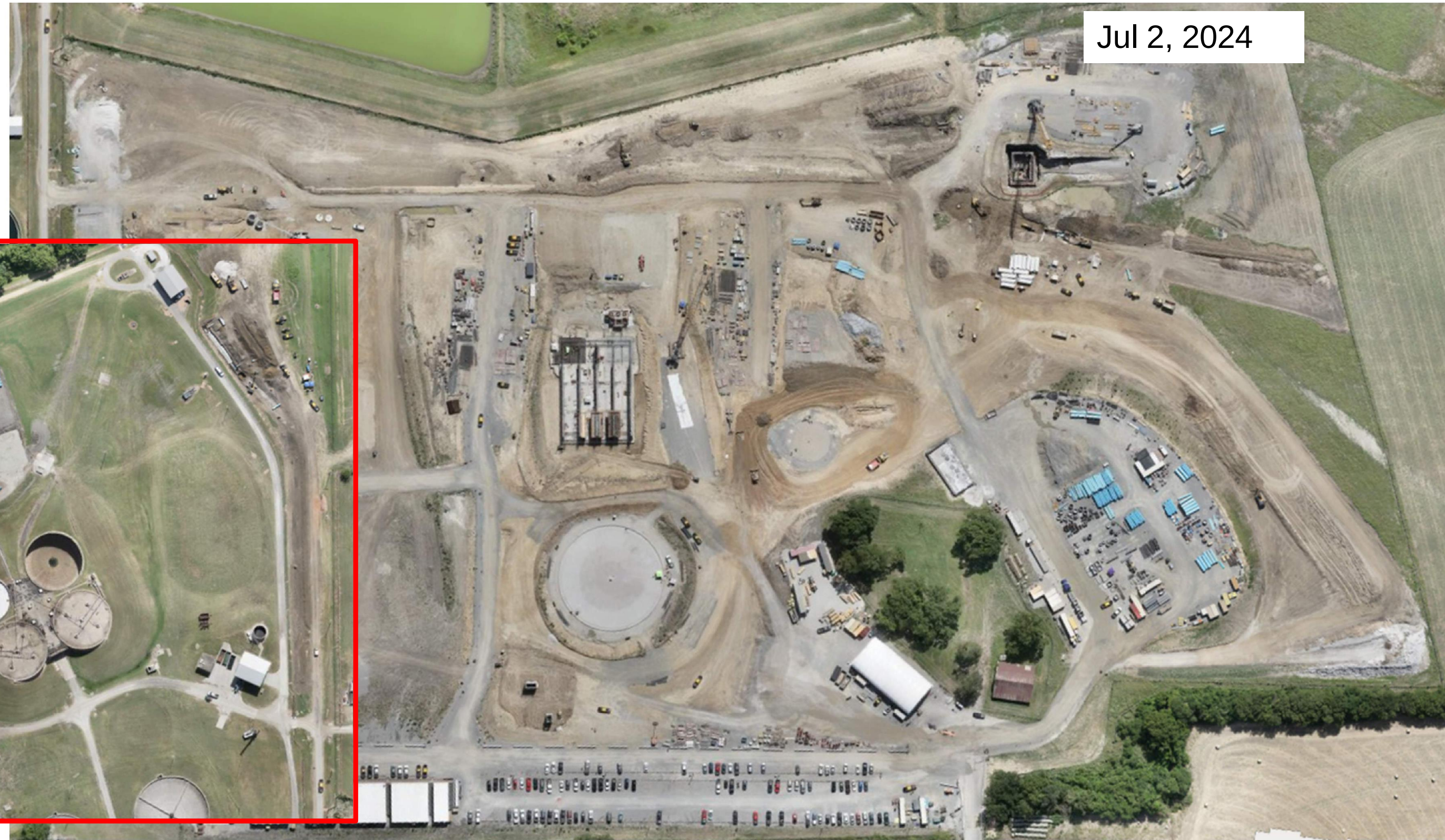


Jan 3, 2024



Apr 5, 2024

Jul 2, 2024



North Plant



Sep 26, 2024



Apr 4, 2024



Sep 26, 2024



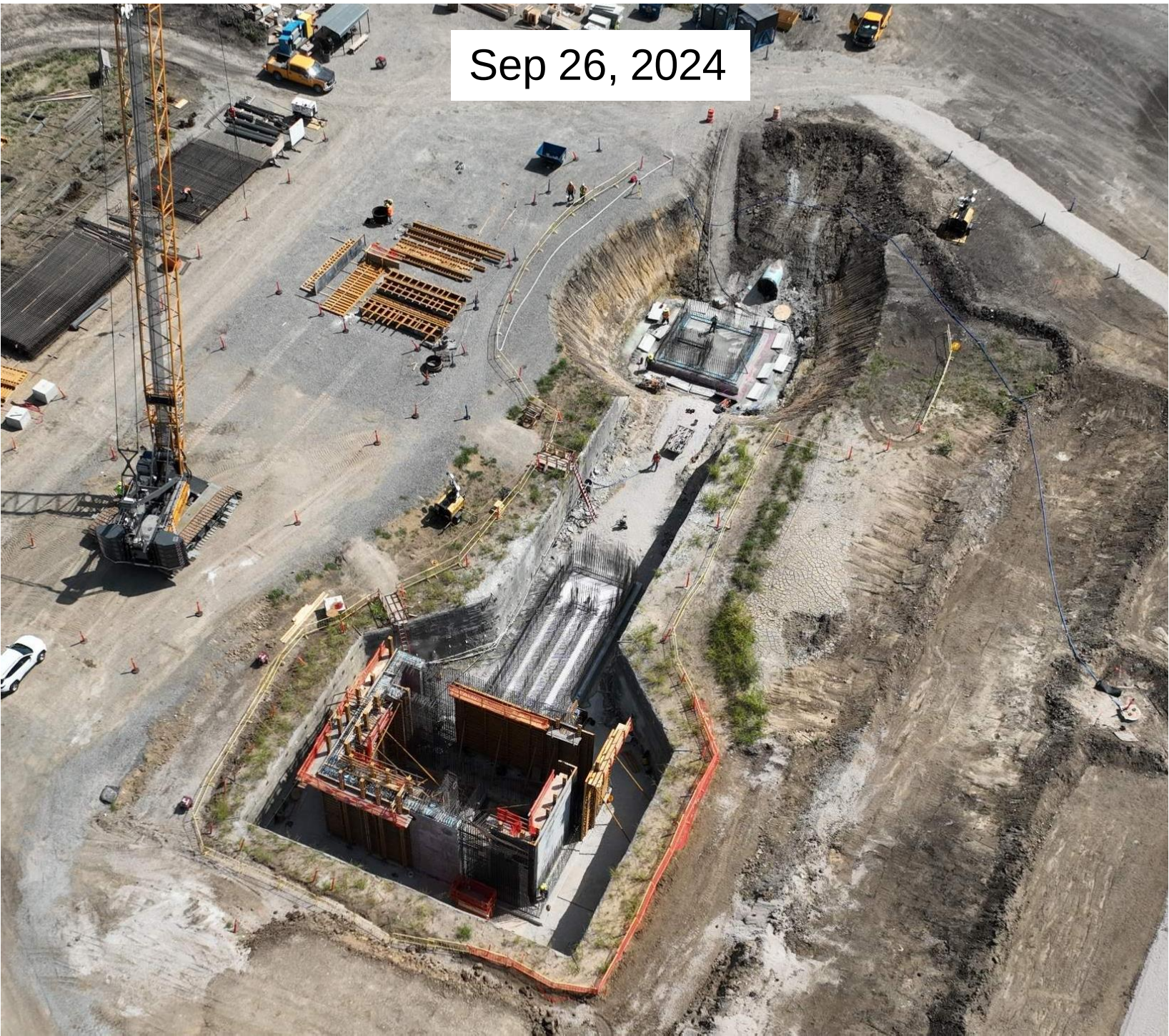
Apr 4, 2024



Sep 26, 2024



Influent Pump Station



Biological Reactor Basin,
Membrane Basins, Membrane
Support Building, RAS, and
EQ Tank

Sep 26, 2024

Apr 4, 2024



Biological Reactor Basin,
Membrane Basins, Membrane
Support Building, and RAS

Sep 26, 2024



Apr 4, 2024



Preliminary
Treatment Unit

Oct 1, 2024



Apr 4, 2024





SHERMAN SOUTH – WWTP PROJECT
EQ Tank

EQ Tank

Sep 26, 2024



Apr 4, 2024





SHERMAN SOUTH – WWTP PROJECT

North Plant Relift

North Plant Relift

Sep 26, 2024



Mar 26, 2024





SHERMAN SOUTH – WWTP PROJECT

Kiewit Community Outreach

June 2024: Collected 332 canned goods that were donated to the local Salvation of Army in Sherman.



August 2024: Donated 300+ Canned Goods to Grand Central Station a Local Nonprofit Organization. Their mission is to provide food, tools for learning, advocacy, and life solutions, for their neighbors in need, in an environment of safety.

June 2024: Donated shoes to local basketball team.



July 2024: Shoveled wood chips in play zone area at the local city of Sherman park – Martin Luther King



As of September 30, 2024

- **Total Personnel Onsite:
377**

- Onsite Staff: 93
- Onsite Craft: 223
- Onsite Subcontractors: 61

- **Total Percent Complete**

- Excavation: 83%
- Backfill: 40%
- UG Pipe: 58%
- UG Electrical: 68%
- Concrete: 60%
- AG Pipe: 0%
- AG Electrical: 0%
- Process Mechanical: 0%



City Council Regular Meeting

Agenda Item No. F.5.

Meeting Date: 11/4/2024

Prepared By: Clint Philpott, Assistant City Manager

Approved By: Robby Hefton, City Manager

Caption:

RESOLUTION NO. 7420

Approving the Greater Texoma Utility Authority's Intention to Approve Amendment No. 7 (Final GMP) to Kiewit Water Facilities South Co. for the South Wastewater Treatment Plant

Issue:

To consider approving the Greater Texoma Utility Authority's intention to approve Amendment No. 7 (Final GMP) for the South Wastewater Treatment Plant

Background:

This Amendment No. 07 is the Final GMP for the South Wastewater Treatment Plant - MBR Project. The Final GMP proposal includes all GMPs/Bid Packages and Work Change Directives issues with CMAR services.

The scope of work included with the Final GMP consists of construction of a Wastewater Treatment Plant, including a Diversion Structure, Influent Pump Station, Storage Tanks, Equalization Basin, Preliminary Treatment Unit, Carbon Storage, Blower Building, Membrane Biological Reactor basin, RAS Pump Station, MBR Supporting Building, Re-lift Pump Station, Effluent Filters and commissioning, startup and testing.

The Final GMP proposal is submitted as a Lump Sum and totals \$288,131,406.55. This does not include scope changes during construction following acceptance of the Lump Sum Amendment; those will be brought back to the Council for subsequent approval on a case by case scenario.

Close collaboration between the design engineer, construction manager, CMAR and City Staff reviewing each component of the proposed amendment. This Amendment is recommended for approval.

Origination:

Engineering Department

Financial Consideration:

Funds needed for this package is \$288,131,409.55 and will be provided through the GTUA Open Market bonds.

Staff Recommendation:

It is recommended that the City Council approve GTUA's intention to approve Amendment No. 7 for the South Wastewater Treatment Plant.

Alternatives:

As may be directed by the City Council

Attachments:

1. Resolution No. 7420
2. COSK-KWT-GMP0001 Final GMP Rev1 Sherman South WWTP
3. Location Map

RESOLUTION NO. 7420

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, APPROVING THE GREATER TEXOMA UTILITY AUTHORITY'S INTENTION TO APPROVE AMENDMENT NO. 7 (FINAL GMP) TO KIEWIT WATER FACILITIES SOUTH CO. FOR THE SOUTH WASTEWATER TREATMENT PLANT; 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 of Sherman hereby approves the Greater Texoma Utility Authority's intention to award Amendment No. 2 to Kiewit Water Facilities South Co. in the amount of Two Hundred Eighty-Eight Million One Hundred Thirty-One Thousand Four Hundred Nine dollars and Fifty-Five cents (\$288,131,409.55).

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.

DULY PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS on this the 4th day of November 2024.

CITY OF SHERMAN, TEXAS

**BY: _____
DAVID PLYLER, MAYOR**

ATTEST:

**BY: _____
LINDA ASHBY, CITY CLERK**

**APPROVED AS TO FORM AND CONTENT:
THE LAW FIRM OF ABERNATHY,
ROEDER, BOYD & HULLETT, P.C.**

**BY: _____
RYAN D. PITTMAN, CITY ATTORNEY**



Sherman
CLASSIC TOWN. BROAD HORIZON.



City Council Regular Meeting

Agenda Item No. F.6.

Meeting Date: 11/4/2024

Prepared By: Wayne Lee, Director of Engineering

Approved By: Robby Hefton, City Manager

Caption:

RESOLUTION NO. 7421

Authorizing Execution of an Amended and Restated Professional Services Agreement with Teague Nall and Perkins, Inc. for Design of the Heritage Ranch Public Improvements Project.

Issue:

To consider approval of Amendment No. 1 to the Professional Services Agreement with Teague Nall and Perkins, Inc. for Design of the Heritage Ranch Public Improvements Project.

Background:

On January 2, 2024 the City Council approved a Professional Services Agreement with Teague Nall & Perkins, Inc. for the the design of Lonestar Parkway from Highway 82 to the new SISD Elementary School as well as the design of Heritage Ranch Trail from Lonestar Parkway along the south side of the Elementary School. The contract included preliminary design of Lone Star parkway north of Heritage Ranch Trail and preliminary design of Heritage Ranch Trail west of the elementary school.

During the design process, it was determined due to grades and alignment, most of the existing road north of Heritage Ranch Trail would need to be removed and replaced along the east side of the proposed school. It made the most economic sense to construct the concrete southbound lanes of Lonestar Parkway to the north end of the elementary school requiring additional paving and drainage design services.

As part of the Development Agreement with Covenant Development, the City will extend Heritage Ranch Trail as new development occurs. Currently, there is an apartment complex being designed at the corner of FM 1417 and the future Hertiage Ranch Trail and other developments between the new school and FM 1417 are being proposed. Therefore, final design of Heritage Ranch Trail from the school to FM 1417 is necessary.

This Amendment No. 1 provides the following additional services:

- Full roadway and storm sewer design of the southbound lanes of Lone Star Parkway between Heritage Ranch Trail and the north side of the elementary school.
- A redesign of the storm drain system on Lone Star Parkway. The redesign is required as a result of a change to the drainage system of an adjacent development currently under design.
- Bid and Construction Phase services for the improvements associated with Phase 2 of Heritage Ranch Trail
- Texas Accessibility Standards (TAS) plan review and inspection for Phase 2

This Amendment No. 1 adds \$162,200.00 to the contract for a total contract cost of \$1,250,660.00.

Origination:

Engineering Department

Financial Consideration:

Funding needed for this Amendment No. 1 is \$162,200.00 and will be funded by general obligation bonds.

Staff Recommendation:

It is recommended that Amendment No. 1 to the professional services agreement with Teague Nall and Perkins Inc. for the design of the Heritage Ranch Public Improvements project be approved.

Alternatives:

As may be directed by the City Council

Attachments:

1. Resolution No. 7421
2. Unsigned Amendment No 1 - Heritage Ranch Public Improvements - Ver3
3. Resolution 7241 (ID 374117) & Executed PSA
4. Location Map 3110 - Heritage Ranch Public Improvements

RESOLUTION NO. 7421

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING EXECUTION OF AN AMENDED AND RESTATED PROFESSIONAL SERVICES AGREEMENT WITH TEAGUE NALL AND PERKINS, INC. FOR DESIGN OF THE HERITAGE RANCH PUBLIC IMPROVEMENTS; 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 all contract documents being properly completed and approved as to form and content by the City Attorney, to execute an amended and restated Professional Services Agreement with Teague Nall and Perkins, Inc. for Design of the Heritage Ranch Public Improvements, in accordance with all contract documents attached hereto and made a part hereof for all purposes.

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.

DULY PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS on this the 4th day of November 2024.

CITY OF SHERMAN, TEXAS

**BY: _____
DAVID PLYLER, MAYOR**

ATTEST:

**BY: _____
LINDA ASHBY, CITY CLERK**

**APPROVED AS TO FORM
AND CONTENT:
THE LAW FIRM OF ABERNATHY,
ROEDER, BOYD & HULLETT, P.C.**

**BY: _____
RYAN D. PITTMAN, CITY ATTORNEY**

AMENDMENT NO. 1

TO THE PROFESSIONAL SERVICES AGREEMENT FOR ENGINEERING DESIGN SERVICES BETWEEN THE CITY OF SHERMAN (“CITY”) AND TEAGUE NALL AND PERKINS, INC. (“CONSULTANT”) FOR THE HERITAGE RANCH PUBLIC IMPROVEMENTS PROJECT

Dated January 2, 2024 (“Original Agreement”)

The Original Agreement included a 30% schematic design and an interim asphalt pavement design for Lone Star Parkway between Heritage Ranch Trail and the north side of the Sherman ISD elementary school.

This Amendment No. 1 provides the following additional services:

- Full roadway and storm sewer design of the southbound lanes of Lone Star Parkway between Heritage Ranch Trail and the north side of the elementary school.
- A redesign of the storm drain system on Lone Star Parkway which is designated as “System A” in the construction plans. The redesign is being required as a result of a change to the drainage system of and an adjacent development currently under design. The design firm working on the development project requested the revision and it was later approved by the City.
- Bid and Construction Phase services for the improvements associated with Phase 2 of Heritage Ranch Trail
- TAS plan review and inspection for Phase 2

The contract amount under the Original Agreement shall be amended and increased by a fee not to exceed the following amounts:

Description	Current Agreement	Amendment No 1 Reallocation	Amendment No 1 Increase	Adjusted TOTAL
TASK 2 – PRELIMINARY DESIGN (60%)	\$250,000.00	-	\$57,000.00	\$307,000.00
TASK 3 – PRE-FINAL & FINAL DESIGN (90% & 100%)	\$150,000.00	-	\$44,000.00	\$194,000.00
TASK 3A – PHASE 1 STORM DRAIN MODIFICATION	-	-	\$20,000.00	\$20,000.00
TASK 4A – BID PHASE SERVICES – PHASE 2	-	-	\$9,000.00	\$9,000.00
TASK 5A – CONSTRUCTION PHASE SERVICES – PHASE 2	-	-	\$30,000.00	\$30,000.00
TASK 13A – TAS PLAN REVIEW & INSPECTION – PHASE 2 (VIA SUB)	-	-	\$2,200.00	\$2,200.00
Subtotal			\$162,200.00	
TOTAL FEE INCREASE (NOT TO EXCEED)			\$162,200.00	

This Amendment No. 1 shall be effective on the date it is executed by the last party to execute it. The OWNER and CONSULTANT hereby agree to amend Exhibit A of this Original Agreement to read as follows:

The work will be as directed by the Owner and include the following:

III. TASK SUMMARY, BASIC SERVICES

B. Task 2 - Preliminary Design (60%)

13. The CONSULTANT will complete the tasks described in Exhibit A for Lone Star Parkway from the intersection of Heritage Ranch Trail, extending 1,250 LF to the north side of the future elementary school site. The design will include the 2 southbound lanes of the ultimate 4 lane divided pavement section, storm sewer design, and asphalt transitions.

C. Task 3 – Pre-Final & Final Design (90% and 100%)

14. The CONSULTANT will complete the tasks described in Exhibit A for Lone Star Parkway from the intersection of Heritage Ranch Trail, extending 1,250 LF to the north side of the future elementary school site. The design will include the 2 southbound lanes of the ultimate 4 lane divided pavement section, storm sewer design, and asphalt transitions.

Task 3A – Phase 1 Storm Drain Modification

The CONSULTANT will prepare a design revision to the storm drain system along Lone Star Parkway within the limits shown in Exhibit H, Task 3A. The revision will be prepared and posted as an addendum to the Phase 1 construction plans. The revision is will require modifications to be made to the following plan sheets and bid book sheets in the Phase 1 bid documents:

1. Construction Plans:
 - a) Paving Plan and Profile Sheets
 - b) Erosion Control Sheets
 - c) Drainage Area Map Sheets
 - d) Hydraulic Calculation Sheet
 - e) Storm Drain Plan and Profile Sheets
 - f) Lateral Profile Sheets
 - g) Grading plan sheet
2. Bid Book:
 - a.) Plan Quantities and Bid Table

D. Task 4A – Bid Phase Services – Phase 2

The CONSULTANT will complete the tasks described in Exhibit A for the “Future Phase” of Heritage Ranch Trail between FM 1417 and the Phase 1 limits. This assumes the “Future Phase” will only consist of one phase.

E. Task 5A – Construction Phase Services – Phase 2

The CONSULTANT will complete the tasks described in Exhibit A for the “Future Phase” of Heritage Ranch Trail between FM 1417 and the Phase 1 limits. This assumes the “Future Phase” will only consist of one phase.

IV. TASK SUMMARY, SPECIAL SERVICES

**H. Task 13A: – TAS Plan Review & Inspection – Phase 2
(via sub-consultant)**

The Consultant will complete the tasks described in Exhibit A for the “Future Phase” of Heritage Ranch Trail between FM 1417 and the Phase 1 limits. This assumes the “Future Phase” will only consist of one phase.

This Amendment No. 1 shall be effective on the date it is executed by the last party to execute it. The OWNER and CONSULTANT hereby agree to amend and replace Exhibit B of this Original Agreement to read as follows:

EXHIBIT B
PROJECT BUDGET SUMMARY

I. Basic Services

Task 1: Conceptual Design (30%) (Expected Completion: 5/30/24)**	\$225,000.00 (Lump Sum)
Task 2: Preliminary Design (60%) (Expected Completion: 12/4/2024)*	\$307,000.00 (Lump Sum)
Task 3 - Pre-Final & Final Design (90% & 100%) (Expected Completion: 3/19/25)*	\$194,000.00 (Lump Sum)
Task 3A – Phase 1 Storm Drain Modification (Expected Completion: 10/1/24)**	\$20,000.00 (Lump Sum)
Task 4 - Bid Phase Services (Expected Completion: 10/1/24)**	\$9,000.00 (Lump Sum)
Task 4A – Bid Phase Services Phase 2 (Expected Completion: 6/1/25)*	\$9,000.00 (Lump Sum)
Task 5 - Construction Phase Services	\$50,000.00 (Hourly, NTE)
Task 5A - Construction Phase Services	\$30,000.00 (Hourly, NTE)

Total Basic Services	\$844,000.00
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II. Special Services

Task 6: Survey	
Task 6a: Boundary & Design Topographic Survey	\$50,500.00 (Lump Sum)
Task 6b: Separate Instrument Exhibits (if required) (10 @ \$2,500.00 each)	\$25,000.00 (Lump Sum)
Task 6c: Full Design Topo (if required)	\$40,000.00 (Lump Sum)
Task 7: QL 'B/C/D' SUE	\$29,600.00 (Hourly, NTE)
Task 8: QL 'A' SUE (14 @ \$2,850.00 each)	\$39,900.00 (Lump Sum)
Task 9: Utility Coordination	\$68,300.00 (Hourly, NTE)
Task 10: Geotechnical (via sub-consultant)	
Task 10a: Geotechnical Engineering	\$64,350.00 (Lump Sum)
Task 10b: Site Clearing for Geotechnical Borings (if required)	\$4,400.00 (Lump Sum)
Task 11: Environmental Services (via sub-consultant)	
Task 11a: Archeological Survey and Agency Coordination	\$23,820.00 (Lump Sum)
Task 11b: Additional Archeological Site Recording (if required) (1 @ \$2,750.00 each)	\$2,750.00 (Lump Sum)
Task 11c: Deed Title and Archival Research (if required) (1 @ \$2,750.00 each)	\$2,750.00 (Lump Sum)
Task 11d: Waters of the United States Delineation	\$4,180.00 (Lump Sum)
Task 11e: Section 404/Nationwide Permit Assessment	\$1,650.00 (Lump Sum)
Task 12: Illumination Design (via sub-consultant)	\$26,960.00 (Lump Sum)
Task 13: TAS Plan Review & Inspection (via sub-consultant)	\$2,200.00 (Lump Sum)

Task 13A: TAS Plan Review & Inspection – Phase 2 (via sub-consultant)	\$2,200.00 (Lump Sum)
Direct Cost (3%)	\$28,100.00 (Lump Sum)
<i>Total Authorized Special Services</i>	<i>\$416,660.00</i>
<i>Project Budget, Grand Total (Not-To-Exceed)</i>	<i>\$1,260,660.00</i>

*Completion schedule is based on a January 2024 Notice to Proceed

**Task has been previously completed in order to meet Phase 1 bid schedule

The parties hereby ratify and confirm all of the terms, provisions, covenants and conditions of the Original Agreement and acknowledge and agree that the Original Agreement remains in full force and effect, except as amended in Amendment No. 1. To the extent that any provision contained herein conflicts with the Original Agreement, the provision contained herein shall supersede such conflicting provision contained in the Original Agreement. Amendment No. 1, and the Original Agreement contain the entire agreement of the parties with respect to the matters contained herein. This Amendment No. 1 may not be modified or terminated except upon the provisions hereof or by the mutual written agreement of the Parties hereto.

[Rest of page left intentionally blank]

EXECUTED in three (3) counterparts (each of which is an original) on behalf of ENGINEER shown below, and on behalf of the OWNER by its City Manager (thereunto duly authorized) this _____ day of _____, 2024.

OWNER:
CITY OF SHERMAN, TEXAS

CONSULTANT:
TEAGUE NALL AND PERKINS, INC.

Robby Hefton
City Manager

Justin Walton, P.E., CFM
Team Leader, Associate Principal

ATTEST:

ATTEST:

Linda Ashby
City Clerk

APPROVAL RECOMMENDED:

Wayne E. Lee, P.E., CFM / Civil Engineer

APPROVED AS TO FORM:
THE LAW FIRM OF ABERNATHY,
ROEDER, BOYD & HULLETT, P.C.

BY: _____
Ryan D. Pittman
City Attorney

CORPORATE ACKNOWLEDGMENT

THE STATE OF TEXAS§

COUNTY OF _____§

BEFORE ME, the undersigned authority, a Notary Public in and for said County and State, on this day personally appeared _____ of Teague Nall and Perkins, Inc. known to me to be the person and officer whose name is subscribed to the foregoing instrument and acknowledged to me that the same was the act of the said Teague Nall and Perkins, Inc., a corporation, that (s)he was duly authorized to perform the same by appropriate resolution of the board of directors of such corporation for the purposes and consideration therein expressed, and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this the _____ day of _____, A.D. 2024.

Notary Public In and For _____ County, Texas

My Commission Expires:

RESOLUTION NO. 7241

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING EXECUTION OF A PROFESSIONAL SERVICES AGREEMENT WITH TEAGUE NALL AND PERKINS, INC. FOR DESIGN OF THE HERITAGE RANCH PUBLIC IMPROVEMENTS; 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 all contract documents being properly completed and approved as to form and content by the City Attorney, to execute a Professional Services Agreement with Teague Nall and Perkins, Inc. for Design of the Heritage Ranch Public Improvements, in accordance with all contract documents attached hereto and made a part hereof for all purposes.

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.

DULY PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS on this the 2nd day of January 2024.

CITY OF SHERMAN, TEXAS

BY:


DAVID PLYLER, MAYOR

ATTEST:

BY:


LINDA ASHBY, CITY CLERK

**APPROVED AS TO FORM
AND CONTENT:
THE LAW FIRM OF ABERNATHY,
ROEDER, BOYD & HULLETT, P.C.**

BY:


RYAN D. PITTMAN, CITY ATTORNEY

AGREEMENT
BETWEEN
THE CITY OF SHERMAN, TEXAS AND
TEAGUE NALL AND PERKINS, INC.
FOR
PROFESSIONAL SERVICES

Made as of the 2nd day of January, 2024:

Between City: **The City of Sherman, Texas**
 220 W. Mulberry Street
 Sherman, Texas 75090
 Telephone: (903) 892-7208

and Consultant: **Teague Nall and Perkins, Inc.**
 825 Watters Creek Boulevard, Suite M300
 Allen, Texas 75013
 Telephone: (214) 461-9867

for the following Project: **Heritage Ranch Public Improvements**

THIS AGREEMENT ("Agreement") is made and entered into by and between the City of Sherman, Texas, a home-rule municipality ("City"), and Teague Nall and Perkins, Inc., a Texas corporation ("Consultant"), to be effective from and after the date as provided above. City and Consultant are at times each referred to herein as a "party" or collectively as the "parties."

WHEREAS, City desires to engage Consultant to provide professional services for the Heritage Ranch Public Improvements Project ("Project"); and

WHEREAS, Consultant desires to render such professional services ("Services") for City on the terms and conditions provided herein.

NOW, THEREFORE, KNOW ALL PERSONS BY THESE PRESENTS:

That for and in consideration of the covenants contained herein, for the mutual benefits to be obtained hereby and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

ARTICLE 1 CONSULTANT'S SERVICES

- 1.1 **Employment of Consultant** – City hereby agrees to retain Consultant to perform the Services in connection with the Project. Consultant agrees to perform the Services in accordance with the terms and conditions of this Agreement. Consultant further agrees that if any employee of Consultant who is performing the day-to-day Services under this Agreement for the Project is separated, for any reason, from employment with Consultant, Consultant shall provide City with written notice thereof at least five (5) business days' prior to said separation unless circumstances reasonably warrant a shorter notice period, which shall not exceed two (2) business days following the separation.
- 1.2 **Scope of Services** – The parties agree that Consultant shall perform the Services as are set forth and described in **Exhibit A**, attached hereto and incorporated herein by reference for all purposes ("**Scope of Services**"). The parties understand and agree that deviations or modifications to the Scope of Services described in **Exhibit A**, in the form of a written amendment to this Agreement, may be authorized from time to time by City ("**Amendment**").
- 1.2.1 **Requirement of Written Amendment** – "Extra" work, "claims" invoiced as "extra" work or "claims" which have not been issued as a duly executed, written Amendment by the Sherman Director of Engineering or designee will not be authorized for payment and/or shall not become part of this Agreement. A duly executed, written Amendment requiring additional funding of \$50,000 or more of the original contract amount shall be preceded by the Sherman City Council's authorization for the Sherman City Manager to execute said Amendment.
- 1.2.2 **CONSULTANT SHALL NOT PERFORM ANY "EXTRA" WORK AND/OR ADDITIONAL SERVICES WITHOUT A DULY EXECUTED, WRITTEN AMENDMENT ISSUED BY THE CITY.**
- 1.3 **Schedule of Work** – Consultant agrees to commence work immediately on the execution of this Agreement, and to proceed diligently with said work to completion as described in the Project Engineering Budget Summary, attached hereto as **Exhibit B** and incorporated herein by reference for all purposes.
- 1.4 **Standard of Care** – Consultant shall perform the Services required hereunder in accordance with the prevailing engineering standard of care by exercising the skill and care ordinarily utilized by engineers performing the same or similar services under the same or similar circumstances in the State of Texas.

ARTICLE 2 CITY'S RESPONSIBILITIES

City shall do the following in a timely manner so as not to delay the Services of Consultant:

- 2.1 **Project Data** – City shall furnish required information that is reasonably requested by Consultant and that City has in its possession at the time of Consultant's request, as expeditiously as necessary for the orderly progress of the Project, and Consultant shall be entitled to rely upon the accuracy and completeness of the information furnished by City under this Article 2.1.
- 2.2 **City Project Manager** – When necessary in City's sole discretion, City shall designate a representative authorized to act on City's behalf with respect to the Project ("Project Manager"). City, the Project Manager and/or his or her authorized designee shall examine the documents submitted by Consultant and shall render any required decisions pertaining thereto as soon as practicable to avoid unreasonable delay in the progress of Consultant's Services.

ARTICLE 3 CONSULTANT'S COMPENSATION

- 3.1 **Compensation for Consultant's Services** – As described in "Article 1, Consultant's Services" of this Agreement, compensation for this Project shall be: (a) for Basic Services, on a Lump Sum & Hourly basis in an amount not to exceed **Six Hundred and Eighty-Four Thousand Dollars (\$684,000.00)**; and (b) for Special Services, in an amount not to exceed **Four Hundred and Fourteen Thousand Four Hundred and Sixty Dollars (\$414,460.00)** (collectively, "Consultant's Fee"); and (c) paid in accordance with this Article 3 and the Project Engineering Budget Summary as set forth in **Exhibit B**.
 - 3.1.1 **Completion of Record Documents** – City and Consultant agree that the completion of Record Documents and/or "As-Built" Documents, including hard copy formatting and electronic formatting, shall be completed, submitted to, and accepted by City prior to payment. Completion of the Record Documents and/or "As-Built" documents shall be included in the Consultant's Fee and considered to be within the Scope of Services defined under this Agreement." The electronic formatting shall be consistent with the standards established in **Exhibit C**, Guidelines for Computer Aided Design and Drafting ("CADD"), which is attached hereto and incorporated herein by reference for all purposes.
 - 3.1.2 **Disputes between City and Construction Contractor** – If the Project involves Consultant performing Construction Administration Services relating to an agreement between a Construction Contractor ("Contractor") and City, and on receipt of a written request by City, Consultant shall research previous and existing conditions of the Project, and make a determination whether or not to certify that sufficient cause exists for City to

declare Contractor in default of the terms and conditions of the Agreement. Consultant shall submit his findings in writing to City, or submit a written request for a specific extension of time (including the basis for such extension), within fifteen (15) calendar days of receipt of the written request from City. City and Consultant agree that if requested by City, completion of this task shall be included in the Consultant's Fee and considered to be within the Scope of Services as defined under this Agreement.

- 3.1.3 **Consultation and Approval by Governmental Authorities and Franchised Utilities** – Consultant shall be solely responsible for identifying and analyzing the requirements of governmental agencies and all franchise utilities involved with the Project, and for consulting with such agencies and utilities to obtain all necessary approvals and/or permissions. Consultant shall be responsible for preparation and timely submittal of documents required for review, approval and/or recording by such agencies and/or utilities. Consultant shall be solely responsible for making such changes in the construction documents ("Construction Documents") as may be required by existing written standards promulgated by such agencies and/or utilities at no additional charge to City.

- 3.2 Direct Expenses** – Direct Expenses ("Direct Expenses") are included in Consultant's Fee as described in Article 3.1 of this Agreement and include actual reasonable and necessary expenditures made by Consultant and Consultant's employees and subcontractors in the interest of the Project. All submitted Direct Expenses are to be within the amounts as stated in the Project Engineering Budget Summary set forth in **Exhibit B**, and consistent with **Exhibit D**, Guidelines for Direct Expenses; General and Administrative Markup; Travel and Subsistence Expenses, which is attached hereto and incorporated herein by reference for all purposes. Consultant shall be solely responsible for the auditing and accuracy of all Direct Expenses, including those of its subcontractors, prior to submitting to City for reimbursement. Any over-payment by City for errors in submittals for reimbursement may be deducted from Consultant's subsequent payment for Services; provided, however, that this shall not be City's sole and exclusive remedy for said over-payment.

- 3.3 Additional Services** – Consultant shall provide the Services as described in the Scope of Services set forth in **Exhibit A** of this Agreement. If authorized in writing by City, Consultant shall provide additional services, to be compensated as provided in an Amendment to the Contract on a cost not to exceed sum or hourly basis in accordance with this paragraph ("Additional Services") and a mutually agreed estimate of man-hours and expenses. These services may include, but are not limited to:

- 3.3.1 Additional meetings, hearings, work-sessions or other similar presentations which are not provided for or contemplated in the Scope of Services described in **Exhibit A**.

- 3.3.2 Additional drafts and revisions to the Project which are not provided for or contemplated in the Scope of Services as described in **Exhibit A**.
 - 3.3.3 Additional copies of final reports and construction plans which are not provided for or contemplated in the Scope of Services as described in **Exhibit A**.
 - 3.3.4 Photography, professional massing models which are not provided for or contemplated in the Scope of Services as described in **Exhibit A**.
 - 3.3.5 Compensation for Additional Services authorized by City shall be in addition to Consultant's Fee and shall be based on direct billable labor rates and expenses.
 - 3.3.1 Compensation for Additional Services authorized by City shall be in addition to Consultant's Fee and shall be based on an hourly basis according to the personnel rates shown in **Exhibit G**. The rates set forth are subject to reasonable change provided prior written notice of said change is given to and approved by City.
- 3.4 **Invoices** – No payment to Consultant shall be made until Consultant tenders an invoice to City. Consultant shall submit monthly invoices for Services rendered, based upon the actual percentage of work complete at the time the invoice is prepared, or shall submit invoices to City immediately upon completion of each individual task listed in **Exhibit B**. On all submitted invoices for Services rendered, Consultant shall include appropriate background materials to support the submitted charges on said invoice. Upon request, such background material may include, but is not limited to, employee timesheets, invoices for work obtained from other parties, and receipts and/or log information relating to Direct Expenses. All invoices shall provide a summary methodology for administrative markup and/or overhead charges.
- 3.5 **Timing of Payment** – City shall make payment to Consultant for said invoices within thirty (30) days following receipt and acceptance thereof. The parties agree that payment by City to Consultant is considered to be complete upon mailing of payment by City. Furthermore, the parties agree that the payment is considered to be mailed on the date that the payment is postmarked.
- 3.6 **Disputed Payment Procedures** – In the event of a disputed or contested billing by City, only that portion so contested may be withheld from payment, and the undisputed portion will be paid. City shall notify Consultant of a disputed invoice, or portion of an invoice, in writing by the twenty-first (21st) calendar day after the date City receives the invoice. City shall provide Consultant an opportunity to cure the basis of the dispute. If a dispute is resolved in favor of Consultant, City shall

proceed to process said invoice, or the disputed portion of the invoice, within the provisions of Article 3.5 of this Agreement. If a dispute is resolved in favor of City, Consultant shall submit to City a corrected invoice, reflecting any and all payment(s) of the undisputed amounts, documenting the credited amounts, and identifying outstanding amounts on said invoice to aid City in processing payment for the remaining balance. Such revised invoice shall have a new invoice number, clearly referencing the previous submitted invoice. City agrees to exercise reasonableness in contesting any billing or portion thereof that has background materials supporting the submitted charges.

3.7 Failure to Pay – Failure of City to pay an invoice, for a reason other than on written notification as stated in the provisions of Article 3.6 of this Agreement, to Consultant within sixty (60) days from the date of the invoice shall grant Consultant the right, in addition to any and all other rights provided, to, upon written notice to City, suspend performance under this Agreement, and such act or acts shall not be deemed a breach of this Agreement. However, Consultant shall not suspend performance under this Agreement prior to the tenth (10th) calendar day after written notice of suspension was provided to City, in accordance with Chapter 2251, Subchapter “D” of the TEX. GOV’T CODE. City shall not be required to pay any invoice submitted by Consultant if Consultant breached any provision(s) herein.

3.8 Adjusted Compensation – If the Scope of the Project (“Scope of the Project”) or if the Services are materially changed due to no error by Consultant in the performance of Services under this Agreement, the amounts of Consultant’s compensation shall be equitably adjusted as approved by City in its sole discretion. Any additional amounts paid to Consultant as a result of any material change to the Scope of the Project shall be authorized by written Change Order duly executed by both parties before the Services are performed.

3.9 Project Suspension – If the Project is suspended or abandoned in whole or in part for more than three (3) months, Consultant shall be entitled to compensation for any and all work completed to the satisfaction of City in accordance with the provisions of this Agreement prior to suspension or abandonment. In the event of such suspension or abandonment, Consultant shall deliver to City all finished or unfinished documents, data, studies, drawings, maps, models, reports, photographs and/or any other items prepared by Consultant in connection with this Agreement prior to Consultant receiving final payment. If the Project is resumed after being suspended for more than three (3) months, Consultant’s compensation shall be equitably adjusted as approved by City. Any additional amounts paid to Consultant after the Project is resumed shall be agreed upon in writing by both parties before the services are performed

3.10 Fixed Budget Limit for Construction Cost – If a fixed budget limit for the Construction Cost has been established, the Consultant shall be permitted to make reasonable adjustments in the scope of the Project and to include alternate

bid items in the Bid Proposal to adjust the Construction Cost to the fixed limit. However, this paragraph shall not operate to increase the fixed budget limit of the Construction Cost established in this Agreement. All adjustments in the Scope of the Project shall be approved by the City and documented in writing. Should the lowest bona fide bid for construction of the Project be in excess of 130% of \$(10,530,000) due to the negligence or other fault of the Consultant, the City may (1) give written approval of an increase in such fixed limit, (2) authorize rebidding or re-negotiating of the Project, (3) terminate the Project and this Agreement in accordance herewith, or (4), require that the Consultant adjust the Project scope or quality, or both, as necessary to reduce the Construction Cost to within the budgetary constraints. In the case of (4) the Consultant, without additional charge to the City, shall consult with the City and shall revise and modify the drawings and specifications as necessary to achieve compliance with the fixed limitation on Construction Cost. These revisions and modifications may include splitting the Project into multiple Construction Phases that will fall within budget constraints. The Consultant shall provide the services defined in Exhibit A, as required, for each of the new phases created by splitting the Project.

ARTICLE 4 OWNERSHIP OF DOCUMENTS

- 4.1 **Documents Property of City** – The Project is the property of City, and Consultant may not use the documents, plans, data, studies, surveys, drawings, maps, models, reports, photographs and/or any materials for any other purpose not relating to the Project without City's prior written consent. City shall be furnished with such reproductions of the Project, plans, data, documents, maps, and any other information as defined in **Exhibit A**. Upon completion of the work, or any earlier termination of this Agreement under **Article 3** and/or **Article 8** of this Agreement, Consultant will revise plans, data, documents, maps, and any other information as defined in **Exhibit A** to reflect changes while working on the Project through the date of completion of the work, as solely determined by City, or the effective date of any earlier termination of this Agreement under **Article 3** and/or **Article 8** of this Agreement, and promptly furnish the same to City in an acceptable electronic format. All such reproductions shall be the property of City who may use them without Consultant's permission for any purpose relating to the Project, including, but not limited to, completion of the Project, and/or additions, alterations, modifications, and/or revisions to the Project. Any reuse of the documents not relating to the Project shall be at City's own risk.
- 4.2 **Documents Subject to Laws Regarding Public Disclosure** – Consultant acknowledges that City is a governmental entity and that all documents, plans, data, studies, surveys, drawings, maps, models, reports, photographs and/or any items prepared or furnished by Consultant (and Consultant's professional associates and/or sub-consultants) under this Agreement are instruments of service in respect of the Project and property of City. Upon completion of the Project, all of the documents, plans, data, studies, surveys, drawings, maps,

models, reports, photographs and/or any items prepared or furnished by Consultant (and Consultant's professional associates and/or sub-consultants) shall thereafter be subject to the Texas Public Information Act (Chapter 552, TEX. GOV'T CODE, as amended) and any other applicable laws requiring public disclosure of the information contained in said documents.

ARTICLE 5 CONSULTANT'S INSURANCE REQUIREMENTS

- 5.1 **Required General Liability Insurance** – Consistent with the terms and provisions of **Exhibit E**, Contractor Insurance Guidelines, which is attached hereto and incorporated herein by reference for all purposes, Consultant shall procure and maintain throughout the term of this Agreement, at no expense to City, a general liability insurance policy with a company that maintains a minimum rating of "A" by A.M. Best's Key Rating Guide, or other equivalent rating service(s), and is authorized to transact business in the State of Texas, in an amount not less than One Million and 00/100 Dollars (\$1,000,000.00) for each occurrence, and Two Million and 00/100 Dollars (\$2,000,000.00) in the aggregate. Such policy shall name City, its officers, agents, representatives, and employees as additional insureds as to all applicable coverage. Such policy shall provide for a waiver of subrogation against City for injuries, including death, property damage, or any other loss to the extent that same is covered by the proceeds of the insurance. Such policy shall require the provision of written notice to City at least thirty (30) days prior to cancellation, non-renewal or material modification of any policies, evidenced by return receipt or United States Certified Mail. Consultant shall furnish City with certificates and required endorsement(s) evidencing such coverage prior to commencing work on the Project.
- 5.2 **Required Professional Liability Insurance** – Consistent with the terms and provisions of **Exhibit E**, Consultant shall procure and maintain throughout the term of this Agreement, at no expense to City, a professional liability (errors and omissions) insurance policy with a company that maintains a minimum rating of "A" by A.M. Best's Key Rating Guide, or other equivalent rating service(s), and is authorized to transact business in the State of Texas, in an amount not less than One Million and 00/100 Dollars (\$1,000,000.00) for each claim, and Two Million and 00/100 Dollars (\$2,000,000.00) in the aggregate. Such policy shall require the provision of written notice to City at least thirty (30) days prior to cancellation, non-renewal or material modification of any policies, evidenced by return receipt or United States Certified Mail. Consultant shall furnish City with certificates and required endorsement(s) evidencing such coverage prior to commencing work on the Project.
- 5.3 **Required Workers Compensation Insurance** – Consistent with the terms and provisions of **Exhibit E**, Consultant shall procure and maintain throughout the term of this Agreement, at no expense to City, all Statutory Workers Compensation Insurance as required by the laws of the State of Texas. Such insurance policy shall be with a company that maintains a minimum rating of "A" by A.M. Best's Key

Rating Guide, or other equivalent service(s), and is authorized to transact business in the State of Texas. Such policy shall require the provision of written notice to City at least thirty (30) days prior to cancellation, non-renewal or material modification of any policies, evidenced by return receipt or United States Certified Mail. Consultant shall furnish City with certificates and required endorsement(s) evidencing such coverage prior to commencing work on the Project.

- 5.4 **Circumstances Requiring Umbrella Coverage or Excess Liability Coverage** – If the Project's size and scope warrant, and if identified on the checklist located in **Exhibit E**, Consultant shall procure and maintain throughout the term of this Agreement, at no expense to City, an umbrella coverage or excess liability coverage insurance policy with a company that maintains a minimum rating of "A" by A.M. Best's Key Rating Guide, or other equivalent rating service(s), and is authorized to transact business in the State of Texas, in an amount of Two Million and 00/100 Dollars (\$2,000,000.00). Such policy shall require the provision of written notice to City at least thirty (30) days prior to cancellation, non-renewal, or material modification of any policies, evidenced by return receipt or United States Certified Mail. Consultant shall furnish City with certificates and required endorsement(s) evidencing such coverage prior to commencing work on the Project.

ARTICLE 6 CONSULTANT'S ACCOUNTING RECORDS

Records of Direct Expenses and expenses pertaining to services performed in conjunction with the Project shall be kept on the basis of generally accepted accounting principles. Invoices will be sent to City as indicated in Article 3.4 of this Agreement. Copies of employee time sheets, receipts for direct expense items and other records of Project expenses will be made available if requested.

ARTICLE 7 AUDITS AND RECORDS/VENDOR DISCLOSURE

Consultant agrees that at any time during normal business hours and as often as City may deem necessary, Consultant shall make available to representatives of City for examination all of its records with respect to all matters covered by this Agreement, and will permit such representatives of City to audit, examine, copy and make excerpts or transcripts from such records, and to make audits of all contracts, invoices, materials, payrolls, records of personnel, conditions of employment and other data relating to all matters covered by this Agreement, and for a period of four (4) years from the date of final settlement of this Agreement or for such other or longer period, if any, as may be required by applicable statute or other lawful requirement.

Consultant agrees that it is further aware of the vendor disclosure requirements set forth in Chapter 176, TEX. LOC. GOV'T CODE, as amended, and will abide by the same. In this connection, a lawful representative of Consultant shall execute and deliver to City the

Conflict of Interest Questionnaire, Form CIQ, attached hereto as **Exhibit F** and incorporated herein for all purposes, no later than the Effective Date of this Agreement.

ARTICLE 8 TERMINATION OF AGREEMENT/REMEDIES

City may, upon thirty (30) days written notice to Consultant, terminate this Agreement, for any reason or no reason at all, before the termination date hereof, without prejudice to any other remedy it may have. If City terminates this Agreement due to a default of and/or breach by Consultant and the expense of finishing the Project exceeds Consultant's Fee at the time of termination, Consultant waives its right to any portion of Consultant's Fee as set forth in Article 3 of this Agreement and agrees to pay any costs over and above the fee which City is required to pay in order to finish the Project. On any default and/or breach by Consultant, City may elect not to terminate the Agreement, and in such event it may make good the deficiency in which the default consists, and deduct the costs from Consultant's Fee due Consultant as set forth in Article 3 of this Agreement. If City terminates this Agreement and Consultant is not in default of the Agreement, Consultant shall be entitled to compensation for any and all work completed to the satisfaction of City in accordance with the provisions of this Agreement prior to termination.

In the event of any termination, Consultant shall deliver to City all finished and/or unfinished documents, data, studies, surveys, drawings, maps, models, reports, photographs and/or any items prepared by Consultant in connection with this Agreement prior to Consultant receiving final payment.

The rights and remedies provided by this Agreement are cumulative, and the use of any one right or remedy by either party shall not preclude or waive its rights to use any or all other remedies. These rights and remedies are given in addition to any other rights the parties may have by law, statute, ordinance, or otherwise.

ARTICLE 9 DISPUTE RESOLUTION/MEDIATION

In addition to all remedies at law, the parties may agree to attempt to resolve any controversy, claim or dispute arising out of or relating to the interpretation or performance of this Agreement, or breach thereof, by voluntary mediation to be conducted by a mutually acceptable mediator. However, if both parties do not agree to voluntarily mediate any such controversy, claim or dispute, mediation shall not be required.

ARTICLE 10 INDEMNITY

CONSULTANT SHALL RELEASE, DEFEND, INDEMNIFY AND HOLD HARMLESS CITY AND ITS CITY COUNCIL MEMBERS, OFFICERS, AGENTS, REPRESENTATIVES AND EMPLOYEES (COLLECTIVELY REFERRED TO AS "CITY") FOR PURPOSES OF THIS

ARTICLE 10) FROM AND AGAINST ALL DAMAGES, INJURIES (WHETHER IN CONTRACT OR IN TORT, INCLUDING PERSONAL INJURY AND DEATH), CLAIMS, PROPERTY DAMAGES (INCLUDING LOSS OF USE), LOSSES, DEMANDS (REGARDLESS OF WHETHER THE ALLEGATIONS ARE FALSE, FRAUDULENT OR GROUNDLESS), SUITS, ACTIONS, JUDGMENTS, LIENS, COSTS AND EXPENSES, INCLUDING REASONABLE ATTORNEY'S FEES AND EXPENSES (INCLUDING ATTORNEY'S FEES AND EXPENSES INCURRED IN ENFORCING THIS **ARTICLE 10)**, THAT IN WHOLE OR IN PART ARISE OUT OF OR ARE CONNECTED WITH, OR THAT ARE ALLEGED TO HAVE ARISEN OUT OF OR CONNECTED WITH, GOODS AND/OR SERVICES PROVIDED BY CONSULTANT, ITS OFFICERS, AGENTS, REPRESENTATIVES, EMPLOYEES, SUBCONTRACTORS, LICENSEES, INVITEES OR ANY OTHER THIRD PARTIES FOR WHOM CONSULTANT IS LEGALLY RESPONSIBLE (COLLECTIVELY REFERRED TO AS "**CONSULTANT**" FOR PURPOSES OF THIS **ARTICLE 10)** PURSUANT TO THIS AGREEMENT AND/OR THE NEGLIGENT, GROSSLY NEGLIGENT AND/OR INTENTIONAL WRONGFUL ACT AND/OR OMISSION OF CONSULTANT IN ITS/THEIR PERFORMANCE OF THIS AGREEMENT, REGARDLESS OF THE JOINT OR CONCURRENT NEGLIGENCE OR STRICT LIABILITY OF THE CITY (COLLECTIVELY, "**CLAIMS**"). THIS INDEMNIFICATION PROVISION AND THE USE OF THE TERM "**CLAIMS**" IS ALSO SPECIFICALLY INTENDED TO APPLY TO, BUT IS NOT LIMITED TO, ANY AND ALL CLAIMS, WHETHER CIVIL OR CRIMINAL, BROUGHT AGAINST CITY BY ANY GOVERNMENT AUTHORITY OR AGENCY RELATED TO ANY PERSON PROVIDING SERVICES UNDER THIS AGREEMENT THAT ARE BASED ON ANY FEDERAL IMMIGRATION LAW AND ANY AND ALL CLAIMS, DEMANDS, DAMAGES, ACTIONS AND CAUSES OF ACTION OF EVERY KIND AND NATURE, KNOWN AND UNKNOWN, EXISTING OR CLAIMED TO EXIST, RELATING TO OR ARISING OUT OF ANY EMPLOYMENT RELATIONSHIP BETWEEN CONSULTANT AND ITS EMPLOYEES OR SUBCONTRACTORS AS A RESULT OF THAT SUBCONTRACTOR'S OR EMPLOYEE'S EMPLOYMENT AND/OR SEPARATION FROM EMPLOYMENT WITH THE CONSULTANT, INCLUDING BUT NOT LIMITED TO ANY DISCRIMINATION CLAIM BASED ON SEX, SEXUAL ORIENTATION OR PREFERENCE, RACE, RELIGION, COLOR, NATIONAL ORIGIN, AGE OR DISABILITY UNDER FEDERAL, STATE OR LOCAL LAW, RULE OR REGULATION, AND/OR ANY CLAIM FOR WRONGFUL TERMINATION, BACK PAY, FUTURE WAGE LOSS, OVERTIME PAY, EMPLOYEE BENEFITS, INJURY SUBJECT TO RELIEF UNDER THE WORKERS' COMPENSATION ACT OR WOULD BE SUBJECT TO RELIEF UNDER ANY POLICY FOR WORKERS COMPENSATION INSURANCE, AND ANY OTHER CLAIM, WHETHER IN TORT, CONTRACT OR OTHERWISE. CONSULTANT IS EXPRESSLY REQUIRED TO DEFEND CITY AGAINST ALL SUCH CLAIMS; PROVIDED, HOWEVER,

THAT IF A COURT OF COMPETENT JURISDICTION SIGNS A JUDGMENT THAT BECOMES FINAL AND NON-APPEALABLE, DETERMINING THAT THE CITY (WITHOUT WAIVING ANY GOVERNMENTAL IMMUNITY) HAS JOINT, CONCURRENT OR SOLE NEGLIGENCE FOR THE CLAIMS IN ACCORDANCE WITH THE LAWS OF THE STATE OF TEXAS ("JUDGMENT"), THEN CONSULTANT IS NOT REQUIRED TO INDEMNIFY OR DEFEND CITY TO THE EXTENT OF THE NEGLIGENCE APPORTIONED TO CITY FOR EACH CAUSE(S) OF ACTION IDENTIFIED IN THE JUDGMENT. IN THE EVENT THE JUDGMENT PROVIDES THAT CITY IS JOINTLY, CONCURRENTLY OR SOLELY NEGLIGENT FOR THE CLAIMS REFERRED TO THEREIN, CITY AGREES TO REIMBURSE CONSULTANT FOR ALL REASONABLE AND NECESSARY COSTS INCURRED AND PAID BY CONSULTANT THAT ARE ATTRIBUTABLE TO CITY'S PERCENTAGE OF JOINT, CONCURRENT OR SOLE NEGLIGENCE, AS SET FORTH IN THE JUDGMENT, INCLUDING REASONABLE AND NECESSARY ATTORNEY'S FEES AND EXPENSES, WITHIN SIXTY (60) DAYS OF THE DATE THE JUDGMENT BECOMES FINAL AND NON-APPEALABLE. IF THIS AGREEMENT IS A CONTRACT FOR ENGINEERING OR ARCHITECTURAL SERVICES, THEN CONSULTANT'S INDEMNITY AND DEFENSE OBLIGATIONS UNDER THIS ARTICLE 10 ARE LIMITED BY, AND TO BE READ AS COMPLYING WITH, SECTION 271.904 OF THE TEXAS LOCAL GOVERNMENT CODE.

IN ITS SOLE DISCRETION, CITY SHALL HAVE THE RIGHT TO APPROVE OR SELECT DEFENSE COUNSEL TO BE RETAINED BY CONSULTANT IN FULFILLING ITS OBLIGATION HEREUNDER TO DEFEND AND INDEMNIFY CITY, UNLESS SUCH RIGHT IS EXPRESSLY WAIVED BY CITY IN WRITING. CITY RESERVES THE RIGHT TO PROVIDE A PORTION OR ALL OF ITS OWN DEFENSE; HOWEVER, CITY IS UNDER NO OBLIGATION TO DO SO. ANY SUCH ACTION BY CITY IS NOT TO BE CONSTRUED AS A WAIVER OF CONSULTANT'S OBLIGATION TO DEFEND CITY OR AS A WAIVER OF CONSULTANT'S OBLIGATION TO INDEMNIFY CITY PURSUANT TO THIS AGREEMENT. CONSULTANT SHALL RETAIN CITY-APPROVED DEFENSE COUNSEL WITHIN SEVEN (7) BUSINESS DAYS OF CITY'S WRITTEN NOTICE THAT CITY IS INVOKING ITS RIGHT TO DEFENSE OR INDEMNIFICATION UNDER THIS AGREEMENT. IF CONSULTANT FAILS TO RETAIN COUNSEL WITHIN SUCH TIME PERIOD, CITY SHALL HAVE THE RIGHT TO RETAIN DEFENSE COUNSEL ON ITS OWN BEHALF, AND CONSULTANT SHALL BE LIABLE FOR ALL COSTS INCURRED BY CITY. THE RIGHTS AND OBLIGATIONS CREATED BY THIS ARTICLE SHALL SURVIVE TERMINATION OF THIS AGREEMENT.

ARTICLE 11 NOTICES

Any notice provided or permitted to be given under this Agreement must be in writing and may be served by depositing the same in the United States Mail, addressed to the party to be notified, postage pre-paid and registered or certified with return receipt requested; by facsimile; by electronic mail, with documentation evidencing the addressee's receipt thereof; or by delivering the same in person to such party a via hand-delivery service, or any courier service that provides a return receipt showing the date of actual delivery of same to the addressee thereof. Notice given in accordance herewith shall be effective upon receipt at the address of the addressee. For purposes of notification, the addresses of the parties shall be as follows:

If to City, addressed to:

Wayne E. Lee, P.E., CFM
Director of Engineering
City of Sherman
220 W Mulberry St.
Sherman, TX 75091
Telephone: (903) 892-7327
Email: waynel@cityofsherman.com

With a copy to:

Abernathy, Roeder, Boyd & Hullett, P.C.
Attention: Ryan D. Pittman
1700 Redbud Blvd., Suite 300
McKinney, Texas 75069
Telephone: (214) 544-4000
Facsimile: (214) 544-4054
Email: rpittman@abernathy-law.com

If to Consultant, addressed to:

Justin N. Walton, P.E., CFM
Team Leader, Associate Principal
Teague Nall and Perkins, Inc.
825 Watters Creek Boulevard, Suite M300
Allen, Texas 75013
Telephone: (214) 461-9867
Email: jwalton@tnpinc.com

ARTICLE 12 MISCELLANEOUS

12.1 **Complete Agreement** – This Agreement, including the exhibits hereto labeled “A” through “F,” all of which are incorporated herein for all purposes, constitute the entire Agreement by and between the parties regarding the subject matter hereof and supersedes all prior and/or contemporaneous written and/or oral understandings. This Agreement may not be amended, supplemented, and/or modified except by written agreement duly executed by both parties. The following exhibits are attached below and made a part of this Agreement:

12.1.1 **Exhibit A**, Scope of Services.

12.1.2 **Exhibit B**, Project Engineering Budget Summary.

12.1.3 **Exhibit C**, Guidelines for Computer Aided Design and Drafting (CADD).

12.1.4 **Exhibit D**, Guidelines for Direct Expenses; General and Administrative Markup; Travel and Subsistence Expenses.

12.1.5 **Exhibit E**, Contractor Insurance Guidelines.

12.1.6 **Exhibit F**, Conflict of Interest Questionnaire, Form CIQ.

12.1.7 **Exhibit G**, Consultant Rate Schedule

12.1.8 **Exhibit H**, Task Scope Limits

To the extent that **Exhibit A**, **Exhibit B**, **Exhibit C**, **Exhibit D**, **Exhibit E**, or **Exhibit F** are in conflict with provisions of this Agreement or each other, the provisions of this Agreement, then the provisions of **Exhibit B**, **Exhibit C**, **Exhibit D**, **Exhibit E**, **Exhibit F** or **Exhibit A** shall prevail in that order.

12.2 **Assignment and Subletting** – Consultant agrees that neither this Agreement nor the work to be performed hereunder will be assigned or sublet without the prior written consent of City. Consultant further agrees that the assignment or subletting of any portion or feature of the work or materials required in the performance of this Agreement shall not relieve Consultant of its full obligations to City as provided by this Agreement. All such approved work performed by assignment or subletting shall be billed through Consultant, and there shall be no third party billing.

12.3 **Attorney's Fees** – If either party files any action or brings any proceeding against the other arising from this Agreement, then as between City and Consultant, the prevailing party shall be entitled to recover as an element of its costs of suit, and not as damages, reasonable and necessary attorneys' fees and litigation expenses both at trial and on appeal, subject to the limitations set forth in TEX. LOC. GOV'T

CODE § 271.153, as it exists or may be amended, if applicable.

- 12.4 **Successors and Assigns** – City and Consultant, and their respective partners, assigns, successors, subcontractors, executors, officers, agents, employees, representatives and administrators are hereby bound to the terms and conditions of this Agreement.
- 12.5 **Savings/Severability** – In the event of a term, condition, or provision of this Agreement is determined to be invalid, illegal, void, unenforceable, or unlawful by a court of competent jurisdiction, then that term, condition, or provision, shall be deleted and the remainder of the Agreement shall remain in full force and effect as if such invalid, illegal, void, unenforceable or unlawful provision had never been contained in this Agreement.
- 12.6 **Governing Law/Venue** – This Agreement shall be governed by and construed in accordance with the laws of the State of Texas, without regard to conflict of law principles. The exclusive venue for any action arising out of this Agreement shall be a court of appropriate jurisdiction in Grayson County, Texas.
- 12.7 **Execution/Consideration** – This Agreement is executed by the parties hereto without coercion or duress for any substantial consideration, the sufficiency of which is forever confessed.
- 12.8 **Authority** – The individuals executing this Agreement on behalf of the respective parties below represent to each other that all appropriate and necessary action has been taken to authorize the individual who is executing this Agreement to do so for and on behalf of the party for which his or her signature appears, that there are no other parties or entities required to execute this Agreement in order for the same to be an authorized and binding agreement on the other party for whom the individual is signing this Agreement and that each individual affixing his or her signature hereto is authorized to do so, and such authorization is valid and effective on the date hereof.
- 12.9 **Waiver** – Waiver by either party of any breach of this Agreement, or the failure of either party to enforce any of the provisions of this Agreement, at any time, shall not in any way affect, limit, or waive such party's right thereafter to enforce and compel strict compliance.
- 12.10 **Headings** – The headings of the various sections of this Agreement are included solely for convenience of reference and are not to be full or accurate descriptions of the content thereof.
- 12.11 **Multiple Counterparts** – This Agreement may be executed in a number of identical counterparts, each of which shall be deemed an original for all purposes. An electronic mail and/or facsimile signature will also be deemed to constitute an

original if properly executed and delivered to the other party.

- 12.12 **Immunity** – It is expressly understood and agreed that, in the execution and performance of this Agreement, City has not waived, nor shall be deemed to have waived, any immunity, governmental, sovereign and/or official, or defense that is available to it against claims arising in the exercise of governmental powers and functions. By entering into this Agreement, the parties do not create any obligations, express or implied, other than those set forth in this Agreement.
- 12.13 **Incorporation of Recitals** – The representations, covenants and recitations set forth in the foregoing recitals of this Agreement are true and correct and are incorporated into the body of this Agreement and adopted as findings of City and the authorized representative of Consultant.
- 12.14 **Additional Representations** – Each signatory represents this Agreement has been read by the party for which this Agreement is executed and that such party has had the opportunity to confer with its counsel.
- 12.15 **Miscellaneous Drafting Provisions** – This Agreement shall be deemed drafted equally by all parties hereto. The language of all parts of this Agreement shall be construed as a whole according to its fair meaning, and any presumption or principle that the language herein is to be construed against any party shall not apply.
- 12.16 **No Third-Party Beneficiaries** – Nothing in this Agreement shall be construed to create any right in any third party not a signatory to this Agreement, and the parties do not intend to create any third party beneficiaries by entering into this Agreement.
- 12.17 **Indemnity** – The parties agree that the Indemnity provision set forth in Article 10 of this Agreement is conspicuous and the parties have read and understood the same.
- 12.18 **Representations** – All representations and covenants made by one party to the other in this Agreement or in any certificate or other instrument delivered by one party to the other under this Agreement shall be considered to have been relied upon by the other party and will survive the satisfaction of any fees under this Agreement, regardless of any investigation made by either party.
- 12.19 **Independent Contractor** – In performing this Agreement, Consultant shall act as an independent contractor with respect to City. In no event shall this Agreement be construed as establishing a partnership, joint venture or similar relationship between the parties and nothing herein shall authorize either party to act as agent for the other. Consultant shall be liable for its own debts, obligations, acts and omissions, including the payment of all required withholding, social security and other taxes and benefits with respect to all of Consultant's officers, directors,

partners, employees and representatives, who shall not be considered City employees and shall not be eligible for any employee benefit plan offered by City.

- 12.20 **Debarment/Suspension** – City is prohibited from making any award or permitting any award at any tier to any party which is debarred or suspended or otherwise excluded from or ineligible for participation in federal assistance programs under Executive Order 12549, Debarment and Suspension. City, Consultant and Consultant's subcontractors shall comply with federal and state regulations regarding debarment and suspension. Consultant shall include a statement of compliance with federal and state debarment and suspension regulations in all third-party agreements for work on the Project.
- 12.21 **Restrictions on Lobbying** – City and Consultant are prohibited from using funds awarded under the Agreement for lobbying purposes. Consultant shall include a statement of compliance with this provision in applicable procurement solicitations and third-Party agreements for work on the Project.
- 12.22 **Appropriation of Funds** – Funds are not presently budgeted for City's performance under this Agreement beyond the end of City's current fiscal year. City will give Consultant sixty (60) days' notice if funds for City's performance are not budgeted to continue beyond that time. City shall have no liability for payment of any money for services performed after the end of City's current fiscal year unless and until such funds are budgeted.
- 12.23 **Certifications Required by Texas Law** – In accordance with Chapter 2270 of the Texas Government Code (to the extent applicable), Consultant hereby certifies that Consultant does not boycott Israel and will not boycott Israel during the term of any contract with City, including during the term of this Agreement. In accordance with Chapter 809 of the Texas Government Code (to the extent applicable), Consultant hereby certifies that Consultant does not boycott energy companies and will not boycott energy companies during the term of any contract with City, including during the term of this Agreement. In accordance with Chapter 2274 of the Texas Government Code (to the extent applicable), Consultant hereby certifies that Consultant does not have a practice, policy, guidance or directive that discriminates against a firearm entity or firearm trade association and will not discriminate against a firearm entity or firearm trade association during the term of any contract with City, including during the term of this Agreement. The foregoing terms have the meanings ascribed to them in the referenced statutes if defined therein.
- 12.24 **Reference to Consultant** – When referring to "Consultant," this Agreement shall refer to and be binding upon Consultant, and its officers, directors, partners, employees, representatives, contractors, subcontractors, licensees, invitees, agents, successors, assignees (as authorized herein), vendors, grantees, trustees, legal representatives and/or any other third parties for whom Consultant

is legally responsible.

- 12.25 **Reference to City** – When referring to "City," this Agreement shall refer to and be binding upon City, its Council members, officers, agents, representatives, employees and/or any other authorized third parties for whom City is legally responsible.

IN WITNESS WHEREOF, the parties have executed this Agreement and caused this Agreement to be effective on the date set forth in the introductory clause of this Agreement.

CITY:

City of Sherman, Texas,
a Texas home-rule municipality

By: _____


Robby Hefton, City Manager

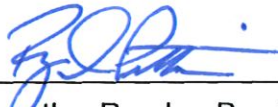
CONSULTANT:

Teague Nall and Perkins, Inc.
a Texas corporation

By: _____


Justin Walton, PE
Team Leader, Associate Principal

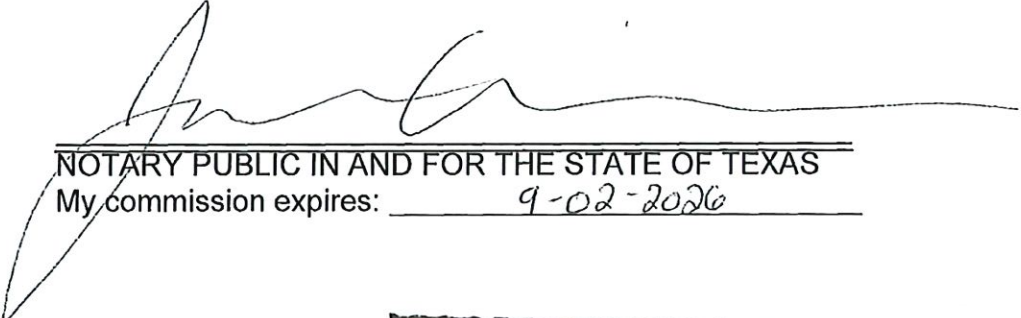
APPROVED AS TO FORM:


Abernathy, Roeder, Boyd & Hullett, P.C.
Ryan D. Pittman, City Attorneys

STATE OF TEXAS §
 §
COUNTY OF collin §

BEFORE ME, THE UNDERSIGNED AUTHORITY, ON THIS DAY PERSONALLY APPEARED **JUSTIN WALTON**, KNOWN TO ME TO BE ONE OF THE PERSONS WHOSE NAMES ARE SUBSCRIBED TO THE FOREGOING INSTRUMENT; HE ACKNOWLEDGED TO ME THAT HE IS THE PRESIDENT AND DULY AUTHORIZED REPRESENTATIVE FOR **TEAGUE NALL AND PERKINS, INC.** AND THAT HE EXECUTED SAID INSTRUMENT FOR THE PURPOSES AND CONSIDERATION THEREIN EXPRESSED.

GIVEN UNDER MY HAND AND SEAL OF OFFICE THIS 11th DAY OF December, 2023.



NOTARY PUBLIC IN AND FOR THE STATE OF TEXAS
My commission expires: 9-02-2026

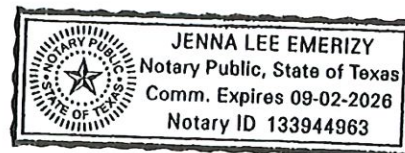


EXHIBIT A SCOPE OF SERVICES

I. PROJECT DESCRIPTION

The project includes the design of Lone Star Parkway and Heritage Ranch Trail to serve the future Sherman ISD elementary school. Approximately 2,600 linear feet (LF) of Lone Star Parkway will be schematically designed (30%) (labeled as "Paving-1" on Exhibit G) with the limits extending from the US HWY 82 Westbound Frontage Road to the north side of the elementary school site. Full design and construction documents for Lone Star Parkway will be prepared between US HWY 82 and Heritage Ranch Trail (approximately 1,600 LF). Approximately 3,500 LF of Heritage Ranch Trail will be designed with the limits extending from FM 1417 to Lone Star Parkway. Lone Star Parkway is proposed as a four-lane divided roadway and classified as a minor arterial. Heritage Ranch Trail is proposed as a four-lane undivided roadway from the intersection of Lone Star Parkway west along the future elementary school frontage (labeled as "Paving-2" on Exhibit H). West of the elementary school frontage it transitions to a two-lane undivided roadway and is classified as a collector (labeled as "Paving-3" on Exhibit H). Both roadways will include a storm drain system, water line, and culvert crossings. Streetlights will be designed along Lone Star Parkway between US HWY 82 and Heritage Ranch Trail. A roundabout will be designed at the Lone Star Parkway and Heritage Ranch Trail intersection. Also included is a pedestrian crossing on Lone Star Parkway that will be controlled by a rapid flashing beacon. The design includes a right turn lane at the intersection of Lone Star Parkway and US HWY 82 Frontage Road (labeled as "TxDOT-1" on Exhibit H) as well as a right turn lane and left turn lane at the intersection of FM 1417 and Heritage Ranch Trail (labeled as "TxDOT-2" on Exhibit G). Included is a 12" water line along the entire limits of Lone Star Parkway (labeled as "W-1 Lone Star Parkway" on Exhibit H) and along the entire limits of Heritage Ranch Trail, including a connection to the existing 24" water line on the west side of FM 1417 (labeled as "W-2"). A schematic design (30%) will be prepared for the 12" water line along Lone Star Parkway, north of the roundabout. It is understood that the project will be separated into two bid packages consisting of Phase 1 and Future Phase(s) construction documents. The Future Phase construction documents will be prepared as one construction set based on the unknown nature of future agreements for these improvements. Additional services can be provided in the future to divide the Future Phase construction documents if necessary. The Phase 1 improvement limits are generally as follows:

- Lone Star Parkway from US HWY 82 to Heritage Ranch Trail
- Heritage Ranch Trail from Lone Star Parkway to the west end of the future elementary school
- A roundabout at the intersection of Lone Star Parkway and Heritage Ranch Trail
- Asphalt pavement transition north of the roundabout on Lone Star Parkway and additional asphalt pavement width for a left turn lane into the elementary school

Bid and construction phase services are included for the Phase 1 improvements. It is understood that the Future Phase improvements will be constructed at a later date. Included in the scope to support the project design are a topographic survey, boundary survey, SUE, geotechnical engineering, environmental assessment, preparation of

EXHIBIT A SCOPE OF SERVICES

property acquisition documents, utility coordination to facilitate the relocation of franchise utilities identified to be in conflict, and a TAS plan review (for Phase 1). It is assumed that coordination and relocation of existing gas lines, within the projects, are beyond the scope of this project.

II. GENERAL REQUIREMENTS

- A. Specific design requirements shall be obtained from the City of Sherman Engineering Design Standards. Consultant will establish and summarize design criteria. The design criteria will be reviewed by the City for approval prior to beginning design work.
- B. Consultant shall coordinate with other engineering consultants, utility companies, franchise utilities, City of Sherman, and any other entity which has facilities within or adjacent to the Project.
- C. Each time the Consultant submits plans and/or specifications to City, one (1) copy (as well as PDF versions) of each shall be submitted, unless otherwise instructed. These shall be reviewed and checked by City and returned to Consultant for corrections. When the corrected copies of the plans and specifications are returned to City, the original and reviewed plans and specifications shall also be returned to City. All plans, specifications, documents, provisions, attachments, and correspondence provided in accordance with this contract shall be dated.
- D. The Consultant shall submit a monthly report outlining, at a minimum, the work on the project which occurred the previous month, the work expected to be completed the following month, the next major project milestone, and any information needed from the City. The report is to be submitted with monthly invoice.
- E. Communications and Reporting:
 - i. Attend a pre-design project kickoff meeting with City staff to confirm and clarify scope, understand City objectives, and ensure economical and functional designs meet City requirements.
 - ii. Attend review meeting, in-person, with the City at the end of each design phase.
 - iii. Prepare and submit monthly invoices in the format acceptable to the City.
 - iv. Prepare and submit monthly progress reports.
 - v. Prepare and submit baseline Project Schedule initially, Project Schedule updates, and updated Opinion of Probable Construction Cost with each plan submittal.
 - vi. Coordinate with other agencies and entities as necessary for the design of the proposed infrastructure and provide and obtain information needed to prepare the design.
 - vii. With respect to coordination with permitting authorities, Consultant shall communicate with permitting authorities such that their regulatory

EXHIBIT A SCOPE OF SERVICES

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- requirements are appropriately reflected in the designs. Consultant shall work with regulatory authorities to obtain approval of the designs, and make changes necessary to meet their requirements.
- viii. Attend additional project coordination meetings, if needed. For the purposes of this scope of work, ten (10) additional project coordination meetings are included.

III. **TASK SUMMARY, BASIC SERVICES**

A. Task 1: Conceptual Design (30%)

The CONSULTANT will perform the following as part of the Conceptual Design task:

1. The Conceptual Design will be performed for the entire limits of Phase 1 and the Future Phases as noted in the Project Description.
2. Perform project management & administration activities as necessary to properly manage the project as described in Section II.
3. Review City design guidelines/standards, select appropriate design standards and develop a Design Criteria Matrix of all applicable design components for CITY review and confirmation as described in Section II.
4. CONSULTANT will attend a project kickoff meeting with CITY staff and project stakeholders and prepare agenda and meeting minutes as described in Section II.
5. Perform data collection through review and research of record documents, and other pertinent information related to the project.
6. Setup project design files in CADD.
7. Develop complete and accurate base map in AutoCAD Civil 3D 2023 showing all existing Right-of-Way (ROW), easements, and features identified in SUE and topographic and boundary surveys.
8. Schedule and attend a project site visit after completion of field surveys with project team and CITY staff. The Consultant shall summarize the City's comments from the field visit and submit this information to the City in writing.
9. Attend one (1) meeting with CITY and TxDOT to discuss project scope and proposed improvements.
10. The following design tasks will be performed:

EXHIBIT A SCOPE OF SERVICES

Roadway (Lone Star Parkway, Heritage Ranch Trail, FM 1417 & US HWY 82 Turn Lanes)

- a) Establish center line alignments of Lone Star Parkway and Heritage Ranch Trail
- b) Establish roadway typical sections
- c) Establish location of face of curb
- d) Establish PGL (top face of curb)
- e) Establish locations of median openings, cross streets, driveway connections, and turn lanes along Lone Star Parkway and Heritage Ranch Trail
- f) Establish location of mid-block pedestrian crossing of Planview Road
- g) Establish location of curb ramps at intersections of Lone Star Parkway & Heritage Ranch Trail. Establish location of sidewalk along school frontage on Lone Star Parkway and Heritage Ranch Trail.
- h) Establish conceptual limits of roundabout at Lone Star Parkway & Heritage Ranch Trail intersection
- i) Analyze sight triangles, turning movements, and perform fastest path calculations at Lone Star Parkway and Heritage Ranch Trail roundabout
- j) Schematic layout of pavement marking plan
- k) Establish limits of construction
- l) Cut cross-sections at 50' intervals
- m) Cut cross-sections at driveways

Drainage

- a) Incorporate hydrologic and hydraulic data from drainage study performed for the Heritage Ranch property. The H&H drainage study is being performed by others.
- b) Develop overall existing drainage area map for project limits
- c) Establish horizontal location of culvert crossings and offsite area inlets
- d) Develop overall proposed drainage area map for project limits
- e) Perform runoff calculations to determine design year flow rates for delineated drainage areas
- f) Establish horizontal location and flow line of trunk line and culvert crossings
- g) Size trunk line and culvert crossings
- h) Determine locations of manholes and junction boxes
- i) Establish schematic grading limits required for culvert crossings and offsite area inlets

Water Line

- a) Establish horizontal location and top of pipe for main
- b) Establish locations of fire hydrants, and appurtenances
- c) Establish horizontal and vertical locations of water line connections to existing line at US HWY 82
- d) Establish locations of water line stub outs along Lone Star Parkway and Heritage Ranch Trail

EXHIBIT A SCOPE OF SERVICES

Illumination (Reference Task 13)

- a) Establish locations of streetlights based on minimum spacing criteria
- 11. Review proposed improvements against existing base map of existing utilities and on-site features found during field surveys. Identify design constraints.
- 12. Prepare 30% plan sheets (22"x34" sheets) of the following sheets:
 - a) Cover Page
 - b) Sheet Index
 - c) Typical Pavement Section sheet(s)
 - d) Paving Plan and Profile sheets (1"=20')
 - e) Storm Sewer Plan and Profile sheets (1"=20') (Plan view only at 30%)
 - f) Water Line Plan and Profile sheets (1"=20') (Plan view only at 30%)
 - g) Overall Existing Drainage Area Map
 - h) Overall Proposed Drainage Area Map
 - i) Cross-sections sheets, every fifty (50) feet
 - j) Cross-sections sheets, at every driveway
- 13. Compile construction quantities and develop the conceptual opinion of probable construction cost (OPCC).
- 14. Conduct a 30% Internal QC review workshop with CONSULTANT staff to review key design concepts (proposed roadway grades, proposed cross-sections, constructability, utility issues, etc.), and revise design, as necessary.
- 15. Prepare notes to reviewer.
- 16. Prepare documents and make conceptual design submittal to CITY, CONSULTANT will submit the following:
(As described in Section II)
 - a) 30% plan set
 - b) OPCC
 - c) Design Criteria Matrix
 - d) Notes to reviewer
- 17. Prepare and transmit comment response form to CITY.
- 18. Attend conceptual design submittal review meeting with CITY to review provided comments.

B. Task 2: Preliminary Design (60%)

The CONSULTANT will perform the following as part of the Preliminary Design task:

- 1. The Preliminary Design will be performed for the entire limits of Phase 1 and the Future Phases of Heritage Ranch Parkway, including the water line, as noted in

EXHIBIT A SCOPE OF SERVICES

the Project Description.

2. Incorporate comments made by CITY on the conceptual design submittal into the project design.
3. Perform project management & administration activities as necessary to properly manage the project as described in Section II.
4. The following design tasks will be performed:

Roadway

- a) Update typical sections with roadway pavement and subgrade section determined through geotechnical investigation
- b) Layout roadway signage plan
- c) Determine earthwork volumes for roadway construction
- d) Identify conflicts with existing on-site features and prepare demolition plans
- e) Finalize limits of construction and easement limits
- f) Establish geometric control, jointing plan layout, and profiles for roundabout.

Pedestrian Crossing

- a) Consultant will prepare and submit a Conceptual Layout for a pedestrian crossing with an RRFB crossing for review by the City. The layout shall include proposed locations and sizes of RRFB poles, drill shafts, conduits, push buttons, pull boxes, and battery boxes if utilized. The purpose of the Concept Design Plan is to coordinate with other proposed design elements and existing utilities. Consultant shall design one (1) RRFB crossing, additional crossings can be added for an additional fee.

- b) Prepare design plan sheet

Drainage

- a) Incorporate hydrologic and hydraulic data from drainage study performed for Heritage Ranch property. The H&H drainage study is being performed by others.
- b) Update overall proposed drainage area map & update hydrologic calculations as necessary
- c) Establish locations, sizes and flow lines for curb inlets, and laterals
- d) Select appropriate TxDOT standard headwalls and/or end treatments for culverts.
- e) Subdivide drainage areas and calculate the flow rate to each inlet
- f) Develop proposed drainage area map for subdivided drainage areas
- g) Perform hydraulic calculations for storm drain system to determine HGL. Update pipe sizing as necessary
- h) Perform hydraulic calculations for open channel/ditch to determine freeboard (if necessary)
- i) Perform hydraulic calculations for curb inlets to ensure conformance with dry

EXHIBIT A SCOPE OF SERVICES

- lane and gutter flow criteria for design year storm
- j) Determine earthwork volumes for any required grading

Water Line

- a) Revise horizontal alignment as necessary
- b) Establish the location of top of pipe
- c) Establish location appurtenances
- d) Create water line profile
- e) Check valve spacing and address as necessary
- f) Check hydrant spacing and address as necessary

Irrigation Conduit

- a) Determine locations of irrigation conduit to be installed with project
- b) Irrigation system will not be designed with this project

Phasing & Details

- a) Layout construction phasing
 - b) Develop traffic control plan
 - c) Develop narrative of suggested traffic control plan
 - d) Develop narrative of suggested sequence of construction
 - e) Select appropriate erosion control measures and develop erosion control plan
 - f) Select appropriate standard details
- 5. Identify locations of required right of way takings, and easements.
 - 6. Prepare overall exhibit identifying parcels and locations of proposed property acquisitions including right of way, water line easements, and drainage easements (if necessary).
 - 7. Update sheets provided at 30% submittal and prepare 60% plan sheets (22"x34" sheets) consisting of the following:
 - a) Cover sheet
 - b) Sheet index
 - c) General Notes Sheet(s) and Legend
 - d) Quantity breakdown sheet(s)
 - e) Project control sheet
 - f) Typical pavement section sheet(s)
 - g) SUE Plan Drawings
 - h) SUE Test Hole Sheets
 - i) Demolition sheets (1"=20')
 - j) Paving plan and profile sheets (1"=20')
 - k) US HWY 82 and FM 1417 Turn Lanes (1"=20')
 - l) Intersection grading sheets (1"=20')

**EXHIBIT A
SCOPE OF SERVICES**

- m) Paving marking and signing sheets (1"=20')
 - n) Paving cross-sections sheets, every fifty (50) feet and cross-sections at every driveway.
 - o) Existing drainage area map & Hydrologic Calculations (Overall)
 - p) Proposed drainage area map & Hydrologic Calculations (Overall)
 - q) Proposed drainage area map & Hydrologic Calculations (Minor Areas)
 - r) Hydraulic calculation sheet (curb inlets & area inlets)
 - s) Hydraulic calculation sheet (storm drain HGL)
 - t) Storm drain plan and profile sheets (1"=20')
 - u) Culvert crossing sheets (1"=20')
 - v) Storm drain lateral sheets
 - w) Ditch/Channel Plan and Profile Sheets (if necessary) (1"=20')
 - x) Overall Water Layout (1"=100')
 - y) Water line plan and profile sheet(s) (1"=20')
 - z) Roundabout grading plan
 - aa) Roundabout jointing layout
 - bb) Pedestrian crossing RRFB sheet(s)
 - cc) Illumination sheets (1"=20')
 - dd) Construction Sequencing & Narrative sheets (1"=100')
 - ee) Traffic control & Narrative sheets (1"=100')
 - ff) Erosion control sheets (1"=50')
 - gg) City, TxDOT, and project specific detail sheets
8. Prepare an estimate of construction quantities and develop the preliminary opinion of probable construction cost (OPCC).
9. Prepare Preliminary Project Manual, including Bid Form and Special Conditions and technical specifications. CITY to provide template and front end documents, CONSULTANT to update front end documents. CONSULTANT to provide technical specifications to clearly identify the scope of work for each bid item.
10. Preliminary Design Submittal, CONSULTANT will submit the following:
- (As described in Section II)
 - a) 60% plan set
 - b) Property Acquisition Exhibit
 - c) Preliminary Project Manual
 - d) OPCC
 - e) Design Criteria Matrix
 - f) Notes to reviewer
11. Prepare and transmit comment response form to CITY.
12. Attend preliminary design submittal review meeting with CITY to review provided comments.

**EXHIBIT A
SCOPE OF SERVICES**

C. Task 3: Pre-Final & Final Design (90% & 100%)

The CONSULTANT will perform the following as part of the Pre-Final & Final Design task:

1. The Pre-Final and Final Design will be performed for the entire limits of Phase 1 and the Future Phases of Heritage Ranch Parkway, including the water line, as noted in the Project Description.
2. Incorporate comments made by CITY on the preliminary design submittal into the project design.
3. Perform project management & administration activities as necessary to properly manage the project as described in Section II.
4. Finalize plan set (22"x34" sheets) consisting of the following:
 - a) Cover sheet
 - b) Sheet index
 - c) General Notes Sheet(s) and Legend
 - d) Quantity breakdown sheet(s)
 - e) Project control sheet
 - f) Typical pavement section sheet(s)
 - g) SUE Plan Drawings
 - h) SUE Test Hole Sheets
 - i) Demolition sheets (1"=20')
 - j) Paving plan and profile sheets (1"=20')
 - k) US HWY 82 and FM 1417 Turn Lanes (1"=20')
 - l) Intersection grading sheets (1"=20')
 - m) Paving marking and signing sheets (1"=20')
 - n) Paving cross-sections sheets, every fifty (50) feet and cross-sections at every driveway.
 - o) Existing drainage area map & Hydrologic Calculations (Overall)
 - p) Proposed drainage area map & Hydrologic Calculations (Overall)
 - q) Proposed drainage area map & Hydrologic Calculations (Minor Areas)
 - r) Hydraulic calculation sheet (curb inlets & area inlets)
 - s) Hydraulic calculation sheet (storm drain HGL)
 - t) Storm drain plan and profile sheets (1"=20')
 - u) Culvert crossing sheets (1"=20')
 - v) Storm drain lateral sheets
 - w) Ditch/Channel Plan and Profile Sheets (if necessary) (1"=20')
 - x) Overall Water Layout (1"=100')
 - y) Water line plan and profile sheet(s) (1"=20')
 - z) Roundabout grading plan
 - aa) Roundabout jointing layout

EXHIBIT A
SCOPE OF SERVICES

- bb) Pedestrian crossing RRFB sheet(s)
 - cc) Illumination sheets (1"=20')
 - dd) Construction Sequencing & Narrative sheets (1"=100')
 - ee) Traffic control & Narrative sheets (1"=100')
 - ff) Erosion control sheets (1"=50')
 - gg) City, TxDOT, and project specific detail sheets
5. Finalize locations of right of way takings and easements. Prepare separate instrument documents (Reference Task 6B). It is assumed that property acquisition will commence after completion of the preliminary design phase.
6. Prepare detailed opinion of probable construct cost based on current unit prices from the proposal of authorized construction, which shall include summaries of bid items and quantities on the unit price system of bidding, wherever practical.
7. When required by the nature of the project, the Consultant shall provide necessary exhibits and attend a public meeting with the City.
8. Prepare documents and make pre-final design submittal to CITY, CONSULTANT will submit the following:
(As described in Section II)
- a) 90% plan set
 - b) Final Separate Instruments for Property Acquisition
 - c) Project Manual
 - d) OPCC
 - e) Notes to reviewer
9. Upon completion of pre-final design review by CITY, CONSULTANT will incorporate any comments received into bid documents and finalize bid documents.
10. Final Design Submittal, CONSULTANT will submit the following:
(As described in Section II)
- a) 100% Plan Set (Signed and Sealed)
 - b) Project Manual (Signed and Sealed)
 - c) Final OPCC
 - d) Notes to reviewer
11. It is assumed the CONSULTANT will receive no further comments on bid documents after this submittal.
12. Upon completion of the 90% design submittal, the Consultant shall furnish to the City up to four (4) additional copies and a pdf of the construction drawings to be forwarded to the utility companies. Plans for Utility review to be stamped plans adequate for utility relocations.

EXHIBIT A
SCOPE OF SERVICES

13. Upon completion of the final design review by CITY, the Consultant shall furnish to the City, where required by the circumstances of the assignment, the engineering data, construction plans, completed forms, and reports necessary for applications for routine permits by local, state, and federal authorities (as distinguished from detailed applications and supporting documents for government grants-in-aid or for planning advances not included in Basic Engineering Services).

D. Task 4: Bid Phase Services

The CONSULTANT will perform the following as part of the Bid Phase Services task:

It is understood that tasks will only be performed for one bid package.

1. Furnish to the City all necessary copies of approved Construction Contract Documents needed for competitive bidding (plans, specifications, notice to bidders, proposals, etc.). All sets of Construction Contract Documents in excess of eight (8) copies are to be paid for separately as provided hereinafter.
2. Assist the City in the advertisement of the Project for competitive bids.
3. Assist the City with any Pre-Bidders meetings and attend.
4. Prepare addenda as appropriate to interpret, clarify, or expand the Bid Documents.
5. Assist the City in the opening and tabulation of bids for construction of the Project.
6. Prepare a written summary of the bid tabulation and evaluation together with a letter addressing the award of the construction contract.
7. Prepare conformance documents of formal Construction Contract Documents, provide four (4) copies of contracts to be executed by the contractor, and coordinate their execution by the respective parties.
8. The Consultant shall not be required to guarantee the accuracy of the final design Cost of Construction but may be required to provide additional services at no cost to the City if bids for the Project exceed the fixed budget limit for the Construction Cost as provided in Article 3.

EXHIBIT A SCOPE OF SERVICES

E. Task 5: Construction Phase Services

The CONSULTANT will perform the following as part of the Construction Phase Services task:

It is understood that tasks will only be performed for one construction package.

1. Conformed Document submittal:
 - a) Update the Bid Documents (plans and Project Manual) to incorporate bid addenda items.
 - b) Print up to ten (10) sets of 11"x17" plans and Project Manuals for issuance at the Pre-Construction Conference.
 - c) Package and submit CAD base files upon request.
2. Site Visits upon request. For the purposes of this scope of work, ten (10) site visits are included.
3. *Pre-Construction Meeting.* Attend Pre-Construction Meeting(s) prior to commencement of Work at the Site.
4. *Requests for information.* Coordinate with CONSULTANT and issue clarifications and interpretations of the Contract Documents to City as appropriate to the orderly completion of Contractor's work. Such clarifications and interpretations will be consistent with the intent of the Contract Documents. Field Orders authorizing variations from the requirements of the Contract Documents will be made by City.
5. *Change Orders.* Recommend Change Orders to City, as appropriate. Review and make recommendations related to Change Orders submitted or proposed by the Contractor. Task includes preparing plan sheet revisions.
6. *Shop Drawings, Samples, and Submittals.* Review and approve or take other appropriate action in respect to Shop Drawings, Samples, Submittals and other data which Contractor is required to submit, but only for conformance with the information given in the Contract Documents and compatibility with the design concept of the completed Project as a functioning whole as indicated in the Contract Documents. Such review and approvals or other action will not extend to means, methods, techniques, equipment choice and usage, sequences, schedules, or procedures of construction or to related safety precautions and programs. Effort for this task will be shared between the CITY and CONSULTANT. The CONSULTANT assumes 40 hours of effort will be required.
7. *Substitutes and "or-equal."* Evaluate and determine the acceptability of substitute or "or-equal" materials and equipment proposed by Contractor in accordance with the Contract Documents, but subject to the provisions of applicable standards of state or local government entities.

EXHIBIT A SCOPE OF SERVICES

8. *Disagreements between City and Contractor.* As necessary, render written decision on all claims of City and Contractor relating to the acceptability of Contractor's work or the interpretation of the requirements of the Contract Documents pertaining to the progress of Contractor's work. In rendering such decisions, Consultant shall be fair and not show partiality to City or Contractor and shall not be liable in connection with any decision rendered in good faith in such capacity.
9. *Limitation of Responsibilities.* Consultant shall not be responsible for the acts or omissions of any Contractor, or of any of their subcontractors, suppliers, or of any other individual or entity performing or furnishing the Work. Consultant shall not have the authority or responsibility to stop the work of any Contractor.

It is understood that the following tasks will be performed by the CITY during the construction phase:

- Process pay applications
- Construction observation and inspection

IV. TASK SUMMARY, SPECIAL SERVICES

The following services are authorized by the CITY to be performed as part of this scope of services:

A. Task 6: Survey

The CONSULTANT will perform the following as part of the task:
Limits for each task are shown in Exhibit H.

Task 6a: Boundary & Design Topographic Survey

Boundary Verification/Mapping

- a. Establish horizontal control points as needed throughout the project. The basis of bearings will be the Texas Coordinate System of 1983 (North Central Zone; NAD83 (2011) Epoch 2010).
- b. Title research and deeds obtained of the subject property and the adjoining property owners.
- c. A Deed Sketch will be prepared.
- d. A thorough investigation of boundary markers/corners will be made on the subject property and the adjoining property.
- e. A boundary analysis of the property will be made by a Registered Professional Land Surveyor.
- f. A final Property base will be prepared.

Supplemental Design Topo

- a. Establish horizontal control points as needed throughout the project. The basis of bearings will be the Texas Coordinate System of 1983 (North Central Zone;

EXHIBIT A SCOPE OF SERVICES

NAD83 (2011) Epoch 2010).

- b. Establish vertical benchmarks as needed throughout the project.
- c. The visible improvements such as curbs, walks, fences, buildings, signs, etc. will be located and shown on the survey.
- d. Elevations obtained to adjacent centerline of paving on all streets adjoining the property along with 50' outside of survey limits where accessible.
- e. Visible utilities such as power poles, manholes and valves etc. will be located along with the top of water valve nut elevations and invert elevations for Sanitary Sewer and Storm sewer.
- f. The property lines identified by the boundary verification will be incorporated into the topo.

Limited Spot Verification of LiDAR Topo

- a. Establish horizontal control points as needed throughout the project. The basis of bearings will be the Texas Coordinate System of 1983 (North Central Zone; NAD83 (2011) Epoch 2010).
- b. Locate and verify control provided By Underwood Surveying.
- c. Within Proposed Heritage Ranch R.O.W. and excluding ponds acquire miscellaneous Spot Ground Topo natural ground shots where accessible to compare and verify Lidar Topo provided by others.
- d. Full Topo of three (3) creek crossings that intersect the proposed right-of-way.

Horizontal control will be based upon the control used on previous survey completed on site by Underwood Surveying. Control set with previous survey will be tied to in order to ensure compatibility with surveys performed with this project.

Task 6b: Separate Instrument Exhibits (If Required)

- a. Title research and deeds obtained of the subject property and the adjoining property owners.
- b. A thorough investigation of boundary markers/corners will be made on the subject property and the adjoining property.
- c. A boundary analysis of the property will be made by a Registered Professional Land Surveyor.
- d. 5/8" iron rods with plastic caps "TNP" will be set for property corners where or when necessary.
- e. A metes and bounds description will be prepared, signed and sealed by a Registered Professional Land Surveyor.
- f. A survey sketch will be prepared and signed/sealed by a Registered Professional Land Surveyor.
- g. For this scope of services, up to 10 easement/right-of-way documents are assumed.

EXHIBIT A SCOPE OF SERVICES

Task 6c: Full Design Topo (If Required)

The following task will only be completed upon written authorization by the CITY. Limits are shown in Exhibit G.

- a. Establish horizontal control points as needed throughout the project. The basis of bearings will be the Texas Coordinate System of 1983 (North Central Zone; NAD83 (2011) Epoch 2010).
- b. Establish vertical benchmarks as needed throughout the project.
- c. The visible improvements such as curbs, walks, fences, buildings, signs, etc. will be located and shown on the survey.
- d. Elevations obtained to adjacent centerline of paving on all streets adjoining the property along with 50' outside of survey limits where accessible.
- e. Visible utilities such as power poles, manholes and valves etc. will be located along with the top of water valve nut elevations and invert elevations for Sanitary Sewer and Storm sewer.
- f. The limits of survey will be from proposed right-of-way to proposed right-of-way as defined by the engineer.
- g. The property lines identified by the boundary verification will be incorporated into the topo.

B. Task 7: Quality Level 'B/C/D' SUE

The CONSULTANT will perform the following as part of the task:

Quality Level B through D Utility Information & Designation - CONSULTANT will provide utility information, up to QL-B for utilities, no storm drain will be included, for the following areas:

- a. Heritage Ranch Trail from FM 1417 to Lone Star Parkway approximately 3,540 feet.
- b. Lone Star Parkway from US HWY 82 North Frontage Road to approximately 2,930 feet north.
- c. Acceleration and Deceleration Lanes for US HWY 82 Frontage Road approximately 3,000 feet.

There is telephone, OH electric, OH fiber, sewer, and gas pipelines within the project limits.

CONSULTANT will Provide Subsurface Utility Engineering (SUE) to Quality Level D, C, B, as described below. The SUE shall be performed in accordance with CI/ASCE 38-22 along the project limits.

Quality Level D

- a. Conduct appropriate investigations (e.g., owner records, County/CITY records, personal interviews, visual inspections, etc.), to help identify utility owners that may have facilities within the project limits or that may be affected by the project.

EXHIBIT A SCOPE OF SERVICES

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- b. Collect applicable records (e.g., utility owner base maps, “as built” or record drawings, permit records, field notes, geographic information system data, oral histories, etc.) on the existence and approximate location of existing involved utilities.
 - c. Review records for: evidence or indication of additional available records; duplicate or conflicting information; need for clarification.
 - d. Develop SUE plan sheets and transfer information on all involved utilities to appropriate design plan sheets, electronic files, and/or other documents as required. Exercise professional judgment to resolve conflicting information. For information depicted, indicate: utility type and ownership; date of depiction; quality level(s); end points of any utility data; line status (e.g., active, abandoned, out of service); line size and condition; number of jointly buried cables; and encasement.

Quality Level C (includes tasks as described for Quality Level D)

- a. Identify surface features, from project topographic data and from field observations, that are surface appurtenances of subsurface utilities.
- b. Include survey and correlation of aerial or ground-mounted utility facilities in Quality Level C tasks.
- c. Survey surface features of subsurface utility facilities or systems, if such features have not already been surveyed by a professional surveyor. If previously surveyed, check survey data for accuracy and completeness.
- d. The survey shall also include (in addition to subsurface utility features visible at the ground surface): determination of invert elevations of any manholes and vaults; sketches showing interior dimensions and line connections of such manholes and vaults; any surface markings denoting subsurface utilities, furnished by utility owners for design purposes.
- e. Exercise professional judgment to correlate data from different sources, and to resolve conflicting information.
- f. Update (or prepare) plan sheets, electronic files, and/or other documents to reflect the integration of Quality Level D and Quality Level C information.
- g. Recommend follow-up investigations (e.g., additional surveys, consultation with utility owners, etc.) as may be needed to further resolve discrepancies.
- h. Provide Quality Level C to identify overhead utilities on the project and provide the overhead utility information on the SUE plan sheets.

Quality Level B (includes tasks as described for Quality Level C)

- a. Select and apply appropriate surface geophysical method(s) to search for and detect subsurface utilities within the project limits, and/or to trace a particular utility line or system.
- b. Based on an interpretation of data, mark the indications of utilities on the ground surface for subsequent survey. Utilize paint or other method acceptable for marking of lines.
- c. Unless otherwise directed, mark centerline of single-conduit lines, and outside edges of multi-conduit systems.

**EXHIBIT A
SCOPE OF SERVICES**

- d. Resolve differences between designated utilities and utility records and surveyed appurtenances.
- e. Recommend additional measures to resolve differences if they still exist. Recommendations may include additional or different surface geophysical methods, exploratory excavation, or upgrade to Quality Level A data.
- f. As an alternative to the physical marking of lines, the CONSULTANT may, with CITY's approval, utilize other means of data collection, storage, retrieval, and reduction, that enables the correlation of surface geophysical data to the project's survey control.

Deliverable

SUE plan drawings sealed by a professional engineer registered in the State of Texas.

C. Task 8: Quality Level 'A' SUE

The CONSULTANT will perform the following as part of the task:

- a. Expose and locate utilities at specific locations.
- b. Tie horizontal and vertical location of utility to survey control.
- c. Provide utility size and configuration.
- d. Provide paving thickness and type, where applicable.
- e. Provide general soil type and site conditions and such other pertinent information as is reasonably ascertainable from each test hole site.
- f. Traffic Control is not included in the price per test hole. A traffic control vendor pricing can be added to the contract at the owner's discretion and is expected to be approximately \$2,000 per day.

Up to Fourteen (14) Level A test holes are included.

Deliverable

SUE Test Hole Sheets sealed by a professional engineer registered in the State of Texas.

D. Task 9: Utility Coordination

The CONSULTANT will perform the following as part of the task:

- a. Work Plan. Coordinate a work plan including a list of the proposed meetings and coordination activities, and related tasks to be performed, a schedule and an estimate. The work plan must satisfy the requirements of the project and must be approved by the City prior to commencing work.
 - i. Initial Project Meeting. Attend an initial meeting and an on-site inspection (when appropriate) to ensure familiarity with existing conditions, project requirements and prepare a written report of the meeting.
- b. Determine Utility Conflicts. The CONSULTANT shall obtain information on existing utilities from utility owners and shall conduct investigations to identify and evaluate all known existing and proposed utilities. The CONSULTANT

EXHIBIT A SCOPE OF SERVICES

shall identify potential conflicts and attempt to minimize the potential adverse utility impacts in the preparation of the schematic design. The CONSULTANT shall prepare a base map depicting the utility locations. The CONSULTANT shall create and update a utility conflict log along with a utility conflict exhibit at each submittal of the contract identifying potential known conflicts. The format of the log and exhibit must be consistent with the latest version of examples provided by the CITY. The utility conflict log will include a phone log and correspondence with all utility owners.

- c. Provide Plans to Utility Companies – The CONSULTANT will send adequate plans to utility companies for utility relocation design. Roadway design plans provided by others.
- d. Provide Relocation Schedules to Franchise Utilities – The CONSULTANT will provide schedules for utility relocations.
- e. Twelve (12) months of communications with the CITY on Utility Coordination, Design, and Relocation. This will take the form of emails, telephone calls, and Teams meetings.
- f. Six months Utility Coordination
 - i. Six (6) utility coordination meetings and minutes. Progress Meetings. The Utility Coordinator shall implement a schedule of periodic meetings with each utility company and owner or owner's representatives for coordination purposes. Such meetings shall commence as early as possible in the coordination process and shall continue for the first six (6) months of the project. The Utility Coordinator shall notify the City at least two (2) business days in advance of each meeting to allow the City the opportunity to participate in the meeting. The Utility Coordinator shall provide and produce meeting minutes of all meetings with said utility companies, owners or owners' representatives within seven (7) business days. The frequency of such meetings shall be appropriate to the matters under discussion with each utility owner.
 - ii. Coordination with each utility company. This will be in the form of emails and telephone calls.
- g. Three (3) months utility relocation designs – It is estimated that there are three (3) franchise utilities and there are approximately seven (7) gas/petroleum pipelines.
 - i. Three (3) utility design meetings and minutes. Progress Meetings for all utilities. The Utility Coordinator shall implement a schedule of periodic meetings with each utility company and owner or owner's representatives for design coordination purposes. Such meetings shall commence in the design process. The Utility Coordinator shall notify the City at least two (2) business days in advance of each meeting to allow the City the opportunity to participate in the meeting. The Utility Coordinator shall provide and produce meeting minutes of all meetings with said utility companies, owners or owners' representatives within seven (7) business days. The frequency of such meetings shall be appropriate to the matters under discussion with each utility owner.

EXHIBIT A SCOPE OF SERVICES

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- ii. Individual Utility Company meetings and minutes. Three (3) franchise utility companies each month.
 - iii. Individual Utility Company communications with utility companies through telephone calls and emails. Three (3) franchise utility companies each month and seven (7) pipelines.
 - h. Three months utility relocations
 - i. Communications. Telephone calls, emails, and Teams meetings to respond to relocation topics.
 - ii. Field Meetings with Franchise Utilities – Up to Two (2) meetings with each Franchise Utility per month.

Note: City will coordinate with TxDOT. No RULIS permits will be required under this contract.

DELIVERABLES

- a. Utility Contact List
- b. Utility Conflict Log
- c. Phone Log
- d. Correspondence with utilities

E. Task 10: Geotechnical (via sub-consultant)

The CONSULTANT will perform the following through a sub-consultant as part of the task:

Task 10a: Geotechnical Engineering (via sub-consultant)

- a. The Engineering Design Manual of the City of Sherman Engineering Department (draft version September 1, 2023; Section 3 Pavement and Subgrade Design Requirements) is used in this scope of work.
- b. According to the criteria outlined in Section 3.2 Existing Surface/Subsurface Investigation of the Sherman Engineering Design Manual, the borings will be located at about 500-foot intervals within the proposed roadway alignments at accessible locations. A total of 16 borings to depths of about 20 (for the pavements and pond) to 40 feet (for the culverts and pond) below the existing grade is planned for the roadway improvements (locations shown in Exhibit G).
- c. The soil borings consist of eleven (10) borings drilled to a depth of 20 feet below existing grade along the proposed roadways and Lone Star Parkway. Five (5) borings will be drilled to a depth of about 40 feet along the proposed culvert crossing areas and by the existing pond near the intersection of Lone Star Parkway and US Highway 82. One (1) boring will be drilled to a depth of about 20 feet at the downhill of the existing pond near the intersection of Lone Star Parkway and US Highway 82. The borings will be extended to the proposed depths below the existing grade unless auger refusal causes them to be terminated at a shallow depth. Bulk samples will also be obtained along the selected boring locations.
- d. The borings along the roadway will be drilled within the Right-of-Way (ROW)

EXHIBIT A SCOPE OF SERVICES

and we will obtain permits from the City of Sherman to drill borings along the City's ROW. Traffic control is included in the scope. The client will coordinate with the City of Sherman and TxDOT as necessary to provide permits and site access to the proposed boring locations. Grading plans are not available, and we assume that final grades are within 2 feet of the existing grade. ECS did not visit the site prior to preparing this proposal. Based on Google Earth aerial imagery, most of the proposed boring locations appears to need to be accessed with an ATV-mounted drill rig. The proposed roadway improvements also appeared to be covered with trees and will require tree clearing for site access. Tree clearing is not included in the scope and should be coordinated/provided by others. Additional site visits and mobilization will be at an additional cost, as approved by the Client.

- e. Representative soil samples will be obtained by means of the split-barrel and Shelby tube sampling procedures in accordance with ASTM Specifications D-1586 and D-1587, respectively. Texas Cone Penetrometer tests will be performed to evaluate the load-carrying capacity of the bedrock encountered in the borings. These tests will be performed in general accordance with test method Tex-132-E in the Texas Department of Transportation (TxDOT) Manual of Testing Procedures. Bulk samples will also be obtained along the selected boring locations. Groundwater levels will be measured during drilling and at the completion of each boring.
- f. Our field exploration will be performed during normal business hours. Surveying the boring locations or clearing vegetation to provide access paths to the boring locations are not included in our proposal. Site and tree clearing will be necessary to access some of the boring locations. It is anticipated that the client will coordinate to have the trees cleared to provide us with access to the boring location.
- g. Our integrated services will include drilling soil borings by drill crews under our direct supervision, laboratory testing, and the preparation of a final geotechnical engineering report. The laboratory testing will include moisture content, Atterberg limits, gradation, swell tests, soluble sulfate, Lime/pH series, standard Proctor, CBR tests, and triaxial tests. The report will include the following items:
 - 1. Observations from our site reconnaissance include current site conditions, surface drainage features, and surface topographic conditions.
 - 2. A review of the published soil and geologic conditions and their relevance to your planned development.
 - 3. A subsurface characterization and a description of the field exploration and laboratory tests performed. Groundwater concerns relative to the planned construction, if any, will be summarized.
 - 4. Final logs of the soil borings and records of the field exploration in accordance with the standard practice of geotechnical engineers, and the results of the laboratory tests will be noted on the final boring logs or included on a separate test report sheet.

EXHIBIT A SCOPE OF SERVICES

5. Provide recommendations for the preparation of pavement subgrades and suggested pavement sections per the City of Sherman guidelines for Minor Arterial and Commercial Collector Roadways. The traffic data (ADT, % truck, truck type, growth rate, and/or ESALs) used for the pavement design will be provided by the Client/City or others.
6. Geotechnical design parameters for culvert foundation system, including allowable bearing and lateral earth pressures.
7. Compaction requirements and suitable material guidelines for grading the site, as well as construction considerations relating to the pavements, culvert and site work.
8. Global stability analysis and geotechnical design parameters for one section of the existing detention pond.
9. As requested, we will provide additional consultation and engineering analysis on other aspects related to the project site and subsurface conditions according to our unit rates.

Task 10b: Site Clearing for Geotechnical Borings (If Required)

It is understood that to access several of the proposed boring locations within the right of way, site/tree clearing may be necessary. If necessary and the City authorizes, this service can be provided in order to access proposed boring locations shown in Exhibit H.

F. Task 11: Environmental Services (via sub-consultant)

The CONSULTANT will perform the following through a sub-consultant as part of the task, project site boundaries are shown in EXHIBIT H:

Task 11a: Archeological Survey and Agency Coordination

To comply with the ACT, CONSULTANT will provide the following services:

- a. Obtain a Texas Antiquities Permit from the THC to conduct the survey;
- b. Complete a full, intensive pedestrian survey to document archeological sites 50 years or older within the project area that meets the current THC's survey standards adopted on 17 April 2020;
- c. Make preliminary determinations of eligibility for inclusion in the NRHP or as a State Antiquities Landmark (SAL) for one archeological site encountered;
- d. Analyze any artifacts recorded and/or collected for one archeological site (if applicable);
- e. Complete and submitting State of Texas Archeological Site Data Forms to the Texas Archeological Research Laboratory (TARL) for one newly recorded archeological site encountered within the project area and obtain site trinomial identification numbers;
- f. Perform deed title or archival research for one archeological site;
- g. Draft a technical report that documents the archeological background review, survey methods, survey results, any necessary NRHP eligibility assessment, and recommendations; and
- h. Conduct all necessary coordination with the THC to obtain agency comment.

EXHIBIT A SCOPE OF SERVICES

Task 11b: Additional Archeological Site Recording (If Required)

It is assumed that one archeological site will be encountered during Task 1. If more than one site is encountered, this task will be invoiced on a per site basis.

When applicable, archeological sites will be delineated through the excavation of additional shovel tests, conducted in 50 foot intervals to assess the horizontal extent and characterize the depth and artifact content of archeological deposits. Delineation testing will be conducted within the project area until two consecutive negative shovel tests, the project limits, or a topographic boundary is encountered in each cardinal direction. Negative excavations, the distribution of surficial artifacts/features, distinct topographic features, and/or the project extent will delimit the boundary of each site. For the purposes of this survey, an archeological site will be defined as five or more surface artifacts within a 35 foot radius, a cultural feature observed on the surface or exposed within an excavation, a positive excavation containing two or more subsurface artifacts, or two or more positive excavations located within 100 feet of each other. All newly documented sites will be assigned a temporary field number and recorded on State of Texas site forms, photographed, sketch mapped, and plotted on the U.S. Geological Survey (USGS) topographic quadrangle.

All newly documented sites will be assigned a temporary field number and recorded on State of Texas site forms, photographed, sketch mapped, and plotted on the USGS topographic quadrangle. A scaled map will be prepared for each identified archeological site, and each site will be plotted on the appropriate 7.5-minute USGS topographic map. The data from any encountered site recorded in the field will be processed to determine site significance and potential eligibility as a SAL or listing on the NRHP. A variety of data will be used to assess site significance including date(s), artifact density, artifact variety, feature density, feature variety, feature preservation, stratigraphic integrity, and amount of disturbance. Completed site forms will be submitted to the Texas Archeological Research Laboratory for assignment of a formal state trinomial number. The archeological site will be documented within the technical report to CTA standards.

1 additional site is assumed under this agreement.

Task 11c: Deed Title and Archival Research (If Required)

If more than one historic period (greater than 50 years in age) residential sites are encountered during the survey, additional deed title and/or archival research may be required to determine if the site was associated with any historically significant individuals or historical events that would qualify the site for NRHP eligibility under Criteria A and B. If required, CONSULTANT will prepare a deed chain- of-title table that details the grantor, grantee, date, and deed record volume and page for each property transfer from current to land patent.

1 additional site is assumed under this agreement.

EXHIBIT A SCOPE OF SERVICES

Task 11d: Waters of the United States Delineation

Will provide professional services to delineate all waters of the United States, including wetlands, within the project site. CONSULTANT's wetland ecologist will delineate the jurisdictional limits of the streams based on 33 Code of Federal Regulations (CFR) 328.3[e] and delineate the jurisdictional limits of any wetlands based on the 1987 USACE Wetland Delineation Manual and the Regional Supplement to the Corps of Engineers Wetland Delineation Manual: Great Plains Region (Version 2.0), and any current Regulatory Guidance Letters. The boundaries of all of these water features identified in the field will be recorded with a Global Positioning System (GPS) that is capable of sub-meter accuracy. After the delineation is completed, CONSULTANT will digitize these waters of the United States for use by the client for planning, impact calculation, and illustration purposes. This delineation will be provided to the engineer/client for inclusion in their engineering plans to avoid and minimize impacts to waters of the United States (if any are present on the site). The deliverable for this task is a delineation report that includes methods, results, and conclusions, along with the necessary data forms, photographs, maps, and a delineation map. The conclusion of this report will detail why any water features on the site are or are not considered waters of the United States.

Task 11e: Section 404/Nationwide Permit Assessment

CONSULTANT will utilize a previously conducted delineation to evaluate the proposed site plan to determine compliance with Section 404 of the CWA, specifically the NWP program. CONSULTANT will evaluate the proposed project and what impacts the project has in waters of the United States to determine the USACE's scope and type of permit necessary for the impacts. Next CONSULTANT will document the NWP terms and conditions, General Conditions, and Fort Worth District Regional Conditions for the applicable permit. Finally, CONSULTANT will document how the proposed project complies with each of these conditions. CONSULTANT will summarize the delineation, impact assessment, permit conditions, and compliance in a brief letter report.

G. Task 12: Illumination Design (via sub-consultant)

The CONSULTANT will perform the following through a sub-consultant as part of the task for the following limits:

Lone Star Parkway: From the US 82 westbound frontage road, north approximately 1,450 feet to Heritage Ranch Trail.

Limits of design are shown in Exhibit H

GENERAL REQUIREMENTS

- a) Specific design requirements shall be obtained from the City of Sherman Engineering Design Standards, or TxDOT if the City of Sherman standards do not address specific needs.

EXHIBIT A SCOPE OF SERVICES

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- b) Each time the CONSULTANT submits plans and/or specifications to CLIENT, one (1) PDF copy of each shall be submitted, unless otherwise instructed. These shall be reviewed and checked by CLIENT and returned to CONSULTANT for corrections. When the corrected copies of the plans and specifications are returned to CLIENT, the original and reviewed plans and specifications shall also be returned to CLIENT. All plans, specifications, documents, provisions, attachments, and correspondence provided in accordance with this contract shall be dated.
 - c) Data Collection –
 - i. Engineer will gather data from the City of Sherman on the proposed/existing roadway section (electronic CAD format) for the proposed roadway reconstruction project. This data will include existing survey files, proposed roadway files including paving, cross sections, plans and profiles and bridge layouts, and existing and proposed right-of-way and utility files.
 - d) Engineer will conduct a field visit to photograph key features and to identify any possible utility and other conflicts associated with illumination pole locations.

COORDINATION WITH AGENCIES

- a) CONSULTANT will conduct a design concept meeting with the CITY to determine their requirements and guidelines regarding illumination design. This meeting may be held via teleconference or in person, as requested.

PRELIMINARY DESIGN PLANS

- a) Design – At such time as the CONSULTANT is directed by the CITY, the CONSULTANT shall prepare and submit one (1) electronic PDF set of Preliminary Design Plans for review on 11" x 17" sheets. At the time of submittal of the Preliminary Design Plans, any supporting studies and/or calculations shall be submitted for review by the CITY. Preliminary Design Plans must be approved by the CITY prior to the CONSULTANT commencing with the preparation of Final Design Plans. Upon approval of the Preliminary Design Plans, the CONSULTANT will provide the CITY with the approved plans in pdf format and revised schedule for completion of the project. Preliminary Design Plans will be prepared by following the steps described below:
- b) Review AASHTO requirements to assign a roadway classification and to determine light level requirements. Perform light level calculations using AGI design software to determine pole spacing. The roadway will be analyzed for pole spacing using City of Sherman lighting pole and luminaire standards.
- c) Review clearance requirements to assess the need for guard rails as needed.
- d) Review applicable National Electric Code provisions and requirements.
- e) Coordinate with the appropriate utility companies to identify service locations, types, and standards for roadway lighting.
- f) Perform voltage drop calculations to determine electrical conductor size and grounding conductors.
- g) Review conduit fill and design conduit size.

EXHIBIT A SCOPE OF SERVICES

- h) Design electrical services including electrical service data, breaker size, and service entrance conductors.
- i) CONSULTANT will prepare preliminary illumination plans (60% and 95%) for review by the CITY. The roadway illumination plans will show pole foundation locations, conduits, ground boxes, underpass fixtures and elevations, electrical service data sheet, power source locations, and conductor charts.
- j) Construction Estimate - At the time of submittal of the Preliminary Design Plans, the Consultant shall prepare an estimate of construction quantities and develop preliminary opinion of probable construction cost.

FINAL DESIGN / CONSTRUCTION PLANS

- a) At such time as the CONSULTANT is directed by the CLIENT, the CONSULTANT shall prepare Final Design / Construction Plans. Final Design Plans shall be consistent with the content and format of the Preliminary Design Plans and, in addition, shall include the following:
 - i. General Notes – Construction General Notes shall be compiled and inserted in the plans.
 - ii. Quantity Summary Sheets – Quantities shall be compiled and summarized in a tabular format with the description of the items matching that of the TxDOT bid items.
 - iii. Details and Standards – Appropriate details and standards shall be compiled and inserted into the plans following the section in which the detail or standard is applied.
 - iv. Special Specifications, if applicable.
- b) Construction Estimate - The Consultant shall develop and submit a final opinion of probable construction cost.
- c) Construction Administration – These services are intended to assist the City/Client in administering the contract for construction and assisting the City/Client in responding to the events that occur during construction. The Consultant shall provide Construction Administration Services as defined below.
- d) Review of Shop Drawings, Samples and Submittals If requested, shop drawings, samples and other submittals for conformance with the design concept and general compliance with the requirements of the contract for construction.
- e) Requests for Information – The CONSULTANT will review the CITY's requests for information or clarification of the contract for construction. The CONSULTANT will coordinate and issue responses to requests to the CITY.
- f) Completion Of Record Documents – The CONSULTANT shall prepare construction Record Documents based on information received from the Construction Contractor within thirty (30) days of substantial completion of construction and provide to the Client.

EXHIBIT A SCOPE OF SERVICES

H. Task 13: TAS Plan Review & Inspection (via sub-consultant)

The CONSULTANT will perform the following through a sub-consultant as part of the task:

- a) Review all plan documents in accordance with the rules of the Texas Department of Licensing and Regulation (TDLR). Review will be completed by a Registered Accessibility Specialist.
- b) A final inspection of new construction or altered space will be performed within one year of completion to verify the requirements of the Texas Accessibility Standards have been met.
- c) The Consultant will register the project with TDLR.

It is understood that review and inspection will be performed for 1 bid package.

V. ITEMS NOT INCLUDED IN THE EXISTING SCOPE OF SERVICES

A. Additional Services not included in the existing Scope of Services – City and Consultant agree the following services are beyond the Scope of Services described in the tasks above. However, Consultant can provide these services, if needed, upon the City's written request. Any additional amounts paid to the Consultant as a result of any material change to the Scope of the Project shall be agreed upon in writing by both parties before the services are performed. These Additional Services include the following:

- a. Preparation of applications and supporting documents for government grants or planning advances for public works projects.
- b. Tree survey's or preparation of tree mitigation plans
- c. Construction staking
- d. Additional survey beyond what is shown in "Exhibit G"
- e. Property acquisition coordination
- f. Attendance to meetings in addition to tasks outlined in Exhibit 'A'
- g. Bid phase services for Phase 2 improvements and in addition to tasks outlined in Exhibit 'A'
- h. Construction phase services for Phase 2 improvements and in addition to tasks outlined in Exhibit 'A'
- i. Sewer studies and modeling
- j. Gas and franchise utility design
- k. Landscape architecture design
- l. Irrigation design
- m. Structural design
- n. Traffic signal phasing, signal timing, signal warrant analysis
- o. Traffic Signal Design
- p. Public art design
- q. H&H study (being performed by the Heritage Ranch developer)

EXHIBIT B PROJECT BUDGET SUMMARY

I. Basic Services

Task 1: Conceptual Design (30%) (Expected Completion: 5/30/24)*	\$225,000.00 (Lump Sum)
Task 2: Preliminary Design (60%) (Expected Completion: 10/3/24)*	\$250,000.00 (Lump Sum)
Task 3 - Pre-Final & Final Design (90% & 100%) (Expected Completion: 2/13/25)*	\$150,000.00 (Lump Sum)
Task 4 - Bid Phase Services (Expected Completion: 3/27/25)*	\$9,000.00 (Lump Sum)
Task 5 - Construction Phase Services	\$50,000.00 (Hourly, NTE)

Total Basic Services	\$684,000.00
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II. Special Services

Task 6: Survey	
Task 6a: Boundary & Design Topographic Survey	\$50,500.00 (Lump Sum)
Task 6b: Separate Instrument Exhibits (if required) (10 @ \$2,500.00 each)	\$25,000.00 (Lump Sum)
Task 6c: Full Design Topo (if required)	\$40,000.00 (Lump Sum)
Task 7: QL 'B/C/D' SUE	\$29,600.00 (Hourly, NTE)
Task 8: QL 'A' SUE (14 @ \$2,850.00 each)	\$39,900.00 (Lump Sum)
Task 9: Utility Coordination	\$68,300.00 (Hourly, NTE)
Task 10: Geotechnical (via sub-consultant)	
Task 10a: Geotechnical Engineering	\$64,350.00 (Lump Sum)
Task 10b: Site Clearing for Geotechnical Borings (if required)	\$4,400.00 (Lump Sum)
Task 11: Environmental Services (via sub-consultant)	
Task 11a: Archeological Survey and Agency Coordination	\$23,820.00 (Lump Sum)
Task 11b: Additional Archeological Site Recording (if required) (1 @ \$2,750.00 each)	\$2,750.00 (Lump Sum)
Task 11c: Deed Title and Archival Research (if required) (1 @ \$2,750.00 each)	\$2,750.00 (Lump Sum)
Task 11d: Waters of the United States Delineation	\$4,180.00 (Lump Sum)
Task 11e: Section 404/Nationwide Permit Assessment	\$1,650.00 (Lump Sum)
Task 12: Illumination Design (via sub-consultant)	\$26,960.00 (Lump Sum)
Task 13: TAS Plan Review & Inspection (via sub-consultant)	\$2,200.00 (Lump Sum)
Direct Cost (3%)	\$28,100.00 (Lump Sum)

Total Authorized Special Services	\$414,460.00
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Project Budget, Grand Total (Not-To-Exceed)	\$1,098,460.00
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*Completion schedule is based on a January 2024 Notice to Proceed

EXHIBIT C

GUIDELINES FOR COMPUTER AIDED DESIGN AND DRAFTING (CADD)

- A. Files shall be done in DWG/DXF format.
- B. Files shall be georeferenced in the State Plane, Texas North Central FIPS 4202 (feet) coordinate system, using a datum of NAD 83 Grid.
- C. If a surface adjustment factor is applied to the data, any surface adjustment factors used should be clearly documented on the drawing.
- D. If submissions for the Project relate to a plat, the file submitted must match exactly the plat that is submitted for recording.
- E. The file shall contain required features for the project type as detailed below:
 - a. Pre-Construction/As-Built Plans and/or Record Documents:
 - i. Layers from Final Plat Requirements as Applicable to Project Type.
 - ii. Water Utility Features.
 - iii. Sanitary Sewer Features.
 - iv. Storm Sewer Features.
- F. Each required feature group should be provided as a separate layer within the file.
- G. Layer names should be representative of the information contained in the layer.
- H. Line work should be done per accepted industry norms.

Text should not be smaller than 0.08" on a full size sheet, and should be a font such as Simplex, Calibri, or Arial.

EXHIBIT D
CONSULTANT'S GUIDELINES FOR DIRECT EXPENSES; GENERAL AND
ADMINISTRATIVE MARKUP; TRAVEL AND SUBSISTENCE EXPENSES

- I. **CONSULTANT'S RESPONSIBILITY.** Consultant shall be solely responsible for the auditing and accuracy of all Direct Expenses, approved markup (general and/or administrative), and approved travel and/or subsistence charges, including those of its subcontractors, prior to submitting to City for reimbursement. Any over-payment by City for errors in submittals for reimbursement may be deducted from Consultant's subsequent payment(s) for services; however, this shall not be City's sole and exclusive remedy for said over-payment.

II. **GUIDELINES FOR DIRECT EXPENSES.**

- A. **Local Transportation** – Transportation in connection with the Project, when such transportation is not a function of routine performance of the duties of Consultant in connection with the Project, and when such transportation exceeds beyond fifty (50) miles from the Project site, shall be reimbursed at a standard mileage rate consistent with that as issued, and periodically revised, by the United States Internal Revenue Service (IRS). Under no circumstances shall City reimburse Consultant at a higher standard mileage rate or pay additional markup on charges for local transportation. Completion of City's Standard Mileage Log is required for submittal of these charges for reimbursement, including justification for each submitted expense.

Under no circumstances are charges associated with rental cars for local transportation eligible for reimbursement by City. Toll road subscriptions or toll plaza receipts are not reimbursable. Consultant agrees to place these standards in all subcontracts for work on the Project.

- B. **Supplies, Material, Equipment** – City shall reimburse the actual cost of other similar direct Project-related expenses, which are duly presented in advance and approved by City's Project Manager in writing.
- C. **Commercial Reproduction** – City shall reimburse the actual cost of reproductions, specifically limited to progress prints prepared for presentation to City at each phase of progress, and final Construction Documents prepared for distribution at bidding phase, provided that Consultant has duly obtained at least three (3) quotations from commercial firms and has chosen the best value for City. Consultant shall provide such documentation to City for review prior to submitting these expenses for reimbursement. Consultant agrees to place these standards in all subcontracts for work on the Project.
- D. **In-House Reproduction** – Consultant shall make arrangements with City for prior approval of in-house reproduction rates prior to submitting these expenses for reimbursement. City shall provide Consultant with a standard format for documenting these charges. Completion of City's reproduction log is required as

EXHIBIT D
CONSULTANT'S GUIDELINES FOR DIRECT EXPENSES; GENERAL AND
ADMINISTRATIVE MARKUP; TRAVEL AND SUBSISTENCE EXPENSES

a prerequisite for payment, including the number or reproductions, the date, time, description, the approved standard rate, and a justification for each submitted expense for reimbursement. Consultant agrees to place these standards in all subcontracts for work on the Project.

- E. **Commercial Plotting** – City shall reimburse the actual cost of plots, specifically limited to final documents, provided Consultant has duly obtained at least three (3) quotations from commercial firms and has chosen the best value for City. Consultant shall provide such documentation to City for review prior to submitting these expenses for reimbursement. Consultant agrees to place these standards in all subcontracts for work on the Project.
- F. **In-House Plotting** – Consultant shall make arrangements with City for prior written approval of in-house plotting rates prior to submitting these charges for reimbursement. City shall provide Consultant with a standard format for documenting these charges. Completion of City's reproduction log is required as a prerequisite for payment, including the number of plots, the date, time, description, the approved standard rate, and a justification for each submitted charge for reimbursement.
- G. **Communications** – Reimbursement for expenses relating to electronic communications shall be limited to long-distance telephone or fax toll charges specifically required in the discharge of professional responsibilities related to the Project. Telephone service charges including office or cellular phones, WATTS, or Metro line services or similar charges are not reimbursable.
- H. **Postage, Mail, and Delivery Service** – City shall reimburse the actual cost of postage and delivery of Instruments of Service, provided Consultant duly considers all circumstances (including available time for assured delivery) of the required delivery and selects the best value for City, which may require comparison of delivery costs offered by three (3) or more sources or methods of delivery, which at a minimum shall include U.S. Mail. Courier service is acceptable only in circumstances requiring deadline-sensitive deliveries and not for the convenience of Consultant and/or Consultant's employees. Consultant agrees to place these standards in all subcontracts for work on the Project.
- I. **Meals and Other Related Charges** – Meals or any other related expenses are not reimbursable unless incurred outside a fifty (50) mile radius of the Project, and then only reimbursable for the actual cost subject to compliance with City's currently adopted policy. Non-allowable costs include, but are not limited to, charges for entertainment, alcoholic beverages, and gratuities.

EXHIBIT D
CONSULTANT'S GUIDELINES FOR DIRECT EXPENSES; GENERAL AND
ADMINISTRATIVE MARKUP; TRAVEL AND SUBSISTENCE EXPENSES

III. GUIDELINES FOR GENERAL AND ADMINISTRATIVE MARKUP.

- A. **Requirement of Prior Approval** – Consultant may be allowed to charge a General and/or Administrative Markup on work completed if Consultant can clearly define to City specifically what costs are included in the markup calculation. To apply General and/or Administrative Markup, Consultant must also document to City what costs would be considered direct costs. City shall issue approval in writing to allow Consultant to charge General and/or Administrative Markup. City reserves the right to reject any and all requests for General and/or Administrative Markup.

IV. GUIDELINES FOR TRAVEL AND SUBSISTENCE EXPENSES.

- A. **Requirement of Prior Approval** – City shall reimburse the actual cost of travel and/or subsistence expenses upon prior written approval by City's Project Manager.
- B. **Adherence to Currently Adopted City Travel Policy** – Reimbursements shall be governed by the same travel policies provided for City employees according to current adopted policy. Prior to the event, Consultant shall request, and City's Project Manager shall provide the provisions and the restrictions that apply to out-of-town reimbursements.

**EXHIBIT E
CONTRACTOR'S INSURANCE GUIDELINES**

I. GENERAL INSURANCE REQUIREMENTS –

- A. All policies shall name the City of Sherman, its officers, agents, representatives and employees as additional insured as to all applicable coverage with the exception of workers compensation insurance and professional liability insurance.
- B. Such policies shall require the provision of written notice to City at least thirty (30) days prior to cancellation, non-renewal or material modification of any policies, evidenced by return receipt or United States Certified Mail.
- C. Such policies shall provide for a waiver of subrogation against City for injuries, including death, property damage or any other loss to the extent the same is covered by the proceeds of the insurance.

II. INSURANCE COMPANY QUALIFICATION – All insurance companies providing the required insurance shall be authorized to transact business in the State of Texas, and shall have a minimum rating of "A" by A.M. Best's Key Rating Guide, or other equivalent rating service(s).

III. CERTIFICATE OF INSURANCE – A Certificate of Insurance and policy endorsement(s) evidencing the required insurance shall be submitted prior to execution of the Agreement. If the Agreement is renewed or extended by City, a Certificate of Insurance and policy endorsement(s) shall also be provided to City prior to the date the Agreement is renewed or extended.

IV. INSURANCE CHECKLIST – "X" means that the following coverage(s) is required for this Agreement.

Coverage Required		Limits
<u> X </u>	1. Worker's Compensation & Employer's Liability	▪ Statutory Limits of the State of Texas
<u> X </u>	2. General Liability	▪ Minimum \$1,000,000.00 each occurrence; ▪ Minimum \$2,000,000.00 in the aggregate
<u> </u>	3. XCU Coverage	▪ Minimum \$1,000,000.00 each occurrence; ▪ Minimum \$2,000,000.00 in the aggregate

EXHIBIT E
CONTRACTOR'S INSURANCE GUIDELINES

-
- | | | | |
|---------------|-----|---|--|
| <u> X </u> | 4. | Professional Liability | <ul style="list-style-type: none">▪ Minimum \$1,000,000.00 each claim;▪ Minimum \$2,000,000.00 in the aggregate |
| <u> X </u> | 5. | Umbrella Coverage of Excess Liability Coverage | <ul style="list-style-type: none">▪ An amount of \$2,000,000.00▪ Minimum \$2,000,000.00 in the aggregate |
| <u> X </u> | 6. | City and its officers, agents, representatives and employees named as additional insured on General Liability Policy, as provided above. This coverage is primary to all other coverage City may possess. | |
| <u> X </u> | 7. | General Liability Insurance provides for a Waiver of Subrogation against the City for injuries, including death, property damage, or any other loss to the extent that same is covered by the proceeds of the insurance. All insurance policies that are required to name the City as an additional insured must be endorsed to read as primary and non-contributory coverage regardless of the application of other insurance. | |
| <u> X </u> | 8. | Thirty (30) days' notice of cancellation, non-renewal, or material change required. The words "endeavor to" and "but failure" (to end of sentence) are to be eliminated from the Notice of Cancellation provision on standard ACORD certificates. | |
| <u> X </u> | 9. | Insurance company has a minimum rating of "A" by A.M. Best's Key Rating Guide, or other equivalent rating service(s). | |
| <u> X </u> | 10. | The Certificate of Insurance must state the project title and bid number. | |
| <u> </u> | 11. | Other Insurance Requirements (State Below): | |

EXHIBIT F
CONFLICT OF INTEREST QUESTIONNAIRE, FORM CIQ

CONFLICT OF INTEREST QUESTIONNAIRE For vendor doing business with local governmental entity		FORM CIQ
This questionnaire reflects changes made to the law by H.B. 23, 84th Leg., Regular Session. This questionnaire is being filed in accordance with Chapter 176, Local Government Code, by a vendor who has a business relationship as defined by Section 176.001(1-a) with a local governmental entity and the vendor meets requirements under Section 176.006(a). By law this questionnaire must be filed with the records administrator of the local governmental entity not later than the 7th business day after the date the vendor becomes aware of facts that require the statement to be filed. See Section 176.006(a-1), Local Government Code. A vendor commits an offense if the vendor knowingly violates Section 176.006, Local Government Code. An offense under this section is a misdemeanor.	OFFICE USE ONLY Date Received	
1 Name of vendor who has a business relationship with local governmental entity.		
2 ☐ Check this box if you are filing an update to a previously filed questionnaire. (The law requires that you file an updated completed questionnaire with the appropriate filing authority not later than the 7th business day after the date on which you became aware that the originally filed questionnaire was incomplete or inaccurate.)		
3 Name of local government officer about whom the information is being disclosed. _____ Name of Officer		
4 Describe each employment or other business relationship with the local government officer, or a family member of the officer, as described by Section 176.003(a)(2)(A). Also describe any family relationship with the local government officer. Complete subparts A and B for each employment or business relationship described. Attach additional pages to this Form CIQ as necessary. A. Is the local government officer or a family member of the officer receiving or likely to receive taxable income, other than investment income, from the vendor? ☐ Yes ☐ No B. Is the vendor receiving or likely to receive taxable income, other than investment income, from or at the direction of the local government officer or a family member of the officer AND the taxable income is not received from the local governmental entity? ☐ Yes ☐ No		
5 Describe each employment or business relationship that the vendor named in Section 1 maintains with a corporation or other business entity with respect to which the local government officer serves as an officer or director, or holds an ownership interest of one percent or more.		
6 ☐ Check this box if the vendor has given the local government officer or a family member of the officer one or more gifts as described in Section 176.003(a)(2)(B), excluding gifts described in Section 176.003(a-1).		
7 _____ Signature of vendor doing business with the governmental entity _____ Date		

Form provided by Texas Ethics Commission

www.ethics.state.tx.us

Revised 1/1/2021

EXHIBIT G RATE SCHEDULE

Teague Nall and Perkins, Inc.
2023 Standard Hourly Rates
Effective January 1, 2023

Engineering/Landscape Architecture/ROW	Hourly Billing Rate
Principal or Director	\$290
Team Leader	\$275
Senior Project Manager	\$270
Project Manager	\$230
Senior Engineer	\$280
Project Engineer	\$180
Senior Structural Engineer	\$285
Structural Engineer	\$200
Engineer III/IV	\$160
Engineer I/II	\$135
Senior Landscape Architect/Planner	\$280
Landscape Architect / Planner	\$200
Landscape Designer	\$140
Senior Designer	\$185
Designer	\$160
Senior CAD Technician	\$150
CAD Technician	\$120
IT Technician	\$180
Clerical	\$85
ROW Manager	\$250
Senior ROW Agent	\$185
ROW Agent	\$145
Relocation Agent	\$185
ROW Admin	\$100
Intern	\$80
Surveying	Hourly Billing Rate
Survey Manager	\$290
Registered Professional Land Surveyor (RPLS)	\$250
Field Coordinator	\$155
S.I.T. or Senior Survey Technician	\$150
Survey Technician	\$130
1-Person Field Crew w/Equipment**	\$160
2-Person Field Crew w/Equipment**	\$190
3-Person Field Crew w/Equipment**	\$215
4-Person Field Crew w/Equipment**	\$235
Flagger	\$60
Abstractor (Property Deed Research)	\$100
Small Unmanned Aerial Systems (sUAS) Equipment & Crew	\$450
Terrestrial Scanning Equipment & Crew	\$280
City of Sherman, Texas – Professional Services Agreement	Page 54 of 61
Heritage Ranch Public Improvements	

EXHIBIT G RATE SCHEDULE

Utility Management, Utility Coordination, and SUE	Hourly Billing Rate
Senior Utility Coordinator	\$180
Utility Coordinator	\$160
SUE Field Manager	\$180
Sr. Utility Location Specialist	\$180
Utility Location Specialist	\$110
1-Person Designator Crew w/Equipment***	\$155
2-Person Designator Crew w/Equipment***	\$200
2-Person Vac Excavator Crew w/Equip (Exposing Utility Only)	\$320 (4 hr. min.)
Core Drill (equipment only)	\$800 per day
SUE QL-A Test Hole (0 < 8 ft)****	\$2,300 each
SUE QL-A Test Hole (> 8 < 15 ft)****	\$2,800 each

Construction Management, Construction Engineering and Inspection (CEI)	Hourly Billing Rate
Construction Inspector I/II	\$110
Construction Inspector III	\$135
Senior Construction Inspector	\$150
Construction Superintendent	\$185
Construction Manager	\$220
Senior Construction Manager	\$270
Construction Records Keeper	\$120

Direct Cost Reimbursables

A fee equal to 3% of labor billings shall be included on each monthly invoice for prints, plots, photocopies, plans or documents on CD, DVD or memory devices, and mileage. No individual or separate accounting of these items will be performed by TNP.

Any permit fees, filing fees, or other fees related to the project and paid on behalf of the client by TNP to other entities shall be invoiced at 1.10 times actual cost.

Notes:

All subcontracted and outsourced services shall be billed at rates comparable to TNP's billing rates above or cost times a multiplier of 1.10.

** Rates shown are for 2023 and are subject to change in subsequent years.*

*** Survey equipment may include truck, ATV, Robotic Total Station, GPS Units and Digital Level.*

**** Includes crew labor, vehicle costs, and field supplies.*

EXHIBIT H TASK SCOPE LIMITS

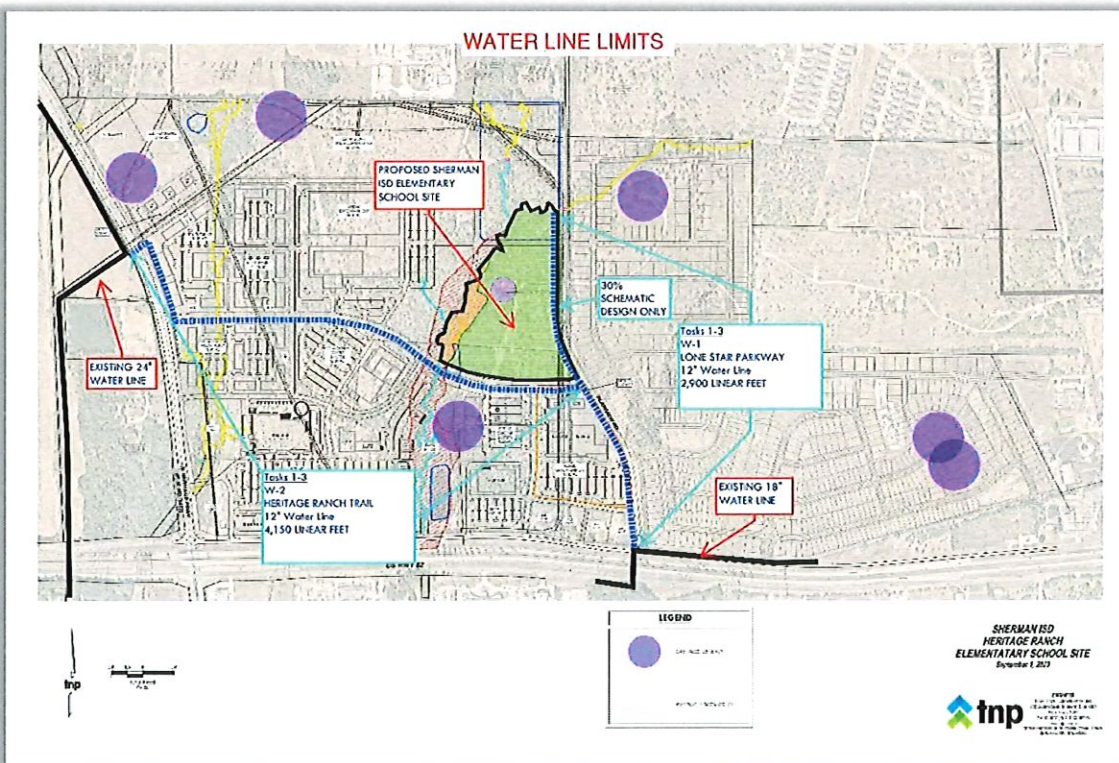
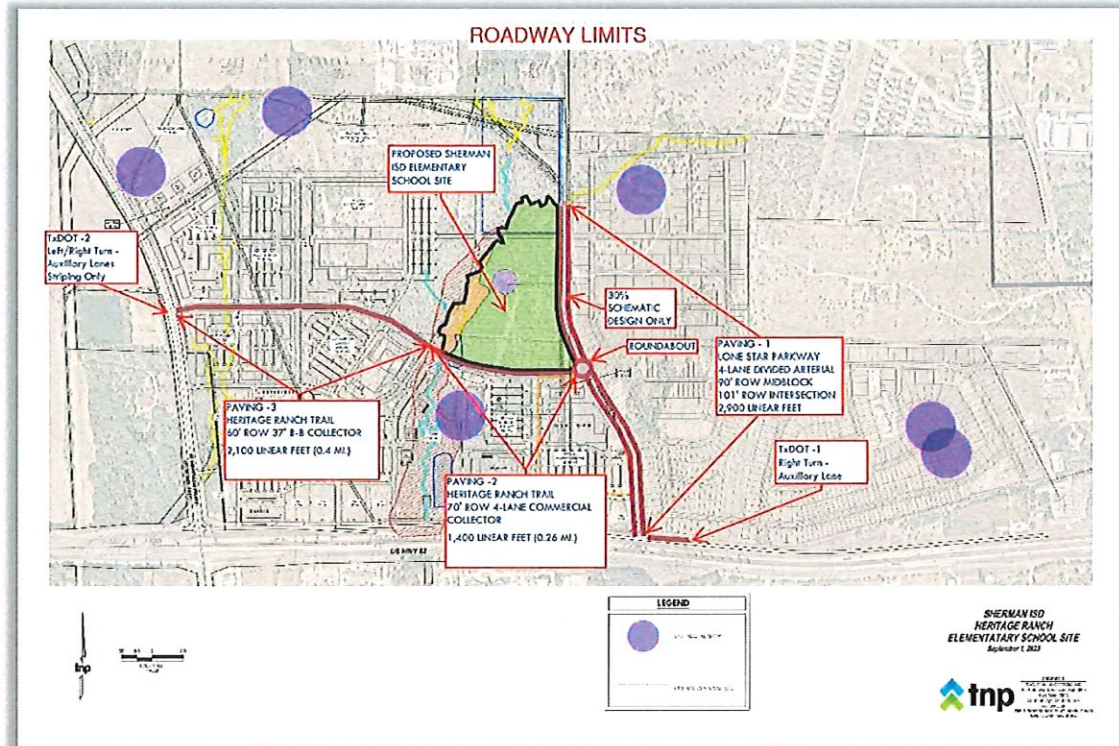
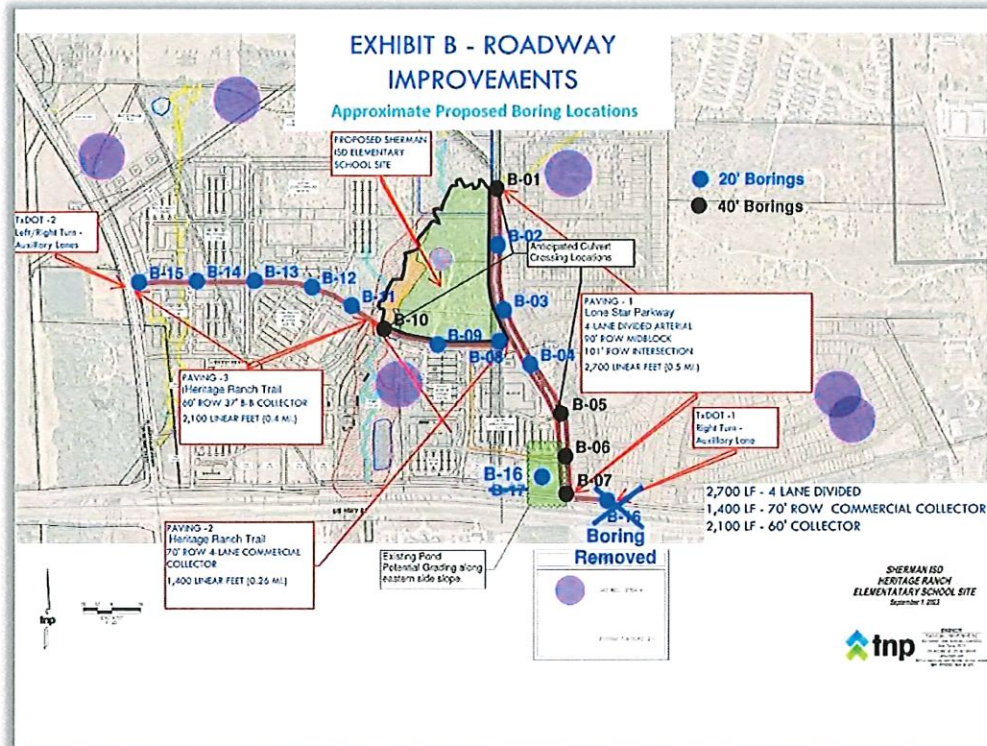


EXHIBIT H **TASK SCOPE LIMITS** **Task 10 – Geotechnical Engineering**



Task 6a – Limited Spot Verification of LiDAR Topo

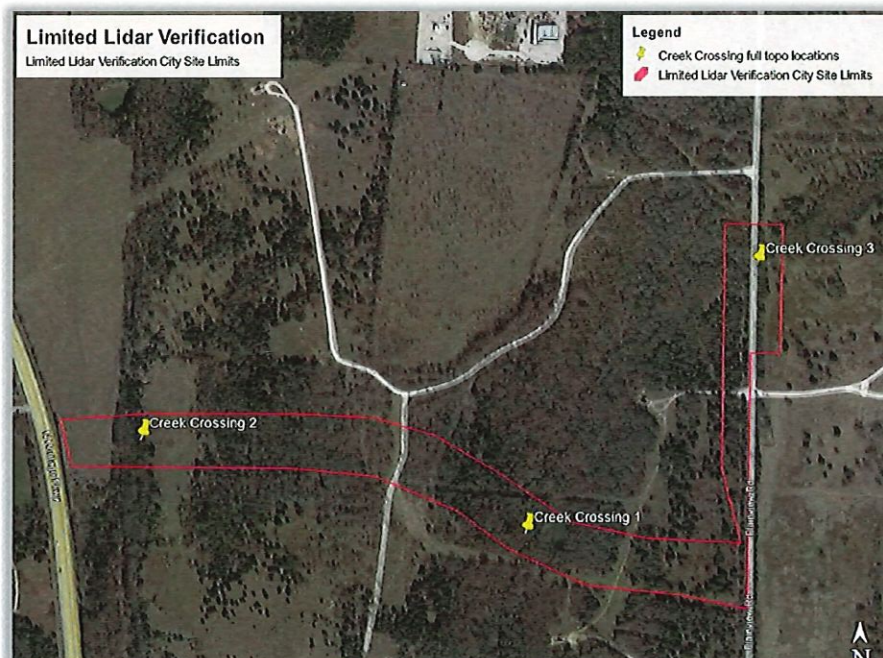


EXHIBIT H
TASK SCOPE LIMITS
Task 6a – Supplemental Design Topo

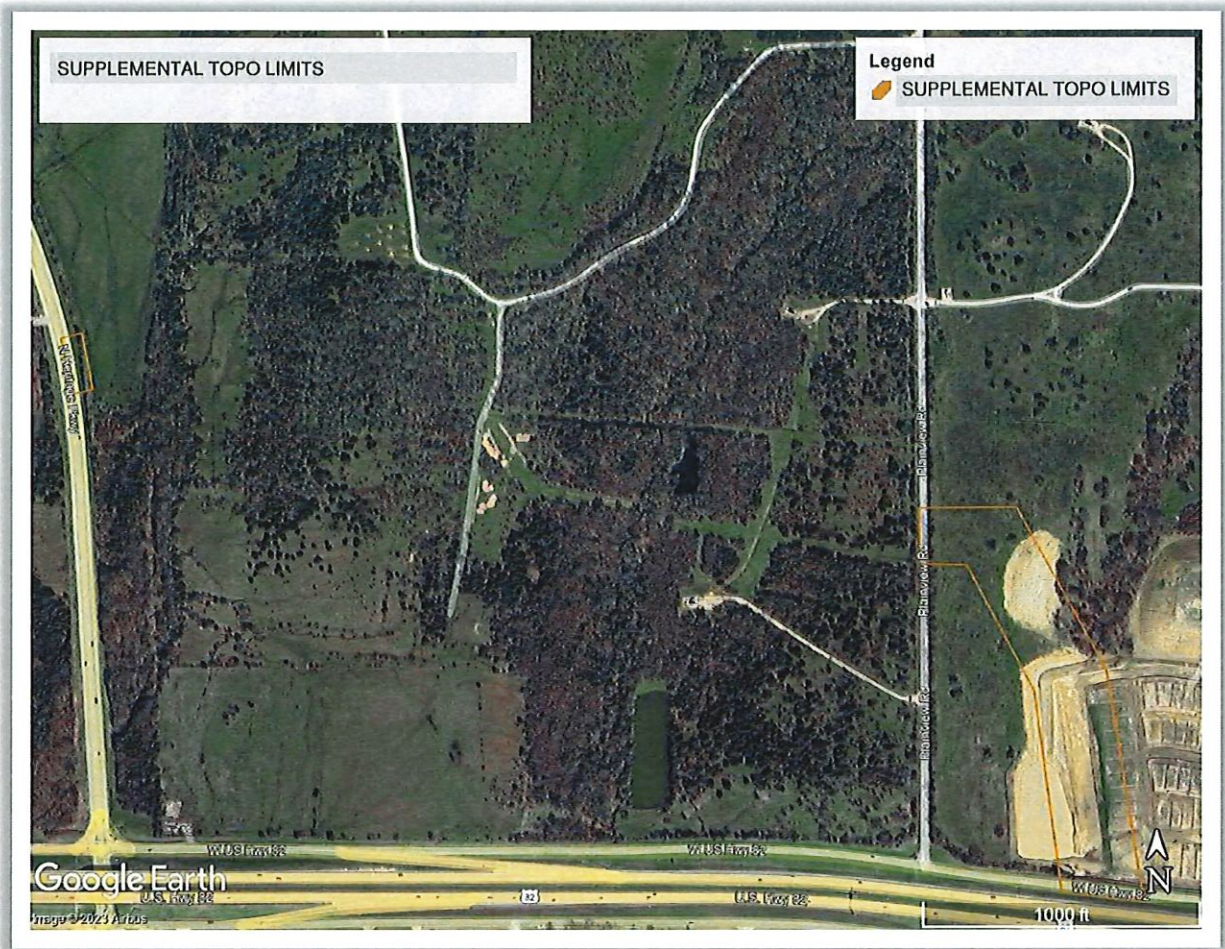
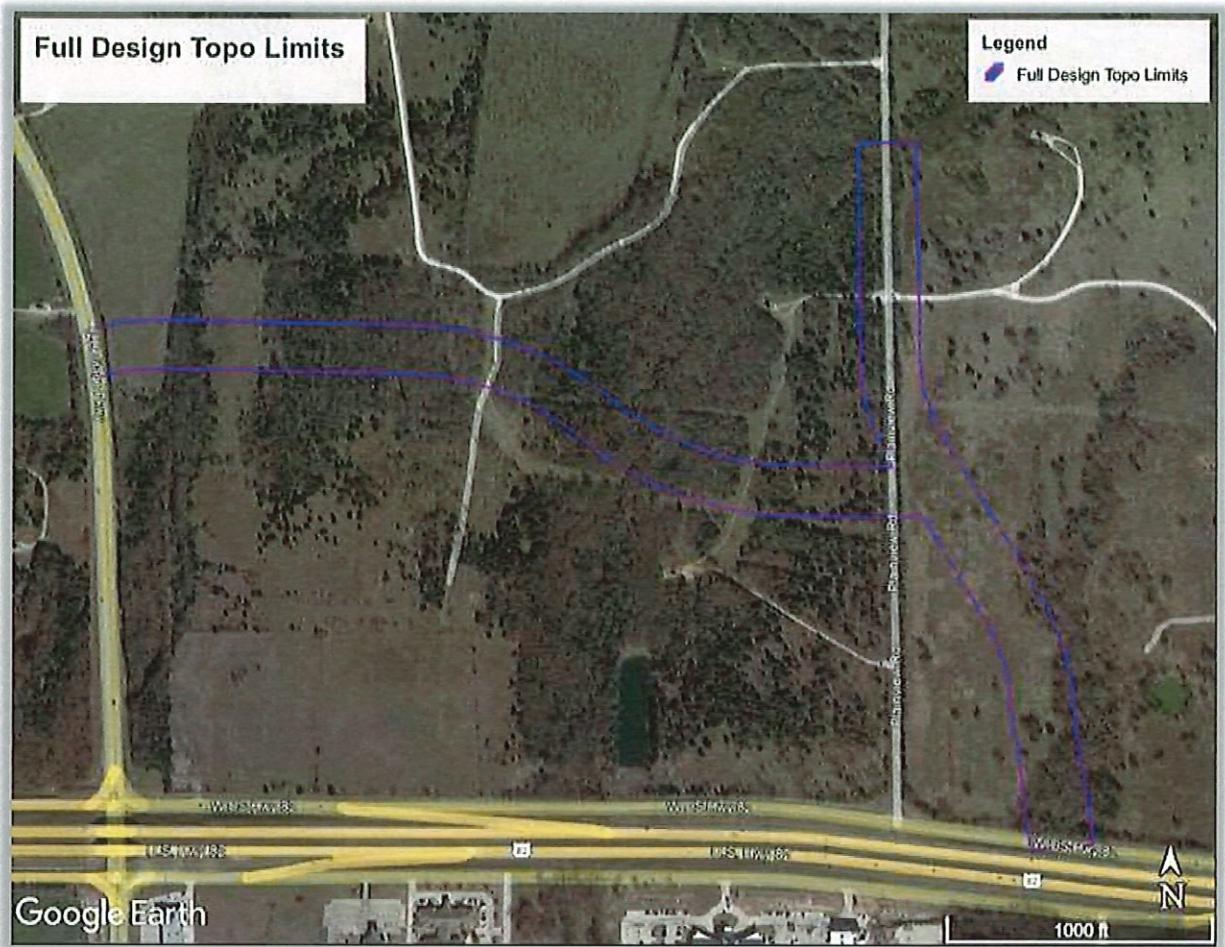


EXHIBIT H
TASK SCOPE LIMITS
Task 6c: Full Design Topo (if required)



2 TH gas crossings

Legend (per Underwood Survey)

Legend for existing pipelines to remain in place (see disclaimer)

Legend for existing pipelines to be removed/relocated:

Legend for relocated pipelines:

DISCLAIMER: The boundary lines, easements, right-of-way, well sites, floodplain, pipelines and easements shown hereon based upon a survey performed by Douglas W. Underwood, dated June 10, 2019. Only those pipelines located and verified by Helvey-Wagner Surveying (HWS). HWS is not responsible for the accuracy of this drawing as a current best updated boundary survey identifying all easements and/or pipelines. Only those items shown hereon that derive from the Underwood Survey have been located and addressed by HWS.

1 TH gas crossing

5 TH gas crossings

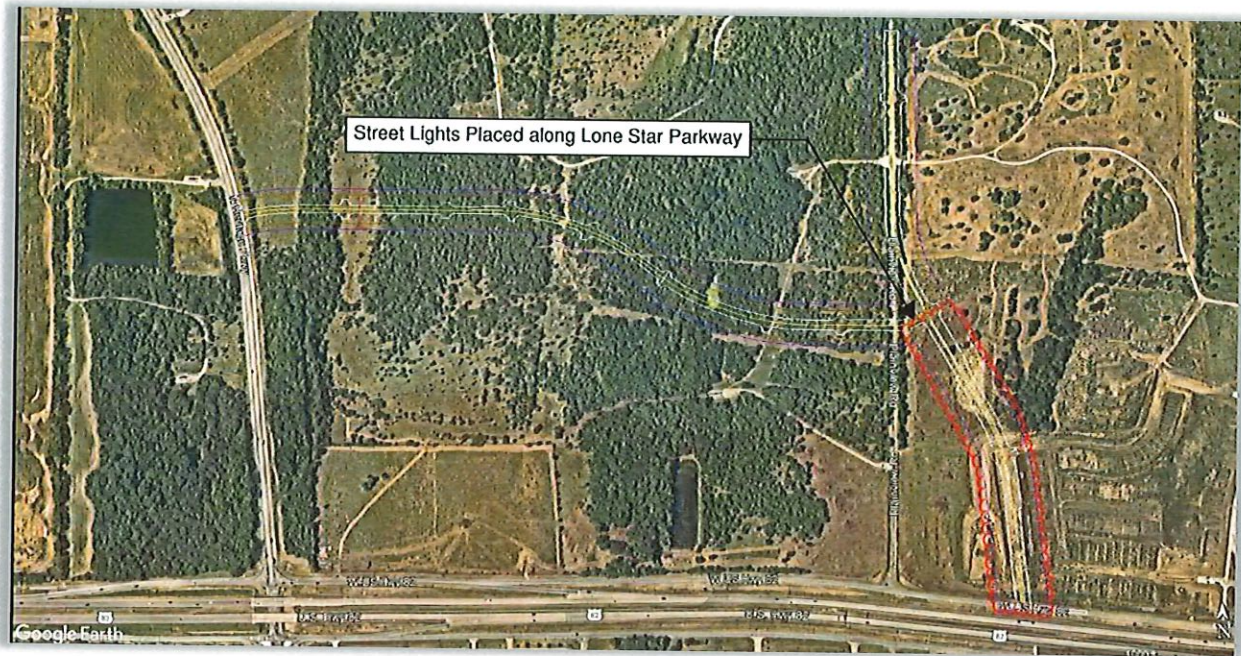
2 TH gas crossings

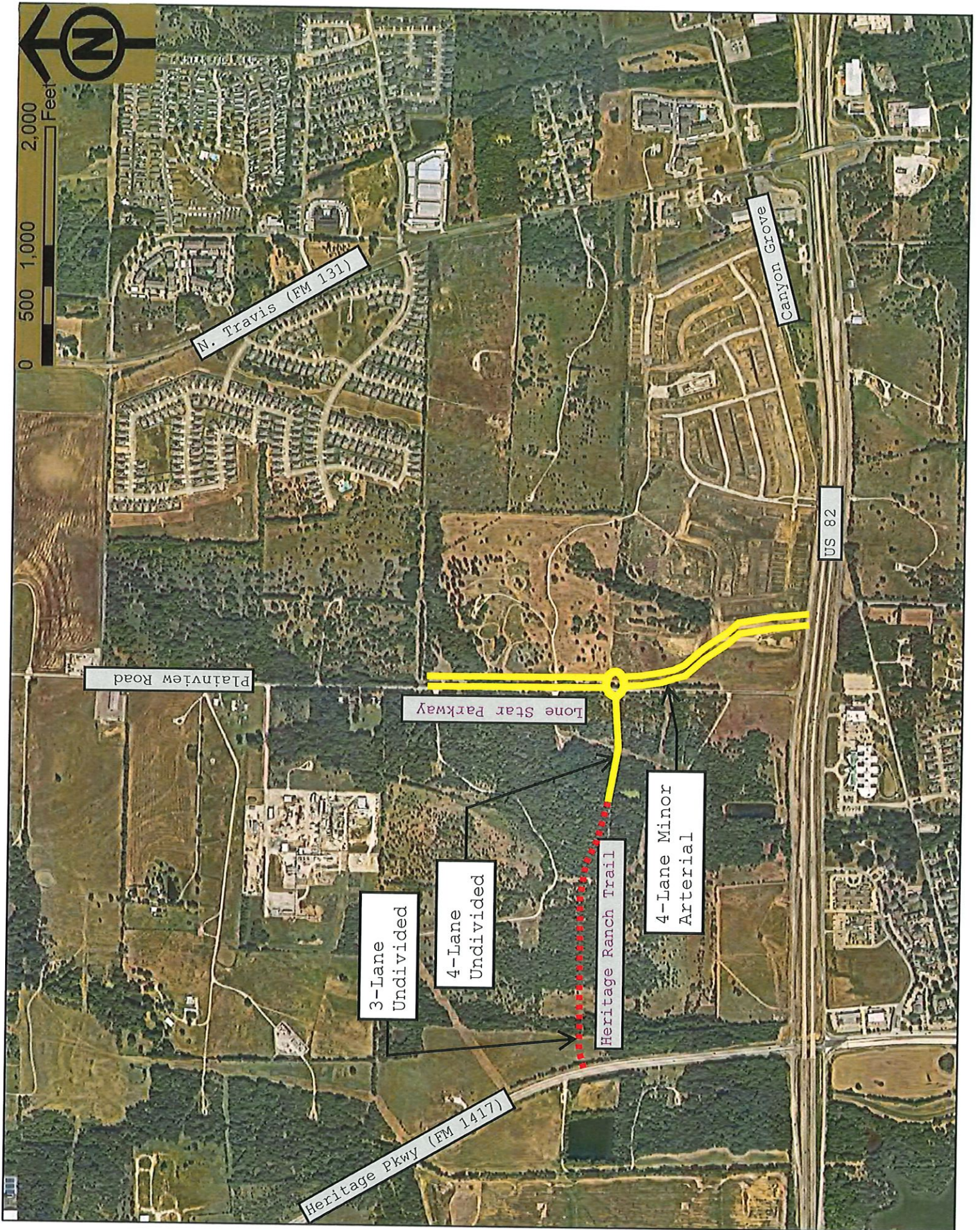
E. M. HIGHWAY NO. 1437

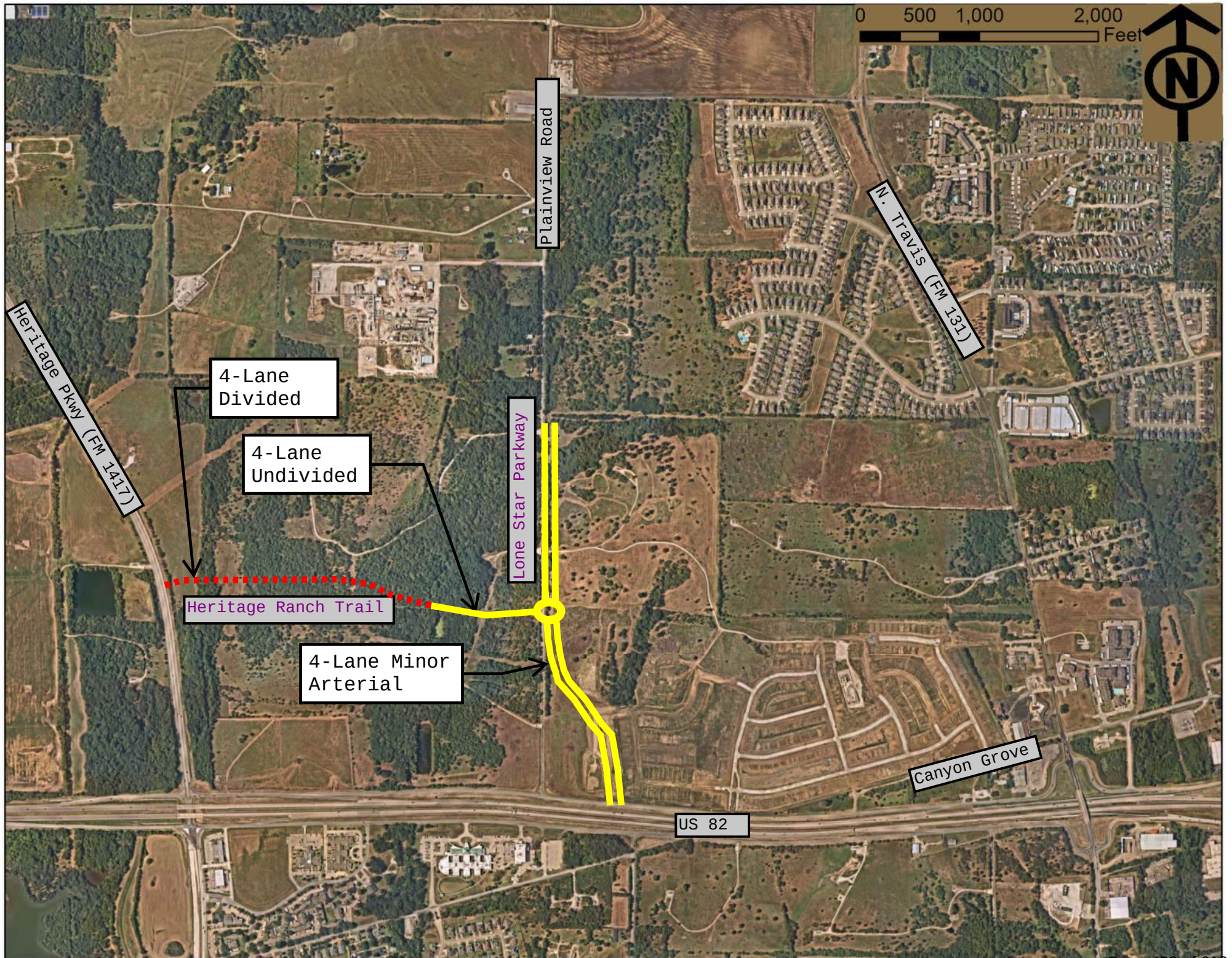
PLAINVIEW ROAD

U. S. HIGHWAY NO. 82

EXHIBIT H
TASK SCOPE LIMITS
Task 12: Illumination Design









City Council Regular Meeting

Agenda Item No. F.7.

Meeting Date: 11/4/2024

Prepared By: Wayne Lee, Director of Engineering

Approved By: Robby Hefton, City Manager

Caption:

*** RESOLUTION NO. 7422**

Authorizing Execution of Amendment No. 1 to the Professional Services Agreement with Garver, LLC for the Sherman WTP Sedimentation Basin Mechanism Replacement Project

Issue:

To consider Amendment No. 1 to the Professional Services Agreement with Garver, LLC for the Sherman WTP Sedimentation Basin Mechanism Replacement Project

Background:

On July 5, 2024, City Staff approved a Professional Services Agreement with Garver, LLC for the Sherman Water Treatment Plant Sedimentation Basin Mechanism Replacement Project in the amount of \$21,964.00. The original contract included construction details and specifications for bidding the installation of new sedimentation basin mechanisms..

This Amendment No. 1 authorizes Garver, LLC additional engineering fees necessary to provide design services, bid phase services, and construction review for installation of water treatment plant filter media replacement.

This Amendment No. 1 also provides compensation for additional engineering services, as needed, to oversee construction phase services for the WTP Sedimentation Basin Mechanism Replacement project to ensure the materials provided will meet the engineer's specifications and installation is done according to the manufacturer's requirements.

This Amendment No. 1 adds \$32,464.00 to the contract for a total contract cost of \$54,428.00.

Origination:

Engineering Department

Financial Consideration:

Funding in the amount of \$32,464.00 is needed for this Amendment No. 1 and is available in the 2023 GTUA OM Bonds.

Staff Recommendation:

It is recommended that Amendment No. 1 to the Professional Services Agreement with Garver, LLC for the Sherman WTP Sedimentation Basin Mechanism Replacement Project contract be approved.

Alternatives:

As may be directed by the City Council.

Attachments:

1. Resolution No. 7422
2. Amendment No. 1
3. Garver PSA - WTP Sedimentation Basin Mechanism Replacement
4. Location Map

RESOLUTION NO. 7422

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING EXECUTION OF AMENDMENT NO. 1 TO THE PROFESSIONAL SERVICES AGREEMENT WITH GARVER, LLC FOR THE SHERMAN WTP SEDIMENTATION BASIN MECHANISM REPLACEMENT PROJECT; 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 all contract documents being properly completed and approved as to form and content by the City Attorney, to execute Amendment No. 1 to the Professional Services Agreement with Garver, LLC, for the Sherman WTP Sedimentation Basin Mechanism Replacement Project, in accordance with all contract documents attached hereto and made a part hereof for all purposes.

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.

DULY PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS on this 4th day of November 2024.

CITY OF SHERMAN, TEXAS

**BY: _____
DAVID PLYLER, MAYOR**

ATTEST:

**BY: _____
LINDA ASHBY, CITY CLERK**

**APPROVED AS TO FORM AND CONTENT:
THE LAW FIRM OF ABERNATHY,
ROEDER, BOYD & HULLETT, P.C.**

**BY: _____
RYAN D. PITTMAN, CITY ATTORNEY**

AMENDMENT NO. 1

TO THE PROFESSIONAL SERVICES AGREEMENT FOR ENGINEERING DESIGN SERVICES BETWEEN
THE CITY OF SHERMAN (CITY) AND GARVER, LLC (CONSULTANT)
FOR THE SHERMAN WTP SEDIMENTATION BASIN MECHANISM REPLACEMENT PROJECT
Dated July 5, 2024 ("Original Agreement")

City and Consultant desire to amend the Original Agreement for the purpose of: (a) extending and/or clarifying the Scope of Services for the Project (defined in the Original Agreement); (ii) revising the individual line items in the Project Budget Summary (defined in the Original Agreement); (iii) revising Consultant's Fee (defined in the Original Agreement); and (iv) making other necessary amendments as follows:

The following additional services are added to and incorporated into the Scope of Services under the Original Agreement:

III. TASK SUMMARY, BASIC SERVICES

A. Task 1 – To Final Design/Construction Plans and B. Task 2 - Bid Phase Services, add the design and bidding of the dual media filter media replacement of the conventional plant.

C. Task 3 – Add Construction Phase Services as follows:

i. **Construction Administration**

1. During the construction phase of work, Consultant will accomplish the following:

- a. Issue a Notice to Proceed letter to the Contractor and attend preconstruction meeting.
- b. Prepare for and attend utilities coordination meeting.
- c. Attend progress/coordination meetings with the Owner/Contractor.
- d. Evaluate and respond to construction material submittals and shop drawings. Corrections or comments made by Consultant on the shop drawings during this review will not relieve Contractor from compliance with requirements of the drawings and specifications. The check will only be for review of general conformance with the design concept of the project and general compliance with the information given in the contract documents. The Contractor will be responsible for confirming and correlating all quantities and dimensions, selecting fabrication processes and techniques of construction, coordinating his work with that of all other trades, and performing his work in a safe and satisfactory manner. Consultant's review shall not constitute approval of safety precautions or constitute approval of construction means, methods, techniques, sequences, procedures, or assembly of various components. When certification of

performance characteristics of materials, systems or equipment is required by the Contract Documents, either directly or implied for a complete and workable system, Consultant shall be entitled to rely upon such submittal or implied certification to establish that the materials, systems or equipment will meet the performance criteria required by the Contract Documents. Consultant will review up to 50 submittals.

- e. Issue instructions to the Contractor on behalf of the Owner and issue necessary clarifications (respond to RFIs) regarding the construction contract documents. Consultant will respond to up to 25 RFIs.
- f. Review the Contractor's progress payment requests based on the actual quantities of contract items completed and accepted and will make a recommendation to the Owner regarding payment. Consultant's recommendation for payment shall not be a representation that Consultant has made exhaustive or continuous inspections to (1) check the quality or exact quantities of the Work; (2) to review billings from Subcontractors and material suppliers to substantiate the Contractor's right to payment; or (3) to ascertain how the Contractor has used money previously paid to the Contractor.
- g. Maintain a set of working drawings and prepare and furnish record drawings.
- h. Prepare an operations and maintenance (O&M) manual related to improvements in the scope of this project.
- i. When authorized by the Owner, prepare change orders for changes in the work from that originally provided for in the construction contract documents. If redesign or substantial engineering or surveying is required in the preparation of these change order documents, the Owner will pay Consultant an additional fee to be agreed upon by the Owner and Consultant.
- j. Participate in final project inspection, prepare punch list, review final project closing documents, and submit final pay request.

The Consultant's Fees under the Original Agreement shall be increased in amounts not to exceed the following:

1. Final Design/Construction Plans Phase Services.....\$6,424 (Lump Sum)
2. Bid Phase Services\$1,040 (Lump Sum)
3. Construction Phase Services\$25,000 (Hourly, NTE)

TOTAL FEE INCREASE (NOT TO EXCEED):.....\$32,464

TERM

1. Completion dates for each task under this Amendment No. 1 shall be as follows:
 - a. Design Phase ServicesUnchanged
 - b. Bid Phase Services.....Unchanged
 - c. Construction Phase Services Concurrent with construction

[Rest of page left intentionally blank]

This Amendment No. 1 shall be effective on the date it is executed by the last party to execute it. The CITY and CONSULTANT hereby agree to amend the amount of the Consultant's Fees as follows:

Consultant shall be compensated on the following basis:

- | | |
|-----------------------------|----------|
| 1. Original Agreement | \$21,964 |
| 2. Amendment No. 1 | \$32,464 |

CONTRACT TOTAL (NOT TO EXCEED):.....\$54,428

The parties hereby ratify and confirm all of the terms, provisions, covenants and conditions of the Original Agreement and acknowledge and agree that the Original Agreement remains in full force and effect, except as amended in this Amendment No. 1. To the extent that any provision contained herein conflicts with the Original Agreement, the provision contained herein shall supersede such conflicting provision contained in the Original Agreement. This Amendment No. 1 and the Original Agreement contain the entire agreement of the parties with respect to the matters contained herein. This Amendment No. 1 may not be modified or terminated except upon the provisions hereof or by the mutual written agreement of the parties hereto. Any term not defined herein shall be deemed to have the meaning ascribed to it under the Original Agreement.

[Rest of page left intentionally blank]

EXECUTED in on behalf of CONSULTANT as shown below, and on behalf of the CITY by its City Manager (thereunto duly authorized) this _____ day of _____, 2024.

CITY:
CITY OF SHERMAN, TEXAS

CONSULTANT:
GARVER, LLC

Robby Hefton, City Manager



Lance Klement, P.E.
North Texas Water Team Leader

ATTEST:

ATTEST:

Linda Ashby
City Clerk



APPROVAL RECOMMENDED:

Wayne E. Lee, P.E., CFM / Director Engineering

APPROVED AS TO FORM:
THE LAW FIRM OF ABERNATHY,
ROEDER, BOYD & HULLETT, P.C.

BY:

Ryan D. Pittman
City Attorney

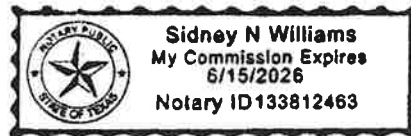
CORPORATE ACKNOWLEDGMENT

THE STATE OF TEXAS§

COUNTY OF Collin §

BEFORE ME, the undersigned authority, a Notary Public in and for said County and State, on this day personally appeared Lance Klement of Garver, LLC known to me to be the person and officer whose name is subscribed to the foregoing instrument and acknowledged to me that the same was the act of the said Garver, LLC, a corporation, that (s)he was duly authorized to perform the same by appropriate resolution of the board of directors of such corporation for the purposes and consideration therein expressed, and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this the 7th day of October, A.D. 2024.



Notary Public In and For Collin County, Texas

My Commission Expires:

6/15/2024

AGREEMENT
BETWEEN
THE CITY OF SHERMAN, TEXAS AND
Garver, LLC
FOR
PROFESSIONAL SERVICES

Made as of the 5 day of July, 2024:

Between City: **The City of Sherman, Texas**
220 W. Mulberry Street
Sherman, Texas 75090
Telephone: (903) 892-7208

and Consultant: **Garver LLC**
3000 Internet Blvd, Suite 400
Frisco, TX 75034
Telephone: (972) 377-7480

for the following Project: **WTP Sedimentation Basin Mechanism Replacement**

THIS AGREEMENT ("Agreement") is made and entered into by and between the City of Sherman, Texas, a home-rule municipality ("City"), and Garver, LLC a Texas limited liability company ("Consultant"), to be effective from and after the date as provided above. City and Consultant are at times each referred to herein as a "party" or collectively as the "parties."

WHEREAS, City desires to engage Consultant to provide professional services for the WTP Flocculator Rehabilitation Project ("Project"); and

WHEREAS, Consultant desires to render such professional services ("Services") for City on the terms and conditions provided herein.

NOW, THEREFORE, KNOW ALL PERSONS BY THESE PRESENTS:

That for and in consideration of the covenants contained herein, for the mutual benefits to be obtained hereby and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

ARTICLE 1 CONSULTANT'S SERVICES

- 1.1 **Employment of Consultant** – City hereby agrees to retain Consultant to perform the Services in connection with the Project. Consultant agrees to perform the Services in accordance with the terms and conditions of this Agreement. Consultant further agrees that if any employee of Consultant who is performing the day-to-day Services under this Agreement for the Project is separated, for any reason, from employment with Consultant, Consultant shall provide City with written notice thereof at least five (5) business days' prior to said separation unless circumstances reasonably warrant a shorter notice period, which shall not exceed two (2) business days following the separation.
- 1.2 **Scope of Services** – The parties agree that Consultant shall perform the Services as are set forth and described in **Exhibit A**, attached hereto and incorporated herein by reference for all purposes ("**Scope of Services**"). The parties understand and agree that deviations or modifications to the Scope of Services described in **Exhibit A**, in the form of a written amendment to this Agreement, may be authorized from time to time by City ("**Amendment**").
- 1.2.1 **Requirement of Written Amendment** – "Extra" work, "claims" invoiced as "extra" work or "claims" which have not been issued as a duly executed, written Amendment by the Sherman Director of Engineering or designee will not be authorized for payment and/or shall not become part of this Agreement. A duly executed, written Amendment requiring additional funding of \$50,000 or more of the original contract amount shall be preceded by the Sherman City Council's authorization for the Sherman City Manager to execute said Amendment.
- 1.2.2 **CONSULTANT SHALL NOT PERFORM ANY "EXTRA" WORK AND/OR ADDITIONAL SERVICES WITHOUT A DULY EXECUTED, WRITTEN AMENDMENT ISSUED BY THE CITY.**
- 1.3 **Schedule of Work** – Consultant agrees to commence work immediately on the execution of this Agreement, and to proceed diligently with said work to completion as described in the Project Engineering Budget Summary, attached hereto as **Exhibit B**, and incorporated herein by reference for all purposes.
- 1.4 **Standard of Care** – Consultant shall perform the Services required hereunder in accordance with the prevailing engineering standard of care by exercising the skill and care ordinarily utilized by engineers performing the same or similar services under the same or similar circumstances in the State of Texas.

ARTICLE 2 CITY'S RESPONSIBILITIES

City shall do the following in a timely manner so as not to delay the Services of Consultant:

- 2.1 **Project Data** – City shall furnish required information that is reasonably requested by Consultant and that City has in its possession at the time of Consultant's request, as expeditiously as necessary for the orderly progress of the Project, and Consultant shall be entitled to rely upon the accuracy and completeness of the information furnished by City under this Article 2.1.
- 2.2 **City Project Manager** – When necessary in City's sole discretion, City shall designate a representative authorized to act on City's behalf with respect to the Project ("Project Manager"). City, the Project Manager and/or his or her authorized designee shall examine the documents submitted by Consultant and shall render any required decisions pertaining thereto as soon as practicable to avoid unreasonable delay in the progress of Consultant's Services.

ARTICLE 3 CONSULTANT'S COMPENSATION

- 3.1 **Compensation for Consultant's Services** – As described in "Article 1, Consultant's Services" of this Agreement, compensation for this Project shall be:
(a) for Basic Services, on a Lump Sum basis in an amount not to exceed **twenty-one thousand, nine hundred sixty-four Dollars and zero cents (\$21,964.00)**; and (b) for Special Services, in an amount not to exceed **zero Dollars (\$0.00)** (collectively, "Consultant's Fee"); and (c) paid in accordance with this Article 3 and the Project Engineering Budget Summary as set forth in **Exhibit B**.
- 3.1.1 **Completion of Record Documents** – City and Consultant agree that the completion of Record Documents and/or "As-Built" Documents, including hard copy formatting and electronic formatting, shall be completed, submitted to, and accepted by City prior to payment. Completion of the Record Documents and/or "As-Built" documents shall be included in the Consultant's Fee and considered to be within the Scope of Services defined under this Agreement." The electronic formatting shall be consistent with the standards established in **Exhibit C**, Guidelines for Computer Aided Design and Drafting ("CADD"), which is attached hereto and incorporated herein by reference for all purposes.
- 3.1.2 **Disputes between City and Construction Contractor** – If the Project involves Consultant performing Construction Administration Services relating to an agreement between a Construction Contractor ("Contractor") and City, and on receipt of a written request by City, Consultant shall research previous and existing conditions of the Project, and make a determination whether or not to certify that sufficient cause exists for City to declare Contractor in default of the terms and conditions of the Agreement.

Consultant shall submit his findings in writing to City, or submit a written request for a specific extension of time (including the basis for such extension), within fifteen (15) calendar days of receipt of the written request from City. City and Consultant agree that if requested by City, completion of this task shall be included in the Consultant's Fee and considered to be within the Scope of Services as defined under this Agreement.

3.1.3 **Consultation and Approval by Governmental Authorities and Franchised Utilities** – Consultant shall be solely responsible for identifying and analyzing the requirements of governmental agencies and all franchise utilities involved with the Project, and for consulting with such agencies and utilities to obtain all necessary approvals and/or permissions. Consultant shall be responsible for preparation and timely submittal of documents required for review, approval and/or recording by such agencies and/or utilities. Consultant shall be solely responsible for making such changes in the construction documents ("Construction Documents") as may be required by existing written standards promulgated by such agencies and/or utilities at no additional charge to City.

3.2 **Direct Expenses** – Direct Expenses ("Direct Expenses") are included in Consultant's Fee as described in Article 3.1 of this Agreement and include actual reasonable and necessary expenditures made by Consultant and Consultant's employees and subcontractors in the interest of the Project. All submitted Direct Expenses are to be within the amounts as stated in the Project Engineering Budget Summary set forth in **Exhibit B**, and consistent with **Exhibit D**, Guidelines for Direct Expenses; General and Administrative Markup; Travel and Subsistence Expenses, which is attached hereto and incorporated herein by reference for all purposes. Consultant shall be solely responsible for the auditing and accuracy of all Direct Expenses, including those of its subcontractors, prior to submitting to City for reimbursement. Any over-payment by City for errors in submittals for reimbursement may be deducted from Consultant's subsequent payment for Services; provided, however, that this shall not be City's sole and exclusive remedy for said over-payment.

3.3 **Additional Services** – Consultant shall provide the Services as described in the Scope of Services set forth in **Exhibit A** of this Agreement. If authorized in writing by City, Consultant shall provide additional services, to be compensated as provided in an Amendment to the Contract on a cost not to exceed sum or hourly basis in accordance with this paragraph ("Additional Services") and a mutually agreed estimate of man-hours and expenses. These services may include, but are not limited to:

3.3.1 Additional meetings, hearings, work-sessions or other similar presentations which are not provided for or contemplated in the Scope of Services described in **Exhibit A**.

- 3.3.2 Additional drafts and revisions to the Project which are not provided for or contemplated in the Scope of Services as described in **Exhibit A**.
- 3.3.3 Additional copies of final reports and construction plans which are not provided for or contemplated in the Scope of Services as described in **Exhibit A**.
- 3.3.4 Photography, professional massing models which are not provided for or contemplated in the Scope of Services as described in **Exhibit A**.
- 3.3.5 Compensation for Additional Services authorized by City shall be in addition to Consultant's Fee and shall be based on direct billable labor rates and expenses.
- 3.3.6 Compensation for Additional Services authorized by City shall be in addition to Consultant's Fee and shall be based on an hourly basis according to the personnel rates described in **Exhibit B**. The rates set forth in **Exhibit B** are subject to reasonable change provided prior written notice of said change is given to and approved by City.
- 3.4 **Invoices** – No payment to Consultant shall be made until Consultant tenders an invoice to City. Consultant shall submit monthly invoices for Services rendered, based upon the actual percentage of work complete at the time the invoice is prepared, or shall submit invoices to City immediately upon completion of each individual task listed in **Exhibit B**. On all submitted invoices for Services rendered, Consultant shall include appropriate background materials to support the submitted charges on said invoice. Upon request, such background material may include, but is not limited to, employee timesheets, invoices for work obtained from other parties, and receipts and/or log information relating to Direct Expenses. All invoices shall provide a summary methodology for administrative markup and/or overhead charges.
- 3.5 **Timing of Payment** – City shall make payment to Consultant for said invoices within thirty (30) days following receipt and acceptance thereof. The parties agree that payment by City to Consultant is considered to be complete upon mailing of payment by City. Furthermore, the parties agree that the payment is considered to be mailed on the date that the payment is postmarked.
- 3.6 **Disputed Payment Procedures** – In the event of a disputed or contested billing by City, only that portion so contested may be withheld from payment, and the undisputed portion will be paid. City shall notify Consultant of a disputed invoice, or portion of an invoice, in writing by the twenty-first (21st) calendar day after the date City receives the invoice. City shall provide Consultant an opportunity to cure the basis of the dispute. If a dispute is resolved in favor of Consultant, City shall proceed to process said invoice, or the disputed portion of the invoice, within the provisions of **Article 3.5** of this Agreement. If a dispute is resolved in favor of City,

Consultant shall submit to City a corrected invoice, reflecting any and all payment(s) of the undisputed amounts, documenting the credited amounts, and identifying outstanding amounts on said invoice to aid City in processing payment for the remaining balance. Such revised invoice shall have a new invoice number, clearly referencing the previous submitted invoice. City agrees to exercise reasonableness in contesting any billing or portion thereof that has background materials supporting the submitted charges.

- 3.7 **Failure to Pay** – Failure of City to pay an invoice, for a reason other than on written notification as stated in the provisions of Article 3.6 of this Agreement, to Consultant within sixty (60) days from the date of the invoice shall grant Consultant the right, in addition to any and all other rights provided, to, upon written notice to City, suspend performance under this Agreement, and such act or acts shall not be deemed a breach of this Agreement. However, Consultant shall not suspend performance under this Agreement prior to the tenth (10th) calendar day after written notice of suspension was provided to City, in accordance with Chapter 2251, Subchapter “D” of the TEX. GOV’T CODE. City shall not be required to pay any invoice submitted by Consultant if Consultant breached any provision(s) herein.
- 3.8 **Adjusted Compensation** – If the Scope of the Project (“Scope of the Project”) or if the Services are materially changed due to no error by Consultant in the performance of Services under this Agreement, the amounts of Consultant’s compensation shall be equitably adjusted as approved by City in its sole discretion. Any additional amounts paid to Consultant as a result of any material change to the Scope of the Project shall be authorized by written Change Order duly executed by both parties before the Services are performed.
- 3.9 **Project Suspension** – If the Project is suspended or abandoned in whole or in part for more than three (3) months, Consultant shall be entitled to compensation for any and all work completed to the satisfaction of City in accordance with the provisions of this Agreement prior to suspension or abandonment. In the event of such suspension or abandonment, Consultant shall deliver to City all finished or unfinished documents, data, studies, drawings, maps, models, reports, photographs and/or any other items prepared by Consultant in connection with this Agreement prior to Consultant receiving final payment. If the Project is resumed after being suspended for more than three (3) months, Consultant’s compensation shall be equitably adjusted as approved by City. Any additional amounts paid to Consultant after the Project is resumed shall be agreed upon in writing by both parties before the services are performed
- 3.10 **Fixed Budget Limit for Construction Cost** – If a fixed budget limit for the Construction Cost has been established, the Consultant shall be permitted to make reasonable adjustments in the scope of the Project and to include alternate bid items in the Bid Proposal to adjust the Construction Cost to the fixed limit. However, this paragraph shall not operate to increase the fixed budget limit of the Construction Cost established in this Agreement. All adjustments in the Scope of

the Project shall be approved by the City and documented in writing. Should the lowest bona fide bid for construction of the Project be in excess of 130% of Consultant's 100% Final Design OPCC due to the negligence or other fault of the Consultant, the City may (1) give written approval of an increase in such fixed limit, (2) authorize rebidding or re-negotiating of the Project, (3) terminate the Project and this Agreement in accordance herewith, or (4), require that the Consultant adjust the Project scope or quality, or both, as necessary to reduce the Construction Cost to within the budgetary constraints. In the case of (4) the Consultant, without additional charge to the City, shall consult with the City and shall revise and modify the drawings and specifications as necessary to achieve compliance with the fixed limitation on Construction Cost. These revisions and modifications may include splitting the Project into multiple Construction Phases that will fall within budget constraints. The Consultant shall provide the services defined in Exhibit A, as required, for each of the new phases created by splitting the Project.

ARTICLE 4 OWNERSHIP OF DOCUMENTS

- 4.1 **Documents Property of City** – The Project is the property of City, and Consultant may not use the documents, plans, data, studies, surveys, drawings, maps, models, reports, photographs and/or any materials for any other purpose not relating to the Project without City's prior written consent. City shall be furnished with such reproductions of the Project, plans, data, documents, maps, and any other information as defined in **Exhibit A**. Upon completion of the work, or any earlier termination of this Agreement under **Article 3** and/or **Article 8** of this Agreement, Consultant will revise plans, data, documents, maps, and any other information as defined in **Exhibit A** to reflect changes while working on the Project through the date of completion of the work, as solely determined by City, or the effective date of any earlier termination of this Agreement under **Article 3** and/or **Article 8** of this Agreement, and promptly furnish the same to City in an acceptable electronic format. All such reproductions shall be the property of City who may use them without Consultant's permission for any purpose relating to the Project, including, but not limited to, completion of the Project, and/or additions, alterations, modifications, and/or revisions to the Project. Any reuse of the documents not relating to the Project shall be at City's own risk.
- 4.2 **Documents Subject to Laws Regarding Public Disclosure** – Consultant acknowledges that City is a governmental entity and that all documents, plans, data, studies, surveys, drawings, maps, models, reports, photographs and/or any items prepared or furnished by Consultant (and Consultant's professional associates and/or sub-consultants) under this Agreement are instruments of service in respect of the Project and property of City. Upon completion of the Project, all of the documents, plans, data, studies, surveys, drawings, maps, models, reports, photographs and/or any items prepared or furnished by Consultant (and Consultant's professional associates and/or sub-consultants)

shall thereafter be subject to the Texas Public Information Act (Chapter 552, TEX. GOV'T CODE, as amended) and any other applicable laws requiring public disclosure of the information contained in said documents.

ARTICLE 5

CONSULTANT'S INSURANCE REQUIREMENTS

- 5.1 **Required General Liability Insurance** – Consistent with the terms and provisions of **Exhibit E**, Contractor Insurance Guidelines, which is attached hereto and incorporated herein by reference for all purposes, Consultant shall procure and maintain throughout the term of this Agreement, at no expense to City, a general liability insurance policy with a company that maintains a minimum rating of "A" by A.M. Best's Key Rating Guide, or other equivalent rating service(s), and is authorized to transact business in the State of Texas, in an amount not less than One Million and 00/100 Dollars (\$1,000,000.00) for each occurrence, and Two Million and 00/100 Dollars (\$2,000,000.00) in the aggregate. Such policy shall name City, its officers, agents, representatives, and employees as additional insureds as to all applicable coverage. Such policy shall provide for a waiver of subrogation against City for injuries, including death, property damage, or any other loss to the extent that same is covered by the proceeds of the insurance. Such policy shall require the provision of written notice to City at least thirty (30) days prior to cancellation, non-renewal or material modification of any policies, evidenced by return receipt or United States Certified Mail. Consultant shall furnish City with certificates and required endorsement(s) evidencing such coverage prior to commencing work on the Project.
- 5.2 **Required Professional Liability Insurance** – Consistent with the terms and provisions of **Exhibit E**, Consultant shall procure and maintain throughout the term of this Agreement, at no expense to City, a professional liability (errors and omissions) insurance policy with a company that maintains a minimum rating of "A" by A.M. Best's Key Rating Guide, or other equivalent rating service(s), and is authorized to transact business in the State of Texas, in an amount not less than One Million and 00/100 Dollars (\$1,000,000.00) for each claim, and Two Million and 00/100 Dollars (\$2,000,000.00) in the aggregate. Such policy shall require the provision of written notice to City at least thirty (30) days prior to cancellation, non-renewal or material modification of any policies, evidenced by return receipt or United States Certified Mail. Consultant shall furnish City with certificates and required endorsement(s) evidencing such coverage prior to commencing work on the Project.
- 5.3 **Required Workers Compensation Insurance** – Consistent with the terms and provisions of **Exhibit E**, Consultant shall procure and maintain throughout the term of this Agreement, at no expense to City, all Statutory Workers Compensation Insurance as required by the laws of the State of Texas. Such insurance policy shall be with a company that maintains a minimum rating of "A" by A.M. Best's Key Rating Guide, or other equivalent service(s), and is authorized to transact business

in the State of Texas. Such policy shall require the provision of written notice to City at least thirty (30) days prior to cancellation, non-renewal or material modification of any policies, evidenced by return receipt or United States Certified Mail. Consultant shall furnish City with certificates and required endorsement(s) evidencing such coverage prior to commencing work on the Project.

- 5.4 **Circumstances Requiring Umbrella Coverage or Excess Liability Coverage** – If the Project's size and scope warrant, and if identified on the checklist located in **Exhibit E**, Consultant shall procure and maintain throughout the term of this Agreement, at no expense to City, an umbrella coverage or excess liability coverage insurance policy with a company that maintains a minimum rating of "A" by A.M. Best's Key Rating Guide, or other equivalent rating service(s), and is authorized to transact business in the State of Texas, in an amount of Two Million and 00/100 Dollars (\$2,000,000.00). Such policy shall require the provision of written notice to City at least thirty (30) days prior to cancellation, non-renewal, or material modification of any policies, evidenced by return receipt or United States Certified Mail. Consultant shall furnish City with certificates and required endorsement(s) evidencing such coverage prior to commencing work on the Project.

ARTICLE 6 CONSULTANT'S ACCOUNTING RECORDS

Records of Direct Expenses and expenses pertaining to services performed in conjunction with the Project shall be kept on the basis of generally accepted accounting principles. Invoices will be sent to City as indicated in Article 3.4 of this Agreement. Copies of employee time sheets, receipts for direct expense items and other records of Project expenses will be made available if requested.

ARTICLE 7 AUDITS AND RECORDS/VENDOR DISCLOSURE

Consultant agrees that at any time during normal business hours and as often as City may deem necessary, Consultant shall make available to representatives of City for examination all of its records with respect to all matters covered by this Agreement, and will permit such representatives of City to audit, examine, copy and make excerpts or transcripts from such records, and to make audits of all contracts, invoices, materials, payrolls, records of personnel, conditions of employment and other data relating to all matters covered by this Agreement, and for a period of four (4) years from the date of final settlement of this Agreement or for such other or longer period, if any, as may be required by applicable statute or other lawful requirement.

Consultant agrees that it is further aware of the vendor disclosure requirements set forth in Chapter 176, TEX. LOC. GOV'T CODE, as amended, and will abide by the same. In this connection, a lawful representative of Consultant shall execute and deliver to City the Conflict of Interest Questionnaire, Form CIQ, attached hereto as **Exhibit F** and incorporated herein for all purposes, no later than the Effective Date of this Agreement.

ARTICLE 8 TERMINATION OF AGREEMENT/REMEDIES

City may, upon thirty (30) days written notice to Consultant, terminate this Agreement, for any reason or no reason at all, before the termination date hereof, without prejudice to any other remedy it may have. If City terminates this Agreement due to a default of and/or breach by Consultant and the expense of finishing the Project exceeds Consultant's Fee at the time of termination, Consultant waives its right to any portion of Consultant's Fee as set forth in Article 3 of this Agreement and agrees to pay any costs over and above the fee which City is required to pay in order to finish the Project. On any default and/or breach by Consultant, City may elect not to terminate the Agreement, and in such event it may make good the deficiency in which the default consists, and deduct the costs from Consultant's Fee due Consultant as set forth in Article 3 of this Agreement. If City terminates this Agreement and Consultant is not in default of the Agreement, Consultant shall be entitled to compensation for any and all work completed to the satisfaction of City in accordance with the provisions of this Agreement prior to termination.

In the event of any termination, Consultant shall deliver to City all finished and/or unfinished documents, data, studies, surveys, drawings, maps, models, reports, photographs and/or any items prepared by Consultant in connection with this Agreement prior to Consultant receiving final payment.

The rights and remedies provided by this Agreement are cumulative, and the use of any one right or remedy by either party shall not preclude or waive its rights to use any or all other remedies. These rights and remedies are given in addition to any other rights the parties may have by law, statute, ordinance, or otherwise.

ARTICLE 9 DISPUTE RESOLUTION/MEDIATION

In addition to all remedies at law, the parties may agree to attempt to resolve any controversy, claim or dispute arising out of or relating to the interpretation or performance of this Agreement, or breach thereof, by voluntary mediation to be conducted by a mutually acceptable mediator. However, if both parties do not agree to voluntarily mediate any such controversy, claim or dispute, mediation shall not be required.

ARTICLE 10 INDEMNITY

CONSULTANT SHALL RELEASE, DEFEND, INDEMNIFY AND HOLD HARMLESS CITY AND ITS CITY COUNCIL MEMBERS, OFFICERS, AGENTS, REPRESENTATIVES AND EMPLOYEES (COLLECTIVELY REFERRED TO AS “CITY” FOR PURPOSES OF THIS ARTICLE 10) FROM AND AGAINST ALL DAMAGES, INJURIES (WHETHER IN CONTRACT OR IN TORT, INCLUDING PERSONAL INJURY AND DEATH), CLAIMS, PROPERTY DAMAGES (INCLUDING LOSS OF USE), LOSSES, DEMANDS (REGARDLESS OF WHETHER THE ALLEGATIONS ARE FALSE, FRAUDULENT OR GROUNDLESS), SUITS, ACTIONS, JUDGMENTS, LIENS, COSTS AND EXPENSES, INCLUDING REASONABLE ATTORNEY’S FEES AND EXPENSES (INCLUDING ATTORNEY’S FEES AND EXPENSES INCURRED IN ENFORCING THIS ARTICLE 10), THAT IN WHOLE OR IN PART ARISE OUT OF OR ARE CONNECTED WITH, OR THAT ARE ALLEGED TO HAVE ARISEN OUT OF OR CONNECTED WITH, GOODS AND/OR SERVICES PROVIDED BY CONSULTANT, ITS OFFICERS, AGENTS, REPRESENTATIVES, EMPLOYEES, SUBCONTRACTORS, LICENSEES, INVITEES OR ANY OTHER THIRD PARTIES FOR WHOM CONSULTANT IS LEGALLY RESPONSIBLE (COLLECTIVELY REFERRED TO AS “CONSULTANT” FOR PURPOSES OF THIS ARTICLE 10) PURSUANT TO THIS AGREEMENT AND/OR THE NEGLIGENT, GROSSLY NEGLIGENT AND/OR INTENTIONAL WRONGFUL ACT AND/OR OMISSION OF CONSULTANT IN ITS/THEIR PERFORMANCE OF THIS AGREEMENT, REGARDLESS OF THE JOINT OR CONCURRENT NEGLIGENCE OR STRICT LIABILITY OF THE CITY (COLLECTIVELY, “CLAIMS”). THIS INDEMNIFICATION PROVISION AND THE USE OF THE TERM “CLAIMS” IS ALSO SPECIFICALLY INTENDED TO APPLY TO, BUT IS NOT LIMITED TO, ANY AND ALL CLAIMS, WHETHER CIVIL OR CRIMINAL, BROUGHT AGAINST CITY BY ANY GOVERNMENT AUTHORITY OR AGENCY RELATED TO ANY PERSON PROVIDING SERVICES UNDER THIS AGREEMENT THAT ARE BASED ON ANY FEDERAL IMMIGRATION LAW AND ANY AND ALL CLAIMS, DEMANDS, DAMAGES, ACTIONS AND CAUSES OF ACTION OF EVERY KIND AND NATURE, KNOWN AND

UNKNOWN, EXISTING OR CLAIMED TO EXIST, RELATING TO OR ARISING OUT OF ANY EMPLOYMENT RELATIONSHIP BETWEEN CONSULTANT AND ITS EMPLOYEES OR SUBCONTRACTORS AS A RESULT OF THAT SUBCONTRACTOR'S OR EMPLOYEE'S EMPLOYMENT AND/OR SEPARATION FROM EMPLOYMENT WITH THE CONSULTANT, INCLUDING BUT NOT LIMITED TO ANY DISCRIMINATION CLAIM BASED ON SEX, SEXUAL ORIENTATION OR PREFERENCE, RACE, RELIGION, COLOR, NATIONAL ORIGIN, AGE OR DISABILITY UNDER FEDERAL, STATE OR LOCAL LAW, RULE OR REGULATION, AND/OR ANY CLAIM FOR WRONGFUL TERMINATION, BACK PAY, FUTURE WAGE LOSS, OVERTIME PAY, EMPLOYEE BENEFITS, INJURY SUBJECT TO RELIEF UNDER THE WORKERS' COMPENSATION ACT OR WOULD BE SUBJECT TO RELIEF UNDER ANY POLICY FOR WORKERS COMPENSATION INSURANCE, AND ANY OTHER CLAIM, WHETHER IN TORT, CONTRACT OR OTHERWISE. CONSULTANT IS EXPRESSLY REQUIRED TO DEFEND CITY AGAINST ALL SUCH CLAIMS; PROVIDED, HOWEVER, THAT IF A COURT OF COMPETENT JURISDICTION SIGNS A JUDGMENT THAT BECOMES FINAL AND NON-APPEALABLE, DETERMINING THAT THE CITY (WITHOUT WAIVING ANY GOVERNMENTAL IMMUNITY) HAS JOINT, CONCURRENT OR SOLE NEGLIGENCE FOR THE CLAIMS IN ACCORDANCE WITH THE LAWS OF THE STATE OF TEXAS ("JUDGMENT"), THEN CONSULTANT IS NOT REQUIRED TO INDEMNIFY OR DEFEND CITY TO THE EXTENT OF THE NEGLIGENCE APPORTIONED TO CITY FOR EACH CAUSE(S) OF ACTION IDENTIFIED IN THE JUDGMENT. IN THE EVENT THE JUDGMENT PROVIDES THAT CITY IS JOINTLY, CONCURRENTLY OR SOLELY NEGLIGENT FOR THE CLAIMS REFERRED TO THEREIN, CITY AGREES TO REIMBURSE CONSULTANT FOR ALL REASONABLE AND NECESSARY COSTS INCURRED AND PAID BY CONSULTANT THAT ARE ATTRIBUTABLE TO CITY'S PERCENTAGE OF JOINT, CONCURRENT OR SOLE NEGLIGENCE, AS SET FORTH IN THE JUDGMENT, INCLUDING REASONABLE AND NECESSARY ATTORNEY'S FEES AND EXPENSES, WITHIN SIXTY (60) DAYS OF THE DATE THE JUDGMENT BECOMES FINAL AND NON-APPEALABLE. IF THIS AGREEMENT IS A CONTRACT FOR ENGINEERING OR ARCHITECTURAL SERVICES, THEN CONSULTANT'S INDEMNITY AND DEFENSE OBLIGATIONS UNDER THIS ARTICLE 10 ARE LIMITED BY, AND TO BE READ AS COMPLYING WITH, SECTION 271.904 OF THE TEXAS LOCAL GOVERNMENT CODE.

IN ITS SOLE DISCRETION, CITY SHALL HAVE THE RIGHT TO APPROVE OR SELECT DEFENSE COUNSEL TO BE RETAINED BY CONSULTANT IN FULFILLING ITS OBLIGATION HEREUNDER TO DEFEND AND INDEMNIFY CITY, UNLESS SUCH RIGHT IS

EXPRESSLY WAIVED BY CITY IN WRITING. CITY RESERVES THE RIGHT TO PROVIDE A PORTION OR ALL OF ITS OWN DEFENSE; HOWEVER, CITY IS UNDER NO OBLIGATION TO DO SO. ANY SUCH ACTION BY CITY IS NOT TO BE CONSTRUED AS A WAIVER OF CONSULTANT'S OBLIGATION TO DEFEND CITY OR AS A WAIVER OF CONSULTANT'S OBLIGATION TO INDEMNIFY CITY PURSUANT TO THIS AGREEMENT. CONSULTANT SHALL RETAIN CITY-APPROVED DEFENSE COUNSEL WITHIN SEVEN (7) BUSINESS DAYS OF CITY'S WRITTEN NOTICE THAT CITY IS INVOKING ITS RIGHT TO DEFENSE OR INDEMNIFICATION UNDER THIS AGREEMENT. IF CONSULTANT FAILS TO RETAIN COUNSEL WITHIN SUCH TIME PERIOD, CITY SHALL HAVE THE RIGHT TO RETAIN DEFENSE COUNSEL ON ITS OWN BEHALF, AND CONSULTANT SHALL BE LIABLE FOR ALL COSTS INCURRED BY CITY. THE RIGHTS AND OBLIGATIONS CREATED BY THIS ARTICLE SHALL SURVIVE TERMINATION OF THIS AGREEMENT.

ARTICLE 11 NOTICES

Any notice provided or permitted to be given under this Agreement must be in writing and may be served by depositing the same in the United States Mail, addressed to the party to be notified, postage pre-paid and registered or certified with return receipt requested; by facsimile; by electronic mail, with documentation evidencing the addressee's receipt thereof; or by delivering the same in person to such party a via hand-delivery service, or any courier service that provides a return receipt showing the date of actual delivery of same to the addressee thereof. Notice given in accordance herewith shall be effective upon receipt at the address of the addressee. For purposes of notification, the addresses of the parties shall be as follows:

If to City, addressed to:

Wayne E. Lee, P.E., CFM
Director of Engineering
City of Sherman
220 W Mulberry St.
Sherman, TX 75091
Telephone: (903) 892-7327
Email: waynel@cityofsherman.com

With a copy to:

Abernathy, Roeder, Boyd & Hullett, P.C.
Attention: Ryan D. Pittman
1700 Redbud Blvd., Suite 300
McKinney, Texas 75069
Telephone: (214) 544-4000
Facsimile: (214) 544-4054
Email: rpittman@abernathy-law.com

If to Consultant, addressed to:

Lance Klement, P.E.

Senior Project Manager

Garver

3000 Internet Blvd., Suite 400

Frisco, Texas 75034

Telephone: (214) 619-9047

Email: LPKlement@GarverUSA.com

ARTICLE 12 MISCELLANEOUS

12.1 **Complete Agreement** – This Agreement, including the exhibits hereto labeled “A” through “F,” all of which are incorporated herein for all purposes, constitute the entire Agreement by and between the parties regarding the subject matter hereof and supersedes all prior and/or contemporaneous written and/or oral understandings. This Agreement may not be amended, supplemented, and/or modified except by written agreement duly executed by both parties. The following exhibits are attached below and made a part of this Agreement:

12.1.1 **Exhibit A**, Scope of Services.

12.1.2 **Exhibit B**, Project Engineering Budget Summary.

12.1.3 **Exhibit C**, Guidelines for Computer Aided Design and Drafting (CADD).

12.1.4 **Exhibit D**, Guidelines for Direct Expenses; General and Administrative Markup; Travel and Subsistence Expenses.

12.1.5 **Exhibit E**, Contractor Insurance Guidelines.

12.1.6 **Exhibit F**, Conflict of Interest Questionnaire, Form CIQ.

To the extent that **Exhibit A**, **Exhibit B**, **Exhibit C**, **Exhibit D**, **Exhibit E**, or **Exhibit F** are in conflict with provisions of this Agreement or each other, the provisions of this Agreement, then the provisions of **Exhibit B**, **Exhibit C**, **Exhibit D**, **Exhibit E**, **Exhibit F** or **Exhibit A** shall prevail in that order.

12.2 **Assignment and Subletting** – Consultant agrees that neither this Agreement nor the work to be performed hereunder will be assigned or sublet without the prior written consent of City. Consultant further agrees that the assignment or subletting of any portion or feature of the work or materials required in the performance of this Agreement shall not relieve Consultant of its full obligations to City as provided by this Agreement. All such approved work performed by assignment or subletting shall be billed through Consultant, and there shall be no third party billing.

12.3 **Attorney's Fees** – If either party files any action or brings any proceeding against the other arising from this Agreement, then as between City and Consultant, the prevailing party shall be entitled to recover as an element of its costs of suit, and not as damages, reasonable and necessary attorneys' fees and litigation expenses both at trial and on appeal, subject to the limitations set forth in TEX. LOC. GOV'T CODE § 271.153, as it exists or may be amended, if applicable.

12.4 **Successors and Assigns** – City and Consultant, and their respective partners, assigns, successors, subcontractors, executors, officers, agents, employees,

representatives and administrators are hereby bound to the terms and conditions of this Agreement.

- 12.5 **Savings/Severability** – In the event of a term, condition, or provision of this Agreement is determined to be invalid, illegal, void, unenforceable, or unlawful by a court of competent jurisdiction, then that term, condition, or provision, shall be deleted and the remainder of the Agreement shall remain in full force and effect as if such invalid, illegal, void, unenforceable or unlawful provision had never been contained in this Agreement.
- 12.6 **Governing Law/Venue** – This Agreement shall be governed by and construed in accordance with the laws of the State of Texas, without regard to conflict of law principles. The exclusive venue for any action arising out of this Agreement shall be a court of appropriate jurisdiction in Grayson County, Texas.
- 12.7 **Execution/Consideration** – This Agreement is executed by the parties hereto without coercion or duress for any substantial consideration, the sufficiency of which is forever confessed.
- 12.8 **Authority** – The individuals executing this Agreement on behalf of the respective parties below represent to each other that all appropriate and necessary action has been taken to authorize the individual who is executing this Agreement to do so for and on behalf of the party for which his or her signature appears, that there are no other parties or entities required to execute this Agreement in order for the same to be an authorized and binding agreement on the other party for whom the individual is signing this Agreement and that each individual affixing his or her signature hereto is authorized to do so, and such authorization is valid and effective on the date hereof.
- 12.9 **Waiver** – Waiver by either party of any breach of this Agreement, or the failure of either party to enforce any of the provisions of this Agreement, at any time, shall not in any way affect, limit, or waive such party's right thereafter to enforce and compel strict compliance.
- 12.10 **Headings** – The headings of the various sections of this Agreement are included solely for convenience of reference and are not to be full or accurate descriptions of the content thereof.
- 12.11 **Multiple Counterparts** – This Agreement may be executed in a number of identical counterparts, each of which shall be deemed an original for all purposes. An electronic mail and/or facsimile signature will also be deemed to constitute an original if properly executed and delivered to the other party.
- 12.12 **Immunity** – It is expressly understood and agreed that, in the execution and performance of this Agreement, City has not waived, nor shall be deemed to have

waived, any immunity, governmental, sovereign and/or official, or defense that is available to it against claims arising in the exercise of governmental powers and functions. By entering into this Agreement, the parties do not create any obligations, express or implied, other than those set forth in this Agreement.

- 12.13 **Incorporation of Recitals** – The representations, covenants and recitations set forth in the foregoing recitals of this Agreement are true and correct and are incorporated into the body of this Agreement and adopted as findings of City and the authorized representative of Consultant.
- 12.14 **Additional Representations** – Each signatory represents this Agreement has been read by the party for which this Agreement is executed and that such party has had the opportunity to confer with its counsel.
- 12.15 **Miscellaneous Drafting Provisions** – This Agreement shall be deemed drafted equally by all parties hereto. The language of all parts of this Agreement shall be construed as a whole according to its fair meaning, and any presumption or principle that the language herein is to be construed against any party shall not apply.
- 12.16 **No Third-Party Beneficiaries** – Nothing in this Agreement shall be construed to create any right in any third party not a signatory to this Agreement, and the parties do not intend to create any third party beneficiaries by entering into this Agreement.
- 12.17 **Indemnity** – The parties agree that the Indemnity provision set forth in Article 10 of this Agreement is conspicuous and the parties have read and understood the same.
- 12.18 **Representations** – All representations and covenants made by one party to the other in this Agreement or in any certificate or other instrument delivered by one party to the other under this Agreement shall be considered to have been relied upon by the other party and will survive the satisfaction of any fees under this Agreement, regardless of any investigation made by either party.
- 12.19 **Independent Contractor** – In performing this Agreement, Consultant shall act as an independent contractor with respect to City. In no event shall this Agreement be construed as establishing a partnership, joint venture or similar relationship between the parties and nothing herein shall authorize either party to act as agent for the other. Consultant shall be liable for its own debts, obligations, acts and omissions, including the payment of all required withholding, social security and other taxes and benefits with respect to all of Consultant's officers, directors, partners, employees and representatives, who shall not be considered City employees and shall not be eligible for any employee benefit plan offered by City.

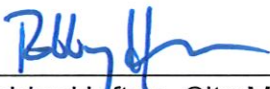
- 12.20 **Debarment/Suspension** – City is prohibited from making any award or permitting any award at any tier to any party which is debarred or suspended or otherwise excluded from or ineligible for participation in federal assistance programs under Executive Order 12549, Debarment and Suspension. City, Consultant and Consultant's subcontractors shall comply with federal and state regulations regarding debarment and suspension. Consultant shall include a statement of compliance with federal and state debarment and suspension regulations in all third-party agreements for work on the Project.
- 12.21 **Restrictions on Lobbying** – City and Consultant are prohibited from using funds awarded under the Agreement for lobbying purposes. Consultant shall include a statement of compliance with this provision in applicable procurement solicitations and third-Party agreements for work on the Project.
- 12.22 **Appropriation of Funds** – Funds are not presently budgeted for City's performance under this Agreement beyond the end of City's current fiscal year. City will give Consultant sixty (60) days' notice if funds for City's performance are not budgeted to continue beyond that time. City shall have no liability for payment of any money for services performed after the end of City's current fiscal year unless and until such funds are budgeted.
- 12.23 **Certifications Required by Texas Law** – In accordance with Chapter 2270 of the Texas Government Code (to the extent applicable), Consultant hereby certifies that Consultant does not boycott Israel and will not boycott Israel during the term of any contract with City, including during the term of this Agreement. In accordance with Chapter 809 of the Texas Government Code (to the extent applicable), Consultant hereby certifies that Consultant does not boycott energy companies and will not boycott energy companies during the term of any contract with City, including during the term of this Agreement. In accordance with Chapter 2274 of the Texas Government Code (to the extent applicable), Consultant hereby certifies that Consultant does not have a practice, policy, guidance or directive that discriminates against a firearm entity or firearm trade association and will not discriminate against a firearm entity or firearm trade association during the term of any contract with City, including during the term of this Agreement. The foregoing terms have the meanings ascribed to them in the referenced statutes if defined therein.
- 12.24 **Reference to Consultant** – When referring to "Consultant," this Agreement shall refer to and be binding upon Consultant, and its officers, directors, partners, employees, representatives, contractors, subcontractors, licensees, invitees, agents, successors, assignees (as authorized herein), vendors, grantees, trustees, legal representatives and/or any other third parties for whom Consultant is legally responsible.

12.25 **Reference to City** – When referring to “City,” this Agreement shall refer to and be binding upon City, its Council members, officers, agents, representatives, employees and/or any other authorized third parties for whom City is legally responsible.

IN WITNESS WHEREOF, the parties have executed this Agreement and caused this Agreement to be effective on the date set forth in the introductory clause of this Agreement.

CITY:

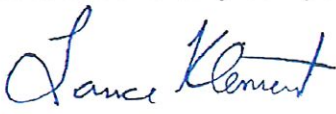
City of Sherman, Texas,
a Texas home-rule municipality

By: 

Robby Hefton, City Manager

CONSULTANT:

Garver, LLC
a Texas limited liability company

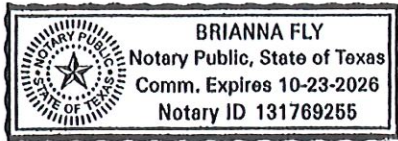
By: 

Lance Klement, PE
Senior Project Manager

STATE OF TEXAS §
 §
COUNTY OF Harris §

BEFORE ME, THE UNDERSIGNED AUTHORITY, ON THIS DAY PERSONALLY APPEARED Lance Klement, KNOWN TO ME TO BE ONE OF THE PERSONS WHOSE NAMES ARE SUBSCRIBED TO THE FOREGOING INSTRUMENT; HE ACKNOWLEDGED TO ME THAT HE IS THE PRESIDENT AND DULY AUTHORIZED REPRESENTATIVE FOR Garver, LLC, AND THAT HE EXECUTED SAID INSTRUMENT FOR THE PURPOSES AND CONSIDERATION THEREIN EXPRESSED.

GIVEN UNDER MY HAND AND SEAL OF OFFICE THIS 21st DAY OF June 2024.



Brianna 

NOTARY PUBLIC IN AND FOR THE STATE OF TEXAS
My commission expires: 10-23-2026

EXHIBIT A
SCOPE OF SERVICES

I. PROJECT DESCRIPTION

Generally, the scope of services includes development of construction details and specifications for improvements to the **WTP Sedimentation Basin Mechanism Replacement**. Improvements will consist primarily of developing bidding documents for the installation of sedimentation basin mechanisms. The mechanisms will be purchased separately by the City for installation by the selected contractor.

II. GENERAL REQUIREMENTS

- A. Specific design requirements shall be obtained from the City of Sherman Engineering Design Standards. Consultant will establish and summarize design criteria. The design criteria will be reviewed by the City for approval prior to beginning design work.
- B. Consultant shall coordinate with other engineering consultants, utility companies, franchise utilities, City of Sherman, pipeline companies, and any other entity which has facilities within or adjacent to the Project.
- C. Each time the Consultant submits plans and/or specifications to City, two (2) copies (as well as PDF versions) of each shall be submitted, unless otherwise instructed. These shall be reviewed and checked by City and returned to Consultant for corrections. When the corrected copies of the plans and specifications are returned to City, the original and reviewed plans and specifications shall also be returned to City. All plans, specifications, documents, provisions, attachments, and correspondence provided in accordance with this contract shall be dated.
- D. The Consultant shall submit a monthly report outlining, at a minimum, the work on the project which occurred the previous month, the work expected to be completed the following month, the next major project milestone, and any information needed from the City. The report is to be submitted with monthly invoice.
- E. Communications and Reporting:
 - i Attend a pre-design project kickoff meeting with City staff to confirm and clarify scope, understand City objectives, and ensure economical and functional designs meet City requirements.
 - ii Attend review meeting with the City at the end of each design phase.
 - iii Prepare and submit monthly invoices in the format acceptable to the City.
 - iv Prepare and submit monthly progress reports.
 - v Prepare and submit baseline Project Schedule initially, Project Schedule updates, and updated Opinion of Probable Construction Cost (OPCC) with each plan submittal.

EXHIBIT A SCOPE OF SERVICES

- vi Coordinate with other agencies and entities as necessary for the design of the proposed infrastructure and provide and obtain information needed to prepare the design.
- vii With respect to coordination with permitting authorities, Consultant shall communicate with permitting authorities such that their regulatory requirements are appropriately reflected in the designs. Consultant shall work with regulatory authorities to obtain approval of the designs, and make changes necessary to meet their requirements.
- viii Attend additional project coordination meetings, if needed.

III. TASK SUMMARY, BASIC SERVICES

A. Task 1 – Final Design/Construction Plans (100%)

During the final design phase of the project, Garver will produce final designs, including plans, specifications, final construction details and quantities, special provisions, and OPCC.

- a. Prepare final engineering drawings that address all comments from the Owner.
- b. Prepare detailed cost estimates based on current unit prices from the proposal of authorized construction, which shall include summaries of bid items and quantities on the unit price system of bidding, wherever practical.
- c. Finalize miscellaneous plan sheets, including cover sheet, index, general notes, project control and applicable City standard details.
- d. Submit three (3) final sealed copies each of any necessary right-of-way or easement documents.
- e. When required by the nature of the project, the Consultant shall provide necessary exhibits and attend a public meeting with the City.
- f. Upon completion of the final design review, the Consultant shall furnish to the City up to four (4) additional copies and a pdf of the construction drawings to be forwarded to the utility companies.
- g. Upon completion of the final design review, the Consultant shall furnish to the City, where required by the circumstances of the assignment, the engineering data, construction plans, completed forms, and reports necessary for applications for routine permits by local, state, and federal authorities (as distinguished from detailed applications and supporting documents for government grants-in-aid or for planning advances not included in Basic Engineering Services).

EXHIBIT A
SCOPE OF SERVICES

B. Task 2 – Bid Phase Services

Upon receipt of the design approval letter from TCEQ and approval to advertise from the City, Consultant will commence the Bid Phase Services for one construction contract.

The bidding period for prospective bidders is assumed to be a 30-day duration period. During the bidding period phase of the project, Consultant will:

- a. Prepare and submit Advertisement for Bids to Greater Texoma Utility Authority (GTUA) per their requirements. GTUA will submit the advertisement to newspapers and will pay advertising costs outside of this contract.
- b. Post advertisement for bids, construction contract documents, and any associated information to Consultant's online plan room for download by prospective bidders (at an appropriate cost for handling).
- c. Support the contract documents by preparing addenda as appropriate and posting on Consultant's online plan room.
- d. Respond to questions submitted on Consultant's online plan room as appropriate.
- e. Conduct one pre-bid meeting.
- f. Prepare a pre-bid meeting agenda. Following City authorization, post the pre-bid meeting presentation with attendance record on Consultant's online plan room.
- g. Conduct a construction site tour following the pre-bid meeting by interested pre-bid meeting attendees and other interested parties.
- h. Host, attend, and manage the bid opening process.
- i. Prepare bid tabulation.
- j. Evaluate bids and recommend award.
- k. Prepare formal Construction Contract Documents, provide three (4) copies of contracts to be executed by the contractor, and coordinate their execution by the respective parties.
- l. The Consultant shall not be required to guarantee the accuracy of the final design OPCC, but may be required to provide additional services at no cost to the City if bids for the Project exceed the fixed budget limit for the

**EXHIBIT A
SCOPE OF SERVICES**

Construction Cost as provided in Article 3.

C. Special Services

i. N/A

IV. ITEMS NOT INCLUDED IN THE EXISTING SCOPE OF SERVICES

A. Additional Services not included in the existing Scope of Services – City and Consultant agree the following services are beyond the Scope of Services described in the tasks above. However, Consultant can provide these services, if needed, upon the City's written request. Any additional amounts paid to the Consultant as a result of any material change to the Scope of the Project shall be agreed upon in writing by both parties before the services are performed. These Additional Services include the following:

1. Construction observation services
2. Construction administration services
3. Public outreach
4. Facility condition assessments
5. Emergency response planning
6. Hazard mitigation planning
7. Funding assistance
8. Evaluation of structural integrity of facilities
9. Survey of any kind
10. Startup assistance
11. Operations support services
12. Warranty assistance services
13. Geotechnical services
14. Utility location services
15. Operational audit/optimization
16. Environmental handling and documentation, including wetlands identification or mitigation plans or other work related to environmentally or historically (culturally) significant items
17. Modeling of the water system.

V. Schedule

Garver shall begin work under this Agreement within ten (10) days of a Notice to Proceed and shall complete the work in accordance with the schedule below:

Phase Description	Calendar Days
100% Submittal	60 days from NTP
Bid Phase Services	30 days from Owner approval to advertise

EXHIBIT B
PROJECT BUDGET SUMMARY

I. Basic Services

A. Final Design/Construction Plans (100%) \$15,690.00

B. Bid Phase Services \$6,274.00

Total Basic Services (Lump Sum) ***\$21,964.00***

II. Special Services

N/A \$0.00

Total Authorized Special Services ***\$0.00***

Project Budget, Grand Total (Not-To-Exceed) ***\$21,964.00***



Exhibit B
City of Sherman
WTP Flocculator Rehab.
Garver Hourly Rate Schedule: July 2024 - June 2025

Classification	Rates	Classification	Rates
Engineers / Architects		Resource Specialists	
E-1	\$ 130.00	RS-1	\$ 104.00
E-2	\$ 144.00	RS-2	\$ 137.00
E-3	\$ 174.00	RS-3	\$ 194.00
E-4	\$ 203.00	RS-4	\$ 268.00
E-5	\$ 247.00	RS-5	\$ 335.00
E-6	\$ 304.00	RS-6	\$ 411.00
E-7	\$ 422.00	RS-7	\$ 460.00
Planners		Environmental Specialists	
P-1	\$ 157.00	ES-1	\$ 104.00
P-2	\$ 196.00	ES-2	\$ 131.00
P-3	\$ 244.00	ES-3	\$ 168.00
P-4	\$ 273.00	ES-4	\$ 198.00
P-5	\$ 308.00	ES-5	\$ 248.00
Designers		ES-6	\$ 318.00
D-1	\$ 118.00	ES-7	\$ 390.00
D-2	\$ 135.00	ES-8	\$ 450.00
D-3	\$ 161.00	Project Controls	
D-4	\$ 193.00	PC-1	\$ 106.00
Technicians		PC-2	\$ 140.00
T-1	\$ 95.00	PC-3	\$ 178.00
T-2	\$ 114.00	PC-4	\$ 229.00
T-3	\$ 139.00	PC-5	\$ 280.00
T-4	\$ 180.00	PC-6	\$ 361.00
Surveyors		PC-7	\$ 454.00
S-1	\$ 58.00	Administration / Management	
S-2	\$ 77.00	AM-1	\$ 75.00
S-3	\$ 103.00	AM-2	\$ 96.00
S-4	\$ 148.00	AM-3	\$ 134.00
S-5	\$ 187.00	AM-4	\$ 171.00
S-6	\$ 218.00	AM-5	\$ 209.00
2-Man Crew (Survey)	\$ 225.00	AM-6	\$ 272.00
3-Man Crew (Survey)	\$ 282.00	AM-7	\$ 320.00
2-Man Crew (GPS Survey)	\$ 245.00	M-1	\$ 510.00
3-Man Crew (GPS Survey)	\$ 302.00		
Construction Observation			
C-1	\$ 112.00		
C-2	\$ 140.00		
C-3	\$ 171.00		
C-4	\$ 221.00		
C-5	\$ 259.00		

EXHIBIT C

GUIDELINES FOR COMPUTER AIDED DESIGN AND DRAFTING (CADD)

1. Files shall done in DWG/DXF format.
2. Files shall be georeferenced in the State Plane, Texas North Central FIPS 4202 (feet) coordinate system, using a datum of NAD 83 Grid.
3. If a surface adjustment factor is applied to the data, any surface adjustment factors used should be clearly documented on the drawing.
4. If submissions for the Project relate to a plat, the file submitted must match exactly the plat that is submitted for recording.
5. The file shall contain required features for the project type as detailed below:
 - a. Pre-Construction/As-Built Plans and/or Record Documents:
 - i. Layers from Final Plat Requirements as Applicable to Project Type.
 - ii. Water Utility Features.
 - iii. Sanitary Sewer Features.
 - iv. Storm Sewer Features.
6. Each required feature group should be provided as a separate layer within the file.
7. Layer names should be representative of the information contained in the layer.
8. Line work should be done per accepted industry norms.

Text should not be smaller than 0.08" on a full size sheet, and should be a font such at Simplex, Calibri, or Arial.

EXHIBIT D
CONSULTANT'S GUIDELINES FOR DIRECT EXPENSES; GENERAL AND
ADMINISTRATIVE MARKUP; TRAVEL AND SUBSISTENCE EXPENSES

- I. **CONSULTANT'S RESPONSIBILITY**. Consultant shall be solely responsible for the auditing and accuracy of all Direct Expenses, approved markup (general and/or administrative), and approved travel and/or subsistence charges, including those of its subcontractors, prior to submitting to City for reimbursement. Any over-payment by City for errors in submittals for reimbursement may be deducted from Consultant's subsequent payment(s) for services; however, this shall not be City's sole and exclusive remedy for said over-payment.

II. **GUIDELINES FOR DIRECT EXPENSES**.

- A. **Local Transportation** – Transportation in connection with the Project, when such transportation is not a function of routine performance of the duties of Consultant in connection with the Project, and when such transportation exceeds beyond fifty (50) miles from the Project site, shall be reimbursed at a standard mileage rate consistent with that as issued, and periodically revised, by the United States Internal Revenue Service (IRS). Under no circumstances shall City reimburse Consultant at a higher standard mileage rate or pay additional markup on charges for local transportation. Completion of City's Standard Mileage Log is required for submittal of these charges for reimbursement, including justification for each submitted expense.

Under no circumstances are charges associated with rental cars for local transportation eligible for reimbursement by City. Toll road subscriptions or toll plaza receipts are not reimbursable. Consultant agrees to place these standards in all subcontracts for work on the Project.

- B. **Supplies, Material, Equipment** – City shall reimburse the actual cost of other similar direct Project-related expenses, which are duly presented in advance and approved by City's Project Manager in writing.
- C. **Commercial Reproduction** – City shall reimburse the actual cost of reproductions, specifically limited to progress prints prepared for presentation to City at each phase of progress, and final Construction Documents prepared for distribution at bidding phase, provided that Consultant has duly obtained at least three (3) quotations from commercial firms and has chosen the best value for City. Consultant shall provide such documentation to City for review prior to submitting these expenses for reimbursement. Consultant agrees to place these standards in all subcontracts for work on the Project.
- D. **In-House Reproduction** – Consultant shall make arrangements with City for prior approval of in-house reproduction rates prior to submitting these expenses for reimbursement. City shall provide Consultant with a standard format for documenting these charges. Completion of City's reproduction log is required as

EXHIBIT D
**CONSULTANT'S GUIDELINES FOR DIRECT EXPENSES; GENERAL AND
ADMINISTRATIVE MARKUP; TRAVEL AND SUBSISTENCE EXPENSES**

a prerequisite for payment, including the number or reproductions, the date, time, description, the approved standard rate, and a justification for each submitted expense for reimbursement. Consultant agrees to place these standards in all subcontracts for work on the Project.

- E. **Commercial Plotting** – City shall reimburse the actual cost of plots, specifically limited to final documents, provided Consultant has duly obtained at least three (3) quotations from commercial firms and has chosen the best value for City. Consultant shall provide such documentation to City for review prior to submitting these expenses for reimbursement. Consultant agrees to place these standards in all subcontracts for work on the Project.
- F. **In-House Plotting** – Consultant shall make arrangements with City for prior written approval of in-house plotting rates prior to submitting these charges for reimbursement. City shall provide Consultant with a standard format for documenting these charges. Completion of City's reproduction log is required as a prerequisite for payment, including the number of plots, the date, time, description, the approved standard rate, and a justification for each submitted charge for reimbursement.
- G. **Communications** – Reimbursement for expenses relating to electronic communications shall be limited to long-distance telephone or fax toll charges specifically required in the discharge of professional responsibilities related to the Project. Telephone service charges including office or cellular phones, WATTS, or Metro line services or similar charges are not reimbursable.
- H. **Postage, Mail, and Delivery Service** – City shall reimburse the actual cost of postage and delivery of Instruments of Service, provided Consultant duly considers all circumstances (including available time for assured delivery) of the required delivery and selects the best value for City, which may require comparison of delivery costs offered by three (3) or more sources or methods of delivery, which at a minimum shall include U.S. Mail. Courier service is acceptable only in circumstances requiring deadline-sensitive deliveries and not for the convenience of Consultant and/or Consultant's employees. Consultant agrees to place these standards in all subcontracts for work on the Project.
- I. **Meals and Other Related Charges** – Meals or any other related expenses are not reimbursable unless incurred outside a fifty (50) mile radius of the Project, and then only reimbursable for the actual cost subject to compliance with City's currently adopted policy. Non-allowable costs include, but are not limited to, charges for entertainment, alcoholic beverages, and gratuities.

EXHIBIT D
CONSULTANT'S GUIDELINES FOR DIRECT EXPENSES; GENERAL AND
ADMINISTRATIVE MARKUP; TRAVEL AND SUBSISTENCE EXPENSES

III. GUIDELINES FOR GENERAL AND ADMINISTRATIVE MARKUP.

- A. **Requirement of Prior Approval** – Consultant may be allowed to charge a General and/or Administrative Markup on work completed if Consultant can clearly define to City specifically what costs are included in the markup calculation. To apply General and/or Administrative Markup, Consultant must also document to City what costs would be considered direct costs. City shall issue approval in writing to allow Consultant to charge General and/or Administrative Markup. City reserves the right to reject any and all requests for General and/or Administrative Markup.

IV. GUIDELINES FOR TRAVEL AND SUBSISTENCE EXPENSES.

- A. **Requirement of Prior Approval** – City shall reimburse the actual cost of travel and/or subsistence expenses upon prior written approval by City's Project Manager.
- B. **Adherence to Currently Adopted City Travel Policy** – Reimbursements shall be governed by the same travel policies provided for City employees according to current adopted policy. Prior to the event, Consultant shall request, and City's Project Manager shall provide the provisions and the restrictions that apply to out-of-town reimbursements.

EXHIBIT E
CONTRACTOR'S INSURANCE GUIDELINES

I. GENERAL INSURANCE REQUIREMENTS –

- A. All policies shall name the City of Sherman, its officers, agents, representatives and employees as additional insured as to all applicable coverage with the exception of workers compensation insurance and professional liability insurance.
- B. Such policies shall require the provision of written notice to City at least thirty (30) days prior to cancellation, non-renewal or material modification of any policies, evidenced by return receipt or United States Certified Mail.
- C. Such policies shall provide for a waiver of subrogation against City for injuries, including death, property damage or any other loss to the extent the same is covered by the proceeds of the insurance.

II. INSURANCE COMPANY QUALIFICATION – All insurance companies providing the required insurance shall be authorized to transact business in the State of Texas, and shall have a minimum rating of "A" by A.M. Best's Key Rating Guide, or other equivalent rating service(s).

III. CERTIFICATE OF INSURANCE – A Certificate of Insurance and policy endorsement(s) evidencing the required insurance shall be submitted prior to execution of the Agreement. If the Agreement is renewed or extended by City, a Certificate of Insurance and policy endorsement(s) shall also be provided to City prior to the date the Agreement is renewed or extended.

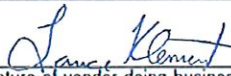
IV. INSURANCE CHECKLIST – "X" means that the following coverage(s) is required for this Agreement.

Coverage Required		Limits
<u> X </u>	1. Worker's Compensation & Employer's Liability	▪ Statutory Limits of the State of Texas
<u> X </u>	2. General Liability	▪ Minimum \$1,000,000.00 each occurrence; ▪ Minimum \$2,000,000.00 in the aggregate
<u> </u>	3. XCU Coverage	▪ Minimum \$1,000,000.00 each occurrence; ▪ Minimum \$2,000,000.00 in the aggregate

EXHIBIT E
CONTRACTOR'S INSURANCE GUIDELINES

-
- | | | | |
|---------------|-----|---|--|
| <u> X </u> | 4. | Professional Liability | <ul style="list-style-type: none">▪ Minimum \$1,000,000.00 each claim;▪ Minimum \$2,000,000.00 in the aggregate |
| <u> X </u> | 5. | Umbrella Coverage of Excess Liability Coverage | <ul style="list-style-type: none">▪ An amount of \$2,000,000.00▪ Minimum \$2,000,000.00 in the aggregate |
| <u> X </u> | 6. | City and its officers, agents, representatives and employees named as additional insured on General Liability Policy, as provided above. This coverage is primary to all other coverage City may possess. | |
| <u> X </u> | 7. | General Liability Insurance provides for a Waiver of Subrogation against the City for injuries, including death, property damage, or any other loss to the extent that same is covered by the proceeds of the insurance. All insurance policies that are required to name the City as an additional insured must be endorsed to read as primary and non-contributory coverage regardless of the application of other insurance. | |
| <u> X </u> | 8. | Thirty (30) days' notice of cancellation, non-renewal, or material change required. The words "endeavor to" and "but failure" (to end of sentence) are to be eliminated from the Notice of Cancellation provision on standard ACORD certificates. | |
| <u> X </u> | 9. | Insurance company has a minimum rating of "A" by A.M. Best's Key Rating Guide, or other equivalent rating service(s). | |
| <u> X </u> | 10. | The Certificate of Insurance must state the project title and bid number. | |
| <u> </u> | 11. | Other Insurance Requirements (State Below): | |

EXHIBIT F
CONFLICT OF INTEREST QUESTIONNAIRE, FORM CIQ

CONFLICT OF INTEREST QUESTIONNAIRE		FORM CIQ
For vendor doing business with local governmental entity		OFFICE USE ONLY
This questionnaire reflects changes made to the law by H.B. 23, 84th Leg., Regular Session. This questionnaire is being filed in accordance with Chapter 176, Local Government Code, by a vendor who has a business relationship as defined by Section 176.001(1-a) with a local governmental entity and the vendor meets requirements under Section 176.006(a). By law this questionnaire must be filed with the records administrator of the local governmental entity not later than the 7th business day after the date the vendor becomes aware of facts that require the statement to be filed. See Section 176.006(a-1), Local Government Code. A vendor commits an offense if the vendor knowingly violates Section 176.006, Local Government Code. An offense under this section is a misdemeanor.		Date Received
1	Name of vendor who has a business relationship with local governmental entity. Garver, LLC	
2	☐ Check this box if you are filing an update to a previously filed questionnaire. (The law requires that you file an updated completed questionnaire with the appropriate filing authority not later than the 7th business day after the date on which you became aware that the originally filed questionnaire was incomplete or inaccurate.)	
3	Name of local government officer about whom the information is being disclosed. N/A Name of Officer	
4	Describe each employment or other business relationship with the local government officer, or a family member of the officer, as described by Section 176.003(a)(2)(A). Also describe any family relationship with the local government officer. Complete subparts A and B for each employment or business relationship described. Attach additional pages to this Form CIQ as necessary. A. Is the local government officer or a family member of the officer receiving or likely to receive taxable income, other than investment income, from the vendor? ☐ Yes ☐ No B. Is the vendor receiving or likely to receive taxable income, other than investment income, from or at the direction of the local government officer or a family member of the officer AND the taxable income is not received from the local governmental entity? ☐ Yes ☐ No	
5	Describe each employment or business relationship that the vendor named in Section 1 maintains with a corporation or other business entity with respect to which the local government officer serves as an officer or director, or holds an ownership interest of one percent or more.	
6	☐ Check this box if the vendor has given the local government officer or a family member of the officer one or more gifts as described in Section 176.003(a)(2)(B), excluding gifts described in Section 176.003(a-1).	
7	 _____ Signature of vendor doing business with the governmental entity	6/25/2024 _____ Date

Form provided by Texas Ethics Commission

www.ethics.state.tx.us

Revised 1/1/2021



Water Treatment
Flocculation / Sedimentation
Basin Rehab & Filter Media
Replacement

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Sherman
CLASSIC TOWN. BROAD HORIZON.



City Council Regular Meeting

Agenda Item No. F.8.

Meeting Date: 11/4/2024

Prepared By: Clint Philpott, Assistant City Manager

Approved By: Robby Hefton, City Manager

Caption:

*** RESOLUTION NO. 7423**

Authorizing the Execution of the First Amendment to Addendum to Agreement with SkyTrust, LLC dated March 2, 2020 for Construction of Hangars at the Sherman Municipal Airport

Issue:

To consider approval of the First Amendment to Addendum to Agreement with SkyTrust, LLC dated March 2, 2020 for Construction of Hangars at the Sherman Municipal Airport

Background:

The Sherman Municipal Airport Master Plan's ("Master Plan") number one project was to add additional hangars at the airport. In March 2020, SkyTrust submitted a proposal to construct three (3) hangar buildings as depicted on the Master Plan. SkyTrust paid for and constructed all three (3) hangars. All of the hangars are owned by the City. Hangar No. 1 is operated and maintained by the City. The City is required to reimburse SkyTrust for the construction costs of City Hangar No. 1 using rents received from the tenants as the source of payment for these reimbursements until all costs are recovered by the builder (approximately eight (8) years). The City has granted SkyTrust a long-term lease for the other two (2) hangar buildings. SkyTrust is operating and maintaining these two (2) hangar buildings. After construction was completed, there was a list of items that cost SkyTrust more than originally budgeted. Staff finally worked out the details this year and now recommends approval of the changes. The original reimbursement amount was \$248,279.00. The new amount requested is \$85,749.33 for a total reimbursement of \$334,028.33.

This approval amends the original construction agreement to allow for the reimbursement of additional cost (\$85,749.33). The additional cost will be paid back thru the rental agreement.

Origination:

City Manager's Office

Financial Consideration:

The source of payment for the additional amount to be reimbursed will be the rents received from the tenants. This will effectively add more time to the end of the lease term until the additional costs are recovered.

Staff Recommendation:

It is recommended that the First Amendment to Addendum to Agreement with SkyTrust, LLC dated March 2, 2020 for construction of Hangars at the Sherman Municipal Airport be approved and that the City Manager be authorized to execute the required contract documents.

Alternatives:

As may directed by City Council

Attachments:

1. Resolution No. 7423
2. First Amendment to Addendum to Agreement for Construction of Hangers - SkyTrust, LLC(4521247.2)
3. Hangar 1 Construction Agreement Signed

RESOLUTION NO. 7423

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING THE EXECUTION OF THE FIRST AMENDMENT TO THE ADDENDUM TO AGREEMENT WITH SKYTRUST, LLC DATED MARCH 2, 2020, FOR CONSTRUCTION OF HANGARS AT THE SHERMAN MUNICIPAL AIRPORT; 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 all contract documents being properly completed and approved as to form and content by the City Attorney, to execute the First Amendment to Addendum to Agreement with SkyTrust, LLC dated March 2, 2020 for construction of the aforementioned improvements, in accordance with all contract documents attached hereto and made a part hereof for all purposes.

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.

DULY PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, on this the 4th day of November 2024.

CITY OF SHERMAN, TEXAS

ATTEST:

BY: _____
LINDA ASHBY, CITY CLERK

BY: _____
DAVID PLYLER, MAYOR

APPROVED AS TO FORM:
THE LAW FIRM OF ABERNATHY,
ROEDER, BOYD & HULLETT, P.C.

BY: _____
RYAN D. PITTMAN, CITY ATTORNEY

FIRST AMENDMENT TO ADDENDUM TO AGREEMENT FOR CONSTRUCTION OF HANGERS AT THE SHERMAN MUNICIPAL AIRPORT

This First Amendment to the Addendum to Agreement for Construction of Hangers at the Sherman Municipal Airport (“First Amendment”) is entered into by and between the **City of Sherman, Texas**, a home-rule municipality (“City”), and **SkyTrust, LLC**, a Texas limited liability company (“SkyTrust” and together with the City, the “Parties”).

WHEREAS, City and SkyTrust entered into that certain Addendum to Agreement for Construction of Hangers at the Sherman Municipal Airport dated March 2, 2020 (“Original Agreement” and together with this First Amendment, the “Agreement”), which is incorporated herein by reference for all purposes; and

WHEREAS, under the Original Agreement, SkyTrust agreed to construct, among other things, the City-owned Hanger No. 1¹ at the Sherman Municipal Airport in exchange for the City agreeing to reimburse SkyTrust for certain construction costs using rental income collected from Hanger No. 1; and

WHEREAS, following completion of construction of Hanger No. 1, the parties desire to agree and finally settle on the total amount of reimbursement due from the City to SkyTrust in connection with the Hanger No. 1 construction project, as set forth herein; and

WHEREAS, SkyTrust and City desire to amend the Original Agreement as set forth in this First Amendment and to otherwise agree as set forth herein.

NOW, THEREFORE, for and in consideration of the mutual covenants of the Parties set forth in this First Amendment, and for other good and valuable consideration, the receipt and adequacy of which are acknowledged, the Parties agree as follows:

1. Incorporation of Recitals. The representations, covenants and recitations set forth in the foregoing recitals of this First Amendment are true and correct, are incorporated into the body of this First Amendment and are adopted as findings of City and the authorized representative of SkyTrust.
2. Amendment to Original Agreement; Final Settlement Amount. Notwithstanding any statement to the contrary in any agreement between the Parties, including the Original Agreement, the Parties agree that the total amount owed by the City to SkyTrust for reimbursement of costs incurred and paid by SkyTrust and its partners, affiliates, contractors, subcontractors, officers, employees, representatives, agents, successors, assignees, vendors and grantees in connection with the Hanger No. 1 construction project is three hundred thirty four thousand twenty eight and 33/100 dollars (\$334,028.33) (“Final Settlement Amount”), which amount includes eighty-five thousand seven hundred forty-nine and 33/100 dollars (\$85,749.33) attributable to additional costs incurred and paid in

¹ Capitalized terms not defined herein shall be deemed to have the same meaning ascribed to them under the Original Agreement.

excess of the original, mutually agreed-upon construction cost estimates and the costs of payment and performance bonds, as described in Section II(8) of the Original Agreement. The Final Settlement Amount is payable by the City to SkyTrust in the form of an assignment of rental income actually received from time to time by the City from rentals of Hanger No. 1 in accordance with and subject to that certain Contract for Assignment of Rental Income for Hanger No. 1 dated February 2, 2020, as amended by that certain First Amendment thereto of even date herewith. City agrees to provide, and SkyTrust agrees to accept, the Final Settlement Amount as described herein as City's sole obligation to SkyTrust and its partners, affiliates, contractors, subcontractors, officers, employees, representatives, agents, successors, assignees, vendors and grantees with respect to costs incurred in connection with the Hanger No. 1 construction project.

3. Amendment to Original Agreement, Exhibit A. Exhibit A to the Original Agreement is hereby deleted and removed in its entirety. Exhibit A to the Original Agreement is of no force or effect.
4. Sole Owner of Right to Reimbursement. SkyTrust represents and warrants that SkyTrust is the sole owner of any rights or claims to reimbursement, payment or other consideration from City related to the Hanger No. 1 construction project, including the Final Settlement Amount, and that such rights or claims have not been assigned, encumbered, transferred, pledged or otherwise in any manner whatsoever sold or transferred, either by written instrument or otherwise, to any person or entity. SkyTrust also represents and warrants that SkyTrust is the only party entitled to receive any reimbursement, payment or other consideration, including the Final Settlement Amount, pursuant to the Agreement.
5. Binding Obligations. The Agreement shall be binding upon the Parties and their successors and assigns.
6. Defined Terms. Any term not defined herein shall be deemed to have the same meaning ascribed to it under the Original Agreement.
7. Ratification. SkyTrust and City hereby ratify and confirm all of the terms, provisions, covenants and conditions of the Original Agreement and acknowledge and agree that the Original Agreement remains in full force and effect, except as amended in this First Amendment.
8. Controlling Agreement. To the extent that any provision contained herein conflicts with the Original Agreement, the provision contained herein shall supersede such conflicting provisions contained in the Original Agreement.
9. Entire Agreement/First Amendment. This First Amendment and the Original Agreement contain the entire agreement of the Parties with respect to the matters contained herein. This First Amendment may not be modified or terminated except upon the provisions hereof or by the mutual written agreement of the Parties hereto. The Agreement contains all representations, understandings, contracts and agreements between the Parties regarding the subject matter of the Agreement. The Agreement supersedes all oral or

written previous and contemporaneous agreements, writings, understandings, representations or contracts between the Parties regarding the subject matter of the Agreement.

10. Authority to Execute. The individuals executing this First Amendment on behalf of the respective Parties below represent to each other and to others that all appropriate and necessary action has been taken to authorize the individual who is executing this First Amendment to do so for and on behalf of the party for which his or her signature appears, that there are no other parties or entities required to execute this First Amendment in order for the same to be an authorized and binding agreement on the party for whom the individual is signing this First Amendment and that each individual affixing his or her signature hereto is authorized to do so, and such authorization is valid and effective on the Effective Date.
11. Counterparts. This First Amendment may be executed in any number of counterparts, each of which shall be deemed an original and constitute one and the same instrument.

IN WITNESS WHEREOF, the Parties have executed this First Amendment and caused this First Amendment to be effective when all the Parties have signed it. The date this First Amendment is signed by the last party to sign it (as indicated by the date associated with that party's signature below) will be deemed the effective date of this First Amendment ("Effective Date").

CITY OF SHERMAN, TEXAS,
a home-rule municipality

By: _____
Robby Hefton, City Manager
Date: _____

ATTEST:

Linda Ashby, City Clerk

APPROVED AS TO FORM:
Abernathy, Roeder, Boyd & Hullett, P.C.

Ryan D. Pittman, City Attorney

SKYTRUST, LLC,
a Texas limited liability company

By: _____
Printed Name: _____
Title: _____
Date: _____

STATE OF TEXAS §
 §
COUNTY OF _____ §

This instrument was acknowledged before me on the _____ day of _____, 2024, by _____, _____ of SkyTrust, LLC, a Texas limited liability company, on behalf of said company.

(SEAL)

Notary Public, State of Texas

Name printed or typed

Commission Expires: _____

FIRST AMENDMENT TO ADDENDUM TO AGREEMENT FOR CONSTRUCTION OF HANGERS AT THE SHERMAN MUNICIPAL AIRPORT

This First Amendment to the Addendum to Agreement for Construction of Hangers at the Sherman Municipal Airport ("First Amendment") is entered into by and between the **City of Sherman, Texas**, a home-rule municipality ("City"), and **SkyTrust, LLC**, a Texas limited liability company ("SkyTrust" and together with the City, the "Parties").

WHEREAS, City and SkyTrust entered into that certain Addendum to Agreement for Construction of Hangers at the Sherman Municipal Airport dated March 2, 2020 ("Original Agreement") and together with this First Amendment, the "Agreement", which is incorporated herein by reference for all purposes; and

WHEREAS, under the Original Agreement, SkyTrust agreed to construct, among other things, the City-owned Hanger No. 1¹ at the Sherman Municipal Airport in exchange for the City agreeing to reimburse SkyTrust for certain construction costs using rental income collected from Hanger No. 1; and

WHEREAS, following completion of construction of Hanger No. 1, the parties desire to agree and finally settle on the total amount of reimbursement due from the City to SkyTrust in connection with the Hanger No. 1 construction project, as set forth herein; and

WHEREAS, SkyTrust and City desire to amend the Original Agreement as set forth in this First Amendment and to otherwise agree as set forth herein.

NOW, THEREFORE, for and in consideration of the mutual covenants of the Parties set forth in this First Amendment, and for other good and valuable consideration, the receipt and adequacy of which are acknowledged, the Parties agree as follows:

1. Incorporation of Recitals. The representations, covenants and recitations set forth in the foregoing recitals of this First Amendment are true and correct, are incorporated into the body of this First Amendment and are adopted as findings of City and the authorized representative of SkyTrust.
2. Amendment to Original Agreement; Final Settlement Amount. Notwithstanding any statement to the contrary in any agreement between the Parties, including the Original Agreement, the Parties agree that the total amount owed by the City to SkyTrust for reimbursement of costs incurred and paid by SkyTrust and its partners, affiliates, contractors, subcontractors, officers, employees, representatives, agents, successors, assignees, vendors and grantees in connection with the Hanger No. 1 construction project is three hundred thirty four thousand twenty eight and 33/100 dollars (\$334,028.33) ("Final Settlement Amount"), which amount includes eighty-five thousand seven hundred forty-nine and 33/100 dollars (\$85,749.33) attributable to additional costs incurred and paid in

¹ Capitalized terms not defined herein shall be deemed to have the same meaning ascribed to them under the Original Agreement.

excess of the original, mutually agreed-upon construction cost estimates and the costs of payment and performance bonds, as described in Section II(8) of the Original Agreement. The Final Settlement Amount is payable by the City to SkyTrust in the form of an assignment of rental income actually received from time to time by the City from rentals of Hanger No. 1 in accordance with and subject to that certain Contract for Assignment of Rental Income for Hanger No. 1 dated February 2, 2020, as amended by that certain First Amendment thereto of even date herewith. City agrees to provide, and SkyTrust agrees to accept, the Final Settlement Amount as described herein as City's sole obligation to SkyTrust and its partners, affiliates, contractors, subcontractors, officers, employees, representatives, agents, successors, assignees, vendors and grantees with respect to costs incurred in connection with the Hanger No. 1 construction project.

3. Amendment to Original Agreement, Exhibit A. Exhibit A to the Original Agreement is hereby deleted and removed in its entirety. Exhibit A to the Original Agreement is of no force or effect.
4. Sole Owner of Right to Reimbursement. SkyTrust represents and warrants that SkyTrust is the sole owner of any rights or claims to reimbursement, payment or other consideration from City related to the Hanger No. 1 construction project, including the Final Settlement Amount, and that such rights or claims have not been assigned, encumbered, transferred, pledged or otherwise in any manner whatsoever sold or transferred, either by written instrument or otherwise, to any person or entity. SkyTrust also represents and warrants that SkyTrust is the only party entitled to receive any reimbursement, payment or other consideration, including the Final Settlement Amount, pursuant to the Agreement.
5. Binding Obligations. The Agreement shall be binding upon the Parties and their successors and assigns.
6. Defined Terms. Any term not defined herein shall be deemed to have the same meaning ascribed to it under the Original Agreement.
7. Ratification. SkyTrust and City hereby ratify and confirm all of the terms, provisions, covenants and conditions of the Original Agreement and acknowledge and agree that the Original Agreement remains in full force and effect, except as amended in this First Amendment.
8. Controlling Agreement. To the extent that any provision contained herein conflicts with the Original Agreement, the provision contained herein shall supersede such conflicting provisions contained in the Original Agreement.
9. Entire Agreement/First Amendment. This First Amendment and the Original Agreement contain the entire agreement of the Parties with respect to the matters contained herein. This First Amendment may not be modified or terminated except upon the provisions hereof or by the mutual written agreement of the Parties hereto. The Agreement contains all representations, understandings, contracts and agreements between the Parties regarding the subject matter of the Agreement. The Agreement supersedes all oral or

written previous and contemporaneous agreements, writings, understandings, representations or contracts between the Parties regarding the subject matter of the Agreement.

10. Authority to Execute. The individuals executing this First Amendment on behalf of the respective Parties below represent to each other and to others that all appropriate and necessary action has been taken to authorize the individual who is executing this First Amendment to do so for and on behalf of the party for which his or her signature appears, that there are no other parties or entities required to execute this First Amendment in order for the same to be an authorized and binding agreement on the party for whom the individual is signing this First Amendment and that each individual affixing his or her signature hereto is authorized to do so, and such authorization is valid and effective on the Effective Date.
11. Counterparts. This First Amendment may be executed in any number of counterparts, each of which shall be deemed an original and constitute one and the same instrument.

IN WITNESS WHEREOF, the Parties have executed this First Amendment and caused this First Amendment to be effective when all the Parties have signed it. The date this First Amendment is signed by the last party to sign it (as indicated by the date associated with that party's signature below) will be deemed the effective date of this First Amendment ("Effective Date").

CITY OF SHERMAN, TEXAS,
a home-rule municipality

By: _____
Robby Hefton, City Manager
Date: _____

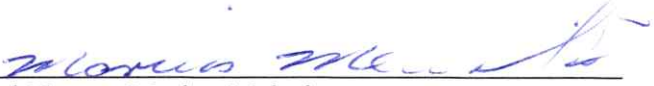
ATTEST:

Linda Ashby, City Clerk

APPROVED AS TO FORM:
Abernathy, Roeder, Boyd & Hullett, P.C.

Ryan D. Pittman, City Attorney

SKYTRUST, LLC,
a Texas limited liability company

By: 
Printed Name: Marius Meintjes
Title: President
Date: October 29, 2024

STATE OF TEXAS §
 §
COUNTY OF _____ §

This instrument was acknowledged before me on the _____ day of _____, 2024, by _____, _____ of SkyTrust, LLC, a Texas limited liability company, on behalf of said company.

(SEAL)

Notary Public, State of Texas

Name printed or typed

Commission Expires: _____



City Council Regular Meeting

Agenda Item No. F.9.

Meeting Date: 11/4/2024

Prepared By: Clint Philpott, Assistant City Manager

Approved By: Robby Hefton, City Manager

Caption:

*** RESOLUTION NO. 7424**

Authorizing the Execution of a First Amendment to the Contract with SkyTrust, LLC dated February 2, 2020 for Assignment of Rental Income for Hangar No. 1 at the Sherman Municipal Airport

Issue:

To consider approval of the First Amendment to the Contract with SkyTrust, LLC dated February 2, 2020 for Assignment of Rental Income for Hangar No. 1 at the Sherman Municipal Airport

Background:

In March 2020, SkyTrust began construction of three (3) hangar buildings at the airport as depicted on the Airport Master Plan. The hangars are owned by the City. Hangar No. 1 is maintained by the City, with the other two being maintained by SkyTrust.

The City is required to reimburse SkyTrust for the construction costs of City Hangar No. 1 through rents received from the tenants until all costs are recovered.

This amendment is needed to increase the assignment of Rental Income to match the Amended Construction Agreement. The proposed change increases the amount by \$85,749.33 for a new total reimbursement of \$334,028.33.

Origination:

City Manager's Office

Financial Consideration:

The additional amount to be reimbursed will be taken from rents received from the tenants until the costs are recovered.

Staff Recommendation:

It is recommended that the First Amendment to the Contract with SkyTrust, LLC dated February 2, 2020 for Assignment of Rental Income for Hangar No. 1 at the Sherman Municipal Airport be approved and that the City Manager be authorized to execute the required contract documents.

Alternatives:

As may directed by City Council

Attachments:

1. Resolution No. 7424
2. First Amendment to Contract for Assignment of Rental Income for Hanger No. 1 - SkyTrust, LLC(4521318.2)
3. Hangar 1 Rental Amendment Signed

RESOLUTION NO. 7424

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING THE EXECUTION OF THE FIRST AMENDMENT TO CONTRACT WITH SKYTRUST, LLC DATED FEBRUARY 2, 2020 FOR ASSIGNMENT OF RENTAL INCOME FOR HANGAR NO. 1 AT THE SHERMAN MUNICIPAL AIRPORT; 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 all contract documents being properly completed and approved as to form and content by the City Attorney, to execute the First Amendment to the Contract with SkyTrust, LLC dated February 2, 2020 for Assignment of Rental Income for Hangar No. 1 at the Sherman Municipal Airport, in accordance with all contract documents attached hereto and made a part hereof for all purposes.

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.

DULY PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, on this the 4th day of November 2024.

CITY OF SHERMAN, TEXAS

ATTEST:

BY: _____
LINDA ASHBY, CITY CLERK

BY: _____
DAVID PLYLER, MAYOR

APPROVED AS TO FORM:
THE LAW FIRM OF ABERNATHY,
ROEDER, BOYD & HULLETT, P.C.

BY: _____
RYAN D. PITTMAN, CITY ATTORNEY

FIRST AMENDMENT TO CONTRACT FOR ASSIGNMENT OF RENTAL INCOME FOR HANGER NO. 1 AT THE SHERMAN MUNICIPAL AIRPORT

This First Amendment to the Contract for Assignment of Rental Income for Hanger No. 1 (“First Amendment”) is entered into by and between the **City of Sherman, Texas**, a home-rule municipality (“City”), and **SkyTrust, LLC**, a Texas limited liability company (“SkyTrust” and together with the City, the “Parties”).

WHEREAS, City and SkyTrust entered into that certain Contract for Assignment of Rental Income for Hanger No. 1 dated February 2, 2020 (“Original Agreement” and together with this First Amendment, the “Agreement”), which is incorporated herein by reference for all purposes; and

WHEREAS, under the Original Agreement, SkyTrust agreed to construct, among other things, the City-owned Hanger No. 1¹ at the Sherman Municipal Airport in exchange for the City agreeing to reimburse SkyTrust for certain construction costs using rental income collected from Hanger No. 1; and

WHEREAS, following completion of construction of Hanger No. 1, the parties desire to agree and finally settle on the total amount of reimbursement due from the City to SkyTrust in connection with the Hanger No. 1 construction project, as set forth herein; and

WHEREAS, SkyTrust and City desire to amend the Original Agreement as set forth in this First Amendment and to otherwise agree as set forth herein.

NOW, THEREFORE, for and in consideration of the mutual covenants of the Parties set forth in this First Amendment, and for other good and valuable consideration, the receipt and adequacy of which are acknowledged, the Parties agree as follows:

1. Incorporation of Recitals. The representations, covenants and recitations set forth in the foregoing recitals of this First Amendment are true and correct, are incorporated into the body of this First Amendment and are adopted as findings of City and the authorized representative of SkyTrust.
2. Amendment to Original Agreement; Final Settlement Amount. Notwithstanding any statement to the contrary in any agreement between the Parties, including the Original Agreement, the Parties agree that the total amount owed by the City to SkyTrust for reimbursement of costs incurred and paid by SkyTrust and its partners, affiliates, contractors, subcontractors, officers, employees, representatives, agents, successors, assignees, vendors and grantees in connection with the Hanger No. 1 construction project is three hundred thirty four thousand twenty eight and 33/100 dollars (\$334,028.33) (“Final Settlement Amount”), which amount includes eighty-five thousand seven hundred forty-nine and 33/100 dollars (\$85,749.33) attributable to additional costs incurred and paid in excess of the original, mutually agreed-upon construction cost estimates and the costs of

¹ Capitalized terms not defined herein shall be deemed to have the same meaning ascribed to them under the Original Agreement.

payment and performance bonds. The Final Settlement Amount is payable by the City to SkyTrust in the form of an assignment of rental income actually received from time to time by the City from rentals of Hanger No. 1. City agrees to provide, and SkyTrust agrees to accept, the Final Settlement Amount as described herein as City's sole obligation to SkyTrust and its partners, affiliates, contractors, subcontractors, officers, employees, representatives, agents, successors, assignees, vendors and grantees with respect to costs incurred in connection with the Hanger No. 1 construction project.

3. Amendment to Original Agreement, Section II(1). Section II(1) of the Original Agreement is hereby amended in its entirety to read as follows:

"City assigns rental income from Hanger No. 1 to SkyTrust until SkyTrust recoups the Final Settlement Amount. After "

4. Amendment to Original Agreement, Section II(6). Section II(6) of the Original Agreement is hereby amended in its entirety to read as follows:

"In the event that, for any reason, it becomes impossible for the City to return to SkyTrust the Final Settlement Amount on or before March 31, 2035 through the rent assignments contemplated in this Agreement, the City agrees to reimburse SkyTrust in a lump-sum amount equal to the then-current balance of the Final Settlement Amount that remains unpaid."

5. Amendment to Original Agreement, Exhibit A. Exhibit A to the Original Agreement is hereby deleted and removed in its entirety. Exhibit A to the Original Agreement is of no force or effect.

6. Sole Owner of Right to Reimbursement. SkyTrust represents and warrants that SkyTrust is the sole owner of any rights or claims to reimbursement, payment or other consideration from City related to the Hanger No. 1 construction project, including the Final Settlement Amount, and that such rights or claims have not been assigned, encumbered, transferred, pledged or otherwise in any manner whatsoever sold or transferred, either by written instrument or otherwise, to any person or entity. SkyTrust also represents and warrants that SkyTrust is the only party entitled to receive any reimbursement, payment or other consideration, including the Final Settlement Amount, pursuant to the Agreement.

7. Binding Obligations. The Agreement shall be binding upon the Parties and their successors and assigns.

8. Defined Terms. Any term not defined herein shall be deemed to have the same meaning ascribed to it under the Original Agreement.

9. Ratification. SkyTrust and City hereby ratify and confirm all of the terms, provisions, covenants and conditions of the Original Agreement and acknowledge and agree that the Original Agreement remains in full force and effect, except as amended in this First Amendment.

10. Controlling Agreement. To the extent that any provision contained herein conflicts with the Original Agreement, the provision contained herein shall supersede such conflicting provisions contained in the Original Agreement.
11. Entire Agreement/First Amendment. This First Amendment and the Original Agreement contain the entire agreement of the Parties with respect to the matters contained herein. This First Amendment may not be modified or terminated except upon the provisions hereof or by the mutual written agreement of the Parties hereto. The Agreement contains all representations, understandings, contracts and agreements between the Parties regarding the subject matter of the Agreement. The Agreement supersedes all oral or written previous and contemporaneous agreements, writings, understandings, representations or contracts between the Parties regarding the subject matter of the Agreement.
12. Authority to Execute. The individuals executing this First Amendment on behalf of the respective Parties below represent to each other and to others that all appropriate and necessary action has been taken to authorize the individual who is executing this First Amendment to do so for and on behalf of the party for which his or her signature appears, that there are no other parties or entities required to execute this First Amendment in order for the same to be an authorized and binding agreement on the party for whom the individual is signing this First Amendment and that each individual affixing his or her signature hereto is authorized to do so, and such authorization is valid and effective on the Effective Date.
13. Counterparts. This First Amendment may be executed in any number of counterparts, each of which shall be deemed an original and constitute one and the same instrument.

IN WITNESS WHEREOF, the Parties have executed this First Amendment and caused this First Amendment to be effective when all the Parties have signed it. The date this First Amendment is signed by the last party to sign it (as indicated by the date associated with that party's signature below) will be deemed the effective date of this First Amendment ("Effective Date").

CITY OF SHERMAN, TEXAS,
a home-rule municipality

By: _____
Robby Hefton, City Manager
Date: _____

ATTEST:

Linda Ashby, City Clerk

APPROVED AS TO FORM:
Abernathy, Roeder, Boyd & Hullett, P.C.

Ryan D. Pittman, City Attorney

SKYTRUST, LLC,
a Texas limited liability company

By: _____
Printed Name: _____
Title: _____
Date: _____

STATE OF TEXAS §
 §
COUNTY OF _____ §

This instrument was acknowledged before me on the _____ day of _____, 2024, by _____, _____ of SkyTrust, LLC, a Texas limited liability company, on behalf of said company.

(SEAL)

Notary Public, State of Texas

Name printed or typed

Commission Expires: _____

FIRST AMENDMENT TO CONTRACT FOR ASSIGNMENT OF RENTAL INCOME FOR HANGER NO. 1 AT THE SHERMAN MUNICIPAL AIRPORT

This First Amendment to the Contract for Assignment of Rental Income for Hanger No. 1 ("First Amendment") is entered into by and between the **City of Sherman, Texas**, a home-rule municipality ("City"), and **SkyTrust, LLC**, a Texas limited liability company ("SkyTrust" and together with the City, the "Parties").

WHEREAS, City and SkyTrust entered into that certain Contract for Assignment of Rental Income for Hanger No. 1 dated February 2, 2020 ("Original Agreement" and together with this First Amendment, the "Agreement"), which is incorporated herein by reference for all purposes; and

WHEREAS, under the Original Agreement, SkyTrust agreed to construct, among other things, the City-owned Hanger No. 1¹ at the Sherman Municipal Airport in exchange for the City agreeing to reimburse SkyTrust for certain construction costs using rental income collected from Hanger No. 1; and

WHEREAS, following completion of construction of Hanger No. 1, the parties desire to agree and finally settle on the total amount of reimbursement due from the City to SkyTrust in connection with the Hanger No. 1 construction project, as set forth herein; and

WHEREAS, SkyTrust and City desire to amend the Original Agreement as set forth in this First Amendment and to otherwise agree as set forth herein.

NOW, THEREFORE, for and in consideration of the mutual covenants of the Parties set forth in this First Amendment, and for other good and valuable consideration, the receipt and adequacy of which are acknowledged, the Parties agree as follows:

1. Incorporation of Recitals. The representations, covenants and recitations set forth in the foregoing recitals of this First Amendment are true and correct, are incorporated into the body of this First Amendment and are adopted as findings of City and the authorized representative of SkyTrust.
2. Amendment to Original Agreement; Final Settlement Amount. Notwithstanding any statement to the contrary in any agreement between the Parties, including the Original Agreement, the Parties agree that the total amount owed by the City to SkyTrust for reimbursement of costs incurred and paid by SkyTrust and its partners, affiliates, contractors, subcontractors, officers, employees, representatives, agents, successors, assignees, vendors and grantees in connection with the Hanger No. 1 construction project is three hundred thirty four thousand twenty eight and 33/100 dollars (\$334,028.33) ("Final Settlement Amount"), which amount includes eighty-five thousand seven hundred forty-nine and 33/100 dollars (\$85,749.33) attributable to additional costs incurred and paid in excess of the original, mutually agreed-upon construction cost estimates and the costs of

¹ Capitalized terms not defined herein shall be deemed to have the same meaning ascribed to them under the Original Agreement.

payment and performance bonds. The Final Settlement Amount is payable by the City to SkyTrust in the form of an assignment of rental income actually received from time to time by the City from rentals of Hanger No. 1. City agrees to provide, and SkyTrust agrees to accept, the Final Settlement Amount as described herein as City's sole obligation to SkyTrust and its partners, affiliates, contractors, subcontractors, officers, employees, representatives, agents, successors, assignees, vendors and grantees with respect to costs incurred in connection with the Hanger No. 1 construction project.

3. Amendment to Original Agreement, Section II(1). Section II(1) of the Original Agreement is hereby amended in its entirety to read as follows:

"City assigns rental income from Hanger No. 1 to SkyTrust until SkyTrust recoups the Final Settlement Amount. After "

4. Amendment to Original Agreement, Section II(6). Section II(6) of the Original Agreement is hereby amended in its entirety to read as follows:

"In the event that, for any reason, it becomes impossible for the City to return to SkyTrust the Final Settlement Amount on or before March 31, 2035 through the rent assignments contemplated in this Agreement, the City agrees to reimburse SkyTrust in a lump-sum amount equal to the then-current balance of the Final Settlement Amount that remains unpaid."

5. Amendment to Original Agreement, Exhibit A. Exhibit A to the Original Agreement is hereby deleted and removed in its entirety. Exhibit A to the Original Agreement is of no force or effect.

6. Sole Owner of Right to Reimbursement. SkyTrust represents and warrants that SkyTrust is the sole owner of any rights or claims to reimbursement, payment or other consideration from City related to the Hanger No. 1 construction project, including the Final Settlement Amount, and that such rights or claims have not been assigned, encumbered, transferred, pledged or otherwise in any manner whatsoever sold or transferred, either by written instrument or otherwise, to any person or entity. SkyTrust also represents and warrants that SkyTrust is the only party entitled to receive any reimbursement, payment or other consideration, including the Final Settlement Amount, pursuant to the Agreement.

7. Binding Obligations. The Agreement shall be binding upon the Parties and their successors and assigns.

8. Defined Terms. Any term not defined herein shall be deemed to have the same meaning ascribed to it under the Original Agreement.

9. Ratification. SkyTrust and City hereby ratify and confirm all of the terms, provisions, covenants and conditions of the Original Agreement and acknowledge and agree that the Original Agreement remains in full force and effect, except as amended in this First Amendment.

10. Controlling Agreement. To the extent that any provision contained herein conflicts with the Original Agreement, the provision contained herein shall supersede such conflicting provisions contained in the Original Agreement.
11. Entire Agreement/First Amendment. This First Amendment and the Original Agreement contain the entire agreement of the Parties with respect to the matters contained herein. This First Amendment may not be modified or terminated except upon the provisions hereof or by the mutual written agreement of the Parties hereto. The Agreement contains all representations, understandings, contracts and agreements between the Parties regarding the subject matter of the Agreement. The Agreement supersedes all oral or written previous and contemporaneous agreements, writings, understandings, representations or contracts between the Parties regarding the subject matter of the Agreement.
12. Authority to Execute. The individuals executing this First Amendment on behalf of the respective Parties below represent to each other and to others that all appropriate and necessary action has been taken to authorize the individual who is executing this First Amendment to do so for and on behalf of the party for which his or her signature appears, that there are no other parties or entities required to execute this First Amendment in order for the same to be an authorized and binding agreement on the party for whom the individual is signing this First Amendment and that each individual affixing his or her signature hereto is authorized to do so, and such authorization is valid and effective on the Effective Date.
13. Counterparts. This First Amendment may be executed in any number of counterparts, each of which shall be deemed an original and constitute one and the same instrument.

IN WITNESS WHEREOF, the Parties have executed this First Amendment and caused this First Amendment to be effective when all the Parties have signed it. The date this First Amendment is signed by the last party to sign it (as indicated by the date associated with that party's signature below) will be deemed the effective date of this First Amendment ("Effective Date").

CITY OF SHERMAN, TEXAS,
a home-rule municipality

By: _____
Robby Hefton, City Manager
Date: _____

ATTEST:

Linda Ashby, City Clerk

APPROVED AS TO FORM:
Abernathy, Roeder, Boyd & Hullett, P.C.

Ryan D. Pittman, City Attorney

SKYTRUST, LLC,
a Texas limited liability company

By: 
Printed Name: Marius Meintjes
Title: President
Date: October 29, 2024

STATE OF TEXAS §
 §
COUNTY OF _____ §

This instrument was acknowledged before me on the _____ day of _____, 2024, by _____, _____ of SkyTrust, LLC, a Texas limited liability company, on behalf of said company.

(SEAL)

Notary Public, State of Texas

Name printed or typed

Commission Expires: _____



City Council Regular Meeting

Agenda Item No. F.10.

Meeting Date: 11/4/2024

Prepared By: Wayne Lee, Director of Engineering

Approved By: Robby Hefton, City Manager

Caption:

*** RESOLUTION NO. 7425**

Authorizing Execution of a Professional Services Agreement with Halff Associates, Inc. for the Stormwater Management Program (SWMP) Preparation and Phase II MS4 General Permit Assistance

Issue:

To consider a Professional Services Agreement with Halff Associates, Inc. for the Stormwater Management Program (SWMP) Preparation and Phase II MS4 General Permit Assistance.

Background:

Under the provisions of the Clean Water Act, TCEQ is requiring Phase II cities (small cities) to prepare and submit a new storm water plan permit renewal by February 11, 2025. Two annual reports are due on December 31, 2024 under a previous permit that ended January 18, 2024 and the current storm water permit that went into effect on January 19, 2024.

Since the City's Stormwater Engineer resigned in September, staff requires assistance from an engineering firm to assist with preparing the two needed annual reports under the previous and current permits as well as prepare the submittal of the next permit renewal.

Staff will also need assistance in implementing the next permit renewal and submitting next year's annual reports that will be due December 31, 2025.

Halff Associates has highly qualified personnel to help City staff with these TCEQ requirements, and City staff has negotiated a fair and equitable price for the needed services.

Origination:

Engineering Department

Financial Consideration:

Funding of \$164,400.00 is needed for this agreement and is available in the Stormwater Fund.

Staff Recommendation:

It is recommended that the contract for professional services with Halff Associates, Inc. for the Stormwater Management Program (SWMP) Preparation and Phase II MS4 General Permit Assistance be approved.

Alternatives:

As may be directed by the City Council

Attachments:

1. Resolution No. 7425
2. Unsigned Contract

RESOLUTION NO. 7425

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING EXECUTION OF A PROFESSIONAL SERVICES AGREEMENT WITH HALFF ASSOCIATES, INC. FOR THE STORMWATER MANAGEMENT PROGRAM (SWMP) PREPARATION AND PHASE II MS4 GENERAL PERMIT ASSISTANCE; 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 all contract documents being properly completed and approved as to form and content by the City Attorney, to execute a Professional Services Agreement with Halff Associates, Inc. for the Stormwater Management Program (SWMP) Preparation and Phase II MS4 General Permit Assistance, in accordance with all contract documents attached hereto and made a part hereof for all purposes.

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.

DULY PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS on this 4th day of November 2024.

CITY OF SHERMAN, TEXAS

BY: _____
DAVID PLYLER, MAYOR

ATTEST:

BY: _____
LINDA ASHBY, CITY CLERK

APPROVED AS TO FORM AND CONTENT:
THE LAW FIRM OF ABERNATHY,
ROEDER, BOYD & HULLETT, P.C.

BY: _____
RYAN D. PITTMAN, CITY ATTORNEY

AGREEMENT
BETWEEN
THE CITY OF SHERMAN, TEXAS AND
HALFF ASSOCIATES, INC.
FOR
PROFESSIONAL SERVICES

Made as of the _____ day of _____, 2024:

Between City: **The City of Sherman, Texas**
 220 W. Mulberry Street
 Sherman, Texas 75090
 Telephone: (903) 892-7208

and Consultant: **Halff Associates, Inc.**
 3803 Parkwood Blvd., Ste. 800
 Frisco, TX 75034
 Telephone: (214) 937-3946

for the following Project: **Stormwater Management Program (SWMP) Preparation and Phase II MS4 General Permit Assistance**

THIS AGREEMENT ("Agreement") is made and entered into by and between the City of Sherman, Texas, a home-rule municipality ("City"), and Halff Associates, Inc., a Texas corporation ("Consultant"), to be effective from and after the date as provided above. City and Consultant are at times each referred to herein as a "party" or collectively as the "parties."

WHEREAS, City desires to engage Consultant to provide professional services for the Stormwater Management Program (SWMP) Preparation and Phase II MS4 General Permit Assistance Project ("Project"); and

WHEREAS, Consultant desires to render such professional services ("Services") for City on the terms and conditions provided herein.

NOW, THEREFORE, KNOW ALL PERSONS BY THESE PRESENTS:

That for and in consideration of the covenants contained herein, for the mutual benefits to be obtained hereby and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

ARTICLE 1 CONSULTANT'S SERVICES

- 1.1 **Employment of Consultant** – City hereby agrees to retain Consultant to perform the Services in connection with the Project. Consultant agrees to perform the Services in accordance with the terms and conditions of this Agreement. Consultant further agrees that if any employee of Consultant who is performing the day-to-day Services under this Agreement for the Project is separated, for any reason, from employment with Consultant, Consultant shall provide City with written notice thereof at least five (5) business days' prior to said separation unless circumstances reasonably warrant a shorter notice period, which shall not exceed two (2) business days following the separation.
- 1.2 **Scope of Services** – The parties agree that Consultant shall perform the Services as are set forth and described in **Exhibit A**, attached hereto and incorporated herein by reference for all purposes ("**Scope of Services**"). The parties understand and agree that deviations or modifications to the Scope of Services described in **Exhibit A**, in the form of a written amendment to this Agreement, may be authorized from time to time by City ("**Amendment**").
- 1.2.1 **Requirement of Written Amendment** – "Extra" work, "claims" invoiced as "extra" work or "claims" which have not been issued as a duly executed, written Amendment by the Sherman Director of Engineering or designee will not be authorized for payment and/or shall not become part of this Agreement. A duly executed, written Amendment requiring additional funding of \$50,000 or more of the original contract amount shall be preceded by the Sherman City Council's authorization for the Sherman City Manager to execute said Amendment.
- 1.2.2 **CONSULTANT SHALL NOT PERFORM ANY "EXTRA" WORK AND/OR ADDITIONAL SERVICES WITHOUT A DULY EXECUTED, WRITTEN AMENDMENT ISSUED BY THE CITY - Project Managers, Superintendents and/or Inspectors of City are not authorized to issue verbal or written Change Orders.**
- 1.3 **Schedule of Work** – Consultant agrees to commence work after the execution of this Agreement, upon receipt of notice to proceed from City, and to proceed diligently with said work to be performed as described in the Project Engineering Budget Summary, attached hereto as **Exhibit B** and incorporated herein by reference for all purposes.
- 1.4 **Standard of Care** – Consultant shall perform the Services required hereunder in accordance with the prevailing engineering standard of care by exercising the skill and care ordinarily utilized by engineers performing the same or similar services under the same or similar circumstances in the State of Texas.

ARTICLE 2 CITY'S RESPONSIBILITIES

City shall do the following in a timely manner so as not to delay the Services of Consultant:

- 2.1 **Project Data** – City shall furnish required information that is reasonably requested by Consultant and that City has in its possession at the time of Consultant's request, as expeditiously as necessary for the orderly progress of the Project, and Consultant shall be entitled to rely upon the accuracy and completeness of the information furnished by City under this Article 2.1.
- 2.2 **City Project Manager** – When necessary in City's sole discretion, City shall designate a representative authorized to act on City's behalf with respect to the Project ("Project Manager"). City, the Project Manager and/or his or her authorized designee shall examine the documents submitted by Consultant and shall render any required decisions pertaining thereto as soon as practicable to avoid unreasonable delay in the progress of Consultant's Services.

ARTICLE 3 CONSULTANT'S COMPENSATION

- 3.1 **Compensation for Consultant's Services** – As described in "Article 1, Consultant's Services" of this Agreement, compensation for this Project shall be: (a) for Basic Services, on a Lump Sum basis in an amount not to exceed **Zero Dollars (\$0.00)**; and (b) for Special Services on an hourly basis, in an amount not to exceed **One hundred sixty-four thousand four hundred Dollars (\$164,400.00)** (collectively, "Consultant's Fee"); and (c) paid in accordance with this Article 3 and the Project Engineering Budget Summary as set forth in **Exhibit B**.
- 3.2 **Direct Expenses** – Direct Expenses ("Direct Expenses") are included in Consultant's Fee as described in Article 3.1 of this Agreement and include actual reasonable and necessary expenditures made by Consultant and Consultant's employees and subcontractors in the interest of the Project. All submitted Direct Expenses are to be within the amounts as stated in the Project Engineering Budget Summary set forth in **Exhibit B**, and consistent with **Exhibit D**, Guidelines for Direct Expenses; General and Administrative Markup; Travel and Subsistence Expenses, which is attached hereto and incorporated herein by reference for all purposes. Consultant shall be solely responsible for the auditing and accuracy of all Direct Expenses, including those of its subcontractors, prior to submitting to City for reimbursement. Any over-payment by City for errors in submittals for reimbursement may be deducted from Consultant's subsequent payment for Services; provided, however, that this shall not be City's sole and exclusive remedy for said over-payment.

- 3.3 **Additional Services** – Consultant shall provide the Services as described in the Scope of Services set forth in **Exhibit A** of this Agreement. If authorized in writing by City, Consultant shall provide additional services, to be compensated as provided in an Amendment to this Agreement on a cost not to exceed sum or hourly basis in accordance with this paragraph (“**Additional Services**”) and a mutually agreed estimate of man-hours and expenses. These services may include, but are not limited to:
- 3.3.1 Additional meetings, hearings, work-sessions or other similar presentations which are not provided for or contemplated in the Scope of Services described in **Exhibit A**.
 - 3.3.2 Additional drafts and revisions to the Project which are not provided for or contemplated in the Scope of Services as described in **Exhibit A**.
 - 3.3.3 Additional copies of final reports and construction plans which are not provided for or contemplated in the Scope of Services as described in **Exhibit A**.
 - 3.3.4 Photography, professional massing models which are not provided for or contemplated in the Scope of Services as described in **Exhibit A**.
 - 3.3.5 Compensation for Additional Services authorized by City shall be in addition to Consultant’s Fee and shall be based on direct billable labor rates and expenses.
 - 3.3.6 Compensation for Additional Services authorized by City shall be in addition to Consultant’s Fee and shall be based on an hourly basis according to the following personnel rates. The rates set forth in this chart are subject to reasonable change provided prior written notice of said change is given to and approved by City.

Hourly Billable Rates by Position

Position	Hourly Rate*
Administrative Assistant I	\$72 - \$95
Administrative Assistant II	\$90 - \$110
Administrative Assistant III	\$105 - \$129
Administrative Assistant IV	\$125 - \$160
Specialist I	\$95 - \$109
Specialist II	\$105 - \$148
Specialist III	\$145 - \$199
Specialist IV	\$195 - \$225
Specialist V	\$225 - \$393
Professional Engineer I	\$122 - \$157
Professional Engineer II	\$146 - \$193
Professional Engineer III	\$175 - \$220
Professional Engineer III	\$215 - \$275
Professional Engineer V	\$270 - \$370

* Rates are valid through June 30, 2025

-
- 3.4 **Invoices** – No payment to Consultant shall be made until Consultant tenders an invoice to City. Consultant shall submit monthly invoices for Services rendered, based upon the actual percentage of work complete at the time the invoice is prepared, or shall submit invoices to City immediately upon completion of each individual task listed in **Exhibit B**. On all submitted invoices for Services rendered, Consultant shall include appropriate background materials to support the submitted charges on said invoice. Upon request, such background material may include, but is not limited to, employee timesheets, invoices for work obtained from other parties, and receipts and/or log information relating to Direct Expenses. All invoices shall provide a summary methodology for administrative markup and/or overhead charges.
- 3.5 **Timing of Payment** – City shall make payment to Consultant for said invoices within thirty (30) days following receipt and acceptance thereof. The parties agree that payment by City to Consultant is considered to be complete upon mailing of payment by City. Furthermore, the parties agree that the payment is considered to be mailed on the date that the payment is postmarked.
- 3.6 **Disputed Payment Procedures** – In the event of a disputed or contested billing by City, only that portion so contested may be withheld from payment, and the undisputed portion will be paid. City shall notify Consultant of a disputed invoice, or portion of an invoice, in writing by the twenty-first (21st) calendar day after the

date City receives the invoice. City shall provide Consultant an opportunity to cure the basis of the dispute. If a dispute is resolved in favor of Consultant, City shall proceed to process said invoice, or the disputed portion of the invoice, within the provisions of Article 3.5 of this Agreement. If a dispute is resolved in favor of City, Consultant shall submit to City a corrected invoice, reflecting any and all payment(s) of the undisputed amounts, documenting the credited amounts, and identifying outstanding amounts on said invoice to aid City in processing payment for the remaining balance. Such revised invoice shall have a new invoice number, clearly referencing the previous submitted invoice. City agrees to exercise reasonableness in contesting any billing or portion thereof that has background materials supporting the submitted charges.

- 3.7 **Failure to Pay** – Failure of City to pay an invoice, for a reason other than on written notification as stated in the provisions of Article 3.6 of this Agreement, to Consultant within sixty (60) days from the date of the invoice shall grant Consultant the right, in addition to any and all other rights provided, to, upon written notice to City, suspend performance under this Agreement, and such act or acts shall not be deemed a breach of this Agreement. However, Consultant shall not suspend performance under this Agreement prior to the tenth (10th) calendar day after written notice of suspension was provided to City, in accordance with Chapter 2251, Subchapter “D” of the TEX. GOV’T CODE. City shall not be required to pay any invoice submitted by Consultant if Consultant breached any provision(s) herein.
- 3.8 **Adjusted Compensation** – If the Scope of the Project (“Scope of the Project”) or if the Services are materially changed due to no error by Consultant in the performance of Services under this Agreement, the amounts of Consultant’s compensation shall be equitably adjusted as approved by City in its sole discretion. Any additional amounts paid to Consultant as a result of any material change to the Scope of the Project shall be authorized by written Change Order duly executed by both parties before the Services are performed.
- 3.9 **Project Suspension** – If the Project is suspended or abandoned in whole or in part for more than three (3) months, Consultant shall be entitled to compensation for any and all work completed to the satisfaction of City in accordance with the provisions of this Agreement prior to suspension or abandonment. In the event of such suspension or abandonment, Consultant shall deliver to City all finished or unfinished documents, data, studies, drawings, maps, models, reports, photographs and/or any other items prepared by Consultant in connection with this Agreement prior to Consultant receiving final payment. If the Project is resumed after being suspended for more than three (3) months, Consultant’s compensation shall be equitably adjusted as approved by City. Any additional amounts paid to Consultant after the Project is resumed shall be agreed upon in writing by both parties before the services are performed

ARTICLE 4 OWNERSHIP OF DOCUMENTS

- 4.1 **Documents Property of City** – The Project is the property of City, and Consultant may not use the documents, plans, data, studies, surveys, drawings, maps, models, reports, photographs and/or any project related materials for any other purpose not relating to the Project without City's prior written consent. City shall be furnished with such reproductions of the Project, plans, data, documents, maps, and any other information as defined in **Exhibit A**. Upon completion of the work, or any earlier termination of this Agreement under **Article 3** and/or **Article 8** of this Agreement, Consultant will revise plans, data, documents, maps, and any other information as defined in **Exhibit A** to reflect changes while working on the Project through the date of completion of the work, as solely determined by City, or the effective date of any earlier termination of this Agreement under **Article 3** and/or **Article 8** of this Agreement, and promptly furnish the same to City in an acceptable electronic format. All such reproductions shall be the property of City who may use them without Consultant's permission for any purpose relating to the Project, including, but not limited to, completion of the Project, and/or additions, alterations, modifications, and/or revisions to the Project. Any reuse of the documents not relating to the Project shall be at City's own risk.
- 4.2 **Documents Subject to Laws Regarding Public Disclosure** – Consultant acknowledges that City is a governmental entity and that all documents, plans, data, studies, surveys, drawings, maps, models, reports, photographs and/or any items prepared or furnished by Consultant (and Consultant's professional associates and/or sub-consultants) under this Agreement are instruments of service in respect of the Project and property of City. Upon completion of the Project, all of the documents, plans, data, studies, surveys, drawings, maps, models, reports, photographs and/or any items prepared or furnished by Consultant (and Consultant's professional associates and/or sub-consultants) shall thereafter be subject to the Texas Public Information Act (Chapter 552, TEX. GOV'T CODE, as amended) and any other applicable laws requiring public disclosure of the information contained in said documents.

ARTICLE 5 CONSULTANT'S INSURANCE REQUIREMENTS

- 5.1 **Required General Liability Insurance** – Consistent with the terms and provisions of **Exhibit E**, Contractor Insurance Guidelines, which is attached hereto and incorporated herein by reference for all purposes, Consultant shall procure and maintain throughout the term of this Agreement, at no expense to City, a general liability insurance policy with a company that maintains a minimum rating of "A" by A.M. Best's Key Rating Guide, or other equivalent rating service(s), and is authorized to transact business in the State of Texas, in an amount not less than One Million and 00/100 Dollars (\$1,000,000.00) for each occurrence, and Two

Million and 00/100 Dollars (\$2,000,000.00) in the aggregate. Such policy shall name City, its officers, agents, representatives, and employees as additional insureds as to all applicable coverage. Such policy shall provide for a waiver of subrogation against City for injuries, including death, property damage, or any other loss to the extent that same is covered by the proceeds of the insurance. Such policy shall require the provision of written notice to City at least thirty (30) days prior to cancellation, non-renewal or material modification of any policies, evidenced by return receipt or United States Certified Mail. Consultant shall furnish City with certificates and required endorsement(s) evidencing such coverage prior to commencing work on the Project.

- 5.2 **Required Professional Liability Insurance** – Consistent with the terms and provisions of **Exhibit E**, Consultant shall procure and maintain throughout the term of this Agreement, at no expense to City, a professional liability (errors and omissions) insurance policy with a company that maintains a minimum rating of “A” by A.M. Best’s Key Rating Guide, or other equivalent rating service(s), and is authorized to transact business in the State of Texas, in an amount not less than One Million and 00/100 Dollars (\$1,000,000.00) for each claim, and Two Million and 00/100 Dollars (\$2,000,000.00) in the aggregate. Such policy shall require the provision of written notice to City at least thirty (30) days prior to cancellation, non-renewal or material modification of any policies, evidenced by return receipt or United States Certified Mail. Consultant shall furnish City with certificates and required endorsement(s) evidencing such coverage prior to commencing work on the Project.
- 5.3 **Required Workers Compensation Insurance** – Consistent with the terms and provisions of **Exhibit E**, Consultant shall procure and maintain throughout the term of this Agreement, at no expense to City, all Statutory Workers Compensation Insurance as required by the laws of the State of Texas. Such insurance policy shall be with a company that maintains a minimum rating of “A” by A.M. Best’s Key Rating Guide, or other equivalent service(s), and is authorized to transact business in the State of Texas. Such policy shall require the provision of written notice to City at least thirty (30) days prior to cancellation, non-renewal or material modification of any policies, evidenced by return receipt or United States Certified Mail. Consultant shall furnish City with certificates and required endorsement(s) evidencing such coverage prior to commencing work on the Project.
- 5.4 **Circumstances Requiring Umbrella Coverage or Excess Liability Coverage** – If the Project’s size and scope warrant, and if identified on the checklist located in **Exhibit E**, Consultant shall procure and maintain throughout the term of this Agreement, at no expense to City, an umbrella coverage or excess liability coverage insurance policy with a company that maintains a minimum rating of “A” by A.M. Best’s Key Rating Guide, or other equivalent rating service(s), and is authorized to transact business in the State of Texas, in an amount of Two Million and 00/100 Dollars (\$2,000,000.00). Such policy shall require the provision of written notice to City at least thirty (30) days prior to cancellation, non-renewal, or

material modification of any policies, evidenced by return receipt or United States Certified Mail. Consultant shall furnish City with certificates and required endorsement(s) evidencing such coverage prior to commencing work on the Project.

ARTICLE 6 CONSULTANT'S ACCOUNTING RECORDS

Records of Direct Expenses and expenses pertaining to services performed in conjunction with the Project shall be kept on the basis of generally accepted accounting principles. Invoices will be sent to City as indicated in Article 3.4 of this Agreement. Copies of employee time sheets, receipts for direct expense items and other records of Project expenses will be made available if requested.

ARTICLE 7 AUDITS AND RECORDS/VENDOR DISCLOSURE

Consultant agrees that at any time during normal business hours and as often as City may deem necessary, Consultant shall make available to representatives of City for examination all of its records with respect to all matters covered by this Agreement, and will permit such representatives of City to audit, examine, copy and make excerpts or transcripts from such records, and to make audits of all contracts, invoices, materials, payrolls, records of personnel, conditions of employment and other data relating to all matters covered by this Agreement, and for a period of four (4) years from the date of final settlement of this Agreement or for such other or longer period, if any, as may be required by applicable statute or other lawful requirement.

Consultant agrees that it is further aware of the vendor disclosure requirements set forth in Chapter 176, TEX. LOC. GOV'T CODE, as amended, and will abide by the same. In this connection, a lawful representative of Consultant shall execute and deliver to City the Conflict of Interest Questionnaire, Form CIQ, attached hereto as **Exhibit F** and incorporated herein for all purposes, no later than the Effective Date of this Agreement.

ARTICLE 8 TERMINATION OF AGREEMENT/REMEDIES

City may, upon thirty (30) days written notice to Consultant, terminate this Agreement, for any reason or no reason at all, before the termination date hereof, without prejudice to any other remedy it may have. If City terminates this Agreement due to a default of and/or breach by Consultant and the expense of finishing the Project exceeds Consultant's Fee at the time of termination, Consultant waives its right to any portion of Consultant's Fee as set forth in Article 3 of this Agreement and agrees to pay any costs over and above the fee which City is required to pay in order to finish the Project. On any default and/or breach by Consultant, City may elect not to terminate the Agreement, and in such event it may make good the deficiency in which the default consists, and deduct the costs from Consultant's Fee due Consultant as set forth in Article 3 of this Agreement. If City

terminates this Agreement and Consultant is not in default of the Agreement, Consultant shall be entitled to compensation for any and all work completed to the satisfaction of City in accordance with the provisions of this Agreement prior to termination.

In the event of any termination, Consultant shall deliver to City all finished and/or unfinished documents, data, studies, surveys, drawings, maps, models, reports, photographs and/or any items prepared by Consultant in connection with this Agreement prior to Consultant receiving final payment.

The rights and remedies provided by this Agreement are cumulative, and the use of any one right or remedy by either party shall not preclude or waive its rights to use any or all other remedies. These rights and remedies are given in addition to any other rights the parties may have by law, statute, ordinance, or otherwise.

ARTICLE 9 DISPUTE RESOLUTION/MEDIATION

In addition to all remedies at law, the parties may agree to attempt to resolve any controversy, claim or dispute arising out of or relating to the interpretation or performance of this Agreement, or breach thereof, by voluntary mediation to be conducted by a mutually acceptable mediator. However, if both parties do not agree to voluntarily mediate any such controversy, claim or dispute, mediation shall not be required.

ARTICLE 10 INDEMNITY

CONSULTANT SHALL RELEASE, DEFEND, INDEMNIFY AND HOLD HARMLESS CITY AND ITS CITY COUNCIL MEMBERS, OFFICERS, AGENTS, REPRESENTATIVES AND EMPLOYEES (COLLECTIVELY REFERRED TO AS “CITY” FOR PURPOSES OF THIS ARTICLE 10) FROM AND AGAINST ALL DAMAGES, INJURIES (WHETHER IN CONTRACT OR IN TORT, INCLUDING PERSONAL INJURY AND DEATH), CLAIMS, PROPERTY DAMAGES (INCLUDING LOSS OF USE), LOSSES, DEMANDS (REGARDLESS OF WHETHER THE ALLEGATIONS ARE FALSE, FRAUDULENT OR GROUNDLESS), SUITS, ACTIONS, JUDGMENTS, LIENS, COSTS AND EXPENSES, INCLUDING REASONABLE ATTORNEY’S FEES AND EXPENSES (INCLUDING ATTORNEY’S FEES AND EXPENSES INCURRED IN ENFORCING THIS ARTICLE 10), THAT IN WHOLE OR IN PART ARISE OUT OF OR ARE CONNECTED WITH, OR THAT ARE ALLEGED TO HAVE ARISEN OUT OF OR CONNECTED WITH, GOODS AND/OR SERVICES PROVIDED BY CONSULTANT, ITS OFFICERS, AGENTS, REPRESENTATIVES, EMPLOYEES, SUBCONTRACTORS, LICENSEES, INVITEES OR ANY OTHER THIRD PARTIES FOR WHOM CONSULTANT IS LEGALLY RESPONSIBLE (COLLECTIVELY REFERRED TO AS “CONSULTANT” FOR PURPOSES OF THIS ARTICLE 10) PURSUANT TO THIS AGREEMENT AND/OR THE

NEGLIGENT, GROSSLY NEGLIGENT AND/OR INTENTIONAL WRONGFUL ACT AND/OR OMISSION OF CONSULTANT IN ITS/THEIR PERFORMANCE OF THIS AGREEMENT, REGARDLESS OF THE JOINT OR CONCURRENT NEGLIGENCE OR STRICT LIABILITY OF THE CITY (COLLECTIVELY, "CLAIMS"). THIS INDEMNIFICATION PROVISION AND THE USE OF THE TERM "CLAIMS" IS ALSO SPECIFICALLY INTENDED TO APPLY TO, BUT IS NOT LIMITED TO, ANY AND ALL CLAIMS, WHETHER CIVIL OR CRIMINAL, BROUGHT AGAINST CITY BY ANY GOVERNMENT AUTHORITY OR AGENCY RELATED TO ANY PERSON PROVIDING SERVICES UNDER THIS AGREEMENT THAT ARE BASED ON ANY FEDERAL IMMIGRATION LAW AND ANY AND ALL CLAIMS, DEMANDS, DAMAGES, ACTIONS AND CAUSES OF ACTION OF EVERY KIND AND NATURE, KNOWN AND UNKNOWN, EXISTING OR CLAIMED TO EXIST, RELATING TO OR ARISING OUT OF ANY EMPLOYMENT RELATIONSHIP BETWEEN CONSULTANT AND ITS EMPLOYEES OR SUBCONTRACTORS AS A RESULT OF THAT SUBCONTRACTOR'S OR EMPLOYEE'S EMPLOYMENT AND/OR SEPARATION FROM EMPLOYMENT WITH THE CONSULTANT, INCLUDING BUT NOT LIMITED TO ANY DISCRIMINATION CLAIM BASED ON SEX, SEXUAL ORIENTATION OR PREFERENCE, RACE, RELIGION, COLOR, NATIONAL ORIGIN, AGE OR DISABILITY UNDER FEDERAL, STATE OR LOCAL LAW, RULE OR REGULATION, AND/OR ANY CLAIM FOR WRONGFUL TERMINATION, BACK PAY, FUTURE WAGE LOSS, OVERTIME PAY, EMPLOYEE BENEFITS, INJURY SUBJECT TO RELIEF UNDER THE WORKERS' COMPENSATION ACT OR WOULD BE SUBJECT TO RELIEF UNDER ANY POLICY FOR WORKERS COMPENSATION INSURANCE, AND ANY OTHER CLAIM, WHETHER IN TORT, CONTRACT OR OTHERWISE. CONSULTANT IS EXPRESSLY REQUIRED TO DEFEND CITY AGAINST ALL SUCH CLAIMS; PROVIDED, HOWEVER, THAT IF A COURT OF COMPETENT JURISDICTION SIGNS A JUDGMENT THAT BECOMES FINAL AND NON-APPEALABLE, DETERMINING THAT THE CITY (WITHOUT WAIVING ANY GOVERNMENTAL IMMUNITY) HAS JOINT, CONCURRENT OR SOLE NEGLIGENCE FOR THE CLAIMS IN ACCORDANCE WITH THE LAWS OF THE STATE OF TEXAS ("JUDGMENT"), THEN CONSULTANT IS NOT REQUIRED TO INDEMNIFY OR DEFEND CITY TO THE EXTENT OF THE NEGLIGENCE APPORTIONED TO CITY FOR EACH CAUSE(S) OF ACTION IDENTIFIED IN THE JUDGMENT. IN THE EVENT THE JUDGMENT PROVIDES THAT CITY IS JOINTLY, CONCURRENTLY OR SOLELY NEGLIGENT FOR THE CLAIMS REFERRED TO THEREIN, CITY AGREES TO REIMBURSE CONSULTANT FOR ALL REASONABLE AND NECESSARY COSTS INCURRED AND PAID BY CONSULTANT THAT ARE ATTRIBUTABLE TO CITY'S PERCENTAGE OF JOINT, CONCURRENT OR SOLE NEGLIGENCE, AS SET FORTH IN THE JUDGMENT, INCLUDING REASONABLE AND NECESSARY ATTORNEY'S FEES AND EXPENSES, WITHIN SIXTY (60) DAYS OF THE

DATE THE JUDGMENT BECOMES FINAL AND NON-APPEALABLE. IF THIS AGREEMENT IS A CONTRACT FOR ENGINEERING OR ARCHITECTURAL SERVICES, THEN CONSULTANT'S INDEMNITY AND DEFENSE OBLIGATIONS UNDER THIS ARTICLE 10 ARE LIMITED BY, AND TO BE READ AS COMPLYING WITH, SECTION 271.904 OF THE TEXAS LOCAL GOVERNMENT CODE.

IN ITS SOLE DISCRETION, CITY SHALL HAVE THE RIGHT TO APPROVE OR SELECT DEFENSE COUNSEL TO BE RETAINED BY CONSULTANT IN FULFILLING ITS OBLIGATION HEREUNDER TO DEFEND AND INDEMNIFY CITY, UNLESS SUCH RIGHT IS EXPRESSLY WAIVED BY CITY IN WRITING. CITY RESERVES THE RIGHT TO PROVIDE A PORTION OR ALL OF ITS OWN DEFENSE; HOWEVER, CITY IS UNDER NO OBLIGATION TO DO SO. ANY SUCH ACTION BY CITY IS NOT TO BE CONSTRUED AS A WAIVER OF CONSULTANT'S OBLIGATION TO DEFEND CITY OR AS A WAIVER OF CONSULTANT'S OBLIGATION TO INDEMNIFY CITY PURSUANT TO THIS AGREEMENT. CONSULTANT SHALL RETAIN CITY-APPROVED DEFENSE COUNSEL WITHIN SEVEN (7) BUSINESS DAYS OF CITY'S WRITTEN NOTICE THAT CITY IS INVOKING ITS RIGHT TO DEFENSE OR INDEMNIFICATION UNDER THIS AGREEMENT. IF CONSULTANT FAILS TO RETAIN COUNSEL WITHIN SUCH TIME PERIOD, CITY SHALL HAVE THE RIGHT TO RETAIN DEFENSE COUNSEL ON ITS OWN BEHALF, AND CONSULTANT SHALL BE LIABLE FOR ALL COSTS INCURRED BY CITY. THE RIGHTS AND OBLIGATIONS CREATED BY THIS ARTICLE SHALL SURVIVE TERMINATION OF THIS AGREEMENT.

ARTICLE 11 NOTICES

Any notice provided or permitted to be given under this Agreement must be in writing and may be served by depositing the same in the United States Mail, addressed to the party to be notified, postage pre-paid and registered or certified with return receipt requested; by facsimile; by electronic mail, with documentation evidencing the addressee's receipt thereof; or by delivering the same in person to such party a via hand-delivery service, or any courier service that provides a return receipt showing the date of actual delivery of same to the addressee thereof. Notice given in accordance herewith shall be effective upon receipt at the address of the addressee. For purposes of notification, the addresses of the parties shall be as follows:

If to City, addressed to:

Wayne E. Lee, P.E., CFM

Director of Engineering

City of Sherman

220 W Mulberry St.

Sherman, TX 75091

Telephone: (903) 892-7327

Email: waynel@cityofsherman.com

With a copy to:

Abernathy, Roeder, Boyd & Hullett, P.C.

Attention: Ryan D. Pittman

1700 Redbud Blvd., Suite 300

McKinney, Texas 75069

Telephone: (214) 544-4000

Facsimile: (214) 544-4054

Email: rpittman@abernathy-law.com

If to Consultant, addressed to:

Halff Associates, Inc.

Attn: Legal Department

1201 N. Bowser Rd.

Richardson, TX 75081

Telephone: (214) 346-6365

Email: legalhelp@halff.com

ARTICLE 12 MISCELLANEOUS

12.1 **Complete Agreement** – This Agreement, including the exhibits hereto labeled “A” through “F,” all of which are incorporated herein for all purposes, constitute the entire Agreement by and between the parties regarding the subject matter hereof and supersedes all prior and/or contemporaneous written and/or oral understandings. This Agreement may not be amended, supplemented, and/or modified except by written agreement duly executed by both parties. The following exhibits are attached below and made a part of this Agreement:

12.1.1 **Exhibit A**, Scope of Services.

12.1.2 **Exhibit B**, Project Engineering Budget Summary.

12.1.3 **Exhibit C**, Guidelines for Computer Aided Design and Drafting (CADD).

12.1.4 **Exhibit D**, Guidelines for Direct Expenses; General and Administrative Markup; Travel and Subsistence Expenses.

12.1.5 **Exhibit E**, Contractor Insurance Guidelines.

12.1.6 **Exhibit F**, Conflict of Interest Questionnaire, Form CIQ.

To the extent that **Exhibit A**, **Exhibit B**, **Exhibit C**, **Exhibit D**, **Exhibit E**, or **Exhibit F** are in conflict with provisions of this Agreement or each other, the provisions of this Agreement, then the provisions of **Exhibit B**, **Exhibit C**, **Exhibit D**, **Exhibit E**, **Exhibit F** or **Exhibit A** shall prevail in that order.

12.2 **Assignment and Subletting** – Consultant agrees that neither this Agreement nor the work to be performed hereunder will be assigned or sublet without the prior written consent of City. Consultant further agrees that the assignment or subletting of any portion or feature of the work or materials required in the performance of this Agreement shall not relieve Consultant of its full obligations to City as provided by this Agreement. All such approved work performed by assignment or subletting shall be billed through Consultant, and there shall be no third party billing.

12.3 **Attorney’s Fees** – If either party files any action or brings any proceeding against the other arising from this Agreement, then as between City and Consultant, the prevailing party shall be entitled to recover as an element of its costs of suit, and not as damages, reasonable and necessary attorneys’ fees and litigation expenses both at trial and on appeal, subject to the limitations set forth in TEX. LOC. GOV’T CODE § 271.153, as it exists or may be amended, if applicable.

12.4 **Successors and Assigns** – City and Consultant, and their respective partners, assigns, successors, subcontractors, executors, officers, agents, employees,

representatives and administrators are hereby bound to the terms and conditions of this Agreement.

- 12.5 **Savings/Severability** – In the event of a term, condition, or provision of this Agreement is determined to be invalid, illegal, void, unenforceable, or unlawful by a court of competent jurisdiction, then that term, condition, or provision, shall be deleted and the remainder of the Agreement shall remain in full force and effect as if such invalid, illegal, void, unenforceable or unlawful provision had never been contained in this Agreement.
- 12.6 **Governing Law/Venue** – This Agreement shall be governed by and construed in accordance with the laws of the State of Texas, without regard to conflict of law principles. The exclusive venue for any action arising out of this Agreement shall be a court of appropriate jurisdiction in Grayson County, Texas.
- 12.7 **Execution/Consideration** – This Agreement is executed by the parties hereto without coercion or duress for any substantial consideration, the sufficiency of which is forever confessed.
- 12.8 **Authority** – The individuals executing this Agreement on behalf of the respective parties below represent to each other that all appropriate and necessary action has been taken to authorize the individual who is executing this Agreement to do so for and on behalf of the party for which his or her signature appears, that there are no other parties or entities required to execute this Agreement in order for the same to be an authorized and binding agreement on the other party for whom the individual is signing this Agreement and that each individual affixing his or her signature hereto is authorized to do so, and such authorization is valid and effective on the date hereof.
- 12.9 **Waiver** – Waiver by either party of any breach of this Agreement, or the failure of either party to enforce any of the provisions of this Agreement, at any time, shall not in any way affect, limit, or waive such party's right thereafter to enforce and compel strict compliance.
- 12.10 **Headings** – The headings of the various sections of this Agreement are included solely for convenience of reference and are not to be full or accurate descriptions of the content thereof.
- 12.11 **Multiple Counterparts** – This Agreement may be executed in a number of identical counterparts, each of which shall be deemed an original for all purposes. An electronic mail and/or facsimile signature will also be deemed to constitute an original if properly executed and delivered to the other party.
- 12.12 **Immunity** – It is expressly understood and agreed that, in the execution and performance of this Agreement, City has not waived, nor shall be deemed to have

waived, any immunity, governmental, sovereign and/or official, or defense that is available to it against claims arising in the exercise of governmental powers and functions. By entering into this Agreement, the parties do not create any obligations, express or implied, other than those set forth in this Agreement.

- 12.13 **Incorporation of Recitals** – The representations, covenants and recitations set forth in the foregoing recitals of this Agreement are true and correct and are incorporated into the body of this Agreement and adopted as findings of City and the authorized representative of Consultant.
- 12.14 **Additional Representations** – Each signatory represents this Agreement has been read by the party for which this Agreement is executed and that such party has had the opportunity to confer with its counsel.
- 12.15 **Miscellaneous Drafting Provisions** – This Agreement shall be deemed drafted equally by all parties hereto. The language of all parts of this Agreement shall be construed as a whole according to its fair meaning, and any presumption or principle that the language herein is to be construed against any party shall not apply.
- 12.16 **No Third-Party Beneficiaries** – Nothing in this Agreement shall be construed to create any right in any third party not a signatory to this Agreement, and the parties do not intend to create any third party beneficiaries by entering into this Agreement.
- 12.17 **Indemnity** – The parties agree that the Indemnity provision set forth in Article 10 of this Agreement is conspicuous and the parties have read and understood the same.
- 12.18 **Representations** – All representations and covenants made by one party to the other in this Agreement or in any certificate or other instrument delivered by one party to the other under this Agreement shall be considered to have been relied upon by the other party and will survive the satisfaction of any fees under this Agreement, regardless of any investigation made by either party.
- 12.19 **Independent Contractor** – In performing this Agreement, Consultant shall act as an independent contractor with respect to City. In no event shall this Agreement be construed as establishing a partnership, joint venture or similar relationship between the parties and nothing herein shall authorize either party to act as agent for the other. Consultant shall be liable for its own debts, obligations, acts and omissions, including the payment of all required withholding, social security and other taxes and benefits with respect to all of Consultant's officers, directors, partners, employees and representatives, who shall not be considered City employees and shall not be eligible for any employee benefit plan offered by City.

- 12.20 **Debarment/Suspension** – City is prohibited from making any award or permitting any award at any tier to any party which is debarred or suspended or otherwise excluded from or ineligible for participation in federal assistance programs under Executive Order 12549, Debarment and Suspension. City, Consultant and Consultant's subcontractors shall comply with federal and state regulations regarding debarment and suspension. Consultant shall include a statement of compliance with federal and state debarment and suspension regulations in all third-party agreements for work on the Project.
- 12.21 **Restrictions on Lobbying** – City and Consultant are prohibited from using funds awarded under the Agreement for lobbying purposes. Consultant shall include a statement of compliance with this provision in applicable procurement solicitations and third-Party agreements for work on the Project.
- 12.22 **Appropriation of Funds** – Funds are not presently budgeted for City's performance under this Agreement beyond the end of City's current fiscal year. City will give Consultant sixty (60) days' notice if funds for City's performance are not budgeted to continue beyond that time. City shall have no liability for payment of any money for services performed after the end of City's current fiscal year unless and until such funds are budgeted.
- 12.23 **Certifications Required by Texas Law** – In accordance with Chapter 2270 of the Texas Government Code (to the extent applicable), Consultant hereby certifies that Consultant does not boycott Israel and will not boycott Israel during the term of any contract with City, including during the term of this Agreement. In accordance with Chapter 809 of the Texas Government Code (to the extent applicable), Consultant hereby certifies that Consultant does not boycott energy companies and will not boycott energy companies during the term of any contract with City, including during the term of this Agreement. In accordance with Chapter 2274 of the Texas Government Code (to the extent applicable), Consultant hereby certifies that Consultant does not have a practice, policy, guidance or directive that discriminates against a firearm entity or firearm trade association and will not discriminate against a firearm entity or firearm trade association during the term of any contract with City, including during the term of this Agreement. The foregoing terms have the meanings ascribed to them in the referenced statutes if defined therein.
- 12.24 **Reference to Consultant** – When referring to "Consultant," this Agreement shall refer to and be binding upon Consultant, and its officers, directors, partners, employees, representatives, contractors, subcontractors, licensees, invitees, agents, successors, assignees (as authorized herein), vendors, grantees, trustees, legal representatives and/or any other third parties for whom Consultant is legally responsible.

12.25 **Reference to City** – When referring to “City,” this Agreement shall refer to and be binding upon City, its Council members, officers, agents, representatives, employees and/or any other authorized third parties for whom City is legally responsible.

IN WITNESS WHEREOF, the parties have executed this Agreement and caused this Agreement to be effective on the date set forth in the introductory clause of this Agreement.

CITY:

City of Sherman, Texas,
a Texas home-rule municipality

CONSULTANT:

Halff Associates, Inc.
a Texas Corporation

By: _____
Robby Hefton, City Manager

By: _____
Stephanie Griffin, PE, CFM, F.ASCE
Director of Water Resources

APPROVED AS TO FORM:

Abernathy, Roeder, Boyd & Hullett, P.C.
Ryan D. Pittman, City Attorneys

STATE OF TEXAS §
 §
COUNTY OF _____ §

BEFORE ME, THE UNDERSIGNED AUTHORITY, ON THIS DAY PERSONALLY APPEARED **STEPHANIE GRIFFIN**, KNOWN TO ME TO BE ONE OF THE PERSONS WHOSE NAMES ARE SUBSCRIBED TO THE FOREGOING INSTRUMENT; SHE ACKNOWLEDGED TO ME THAT HE IS THE PRESIDENT AND DULY AUTHORIZED REPRESENTATIVE FOR **HALFF ASSOCIATES, INC.**, AND THAT SHE EXECUTED SAID INSTRUMENT FOR THE PURPOSES AND CONSIDERATION THEREIN EXPRESSED.

GIVEN UNDER MY HAND AND SEAL OF OFFICE THIS _____ DAY OF _____ 2024.

NOTARY PUBLIC IN AND FOR THE STATE OF TEXAS
My commission expires: _____

EXHIBIT A SCOPE OF SERVICES

I. PROJECT DESCRIPTION

The City of Sherman is a Phase II Municipal Separate Storm Sewer System (MS4) City. As such, the City is required to prepare a Stormwater Management Program (SWMP) and Notice of Intent (NOI) every five years to the Texas Commission on Environmental Quality (TCEQ) that meets or exceeds TCEQ requirements in order to obtain authorization under the Texas Pollutant Discharge Elimination System (TPDES) General Permit No. TXR040000. The City is also required to submit MS4 annual reports to the TCEQ that document the progress of the implementation of the SWMP. This project includes preparation of the SWMP, NOI, and specified annual reports.

II. GENERAL REQUIREMENTS

- A.** As applicable, specific design requirements shall be obtained from the City of Sherman Engineering Design Standards.
- B.** Consultant shall coordinate with other engineering consultants, utility companies, franchise utilities, City of Sherman, pipeline companies, and any other entity which has facilities within or adjacent to the Project, if needed.
- C.** Submittals to the City will be digital files. These shall be reviewed and checked by City and returned to Consultant for corrections. When the corrected copies of the plans and specifications are returned to City, the original and reviewed plans and specifications shall also be returned to City. All plans, specifications, documents, provisions, attachments, and correspondence provided in accordance with this contract shall be dated.
- D.** The Consultant shall submit a monthly report outlining, at a minimum, the work on the project which occurred the previous month, the work expected to be completed the following month, the next major project milestone, and any information needed from the City. The report is to be submitted with monthly invoice.
- E.** Communications and Reporting:
 - i Attend a project kickoff meeting with City staff to confirm and clarify scope, understand City objectives, and ensure economical and functional designs meet City requirements.
 - ii Attend review meeting with the City at the end of each phase as stated under Special Services, if needed.
 - iii Prepare and submit monthly invoices in the format acceptable to the City.
 - iv Prepare and submit monthly progress reports.
 - v Prepare and submit baseline Project Schedule initially.
 - vi Coordinate with other agencies and entities as necessary for the design of the proposed infrastructure and provide and obtain information needed

EXHIBIT A SCOPE OF SERVICES

- to prepare the design.
- vii With respect to coordination with permitting authorities, Consultant shall communicate with permitting authorities such that their regulatory requirements are appropriately reflected in the designs. Consultant shall work with regulatory authorities to obtain approval of the designs, and make changes necessary to meet their requirements. Changes after final submittal will be considered Additional Services.
 - viii Attend additional project coordination meetings as stated under Special Services, if needed.

III. TASK SUMMARY. BASIC SERVICES

A. Special Services

Task 1: Project Management and Coordination

Half project management activities include task leadership and direction; telephone and written communication; project status reports; project progress meetings; project invoicing; and personnel and data management among other general project management activities. Specific meetings beyond staff management coordination and regular communication include the following:

1. Attend one (1) in-person project kickoff meeting with City of Sherman (City) staff. The meeting will be coordinated by Half and is intended to discuss key items such as project schedule, budget, and any specific directives. Half will provide a preliminary schedule at the kickoff meeting, and discussion will include the previous annual reports, stormwater activities, proposed Best Management Practices (BMPs), timeline of activities, program goals and annual reporting requirements. Changes to the general permit requirements will also be discussed and additional requirements since the City will now be a Level 3 permittee.
2. Attend up to four (4) virtual progress meetings over the course of the Stormwater Management Program (SWMP) development, to discuss specific task objectives and progress. Prepare and submit meeting notes to City staff.
3. Prepare monthly project status updates and invoices.

Task 1 Deliverables

- Meeting notes
- Monthly project status updates with invoices

Task 2: SWMP Preparation and MS4 Readiness

Half's proposed services include preparation of updated MS4 SWMP, NOI, and Core Data Form for the City. TCEQ uses the NOI and corresponding SWMP to

EXHIBIT A SCOPE OF SERVICES

authorize stormwater discharges to surface water in the state under the TPDES Phase II Municipal Separate Storm Sewer System (MS4) General Permit, TXR040000. The Small MS4 General Permit, TPDES Permit No. TXR040000, was issued on January 24, 2019, and was scheduled to expire on January 24, 2024. TCEQ announced that the 2019 permit remained effective until August 2024 due to delays it encountered with its new Net-MS4 electronic system. The updated Small MS4 General Permit, TPDES Permit No. TXR040000, was issued on August 15, 2024, and TCEQ established February 11, 2025, as the SWMP and NOI deadline.

Halff will prepare an updated SWMP for the City to achieve administrative compliance with the updated TCEQ General Permit, TXR040000. Specific tasks include:

1. 2024-2029 MS4 SWMP General Permit Review
 - a. Identify updates from 2019 to 2024 TXR040000 General Permit requirements.
 - b. Provide City with identified comparison document: 2024-2029 TXR040000 General Permit vs. 2019-2024 TXR040000 General Permit.
2. Review updated Minimum Control Measures (MCMs) and Best Management Practices (BMPs)
 - a. Assess each MCM and BMP from the current TCEQ-approved SWMP. Prepare a summary and schedule of possible BMPs for discussion with the City.
 - b. Meet with City staff to discuss the potential BMPs. Update BMPs according to City's preferences while meeting TCEQ requirements (one virtual meeting).
 - c. Assist the City in developing implementation strategies, a basic timeline for each stormwater-related activity and reference for responsible parties involved.
3. Prepare SWMP, NOI and Core Data Form
 - a. Revise the City's current SWMP using the MCM and scheduled BMPs developed in Task 2.2.
 - b. Assist the City in the preparation of the TCEQ required NOI in NeT-MS4 and Core Data Form.
 - c. Prepare draft SWMP, NOI, and Core Data Form for review and comment by the City. To prepare the NOI in NeT-MS4 platform, Halff will need to be approved as a Preparer for the City for NeT-MS4.
 - d. Attend one (1) virtual meeting with City staff to discuss draft documents and obtain City feedback.
 - e. Finalize the SWMP and NOI.
 - f. Assist City with electronic submittal of final NOI and Core Data Form to TCEQ through the NeT-MS4 platform.

EXHIBIT A SCOPE OF SERVICES

Task 2 Deliverables

- 2019 vs. 2024 permit comparison document
- Digital copy of draft SWMP and Core Data Form
- Digital copy of final SWMP and Core Data Form
- Draft NOI in NeT-MS4
- Final NOI in NeT-MS4 for City to submit

Task 3: Quality Assurance / Quality Control

Draft and final deliverables will be reviewed by senior Halff personnel with appropriate experience. Associated QA/QC documentation will be provided upon request.

Task 4: Prepare MS4 Annual Reports

Every year, the TCEQ requires MS4 permit holders to submit an annual report documenting the community's progress with SWMP implementation for the previous reporting period. Annual reports are due to the TCEQ 90 days following the end of the reporting period which could be the regular reporting period or at the conclusion of using a SWMP (when the NOI for the new permit is approved). Halff will prepare an annual report compliant with TCEQ rules and regulations for reporting periods within years 2023 through 2025 based on data provided by the City. The last annual MS4 report included in this scope of services will be completed in Spring 2026. Preparation of annual reports for following years or implementation services can be provided as additional services.

1. Task Management
 - a. Prepare monthly project status updates and invoices.
 - b. Communicate with and respond to City questions. (up to 60 hours)
2. Prepare the following four MS4 Annual Reports.
 - a. 2023-2024 Annual Report (2014 SWMP for reporting period October 1, 2023 – January 18, 2024) - fourth quarter 2024
 - b. 2024 Annual Report (2019 SWMP for reporting period January 19, 2024 – September 30, 2024) - fourth quarter 2024
 - c. 2024-2025 Annual Report (2019 SWMP for reporting period October 1, 2024 – approval of 2024 SWMP– anticipated first or second quarter 2025
 - d. 2025 Annual Report (2024 SWMP for reporting period from approval of 2024 SWMP– December 31, 2025) – first quarter 2026
3. Annual Report Preparation
 - a. Attend up to one (1) virtual meeting per annual report with City to review the progress of the MCMs and BMPs identified in the SWMP.
 - b. Request documentation from City needed for each BMP and review.
 - c. Communicate with City regarding outstanding items.
 - d. Prepare draft MS4 Annual Report and submit to City for review.

EXHIBIT A SCOPE OF SERVICES

- e. Perform QA/QC on draft report.
- f. Attend up to one (1) virtual meeting per annual report with City to review draft MS4 Annual Report.
- g. Revise and finalize MS4 Annual Report.
- h. Perform QA/QC on final report.
- i. Assist City with submittal of MS4 Annual Report to TCEQ.

Task 4 Deliverables

- Monthly project status updates with invoices
- Digital copy of draft MS4 Annual Reports (2023-2024 Annual Report, 2024 Annual Report, 2024-2025 Annual Report)
- Digital copy of final MS4 Annual Reports (2023-2024 Annual Report, 2024 Annual Report, 2024-2025 Annual Report)
- Draft 2025 Annual Report in NeT-MS4
- Final 2025 Annual Report in NeT-MS4 for City to submit

IV. ITEMS NOT INCLUDED IN THE EXISTING SCOPE OF SERVICES

A. **Additional Services not included in the existing Scope of Services** – City and Consultant agree the following services are beyond the Scope of Services described in the tasks above. However, Consultant can provide these services, if needed, upon the City's written request. Any additional amounts paid to the Consultant as a result of any material change to the Scope of the Project shall be agreed upon in writing by both parties before the services are performed. These Additional Services include the following:

1. Notice of Change: As an additional service, if it is required to address and document changes to the SWMP measurable goals, Halff will prepare and submit to TCEQ a Notice of Change (NOC) document on behalf of the City.
2. Implementation of the SWMP activities
3. Public outreach meetings
4. City council meetings
5. Meetings with TCEQ
6. Map preparation
7. Digital creation of data such as GIS that provides proper traceable metrics for Public Involvement activities such as: Adopt-A-Spot, Adopt-A-Stream, Adopt-A-Street, Adopt-A-Catch Basin
8. The creation of a structural control maintenance and enforcement program
9. Hosting, planning, and attending events that might be required as BMPs
10. Environmental permitting coordination with either State or Federal agencies not mentioned in the proposal
11. Detailed evaluations of specialty clean-up efforts (I.E., illegal camp sites) that

EXHIBIT A
SCOPE OF SERVICES

- could require a specialty contractor
12. Field surveys and Right-of-entry (any field work will utilize public right-of-way and/or easements)
 13. Field reconnaissance other than stated in proposal
 14. Stormwater sampling and testing
 15. Training
 16. Permit and/or application fees
 17. Any other Half Associates, Inc. professional services other than stipulated in this scope of work.

EXHIBIT B
PROJECT BUDGET SUMMARY

I. Basic Services

<i>Total Basic Services (Lump Sum)</i>	<u>N/A</u>
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II. Special Services

Task 1: Project Management and Coordination	\$11,900.00
Task 2: SWMP Preparation and MS4 Readiness	\$57,900.00
Task 3: Quality Assurance / Quality Control	\$8,800.00
Task 4: Annual Reports	\$85,800.00

<i>Total Authorized Special Services</i>	<i>\$164,400.00</i>
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<i>Project Budget, Grand Total (Not-To-Exceed)</i>	<i>\$164,400.00</i>
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Compensation for services outlined in Exhibit A shall be on an hourly (time and materials) basis with an initial fee of \$164,400.00. Halff will provide the services outlined in Exhibit A on an hourly basis as requested by the City until the authorized budget for these services is exhausted. A contract modification and budget increase will be necessary for Halff to continue providing these services once the budget is exhausted.

Halff will bill the project monthly per our current rates, and direct charges and travel expenses will be billed within the limits of this budget. A progress report will be provided with each invoice listing the tasks that have been performed and total hourly cost for each task.

Upon approval of the fee proposal and a “notice to proceed”, the City shall furnish Halff with a work order number. The work order number will be included in the referenced reviews, billing and correspondence.

Proposed Project Schedule for Tasks 1-3

Halff will commence work upon notice-to-proceed (NTP).

The project effort is anticipated to take five (5) months from NTP. Tentative schedule:

- October 2024: NTP
- October/November 2024: kickoff meeting
- December 2024: Halff provides draft SWMP to City for review and comment
- December/January 2024: City provides comments on draft SWMP
- January 2025: Halff finalizes the SWMP, NOI, and Core Data Form and submits to City

- February 11, 2025: TCEQ deadline for City to submit NOI and Core Data Form

Task 4 schedule spans 2024 to 2026 for MS4 annual reports covering calendar years 2024 through 2025. Annual reports are due to the TCEQ 90 days following the end of the reporting period.

- 2023-2024 Annual Report (2014 SWMP for reporting period October 1, 2023 – January 18, 2024) - fourth quarter 2024
 - 2024 Annual Report (2019 SWMP for reporting period January 19, 2024 – September 30, 2024) - fourth quarter 2024
 - 2024-2025 Annual Report (2019 SWMP for reporting period October 1, 2024 – approval of 2024 SWMP) – anticipated first or second quarter 2025
 - 2025 Annual Report (2024 SWMP for reporting period from approval of 2024 SWMP – December 31, 2025) – first quarter 2026
-

EXHIBIT C
GUIDELINES FOR COMPUTER AIDED DESIGN AND DRAFTING (CADD)

1. Files shall be done in DWG/DXF format.
2. Files shall be georeferenced in the State Plane, Texas North Central FIPS 4202 (feet) coordinate system, using a datum of NAD 83 Grid.
3. If a surface adjustment factor is applied to the data, any surface adjustment factors used should be clearly documented on the drawing.
4. If submissions for the Project relate to a plat, the file submitted must match exactly the plat that is submitted for recording.
5. The file shall contain required features for the project type as detailed below:
 - a. Pre-Construction/As-Built Plans and/or Record Documents:
 - i. Layers from Final Plat Requirements as Applicable to Project Type.
 - ii. Water Utility Features.
 - iii. Sanitary Sewer Features.
 - iv. Storm Sewer Features.
6. Each required feature group should be provided as a separate layer within the file.
7. Layer names should be representative of the information contained in the layer.
8. Line work should be done per accepted industry norms.

Text should not be smaller than 0.08" on a full size sheet, and should be a font such as Simplex, Calibri, or Arial.

EXHIBIT D
CONSULTANT'S GUIDELINES FOR DIRECT EXPENSES; GENERAL AND ADMINISTRATIVE MARKUP; TRAVEL AND SUBSISTENCE EXPENSES

- I. **CONSULTANT'S RESPONSIBILITY**. Consultant shall be solely responsible for the auditing and accuracy of all Direct Expenses, approved markup (general and/or administrative), and approved travel and/or subsistence charges, including those of its subcontractors, prior to submitting to City for reimbursement. Any over-payment by City for errors in submittals for reimbursement may be deducted from Consultant's subsequent payment(s) for services; however, this shall not be City's sole and exclusive remedy for said over-payment.

II. **GUIDELINES FOR DIRECT EXPENSES**.

- A. **Local Transportation** – Transportation in connection with the Project, when such transportation is not a function of routine performance of the duties of Consultant in connection with the Project, and when such transportation exceeds beyond fifty (50) miles from the Project site, shall be reimbursed at a standard mileage rate consistent with that as issued, and periodically revised, by the United States Internal Revenue Service (IRS). Under no circumstances shall City reimburse Consultant at a higher standard mileage rate or pay additional markup on charges for local transportation. Completion of City's Standard Mileage Log is required for submittal of these charges for reimbursement, including justification for each submitted expense.

Under no circumstances are charges associated with rental cars for local transportation eligible for reimbursement by City. Toll road subscriptions or toll plaza receipts are not reimbursable. Consultant agrees to place these standards in all subcontracts for work on the Project.

- B. **Supplies. Material. Equipment** – City shall reimburse the actual cost of other similar direct Project-related expenses, which are duly presented in advance and approved by City's Project Manager in writing.
- C. **Commercial Reproduction** – City shall reimburse the actual cost of reproductions, specifically limited to progress prints prepared for presentation to City at each phase of progress, and final Construction Documents prepared for distribution at bidding phase, provided that Consultant has duly obtained at least three (3) quotations from commercial firms and has chosen the best value for City. Consultant shall provide such documentation to City for review prior to submitting these expenses for reimbursement. Consultant agrees to place these standards in all subcontracts for work on the Project.
- D. **In-House Reproduction** – Consultant shall make arrangements with City for prior approval of in-house reproduction rates prior to submitting these expenses for reimbursement. City shall provide Consultant with a standard format for documenting these charges. Completion of City's reproduction log is required as

a prerequisite for payment, including the number or reproductions, the date, time, description, the approved standard rate, and a justification for each submitted expense for reimbursement. Consultant agrees to place these standards in all subcontracts for work on the Project.

- E. **Commercial Plotting** – City shall reimburse the actual cost of plots, specifically limited to final documents, provided Consultant has duly obtained at least three (3) quotations from commercial firms and has chosen the best value for City. Consultant shall provide such documentation to City for review prior to submitting these expenses for reimbursement. Consultant agrees to place these standards in all subcontracts for work on the Project.
- F. **In-House Plotting** – Consultant shall make arrangements with City for prior written approval of in-house plotting rates prior to submitting these charges for reimbursement. City shall provide Consultant with a standard format for documenting these charges. Completion of City's reproduction log is required as a prerequisite for payment, including the number of plots, the date, time, description, the approved standard rate, and a justification for each submitted charge for reimbursement.
- G. **Communications** – Reimbursement for expenses relating to electronic communications shall be limited to long-distance telephone or fax toll charges specifically required in the discharge of professional responsibilities related to the Project. Telephone service charges including office or cellular phones, WATTS, or Metro line services or similar charges are not reimbursable.
- H. **Postage, Mail, and Delivery Service** – City shall reimburse the actual cost of postage and delivery of Instruments of Service, provided Consultant duly considers all circumstances (including available time for assured delivery) of the required delivery and selects the best value for City, which may require comparison of delivery costs offered by three (3) or more sources or methods of delivery, which at a minimum shall include U.S. Mail. Courier service is acceptable only in circumstances requiring deadline-sensitive deliveries and not for the convenience of Consultant and/or Consultant's employees. Consultant agrees to place these standards in all subcontracts for work on the Project.
- I. **Meals and Other Related Charges** – Meals or any other related expenses are not reimbursable unless incurred outside a fifty (50) mile radius of the Project, and then only reimbursable for the actual cost subject to compliance with City's currently adopted policy. Non-allowable costs include, but are not limited to, charges for entertainment, alcoholic beverages, and gratuities.

III. GUIDELINES FOR GENERAL AND ADMINISTRATIVE MARKUP.

- A. **Requirement of Prior Approval** – Consultant may be allowed to charge a General and/or Administrative Markup on work completed if Consultant can clearly define to City specifically what costs are included in the markup calculation. To apply General and/or Administrative Markup, Consultant must also document to City what costs would be considered direct costs. City shall issue approval in writing to allow Consultant to charge General and/or Administrative Markup. City reserves the right to reject any and all requests for General and/or Administrative Markup.

IV. GUIDELINES FOR TRAVEL AND SUBSISTENCE EXPENSES.

- A. **Requirement of Prior Approval** – City shall reimburse the actual cost of travel and/or subsistence expenses upon prior written approval by City's Project Manager.
- B. **Adherence to Currently Adopted City Travel Policy** – Reimbursements shall be governed by the same travel policies provided for City employees according to current adopted policy. Prior to the event, Consultant shall request, and City's Project Manager shall provide the provisions and the restrictions that apply to out-of-town reimbursements.

EXHIBIT E
CONTRACTOR'S INSURANCE GUIDELINES

I. GENERAL INSURANCE REQUIREMENTS –

- A. All policies shall name the City of Sherman, its officers, agents, representatives and employees as additional insured as to all applicable coverage with the exception of workers compensation insurance and professional liability insurance.
- B. Such policies shall require the provision of written notice to City at least thirty (30) days prior to cancellation, non-renewal or material modification of any policies, evidenced by return receipt or United States Certified Mail.
- C. Such policies shall provide for a waiver of subrogation against City for injuries, including death, property damage or any other loss to the extent the same is covered by the proceeds of the insurance.

II. INSURANCE COMPANY QUALIFICATION – All insurance companies providing the required insurance shall be authorized to transact business in the State of Texas, and shall have a minimum rating of "A" by A.M. Best's Key Rating Guide, or other equivalent rating service(s).

III. CERTIFICATE OF INSURANCE – A Certificate of Insurance and policy endorsement(s) evidencing the required insurance shall be submitted prior to execution of the Agreement. If the Agreement is renewed or extended by City, a Certificate of Insurance and policy endorsement(s) shall also be provided to City prior to the date the Agreement is renewed or extended.

IV. INSURANCE CHECKLIST – "X" means that the following coverage(s) is required for this Agreement.

Coverage Required		Limits
<u> X </u>	1. Worker's Compensation & Employer's Liability	▪ Statutory Limits of the State of Texas
<u> X </u>	2. General Liability	▪ Minimum \$1,000,000.00 each occurrence; ▪ Minimum \$2,000,000.00 in the aggregate
<u> </u>	3. XCU Coverage	▪ Minimum \$1,000,000.00 each occurrence; ▪ Minimum \$2,000,000.00 in the aggregate

EXHIBIT E
CONTRACTOR'S INSURANCE GUIDELINES

-
- | | | | |
|---------------|-----|---|--|
| <u> X </u> | 4. | Professional Liability | <ul style="list-style-type: none">▪ Minimum \$1,000,000.00 each claim;▪ Minimum \$2,000,000.00 in the aggregate |
| <u> X </u> | 5. | Umbrella Coverage of Excess Liability Coverage | <ul style="list-style-type: none">▪ An amount of \$2,000,000.00▪ Minimum \$2,000,000.00 in the aggregate |
| <u> X </u> | 6. | City and its officers, agents, representatives and employees named as additional insured on General Liability Policy, as provided above. This coverage is primary to all other coverage City may possess. | |
| <u> X </u> | 7. | General Liability Insurance provides for a Waiver of Subrogation against the City for injuries, including death, property damage, or any other loss to the extent that same is covered by the proceeds of the insurance. All insurance policies that are required to name the City as an additional insured must be endorsed to read as primary and non-contributory coverage regardless of the application of other insurance. | |
| <u> X </u> | 8. | Thirty (30) days' notice of cancellation, non-renewal, or material change required. The words "endeavor to" and "but failure" (to end of sentence) are to be eliminated from the Notice of Cancellation provision on standard ACORD certificates. | |
| <u> X </u> | 9. | Insurance company has a minimum rating of "A" by A.M. Best's Key Rating Guide, or other equivalent rating service(s). | |
| <u> X </u> | 10. | The Certificate of Insurance must state the project title and bid number. | |
| <u> </u> | 11. | Other Insurance Requirements (State Below): | |

EXHIBIT F

CONFLICT OF INTEREST QUESTIONNAIRE, FORM CIQ

CONFLICT OF INTEREST QUESTIONNAIRE For vendor doing business with local governmental entity		FORM CIQ
This questionnaire reflects changes made to the law by H.B. 23, 84th Leg., Regular Session. This questionnaire is being filed in accordance with Chapter 176, Local Government Code, by a vendor who has a business relationship as defined by Section 176.001(1-a) with a local governmental entity and the vendor meets requirements under Section 176.006(a). By law this questionnaire must be filed with the records administrator of the local governmental entity not later than the 7th business day after the date the vendor becomes aware of facts that require the statement to be filed. See Section 176.006(a-1), Local Government Code. A vendor commits an offense if the vendor knowingly violates Section 176.006, Local Government Code. An offense under this section is a misdemeanor.	OFFICE USE ONLY Date Received	
1 Name of vendor who has a business relationship with local governmental entity.		
2 ☐ Check this box if you are filing an update to a previously filed questionnaire. (The law requires that you file an updated completed questionnaire with the appropriate filing authority not later than the 7th business day after the date on which you became aware that the originally filed questionnaire was incomplete or inaccurate.)		
3 Name of local government officer about whom the information is being disclosed.		
_____ Name of Officer		
4 Describe each employment or other business relationship with the local government officer, or a family member of the officer, as described by Section 176.003(a)(2)(A). Also describe any family relationship with the local government officer. Complete subparts A and B for each employment or business relationship described. Attach additional pages to this Form CIQ as necessary.		
A. Is the local government officer or a family member of the officer receiving or likely to receive taxable income, other than investment income, from the vendor? ☐ Yes ☐ No B. Is the vendor receiving or likely to receive taxable income, other than investment income, from or at the direction of the local government officer or a family member of the officer AND the taxable income is not received from the local governmental entity? ☐ Yes ☐ No		
5 Describe each employment or business relationship that the vendor named in Section 1 maintains with a corporation or other business entity with respect to which the local government officer serves as an officer or director, or holds an ownership interest of one percent or more.		
6 ☐ Check this box if the vendor has given the local government officer or a family member of the officer one or more gifts as described in Section 176.003(a)(2)(B), excluding gifts described in Section 176.003(a-1).		
7		
Signature of vendor doing business with the governmental entity		Date

Form provided by Texas Ethics Commission

www.ethics.state.tx.us

Revised 1/1/2021



City Council Regular Meeting

Agenda Item No. F.11.

Meeting Date: 11/4/2024

Prepared By: Billy Hartsfield, Fire Chief

Approved By: Robby Hefton, City Manager

Caption:

*** RESOLUTION NO. 7426**

Authorizing Execution of an Agreement for EMS and Fire Protection Services between Grayson County, Texas and the City of Sherman, Texas for the Period of October 1, 2024 through September 30, 2025

Issue:

The City of Sherman provides EMS and Fire coverage for the portion of Grayson County that borders Sherman's city limits.

Background:

The Sherman Fire Department provides EMS and fire protection for certain areas of Grayson County, per an annual contract. This agreement will start October 1, 2024 and end on September 30, 2025

Origination:

Sherman Fire Department

Financial Consideration:

The City will be reimbursed approximately \$340,000 for the annual coverage contract.

Staff Recommendation:

Staff recommends approval.

Alternatives:

None

Attachments:

1. Resolution No. 7426
2. FY25 Sherman EMS and FIRE (1)

RESOLUTION NO. 7426

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING EXECUTION OF AN AGREEMENT FOR EMS AND FIRE PROTECTION SERVICES BETWEEN GRAYSON COUNTY, TEXAS AND THE CITY OF SHERMAN, TEXAS FOR THE PERIOD OF OCTOBER 1, 2024 THROUGH JUNE 30, 2025; 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 Agreement for Fire Protection Services between Grayson County and the City of Sherman for the period of October 1, 2024 through September 30, 2025 pursuant to the terms and provisions of the contract document attached hereto and made a part hereof for all purposes.

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.

DULY PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS on this the 4th day of November 2023.

CITY OF SHERMAN, TEXAS

**BY: _____
DAVID PLYLER, MAYOR**

ATTEST:

**BY: _____
LINDA ASHBY, CITY CLERK**

**APPROVED AS TO FORM
AND CONTENT:
THE LAW FIRM OF ABERNATHY,
ROEDER, BOYD & HULLETT, P.C.**

**BY: _____
RYAN D. PITTMAN, CITY ATTORNEY**

STATE OF TEXAS §

FISCAL YEAR 2025

COUNTY OF GRAYSON §

**INTERLOCAL COOPERATION AGREEMENT FOR
FIRE & AMBULANCE SERVICES**

This Agreement for Ambulance Services (the "Agreement") is made by and between Grayson County, Texas (the "County"), and the City of Sherman, Texas (the "City").

Whereas, the County is a duly organized political subdivision of the State of Texas engaged in the administration of county government and related services for the benefit of the citizens of Grayson County; and

Whereas, the City is a duly organized political subdivision of the State of Texas engaged in the administration of city government and related services including provision of fire protection and ambulance services;

Whereas, the County desires to obtain emergency ambulance and related emergency medical services, as well as fire protection services, for the benefit of the residents of the County living in the extraterritorial jurisdiction of the City and the unincorporated areas of the County depicted in "Exhibit A- Fire" and "Exhibit B- EMS," attached hereto and incorporated herein by reference, which the City is capable of providing, subject to the terms of this Agreement;

Whereas, the provision of emergency ambulance and fire protection services is a governmental function that serves the public health and welfare of County citizens;

Whereas, the City requires funding from the County to defray the expense of providing such services outside its city limits, that is, in the specific extraterritorial jurisdiction areas and unincorporated areas as described herein;

Whereas, each party has sufficient funds available from current revenues to perform the functions contemplated by this Agreement, and County represents and warrants to City that the Grayson County Commissioners Court has authorized funds in amounts sufficient to pay or perform its obligations under this Agreement;

Whereas, the County and the City mutually desire to be subject to, and contract pursuant to, provisions of the Texas Government Code, Chapter 791; Texas Local Government Code, Chapter 352; and Texas Health and Safety Code, Section 774.003; and

NOW, THEREFORE, the County and the City, in consideration of the mutual promises, covenants and agreements stated herein, agree as follows:

TERM

The term of this Agreement shall be for the period beginning at 12:01 A.M. on October 1, 2024, and ending at 11:59 p.m. on September 30, 2025.

It is understood and agreed that this Agreement may be extended for additional one-year terms by written agreement of the parties.

CONSIDERATION

For the services provided by the City to the County, as set out below, the County shall provide to the City the sum of \$28,750.00 per month during the term of this Agreement, which is due and payable by the 10th of each month. The first payment shall be due on or before October 10, 2024.

PERFORMANCE OF SERVICES & CITY RESPONSIBILITIES

The services to be rendered under this Agreement by the City are the ambulance and fire protection services normally rendered by the City to the citizens of the City in circumstances of emergency, but which services will now be extended to all citizens of the County residing in the extraterritorial jurisdiction of the City and the unincorporated area of the County depicted in "Exhibit A - Fire" and "Exhibit B – EMS" attached hereto and incorporated herein by reference. Notwithstanding any statement to the contrary in this Agreement, "Exhibit A - Fire" sets forth the areas for which the City is obligated to provide fire protection services under this Agreement, and "Exhibit B – EMS" sets forth the areas for which the City is obligated to provide ambulance services under this Agreement.

It is recognized that the officers and employees of the City have the duty and responsibility of rendering ambulance and fire protection services in the areas defined above as well as areas within the City's corporate boundaries. In the performance of these duties and responsibilities, it shall be within the sole responsibility and discretion of said officers and employees of the City to determine priorities in the dispatching and use of equipment and personnel. Notwithstanding any statement to the contrary in this Agreement, the services to be provided under this Agreement shall not be arbitrarily withheld, but it is understood by the parties that unforeseen circumstances may arise which prevent the City from providing the services at a particular time. The City shall restore such services with all reasonable speed to the same level which existed prior to such unforeseen circumstances arising, if such should arise. It is recognized that the City has the primary and principal duty and responsibility of rendering services to citizens of the City. The County understands that the availability of the City's equipment and personnel will be subject to the demands within the City's corporate boundaries, which will in all cases take priority, as well as other existing interlocal and mutual aid agreements.

The City shall devote sufficient time and attention to ensure the performance of all duties and obligations of the City under this Agreement and shall provide immediate and direct supervision of the City's employees, agents, contractors, sub-contractors and/or laborers engaged in the performance of this Agreement for the mutual benefit of the City and the County.

All persons employed or used by the City in the performance of work under this Agreement shall hold all required and appropriate professional certifications, permits and/or licenses as required by all state and federal laws and regulations and shall conduct themselves in a professional manner.

The City shall staff and equip each ambulance and vehicle utilized to provide such emergency medical services pursuant to this Agreement with all items for operations as required for a MICU level of service, in compliance with all applicable state and federal standards;

Each party shall respond to reasonable data requests relevant to services provided under this Agreement and make its respective financial records available for audit and/or review by the other party, upon request by the other party.

The City will participate in after action reviews as requested by the Grayson County Office of Emergency Management of emergency incidents involving a response of the City under this Agreement.

The City will provide, and maintain current, contact information for the City to include active email addresses and telephone contact information for use by the Grayson County EOC and Sheriff's Office Communication Center.

The City will adopt the National Incident Management System ("NIMS") and take all necessary steps to implement NIMS including required NIMS training for all personnel contemplated to provide response services pursuant to this contract.

The City shall provide to the County monthly operating reports including all data set out in Exhibit C attached to this Agreement and in the format shown. The reports shall be provided to the County by email to allisons@co.grayson.tx.us or other email as designated by the County in writing. The first report under this Agreement for FY25 shall be due on or before the 15th day of November 2024.

Any billing and collection procedures used will be developed by the City. The County does not require nor shall it be responsible for any billing or collection for services provided under this Agreement.

The service rate for all 911 and non-emergency transports shall be set by the City without consideration and approval from the County. Rates for services and collection rates will be provided to the County by the City upon request.

Nothing in this Agreement shall prohibit or limit City from separately billing and collecting charges and expenses from persons to whom ambulance or EMS services are provided under this Agreement ("Patients"). City shall have sole discretion over the amount of any such charges or expenses imposed on Patients. County shall have no authority over or responsibility for any Patient billing or collection activities for services provided by City under this Agreement. The Patient charges and expenses billed and/or collected by City shall be in addition to, and shall not affect, County's obligation to pay City for the amounts due under this Agreement. In addition, recovery of any additional sums or consideration from County residents by the City for response to grass or wildfire is strictly prohibited by this Agreement, except for responses resulting from the intentional act or omission of a County resident or other person, for which the City is entitled to seek recovery of additional sums or consideration. Inasmuch as the City acts as the County's agent for response, the City agrees to provide the fire protection services for grass or wildfire for the consideration in Paragraph 1 above. Except as otherwise provided above, this provision is included to prohibit the recovery of additional compensation directly from County residents by City only and shall not preclude the County and City from seeking state or federal assistance in the event of disaster or extraordinary response due to wildfire threat.

The City agrees to cooperate with other 9-1-1 emergency service providers in Grayson County, including without limitation, providing emergency contact information of chiefs and locations and numbers of ambulances available for immediate response. Mutual aid to other such county 9-1-1 providers will be at the sole discretion of the employees and officers tasked with such responsibilities by the City; however, during a time of declared disaster, local or in a neighboring jurisdiction, City shall follow the County Emergency Management Plans and commit such resources as are necessary and appropriate given the nature of the disaster and upon request of the Grayson County Judge or Emergency Management Coordinator.

AMENDMENT & MODIFICATION

Any alterations or deletions to the terms of this Agreement shall be by written amendment executed by both parties to this agreement. Any alterations, additions, or deletions to the terms of this agreement that are required by changes in Federal, State, or local law, or regulations, will be automatically incorporated into this Agreement without written amendment, and shall become effective on the date designated by such law or regulation.

FORM 1295 ACKNOWLEDGEMENT

The City acknowledges that it is a governmental entity and not a business entity as those terms are defined in Section 2252.908 of the Texas Government Code, and therefore, no disclosure of interested parties pursuant to Section 2252.908 of the Texas Government Code is required.

MISCELLANEOUS PROVISIONS

The following miscellaneous provisions apply to this Agreement:

All services furnished by the City shall be rendered in full compliance with all applicable federal, state and local laws, rules and regulations;

Neither party may assign this agreement or any rights, interest, or obligations under this agreement without the prior written approval of the other party.

The City shall be the holder of any state or federal licenses, permits, etc., required for the operation of the fire and rescue department, and shall make all necessary payments to maintain said licenses and permits.

SAFEGUARDING OF INFORMATION SYSTEMS

The City shall apply basic safeguarding requirements and procedures to protect the City's information systems whenever the information systems store, process or transmit any information, not intended for public release, which is provided by or generated for the County or the public in connection with provision of the services under this agreement. This requirement does not include information provided by the County to the public or simple transactional information, such as that necessary to process payments. These requirements and procedures shall include, at a minimum, security control requirements reflective of actions a prudent business person would employ.

NOTICES AND ADDRESSES OF PARTIES

Any notice required under this Agreement shall be delivered by certified mail, return receipt requested, addressed to the proper party, at the following addresses:

To the County: Grayson County
Attn: Honorable County Judge
100 W. Houston, Suite 15
Sherman, TX 75090

To City: City of Sherman
Attn: City Manager
220 W Mulberry
Sherman, TX 75090

INDEPENDENT CONTRACTOR RELATIONSHIP

It is expressly understood and agreed that the City is an independent contractor in its relationship with the County. The County is interested only in the results obtained under this Agreement; the manner and means of conducting the work are under the sole control of the City. None of the benefits provided by the County to their employees are available to City employees, agents, or representatives. Notwithstanding the foregoing, and pursuant to Section 791.006(a) of the Texas Government Code, as amended, each party shall be solely responsible for any civil liability arising from furnishing or obtaining the services contemplated herein as fully and to the same extent as that party would have been responsible in the absence of this Agreement. The parties understand and agree that if City does not furnish personnel, equipment or services to County after being notified of the need for such services, City shall not be liable to County in damages or otherwise for failure to furnish the same.

County agrees that the acts or omissions of any person dispatched by City pursuant to this Agreement, traveling to or from said calls, or in any manner furnishing services to County, outside of city limits of City, shall be considered to the acts and agents of County in all respects, notwithstanding that such person may be a regular employee or independent contract of City. Nothing in the Agreement at any time or in any manner shall be construed to 1) effect an agreement of partnership or joint venture, or 2) render the County the employer of master of the City, its employees, agents or representatives.

TERMINATION OF AGREEMENT

Either party may terminate this Agreement by giving sixty (60) days written notice to the other party at the address as provided herein.

GOVERNMENTAL IMMUNITY

The fact that the County and the City accept certain responsibilities relating to the rendition of fire protection and ambulance services under this Agreement as part of their responsibility for providing protection for the public health makes it imperative that the performance of these vital services be recognized as governmental functions and that the doctrine of governmental immunity shall be, and is hereby, invoked to the fullest extent permitted by law. This Agreement does not waive, nor shall it be deemed to waive, any immunity or defense, including, but not limited to, governmental immunity, that would otherwise be available to the parties against claims arising from the exercise of governmental powers and functions.

SEVERABILITY

In the event any provisions of this Agreement are for any reason held invalid, illegal, or unenforceable, they shall not affect any other provision, and this Agreement shall be construed as if such invalid, illegal, or unenforceable they shall not affect any other provision, and this Agreement shall be construed as if such invalid, illegal, or unenforceable provision had never been contained in this Agreement.

APPLICABLE LAW

This Agreement shall be interpreted in accordance with the laws of the State of Texas and Grayson County is the proper venue for any action regarding this Agreement.

ENTIRE AGREEMENT

This Agreement represents the entire Agreement of the Parties and supersedes any verbal or written representations of, to or by the Parties to each other.

Signed this ____ day of _____, 2024

Signed this ____ day of _____, 2024

City of Sherman, Texas

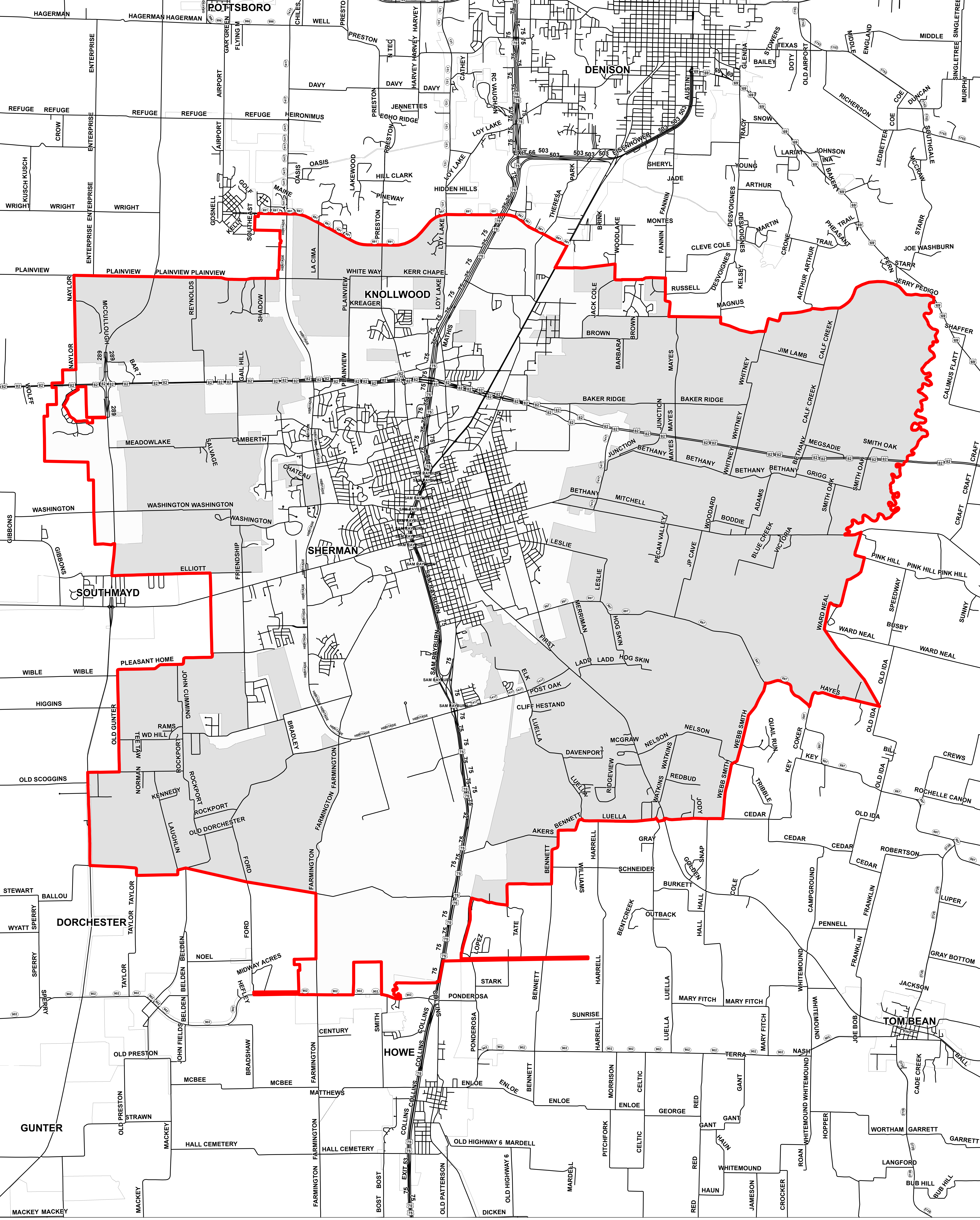
Grayson County, Texas

By: _____

City Manager

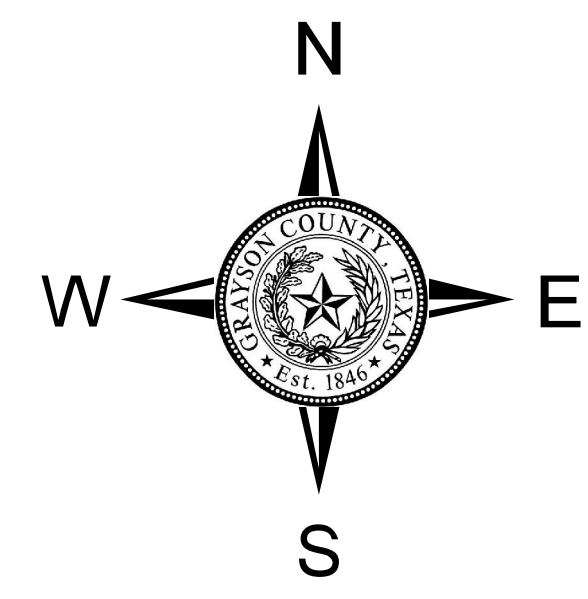
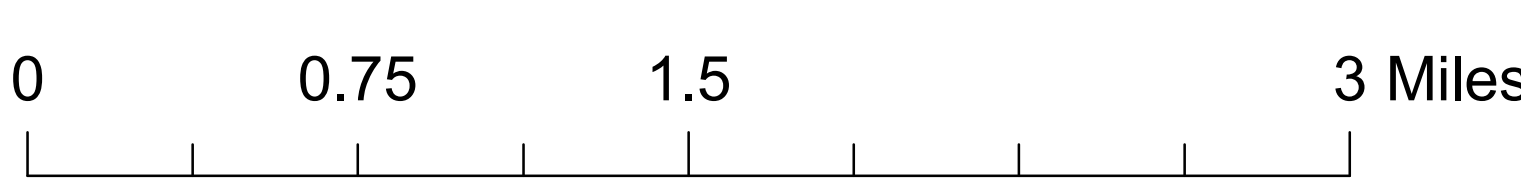
By: _____

Grayson County Judge

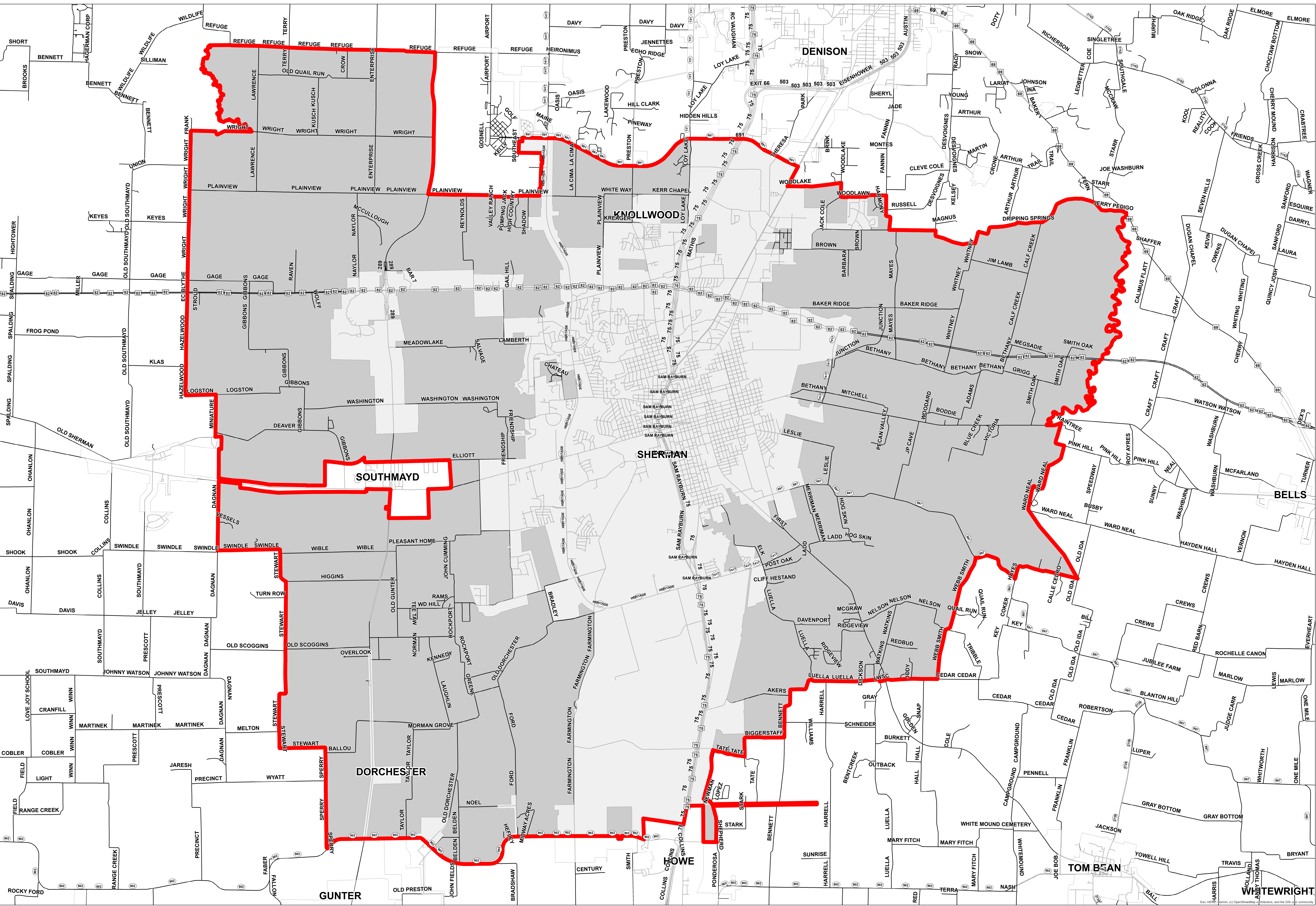


SHERMAN FIRE DISTRICT

Date: 08/21/2024
EXHIBIT A



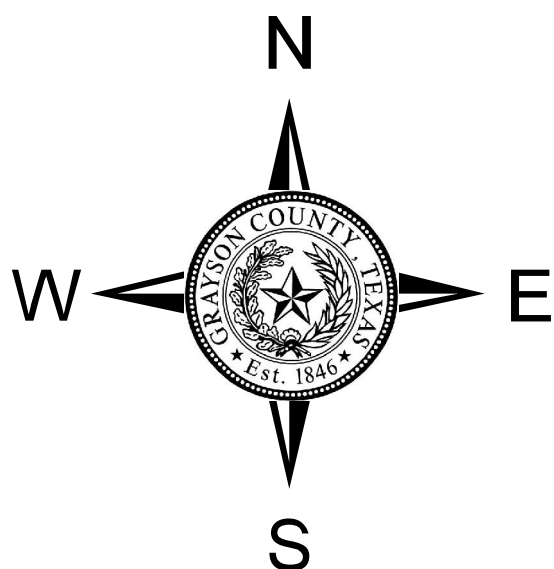
This product is for informational purposes only and may not have been prepared for or be suitable for legal, engineering, or surveying purposes, and are intended for general information purposes only. It does not represent an on-the-ground survey and represents only approximate relative location of the property boundaries. All data provided represents current information as of the date shown and is believed to be accurate, but the accuracy is not warranted.



Date: 8/26/2024
EXHIBIT B

0 0.75 1.5 3 Miles

SHERMAN EMS SERVICE AREA



This product is for informational purposes and may not have been prepared for or be suitable for legal, engineering, or surveying purposes, and are intended for general information purposes only. It does not represent an on-the-ground survey and represents only approximate relative location of the property boundaries. All data provided represents current information as of the date shown and is believed to be accurate, but the accuracy is not warranted.

Monthly Grayson County OEM Report Ambulance Data Requirements

District: _____ Report mmm/yyyy: _____
 Date of Report: _____ Number of FTSA:¹ _____

Run Type	Number of Calls
9-1-1 CALLS:²	
<u>9-1-1 Transports:³</u>	
Transports by FTSA	_____
Transports by non-FTSA:	_____
<u>9-1-1 Non-Transports:⁴</u>	
Treatment/ No Transport:	_____
No Treatment/ No Transport:	_____
Public Assist/ Welfare Check:	_____
Emergency Stand-by: ⁵	_____
Cancelled:	_____
DOS	_____
Other: (explain)	_____
_____	_____
<u>9-1-1 Transfer to Air Medical:⁶</u>	
a _____	_____
b _____	_____
c _____	_____
TOTAL 9-1-1 CALLS	0
NON 9-1-1 CALLS:⁷	
Transfers by FTSA:	_____
Transfers by non-FTSA:	_____
Non-emergency Stand-by:	_____
TOTAL NON-9-1-1 CALLS	0
GRAND TOTAL CALLS THIS MONTH	0
MUTUAL AID REPORT⁸	
9-1-1 Responded in Mutual Aid capacity:	
a _____	_____
b _____	_____
RESPONSE TIME REPORT⁹	
9-1-1 Ambulance Response Time	
This month last year:	
This month this year:	

Monthly Grayson County OEM Report Definitions

- ¹ Full Time Staffed Ambulance, ambulances staffed with full-time personnel.
- ² Number of 9-1-1 generated calls this month; includes walk ups.
- ³ Number of 9-1-1 generated calls in which the patient was transported to appropriate
- ⁴ Number of 9-1-1 generated calls in which the patient was not transported (patient refusal,
- ⁵ Number of 9-1-1 generated calls in which EMS was requested to stand-by or stage from
- ⁶ Number of 9-1-1 generated calls in which the patient was transferred to Air Medical for
- ⁷ Number of 9-1-1 calls generated by means other than 9-1-1; scheduled/ non-scheduled
- ⁸ Calls in which this agency responded to another district for mutual aid; list the district(s) and
- ⁹ Average response time for 9-1-1 calls for the same report month in the previous year and



City Council Regular Meeting

Agenda Item No. F.12.

Meeting Date: 11/4/2024

Prepared By: Stacy Hricko, Administrative Specialist

Approved By: Robby Hefton, City Manager

Caption:

*** RESOLUTION NO. 7427**

Authorizing the Purchase of Mowers from Sam's Lawn Riders for the Parks Maintenance Department through Sourcewell Contract

Issue:

To consider approval of a resolution to purchase mowers from Sam's Lawn Riders II for the Parks Maintenance Department using allocated budget funds.

Background:

These will be additions to the Parks Maintenance Department.

Origination:

Department of Parks/Grounds Maintenance

Financial Consideration:

These mowers will be purchased from Sam's Lawn Riders II for the sum of eighty-eight thousand, nine hundred thirty-five dollars and twenty-eight cents (\$88,935.28)

Staff Recommendation:

It is recommended that staff be authorized to purchase this equipment.

Alternatives:

As may be recommended by City Council.

Attachments:

1. Resolution No. 7427
2. Sam's Lawn RidersII

RESOLUTION NO. 7427

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING THE PURCHASE OF MOWERS FROM SAM'S LAWN RIDERS FOR THE PARKS MAINTENANCE DEPARTMENT; 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 to purchase from Sam's Lawn Riders II six mowers for the total price of eighty eight thousand, nine hundred thirty five dollars and 28 cents (\$88,935.28) Any agreements related to the purchase must be approved by the City Attorney. Funds for this purchase are being committed out of the City of Sherman's fiscal year 2024-2025 budget.

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.

DULY PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS on this 4th day of November 2024.

CITY OF SHERMAN, TEXAS

**BY: _____
DAVID PLYLER, MAYOR**

ATTEST:

**BY: _____
LINDA ASHBY, CITY CLERK**

**APPROVED AS TO FORM AND CONTENT:
THE LAW FIRM OF ABERNATHY,
ROEDER, BOYD & HULLETT, P.C.**

**BY: _____
RYAN D. PITTMAN, CITY ATTORNEY**

S A L E S O R D E R

PAGE: 1

SAM'S LAWN RIDERS II
520 W. Lamar
Sherman, TX 75090 USA
Phone #: (903)892-2711
Fax #: (903)892-2711

PHONE #: (903)818-4618

DATE: 10/11/2024

CELL #: (903)267-3564

ORDER #: 1192580

ALT. #: (903)815-3457 Ext: sha CUSTOMER #: 16824

P.O.#:

LOCATION: 1

TERMS: Net 10 EOM

STATUS: Active

SALES TYPE: Sales Order

CP: BH

SALES REP: BH

BILL TO - 16824

City of sherman
405 N Rusk
Sherman, TX 75090

SHIP TO :

City Of Sherman
P O Box 1106
Sherman, TX 75090

MFR	PRODUCT NUMBER	DESCRIPTION	ORD	SOLD	B/O	PRICE	NET	TOTAL
SCA	SCAG	STTII61V-40BV-EFI	4		0	\$14,624.00	\$14,624.00	\$58,496.00
SCA	SCAG	SCZII-61RD-38FX-EFI	2		0	\$13,454.00	\$13,454.00	\$26,908.00
****	MISC	MAKE READY FEE 6 UNITS	1		0	\$3,531.28	\$3,531.28	\$3,531.28
****	MISC	SOURCEWELL CONTRACT # 031121-SCG	1		0	\$0.00	\$0.00	\$0.00

Thank you for your business!

SUBTOTAL: \$88,935.28

TAX: \$0.00

ORDER TOTAL: \$88,935.28

BALANCE REMAINING: \$88,935.28

Picked Up By: _____



City Council Regular Meeting

Agenda Item No. F.13.

Meeting Date: 11/4/2024

Prepared By: Kim Hobbs, Quality Services Administrative Assistant

Approved By: Robby Hefton, City Manager

Caption:

*** RESOLUTION NO. 7428**

Authorizing the Purchase of a New Manhole Cutter from Kirby Smith for the Street Maintenance Department Through BuyBoard

Issue:

To consider approval of a resolution to purchase a new Manhole Cutter from Kirby Smith through Buyboard for use within the Street Maintenance Department.

Background:

The requested purchase will be a new piece of equipment added to the Street Maintenance Department. The Manhole Cutter will attach to the skidsteer to cleanly cut around manholes.

Origination:

Department of Public Works

Financial Consideration:

The new Manhole Cutter will be purchased from Kirby Smith for \$55,920.00 through Buyboard. Funding for this purchase was appropriated in the fiscal 2024-2025 Street Maintenance Department Budget.

Staff Recommendation:

It is recommended that staff be authorized to purchase a new Manhole Cutter from Kirby Smith through Buyboard.

Alternatives:

As may be recommended by the City Council

Attachments:

1. Resolution No. 7428
2. MANHOLE CUTTER Quote Kirby Smith
3. BuyBoard Interlocal Participation Agreement

RESOLUTION NO. 7428

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING THE PURCHASE OF A NEW MANHOLE CUTTER FROM KIRBY SMITH FOR THE STREET MAINTENANCE DEPARTMENT THROUGH BUYBOARD; 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 to purchase from Kirby Smith through Buyboard a new Manhole Cutter at a total price of Fifty Five Thousand Nine Hundred and Twenty Dollars (\$55,920.00). Any agreements related to the purchase must be approved by the City Attorney. Funds for this purchase are being committed out of the City of Sherman's fiscal year 2024-2025 budget.

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.

DULY PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS on this 4th day of November 2024.

CITY OF SHERMAN, TEXAS

**BY: _____
DAVID PLYLER, MAYOR**

ATTEST:

**BY: _____
LINDA ASHBY, CITY CLERK**

**APPROVED AS TO FORM AND CONTENT:
THE LAW FIRM OF ABERNATHY,
ROEDER, BOYD & HULLETT, P.C.**

**BY: _____
RYAN D. PITTMAN, CITY ATTORNEY**



10/9/2024

Quote #: cgylling-1754

Eric Sandberg

CITY OF SHERMAN
Po Box 1106
Sherman, TX 75091

Dear Eric Sandberg:

We are pleased to quote the following for your consideration:

PROTECTIVE LINER SYSTEMS Stehr SV 4008E - SKF 950 Manhole Cutter 2023 model w/ 0 hours, Unit # N.I.S., S/N Factory Order.

The following Factory and Dealer Options are included in the package:

- **PROTECTIVE LINER SYSTEMS Stehr SV 4008E - SKF 950 Manhole Cutter**
- **Stehr SV 40085EM - Splitter for converting (5) hose cutter to (3) hose equipment circuit**
- **Stehr HAK -Metric to English / DNS to SAE Hydraulic Hose Adaptor Kit**
- **Stehr SV 40200 E - 1300 mm / 51" ø Cutter Head for SKF 950 Manhole Cutter**
- **35" Cutter Head**

Sales Price: \$55,920.00

To be purchased through BuyBoard. Contract # 685-22

Contract price is \$62,134.00; less contract discount of 10% (-\$6,214.00)

New net selling price is \$55,920.00

We believe the equipment as quoted will exceed your expectations. On behalf of Kirby-Smith Machinery, Inc., thank you for the opportunity to quote you this package.

Sincerely,

Chris Gylling

Chris Gylling
Governmental Sales Rep
Kirby-Smith Machinery, Inc.
Phone: 214-371-7777
Cell: 214-918-6849
Email: cgylling@kirby-smith.com

www.kirby-smith.com | 888-861-0219

Oklahoma City * Tulsa * McAlester * Dallas * Fort Worth * Abilene * Amarillo * Lubbock
Waco * Odessa * St. Louis * Kansas City

RECEIVED JUN 15 2002

YOUR COPY

INTERLOCAL PARTICIPATION AGREEMENT RECEIVED JUN 15 2002

for the
Texas Local Government Purchasing Cooperative

This Interlocal Participation Agreement ("Agreement") is made and entered into by and between the Texas Local Government Purchasing Cooperative ("Cooperative"), an administrative agency of cooperating local governments, acting on its own behalf and the behalf of all participating local governments, and the undersigned local government of the State of Texas ("Cooperative Member"). The purpose of this Agreement is to facilitate compliance with state bidding requirements, to identify qualified vendors of commodities, goods and services, to relieve the burdens of the governmental purchasing function, and to realize the various potential economies, including administrative cost savings, for Cooperative Members.

WITNESSETH:

WHEREAS, the Cooperative Members are authorized by Chapter 791, et seq., The Interlocal Cooperation Act of the Government Code ("the Act"), to agree with other local governments to form purchasing cooperatives; and

WHEREAS, the Cooperative is an administrative agency of local governments cooperating in the discharge of their governmental functions; and

WHEREAS, the Cooperative Member does hereby adopt the Organizational Interlocal Agreement, together with such amendments as may be made in the future, reflecting the evolving mission of the Cooperative and further agrees to become an additional party to that certain Organizational Interlocal Agreement promulgated on the 26th day of January, 1998.

NOW, THEREFORE, BE IT RESOLVED that the undersigned Cooperative Member in consideration of the agreement of the Cooperative and the Cooperative Members to provide services as detailed herein does agree to the following terms, conditions, and general provisions.

In return for the payment of the contributions and subject to all terms of this Agreement, the parties agree as follows:

TERMS AND CONDITIONS

1. Adopt Organizational Interlocal Cooperation Agreement. The Cooperative Member by the adoption and execution of this Agreement hereby adopts and approves the Organizational Interlocal Agreement dated January 26, 1998, together with such amendments as may be made in the future and further agrees to become a Cooperative Member.
2. Term. The initial term of this Agreement shall commence at 12:01 a.m. on the date executed and signed and shall automatically renew for successive one-year terms unless sooner terminated in accordance with the provisions of this Agreement. The terms, conditions, and general provisions set forth below shall apply to the initial term and all renewals.
3. Termination.
 - a. By the Cooperative Member. This Agreement may be terminated by the Cooperative Member at any time by thirty (30) days prior written notice to the Cooperative; provided all charges owed to the Cooperative and any vendor have been fully paid.
 - b. By the Cooperative. The Cooperative may terminate this Agreement by:
 1. Giving ten (10) days notice by certified mail to the Cooperative Member if the Cooperative Member fails or refuses to make the payments or contributions as herein provided; or
 2. Giving thirty (30) days notice by certified mail to the Cooperative Member.

- c. **Termination Procedure.** If the Cooperative Member terminates its participation during the term of this Agreement or breaches this Agreement, or if the Cooperative terminates participation of the Cooperative Member under any provision of this Article, the Cooperative Member shall bear the full financial responsibility for any purchases occurring after the termination date, and for any unpaid charges accrued during its term of membership in the Cooperative. The Cooperative may seek the whole amount due, if any, from the terminated Cooperative Member. The Cooperative Member will not be entitled to a refund of membership dues paid.
4. **Payments.**
 - a. The Cooperative Member agrees to pay membership fees based on a plan developed by the Cooperative. Membership fees are payable by Cooperative Member upon receipt of an invoice from the Cooperative, Cooperative Contractor or vendor. A late charge amounting to the maximum interest allowed by law, but not less than the rate of interest under Section 2251.021, et seq., Texas Government Code, shall begin to accrue daily on the 31st day following the due date and continue to accrue until the contribution and late charges are paid in full. The Cooperative reserves the right to collect all funds that are due to the Cooperative in the event of termination by Cooperative Member or breach of this Agreement by Cooperative Member.
 - b. The Cooperative Member will make timely payments to the vendor for the goods, materials and services received in accordance with the terms and conditions of the Invitation to Bid and related procurement documents. Payment for goods, materials and services and inspections and acceptance of goods, materials and services ordered by the procuring party shall be the exclusive obligation of the procuring Cooperative Member.
5. **Cooperative Reporting.** The Cooperative will provide periodic activity reports to the Cooperative Member. These reports may be modified from time to time as deemed appropriate by the Cooperative.
6. **Administration.** Cooperative Member will use the BuyBoard purchasing application in accordance with instruction from the Cooperative; discontinue use upon termination of participation; maintain confidentiality and prevent unauthorized use; maintain equipment, software and testing to operate the system at its own expense; report all purchase orders generated to Cooperative or its designee in accordance with instructions of the Cooperative; and make a final accounting to Cooperative upon termination of membership.
7. **Amendments.** The Board may amend this agreement, provided that notice is sent to each participant at least 60 days prior to the effective date of any change described in such amendment which, in the opinion of the Board, will have a material effect on the Cooperative Members participation in the Cooperative.

GENERAL PROVISIONS

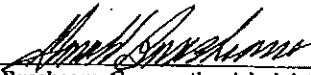
1. **Authorization to Participate.** Each Cooperative Member represents and warrants that its governing body has duly authorized its participation in the Cooperative.
2. **Bylaws.** The Cooperative Member agrees to abide by the Bylaws of the Cooperative, as they may be amended, and any and all reasonable policies and procedures established by the Cooperative.
3. **Compensation.** The parties agree that the payments under this Agreement and all related exhibits and documents are amounts that fairly compensate the Cooperative for the services or functions performed under the Agreement, and that the portion of gross sales paid by participating vendors enables the Cooperative to pay the necessary licensing fees, marketing costs, and related expenses required to operate a statewide system of electronic commerce for the local governments of Texas.
4. **Cooperation and Access.** The Cooperative Member agrees that it will cooperate in compliance with any reasonable requests for information and/or records made by the Cooperative. The Cooperative reserves the right to audit the relevant records of any Cooperative Member. Any breach of this Article shall be considered material and shall make the Agreement subject to termination on ten (10) days written notice to the Cooperative Member.

5. **Coordinator.** The Cooperative Member agrees to appoint a program coordinator who shall have express authority to represent and bind the Cooperative Member, and the Cooperative will not be required to contact any other individual regarding program matters. Any notice to or any agreements with the coordinator shall be binding upon the Cooperative Member. The Cooperative Member reserves the right to change the coordinator as needed by giving written notice to the Cooperative. Such notice is not effective until actually received by the Cooperative.
6. **Current Revenue.** The Cooperative Member hereby warrants that all payments, contributions, fees, and disbursements required of it hereunder shall be made from current revenues budgeted and available to the Cooperative Member.
7. **Defense and Prosecution of Claims.** The Cooperative Member authorizes the Cooperative to regulate the commencement, defense, intervention, or participation in a judicial, administrative, or other governmental proceeding or in an arbitration, mediation, or any other form of alternative dispute resolution, or other appearances of the Cooperative and/or any past or current Cooperative Member in any litigation, claim or dispute, and to engage counsel and appropriate experts, in the Cooperative's sole discretion, with respect to such litigation, claim or disputes. The Cooperative Member does hereby agree that any suit brought against the Cooperative or a Cooperative Member may be defended in the name of the Cooperative or the Member by the counsel selected by the Cooperative, in its sole discretion, or its designee, on behalf of and at the expense of the Cooperative as necessary for the prosecution or defense of any litigation. Full cooperation by the Cooperative Member shall be extended to supply any information needed or helpful in such prosecution or defense. Subject to specific revocation, the Cooperative Member hereby designates the Cooperative to act as a class representative on its behalf in matters arising out of this Agreement.
8. **Governance.** The Board of Trustees (Board) will govern the Cooperative in accordance with the Bylaws. Travis County, Texas will be the location for filing any dispute, claim or lawsuit.
9. **Limitations of Liability.** COOPERATIVE, ITS ENDORSERS (TEXAS ASSOCIATION OF SCHOOL BOARDS, TEXAS ASSOCIATION OF COUNTIES, AND TEXAS MUNICIPAL LEAGUE) AND SERVICING CONTRACTOR (TEXAS ASSOCIATION OF SCHOOL BOARDS) DO NOT WARRANT THAT THE OPERATION OR USE OF COOPERATIVE SERVICES WILL BE UNINTERRUPTED OR ERROR FREE. COOPERATIVE, ITS ENDORSERS AND SERVICING CONTRACTORS, HEREBY DISCLAIM ANY AND ALL WARRANTIES, EXPRESS OR IMPLIED, IN REGARD TO ANY INFORMATION, PRODUCT OR SERVICE FURNISHED UNDER THIS AGREEMENT, INCLUDING WITHOUT LIMITATION, ANY AND ALL IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. THE PARTIES AGREE THAT IN REGARD TO ANY AND ALL CAUSES OF ACTION ARISING OUT OF OR RELATING TO THIS AGREEMENT, NEITHER PARTY SHALL BE LIABLE TO THE OTHER UNDER ANY CIRCUMSTANCES FOR SPECIAL, INCIDENTAL, CONSEQUENTIAL, OR EXEMPLARY DAMAGES, EVEN IF IT HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.
10. **Merger.** This Interlocal Participation Agreement, Terms and Conditions, and General Provisions, together with the Bylaws, Organizational Interlocal Agreement, and Exhibits, represents the complete understanding of the Cooperative, and Cooperative Member electing to participate in the Cooperative.
11. **Notice.** Any written notice to the Cooperative shall be made by first class mail, postage prepaid, and delivered to the Associate Executive Director Financial Planning, Texas Association of School Boards, Inc., P.O. Box 400, Austin, Texas 78767-0400.
12. **Venue.** This Agreement shall be governed by and construed in accordance with the laws of the State of Texas, and venue shall lie in Travis County, Texas.
13. **Warranty.** By the execution and delivery of this Agreement, the undersigned individuals warrant that they have been duly authorized by all requisite administrative action required to enter into and perform the terms of this Agreement.

IN WITNESS WHEREOF, the parties, acting through their duly authorized representatives, sign this Agreement as of the date indicated.

TO BE COMPLETED BY THE COOPERATIVE:

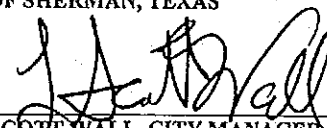
TEXAS LOCAL GOVERNMENT PURCHASING COOPERATIVE, as acting on behalf of all other Cooperative Members

By: 
Gerald Brashears, Cooperative Administrator

Date: 7-15-02

TO BE COMPLETED BY COOPERATIVE MEMBER:

CITY OF SHERMAN, TEXAS

By: 
L. SCOTT WALL, CITY MANAGER

Date: 5/28/2002

Coordinator for the Cooperative Member is:

Name: MARYANN WINKLER
Address: 405 N. RUSK STREET
SHERMAN, TEXAS 75090
Phone: (903) 892-7285
Fax: (903) 891-0255
Email: PURCH@TEXOMA.NET



City Council Regular Meeting

Agenda Item No. F.14.

Meeting Date: 11/4/2024

Prepared By: Stacy Hricko, Administrative Specialist

Approved By: Robby Hefton, City Manager

Caption:

*** RESOLUTION NO. 7429**

Authorizing the Purchase of a Zero Turn Mower and Attachments from GLK Turf Solutions for the Parks Maintenance Department through Buyboard

Issue:

To consider approval of a resolution to purchase a Force EVI and attachments from GLK Turf Solutions for the Parks/Grounds Maintenance Department using allocated budget funds.

Background:

This is a zero turn ball field multitask master all in one ground-care machine. It is capable of infield grooming, seeding and fertilization, laser leveling, infield grading, raking, etc. (It is similar to a skid steer but specifically for ball fields).

Origination:

Department of Parks/Grounds Maintenance

Financial Consideration:

This will be purchased from GLK Turf Solutions for the sum of fifty thousand, nine hundred eighty seven dollars (\$50,987.00) Funds were approved in the 24-25 budget.

Staff Recommendation:

It is recommended staff be authorized to purchase this equipment.

Alternatives:

As may be recommended by City Council.

Attachments:

1. Resolution No. 7429
2. ABI Force 2025

RESOLUTION NO. 7429

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING THE PURCHASE OF ZERO TURN MOWER AND ATTACHMENTS FROM GLK TURF SOLUTIONS FOR THE PARKS MAINTENANCE DEPARTMENT THROUGH BUYBOARD; 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 to purchase from GLK Turf Solutions FORCE ZL23SLT EFI and attachments for fifty thousand, nine hundred eighty seven dollars (\$50,987.00). Any agreements related to the purchase must be approved by the City Attorney. Funds for this purchase are being committed out of the City of Sherman's fiscal year 2024-2025 budget.

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.

DULY PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS on this 4th day of November 2024.

CITY OF SHERMAN, TEXAS

**BY: _____
DAVID PLYLER, MAYOR**

ATTEST:

**BY: _____
LINDA ASHBY, CITY CLERK**

**APPROVED AS TO FORM AND CONTENT:
THE LAW FIRM OF ABERNATHY,
ROEDER, BOYD & HULLETT, P.C.**

**BY: _____
RYAN D. PITTMAN, CITY ATTORNEY**



Quotation # Q01086

SUBMITTED TO:
City of Sherman
Sean Hemperley
1304 W Lamar St
Sherman, Texas 75092

SUBMITTED BY:
GLK Turf Solutions
Rick Kadlec
217 E Main St #1059
Royse City, TX 75189
rick.kadlec@glkturfsolutions.com

Item#	Item Name	Quantity	List Price	Total
10-90449	Front Saddle-Mount Weight Kit - w/200lb (Qty 4 50lb)	1	\$ 999.00	\$ 999.00
10-10422	XD Tripod for Laser Transmitter (33" - 119")	1	\$ 799.00	\$ 799.00
10-99136	Infield Lip Edger System	1	\$ 1,399.00	\$ 1,399.00
10-90410	1/2 Ton Roller (Requires 10-90449 200lb Weight Kit)	1	\$ 1,899.00	\$ 1,899.00
10-90672	Mobile Workstation Kit - Z23	1	\$ 499.00	\$ 499.00
10-99137	6' Rigid Drag Mat w/ Level Bar	1	\$ 599.00	\$ 599.00
10-10425	13' Fiberglass Grade Rod for Laser System	1	\$ 149.00	\$ 149.00
10-11272	Dual Slope Transmitter with rechargeable battery	1	\$ 2,899.00	\$ 2,899.00
10-90166	Vibraflex 5800	1	\$ 899.00	\$ 899.00
10-90403	Laser Electronics & Pole - Machine Side	1	\$ 3,799.00	\$ 3,799.00
10-99029	Mini-Box Blade - Solid Edge (Sport Fields)	1	\$ 599.00	\$ 599.00
10-99144	Force z23s/lr EFI - Laser Ready w/Tweels (Kohler ECH740)	1	\$ 32,999.00	\$ 32,999.00
10-99149	Stealth Blades (Set of 7)	1	\$ 699.00	\$ 699.00

Sub Total:\$ 48,237.00
Shipping and Handling:\$ 2,750.00
Tax:\$ 0.00
Total:\$ 50,987.00

Terms and Conditions (Buy Board 706-23)

10-18-2024 03:44 PM
Quote Expires: 12-31-2024
Buy Board #706-23

Please Sign and Date to Accept Quote:



City Council Regular Meeting

Agenda Item No. F.15.

Meeting Date: 11/4/2024

Prepared By: Jana Garner, Grants Coordinator

Approved By: Robby Hefton, City Manager

Caption:

*** RESOLUTION NO. 7430**

Authorizing Submission of a Grant Application and the Acceptance of the Motor Vehicle Crime Prevention Authority Grant FY25

Issue:

Authorizing submission and acceptance of Motor Vehicle Crime Prevention Authority Grant FY25

Background:

Grant will provide financial support to law enforcement agencies for catalytic converter theft and crime enforcement teams (referred to as taskforces).

Origination:

Sherman Police Department

Financial Consideration:

Funding will be used by the Sherman Police Department to create and enhance a taskforce to develop organized methods to combat catalytic converter theft through the enforcement of applicable law. Estimates for materials are in the process of being collected. A total grant amount request will be determined through those vendor quotes.

Staff Recommendation:

It is staff recommendation that the Sherman City Council approve the resolution to apply for the Motor Vehicle Crime Prevention Authority Grant.

Alternatives:

The Sherman City Council may not approve the submission of this grant.

Attachments:

1. Resolution No. 7430
2. MVCPA_Request for Applications

RESOLUTION NO. 7430

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING SUBMISSION OF A GRANT APPLICATION AND THE ACCEPTANCE OF THE MOTOR VEHICLE CRIME PREVENTION AUTHORITY GRANT FY25, THROUGH THE TEXAS DEPARTMENT OF MOTOR VEHICLES FOR THE SHERMAN POLICE DEPARTMENT OPERATIONS. 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 SO RESOLVED BY THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS:

WHEREAS under the provisions of the Texas Transportation Code Chapter 1006 and Texas Administrative Code Title 43; Part 3; Chapter 57, entities are eligible to receive grants from the Motor Vehicle Crime Prevention Authority to provide financial support to law enforcement taskforces and agencies for economic motor vehicle theft, including catalytic converter theft; and

WHEREAS this grant program will assist this jurisdiction to combat catalytic converter theft; and

WHEREAS the Sherman City Council has agreed that in the event of loss or misuse of the grant funds, the City of Sherman agrees and assures that the grant funds will be returned in full to the Motor Vehicle Crime Prevention Authority

NOW THEREFORE, BE IT RESOLVED and ordered that Robby Hefton, City Manager, is designated as the Authorized Official to apply for, accept, decline, modify, or cancel the grant application for the Motor Vehicle Crime Prevention Authority Grant Program and all other necessary documents to accept said grant; and

BE IT FURTHER RESOLVED that Jason Jeffcoat, Chief of Police, is designated as the Program Director and Mary Lawrence, CFO, is designated as the Financial Officer for this grant.

DULY PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS on this 4th day of November 2024.

CITY OF SHERMAN, TEXAS

BY: _____
DAVID PLYLER, MAYOR

ATTEST:

BY: _____
LINDA ASHBY, CITY CLERK

**APPROVED AS TO FORM AND CONTENT:
THE LAW FIRM OF ABERNATHY,
ROEDER, BOYD & HULLETT, P.C.**

BY: _____
RYAN D. PITTMAN, CITY ATTORNEY

MOTOR VEHICLE CRIME PREVENTION AUTHORITY

Fiscal Year 2025 Request for Applications, 2nd Solicitation – SB 224 Catalytic

Converter Grant

September 16, 2024

Notice of Request for Applications

The Motor Vehicle Crime Prevention Authority (MVCPA) has authorized the issuance of the Fiscal Year 2025 (FY 2025) Request for Applications (RFA). Senate Bill 224 provides that, “The money deposited to the credit of the general revenue fund for coordinated regulatory and law enforcement activities intended to detect and prevent catalytic converter theft in this state... may be appropriated to the Authority for the activities required by this section.” To implement SB 224, the MVCPA is providing grants to local law enforcement taskforces and agencies to combat Catalytic Converter Theft. Eligible applicants may request funds for program operation by submission of an application consistent with the information, including the requirements and conditions stated in this RFA. This RFA is posted in the Texas Register for at least thirty (30) days prior to the due date for Applications.

All applications submitted will be for FY 2025. If awarded an FY 2025 SB 224 Catalytic Converter Grant, the MVCPA may provide a FY 2026 grant subject to availability of funding and grantees’ positive program performance. The MVCPA may use the same FY 2025 application and prorated budget values as originally submitted for the additional period. Any ongoing program (scope) changes or budget changes will be submitted by grantees through the grant adjustment process after the creation of the second-year grants.

Due Date

Grant Applications from eligible applicants must be completely submitted on-line at <https://MVCPA.tamu.edu> on or before 5:00 PM, November 12, 2024. First time applicants must establish an account and perform account setup steps prior to an application being able to be submitted. The required Resolution and any optional supporting documents must be scanned and submitted as attachments to the application at <https://MVCPA.tamu.edu> on or before 5:00 PM, November 12, 2024.

Applicable Authority and Rules

Motor Vehicle Crime Prevention Authority grant programs are governed by the following statutes, rules, standards, and guidelines:

- Texas Transportation Code Chapter 1006
(<https://statutes.capitol.texas.gov/Docs/TN/htm/TN.1006.htm>)
- Texas Administrative Code (TAC): Title 43; Part 3; Chapter 57
([https://texreg.sos.state.tx.us/public/readtac\\$ext.ViewTAC?tac_view=3&ti=43&pt=3](https://texreg.sos.state.tx.us/public/readtac$ext.ViewTAC?tac_view=3&ti=43&pt=3))
- Texas Grant Management Standards (TxGMS) as promulgated by the Texas Comptroller of Public Accounts (<https://comptroller.texas.gov/purchasing/grant-management/>)

- The current Motor Vehicle Crime Prevention Authority Grant Administrative Manual and any subsequent adopted grantee instruction manuals (https://www.txdmv.gov/sites/default/files/body-files/MVCPA_FY20_Grant_Admin_Manual.pdf)
- This Request for Applications issued on September 16, 2024.

Eligible Applicants.

Only Texas law enforcement agencies through their city or county are eligible to apply for the FY 2025 SB 224 Catalytic Converter Grant funding.



City Council Regular Meeting

Agenda Item No. F.16.

Meeting Date: 11/4/2024

Prepared By: Kim Hobbs, Quality Services Administrative Assistant

Approved By: Robby Hefton, City Manager

Caption:

*** RESOLUTION NO. 7431**

Authorizing the Purchase of a New Vermeer Chipper from Vermeer for Street Maintenance Department through Buyboard

Issue:

To consider approval of a resolution to purchase a new Vermeer Chipper from Vermeer through Buyboard for use within the Street Maintenance Department.

Background:

The requested purchase will replace vehicle #464, a 24 year old chipper unit. The Chipper will be used in the daily operations of the Street Maintenance Department for brush chipping.

Origination:

Department of Public Works

Financial Consideration:

The new Chipper will be purchased from Vermeer for \$100,695.11 through Buyboard. Funding for this purchase was appropriated in the fiscal 2024-205 Street Maintenance Department Budget.

Staff Recommendation:

It is recommended that staff be authorized to purchase a new Chipper from Vermeer through Buyboard.

Alternatives:

As may be recommended by the City Council

Attachments:

1. Resolution No. 7431
2. Vermeer Chipper Quote
3. BuyBoard Interlocal Participation Agreement

RESOLUTION NO. 7431

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING THE PURCHASE OF A NEW VERMEER CHIPPER FROM VERMEER FOR THE STREET MAINTENANCE DEPARTMENT THROUGH BUYBOARD; 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 to purchase from Vermeer through Buyboard a new Chipper at a total price of One Hundred Thousand Six Hundred Ninety Five Dollars and Eleven Cents (\$100,695.11). Any agreements related to the purchase must be approved by the City Attorney. Funds for this purchase are being committed out of the City of Sherman's fiscal year 2024-2025 budget.

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.

DULY PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS on this the 4th day of November 2024.

CITY OF SHERMAN, TEXAS

BY: _____
DAVID PLYLER, MAYOR

ATTEST:

BY: _____
LINDA ASHBY, CITY CLERK

**APPROVED AS TO FORM AND
CONTENT:**

**THE LAW FIRM OF ABERNATHY,
ROEDER, BOYD & HULLETT, P.C**

BY: _____
RYAN D. PITTMAN, CITY ATTORNEY



Vermeer Texas-Louisiana
3025 State Highway 161
Irving, TX 75062
Ph: (972) 255-3500
vermeertexas.com

Please remit to:
Vermeer Texas-Louisiana
PO Box 227283
Dallas, TX 75222-7283

Ship To: IN STORE PICKUP

Invoice To: CITY OF SHERMAN
ATTN: PURCHASING DEPT
PO BOX 1106
SHERMAN TX 75091-1106

Branch 01 - IRVING		
Date 10/25/2024	Time 9:30:46 (O)	Page 1
Account No SHERM003	Phone No 9038927206	Est No 02 Q06671
Ship Via		Purchase Order QUOTE
Tax ID No		
JARED DAVIS		Salesperson 145 / 536

EQUIPMENT QUOTE - NOT AN INVOICE

Description ** Q U O T E ** EXPIRY DATE: 11/30/2024 Amount

Vermeer BC1800XL with 130Hp Cummins tier4final diesel 100695.11
19" capacity drum style brush chipper
High coolant temp, and Low oil pressure auto shutdown
Precleaner
DEF tank
Spring loaded clutch
Variable speed dual vertical feed rollers
SmartFeed and ECOidle
Pintle hitch, infeed curtain, and tree commander remote
Lockable battery box, control panel, engine doors, and tool
box
Heavy duty manual jack
10K electric brake torsion axle
Right side controls
Right side manual chute with adjustable deflector
BuyBoard Contract 684-22

Authorization: _____ Subtotal: 100695.11
Quote Total: 100695.11

Good for thirty (30) days from date of quote.

Thank You For Your Business!

RECEIVED JUN 15 2002

YOUR COPY

INTERLOCAL PARTICIPATION AGREEMENT RECEIVED JUN 15 2002

for the
Texas Local Government Purchasing Cooperative

This Interlocal Participation Agreement ("Agreement") is made and entered into by and between the Texas Local Government Purchasing Cooperative ("Cooperative"), an administrative agency of cooperating local governments, acting on its own behalf and the behalf of all participating local governments, and the undersigned local government of the State of Texas ("Cooperative Member"). The purpose of this Agreement is to facilitate compliance with state bidding requirements, to identify qualified vendors of commodities, goods and services, to relieve the burdens of the governmental purchasing function, and to realize the various potential economies, including administrative cost savings, for Cooperative Members.

WITNESSETH:

WHEREAS, the Cooperative Members are authorized by Chapter 791, et seq., The Interlocal Cooperation Act of the Government Code ("the Act"), to agree with other local governments to form purchasing cooperatives; and

WHEREAS, the Cooperative is an administrative agency of local governments cooperating in the discharge of their governmental functions; and

WHEREAS, the Cooperative Member does hereby adopt the Organizational Interlocal Agreement, together with such amendments as may be made in the future, reflecting the evolving mission of the Cooperative and further agrees to become an additional party to that certain Organizational Interlocal Agreement promulgated on the 26th day of January, 1998.

NOW, THEREFORE, BE IT RESOLVED that the undersigned Cooperative Member in consideration of the agreement of the Cooperative and the Cooperative Members to provide services as detailed herein does agree to the following terms, conditions, and general provisions.

In return for the payment of the contributions and subject to all terms of this Agreement, the parties agree as follows:

TERMS AND CONDITIONS

1. Adopt Organizational Interlocal Cooperation Agreement. The Cooperative Member by the adoption and execution of this Agreement hereby adopts and approves the Organizational Interlocal Agreement dated January 26, 1998, together with such amendments as may be made in the future and further agrees to become a Cooperative Member.
2. Term. The initial term of this Agreement shall commence at 12:01 a.m. on the date executed and signed and shall automatically renew for successive one-year terms unless sooner terminated in accordance with the provisions of this Agreement. The terms, conditions, and general provisions set forth below shall apply to the initial term and all renewals.
3. Termination.
 - a. By the Cooperative Member. This Agreement may be terminated by the Cooperative Member at any time by thirty (30) days prior written notice to the Cooperative; provided all charges owed to the Cooperative and any vendor have been fully paid.
 - b. By the Cooperative. The Cooperative may terminate this Agreement by:
 1. Giving ten (10) days notice by certified mail to the Cooperative Member if the Cooperative Member fails or refuses to make the payments or contributions as herein provided; or
 2. Giving thirty (30) days notice by certified mail to the Cooperative Member.

- c. **Termination Procedure.** If the Cooperative Member terminates its participation during the term of this Agreement or breaches this Agreement, or if the Cooperative terminates participation of the Cooperative Member under any provision of this Article, the Cooperative Member shall bear the full financial responsibility for any purchases occurring after the termination date, and for any unpaid charges accrued during its term of membership in the Cooperative. The Cooperative may seek the whole amount due, if any, from the terminated Cooperative Member. The Cooperative Member will not be entitled to a refund of membership dues paid.
4. **Payments.**
 - a. The Cooperative Member agrees to pay membership fees based on a plan developed by the Cooperative. Membership fees are payable by Cooperative Member upon receipt of an invoice from the Cooperative, Cooperative Contractor or vendor. A late charge amounting to the maximum interest allowed by law, but not less than the rate of interest under Section 2251.021, et seq., Texas Government Code, shall begin to accrue daily on the 31st day following the due date and continue to accrue until the contribution and late charges are paid in full. The Cooperative reserves the right to collect all funds that are due to the Cooperative in the event of termination by Cooperative Member or breach of this Agreement by Cooperative Member.
 - b. The Cooperative Member will make timely payments to the vendor for the goods, materials and services received in accordance with the terms and conditions of the Invitation to Bid and related procurement documents. Payment for goods, materials and services and inspections and acceptance of goods, materials and services ordered by the procuring party shall be the exclusive obligation of the procuring Cooperative Member.
5. **Cooperative Reporting.** The Cooperative will provide periodic activity reports to the Cooperative Member. These reports may be modified from time to time as deemed appropriate by the Cooperative.
6. **Administration.** Cooperative Member will use the BuyBoard purchasing application in accordance with instruction from the Cooperative; discontinue use upon termination of participation; maintain confidentiality and prevent unauthorized use; maintain equipment, software and testing to operate the system at its own expense; report all purchase orders generated to Cooperative or its designee in accordance with instructions of the Cooperative; and make a final accounting to Cooperative upon termination of membership.
7. **Amendments.** The Board may amend this agreement, provided that notice is sent to each participant at least 60 days prior to the effective date of any change described in such amendment which, in the opinion of the Board, will have a material effect on the Cooperative Members participation in the Cooperative.

GENERAL PROVISIONS

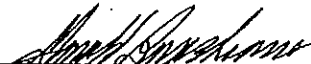
1. **Authorization to Participate.** Each Cooperative Member represents and warrants that its governing body has duly authorized its participation in the Cooperative.
2. **Bylaws.** The Cooperative Member agrees to abide by the Bylaws of the Cooperative, as they may be amended, and any and all reasonable policies and procedures established by the Cooperative.
3. **Compensation.** The parties agree that the payments under this Agreement and all related exhibits and documents are amounts that fairly compensate the Cooperative for the services or functions performed under the Agreement, and that the portion of gross sales paid by participating vendors enables the Cooperative to pay the necessary licensing fees, marketing costs, and related expenses required to operate a statewide system of electronic commerce for the local governments of Texas.
4. **Cooperation and Access.** The Cooperative Member agrees that it will cooperate in compliance with any reasonable requests for information and/or records made by the Cooperative. The Cooperative reserves the right to audit the relevant records of any Cooperative Member. Any breach of this Article shall be considered material and shall make the Agreement subject to termination on ten (10) days written notice to the Cooperative Member.

5. **Coordinator.** The Cooperative Member agrees to appoint a program coordinator who shall have express authority to represent and bind the Cooperative Member, and the Cooperative will not be required to contact any other individual regarding program matters. Any notice to or any agreements with the coordinator shall be binding upon the Cooperative Member. The Cooperative Member reserves the right to change the coordinator as needed by giving written notice to the Cooperative. Such notice is not effective until actually received by the Cooperative.
6. **Current Revenue.** The Cooperative Member hereby warrants that all payments, contributions, fees, and disbursements required of it hereunder shall be made from current revenues budgeted and available to the Cooperative Member.
7. **Defense and Prosecution of Claims.** The Cooperative Member authorizes the Cooperative to regulate the commencement, defense, intervention, or participation in a judicial, administrative, or other governmental proceeding or in an arbitration, mediation, or any other form of alternative dispute resolution, or other appearances of the Cooperative and/or any past or current Cooperative Member in any litigation, claim or dispute, and to engage counsel and appropriate experts, in the Cooperative's sole discretion, with respect to such litigation, claim or disputes. The Cooperative Member does hereby agree that any suit brought against the Cooperative or a Cooperative Member may be defended in the name of the Cooperative or the Member by the counsel selected by the Cooperative, in its sole discretion, or its designee, on behalf of and at the expense of the Cooperative as necessary for the prosecution or defense of any litigation. Full cooperation by the Cooperative Member shall be extended to supply any information needed or helpful in such prosecution or defense. Subject to specific revocation, the Cooperative Member hereby designates the Cooperative to act as a class representative on its behalf in matters arising out of this Agreement.
8. **Governance.** The Board of Trustees (Board) will govern the Cooperative in accordance with the Bylaws. Travis County, Texas will be the location for filing any dispute, claim or lawsuit.
9. **Limitations of Liability.** COOPERATIVE, ITS ENDORSERS (TEXAS ASSOCIATION OF SCHOOL BOARDS, TEXAS ASSOCIATION OF COUNTIES, AND TEXAS MUNICIPAL LEAGUE) AND SERVICING CONTRACTOR (TEXAS ASSOCIATION OF SCHOOL BOARDS) DO NOT WARRANT THAT THE OPERATION OR USE OF COOPERATIVE SERVICES WILL BE UNINTERRUPTED OR ERROR FREE. COOPERATIVE, ITS ENDORSERS AND SERVICING CONTRACTORS, HEREBY DISCLAIM ANY AND ALL WARRANTIES, EXPRESS OR IMPLIED, IN REGARD TO ANY INFORMATION, PRODUCT OR SERVICE FURNISHED UNDER THIS AGREEMENT, INCLUDING WITHOUT LIMITATION, ANY AND ALL IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. THE PARTIES AGREE THAT IN REGARD TO ANY AND ALL CAUSES OF ACTION ARISING OUT OF OR RELATING TO THIS AGREEMENT, NEITHER PARTY SHALL BE LIABLE TO THE OTHER UNDER ANY CIRCUMSTANCES FOR SPECIAL, INCIDENTAL, CONSEQUENTIAL, OR EXEMPLARY DAMAGES, EVEN IF IT HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.
10. **Merger.** This Interlocal Participation Agreement, Terms and Conditions, and General Provisions, together with the Bylaws, Organizational Interlocal Agreement, and Exhibits, represents the complete understanding of the Cooperative, and Cooperative Member electing to participate in the Cooperative.
11. **Notice.** Any written notice to the Cooperative shall be made by first class mail, postage prepaid, and delivered to the Associate Executive Director Financial Planning, Texas Association of School Boards, Inc., P.O. Box 400, Austin, Texas 78767-0400.
12. **Venue.** This Agreement shall be governed by and construed in accordance with the laws of the State of Texas, and venue shall lie in Travis County, Texas.
13. **Warranty.** By the execution and delivery of this Agreement, the undersigned individuals warrant that they have been duly authorized by all requisite administrative action required to enter into and perform the terms of this Agreement.

IN WITNESS WHEREOF, the parties, acting through their duly authorized representatives, sign this Agreement as of the date indicated.

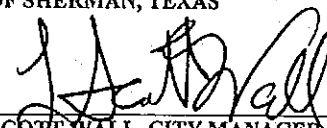
TO BE COMPLETED BY THE COOPERATIVE:

TEXAS LOCAL GOVERNMENT PURCHASING COOPERATIVE, as acting on behalf of all other Cooperative Members

By:  Date: 7-15-02
Gerald Brashears, Cooperative Administrator

TO BE COMPLETED BY COOPERATIVE MEMBER:

CITY OF SHERMAN, TEXAS

By:  Date: 5/28/2002
L. SCOTT WALL, CITY MANAGER

Coordinator for the Cooperative Member is:

Name: MARYANN WINKLER
Address: 405 N. RUSK STREET
SHERMAN, TEXAS 75090
Phone: (903) 892-7285
Fax: (903) 891-0255
Email: PURCH@TEXOMA.NET



City Council Regular Meeting

Agenda Item No. G.1.

Meeting Date: 11/4/2024

Prepared By: Wayne Lee, Director of Engineering

Approved By: Robby Hefton, City Manager

Caption:

CHANGE ORDER NO. 1

Approving the Greater Texoma Utility Authority's Intention to Approve Change Order No. 1 to Bid Package #3 to Elliot Electric Supply for the Wastewater Treatment Plant Electrical Distribution & Generator Project.

Issue:

To consider approval of the Greater Texoma Utility Authority's intention to approve Change Order No. 1 to Bid Package #3 to Elliot Electric Supply for the Wastewater Treatment Plant Electrical Distribution & Generator Project.

Background:

On September 18, 2023, the City Council approved the Greater Texoma Utility Authority's intention to award Bid Package #3 to Elliot Electric Supply for the Wastewater Treatment Plant Electrical Distribution and Generator project in the amount of \$1,288,515.00. This was for the pre-procurement of 16 pad mounted transformers necessary for the existing Post Oak Wastewater Treatment Plant (Post Oak WWTP) and the proposed new South MBR Plant to connect to a new proposed Medium Voltage (MV) loop.

It was brought to staff's attention that the specified copper-wound transformers will not be available until beyond the needed timeframe to bring the new South MBR Plant on-line. However, aluminum-wound transformer could be available in the needed timeframe. The proposed transformers will cost an additional \$136,451.80 and will come with a three year warranty instead of a two year warranty.

Origination:

Engineering Department

Financial Consideration:

Funding in the amount of \$136,451.80 is needed for this Change Order No. 1 and is a 10.6% increase in the original contract award. Funding is available in the GTUA 2023 Open Market Bond funds.

Staff Recommendation:

It is recommended that the Greater Texoma Utility Authority's intention to approve Change Order No. 1 to Bid Package #3 to Elliot Electric Supply for the Wastewater Treatment Plant Electrical Distribution & Generator Project be approved.

Alternatives:

As may be directed by the City Council

Attachments:

1. Change Order No. 1

Change Order

Date of Issuance: 10/24/2024

No. 001

Project: **Emergency Backup Generator & Paralleling Switchgear Pre-Procurement Project**

Project No.: 1514-U

Owner: **City of Sherman**

Date of Contract: May 20, 2024

Contractor: **Elliott Electric Supply**

The Contract Documents are modified as follows upon execution of this Change Order:

Description: Transformer winding change from aluminum to copper, extension of warranty from two to three years, deletion of two (2) 2500-kVa transformers, addition of four (4) 1500-kVa Transformers for the South WWTP-MBR plant.

Justification: Reduce lead time for transformers to meet project schedule, additional warranty for the material change, and modification of transformer sizes and quantities for revised design.

CHANGE IN CONTRACT PRICE:

Original Contract Price:

\$ 1,288,515.00

[Increase] [Decrease] from previously approved Change Orders No. 0 to No. 0:

\$ 0

Contract Price prior to this Change Order:

\$ 1,288,515.00

[Increase] [Decrease] of this Change Order:

\$ 136,451.80

Contract Price incorporating this Change

\$ 1,424,966.80

CHANGE IN CONTRACT TIMES:

Original Contract Times:

Substantial completion days: 365

Substantial completion date: May 20, 2024

[Increase] [Decrease] from previous Change Orders No. 0 to No. 0:

Substantial completion days: 0

Substantial completion date: 0

Contract Times prior to this Change Order:

Substantial completion days: 365

Substantial completion date: May 20, 2024

[Increase] [Decrease] of this Change Order:

Substantial completion days: 0

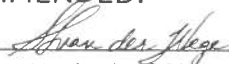
Substantial completion date: May 20, 2024

Contract Times with all approved Change Orders:

Substantial completion days: 365

Substantial completion date: May 20, 2024

RECOMMENDED:

By: 
Engineer (Authorized Signature)

Date: 10/24/2024

ACCEPTED:

By: _____
Owner (Authorized Signature)

Date: _____

ACCEPTED:

By: _____
GTUA (Authorized Signature)

Date: _____

ACCEPTED:

By: 
Contractor (Authorized Signature)

Date: _____



PLUMMER

PROPOSED CONTRACT MODIFICATION

PROJECT: POWWTP 12.5-kV Distribution System
OWNER: City of Sherman, TX
CONTRACTOR: Elliott Electric
ENGINEER: Plummer Associates, Inc.

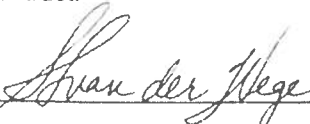
PROJ. NO. 1422-003-01

DESCRIPTION: Transformer winding change from copper to aluminum NO. 001

NOTIFICATION BY ENGINEER

The Engineer proposes to make the additions, modifications, or deletions to the Work described in the Contract Documents, as shown in Attachment "A" and requests that you take the following action:

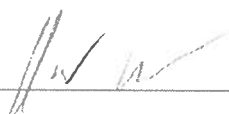
- ☐ Notify us that you concur that this change does not require a change in Contract time or amount and issue a Field Order.
- ☐ Issue a Change Order for performing the described change. Change in Contract amount to be indicated in a detailed cost breakdown associated with this change. Impacts on Contract/Delivery Time are also to be provided.
- ☐ Authorize the Contractor to proceed with the described change. Payment will be requested at the unit price bid.
- ☐ Authorize the Contractor to proceed with the change under the time and materials provisions of the Contract.

By:  Date: 10/17/2024

CONTRACTOR/SUPPLIER'S RESPONSE

We respond to your request as follows:

- ☐ We concur that this is a no cost or time change. See attached/forthcoming Field Order No. / comments.
- ☒ Your proposal is recommended to the Owner. See attached/forthcoming proposed Change Order.
- ☐ Proceed with the change at the unit price bid.
- ☐ Proceed with the change under the time and materials provisions of the Contract.
- ☐ Additional information is required to evaluate this request. Provide information as described in the attached comments and resubmit.
- ☐ Proposed Contract Modification is not accepted.

By:  Date: 10/24/24



PLUMMER

CONTRACT MODIFICATION REQUEST

Supplier to make the following modifications:

1. Specification Section 26 12 19, Part 1.9, A, 1; change "two (2)" to "three (3)."
2. Specification Section 26 12 19, Part 2.3, D; change "aluminum" to "copper."
3. Drawing E-008. Delete two (2) 2500-kva transformers.
4. Drawing E-008, add four (4) 1500-kva transformers.



ELLIOTT ELECTRIC SUPPLY

Change Order 001

Date: 10/23/2024	Subtotal Cost: \$ 136,451.80	Shipping _____
Customer: JST	Estimated Freight:	Address: _____
Project: Oak WWTP- Trans	Total Cost: \$ 136,451.80	Shipping Method: ☐ Standard
Cust. PO:	Approval Signature: _____	☐ Next Day ☐ Two Day ☐ Other
Elliott BO: 18-95690		
This material will not be entered without this signed change order. Customer will be charged freight unless vendor minimums are met or special freight is requested.		

Items					
Quantity	Type	Catalog Number	Leadtime	Unit Price	Extended Price
1	Adder	Drawing E-008 Delete (2) 2500 kva Xfmr			Special Pricing
		Drawing E-008 Add (4) 1500 kva fmr			



City Council Regular Meeting

Agenda Item No. H.1.

Meeting Date: 11/4/2024

Prepared By: Rob Rae, Developmental Services Director

Approved By: Robby Hefton, City Manager

Caption:

OTHER BUSINESS

1323 SOUTH CROCKETT STREET (Project No. 24-004615) (APPEAL FROM HISTORICAL PRESERVATION BOARD 10/1/2024)

The request of Jacqueline Moore (Owner), Joe Hall (Representative) and Helvey-Wagner Surveying, Inc.(Surveyor) concerning the property at 1323 South Crockett Street, consisting of 0.236 acres, being a part of the Samuel Blagg Survey, Abstract No. 56, being a part of Lot 62, of M.B. Moore's Addition

Issue:

Appeal the decision of the Historical Preservation Board for a Certificate of Appropriateness at 1323 S. Crockett Street, to allow a 4' wood decorative fence in the Heritage Row Historical District.

Background:

The property is located at 1323 S. Crockett Street near the intersection of West Martin Lane and South Crockett Street and is zoned R-6 (Single Family Residential) District located in Heritage Row, Sherman's Historic Preservation District.

The property was brought to the attention of city staff following an inspection of the property and determining that no building permits were requested for the construction of a fence located at 1323 S. Crockett Street, located within the Heritage Row Historical District. A red tag was issued and the property owner and contractor were instructed to get a building permit or to remove the fence. The contractor applied for a fence permit on 8/12/2024.

Following the request for a fence permit, it was determined that the fence would need a Certificate of Appropriateness issued by the Historical Preservation Board.

According to the Heritage Row Historical District regulations, the following applies: "New construction and existing buildings and structures and appurtenances thereof coming under this article which are moved, reconstructed, material altered, repaired or changed in color shall be visually compatible with other buildings to which they are visually related generally in terms of the factors set out in this division." (Subsection 1.10.061)

"Appurtenances of a building such as walls, wrought iron, fences, evergreen landscape masses and building facades shall, if necessary, form cohesive walls of enclosure along a street to insure visual compatibility of the building to the other buildings to which it is visually related." (Subsection 1.10.070)

On October 1, 2024 a Historical Preservation Board meeting was held to hear the request for a Certificate of Appropriateness to allow a 4' wood decorative fence in the Heritage Row Historical District.

The board voted 3/0 to allow the fence but it be no taller than 36 inches and painted black or white.

The following has been approved for this location:

- 10/27/2004 - Certificate of Appropriateness for a 30'x30' carport constructed of wood, being the same color and roof as house with entry from the alley

Origination:

Request to appeal from Owner Jacqueline Moore

Financial Consideration:

None

Staff Recommendation:

At the October 1, 2024 special called meeting, the Historical Preservation Board voted 3/0 to approve the Certificate of Appropriateness to allow a fence in the front yard no taller than 36 inches being painted black or white. **Staff recommended that the Historical Preservation Board deny this Certificate of Appropriateness as the proposed fence is not visually compatible with other buildings to which they are visually related.**

Alternatives:

The City Council could deny the request.

Attachments:

1. 1323 S Crockett St - approval
2. Request to Appeal to City Council
3. Historical Board Communication Form
4. Location Map
5. Zoning Map
6. Improvement Survey
7. Narrative
8. Site Plan
9. Elevation Example
10. Current Fence Photos
11. MyGov Permit Overview with Comments

October 24, 2024

Delivered Via Email

Joseph Hall
Email: joehall.nh@gmail.com
2036 FM 1897
Bells, TX 75414

Jacqueline Moore
Email: jmhockey9@gmail.com
1323 South Crockett Street
Sherman, TX 75090

Dear Applicant,

As you are aware, the Historical Preservation Board in a regular meeting, October 1, 2024, granted the following request(s) for the property located at 1323 South Crockett Street:

Fence in the front yard no taller than 36" with wood painted black or white on both side of the fence.

The fence will need to have not less than 50% openings, and the transition will need to be moved behind the front of the home. The next step for your Fence Permit would be to schedule a Stringline Inspection on our MyGov permit.

If further information or clarification is needed, please feel free to contact me.

Respectfully,



Rob Rae
Director of Development Services

Rae, Rob

From: RobR@cityofsherman.com
Subject: FW: Request for Appeal to City Council
Attachments: 1323 S Crockett St - approval.pdf

From: Jacqueline Moore <jmhockey9@gmail.com>
Sent: Thursday, October 24, 2024 11:19 AM
To: Fine, Teri <terif@cityofsherman.com>
Cc: Louise Moore <ljmjcp@yahoo.com>
Subject: Request for Appeal to City Council

EXTERNAL EMAIL: -- Avoid clicking on links or files -- Be safe!

Happy Thursday, Miss Teri-

I met with a couple ladies from the city this morning regarding the attached approval letter from the Heritage Board. They were able to direct me to you, for filing an appeal to City Council for my fence on Heritage Row, located at 1323 S Crockett St.

At this time, I am formally requesting this appeal to City Council. Would you be able to assist me with scheduling a meeting, as well as let me know what facts/data/information you will require from me?

Please advise.

Thank you for your attention to this matter.

Jacqueline Moore
310.738.4100



Planning & Zoning Commission Historical Preservation Board

Agenda Item No. 3.

Meeting Date: 10/1/2024

Prepared By: Lauren Marlow, Development Service Coordinator

Approved By: Rob Rae, Developmental Services Director

Requested Action/Proposed Use:

1323 SOUTH CROCKETT STREET (Project No. 24-004615)

The request of Jacqueline Moore (Owner), Joe Hall (Representative) and Helvey-Wagner Surveying, Inc. (Surveyor) concerning the property at 1323 South Crockett Street, consisting of 0.236 acres, being a part of the Samuel Blagg Survey, Abstract No. 56, being a part of Lot 62, of M.B. Moore's Addition, as follows:

Historical Preservation Board

Request for a Certificate of Appropriateness to allow a 4' wood decorative fence in the Heritage Row Historical District.

Background:

The property is located at 1323 South Crockett Street near the intersection of West Martin Lane and South Crockett Street and is zoned R-6 (Single Family Residential) District located in Heritage Row, Sherman's Historic Preservation District.

According to the Heritage Row Historical District regulations, the following applies:

"New construction and existing buildings and structures and appurtenances thereof coming under this article which are moved, reconstructed, material altered, repaired or changed in color shall be visually compatible with other buildings to which they are visually related generally in terms of the factors set out in this division." (Subsection 1.10.061)

"Appurtenances of a building such as walls, wrought iron, fences, evergreen landscape masses and building facades shall, if necessary, form cohesive walls of enclosure along a street to insure visual compatibility of the building to the other buildings to which it is visually related." (Subsection 1.10.070)

The following has been approved for this location:

- 10/27/2004 - Certificate of Appropriateness for a 30'x30' carport constructed of wood, being the same color and roof as house with entry from the alley.

Origination:

Jacqueline Moore (Owner)

Joe Hall (Representative)

Helvey-Wagner Surveying, Inc. (Surveyor)

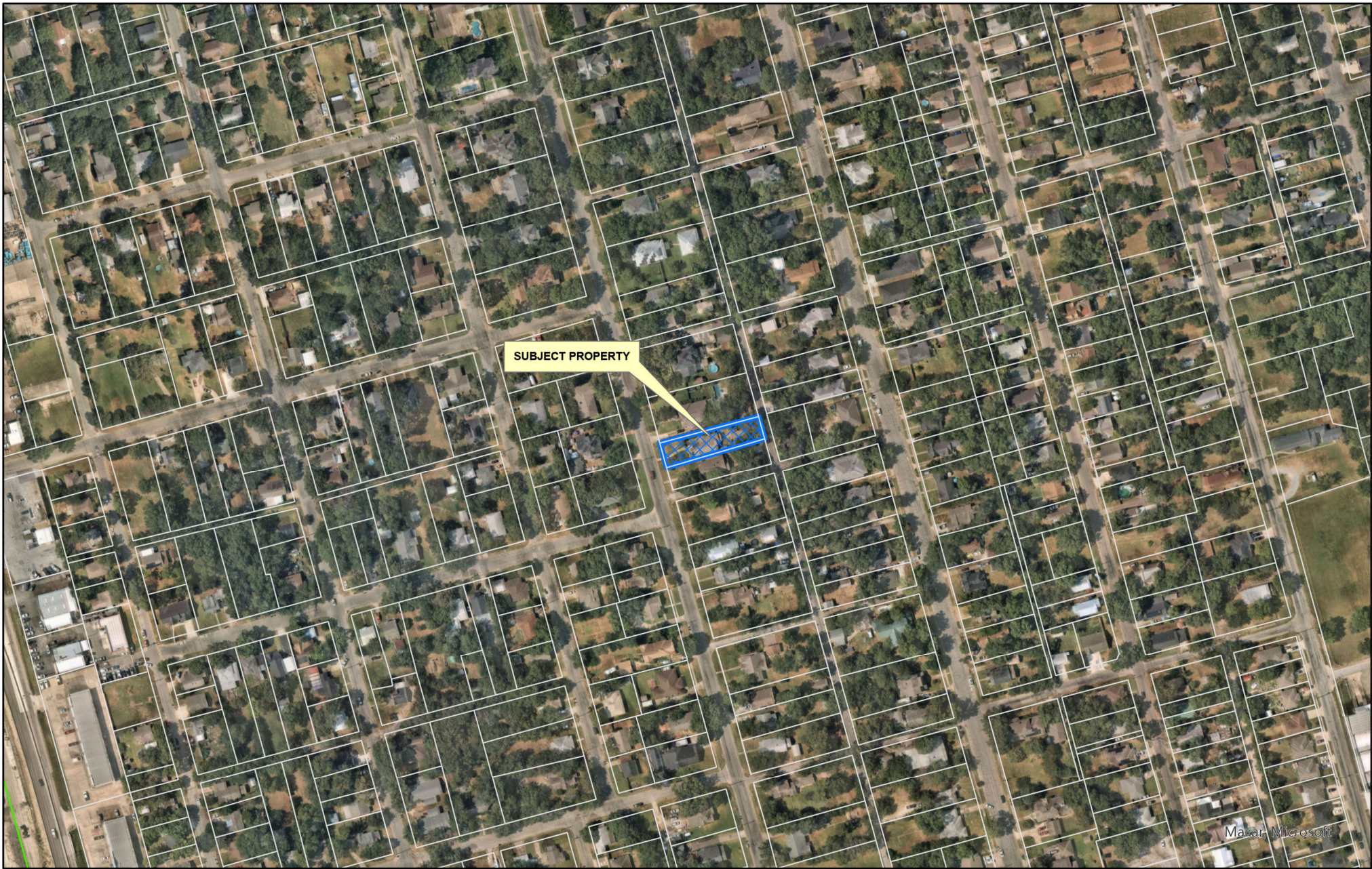
Staff Recommendation:

Staff recommends that the Historical Preservation Board deny this Certificate of Appropriateness as the proposed fence is not visually compatible with other buildings to which they are visually related.

Attachments:

1. Location Map
2. Zoning Map
3. Improvement Survey
4. Narrative
5. Site Plan
6. Elevation Example
7. Current Fence Photos
8. MyGov Permit Overview with Comments

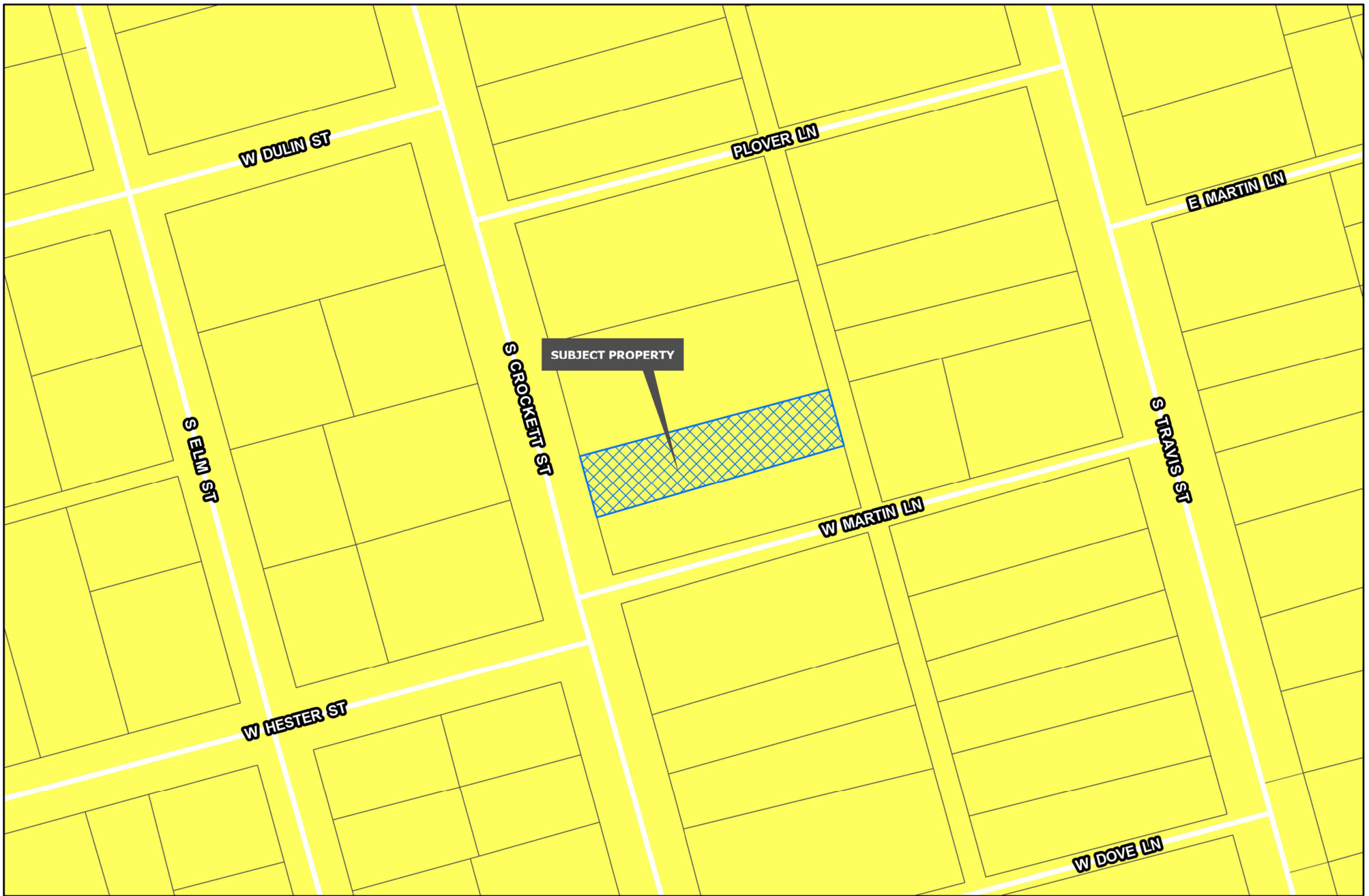
diagrone H:\PLANNING\Public Notification K.T.aprx



City of Sherman, Texas
Development Services Department

CITY OF SHERMAN
LOCATION MAP
1323 S CROCKETT ST



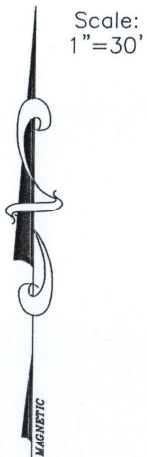


Development Services
Department

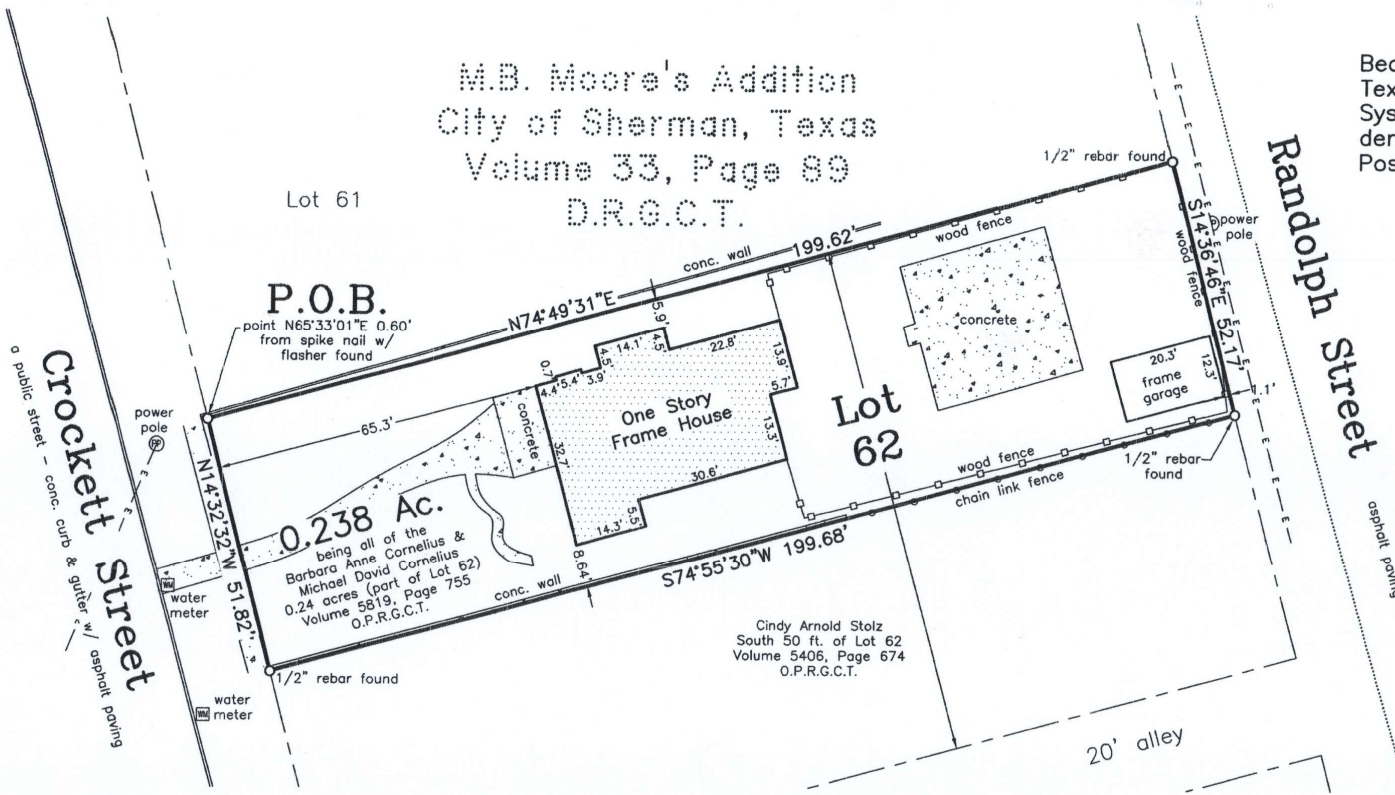
R-A Residential Agricultural	MF-15 Multi-Family Residential	M-1.5 Medium Manufacturing
R-E Estate Residential	MF-30 Multi-Family Residential	M-2 Heavy Manufacturing
R-12 Single Family Residential	MH Manufactured Housing	PD Planned Development
R-6 Single Family Residential	C-N Neighborhood Commercial	Road Names All
R-5 Single Family Residential	C-O Office	Planning & Zoning
R-4 Patio Home Residential	C-1 Retail Business	
R-2F Duplex Residential	C-2 General Commercial	
R-TH Townhome Residential	M-1 Light Manufacturing	

CITY OF SHERMAN
ZONING MAP
1323 S CROCKETT ST





Scale:
1"=30'



Bearing Base: Grid North, NAD83
Texas State Plane Coordinate
System, North Central Zone, as
derived by survey-grade Global
Positioning System.

Owner: Barbara Anne Cornelius &
Michael David Cornelius
Buyer: Jacqueline Moore
Address: 1323 S. Crockett Street
Sherman, Texas

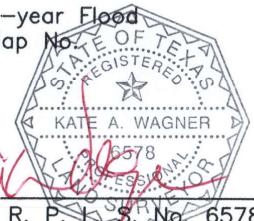
I, Kate A. Wagner, Registered Professional Land Surveyor, do hereby certify that a survey was performed on the ground of the property shown hereinabove and that this survey complies with the current Texas Society of Professional Surveyors Manual of Practice for a Category 1A, Condition 2, TSPS Land Title Survey and is a true and correct representation of the property shown hereon. Field Notes attached hereto.

The subject property shown hereon does not lie within the limits of any designated 100-year Flood Hazard Areas, as shown on the "FEMA" Flood Insurance Rate Map for Grayson County, Texas, Map No. 48181C0405 F, Revised Date: September 29, 2010.

Job No. BGS110320

Helvey-Wagner Surveying, Inc.
222 W. Main St., Denison, Texas 75020
Ph (903) 463-6191 Fax (903) 463-4088
Email: kate@helveywagnersurvey.net
Texas Board of Professional Land Surveying
Firm Registration No. 10088100

This survey is for the sole benefit of the transaction by and between: the owner and buyer stated at left, Property Home Mortgage, LLC and Red River Title Company and is null and void for any other transaction. Any unauthorized use of this survey without the sole consent of the undersigned surveyor will infringe upon state and federal copyright statutes. Any violation of said statutes will be aggressively pursued.



Kate A. Wagner, R. P. L. S., No. 6578
Copyright Date: March 5, 2020

Helvey-Wagner Surveying, Inc.

222 West Main Street · Denison, Texas 75020
Ph: (903) 463-6191 · Fax: (903) 463-4088 · Email: kate@helveywagnersurvey.net
TBPLS Firm Registration No. 10088100

Billy F. Helvey, RPLS No. 4488 – Kate A. Wagner, RPLS No. 6578

FIELD NOTES 0.238 Acres

SITUATED in the City of Sherman, County of Grayson, State of Texas, being a part of the Samuel Blagg Survey, Abstract No. 56, being a part of Lot 62, of M.B. Moore's Addition to the City of Sherman, Texas, as shown by plat recorded in Volume 33, Page 89, Deed Records, Grayson County, Texas and being the same 0.24 acre tract of land conveyed by Warranty Deed from Randi L. Tangelen to Barbara Anne Cornelius and Michael David Cornelius on June 8, 2016, as recorded in Volume 5819, Volume 755, Official Public Records, Grayson County, Texas and being more particularly described by metes and bounds as follows, to-wit:

BEGINNING at a point at in the East line of Crockett Street, a public street, at the Northwest corner of both said Lot 62 and Cornelius 0.24 ac. and the Southwest corner of Lot 61, said M.B. Moore's Addition, **SAID** point bears North 65 deg. 33 min. 01 sec. East, 0.60 ft. from a spike nail with flasher found;

THENCE North 74 deg. 49 min. 31 sec. East, with the South line of said Lot 61 and the North line of both said Lot 62 and Cornelius 0.24 ac., a distance of 199.62 ft. to a 1/2 inch rebar found in the West line of Randolph Street, a public street, at the Southeast corner of said Lot 61 and the Northeast corner of both said Lot 62 and Cornelius 0.24 ac.;

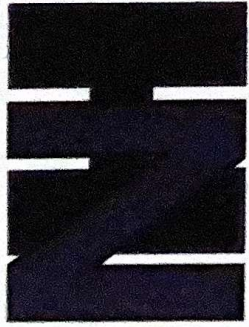
THENCE South 14 deg. 36 min. 46 sec. East, with the West line of said Randolph Street and the East line of said Lot 62, a distance of 52.17 ft. to a 1/2 inch rebar found at the Southeast corner of said Cornelius 0.24 ac.;

THENCE South 74 deg. 55 min. 30 sec. West, over and across said Lot 62, with the South line of said Cornelius 0.24 ac., a distance of 199.68 ft. to a 1/2 inch rebar found in the East line of said Crockett Street and the West line of said Lot 62, at the Southwest corner of said Cornelius 0.24 ac.

THENCE North 14 deg. 32 min. 32 sec. West, with the East line of said Crockett Street and the West line of said Lot 62, a distance of 51.82 ft. to the **PLACE OF BEGINNING** and containing **0.238 ACRES** of land.




Kate A. Wagner, R.P.L.S. No. 6578
March 3, 2020

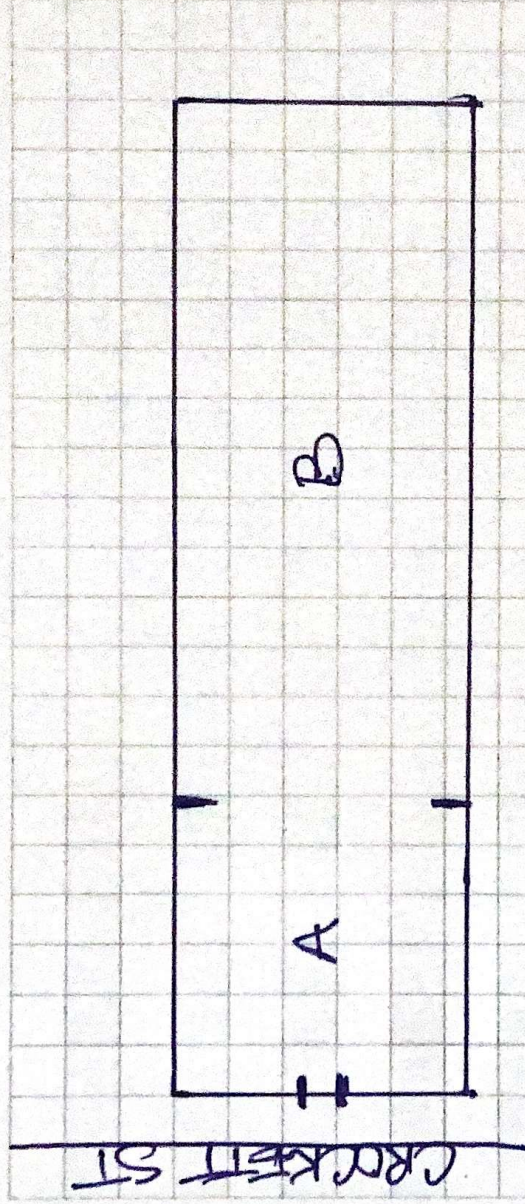


**NEW HEIGHTS
CONSTRUCTION**

JOSEPH HALL
903.718.1774

Property Owner:
Jacqueline Moore

Address:
1323 S. Crockett Street
Sherman, Texas 75090



SECTION A: FRONT YARD (4 ft. Pine board
50% open, horizontal design)

SECTION B: BACK YARD (8 ft. Pine board
on board privacy fence)

- Fence material will be Pine Wood with
Stain by Ready Seal in Color Pecan

The property owner, Ms. Moore, hired me to remove a 6 ft. Privacy fence in the back yard and replace it with an 8 ft. Privacy fence constructed out of Pine and stained using Ready Seal Stain in color Pine. In addition to the backyard fence I will also be installing a 4 foot decorative fence in the front yard. Please see the attached photos of examples that will give a good idea as to the end result for the project. Again this property is located on 1323 S. Crockett Street Sherman Texas 75090. The estimated time to complete will be no more than 5 days (weather permitting).

Paulph Street
small parking

20' alley

Cindy Arnold Stolz
South 50 ft. of Lot 62
Volume 5406, Page 674
O.P.R.G.C.T.

being all of the
Barbara Anne Cornelius &
Michael David Cornelius
0.24 acres (part of Lot 62)
Volume 5819, Page 755
O.P.R.G.C.T.

Lot 62

One Story
Frame House

P.O.B.
point N65°33'01"E 0.60'
from spike nail w/
flasher found

M.B. Moore's Addition
City of Sherman, Texas
Volume 33, Page 89
O.P.R.G.C.T.

Cornelius &
Cornelius

Crockett Street

public street - concrete curb & gutter w/ asphalt paving

water meter

water meter

power pole

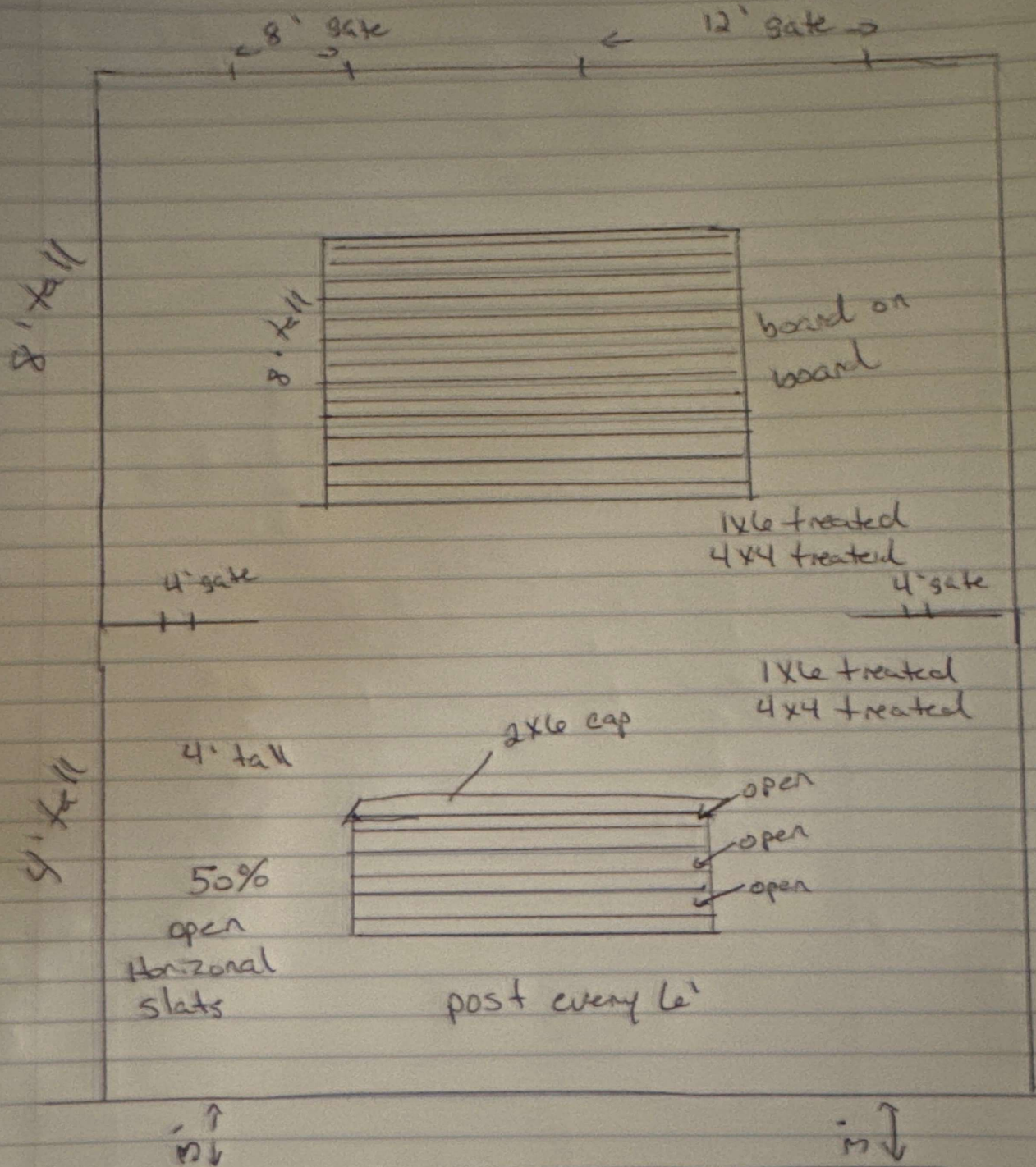
1/2" rebar found

N14°32'32"W 51.82'

Lot 61

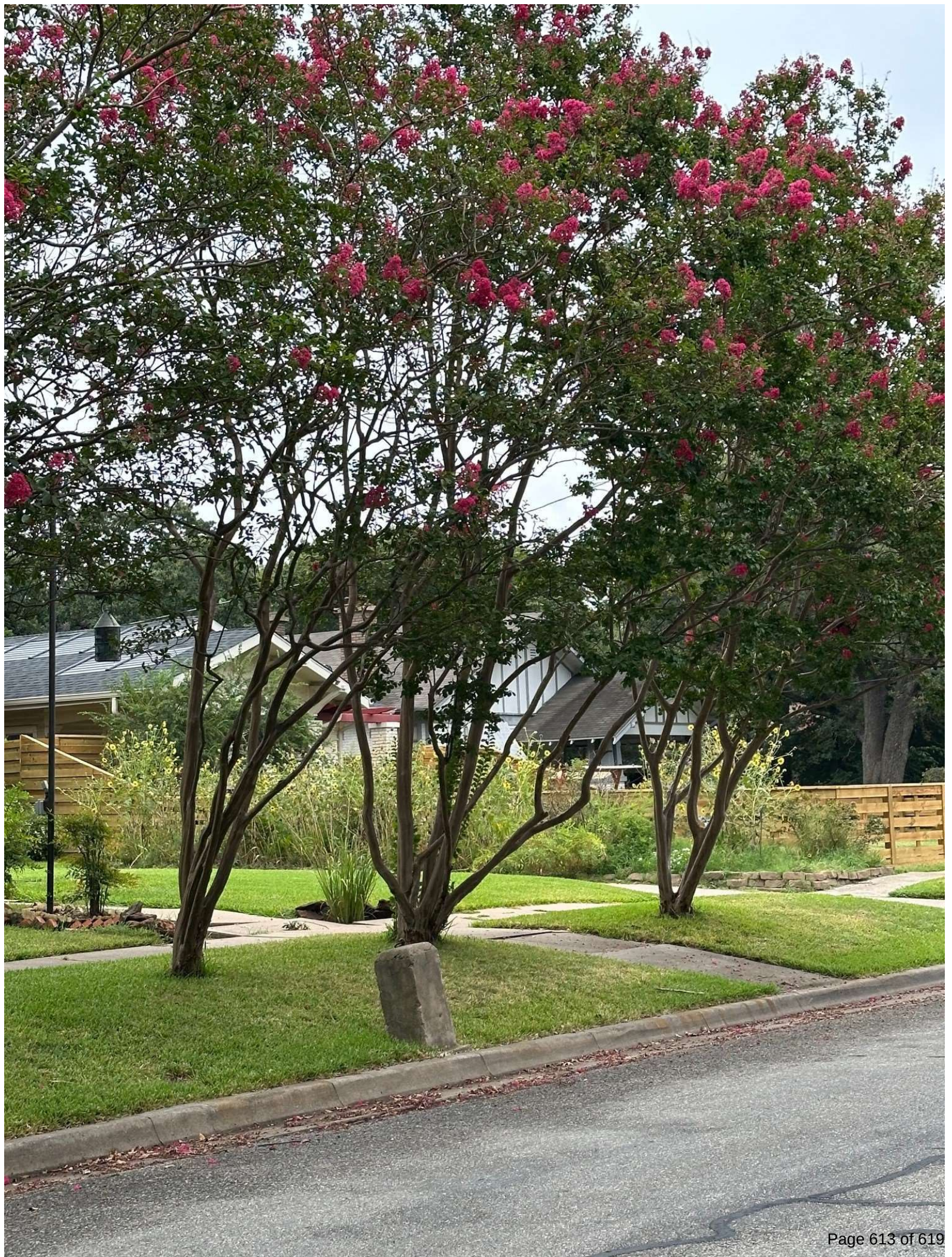
4' tall in front
8' tall in back

1323 Crockett
Sherman Tx 75092









PROJECT OVERVIEW

Project Type: Fence Permit Online | Project Title: Fence Permit Online

ID # 24-004162 | Started 08/12/2024 at 12:18 PM



Address

1323 S CROCKETT St, Sherman, TX USA

Legal

Moore M B Addn, Lot N/2 62, Acres .2296

Description

Remove existing fence and install new one

PROPERTY DETAILS

Property ID 166250

CONTACTS	CONTACT INFO	ADDRESS	CREDENTIALS	ROLE
Jacqueline M Moore	-	1323 S Crockett St Sherman, TX 75090	-	Property Owner
Josep Hall		2036 fm 1897 Bells, TX 75414	-	APPLICANT

PROJECT STEPS	DATE & TIME	RESULT	USER
Application Request	08/12/2024 at 12:18 PM	Accept	-
Misc Permit Application Review	08/16/2024 at 2:30 PM	Reviewed	Cynthia Saenz
Payment Due Permit	08/16/2024 at 3:11 PM	Paid	Caleb Green
Print Permit	-	-	-
Stringline Inspection	-	-	-
Archive	-	-	-

INVOICES	DUE DATE	CONTACT	TOTAL	PAID	DUE																									
24-005735	09/15/2024	Josep Hall	\$ 325.00	\$ 325.00	\$ 0.00																									
<table><tr><th>Fees</th><th>Account No</th><th>Total</th><th>Paid</th><th>Due</th></tr><tr><td>Fence Permit Fee</td><td>100-2127-64101</td><td>\$ 75.00</td><td>\$ 75.00</td><td>\$ 0.00</td></tr><tr><td>Work Prior to Permit Issuance (in addition to permit fees)</td><td>100-2127-64112</td><td>\$ 250.00</td><td>\$ 250.00</td><td>\$ 0.00</td></tr><tr><td colspan="5">Receipts</td></tr><tr><td colspan="5">24-005210</td></tr></table>						Fees	Account No	Total	Paid	Due	Fence Permit Fee	100-2127-64101	\$ 75.00	\$ 75.00	\$ 0.00	Work Prior to Permit Issuance (in addition to permit fees)	100-2127-64112	\$ 250.00	\$ 250.00	\$ 0.00	Receipts					24-005210				
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Receipts																														
24-005210																														
TOTALS			\$ 325.00	\$ 325.00	\$ 0.00																									

GENERAL COMMENTS

 **Cynthia Saenz**, *Permits & Inspections, Aug 14, 2024 at 2:21 PM*

Please upload plans showing how high the fence will be and what type of material it will be made of (i.e. iron or wood). Additionally, this home is in the historic district and the Building Official must review the plans to ensure that you are in compliance with the materials and how the fence can be constructed in this district. Until all information has been received, we cannot process this permit.

Cynthia Saenz

 **Cynthia Saenz**, *Permits & Inspections, Aug 14, 2024 at 2:23 PM*

A working without a permit fee has been assessed per the Building Official.

Cynthia Saenz

 **Joseph Hall**, *Aug 15, 2024 at 10:20 AM*

I am wanting to get a permit to build a fence in the front and back yard at 1323 Crockett st. I will be building the front and back with treated wood and the front will be 4' tall and the back 8' tall. Please let me know what I need to do. The front will be 50% open and the back board on board

 **Cynthia Saenz**, *Permits & Inspections, Aug 16, 2024 at 3:43 PM*

Please upload plans showing how high the fence will be and what type of material it will be made of (i.e. iron or wood). Additionally, this home is in the historic district and the Building Official must review the plans to ensure that you are in compliance with the materials and how the fence can be constructed in this district. Until all information has been received, we cannot process this permit. No work can be started until this is received.

Cynthia Saenz

 **Cynthia Saenz**, *Permits & Inspections, Aug 26, 2024 at 9:57 AM*

Please upload plans showing how high the fence will be and what type of material it will be made of (i.e. iron or wood). Additionally, this home is in the historic district and the Building Official must review the plans to ensure that you are in compliance with the materials and how the fence can be constructed in this district. Until all information has been received, we cannot process this permit. No work can be started until this is received.

Cynthia Saenz



City Council Regular Meeting

Agenda Item No. H.2.

Meeting Date: 11/4/2024

Prepared By: Tom Pruitt, Utility Engineer

Approved By: Robby Hefton, City Manager

Caption:

Other Business

Reject all Bids for the Construction of the Wastewater Treatment Plant 12.5kV Distribution System (MV Loop Project)

Issue:

The Post Oak Wastewater Treatment Plant – Medium Voltage Loop Project was let for construction to install a medium voltage loop electrical system to include pre-procured transformers, emergency generators, and switchgear.

One bid was received that was considered non-responsive for lack of acknowledgment of addenda.

Background:

The overall project is to replace and provide new electrical power and an emergency backup for the Post Oak Wastewater Treatment Plant. Due to the long-lead time of various electrical components, many material items were pre-procured to save time when construction nears. It was decided to install a new higher-power electrical system that drops to lower voltage at treatment units. This method was found to be the optimal method to meet all the power needs of the plant while preparing for the future plant as well.

The new power delivery system will replace the old wastewater treatment plant electrical system and provide the Council-directed emergency backup power generators to the existing overhead power.

Origination:

City of Sherman Engineering Department

Financial Consideration:

The project will be re-bid and will be funded in part from the proceeds from the GTUA 2023 OM Bond funds.

Staff Recommendation:

It is recommended that the one bid received is rejected for the Wastewater Treatment Plant 12.5-kV Distribution System (MV Loop Project)

Alternatives:

As directed by Council

Attachments:

None

2024 Council Calendar

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	Holiday
	Holiday for Firefighters/Police Only
	City Council Regular Meeting
	Special Called Meeting
	Budget Workshop
	Cancelled City Council Meeting

CALLED MEETINGS	
4/19/2024	Budget Planning Meeting
5/23/2024	CIP Work Session
6/26/2024	Budget Workshop
9/23/2024	Called Meeting - Canvas Election

Council Calendar

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[illegible]