

**CITY OF SHERMAN
CITY COUNCIL CALLED MEETING AGENDA
COMMUNITY ROOM OF THE SHERMAN POLICE DEPARTMENT HEADQUARTERS
2600 W. TRAVIS
SHERMAN, TEXAS
THURSDAY, MAY 22, 2025
11:00 AM**

A.1. CALL TO ORDER, QUORUM DETERMINED, MEETING DECLARED OPEN

A.2. PLEDGE OF ALLEGIANCE AND INVOCATION LED BY COUNCIL MEMBER JOSH STEVENSON

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.

Capital Improvement Work Session

C.1. CAPITAL IMPROVEMENT PROGRAM UPDATE AND COUNCIL INPUT

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:

E.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.

E.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.

E.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.

E.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

E.5. TEX. GOV'T CODE § 551.076

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

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

E.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.

E.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

Adjournment

CERTIFICATION

I, the undersigned authority, do hereby certify that the above Notice of Called 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) of said City of Sherman, Texas, a place convenient to the public, and said notice was posted on Friday, May 16 2025 at 4.59 p.m., and said time of posting was 72 hours before said meeting was convened or called to order.

Dated this 16th day of May 2025. 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

Shawn C.
Teamann

Deputy Mayor

Juston Dobbs

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

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



SHERMAN CITY COUNCIL
Agenda Communication Form

City Council Called Meeting

Agenda Item No. C.1.

Meeting Date: 5/22/2025

Prepared By:

Approved By:

Caption:

CAPITAL IMPROVEMENT PROGRAM UPDATE AND COUNCIL INPUT

CIP Presentation

Issue:

Background:

Capital Improvement Program:

Origination:

Financial Consideration:

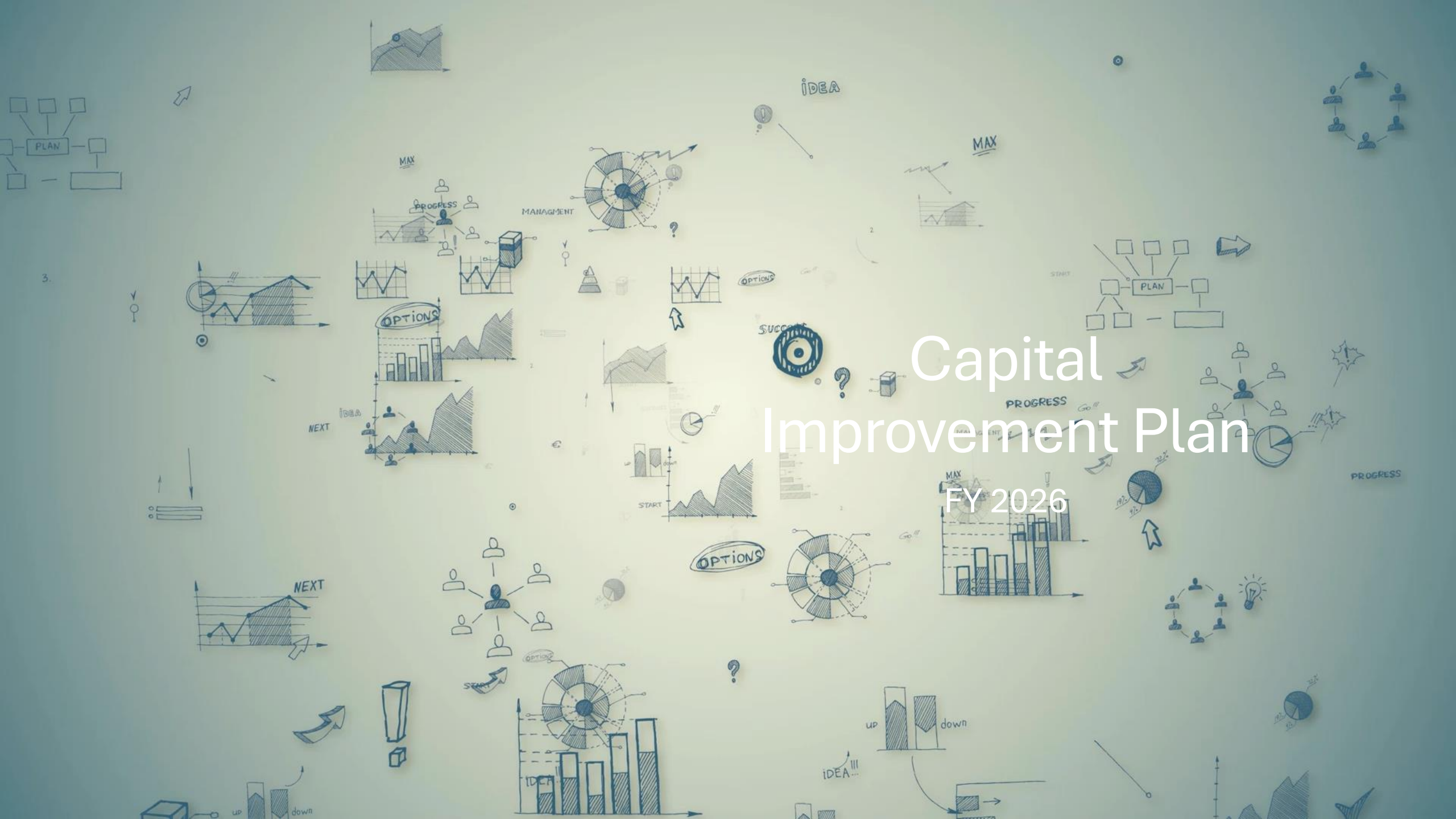
Staff Recommendation:

Alternatives:

Attachments:

1. 2025-26 CIP Master Slide Deck

Capital Improvement Plan FY 2026



Agenda

- CIP Workplan, Focus, Approach, Challenges Zachary
- Projects
 - Transportation Clint
 - Utility System Clint
 - Facilities Wes
 - Parks Justin
- Taxes, Bonds and Upcoming Projects Mary and Zachary

General Fund (Tax-supported debt) CIP Focus – FY26

Road Infrastructure

- Master planned developments – Heritage Ranch, Crossroads
- Thoroughfares – Lamberth/Friendship
- Existing Streets – Cherry, N Travis, Taylor (Any additional next year)
- **FM1417 ROW**

Facilities

- Station 3 renovation
- Station 5 relocation (land acquisition, design) FY25/FY26, Construction FY27
- Public Works campus
 - Service Center (land acquisition, design) FY25, Construction FY27
 - Streets, Utilities Distribution, Solid Waste
- Police – Gun Range

Utility Fund CIP Focus – Focus on Maintaining Existing System

Water Plant/Lake Pump Station

- Finish conventional EDR membrane upgrades (recaptures 2.5mgd) – Fall 2025

Wellfields

- Rehab existing wells/pump stations to maximize output

Wastewater Plant

- Finish new MBR plant (adds 4mgd per phase) – 85% Complete
- Continue rehab existing conventional plant as needed – in progress
- Solids Handling Facility

Distribution

- Rehab existing sanitary sewer distribution system– lines, lift stations – Replace Old with New

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, replace old
 - Let development pay for development - Impact Fee, 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 (We know more now than we did 12 months ago).



Approach to Managing CIP Financing Plan



Maintain adequate fund balances (75 - 90 days)?



Predictable and prescribed rate increases



How do tax rates and utility rates compare to peers?

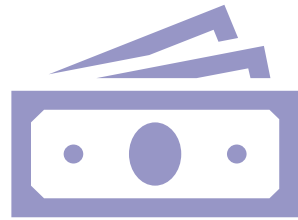


Mid-term focus on **financial sustainability**

Building bigger reserves now in prep for FY26-FY30

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
- Impact fees



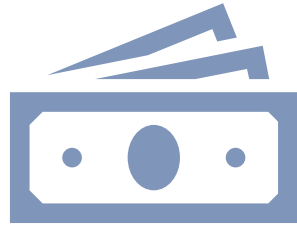
Utilities – Water and Sewer Revenues

Rates

Volume increases from existing &/or new customers

Impact Fees

Biggest Challenges



General CIP

Rising costs – Infrastructure / Material Cost



Utilities

Timing of volume increases vs. debt service timing

The wave of Capacity related projects is behind us

Focusing on timing and cost of future projects

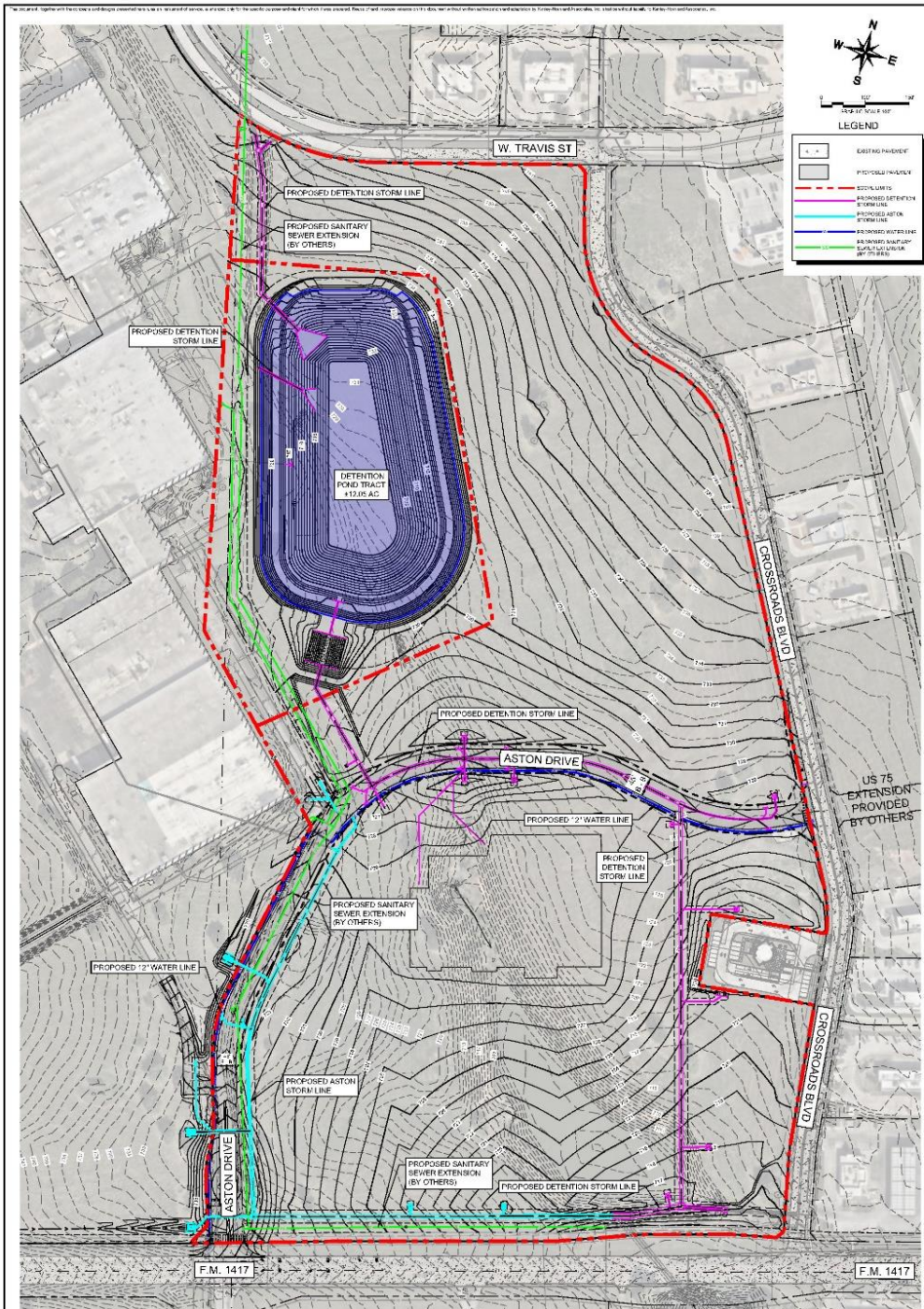
- Volume verification, usages and revenues
- Delaying capacity related projects for the next few years
- Phase II agreements

A black and white photograph of a dense urban building facade. The image shows multiple stories of brick and stone buildings with numerous windows. On the left side, there is a complex network of scaffolding or power lines. A street lamp is visible at the bottom right. The overall scene is a high-angle, slightly tilted view of a city street.

DOWNTOWN
NOT TODAY
BUDGET WORKSHOP



**CURRENTLY FUNDED
STREET PROJECTS**



CROSSROADS IMPROVEMENTS

- 2,010 linear feet 12-inch water line
- 7.28 acre detention pond
- 4,020 linear feet of storm sewer pipe
- 2,430 linear feet of storm sewer pipe
- 2,200 linear feet of a 45' wide concrete roadway
- traffic signalization of the FM 1417
- Off-site mitigation measures

Design 90% Complete
 Construction Fall 2025 (2 year schedule)
 \$11.5m

Description

Interurban Parkway: Construct 7,850' of the west two lanes of the ultimate 4 lane Boulevard

Design (CP&Y)

- Cost \$520,000 - Complete

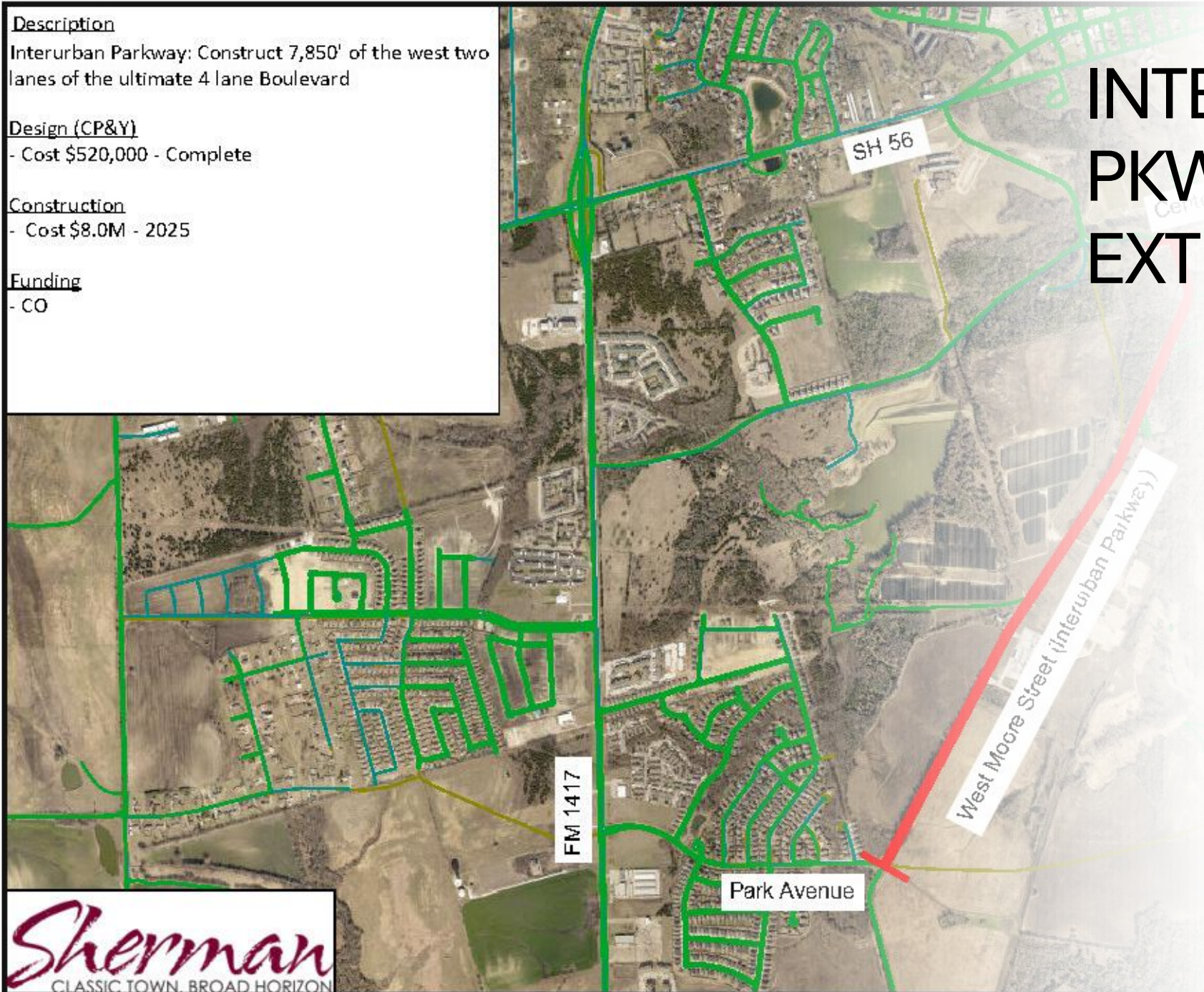
Construction

- Cost \$8.0M - 2025

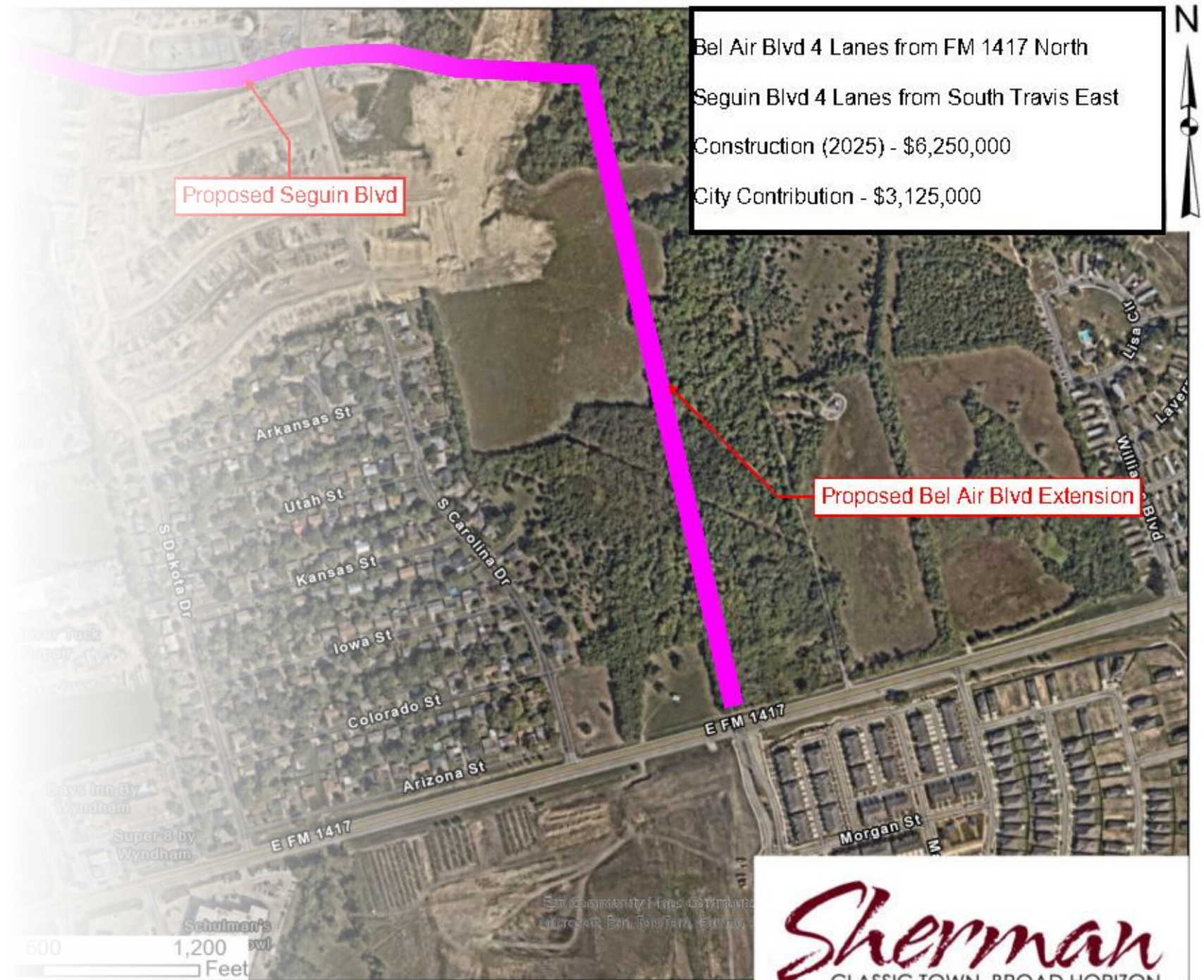
Funding

- CO

INTERURBAN PKWY EXTENSION



Travis Heights



Lamberth Rd Phase 2 Drainage

Description
- Paving & utility (water & wastewater) improvements
- Channel improvements (E. Lamberth Branch)

Design
Half
Cost: \$237,000 - 2025

Construction
Company TBD
Cost: \$1.6 M - 2025

Funding
CO



Sherman
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Description

- Progress Drive: Construct 2,150' of ultimate 4 lane road
- Interurban Parkway: Construct 4,000' of the east two lanes of ultimate 4 lane road

Design (Brockett Davis & Drake)

- Cost \$231,500 – 90% Complete

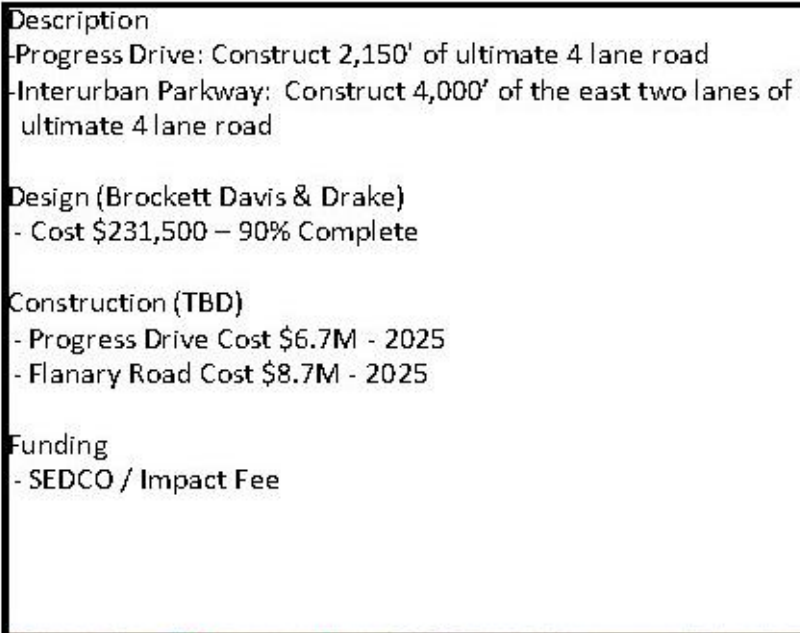
Construction (TBD)

- Progress Drive Cost \$6.7M - 2025
- Flanary Road Cost \$8.7M - 2025

Funding

- SEDCO / Impact Fee

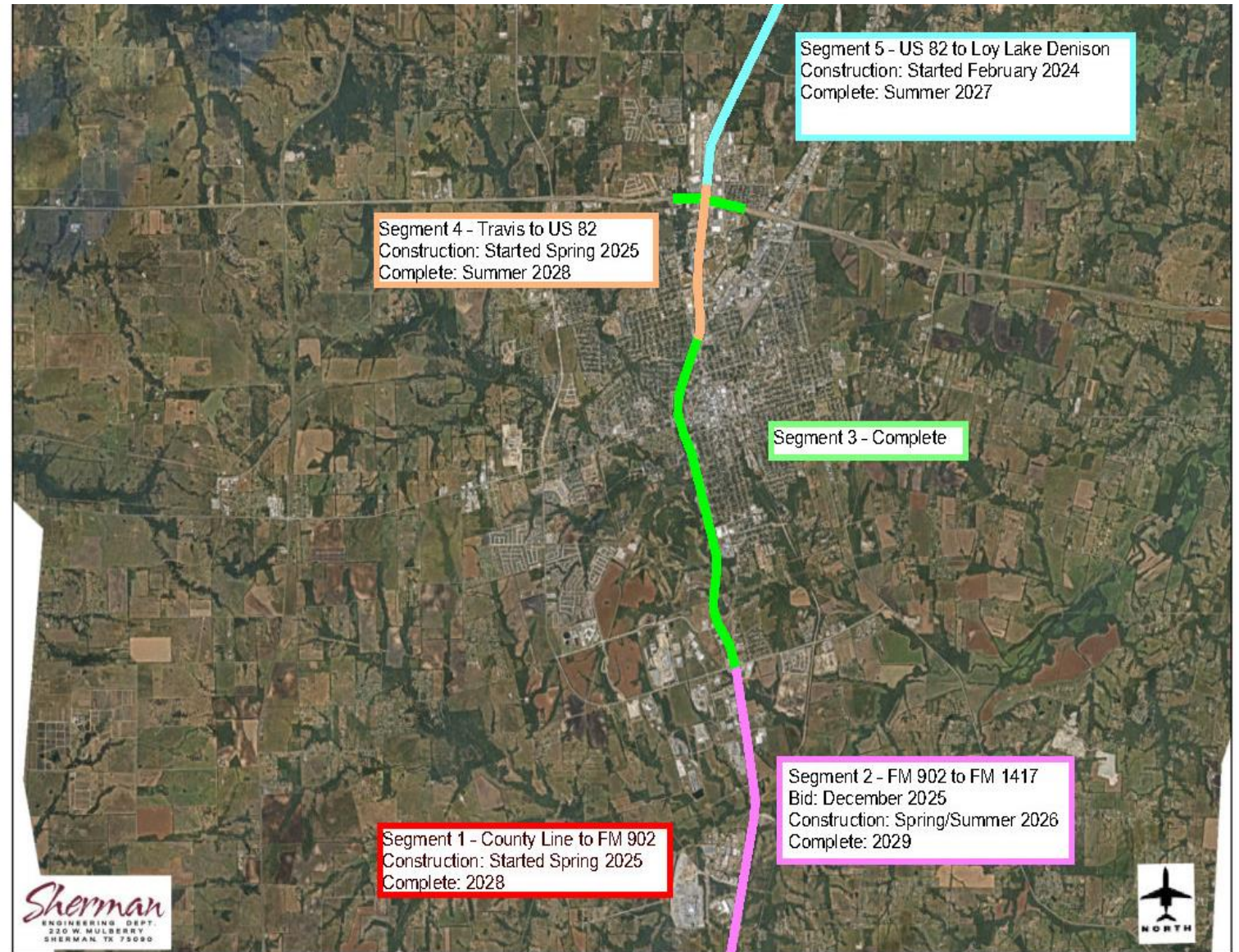
Progress and Interurban Pkwy Extension



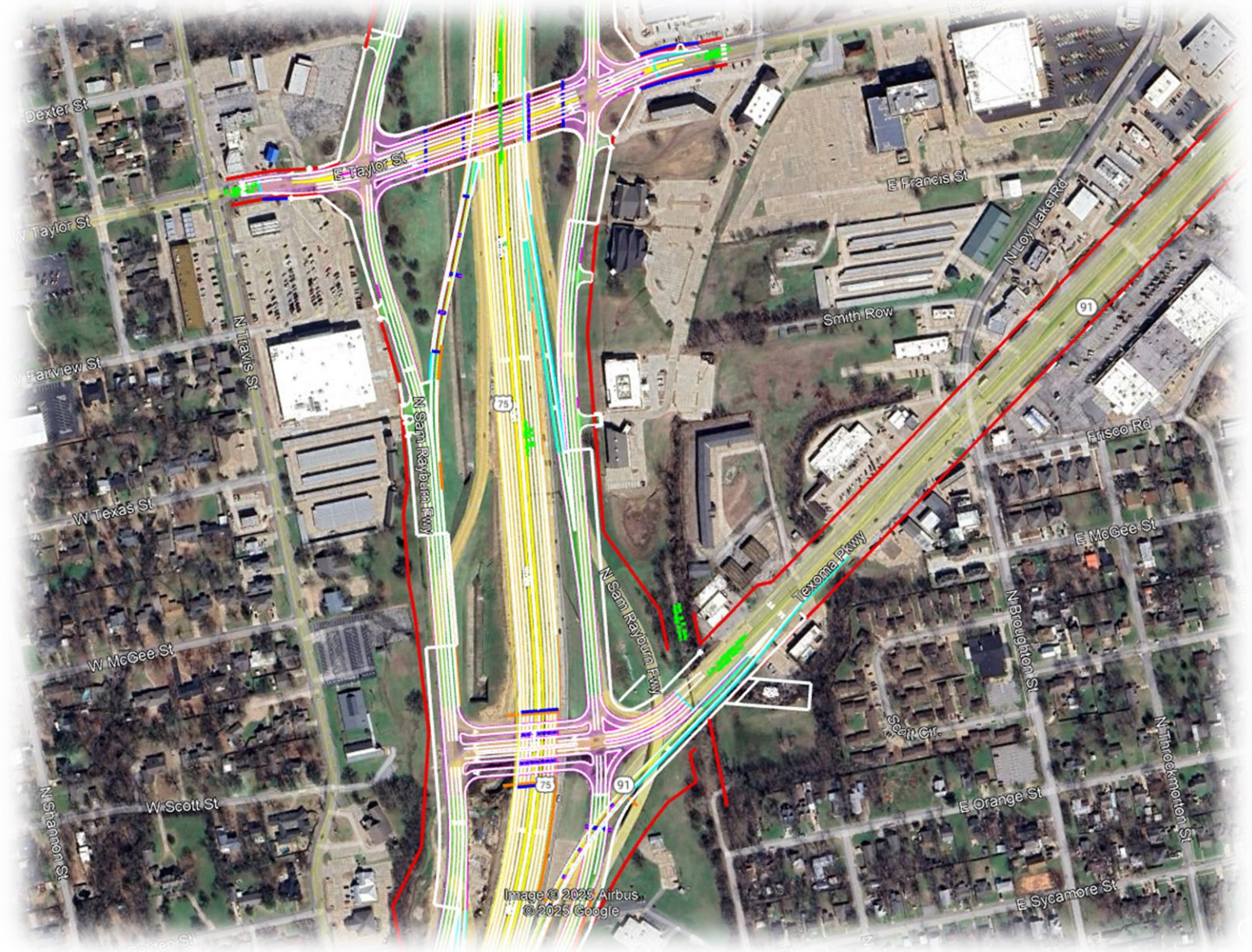
2026 Street Projects



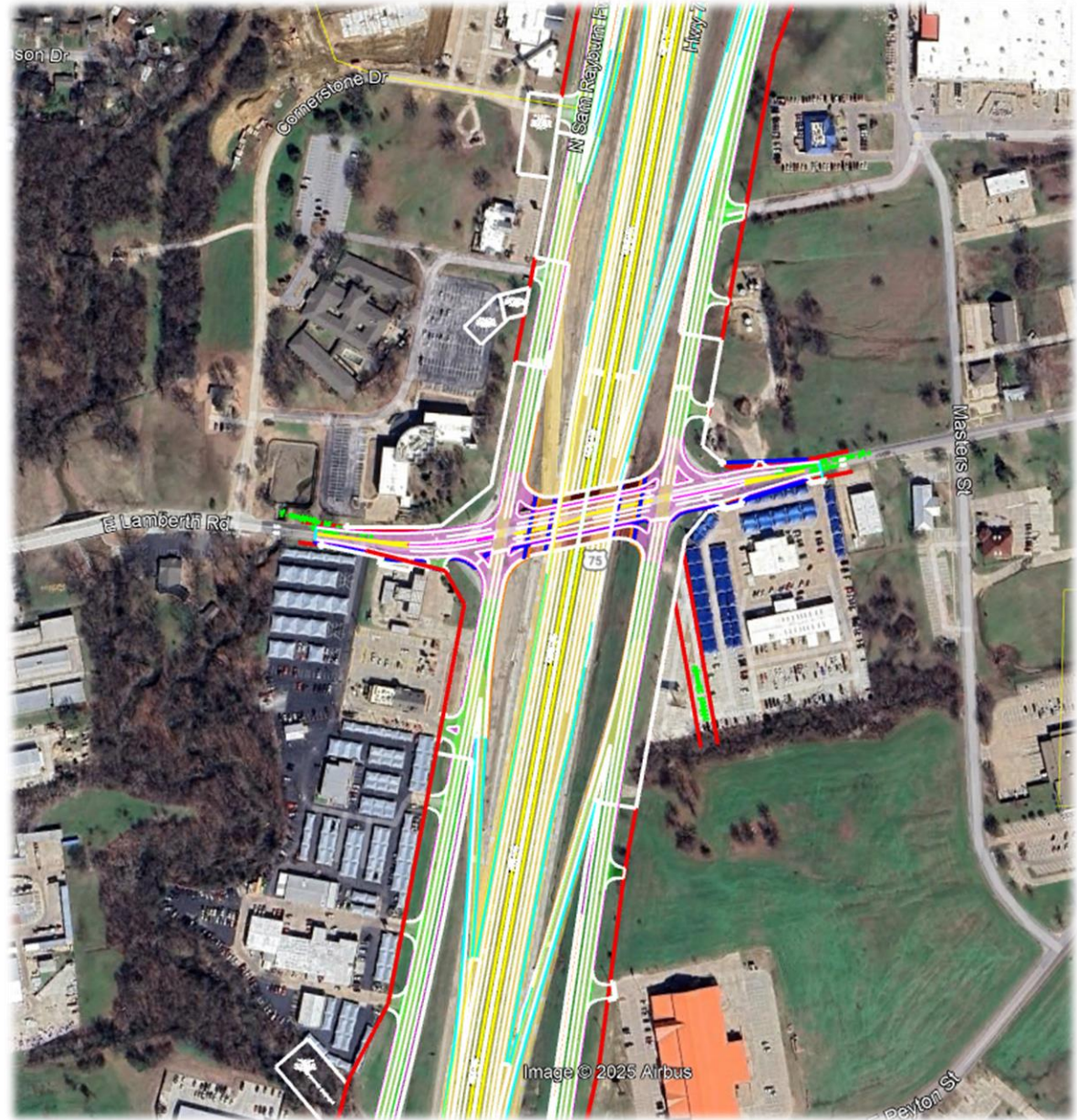
US 75 Expansion



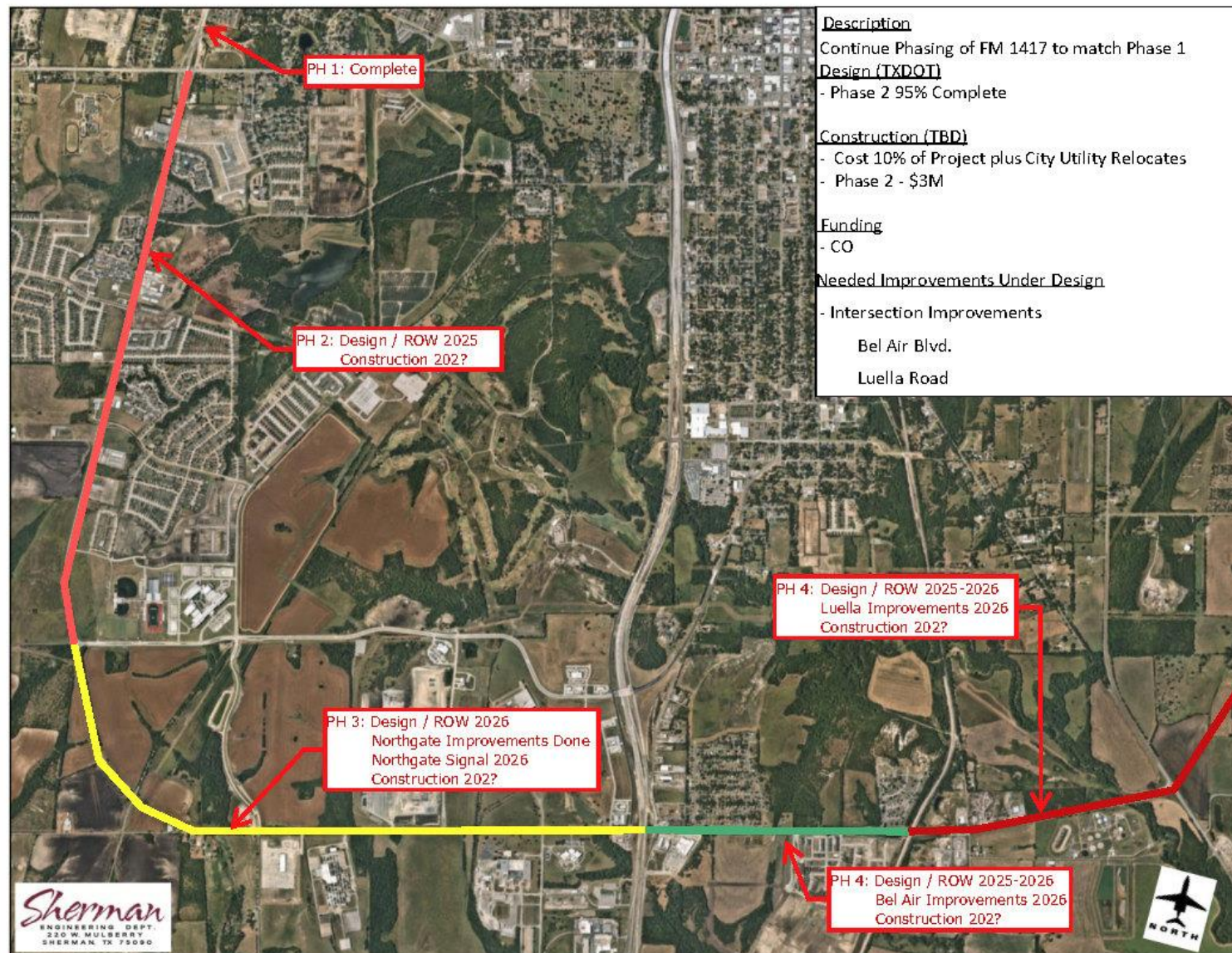
US 75 Expansion



US 75 Expansion



FM 1417 Extension



Description

Lamberth Road:

- 5 lanes from Shady Oaks to Hickory Hills PD

Shady Oaks Road:

- 37' b-b from Lamberth north to Park

Design

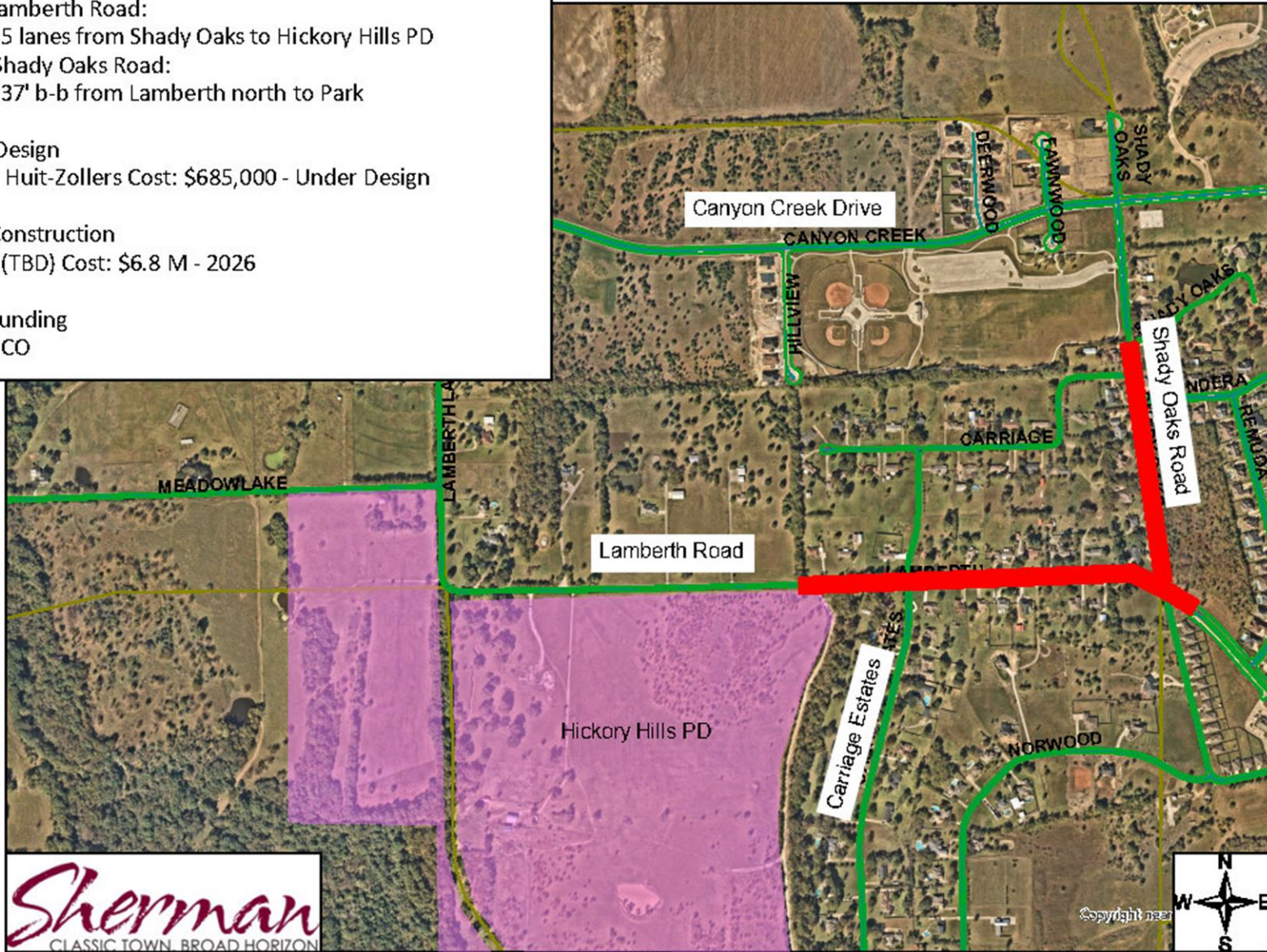
- Huit-Zollers Cost: \$685,000 - Under Design

Construction

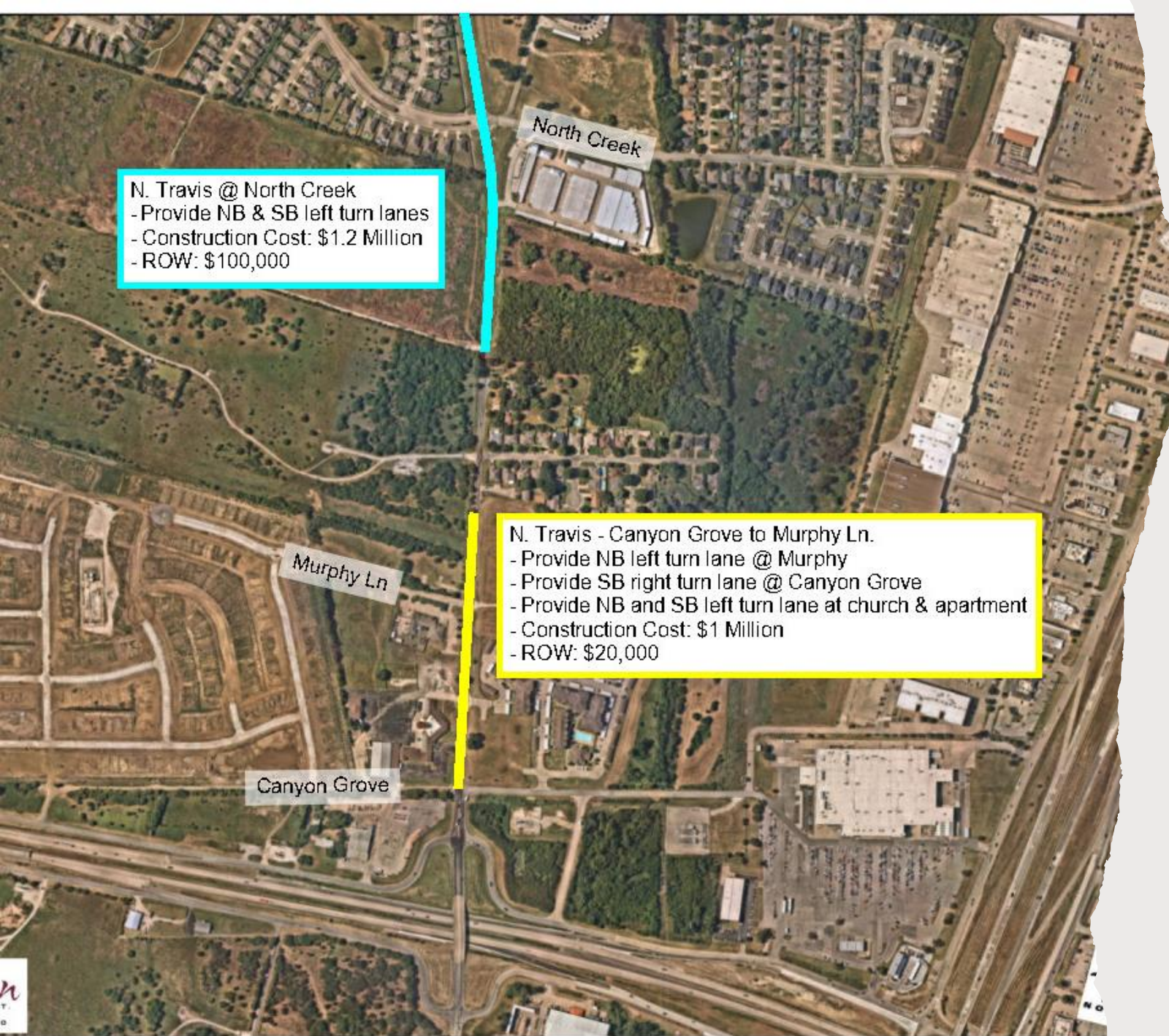
- (TBD) Cost: \$6.8 M - 2026

Funding

- CO



Lamberth Road Extension



N. Travis @ North Creek
- Provide NB & SB left turn lanes
- Construction Cost: \$1.2 Million
- ROW: \$100,000

N. Travis - Canyon Grove to Murphy Ln.
- Provide NB left turn lane @ Murphy
- Provide SB right turn lane @ Canyon Grove
- Provide NB and SB left turn lane at church & apartment
- Construction Cost: \$1 Million
- ROW: \$20,000

N Travis and US 82

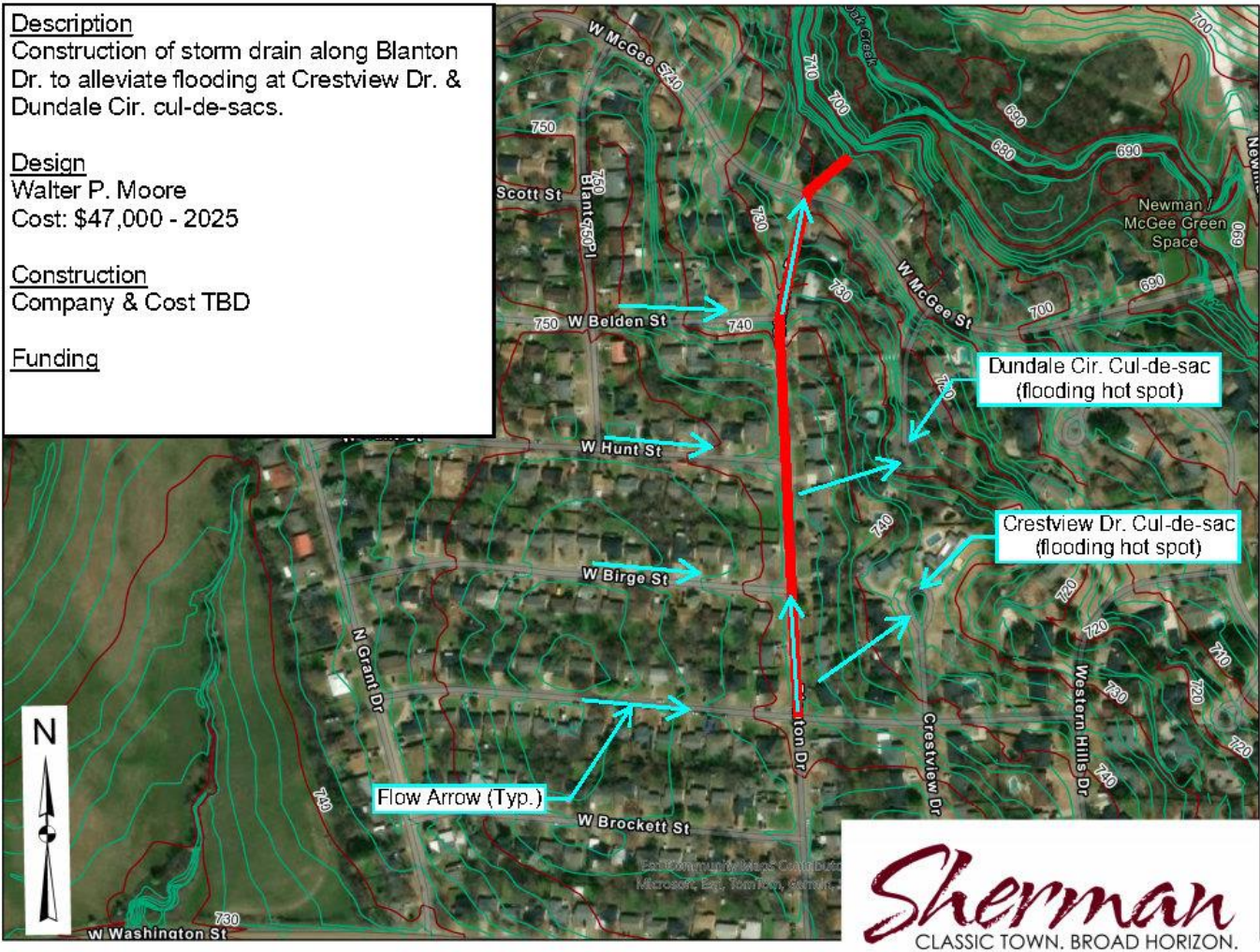
Blanton Drive Drainage

Description
Construction of storm drain along Blanton Dr. to alleviate flooding at Crestview Dr. & Dundale Cir. cul-de-sacs.

Design
Walter P. Moore
Cost: \$47,000 - 2025

Construction
Company & Cost TBD

Funding



Description

- Erosion Mitigation: stream bank & stream bed restoration
- Bridge repairs designed to extend the serviceable life of the structure

Design

Westwood Professional Services, Inc.
Cost: \$233,000 - 2025

Construction

Company TBD
Cost: \$1.0 M - 2025

Funding



Limits of Disturbance

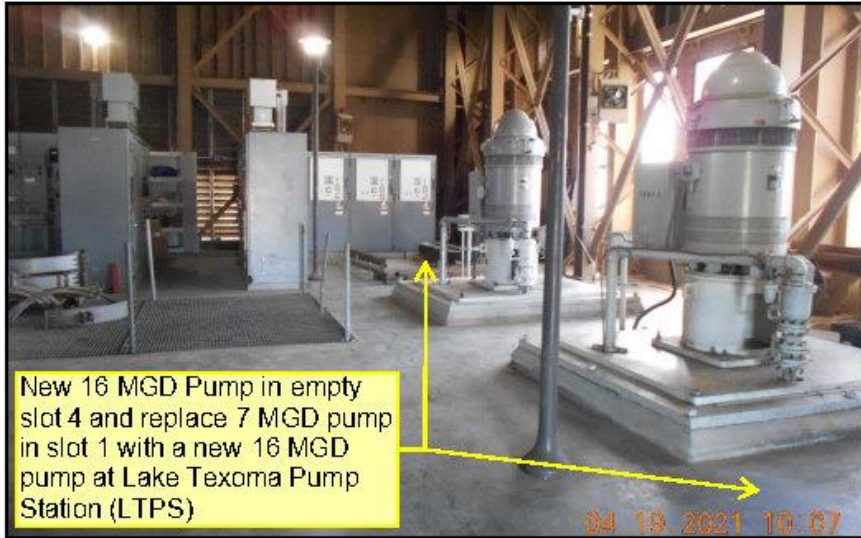
McGee Street Bridge



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Currently Funded Utility Projects





Description

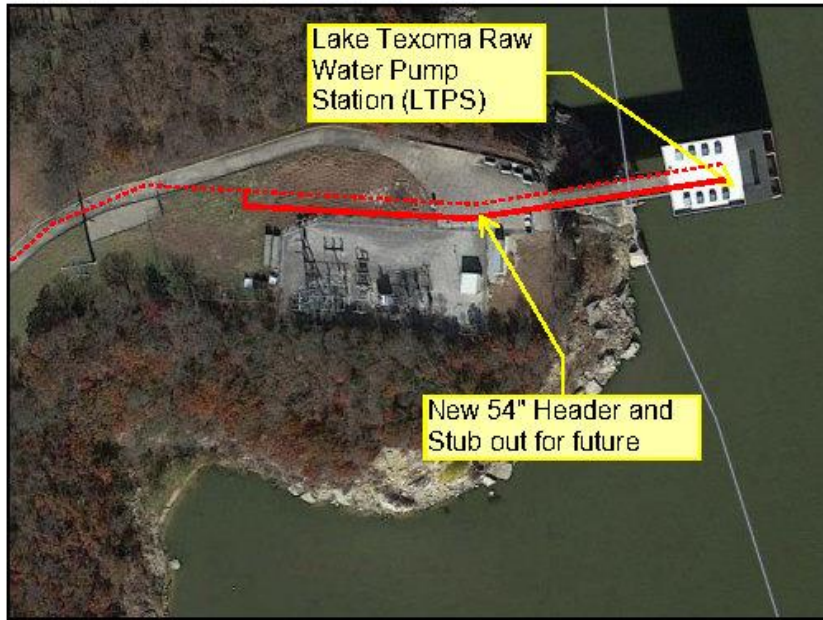
New Raw Water Pumps to provide increased flow to Water Treatment Plant. Current capacity is 3 pumps at 7-MGD to give 21-MGD total capacity (14-MGD firm with largest pump out of service). The new capacity will be 46-MGD (30-MGD with largest pump out of service.)

Construction:

HSP Pre-Procurement	\$2,461,700
MCC Pre-Procurement	\$701,900
Valve Pre-Procurement	\$2,595,024
Construction	\$17,357,469
Project Total	\$23,116,093

Funding - 2024 GTUA OM

Lake Texoma Pump Station Pumps Expansion



The existing UF/RO building completed a 5-MGD expansion. The expansion includes new High Service Pump Capacity and other electrical Improvements

Also underway is the emergency generator project. Construction: \$1.4M W Industries

The Concentrate Discharge Pump Station is in the process of upgrades:

Engineering: \$1.1M Pape-Dawson Engineers
Total Construction Project: \$12,424,122



Added 5-MGD UF/RO Capacity



Upgrade High Service Pump Capacity

New Emergency Backup Generator

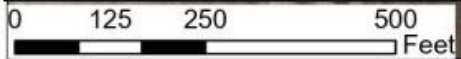
Concentrate Discharge Pump Station and Outfall

Future Plant Expansion would 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 independently of the existing plant. Will have separate clearwells, pump stations, oxidation basins, chemical feed facilities, UF & RO units, and emergency power facilities.

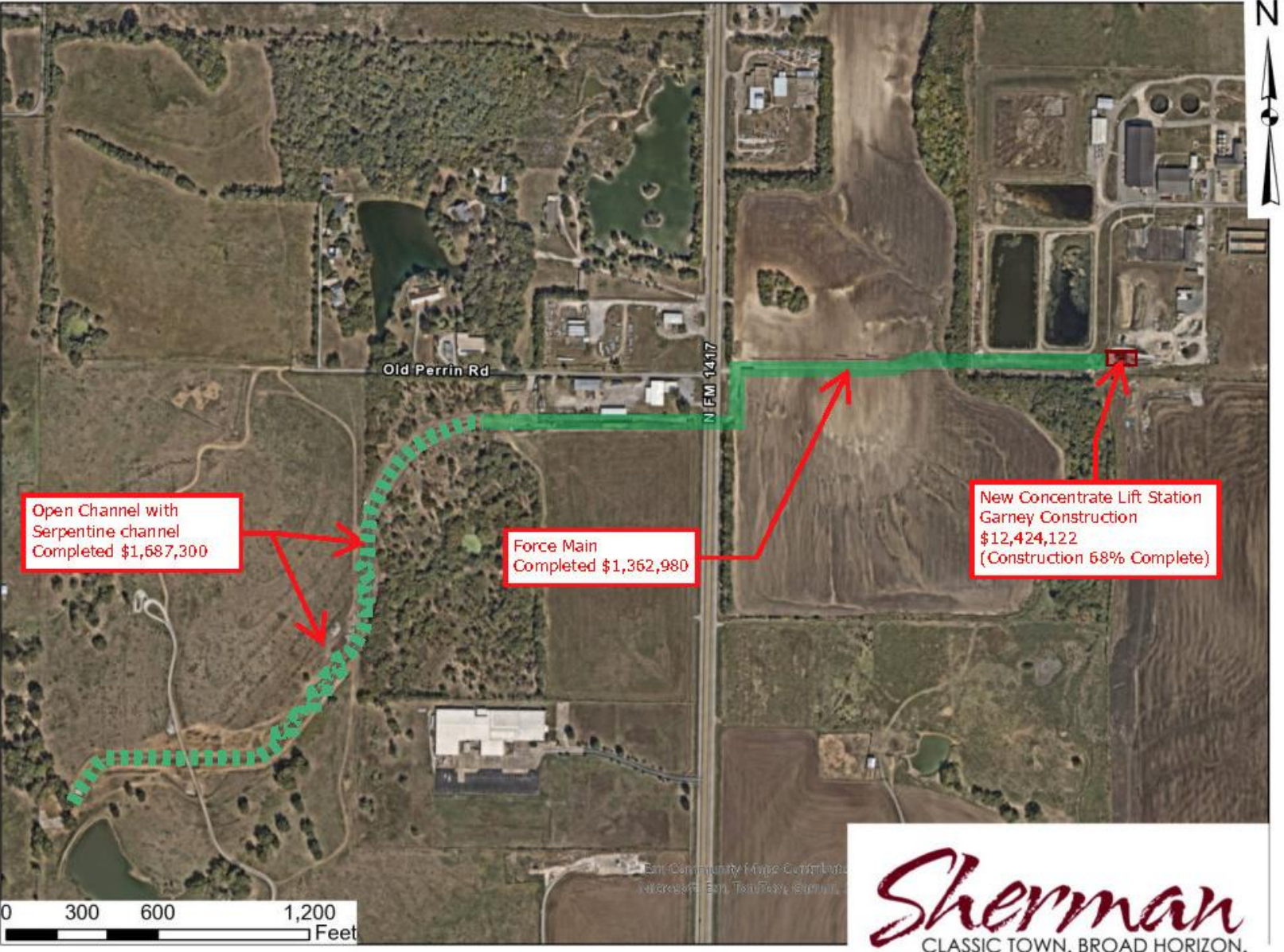


WTP Current Upgrades

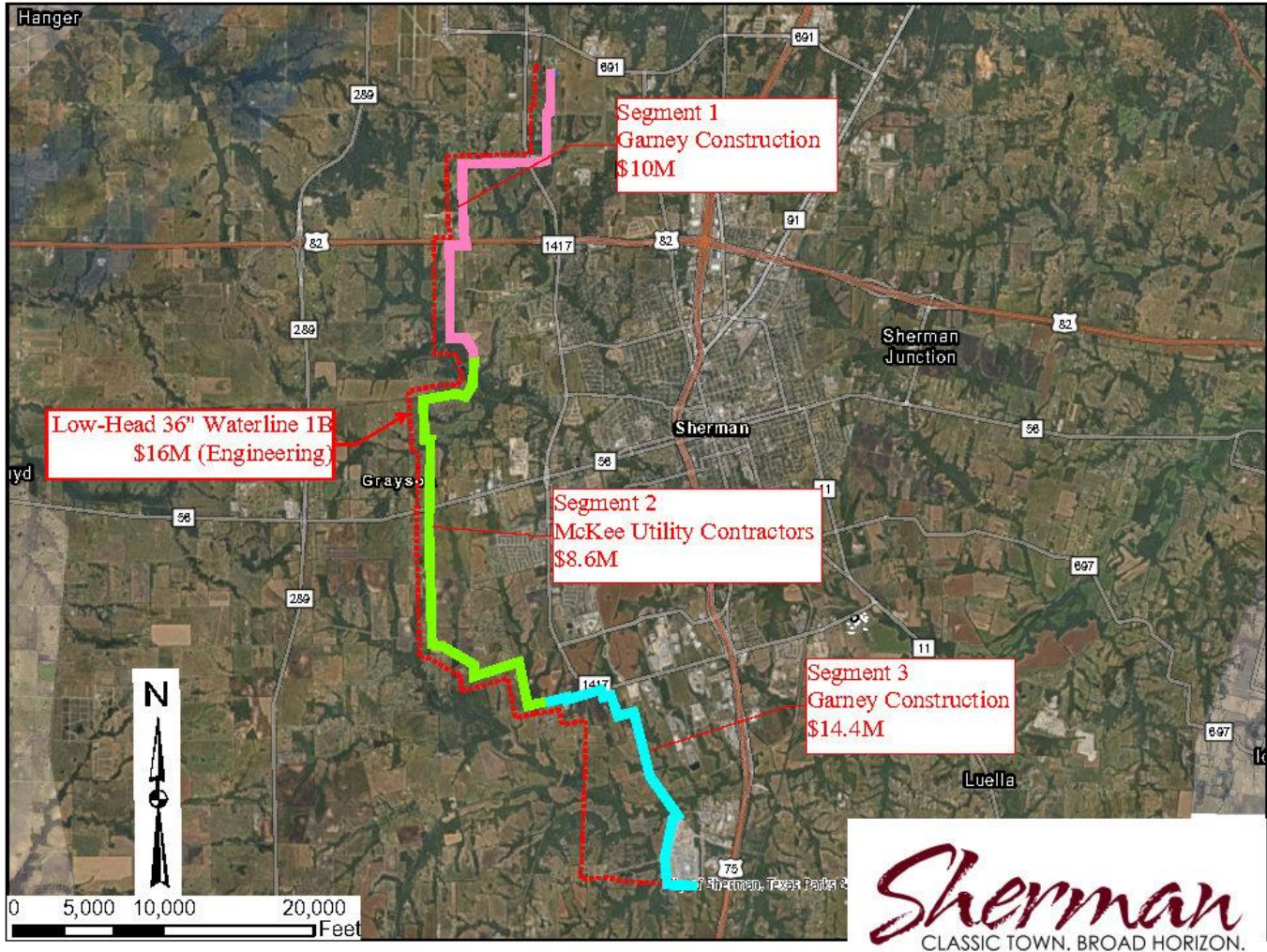
WTP Conventional Treatment Rehab



WTP Concentrate Discharge Line



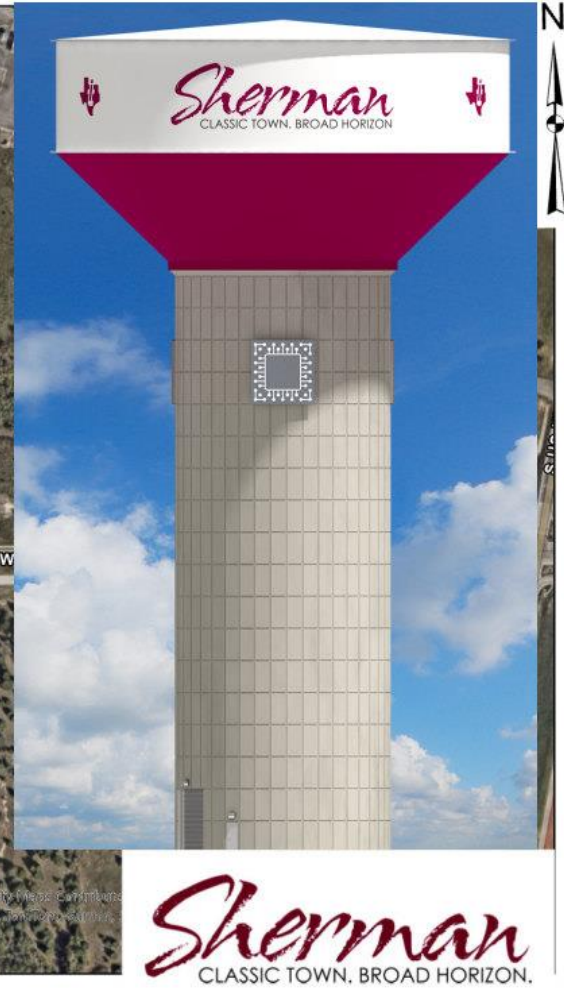
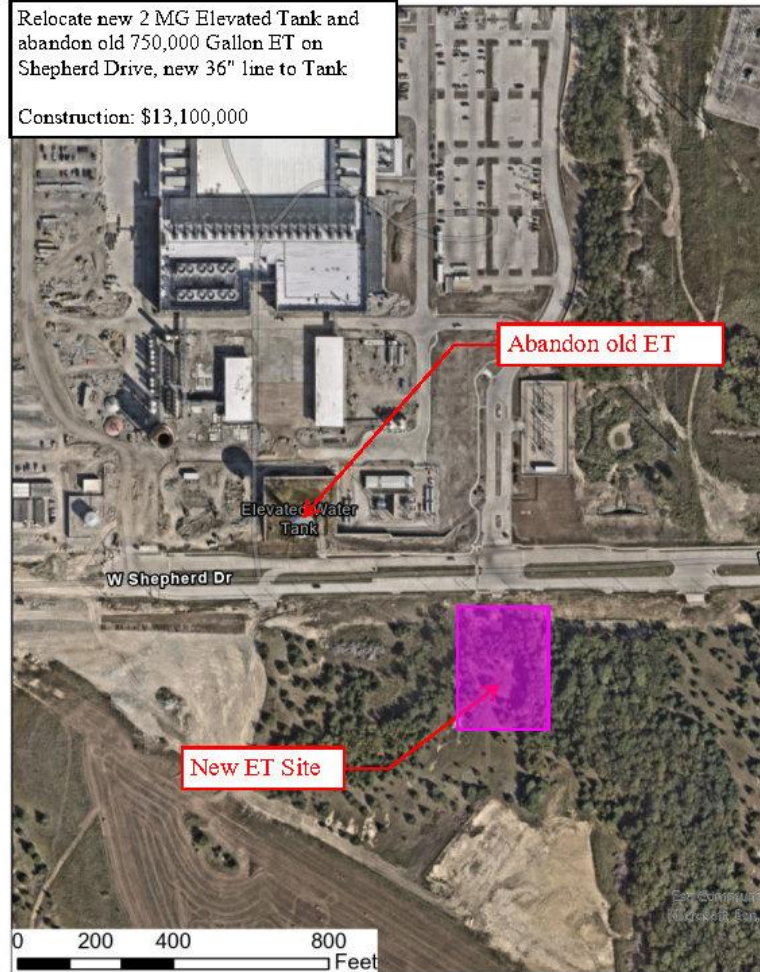
36" West Sherman Transmission Line



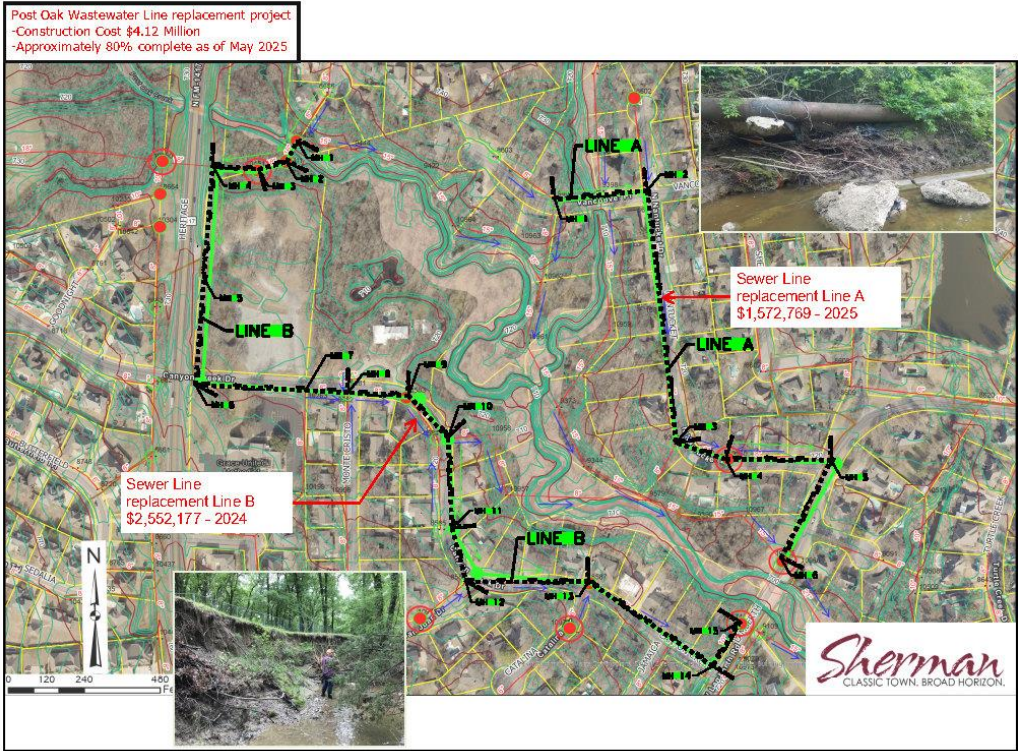
2 MG elevated Storage Tank

Relocate new 2 MG Elevated Tank and
abandon old 750,000 Gallon ET on
Shepherd Drive, new 36" line to Tank

Construction: \$13,100,000



Post Oak Sanitary Sewer Replacement



WWTP Existing Plant



WWTP 4-MGD Expansion

Phase I (2023) Scope of project should include:
Diversion Structure/Pipeline
Lift Station
Preliminary Treatment
Equalization Basins
4-MGD Aeration Basins and Blowers
4-MGD Membrane Bioreactor
Filters
Solids Improvements
RAS / WAS Pumping
Electrical, SCADA, OH&P, Bonding, Etc.
TCEQ Permitting

Engineering: \$22.5M Plummer
Construction: \$296M TBD Year 2024

Phase II (Engineering 2025) should include:
Equalization Basin
Additional Preliminary Treatment
Primary Clarifier #1
Primary Sludge Station
4-MGD Additional Aeration Basin and Blowers
4-MGD Additional Membrane Bioreactor
Electrical, SCADA, Bonding, Etc.

Construction: \$80M TBD



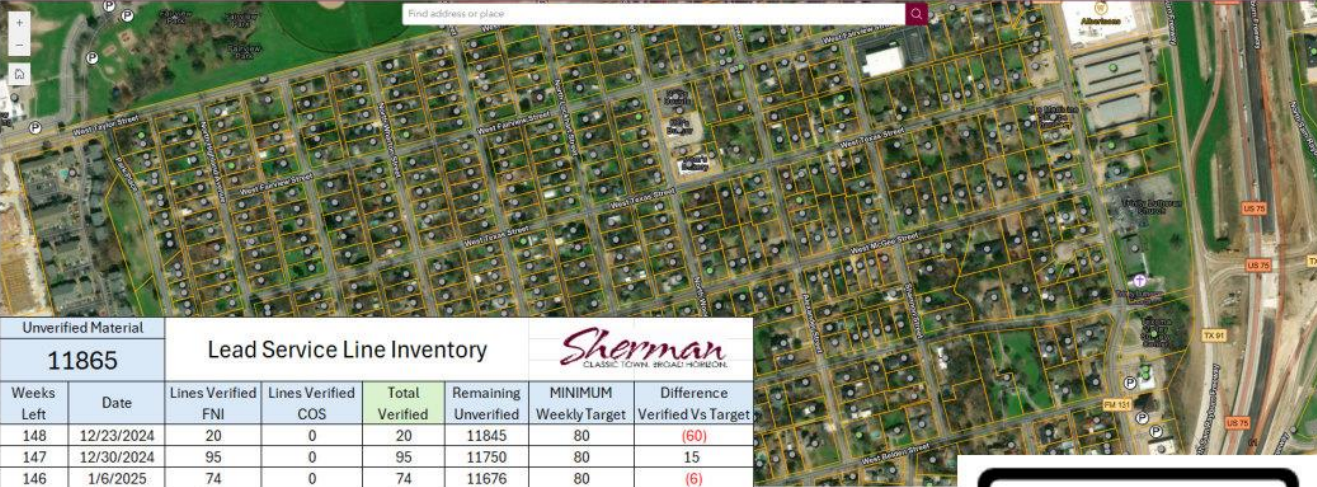
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Lead and Copper Program

Sherman City of Sherman - Water Service Line Inventory

[Click for More Info](#)

Identified for Future Replacement 32	Verified Non-Lead 4,617	Unverified Material 11,865	Total Service Connections 16,514
------------------------------------------------	-----------------------------------	--------------------------------------	--------------------------------------------



Unverified Material		Lead Service Line Inventory				Sherman CLASSIC TOWN. BROAD HORIZON.	
11865		Lines Verified	Lines Verified	Total	Remaining	MINIMUM	Difference
Weeks Left	Date	FNI	COS	Verified	Unverified	Weekly Target	Verified Vs Target
148	12/23/2024	20	0	20	11845	80	(60)
147	12/30/2024	95	0	95	11750	80	15
146	1/6/2025	74	0	74	11676	80	(6)
145	1/13/2025	112	0	112	11564	80	32
144	1/20/2025	104	0	104	11460	80	24
143	1/27/2025	140	0	140	11320	79	61
142	2/3/2025	152	0	152	11168	79	73
141	2/10/2025	68	0	68	11100	79	(11)
140	2/17/2025	29	27	56	11044	79	(23)
139	2/24/2025	235	13	248	10796	78	170
138	3/3/2025	118	20	138	10658	77	61
137	3/10/2025	128	5	133	10525	77	56
136	3/17/2025	154	36	190	10335	76	114
135	3/24/2025	111	59	170	10165	75	95
134	3/31/2025	115	146	261	9904	74	187
133	4/7/2025	107	137	244	9660	73	171
132	4/14/2025	110	109	219	9441	72	147
131	4/21/2025	129	50	179	9262	71	108
130	4/28/2025	108	73	181	9081	70	111
129	5/5/2025	34	142	176	8905	69	107



Sanitary Sewer Mains

- Main Shape
 - Force
 - Gravity
 - Raw Water
 - <all other values>
- Sanitary Sewer Replacement
- Reuse Line
- OSMA Line
- Multi Family Delineation
- Commercial Delineation
- Residential Delineation
- School Delineation
- Commercial Delineation 2



Replace the existing wastewater mains along HWY82 and Loy Lake Road

Engineering (Wade Trim) \$418,000
Construction Estimate: \$2.1M

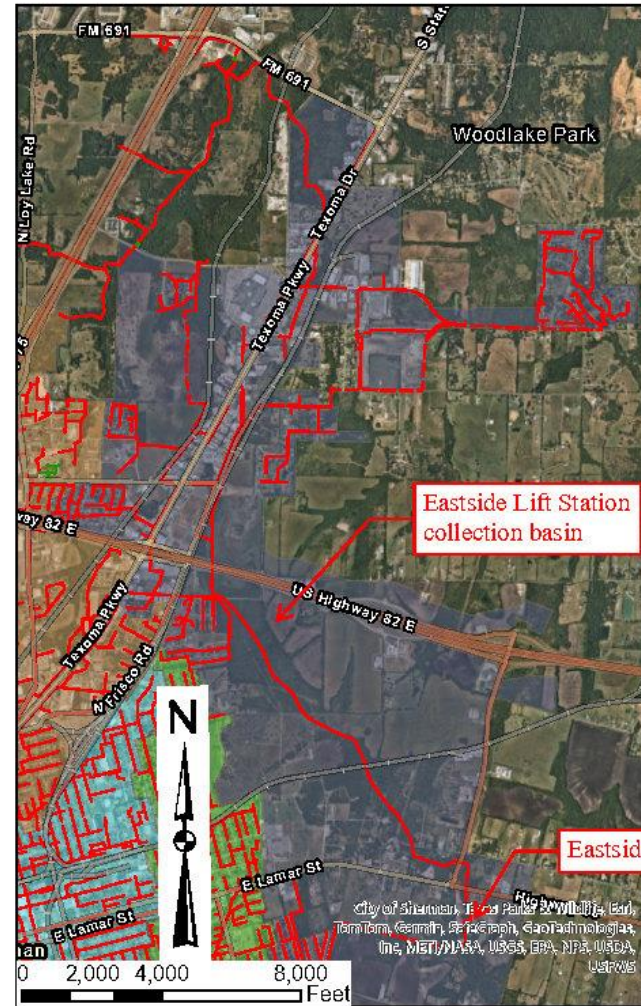
12" and 15" Lines

Loy Lake and US 82 Wastewater

2026 Utility
Projects



Eastside Lift Station



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Facilities



Fleet Services

Fleet Service

- Identified as an immediate need for improvement
- Originally built in the 1960's as a car dealership
- We have outgrown its use, and the location has safety issues
- New facility package with a \$12 million dollar cap
- Land acquisition and design FY 2025
- Construction 2026



Future Fleet Services Site Plan



PHASE I KEY STATS
5.4 ACRES
32,000 SF. BUILDING
FLEET SERVICES
PUBLIC WORKS ADMINISTRATION
185 PARKING SPACES



Fire Station 3

Fire Station 3

Identified as immediate need for remodeling

Originally built in 2003

Safety issues with bunker gear storage and other hazardous materials, drainage and foundation issues

Design has been completed

Currently through in C.O.'s in 2025 budget

Budget of 4.5 Million



Future Fire Station 3 Rendering

Fire Station 3 Rendering





NORTHSIDE

FIRE STATION

Fire Station 5

Fire Station 5

- Another ageing fire station with issues that need addressing
- Originally built in 1974
- Current location not in most advantageous location
- Land agreement deal with Sherman ISD FY 2025-2026
- Design and groundbreaking TBD





Community Services Building

Community Services Building

Former police department

Older building but still offers opportunity with the right design and updates

Design will focus on enclosing the current parking overhang to add square footage and remodel a floor at a time.

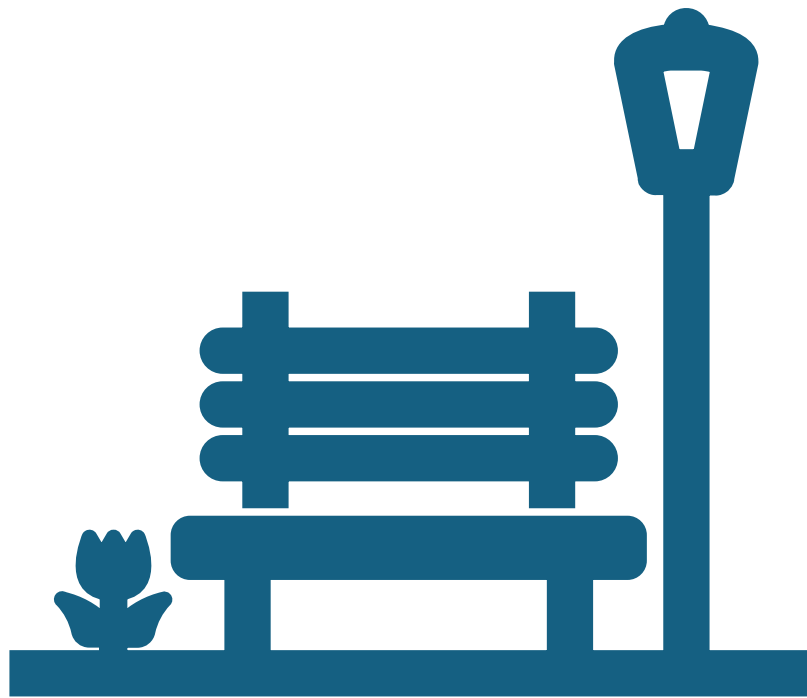
Emergency management, Inspectors, Neighborhood Quality Services, Utility Billing, Engineering, Development Services, Fire Marshalls Office.

Design FY 2026-27



Police Gun Range

- The police department lost their firing range in 2021 due to growth and complaints concerning the noise associated.
- Currently the PD utilizes BPS firing range and borrows surrounding agencies facilities to conduct training and qualifications.
- Options are being explored such as an indoor facility, outdoor facility, and the potential of partnering with an organization that has the same vision and goals for what a facility should encompass.
- Design TBD
- Construction TBD



2025 CIP Work Session

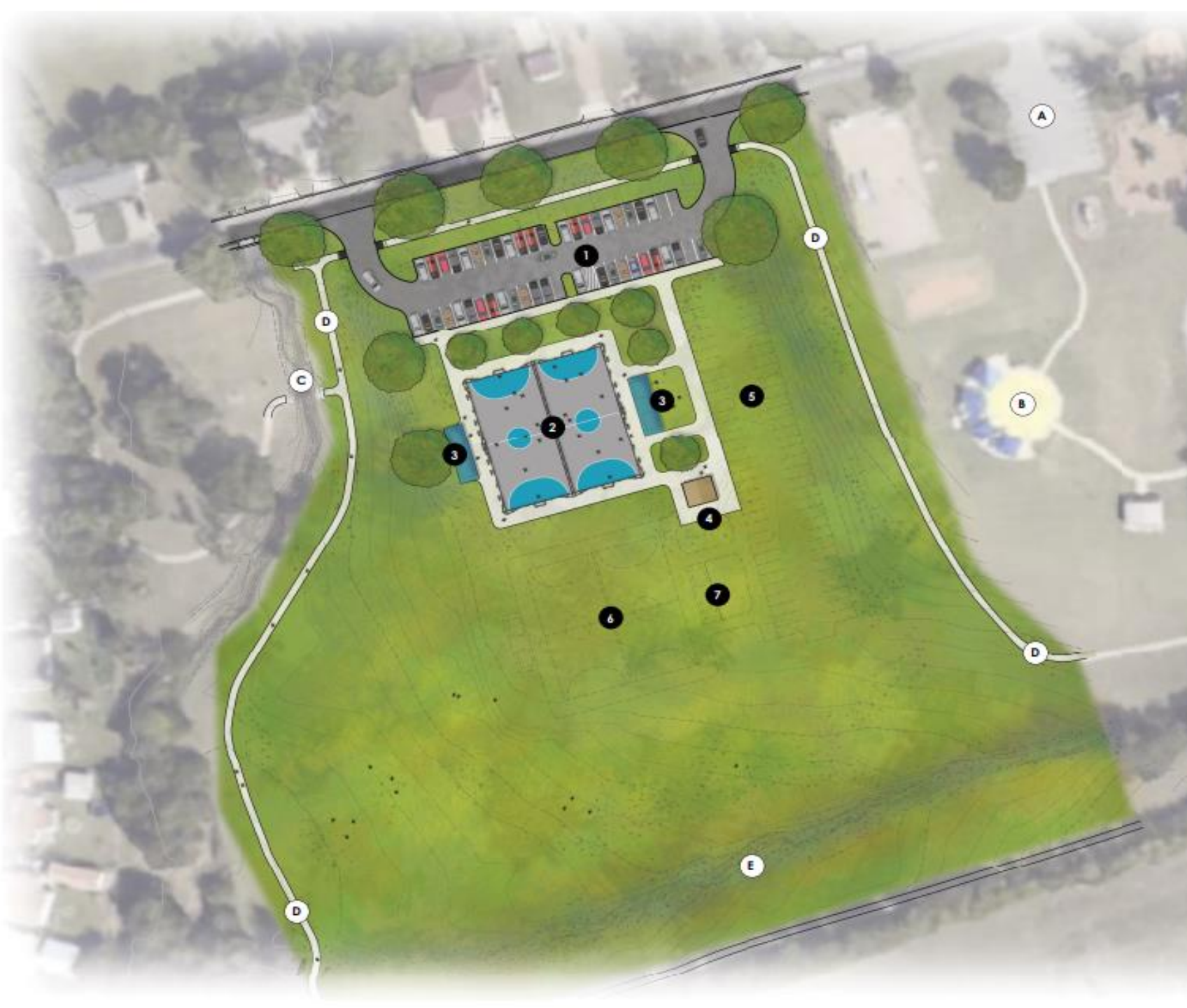
**Parks, Recreation &
Cemeteries
CIP Updates**



Fairview Concept Phase I

- **Grand Total Project Estimate- \$4.3MM**
- **Projected Timeline**
 - Bid- Sept/Oct 2025
 - Estimated Construction 9-10 Mo

Hawn Park Concept Phase I



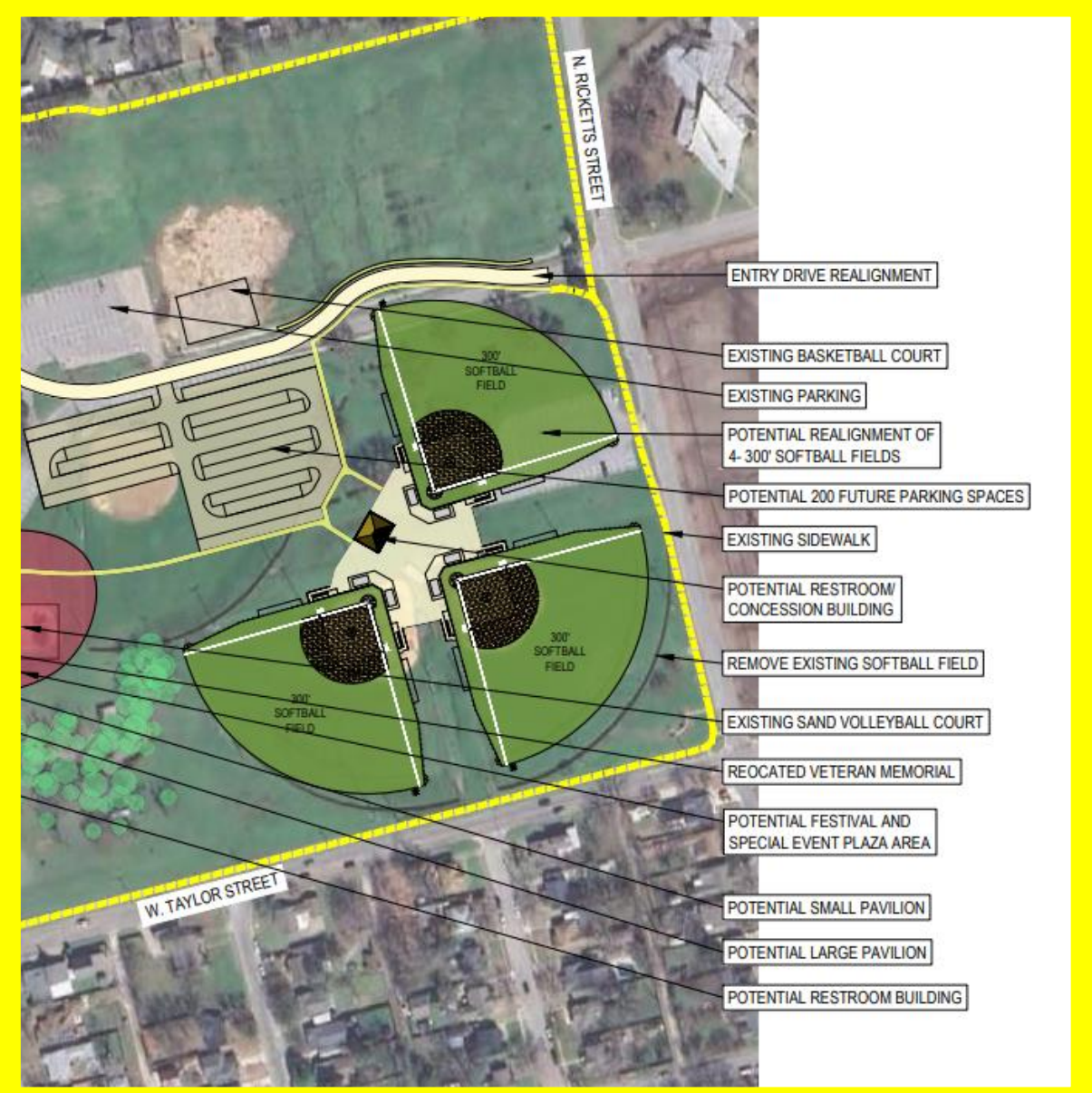
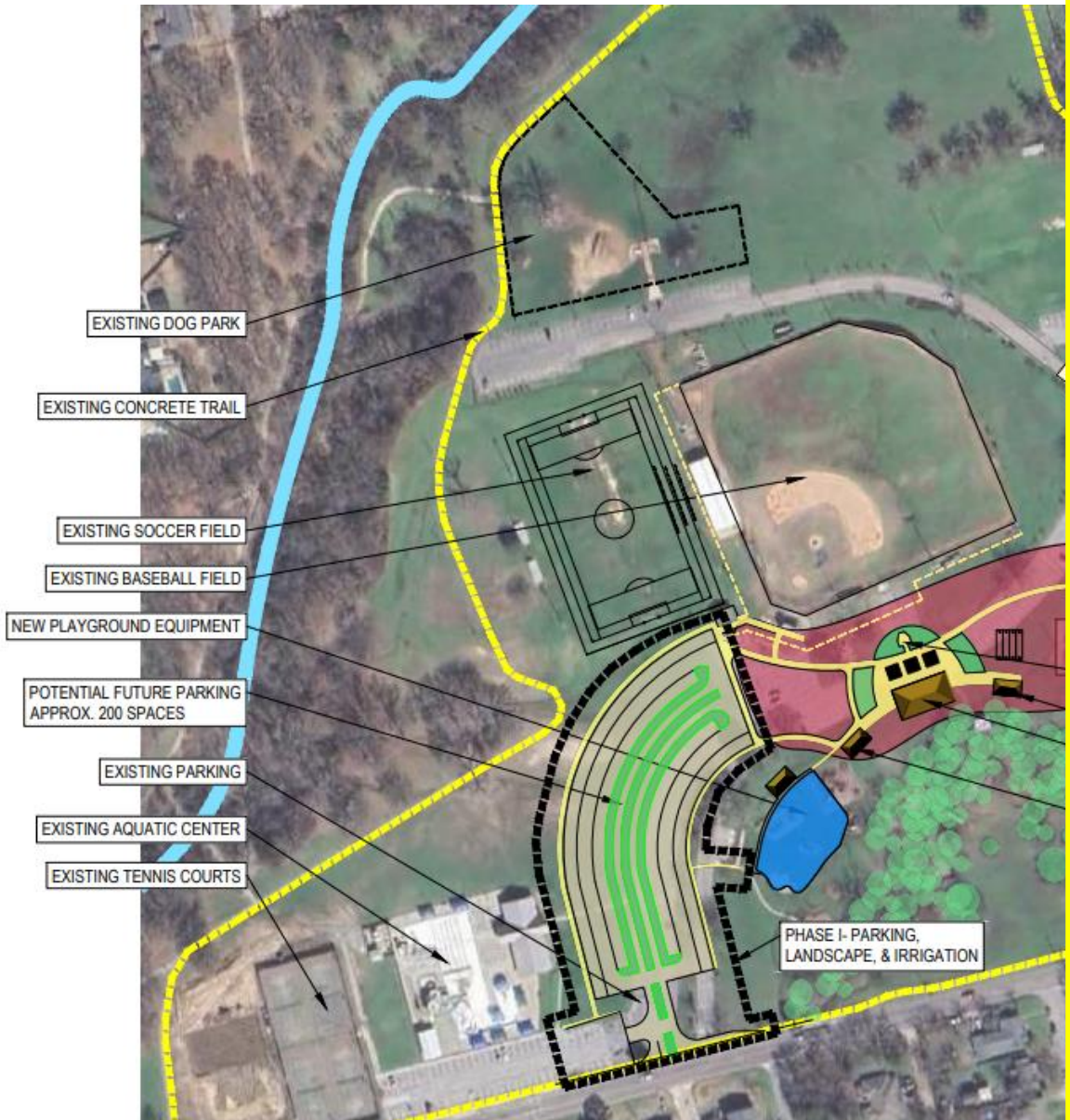
- **Grand Total Project Estimate- \$1.9MM**
- **Projected Timeline**
 - Bid- Sept/Oct 2025
 - Estimated Construction 7-8 Mo

OSP Concept Phase I

- **Grand Total Project Estimate- \$846K**
- **Projected Timeline**
 - Bid- Sept/Oct 2025
 - Estimated Construction 5-6 Mo



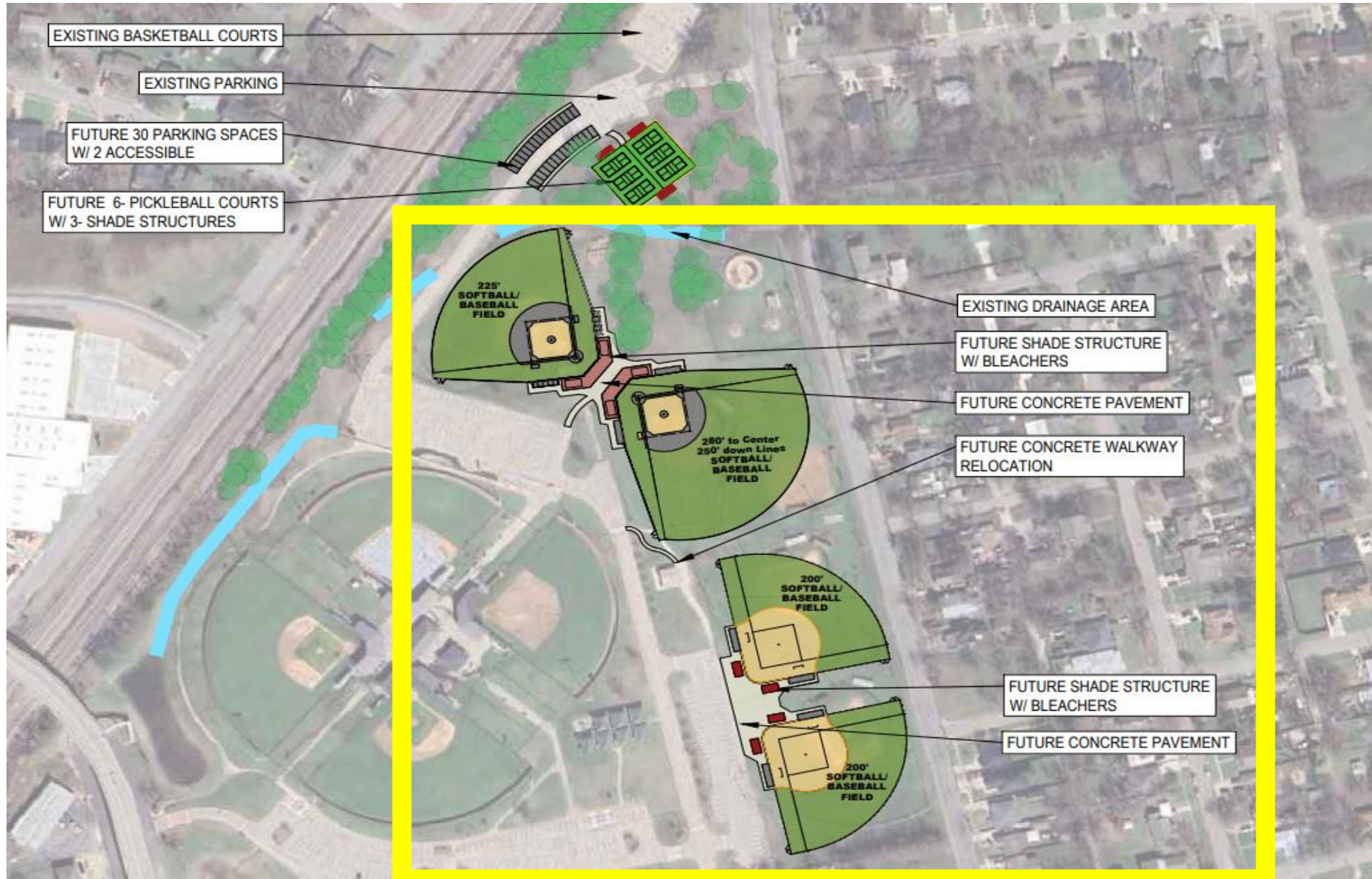
Fairview Park Concept Phase II



Hawn Concept Phase II



OSP Concept Phase II

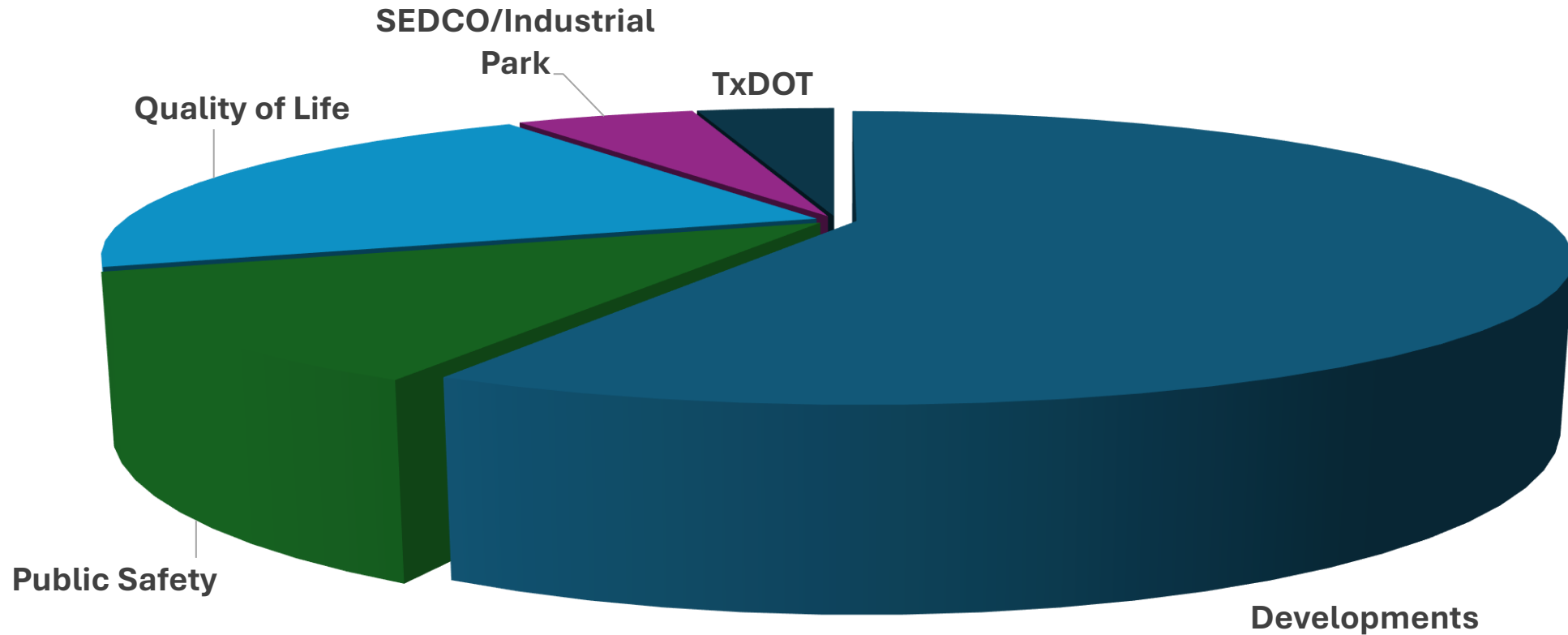


Other CIP– In Progress or Pending Funding

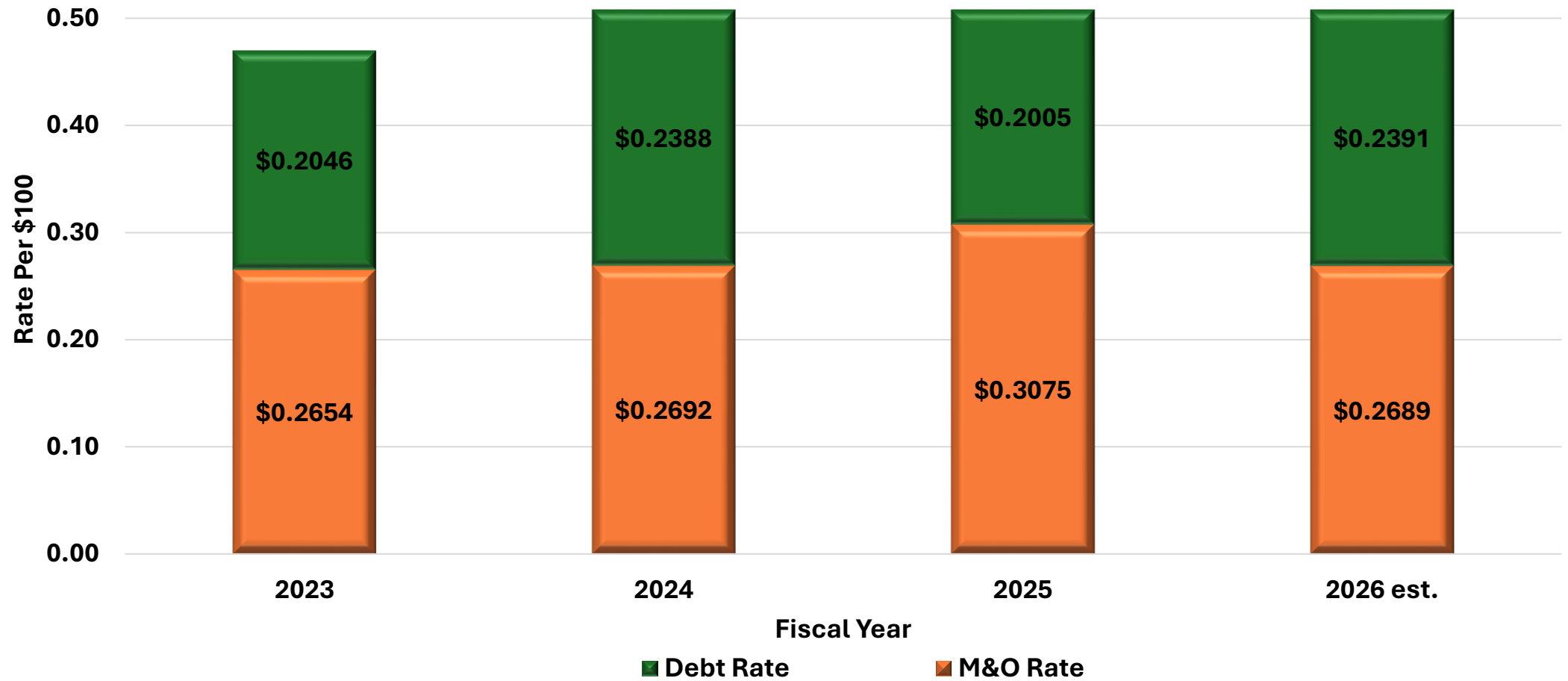
- **Westhill Cemetery Creek** (Ongoing improvements underway)
- **Trail Development** (Active planning; progressing as funding allows)
- **Pecan Grove East** (Fully planned; awaiting TCEQ approval to proceed)
- **Pecan Grove West** (Potential Splash Pad and electrical system upgrades as funding allows)
- **Fairview Park** (Potential tennis court resurfacing as funding allows)

*** Staff has secured quotes and developed plans for each of these approved CIPs and are prepared to move forward as funding becomes available.**

2025 Bond Uses



Property Tax Rates



Funding Challenges

- General Fund

- Building Reserves to support Utility Fund until FY2030/FY2031
- Volatile voter-approval rate (VAR) due to large taxpayers
- Managing the debt rate
- Street maintenance
- Downtown development
- “Deallocation” of sales tax

- Solid Waste Fund

- Increasing costs of tipping fee: CAGR = 10% over the last 3 years
- Below market RSW rates with increasing demand for routes
- TASWA distribution of \$1.1 million **critical**
- Aging fleet and infrastructure

Funding Challenges

Utilities

- Increasing costs for large projects, especially electrical
- Accuracy of assumptions in rate plan
- Increasing debt service (existing debt issues)
 - FY2025 \$10 million
 - FY2026 \$28 million
 - FY2027 \$44 million
 - FY2028 \$49 million
- Resiliency of water and wastewater systems
- Aging infrastructure
- Timing of system expansion projects to align with needs
- Uncertainty of costs to operate MBR plant