

**CITY OF SHERMAN  
CITY COUNCIL REGULAR MEETING AGENDA  
COUNCIL CHAMBERS OF THE CITY HALL  
220 WEST MULBERRY STREET  
SHERMAN, TEXAS  
MONDAY, AUGUST 18, 2025  
5:00 PM**

- A.1. CALL TO ORDER, QUORUM DETERMINED, MEETING DECLARED OPEN**
- A.2. PLEDGE OF ALLEGIANCE AND INVOCATION LED BY COUNCIL MEMBER JOSH STEVENSON**
- A.3. APPROVE MINUTES OF THE REGULAR CITY COUNCIL MEETING OF AUGUST 4, 2025.**

**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. PUBLIC HEARING**

First Public Hearing Required by the Charter to Adopt a Budget and Provide for the Appropriation of Funds for Operation and Capital Expenditures for the Fiscal Year Beginning October 1, 2025, and Ending September 30, 2026; Declaring that this Budget will Raise Less Revenue from Property Taxes than Last Year's Budget by \$3,742,166 and 9.1%, and of that Amount \$3,496,261 is Tax Revenue to be Raised from New Property Added to the Tax Roll this Year; Providing a Savings/Repealing Clause, Severability Clause and an Effective Date; Providing for the Publication of the Caption Hereof

**D.2. INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 6856**

Approving the 2025-26 Annual Service and Assessment Plan Update for the Bel Air Village Public Improvement District

**D.3. INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 6857**

Relating to Greater Texoma Utility Authority Contract Revenue Bonds, Series 2025 (City of Sherman Project); and Approving the Issuance Thereof and the Facilities to be Constructed or Acquired by such Authority

**D.4. INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 6858**

Amending the Code of Ordinances of the City of Sherman, Texas, Chapter 13 (Utilities), Article 13.09 (Service Fees); Modifying Certain Fees and Other Regulations Related to Laboratory Testing Fees; Providing a Penalty Clause with a Maximum Fine of \$2,000, Saving/Repealing Clause, Severability Clause and an Effective Date; Providing for the Publication of the Caption Hereof



**D.5. INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 6859**

Amending Sherman's Zoning Ordinance/Code Of Ordinances Chapter 14, To Rezone A Tract Of Land consisting of 5.73 acres, being in the J.B. McAnair Survey, Abstract No. 763, City Of Sherman, Grayson County, Texas, Located at 1900 Block North Grand Avenue, Heretofore M-1 (Light Manufacturing) District to a C-2 (General Commercial) District Zoning Classification, Jay Ho-InterProperty Holdings (Owner) Providing For A Penalty Not To Exceed \$2,000.00; Providing A Repealing/Savings Clause, Severability Clause And An Effective Date

**D.6. INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 6860**

Amending Sherman's Zoning Ordinance/Code Of Ordinances Chapter 14, To Rezone A Tract Of Land consisting of 0.169 acres being a part of the Samuel Blagg Survey, Abstract No.56, City Of Sherman, Grayson County, Texas, Located at 314 West Cherry Street, Heretofore MF-30 (Multi-Family Residential) Rezoning and Placing the Tract in the R-5 (Single-Family Residential) District Zoning Classification, Santos, Samuel & Cesar Lopez c/o Samuel Lopez (Owner) and Underwood Drafting & Surveying (Surveyor) Providing For A Penalty Not To Exceed \$2,000.00; Providing A Repealing/Savings Clause, Severability Clause And An Effective Date;

**D.7. INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 6861**

Amending The Code Of Ordinances Of The City Of Sherman, Texas, Appendix C (Comprehensive Fee Schedule); Modifying Certain Existing Fees Related To Planned Development District Applications And Establishing A New Fee For Building Plan Reviews For Commercial And Multifamily Applications; Providing A Penalty Clause With A Maximum Fine Of \$2,000, Savings/Repealing Clause, Severability Clause And An Effective Date; Providing For The Publication Of The Caption Hereof

**D.8. INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 6862**

Closing and Abandoning multiple Rights-of-Way in the City of Sherman, Grayson County, Texas, Said Rights-Of-Way Being Established In Volume 4, Page 22 Of Plat Records Of Grayson County, Texas; Authorizing The City Manager To Execute A Quitclaim Deed Conveying The Same To TCL LN BANK BK 3 202 LP, The Adjoining Property Owner

**D.9. INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 6863**

Abandoning Multiple Utility Easements and Utility and Drainage Easements Located in Block Two of Constitution Village Section Two; Block Six of Replat of Constitution Village, Section Two; Block Five of Replat of, Constitution Village, Section Two; and Block Nine, Lot 3 of Constitution Village Section Two, Being More Particularly Described in the Exhibits "A" through "D" Attached Hereto and Made a Part Hereof for all Purposes, which Utility Easements and Utility and Drainage Easements are Established in Volume 4, Page 22 and Volume 6, Page 31, Plat Records, Grayson County, Texas

**Close Public Hearing and Consider Adoption of Ordinances**

**E.1. CLOSE PUBLIC HEARING**

Consider Adoption of Ordinances 6856, 6857, 6858, 6859, 6860, 6861, 6862 & 6863.

**Resolutions**

**F.1. RESOLUTION NO. 7557**

Authorizing Execution of First Amended and Restated Chapter 380 Economic Development Program and Agreement between the City of Sherman, Texas and TEKMAK Sherman Hotel, LP.

**F.2. RESOLUTION NO. 7558**

Authorizing Execution of a Contract with T.F. Harper for the Renovation and Resurfacing of the Fairview Park

Tennis Courts through the TIPS Purchasing Co-operative

**F.3. RESOLUTION NO. 7559**

Awarding a Bid to and Authorizing Execution of a Contract with Don Smith Concrete LLC Based on an Invitation to Bid for the Retaining Wall & Sidewalk Improvements 2203 FM 1417

**F.4. RESOLUTION NO. 7560**

Authorizing Execution of a Professional Services Agreement with Burgess & Niple, Inc. for the Downtown Wastewater and Water Main Improvements Phase 2

**F.5. \* RESOLUTION NO. 7561**

Awarding Bids to and Authorizing Execution of Contracts with Multiple Vendors for an Annual Supply of Chemicals for the Sherman Wastewater Treatment Plant and Rejecting Bids for Citric Acid

**F.6. \* RESOLUTION NO. 7561**

Awarding a Bid and Execution of a Contract with Atlas Utility Supply Company for an Annual Supply of the Water Meters for Utilities Field Services Department

**F.7. \* RESOLUTION NO. 7563**

Authorizing The City Manager To Execute An Agreement With U.S. Bank For Commercial Charge Card Services Through The State Of Texas Contract

**F.8. \* RESOLUTION NO. 7564**

Appointing and Authorizing the City Manager to Negotiate an Agreement with Weaver and Tidwell, L.L.P. to Perform the Fiscal Year 2025 Audit.

**F.9. \* RESOLUTION NO. 7565**

Authorizing Execution of a Law Enforcement Officer Interlocal Agreement Between the City of Sherman, Texas, and Sherman Independent School District

**Other Business**

**G.1. OTHER BUSINESS**

Discuss Tax Rates and Vote to Propose a Tax Rate for the Newspaper Notice

**G.2. \* OTHER BUSINESS**

Review of the Draft Capital Improvement Program (CIP) 2025-2030 and Set a Public Hearing for Tuesday, September 2, 2025

**G.3. \* OTHER BUSINESS**

Approve the Investment Report for the Quarter Ended June 30, 2025

**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:

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

**I.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.

- a) Receive legal advice regarding HB 2512
- b) Receive legal advice regarding City of Sherman Code of Ordinances at Section 1.08.31 through 1.08.036.

**I.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.

**I.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.

**I.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

- a) Planning and Zoning Commission Chairman
- b) City Manager's Contract and Performance Evaluation

**I.5. TEX. GOV'T CODE § 551.076**

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

**I.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.

- a) Hospital Project

**I.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**

**COUNCIL CALENDAR**

**L.1. COUNCIL CALENDAR**

Council Calendar

## **CERTIFICATION**

I, the undersigned authority, do hereby certify that the above Notice of Regular Meeting of the City Council of the City of Sherman is a true and correct copy of said Notice and that I posted a true and correct copy of said Notice on the bulletin board at City Hall of said City of Sherman, Texas, a place convenient to the public, and said notice was posted on Thursday, August 14, 2025 at 4:59p.m., and said time of posting was 72 hours before said meeting was convened or called to order.

Dated the 14th day of August 2025. City of Sherman, Texas

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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 THE CLERKS OFFICE AT (903) 892-7206, 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

## ACTION MINUTES

The City Council of the City of Sherman held a regular meeting Monday, August 4, 2025, at 5:00 P.M. in the Council Chambers of Sherman City Hall at 220 West Mulberry Street to consider the following:

The City Council meetings are Video and Audio recorded and can be viewed at:

<https://www.ci.sherman.tx.us/701/Agendas-and-Minutes>

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

*Bookmarked at 00:00:00*

Mayor Teamann called the meeting to order at 5:00 p.m.

**Members Present:** Mayor Shawn Teamann, Council Members Henry Marroquin, Josh Stevenson, Pamela Howeth, Daron Holland, and Clay Barnett

**Members Absent:** Deputy Mayor Juston Dobbs

**A.2. PLEDGE OF ALLEGIANCE AND INVOCATION LED BY COUNCIL MEMBER CLAY BARNETT**

*Bookmarked at 00:05:41*

**A.3. APPROVE MINUTES OF THE REGULAR CITY COUNCIL MEETING OF JULY 7, 2025 AND JULY 21, 2025.**

*Bookmarked at 00:06:32*

The City Council reviewed the minutes of the July 7, 2025 and July 21, 2025 Regular Meeting.

Motion by Council Member Howeth to approve the Minutes as written. Second by Council Member Holland. All present voted AYE.

### Citizen Comments

**B.1. CITIZEN COMMENTS**

*Bookmarked at 00:06:54*

### Consent Agenda

**C.1. CONSENT AGENDA (\*)**

*Bookmarked at 00:07:04*

The Council reviewed the Consent Agenda. Council Member Howeth moved to approve all items on the Consent Agenda as written. Second by Council Member Holland.

**VOTING AYE: TEAMANN, STEVENSON, HOWETH, HOLLAND, BARNETT, AND MARROQUIN**

**VOTING NAY: NONE.**

**MOTION CARRIED.**

### Public Hearing

**D.1. INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 6855**

Ordering an Election of the Qualified Voters of the City of Sherman, Texas, on the 4th day of November 2025, for the Purpose of Electing two City Council Members (District 1 and District 3) to Fill Expiring Terms; Providing that the Election Shall be Administered by Grayson County, Texas; Designating Early Voting Polling Places and Hours; Designating Election Day Polling Places and Hours; Designating Filing Deadlines; Ordering Notices of Election to be Given as Prescribed by Law in Connection with Such Election; Providing for the Appointment of Election Judges; Authorizing the Mayor and City Clerk to Take All Actions Necessary to Comply With Applicable Election Laws

*Bookmarked at 00:07:39*

**E.1. CLOSE PUBLIC HEARING**

Consider Adoption of Ordinances 6855.

*Bookmarked at 00:08:21*

**Motion by Council Member Stevenson to approve Ordinance 6855. Second by Council Member Howeth.**

**VOTING AYE: TEAMANN, STEVENSON, HOWETH, HOLLAND, BARNETT, AND MARROQUIN**

**VOTING NAY: NONE.**

**MOTION CARRIED.**

**Resolutions**

**F.1. RESOLUTION NO. 7550**

Authorizing Execution of a Sign Donation Agreement between the City of Sherman, Texas and Roger Sanders

*Bookmarked at 00:08:35*

**Motion by Council Member Barnett to approve Resolution No. 7550. Second by Council Member Stevenson.**

**VOTING AYE: TEAMANN, STEVENSON, HOWETH, HOLLAND, BARNETT, AND MARROQUIN**

**VOTING NAY: NONE.**

**MOTION CARRIED.**

**F.2. RESOLUTION NO. 7551**

Authorizing Execution of a Third Amendment to the Professional Services Agreement with Huitt-Zollars, Inc. for Development Plan Reviews

*Bookmarked at 00:13:36*

**Motion by Council Member Stevenson to approve Resolution No. 7551. Second by Council Member Howeth.**

**VOTING AYE: TEAMANN, STEVENSON, HOWETH, HOLLAND, AND MARROQUIN**

**VOTING NAY: NONE.**

**ABSTAIN: BARNETT**

**MOTION CARRIED.**

**F.3. RESOLUTION NO. 7552**

Authorizing Execution of a Professional Services Agreement with Kimley-Horn and Associates, Inc. for the FM1417 Traffic Signals Design at Bel-Air Blvd. and Luella Rd

*Bookmarked at 00:14:50*

**Motion by Council Member Stevenson to approve Resolution No. 7552. Second by Council Member Barnett.**

**VOTING AYE: TEAMANN, STEVENSON, HOWETH, HOLLAND, BARNETT, AND MARROQUIN**

**VOTING NAY: NONE.**

**MOTION CARRIED.**

**F.4. RESOLUTION NO. 7553**

Awarding a Bid to and Authorizing Execution of a Contract with Lynn Vessels Construction, LLC Based on an Invitation to Bid for the Phase III Drainage Improvements for Setting Suns

*Bookmarked at 00:18:11*

**Motion by Council Member Howeth to approve Resolution No. 7553. Second by Council Member Holland.**

**VOTING AYE: TEAMANN, STEVENSON, HOWETH, HOLLAND, BARNETT, AND MARROQUIN**

**VOTING NAY: NONE.**

**MOTION CARRIED.**

**F.5. \*RESOLUTION NO. 7554**

Authorizing the Execution of an Amended Master Services Agreement with Flock Group, Inc. for the One-Time Purchase of Flock Safety Equipment for the Sherman Police Department

*Bookmarked at 00:07:04*

**F.6. \*RESOLUTION NO. 7555**

Authorizing the City Manager or His Designee to Execute a Sign Encroachment Agreement with Akers Cemetery

*Bookmarked at 00:07:04*

**F.7. \*RESOLUTION NO. 7556**

Authorizing the City Manager or His Designee to Execute a Right of Way Warranty Deed for the Purchase and Acquisition of Real Property from Point Man Ventures for the Construction of a Retaining Wall at the Corner of Lamberth and FM 1417, Being 0.0043 Acres in the J.B. McAnair Survey, Abstract No. 763, City of Sherman, Grayson County, Texas

*Bookmarked at 00:07:04*

**Request to Advertise**

**G.1. \*REQUEST TO ADVERTISE**

Annual Requirements for Janitorial Services in Certain City-Owned Facilities

*Bookmarked at 00:07:04*

**Other Business**

**H.1. OTHER BUSINESS**

Consider Scheduling a Joint Meeting of the City Council and the Planning and Zoning Commission for 12:00p.m. on Thursday, October 9, 2025, for a training workshop conducted by Abernathy, Roeder, Boyd & Hullett.

*Bookmarked at 00:19:55*

**COUNCIL COMMENTS**

*Bookmarked at 00:20:51*

**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:

**Mayor Teamann adjourned for Executive Session at 5:19 p.m.**

*Bookmarked at 00:23:50*

**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

a) Red River Groundwater Conservation District Board of Directors (1)

b) City Manager Contract

**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.

a) Bel Air Planned Development

**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 Adjournment**

*Bookmarked at 01:25:58*

Mayor Teamann reconvened into General Session at 6:21 p.m.

**J.4.a Red River Groundwater Conservation District Board of Directors (1)**

*Bookmarked at 01:26:10*

Motion by Council Member Barnett. Second by Council Member Stevenson. All present voted AYE.

**J.4.b City Manager Contract**

*Bookmarked at 01:26:29*

Motion by Council Member Stevenson. Second by Council Member Holland. All present voted AYE.

**ADJOURNMENT**

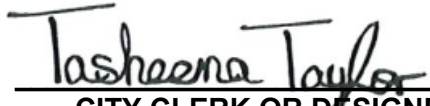
*Bookmarked at 01:26:54*

Motion by Council Member Barnett to adjourn. Second by Council Member Stevenson.

Mayor Teamann adjourned the meeting at 6:22 p.m.

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MAYOR

  
\_\_\_\_\_  
CITY CLERK OR DESIGNEE





## City Council Regular Meeting

Agenda Item No. C.1.

Meeting Date: 8/18/2025

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. 5. \* RESOLUTION NO. 7561**

Awarding Bids to and Authorizing Execution of Contracts with Multiple Vendors for an Annual Supply of Chemicals for the Sherman Wastewater Treatment Plant and Rejecting Bids for Citric Acid

**F. 6. \* RESOLUTION NO. 7561**

Awarding a Bid and Execution of a Contract with Atlas Utility Supply Company for an Annual Supply of the Water Meters for Utilities Field Services Department

**F. 7. \* RESOLUTION NO. 7563**

Authorizing The City Manager To Execute An Agreement With U.S. Bank For Commercial Charge Card Services Through The State Of Texas Contract

**F. 8. \* RESOLUTION NO. 7564**

Appointing and Authorizing the City Manager to Negotiate an Agreement with Weaver and Tidwell, L.L.P. to Perform the Fiscal Year 2025 Audit.

**F. 9. \* RESOLUTION NO. 7565**

Authorizing Execution of a Law Enforcement Officer Interlocal Agreement Between the City of Sherman, Texas, and Sherman Independent School District

**G. 2. \* OTHER BUSINESS**

Review of the Draft Capital Improvement Program (CIP) 2025-2030 and Set a Public Hearing for Tuesday, September 2, 2025

**G. 3. \* OTHER BUSINESS**

Approve the Investment Report for the Quarter Ended June 30, 2025

Background:

Capital Improvement Program:

**Origination:**

**Financial Consideration:**

**Staff Recommendation:**

**Alternatives:**

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**Attachments:**

None



## **City Council Regular Meeting**

Agenda Item No. D.1.

**Meeting Date:** 8/18/2025

**Prepared By:** Mary Lawrence, Chief Financial Officer

**Approved By:** Zachary Flores, Acting City Manager

### **Caption:**

#### **PUBLIC HEARING**

First Public Hearing Required by the Charter to Adopt a Budget and Provide for the Appropriation of Funds for Operation and Capital Expenditures for the Fiscal Year Beginning October 1, 2025, and Ending September 30, 2026; Declaring that this Budget will Raise Less Revenue from Property Taxes than Last Year's Budget by \$3,742,166 and 9.1%, and of that Amount \$3,496,261 is Tax Revenue to be Raised from New Property Added to the Tax Roll this Year; Providing a Savings/Repealing Clause, Severability Clause and an Effective Date; Providing for the Publication of the Caption Hereof

### **Issue:**

To hold the public hearing on the proposed budget for the 2025-2026 fiscal year as required by City Charter

### **Background:**

The draft budget contains about \$187.2 million in appropriations, which is about \$2.4 million less than the prior year's original budget of \$189.6 million, due to a decrease in capital expenses. The draft budget contains market increases for various positions and a 3% for all employees. Full-time positions increased from 573 to 587, consisting of positions added during the current year and new positions for FY2026, consisting of three in the General Fund, one in Equipment Services, seven in the Utility Fund and three in the Solid Waste Fund. Fund balances for the General, Utility, and Solid Waste Funds are within the targeted range of 60 to 90 days.

The capital program is funded by Certificates of Obligation issued in 2025, and an expected issue of about \$20 million expected in late Summer 2026. Projects include new roads such as extensions to Moore Street, Lamberth Road, and Friendship Road, rebuilding of the next section of Cherry Street, and improvements to downtown parking. The property tax rate remains unchanged at \$.508/\$100 of valuation. The utility rate plan has been implemented resulting in a 6% increase in rates for the residential accounts and about 9% for commercial accounts. Tax Notes of about \$4.5 million will be used to finance fleet, equipment, and street improvements with repayment made from property tax revenues. More detailed information is available in Exhibit A.

The second public hearing and action on the adoption of the budget will be at the September 2, 2025 City Council meeting.

### **Capital Improvement Program:**

**Origination:**

Chief Financial Officer

**Financial Consideration:**

The proposed budget includes appropriations of \$187.2 million for the 2025-2026 fiscal year.

**Staff Recommendation:**

Staff recommends that the Council hold the required public hearing

**Alternatives:**

Any changes to the proposed budget would have to come through a budget amendment after final adoption of the budget and related tax rate as required postings have already been made.

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**Attachments:**

1. Ordinance Budget\_FY2026
2. DRAFT Budget with Schedules 2026

**ORDINANCE NO.**

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, ADOPTING A BUDGET AND PROVIDING FOR THE APPROPRIATION OF FUNDS FOR OPERATING AND CAPITAL EXPENDITURES FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2025, AND ENDING SEPTEMBER 30, 2026; DECLARING THAT THIS BUDGET WILL RAISE LESS REVENUE FROM PROPERTY TAXES THAN LAST YEAR'S BUDGET BY \$3,742,166 AND 9.1%, AND OF THAT AMOUNT \$3,496,261 IS TAX REVENUE TO BE RAISED FROM NEW PROPERTY ADDED TO THE TAX ROLL THIS YEAR; PROVIDING A SAVINGS/REPEALING CLAUSE, SEVERABILITY CLAUSE AND AN EFFECTIVE DATE; PROVIDING FOR THE PUBLICATION OF THE CAPTION HEREOF; 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, pursuant to the laws of the State of Texas and Sherman's Home Rule Charter, the City Manager has submitted to the City Council the proposed budget of the revenues and expenditures for conducting the affairs of Sherman and providing a complete financial plan for the fiscal year beginning October 1, 2025, and ending September 30, 2026, and has filed the same with the municipal clerk (the "budget"). A copy of the budget is attached hereto as Exhibit A and incorporated herein for all purposes; and

WHEREAS, public hearings were held by the City Council on said budget on August 18, 2025, and September 2, 2025, at which time said budget was fully considered, and interested taxpayers were given the opportunity to be heard by the City Council; and

WHEREAS, the City Council has studied the budget and listened to the comments of the taxpayers at the public hearings and has investigated and determined that adoption of the budget is in the best interest of the City; and

WHEREAS, the City Council finds that all legal notices, hearings, procedures and publishing requirements for the adoption of the budget have been performed or completed in the manner and form set forth by law.

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

**SECTION 1.** That, pursuant to Article V of the City Charter, there is hereby appropriated for Operating Expenditures the sums of money as established in the approved Operating Budget Document, attached as Exhibit A hereto, for fiscal year beginning October 1, 2025, and ending September 30, 2026.

**SECTION 2.** That, pursuant to Article V of the City Charter, there is hereby appropriated for Capital Expenditures the sums of money as established in the approved Capital Budget

Document, attached as Exhibit A hereto, for fiscal year beginning October 1, 2025, and ending September 30, 2026.

**SECTION 3.** That specific authority is hereby given to the City Manager to transfer appropriations budgeted from one account classification or activity to another within any individual department or activity, and to transfer appropriations from designated appropriations to any individual department or activity.

**SECTION 4.** That all ordinances or parts of ordinances in conflict with the provisions of this ordinance are hereby repealed. Any remaining portions of conflicting ordinances shall remain in full force and effect.

**SECTION 5.** That should 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 6.** 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 7.** That this Ordinance shall become effective from and after its adoption and publication as required by the City Charter and by law.

**INTRODUCED** on this the \_\_\_\_\_ day of \_\_\_\_\_, 2025.

**ADOPTED** on this the \_\_\_\_\_ day of \_\_\_\_\_, 2025.

**EFFECTIVE DATE** on this the \_\_\_\_\_ day of \_\_\_\_\_, 2025.

**CITY OF SHERMAN, TEXAS**

**BY:** \_\_\_\_\_  
**SHAWN TEAMANN, MAYOR**

**ATTEST:**

**BY:** \_\_\_\_\_  
**LEAH ROBERTS, ACTING CITY CLERK**

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

**BY: \_\_\_\_\_  
RYAN D. PITTMAN, CITY ATTORNEY**

Date of Publication: August 10, 2025, *Sherman Herald Democrat*

## Exhibit A



**City of Sherman**  
**ANNUAL OPERATING BUDGET**  
**YEAR ENDING SEPTEMBER 30, 2026**

This budget will raise less revenue from property taxes than last year's budget by an amount of \$3,742,155, which is a 9.1 percent decrease from last year's budget. The property tax revenue to be raised from new property added to the tax roll this year is \$3,496,261.

**City Council Record Vote**

Mayor, Shawn Teamann  
Deputy Mayor Juston Dobbs  
Council Members:  
Daron Holland  
Clay Barnett  
Pamela Howeth  
Henry Marroquin  
Josh Stevenson

|                                                    | <b>FY2025</b> | <b>FY2026</b> |
|----------------------------------------------------|---------------|---------------|
| Property tax rate                                  | 0.508000      | 0.508000      |
| No-new-revenue tax rate                            | 0.479229      | 0.619404      |
| No-new-revenue maintenance and operations tax rate | 0.246523      | 0.373786      |
| Voter-approval tax rate                            | 0.515093      | 0.656778      |
| Debt rate                                          | 0.200535      | 0.249560      |

**Outstanding Debt**

The total amount of outstanding municipal debt obligations secured by property taxes is \$188,960,000.

**PROPOSED BUDGET FOR THE CITY OF SHERMAN  
FOR FISCAL YEAR 2026**

August 18, 2025

**SUMMARY**

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The attached proposed budget for Fiscal Year (FY) 2026 is based on the direction provided by the City Council at the June 12th, 2025, budget workshop.

The draft budget contains about \$187.2 million in appropriations, which is about \$2.4 million less than the prior year's original budget of \$189.6 million, due to a decrease in capital expenses. The draft budget contains market increases for various positions and a 3% for all employees. Full-time positions increased from 573 to 587, consisting of positions added during the current year and new positions for FY2026, consisting of three in the General Fund, one in Equipment Services, seven in the Utility Fund and three in the Solid Waste Fund. Fund balances for the General, Utility, and Solid Waste Funds are within the targeted range of 60 to 90 days.

The capital program is funded by Certificates of Obligation issued in 2025, and an expected issue of about \$20 million expected in late Summer 2026. Projects include new roads such as extensions to Moore Street, Lamberth Road, and Friendship Road, rebuilding of the next section of Cherry Street, and improvements to downtown parking. The property tax rate remains unchanged at \$.508/\$100 of valuation. The utility rate plan has been implemented resulting in a 6% increase in rates for the residential accounts and about 9% for commercial accounts. Tax Notes of about \$4.5 million will be used to finance fleet, equipment, and street improvements with repayment made from property tax revenues. More detailed information is available in the attachments.

**GENERAL FUND**

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The **General Fund** is unbalanced by about \$376,000. Property values decreased by about 8.5% due to the effect of the first year of tax abatement for two large taxpayers. The property tax rate is unchanged at \$.508/\$100 with no increase for the additional debt issued in 2025. Sales tax revenue is budgeted to decrease about 2.5% due to effects of one-time revenues in prior years. Fleet purchases include two police Tahoes, a dump truck and various other fleet and equipment. Fund balance is projected to be \$14.1 million or 75 days of operating expenses at the end of FY2026.

**UTILITY FUND**

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The **Utility Fund** is balanced ongoing. Utility rates are budgeted to increase by about 6% for residential with higher percentage increases based on the usage tier for larger users. Three new positions are planned, in addition to the four positions added during the current year, to include one at the wastewater treatment plant, one in water quality, and

one in distribution/collection. Various trucks and trailers totaling about \$700,000 are included in the budget. Fund balance at the end of FY2026 is projected to be about \$15.4 million, or about 87 days of operating expenses.

## **SOLID WASTE FUND**

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The **Solid Waste Fund** is balanced on an on-going basis but unbalanced for the year due to an increase in the number of truck purchases for the year. If a distribution from TASWA is less than budgeted, or if the distribution declines in subsequent years, a rate increase will be considered. About \$2.2 million in trucks and equipment, funded by Tax Notes, is planned. Three additional drivers are budgeted. Fund balance is projected to be \$2.2 million, or 66 days of operating expenditures.

## **CAPITAL IMPROVEMENT FUNDS**

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The proposed budget of \$17.9 million in the **General Improvement Fund – Bond Funds** consists of funding for the continuation of Moore Street, a traffic signal at Luella Road and FM 1417, Tortilla Way in the industrial park, improvements to Travis Street from the US 75 service road to Houston St., and the second phase of a major rebuild of Cherry Street. Downtown parking improvements, beautification on Elm Street, and the nearby parking lot on Laurel Street plus an additional parking lot on Walnut Street.

The proposed budget of about \$2.4 million in the **General Improvement Fund – City Fund** is funded by Tax Notes. About \$2.0 million is dedicated to purchasing street materials to maintain existing streets by in-house crews.

The **Utility Improvement Fund – GTUA Funds** proposed budget includes projects that will be funded by debt issued by the Greater Texoma Utility Authority (GTUA) on behalf of the City. Projects totaling \$59 million include funding to replace and construct new water and sewer lines, upgrades to the north Wastewater Treatment Plant (WWTP) and the Water Treatment Plant (WTP), make the first payment to North Texas Municipal Water District for our share of a second water line from Lake Texoma Pump Station to the WTP, purchase additional Water Storage at Lake Texoma, and finish the improvements at the Lake Texoma Pump Station.

## **MAJOR IMPACTS**

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### **Tax Revenues**

Property tax revenue is expected to decrease by about \$3.7 million over last year due to the start of a ten-year tax abatement of two major industrial plants. Sales tax is expected to be about 2% below what is projected in FY2025 due to the completion of the two major industrial plants resulting in a decrease in construction-related sales tax.

**Wage Increase**

The proposed budget contains 3% across-the-board increase for other employees. The cost is projected to be about \$2.3 million across all funds.

**Fleet, Equipment and Buildings**

Major fleet expenditures for this year include five trash trucks (\$2.2 million), travel cars (\$130,000), dump truck (\$105,000), two patrol Tahoes (\$192,000), eight pickups (\$685,000), and various other routine replacements.

**SUMMARY SCHEDULES, DETAILED FUND STATEMENTS, AND OTHER INFORMATION**

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The following pages include a schedule that summarizes the draft FY2026 budget, eliminating double counting for internal service funds and inter-fund transfers. Also included are statements of revenues and expenditures/expenses for each fund and a schedule of transfers, a property tax historical summary, debt schedule, and itemization of certain expenditures required by Local Government Code Section 140.

City of Sherman  
ALL FUNDS  
2025-2026 Annual Budget

|                                   | General<br>Funds | Enterprise<br>Funds | Capital<br>Improvement<br>Funds | Special Revenue<br>Funds | Internal Service<br>Funds | Debt Service<br>Funds | Trust<br>Fund | Interfund<br>Transfers | Totals         |
|-----------------------------------|------------------|---------------------|---------------------------------|--------------------------|---------------------------|-----------------------|---------------|------------------------|----------------|
| Beginning Fund Balance            | \$ 14,431,800    | \$ 17,535,417       | \$ 70,991,068                   | \$ 1,702,017             | \$ 1,743,437              | \$ 576,458            | \$ 1,853,721  | \$ -                   | \$ 108,833,918 |
| Revenues:                         |                  |                     |                                 |                          |                           |                       |               |                        |                |
| Taxes                             | 50,508,800       | -                   | 958,902                         | 800,000                  | 3,032,000                 | 14,010,000            | -             | -                      | 69,309,702     |
| Water Sales                       | -                | 35,833,358          | -                               | -                        | -                         | -                     | -             | -                      | 35,833,358     |
| Sewer Sales                       | -                | 23,098,548          | -                               | -                        | -                         | -                     | -             | -                      | 23,098,548     |
| Solid Waste Service               | -                | 10,417,000          | -                               | -                        | -                         | -                     | -             | -                      | 10,417,000     |
| Sales & Service                   | 7,227,850        | 1,276,000           | 3,710,000                       | 2,897,000                | 16,791,740                | -                     | 10,000        | (15,408,380)           | 16,504,210     |
| Intergovernmental                 | 837,704          | 1,416,085           | 362,714                         | 151,000                  | -                         | -                     | -             | -                      | 2,767,503      |
| Interest Income                   | 1,300,000        | 250,000             | 3,541,200                       | 65,470                   | 190,000                   | 35,000                | -             | -                      | 5,381,670      |
| Miscellaneous Revenue             | 338,100          | 1,225,000           | -                               | 38,090                   | 350,000                   | -                     | -             | -                      | 1,951,190      |
| Debt Proceeds                     | -                | -                   | 17,114,009                      | -                        | 2,545,016                 | -                     | -             | -                      | 19,659,025     |
| Transfers In                      | 8,002,863        | 3,641,000           | 3,000,000                       | 150,000                  | -                         | 1,071,358             | -             | (15,865,221)           | -              |
| Total Revenues                    | 68,215,317       | 77,156,991          | 28,686,825                      | 4,101,560                | 22,908,756                | 15,116,358            | 10,000        | (31,273,601)           | 184,922,206    |
| Total Funds Available             | 82,647,117       | 94,692,408          | 99,677,893                      | 5,803,577                | 24,652,193                | 15,692,816            | 1,863,721     | (31,273,601)           | 293,756,124    |
| Expenditures:                     |                  |                     |                                 |                          |                           |                       |               |                        |                |
| Personnel                         | 46,834,180       | 14,472,400          | -                               | 1,068,440                | 2,729,600                 | -                     | -             | -                      | 65,104,620     |
| Supplies                          | 2,971,196        | 7,268,327           | -                               | 530,669                  | 1,541,638                 | -                     | -             | -                      | 12,311,830     |
| Repair & Maintenance              | 2,387,582        | 4,845,978           | -                               | 97,540                   | 2,542,640                 | -                     | -             | -                      | 9,873,739      |
| Utilities                         | 1,617,260        | 3,428,360           | -                               | 46,900                   | 133,880                   | -                     | -             | -                      | 5,226,400      |
| Information Technology            | 1,919,595        | 682,820             | -                               | 32,170                   | 83,610                    | -                     | -             | (2,718,195)            | -              |
| Debt Service                      | -                | 28,149,364          | -                               | -                        | 3,121,920                 | 15,648,119            | -             | -                      | 46,919,403     |
| Services & Charges                | 8,359,518        | 6,675,020           | 150,000                         | 2,380,302                | 9,311,818                 | 13,000                | -             | (5,384,810)            | 21,504,848     |
| Vehicle Usage                     | 3,199,140        | 2,687,970           | -                               | 84,860                   | -                         | -                     | -             | (5,971,970)            | -              |
| Fleet Services & Charges          | 482,199          | 615,644             | -                               | -                        | 235,562                   | -                     | -             | (1,333,405)            | -              |
| Capital Expenses                  | 670,615          | 115,000             | 21,129,709                      | 733,745                  | 3,568,579                 | -                     | -             | -                      | 26,217,648     |
| Transfers Out                     | 150,000          | 8,135,019           | 7,140,931                       | 395,427                  | 43,844                    | -                     | -             | (15,865,221)           | -              |
| Total Expenditures                | 68,591,284       | 77,075,902          | 28,420,640                      | 5,370,053                | 23,313,091                | 15,661,119            | -             | (31,273,601)           | 187,158,489    |
| Excess Revenues Over Expenditures | (375,967)        | 81,089              | 266,185                         | (1,268,493)              | (404,335)                 | (544,761)             | 10,000        | -                      | (2,236,283)    |
| Ending Fund Balance               | \$ 14,055,833    | \$ 17,616,506       | \$ 71,257,253                   | \$ 433,524               | \$ 1,339,102              | \$ 31,697             | \$ 1,863,721  | \$ -                   | \$ 106,597,636 |

**City of Sherman**  
**GENERAL FUND**  
**2025-2026 Annual Budget**

|                                          | Actual<br>2023-2024  | Adjusted<br>Budget<br>2024-2025 | Projected<br>2024-2025 | Budget<br>2025-2026  |
|------------------------------------------|----------------------|---------------------------------|------------------------|----------------------|
| Beginning Fund Balance                   | \$ 18,664,620        | \$ 18,209,890                   | \$ 19,556,119          | \$ 14,431,800        |
| <b>Revenues</b>                          |                      |                                 |                        |                      |
| Property Tax                             | 14,513,257           | 25,484,400                      | 24,595,700             | 19,064,700           |
| Sales Tax                                | 30,010,369           | 28,500,000                      | 28,640,000             | 27,970,000           |
| Franchise Tax                            | 3,120,613            | 3,081,000                       | 3,268,000              | 3,301,000            |
| Other Taxes                              | 175,182              | 178,500                         | 174,000                | 173,100              |
| Fines & Penalties                        | 803,345              | 663,000                         | 1,027,650              | 1,027,650            |
| Recreation                               | 428,188              | 381,000                         | 441,000                | 441,000              |
| Licenses & Permits                       | 2,924,652            | 1,087,465                       | 2,072,700              | 1,975,700            |
| Rentals                                  | 5,088                | 7,450                           | 5,200                  | 5,200                |
| Cemetery                                 | 226,234              | 256,100                         | 312,200                | 251,700              |
| Sales & Service                          | 3,321,816            | 2,357,450                       | 1,644,100              | 1,298,500            |
| Ambulance Service                        | 2,180,275            | 1,881,500                       | 2,228,100              | 2,228,100            |
| Interest Income                          | 824,458              | 650,000                         | 1,300,000              | 1,300,000            |
| Grant Revenue                            | 111,581              | 63,225                          | 43,000                 | 12,000               |
| Intergovernmental                        | 838,202              | 838,469                         | 838,469                | 837,704              |
| Miscellaneous Revenue                    | 849,671              | 1,667,265                       | 549,650                | 326,100              |
| <b>Total Revenues</b>                    | <b>60,332,932</b>    | <b>67,096,824</b>               | <b>67,139,769</b>      | <b>60,212,454</b>    |
| Transfers In                             | 5,005,471            | 6,215,063                       | 6,355,055              | 8,002,863            |
| <b>Total Revenues and Transfers In</b>   | <b>65,338,403</b>    | <b>73,311,887</b>               | <b>73,494,824</b>      | <b>68,215,317</b>    |
| <b>Total Funds Available</b>             | <b>84,003,023</b>    | <b>91,521,777</b>               | <b>93,050,943</b>      | <b>82,647,117</b>    |
| <b>Expenditures</b>                      |                      |                                 |                        |                      |
| Personnel                                | 41,740,954           | 44,901,880                      | 45,486,371             | 46,834,180           |
| Supplies                                 | 2,343,592            | 2,947,149                       | 2,748,793              | 2,971,196            |
| Repair & Maintenance                     | 3,245,999            | 2,611,799                       | 2,811,630              | 2,387,582            |
| Utilities                                | 1,339,613            | 1,470,010                       | 1,496,820              | 1,617,260            |
| Information Technology                   | 1,345,455            | 1,572,450                       | 1,576,020              | 1,919,595            |
| Services & Charges                       | 7,475,211            | 8,941,666                       | 9,068,999              | 8,359,518            |
| Vehicle Usage                            | 3,139,041            | 2,972,400                       | 3,153,355              | 3,199,140            |
| Capital Expenses                         | 915,231              | 1,087,599                       | 1,463,424              | 670,615              |
| Fleet Services & Charges                 | 1,901,807            | 1,813,732                       | 1,813,732              | 482,199              |
| Transfers Out                            | 1,000,000            | 8,300,000                       | 9,000,000              | 150,000              |
| <b>Total Expenditures</b>                | <b>64,446,903</b>    | <b>76,618,685</b>               | <b>78,619,143</b>      | <b>68,591,284</b>    |
| <b>Excess Revenues over Expenditures</b> | <b>891,500</b>       | <b>(3,306,798)</b>              | <b>(5,124,319)</b>     | <b>(375,967)</b>     |
| <b>Ending Fund Balance</b>               | <b>\$ 19,556,119</b> | <b>\$ 14,903,092</b>            | <b>\$ 14,431,800</b>   | <b>\$ 14,055,833</b> |

**City of Sherman**  
**RISK CONTINGENCY**  
**2025-2026 Annual Budget**

|                                   | Actual<br>2023-2024 | Adjusted<br>Budget<br>2024-2025 | Projected<br>2024-2025 | Budget<br>2025-2026 |
|-----------------------------------|---------------------|---------------------------------|------------------------|---------------------|
| Beginning Fund Balance            | \$ -                | \$ -                            | \$ -                   | \$ 8,300,000        |
| Revenues                          |                     |                                 |                        |                     |
| Transfers In                      | -                   | 8,300,000                       | 8,300,000              | -                   |
| Expenditures                      |                     |                                 |                        |                     |
| Transfers Out                     | -                   | -                               | -                      | -                   |
| Excess Revenues over Expenditures | -                   | 8,300,000                       | 8,300,000              | -                   |
| Ending Fund Balance               | \$ -                | \$ 8,300,000                    | \$ 8,300,000           | \$ 8,300,000        |

**City of Sherman**  
**ENTERPRISE FUNDS**  
**2025-2026 Annual Budget**

|                                      | Actual<br>2023-2024 | Adjusted<br>Budget<br>2024-2025 | Projected<br>2024-2025 | Budget<br>2025-2026 |
|--------------------------------------|---------------------|---------------------------------|------------------------|---------------------|
| Beginning Fund Balance               | \$ 9,174,311        | \$ 10,300,841                   | \$10,426,453           | \$17,535,417        |
| Revenues:                            |                     |                                 |                        |                     |
| Water Sales                          | 18,984,415          | 25,127,330                      | 26,730,000             | 35,833,358          |
| Sewer Sales                          | 10,823,414          | 19,441,124                      | 16,550,000             | 23,098,548          |
| Solid Waste Service                  | 8,852,830           | 10,002,000                      | 10,160,000             | 10,417,000          |
| Sales & Service                      | 1,091,707           | 1,186,500                       | 1,243,100              | 1,276,000           |
| Intergovernmental                    | 410,336             | 417,870                         | 417,870                | 1,416,085           |
| Interest Income                      | 249,966             | 173,000                         | 250,000                | 250,000             |
| Miscellaneous Revenue                | 1,078,060           | 1,219,600                       | 1,655,000              | 1,225,000           |
| Debt Proceeds                        | -                   | 343,200                         | 343,200                | -                   |
| Transfers In                         | 1,599,042           | 474,000                         | 474,000                | 3,641,000           |
| Total Revenues                       | 43,089,768          | 58,384,624                      | 57,823,170             | 77,156,991          |
| Total Funds Available                | 52,264,079          | 68,685,465                      | 68,249,623             | 94,692,408          |
| Expenditures:                        |                     |                                 |                        |                     |
| Personnel                            | 10,720,544          | 12,984,300                      | 12,864,888             | 14,472,400          |
| Supplies                             | 2,661,142           | 4,157,368                       | 3,510,473              | 7,268,327           |
| Repair & Maintenance                 | 4,637,098           | 5,329,670                       | 4,796,383              | 4,845,978           |
| Utilities                            | 2,504,847           | 2,884,240                       | 3,018,360              | 3,428,360           |
| Information Technology               | 481,877             | 579,650                         | 580,970                | 682,820             |
| Services & Charges                   | 5,158,134           | 6,171,950                       | 5,573,887              | 6,675,020           |
| Vehicle Usage                        | 2,577,784           | 2,604,280                       | 2,681,978              | 2,687,970           |
| Debt Service                         | 7,360,891           | 10,786,399                      | 10,215,541             | 28,149,364          |
| Fleet Services & Charges             | 234,800             | 182,547                         | 182,547                | 615,644             |
| Capital Expenses                     | 411,502             | 803,449                         | 520,395                | 115,000             |
| Transfers Out                        | 5,089,007           | 6,673,221                       | 6,768,784              | 8,135,019           |
| Total Expenditures                   | 41,837,627          | 53,157,073                      | 50,714,206             | 77,075,902          |
| Excess Revenues over<br>Expenditures | 1,252,142           | 5,227,551                       | 7,108,964              | 81,089              |
| Ending Fund Balance                  | \$ 10,426,453       | \$ 15,528,392                   | \$ 17,535,417          | \$ 17,616,506       |



**City of Sherman**  
**CAPITAL IMPROVEMENT FUNDS**  
**2024-2025 Annual Budget**

|                                   | 220          | 222           | 224        | 235       | 250           | 251           | 252           | 253           |
|-----------------------------------|--------------|---------------|------------|-----------|---------------|---------------|---------------|---------------|
|                                   | General CIP  | General CIP   | Street     | Regional  | Roadway       | Roadway       | Roadway       | Roadway       |
|                                   | City Funds   | Bond Funds    | Revolving  | Detention | Impact Fee #1 | Impact Fee #2 | Impact Fee #3 | Impact Fee #4 |
| Beginning Fund Balance            | \$ 1,154,362 | \$ 58,185,631 | \$ 575,487 | \$ 57,391 | \$ 36,342     | \$ 863,821    | \$ 266,203    | \$ 1,369,234  |
| Revenues:                         |              |               |            |           |               |               |               |               |
| Interest Income                   | -            | 3,000,000     | 25,000     | 800       | 7,000         | 28,000        | 1,000         | 40,000        |
| Taxes                             | -            | -             | -          | -         | -             | -             | -             | -             |
| Intergovernmental                 | -            | -             | -          | -         | -             | -             | -             | -             |
| Sales & Service                   | -            | -             | -          | 25,000    | 100,000       | 375,000       | 10,000        | 400,000       |
| Miscellaneous Revenue             | -            | -             | -          | -         | -             | -             | -             | -             |
| Debt Proceeds                     | 2,203,698    | 14,910,311    | -          | -         | -             | -             | -             | -             |
| Transfers In                      | -            | 3,000,000     | -          | -         | -             | -             | -             | -             |
| Total Revenues                    | 2,203,698    | 20,910,311    | 25,000     | 25,800    | 107,000       | 403,000       | 11,000        | 440,000       |
| Total Funds Available             | 3,358,060    | 79,095,942    | 600,487    | 83,191    | 143,342       | 1,266,821     | 277,203       | 1,809,234     |
| Expenditures                      |              |               |            |           |               |               |               |               |
| Capital Expenses                  | 2,369,398    | 17,760,311    | 250,000    | 75,000    | -             | -             | -             | -             |
| Services & Charges                | -            | 150,000       | -          | -         | -             | -             | -             | -             |
| Transfers Out                     | -            | -             | -          | -         | -             | 1,200,000     | -             | 1,800,000     |
| Total Expenditures                | 2,369,398    | 17,910,311    | 250,000    | 75,000    | -             | 1,200,000     | -             | 1,800,000     |
| Excess Revenues over Expenditures | (165,700)    | 3,000,000     | (225,000)  | (49,200)  | 107,000       | (797,000)     | 11,000        | (1,360,000)   |
| Ending Fund Balance               | \$ 988,662   | \$ 61,185,631 | \$ 350,487 | \$ 8,191  | \$ 143,342    | \$ 66,821     | \$ 277,203    | \$ 9,234      |

**City of Sherman**  
**CAPITAL IMPROVEMENT FUNDS**  
**2024-2025 Annual Budget**

| 330          | 241          | 242          | 243          | 244          | 245          | 750          | 751          | 770         |
|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|-------------|
| TIRZ #2      | TIRZ #5      | TIRZ #6      | TIRZ #7      | TIRZ #8      | TIRZ #9      | Water        | Sewer        | Utility CIP |
| Construction | Construction | Construction | Construction | Construction | Construction | Impact Fee   | Impact Fee   | City Funds  |
| \$           | \$           | \$           | \$           | \$           | \$           | \$           | \$           | \$          |
| (6,972)      | (304,814)    | 464,483      | (441,602)    | 7,630        | -            | 5,829,601    | 2,167,096    | 767,176     |
| 2,400        | -            | 12,000       | -            | -            | -            | 160,000      | 65,000       | 200,000     |
| 479,347      | 107,958      | 44,157       | 249,335      | 51,994       | 26,111       | -            | -            | -           |
| -            | 78,676       | 36,452       | 164,180      | 33,359       | 47           | -            | -            | -           |
| -            | -            | -            | -            | -            | -            | 2,000,000    | 800,000      | -           |
| -            | -            | -            | -            | -            | -            | -            | -            | -           |
| -            | -            | -            | -            | -            | -            | -            | -            | -           |
| -            | -            | -            | -            | -            | -            | -            | -            | -           |
| 481,747      | 186,634      | 92,609       | 413,515      | 85,353       | 26,158       | 2,160,000    | 865,000      | 200,000     |
| 474,775      | (118,180)    | 557,092      | (28,087)     | 92,983       | 26,158       | 7,989,601    | 3,032,096    | 967,176     |
| 250,000      | -            | -            | -            | -            | -            | -            | -            | 375,000     |
| -            | -            | -            | -            | -            | -            | -            | -            | -           |
| 200,000      | 288,196      | 225,384      | 177,351      | -            | -            | 3,250,000    | -            | -           |
| 450,000      | 288,196      | 225,384      | 177,351      | -            | -            | 3,250,000    | -            | 375,000     |
| 31,747       | (101,562)    | (132,775)    | 236,164      | 85,353       | 26,158       | (1,090,000)  | 865,000      | (175,000)   |
| \$ 24,775    | \$ (406,376) | \$ 331,708   | \$ (205,438) | \$ 92,983    | \$ 26,158    | \$ 4,739,601 | \$ 3,032,096 | \$ 592,176  |

**City of Sherman**  
**CAPITAL IMPROVEMENT FUNDS**  
**2024-2025 Annual Budget**

| 777    | Utility CIP | Total         |
|--------|-------------|---------------|
| \$     | GTUA        | (0) \$        |
| -      | 50,000      | 3,541,200     |
| -      | 50,000      | 958,902       |
| -      | 50,000      | 362,714       |
| -      | 50,000      | 3,710,000     |
| -      | 50,000      | -             |
| -      | 50,000      | 17,114,009    |
| -      | 50,000      | 3,000,000     |
| 50,000 | 50,000      | 28,686,825    |
| 50,000 | 50,000      | 99,677,893    |
| 50,000 | 50,000      | 21,129,709    |
| -      | 50,000      | 150,000       |
| -      | 50,000      | 7,140,931     |
| 50,000 | 50,000      | 28,420,640    |
| -      | 50,000      | 266,185       |
| \$     | (0)         | \$ 71,257,253 |

**City of Sherman**  
**SPECIAL REVENUE FUNDS**  
**2023-2024 Annual Budget**

|                                   | 420         | 430                            | 440        | 450                      | 460             | 470                 | 480        |
|-----------------------------------|-------------|--------------------------------|------------|--------------------------|-----------------|---------------------|------------|
|                                   | Stormwater  | Bel Air Public<br>Imp District | E 911      | Security &<br>Technology | Hotel/<br>Motel | Drug<br>Enforcement | Airport    |
| Beginning Fund Balance            | \$ (22,295) | \$ 299,939                     | \$ 700,952 | \$ 130,686               | \$ 89,372       | \$ 183,171          | \$ 112,191 |
| Revenues                          |             |                                |            |                          |                 |                     |            |
| Taxes                             | -           | -                              | -          | -                        | 800,000         | -                   | -          |
| Sales & Service                   | 930,000     | 988,000                        | 330,000    | 70,500                   | 86,500          | 65,000              | 427,000    |
| Intergovernmental                 | -           | -                              | 51,000     | -                        | -               | -                   | 100,000    |
| Interest Income                   | 1,000       | 17,000                         | 35,000     | 3,500                    | -               | 1,900               | 5,500      |
| Miscellaneous Revenue             | -           | -                              | -          | -                        | 1,500           | -                   | -          |
| Debt Proceeds                     | -           | -                              | -          | -                        | -               | -                   | -          |
| Transfers In                      | -           | -                              | -          | -                        | 150,000         | -                   | -          |
| Total Revenues                    | 931,000     | 1,005,000                      | 416,000    | 74,000                   | 1,038,000       | 66,900              | 532,500    |
| Total Funds Available             | 908,705     | 1,304,939                      | 1,116,952  | 204,686                  | 1,127,372       | 250,071             | 644,691    |
| Expenditures                      |             |                                |            |                          |                 |                     |            |
| Personnel                         | 233,440     | -                              | 600,520    | -                        | 234,480         | -                   | -          |
| Supplies                          | 5,429       | -                              | -          | 20,500                   | 27,750          | 50,400              | 396,590    |
| Repair & Maintenance              | 69,545      | -                              | -          | -                        | 7,000           | 12,000              | 8,995      |
| Utilities                         | 1,230       | -                              | -          | -                        | 32,780          | -                   | 12,890     |
| Information Technology            | 8,580       | -                              | -          | -                        | 23,590          | -                   | -          |
| Services & Charges                | 24,966      | 1,250,000                      | 188,687    | 12,000                   | 734,875         | 6,500               | 108,274    |
| Capital Expenses                  | 225,000     | -                              | 268,745    | -                        | -               | -                   | 100,000    |
| Vehicle Usage                     | 52,340      | -                              | -          | -                        | 25,520          | -                   | 7,000      |
| Fleet Services & Charges          | -           | -                              | -          | -                        | -               | -                   | -          |
| Transfers Out                     | 272,275     | -                              | -          | 15,000                   | 108,152         | -                   | -          |
| Total Expenditures                | 892,805     | 1,250,000                      | 1,057,952  | 47,500                   | 1,194,147       | 68,900              | 633,749    |
| Excess Revenues over Expenditures | 38,195      | (245,000)                      | (641,952)  | 26,500                   | (156,147)       | (2,000)             | (101,249)  |
| Ending Fund Balance               | \$ 15,900   | \$ 54,939                      | \$ 59,000  | \$ 157,186               | \$ (66,775)     | \$ 181,171          | \$ 10,942  |

City of Sherman  
SPECIAL REVENUE FUNDS  
2023-2024 Annual Budget

| 455        | 456       | 457       |              |
|------------|-----------|-----------|--------------|
| Parks      | Police    |           |              |
| Pride      | Pride     | Donations | Total        |
| \$ 159,393 | \$ 27,818 | \$ 20,790 | \$ 1,702,017 |
|            |           |           |              |
| -          | -         | -         | 800,000      |
| -          | -         | -         | 2,897,000    |
| -          | -         | -         | 151,000      |
| 500        | 720       | 350       | 65,470       |
| 13,200     | 10,390    | 13,000    | 38,090       |
| -          | -         | -         | -            |
| -          | -         | -         | 150,000      |
| 13,700     | 11,110    | 13,350    | 4,101,560    |
| 173,093    | 38,928    | 34,140    | 5,803,577    |
|            |           |           |              |
| -          | -         | -         | 1,068,440    |
| -          | -         | 30,000    | 530,669      |
| -          | -         | -         | 97,540       |
| -          | -         | -         | 46,900       |
| -          | -         | -         | 32,170       |
| 50,000     | 5,000     | -         | 2,380,302    |
| 120,000    | 20,000    | -         | 733,745      |
| -          | -         | -         | 84,860       |
| -          | -         | -         | -            |
| -          | -         | -         | 395,427      |
| 170,000    | 25,000    | 30,000    | 5,370,053    |
| (156,300)  | (13,890)  | (16,650)  | (1,268,493)  |
| \$ 3,093   | \$ 13,928 | \$ 4,140  | \$ 433,524   |

**City of Sherman**  
**INTERNAL SERVICE FUNDS**  
**2025-2026 Annual Budget**

|                                   | 600<br>Insurance | 630<br>IT | 650<br>Equipment | 660<br>Fleet Replacement | Total        |
|-----------------------------------|------------------|-----------|------------------|--------------------------|--------------|
| Beginning Fund Balance            | \$ 1,031,840     | \$ 96,896 | \$ 93,480        | \$ 521,221               | \$ 1,743,437 |
| Revenue                           |                  |           |                  |                          |              |
| Sales & Service                   | 6,768,170        | 2,718,195 | 5,971,970        | 1,333,405                | 16,791,740   |
| Taxes                             | -                | -         | -                | 3,032,000                | 3,032,000    |
| Interest Income                   | 60,000           | -         | -                | 130,000                  | 190,000      |
| Debt Proceeds                     | -                | -         | -                | 2,545,016                | 2,545,016    |
| Miscellaneous Revenue             | 350,000          | -         | -                | -                        | 350,000      |
| Total Revenue                     | 7,178,170        | 2,718,195 | 5,971,970        | 7,040,421                | 22,908,756   |
| Total Funds Available             | 8,210,010        | 2,815,091 | 6,065,450        | 7,561,642                | 24,652,193   |
| Expenditures                      |                  |           |                  |                          |              |
| Personnel                         | -                | 1,254,920 | 1,474,680        | -                        | 2,729,600    |
| Supplies                          | -                | 153,444   | 1,388,194        | -                        | 1,541,638    |
| Repair & Maintenance              | -                | 424,258   | 2,118,382        | -                        | 2,542,640    |
| Utilities                         | -                | 100,010   | 33,870           | -                        | 133,880      |
| Information Technology            | -                | -         | 83,610           | -                        | 83,610       |
| Services & Charges                | 8,021,000        | 610,819   | 579,999          | 100,000                  | 9,311,818    |
| Debt Service                      | -                | -         | -                | 3,121,920                | 3,121,920    |
| Fleet Services & Charges          | -                | 57,000    | 178,562          | -                        | 235,562      |
| Capital Expenses                  | -                | 74,000    | 42,500           | 3,452,079                | 3,568,579    |
| Transfers Out                     | -                | 43,844    | -                | -                        | 43,844       |
| Total Expenditures                | 8,021,000        | 2,718,295 | 5,899,797        | 6,673,999                | 23,313,091   |
| Excess Revenues over Expenditures | (842,830)        | (100)     | 72,173           | 366,422                  | (404,335)    |
| Ending Fund Balance               | \$ 189,010       | \$ 96,796 | \$ 165,653       | \$ 887,643               | \$ 1,339,102 |

**City of Sherman**  
**DEBT SERVICE FUND**  
**2025-2026 Annual Budget**

|                                   | Actual<br>2023-2024 | Projected<br>2024-2025 | Budget<br>2025-2026 |
|-----------------------------------|---------------------|------------------------|---------------------|
| Beginning Fund Balance            | \$ 1,477,806        | \$ 1,270,262           | \$ 576,458          |
| Revenues                          |                     |                        |                     |
| Property Tax                      | 10,413,377          | 12,660,154             | 14,010,000          |
| Transfers In                      | 1,075,000           | 1,065,000              | 1,071,358           |
| Interest Income                   | 115,660             | 35,000                 | 35,000              |
| Miscellaneous Revenue             | 1,056               | -                      | -                   |
| Total Revenues                    | 11,605,092          | 13,760,154             | 15,116,358          |
| Total Funds Available             | 13,082,898          | 15,030,416             | 15,692,816          |
| Expenditures                      |                     |                        |                     |
| Debt Service                      | 11,804,611          | 14,441,958             | 15,648,119          |
| Services & Charges                | 8,025               | 12,000                 | 13,000              |
| Total Expenditures                | 11,812,636          | 14,453,958             | 15,661,119          |
| Excess Revenues over Expenditures | (207,544)           | (693,804)              | (544,761)           |
| Ending Fund Balance               | \$ 1,270,262        | \$ 576,458             | \$ 31,697           |

**City of Sherman**  
**PERPETUAL CARE FUND**  
**2025-2026 Annual Budget**

|                        | Actual<br>2023-2024 | Projected<br>2024-2025 | Budget<br>2025-2026 |
|------------------------|---------------------|------------------------|---------------------|
| Beginning Fund Balance | \$ 1,836,721        | \$ 1,843,721           | \$ 1,853,721        |
| Revenues               |                     |                        |                     |
| Sales & Service        | 7,000               | 10,000                 | 10,000              |
| Interest Income        | -                   | -                      | -                   |
| Total Revenues         | 7,000               | 10,000                 | 10,000              |
| Total Funds Available  | 1,843,721           | 1,853,721              | 1,863,721           |
| Expenditures           |                     |                        |                     |
| Miscellaneous          | -                   | -                      | -                   |
| Ending Fund Balance    | \$ 1,843,721        | \$ 1,853,721           | \$ 1,863,721        |



**City of Sherman**  
**UTILITY FUND**  
**2025-2026 Annual Budget**

|                                       | Actual<br>2023-2024 | Adjusted<br>Budget<br>2024-2025 | Projected<br>2024-2025 | Budget<br>2025-2026 |
|---------------------------------------|---------------------|---------------------------------|------------------------|---------------------|
| Beginning Reserve                     | \$ 7,224,807        | \$ 8,498,670                    | \$ 8,742,840           | \$ 15,259,383       |
| <b>Revenues</b>                       |                     |                                 |                        |                     |
| Water Sales                           | 18,984,415          | 25,127,330                      | 26,730,000             | 35,833,358          |
| Sewer Sales                           | 10,823,414          | 19,441,124                      | 16,550,000             | 23,098,548          |
| Laboratory                            | 144,067             | 168,500                         | 143,000                | 176,000             |
| Service Charges & Penalties           | 609,091             | 625,000                         | 700,000                | 700,000             |
| Charges for Services                  | 217,140             | 265,000                         | 250,000                | 250,000             |
| Interest Income                       | 169,716             | 110,000                         | 180,000                | 180,000             |
| Intergovernmental                     | 410,336             | 417,870                         | 417,870                | 1,416,085           |
| Miscellaneous Revenue                 | 142,513             | 347,600                         | 425,100                | 55,000              |
| Debt Proceeds                         | -                   | 343,200                         | 343,200                | -                   |
| Total Revenues                        | 31,500,691          | 46,845,624                      | 45,739,170             | 61,708,991          |
| Transfers In                          | 1,599,042           | 474,000                         | 474,000                | 3,641,000           |
| Total Revenues and Transfers In       | 33,099,734          | 47,319,624                      | 46,213,170             | 65,349,991          |
| <br>Total Funds Available             | <br>40,324,541      | <br>55,818,294                  | <br>54,956,010         | <br>80,609,374      |
| <b>Expenditures</b>                   |                     |                                 |                        |                     |
| Personnel                             | 8,314,046           | 10,357,350                      | 10,194,323             | 11,539,230          |
| Supplies                              | 2,152,389           | 3,821,124                       | 3,079,765              | 6,808,921           |
| Repair & Maintenance                  | 4,562,911           | 5,214,628                       | 4,693,121              | 4,748,471           |
| Utilities                             | 2,438,409           | 2,827,530                       | 2,966,650              | 3,371,960           |
| Information Technology                | 376,520             | 456,690                         | 457,730                | 529,540             |
| Debt Service                          | 7,360,891           | 10,786,399                      | 10,215,541             | 28,149,364          |
| Services & Charges                    | 1,721,117           | 2,667,225                       | 1,946,099              | 2,977,004           |
| Vehicle Usage                         | 700,843             | 714,580                         | 852,088                | 808,300             |
| Fleet Services & Charges              | 187,800             | 142,547                         | 142,547                | 590,644             |
| Capital Expenses                      | 310,316             | 685,974                         | 414,195                | 115,000             |
| Total Expenditures                    | 28,125,242          | 37,674,046                      | 34,962,059             | 59,638,435          |
| Transfers Out                         | 3,456,458           | 4,626,074                       | 4,734,569              | 5,523,358           |
| Total Expenditures and Transfers Out  | 31,581,700          | 42,300,120                      | 39,696,628             | 65,161,793          |
| <br>Excess Revenues over Expenditures | <br>1,518,033       | <br>5,019,504                   | <br>6,516,542          | <br>188,198         |
| Ending Reserve                        | \$ 8,742,840        | \$ 13,518,174                   | \$ 15,259,383          | \$ 15,447,581       |

**City of Sherman**  
**SOLID WASTE FUND**  
**2025-2026 Annual Budget**

|                                   | Actual<br>2023-2024 | Adjusted<br>Budget<br>2024-2025 | Projected<br>2024-2025 | Budget<br>2025-2026 |
|-----------------------------------|---------------------|---------------------------------|------------------------|---------------------|
| Beginning Fund Balance            | \$ 1,949,504        | \$ 1,802,171                    | \$ 1,683,613           | \$ 2,276,034        |
| Revenues                          |                     |                                 |                        |                     |
| Solid Waste Service               | 8,852,830           | 10,002,000                      | 10,160,000             | 10,417,000          |
| Service Charges & Penalties       | 118,764             | 125,000                         | 150,000                | 150,000             |
| Interest Income                   | 80,250              | 63,000                          | 70,000                 | 70,000              |
| Miscellaneous Revenue             | 938,192             | 875,000                         | 1,230,000              | 1,170,000           |
| Total Revenues                    | 9,990,035           | 11,065,000                      | 11,610,000             | 11,807,000          |
| Total Funds Available             | 11,939,539          | 12,867,171                      | 13,293,613             | 14,083,034          |
| Expenditures                      |                     |                                 |                        |                     |
| Personnel                         | 2,406,498           | 2,626,950                       | 2,670,565              | 2,933,170           |
| Supplies                          | 508,753             | 336,243                         | 430,709                | 459,406             |
| Repair & Maintenance              | 74,187              | 115,042                         | 103,262                | 97,507              |
| Utilities                         | 66,438              | 56,710                          | 51,710                 | 56,400              |
| Information Technology            | 105,357             | 122,960                         | 123,240                | 153,280             |
| Services & Charges                | 3,437,017           | 3,504,725                       | 3,627,787              | 3,698,016           |
| Vehicle Usage                     | 1,876,941           | 1,889,700                       | 1,829,890              | 1,879,670           |
| Capital Expenses                  | 101,186             | 117,475                         | 106,200                | -                   |
| Fleet Services & Charges          | 47,000              | 40,000                          | 40,000                 | 25,000              |
| Transfers Out                     | 1,632,549           | 2,047,147                       | 2,034,215              | 2,611,661           |
| Total Expenditures                | 10,255,926          | 10,856,952                      | 11,017,578             | 11,914,110          |
| Excess Revenues over Expenditures | (265,892)           | 208,048                         | 592,422                | (107,110)           |
| Ending Fund Balance               | \$ 1,683,613        | \$ 2,010,219                    | \$ 2,276,034           | \$ 2,168,925        |

**City of Sherman**  
**GENERAL IMPROVEMENT FUND - City Funds**  
**2025-2026 Annual Budget**

|                                   | Actual<br>2023-2024 | Adjusted<br>Budget<br>2024-2025 | Projected<br>2024-2025 | Budget<br>2025-2026 |
|-----------------------------------|---------------------|---------------------------------|------------------------|---------------------|
| Beginning Fund Balance            | \$ -                | \$ 53,403                       | \$ 1,451,632           | \$ 1,154,362        |
| Revenues                          |                     |                                 |                        |                     |
| Transfers In                      | 2,431,809           | -                               | -                      | -                   |
| Intergovernmental                 | -                   | -                               | -                      | -                   |
| Grant Revenue                     | -                   | -                               | -                      | -                   |
| Interest Income                   | 34,931              | 10,000                          | 95,000                 | -                   |
| Miscellaneous Revenue             | 40,744              | 400,000                         | -                      | -                   |
| Debt Proceeds                     | 468,426             | 3,427,300                       | 3,427,300              | 2,203,698           |
| Total Revenues                    | 2,975,910           | 3,837,300                       | 3,522,300              | 2,203,698           |
| Total Funds Available             | 2,975,910           | 3,890,703                       | 4,973,932              | 3,358,060           |
| Expenditures                      |                     |                                 |                        |                     |
| Capital Expenses                  | 1,524,278           | 3,775,778                       | 3,774,522              | 2,369,398           |
| Services & Charges                |                     | 50,000                          | 45,048                 | -                   |
| Transfers Out                     | -                   | -                               | -                      | -                   |
| Total Expenditures                | 1,524,278           | 3,825,778                       | 3,819,570              | 2,369,398           |
| Excess Revenues over Expenditures | 1,451,632           | 11,522                          | (297,270)              | (165,700)           |
| Ending Fund Balance               | \$ 1,451,632        | \$ 64,925                       | \$ 1,154,362           | \$ 988,662          |

**City of Sherman**  
**GENERAL IMPROVEMENT FUND - Bond Funds**  
**2025-2026 Annual Budget**

|                                   | Actual<br>2023-2024 | Adjusted<br>Budget<br>2024-2025 | Projected<br>2024-2025 | Budget<br>2025-2026 |
|-----------------------------------|---------------------|---------------------------------|------------------------|---------------------|
| Beginning Fund Balance            | \$ 85,892,906       | \$ 108,767,413                  | \$ 58,186,077          | \$ 58,185,631       |
| Revenues                          |                     |                                 |                        |                     |
| Transfers In                      | 2,900,000           | 1,000,000                       | 1,000,000              | 3,000,000           |
| Intergovernmental                 | -                   | -                               | 900,000                | -                   |
| Grant Revenue                     | -                   | -                               | -                      | -                   |
| Interest Income                   | 3,983,966           | 3,500,000                       | 3,000,000              | 3,000,000           |
| Miscellaneous Revenue             | -                   | -                               | -                      | -                   |
| Debt Proceeds                     | -                   | 26,000,000                      | 45,403,786             | 14,910,311          |
| Total Revenues                    | 6,883,966           | 30,500,000                      | 50,303,786             | 20,910,311          |
| Total Funds Available             | 92,776,872          | 139,267,413                     | 108,489,863            | 79,095,942          |
| Expenditures                      |                     |                                 |                        |                     |
| Capital Expenses                  | 33,108,470          | 58,608,831                      | 50,000,000             | 17,760,311          |
| Services & Charges                | -                   | 150,000                         | 304,232                | 150,000             |
| Transfers Out                     | 1,482,325           | -                               | -                      | -                   |
| Total Expenditures                | 34,590,795          | 58,758,831                      | 50,304,232             | 17,910,311          |
| Excess Revenues over Expenditures | (27,706,829)        | (28,258,831)                    | (446)                  | 3,000,000           |
| Ending Fund Balance               | \$ 58,186,077       | \$ 80,508,582                   | \$ 58,185,631          | \$ 61,185,631       |

**City of Sherman**  
**UTILITY IMPROVEMENT FUND - City Funds**  
**2025-2026 Annual Budget**

|                                   | Actual<br>2023-2024 | Adjusted<br>Budget<br>2024-2025 | Projected<br>2024-2025 | Budget<br>2025-2026 |
|-----------------------------------|---------------------|---------------------------------|------------------------|---------------------|
| Beginning Fund Balance            | \$ 3,096,555        | \$ 4,856,112                    | \$ 2,922,926           | \$ 767,176          |
| Revenues                          |                     |                                 |                        |                     |
| Transfers In                      | -                   | 263,200                         | 343,200                | -                   |
| Intergovernmental                 | 240                 | -                               | -                      | -                   |
| Grant Revenue                     | 60,950              | -                               | 1,957,653              | -                   |
| Interest Income                   | 186,731             | 75,000                          | 275,000                | 200,000             |
| Miscellaneous Revenue             | -                   | -                               | -                      | -                   |
| Debt Proceeds                     | -                   | -                               | -                      | -                   |
| Total Revenues                    | 247,921             | 338,200                         | 2,575,853              | 200,000             |
| Total Funds Available             | 3,344,476           | 5,194,312                       | 5,498,779              | 967,176             |
| Expenditures                      |                     |                                 |                        |                     |
| Services & Charges                | 156                 | -                               | -                      | -                   |
| Capital Expenses                  | 360,443             | 4,731,603                       | 4,731,603              | 375,000             |
| Transfers Out                     | 60,950              | -                               | -                      | -                   |
| Total Expenditures                | 421,549             | 4,731,603                       | 4,731,603              | 375,000             |
| Excess Revenues over Expenditures | (173,629)           | (4,393,403)                     | (2,155,750)            | (175,000)           |
| Ending Fund Balance               | \$ 2,922,926        | \$ 462,709                      | \$ 767,176             | \$ 592,176          |

**City of Sherman**  
**UTILITY IMPROVEMENT FUND - GTUA Funds**  
**2025-2026 Annual Budget**

|                                   | Actual<br>2023-2024 | Adjusted<br>Budget<br>2024-2025 | Projected<br>2024-2025 | Budget<br>2025-2026 |
|-----------------------------------|---------------------|---------------------------------|------------------------|---------------------|
| Beginning Fund Balance            | \$ -                | \$ -                            | \$ (45,552)            | \$ (0)              |
| Revenues                          |                     |                                 |                        |                     |
| Transfers In                      | -                   | -                               | -                      | -                   |
| Intergovernmental                 | 55,659              | 25,000                          | 95,552                 | 50,000              |
| Grant Revenue                     | -                   | -                               | -                      | -                   |
| Interest Income                   | -                   | -                               | -                      | -                   |
| Miscellaneous Revenue             | -                   | -                               | -                      | -                   |
| Debt Proceeds                     | -                   | -                               | -                      | -                   |
| Total Revenues                    | 55,659              | 25,000                          | 95,552                 | 50,000              |
| Total Funds Available             | 55,659              | 25,000                          | 50,000                 | 50,000              |
| Expenditures                      |                     |                                 |                        |                     |
| Capital Expenses                  | 101,211             | 25,000                          | 50,000                 | 50,000              |
| Transfers Out                     | -                   | -                               | -                      | -                   |
| Total Expenditures                | 101,211             | 25,000                          | 50,000                 | 50,000              |
| Excess Revenues over Expenditures | (45,552)            | -                               | 45,552                 | -                   |
| Ending Fund Balance               | \$ (45,552)         | \$ -                            | \$ (0)                 | \$ (0)              |

**City of Sherman**  
**UTILITY IMPROVEMENT FUND - City Funds**

|                                                        | <b>Actual<br/>2023-2024</b> | <b>Total Budget<br/>as of 9/30/25</b> | <b>Project-to-<br/>date as of<br/>7/16/2025</b> | <b>Budget<br/>2025-2026</b> |
|--------------------------------------------------------|-----------------------------|---------------------------------------|-------------------------------------------------|-----------------------------|
| <b>Projects</b>                                        |                             |                                       |                                                 |                             |
| (1) High Country Estates Water                         | -                           | 120,000                               | 117,991                                         | 75,000                      |
| (1) Brine Line Phase II Engineering (City Funds)       | 8,579                       | 126,000                               | 110,658                                         | -                           |
| (2) Ida Road ground storage tank repair                | 60,950                      | 1,181,000                             | 1,181,000                                       | -                           |
| (1) South Sewer Ext East of Hwy 75                     | 25,436                      | 50,000                                | 25,596                                          | -                           |
| (2) WTP Backup Generator Construction                  | -                           | 1,500,000                             | 1,471,709                                       | -                           |
| (1) Downtown Owners Utility Imp                        | 7,962                       | 500,000                               | 7,962                                           | -                           |
| (1) Water and Wastewater oversizing and Repairs        | -                           | 250,000                               | 356,959                                         | 300,000                     |
| (1) Groundwater Analysis                               | 98,408                      | 515,000                               | 326,074                                         | -                           |
| (1) Water and Wastewater oversizing and Repairs        | 57,090                      | 359,242                               | 359,242                                         | -                           |
| (1) Add 8" lines across US75 to stabilize tank levels  | -                           | 73,500                                | -                                               | -                           |
| (1) Remove Build-up in WTP sludge ponds                | 80,135                      | 400,000                               | 155,057                                         | -                           |
| (1) Abandon Preston Club WWTP & lift stations          | -                           | 1,000                                 | 738                                             | -                           |
| (1) Abandon S. Crockett lift station for gravity sewer | 8,700                       | 150,000                               | 15,000                                          | -                           |
| (1) WWTP Temporary building for new staff              | -                           | 152,972                               | 152,972                                         | -                           |
| (3) GW PLC Upgrades (4)                                | -                           | 20,000                                | -                                               | -                           |
| (3) GW Pump Station & Remote well security (4)         | -                           | 80,000                                | -                                               | -                           |
| (3) GW Pump Station Chlorine Analyzer (4)              | -                           | 34,000                                | -                                               | -                           |
| (3) GW Pump Station HSP VFD (2)                        | -                           | 30,000                                | -                                               | -                           |
| (3) Power Monitors for GW HSP & Wells (8)              | -                           | 68,000                                | -                                               | -                           |
| (3) Pump Station Chlorine Detector (4)                 | -                           | 31,200                                | 26,150                                          | -                           |
| (1) WWTP Road Replacement                              | -                           | 45,000                                | 27,500                                          | -                           |
| (1) Waterline from 6" to 12" across Hwy 289            | -                           | 82,700                                | -                                               | -                           |
| <b>Total</b>                                           | <b>\$ 347,260</b>           | <b>\$ 5,769,614</b>                   | <b>\$ 4,334,608</b>                             | <b>\$ 375,000</b>           |
| <b>Funding Sources</b>                                 |                             |                                       |                                                 |                             |
| (1) Utility Fund Transfer/Reserves                     |                             | \$ 2,825,414                          |                                                 | \$ 375,000                  |
| (2) Grant-funded                                       |                             | 2,681,000                             |                                                 | -                           |
| (3) Tax Notes                                          |                             | 263,200                               |                                                 | -                           |
|                                                        |                             | <u>\$ 5,769,614</u>                   |                                                 | <u>\$ 375,000</u>           |

**City of Sherman**  
**UTILITY IMPROVEMENT FUND - GTUA Funds**

|                                                   | <b>Project Budget</b> | <b>Project to<br/>Date 7/16/2025</b> | <b>Budget<br/>2025-2026</b> |
|---------------------------------------------------|-----------------------|--------------------------------------|-----------------------------|
| <b>Water Projects</b>                             |                       |                                      |                             |
| Bel Air Phase Legacy Waterline                    | 3,497,944             | 2,930,803                            | -                           |
| Shepherd Utilities                                | 726,187               | 716,750                              | -                           |
| Lake Texoma Pump Station 25MGD #1                 | 37,427,645            | 9,147,779                            | -                           |
| Shepherd EST                                      | 13,727,910            | 444,687                              | -                           |
| Rex Cruz EST Rehab                                | 575,000               | 15,797                               | -                           |
| Lake Texoma Pump Station Electrical Upgrade       | 8,018,460             | 150,778                              | -                           |
| 5 MGD WTP North Exp (UF/RO)                       | 13,177,004            | 13,177,004                           | -                           |
| 36" Water Line west to WTP                        | 95,375,223            | 77,644,996                           | -                           |
| Engineering Management                            | 16,635,638            | 9,908,390                            | -                           |
| Lead & Copper Rule Revision                       | 1,420,652             | 966,965                              | -                           |
| Lake Texoma Backup Generator Eng & Switchgear     | 2,820,000             | -                                    | 2,600,000                   |
| Hickory Hill Utility Improvements                 | 2,833,170             | 1,680,152                            | -                           |
| Rehab WTP EDR                                     | 18,888,239            | 14,238,333                           | -                           |
| Miscellaneous Waterline Improvements              | 2,050,000             | 213,904                              | -                           |
| Stephens Ground Storage Tank Rehab                | 2,583,546             | 637,102                              | -                           |
| Shepherd Drive W main replacement                 | 400,000               | -                                    | 700,000                     |
| Groundwater Deep Well Pump/Motor                  | 400,000               | -                                    | -                           |
| Luella 4T Submersible pump                        | 400,000               | -                                    | -                           |
| Sherman St Utilities replacements                 | 320,000               | -                                    | -                           |
| Dripping Springs Rd waterline replacement         | 250,000               | -                                    | -                           |
| WTP Facility Upgrades (HVAC, remodel, doors etc.) | 320,000               | -                                    | -                           |
| Chemical Room Control Panel                       | 250,000               | -                                    | -                           |
| Lake Texoma Backup Generator                      | 2,820,000             | -                                    | -                           |
| Increase 6" Water line across SH 289 to 12" PVC   | -                     | -                                    | 1,900,000                   |
| WTP Backwash Tank Rehab                           | -                     | -                                    | 2,350,000                   |
| USACE Water Storage                               | -                     | -                                    | 10,106,467                  |
| Annual W/WW Line Replacements                     | -                     | -                                    | 2,000,000                   |
| Taylor Street Water Line                          | -                     | -                                    | 440,000                     |
| NTMWD Second Water Line from Lake Texoma (84")    | 5,015,000             | -                                    | 14,000,000                  |
| <b>Total Water Projects</b>                       | <b>229,931,618</b>    | <b>131,873,437</b>                   | <b>34,096,467</b>           |

|                                                   |             |             |           |
|---------------------------------------------------|-------------|-------------|-----------|
| <b>Sewer Projects</b>                             |             |             |           |
| WWTP Equalization basin                           | 912,234     | 910,708     | -         |
| Texoma Pkwy sewer overflow relief                 | 230,000     | 177,870     | -         |
| Primary Clarifier #1 & Transfer Station Rehab     | 2,030,587   | -           | -         |
| Laboratory Expansion                              | 2,975,149   | 1,034,987   | -         |
| Southside Industrial Sewer Replacement            | 7,417,009   | 5,941,905   | -         |
| Post Oak Creek Sanitary Sewer Improvements        | 5,760,494   | 3,675,597   | -         |
| Downtown Sewer Improvements                       | 3,059,369   | 2,123,739   | 2,000,000 |
| WWTP Electrical System Switchgear, ATS, Generator | 6,533,251   | 754,803     | -         |
| Heritage Ranch Sewer                              | 900,000     | 48          | -         |
| WWTP Exp Feasibility Study                        | 2,000,000   | -           | -         |
| Digester and Blower Building                      | 500,000     | 104,983     | 7,300,000 |
| WWTP MBR Phase I Industrial Expansion             | 325,661,275 | 290,805,714 | -         |
| Crossroads Sewer                                  | 1,468,496   | 68,090      | -         |
| Westside Sewer Replacement                        | 689,926     | 689,926     | -         |
| Hwy 82 and N. Loy Lake Sewer                      | 3,467,000   | 171,679     | -         |
| North WWTP Upgrades                               | 4,276,454   | 192,353     | 8,000,000 |
| WWTP MBR Phase 2 Industrial Expansion             | 10,897,401  | 530,263     | -         |



**City of Sherman**  
**UTILITY IMPROVEMENT FUND - GTUA Funds**

|                                                 | <b>Project Budget</b> | <b>Project to<br/>Date 7/16/2025</b> | <b>Budget<br/>2025-2026</b> |
|-------------------------------------------------|-----------------------|--------------------------------------|-----------------------------|
| New 18" WW Line along Choctaw Creek             | 30,000                | -                                    | -                           |
| Clarifier #3 Rehab and Grit Building            | 311,970               | -                                    | -                           |
| Post Oak Interceptor Phase I                    | 931,824               | 613,132                              | -                           |
| Blalock Park Interceptor                        | 3,194,312             | 86,922                               | -                           |
| Red River Boundary Commission                   | 2,150,000             | -                                    | -                           |
| Abandon Old 18" & 24" WW line from MBR to north | -                     | -                                    | 1,750,000                   |
| Re-route 24" WW line from MBR to north          | -                     | -                                    | 5,860,000                   |
| Sludge Thickener at South WWTP (MBR)            | 5,100,000             | -                                    | -                           |
| Progress Park Sewer Line (by GW)                | 6,156,610             | 488,094                              | -                           |
| <b>Total Sewer Projects</b>                     | <b>396,653,359</b>    | <b>308,370,813</b>                   | <b>24,910,000</b>           |
| <b>Total</b>                                    | <b>\$ 626,584,977</b> | <b>\$ 440,244,250</b>                | <b>\$ 59,006,467</b>        |

**City of Sherman**  
**STREET REVOLVING FUND**  
**2025-2026 Annual Budget**

|                                   | Actual<br>2023-2024 | Projected<br>2024-2025 | Budget<br>2025-2026 |
|-----------------------------------|---------------------|------------------------|---------------------|
| Beginning Fund Balance            | \$ 515,277          | \$ 548,487             | \$ 575,487          |
| Revenues                          |                     |                        |                     |
| Sales & Service                   | -                   | -                      | -                   |
| Interest Income                   | 33,210              | 27,000                 | 25,000              |
| Total Revenues                    | 33,210              | 27,000                 | 25,000              |
| Total Funds Available             | 548,487             | 575,487                | 600,487             |
| Expenditures                      |                     |                        |                     |
| Capital Expenses                  | -                   | -                      | 250,000             |
| Total Expenditures                | -                   | -                      | 250,000             |
| Excess Revenues over Expenditures | 33,210              | 27,000                 | (225,000)           |
| Ending Fund Balance               | \$ 548,487          | \$ 575,487             | \$ 350,487          |

**City of Sherman**  
**TIRZ #2 CONSTRUCTION FUND**  
**2025-2026 Annual Budget**

|                                   | Actual<br>2023-2024 | Projected<br>2024-2025 | Budget<br>2025-2026 |
|-----------------------------------|---------------------|------------------------|---------------------|
| Beginning Fund Balance            | \$ 474,092          | \$ 52,303              | \$ (6,972)          |
| Revenues                          |                     |                        |                     |
| Property Tax                      | 388,720             | 447,825                | 479,347             |
| Rentals                           | 5,857               | 1,000                  | -                   |
| Interest Income                   | 20,544              | 2,900                  | 2,400               |
| Total Revenues                    | 415,121             | 451,725                | 481,747             |
| Total Funds Available             | 889,213             | 504,028                | 474,775             |
| Expenditures:                     |                     |                        |                     |
| Services & Charges                | 353,363             | 63,000                 | -                   |
| Capital Expenses                  | 283,548             | 248,000                | 250,000             |
| Transfers Out                     | 200,000             | 200,000                | 200,000             |
| Total Expenditures                | 836,911             | 511,000                | 450,000             |
| Excess Revenues over Expenditures | (421,789)           | (59,275)               | 31,747              |
| Ending Fund Balance               | \$ 52,303           | \$ (6,972)             | \$ 24,775           |

**City of Sherman**  
**TIRZ #3 CONSTRUCTION FUND**  
**2025-2026 Annual Budget**

|                                   | Actual<br>2023-2024 | Projected<br>2024-2025 | Budget<br>2025-2026 |
|-----------------------------------|---------------------|------------------------|---------------------|
| Beginning Fund Balance            | \$ 250,228          | \$ 123,070             | \$ -                |
| Revenues                          |                     |                        |                     |
| Property Tax                      | 265,144             | -                      | -                   |
| Interest Income                   | 7,698               | 1,359                  | -                   |
| Total Revenues                    | 272,842             | 1,359                  | -                   |
| Total Funds Available             | 523,070             | 124,429                | -                   |
| Expenditures                      |                     |                        |                     |
| Capital Expenses                  | 400,000             | -                      | -                   |
| Transfers Out                     | -                   | 124,429                | -                   |
| Total Expenditures                | 400,000             | 124,429                | -                   |
| Excess Revenues over Expenditures | (127,158)           | (123,070)              | -                   |
| Ending Fund Balance               | \$ 123,070          | \$ -                   | \$ -                |

**City of Sherman**  
**REGIONAL DETENTION FUND**  
**2025-2026 Annual Budget**

|                                   | Actual<br>2023-2024 | Projected<br>2024-2025 | Budget<br>2025-2026 |
|-----------------------------------|---------------------|------------------------|---------------------|
| Beginning Fund Balance            | \$ 54,472           | \$ 55,891              | \$ 57,391           |
| Revenues                          |                     |                        |                     |
| Sales & Service                   | -                   | -                      | 25,000              |
| Interest Income                   | 1,419               | 1,500                  | 800                 |
| Total Revenues                    | 1,419               | 1,500                  | 25,800              |
| Total Funds Available             | 55,891              | 57,391                 | 83,191              |
| Expenditures                      |                     |                        |                     |
| Capital Expenses                  | -                   | -                      | 75,000              |
| Transfers Out                     | -                   | -                      | -                   |
| Total Expenditures                | -                   | -                      | 75,000              |
| Excess Revenues over Expenditures | 1,419               | 1,500                  | (49,200)            |
| Ending Fund Balance               | \$ 55,891           | \$ 57,391              | \$ 8,191            |

**City of Sherman**  
**TIRZ #5 CONSTRUCTION FUND**  
**2025-2026 Annual Budget**

|                                   | Actual<br>2023-2024 | Projected<br>2024-2025 | Budget<br>2025-2026 |
|-----------------------------------|---------------------|------------------------|---------------------|
| Beginning Fund Balance            | \$ (67,399)         | \$ (200,516)           | \$ (304,814)        |
| Revenues                          |                     |                        |                     |
| Property Tax                      | 81,894              | 103,045                | 107,958             |
| Intergovernmental                 | 73,989              | 83,157                 | 78,676              |
| Interest Income                   | -                   | -                      | -                   |
| Debt Proceeds                     | -                   | -                      | -                   |
| Total Revenues                    | 155,883             | 186,202                | 186,634             |
| Total Funds Available             | 88,484              | (14,314)               | (118,180)           |
| Expenditures                      |                     |                        |                     |
| Capital Expenses                  | -                   | 1,500                  | -                   |
| Transfers Out                     | 289,000             | 289,000                | 288,196             |
| Total Expenditures                | 289,000             | 290,500                | 288,196             |
| Excess Revenues over Expenditures | (133,117)           | (104,298)              | (101,562)           |
| Ending Fund Balance               | \$ (200,516)        | \$ (304,814)           | \$ (406,376)        |

**City of Sherman**  
**TIRZ #6 CONSTRUCTION FUND**  
**2025-2026 Annual Budget**

|                                   | Actual<br>2023-2024 | Projected<br>2024-2025 | Budget<br>2025-2026 |
|-----------------------------------|---------------------|------------------------|---------------------|
| Beginning Fund Balance            | \$ 742,938          | \$ 599,316             | \$ 464,483          |
| Revenues                          |                     |                        |                     |
| Property Tax                      | 33,934              | 42,103                 | 44,157              |
| Intergovernmental                 | 30,767              | 34,064                 | 36,452              |
| Interest Income                   | 17,677              | 15,000                 | 12,000              |
| Total Revenues                    | 82,378              | 91,167                 | 92,609              |
| Total Funds Available             | 825,316             | 690,483                | 557,092             |
| Expenditures                      |                     |                        |                     |
| Capital Expenses                  | -                   | -                      | -                   |
| Transfers Out                     | 226,000             | 226,000                | 225,384             |
| Total Expenditures                | 226,000             | 226,000                | 225,384             |
| Excess Revenues over Expenditures | (143,622)           | (134,833)              | (132,775)           |
| Ending Fund Balance               | \$ 599,316          | \$ 464,483             | \$ 331,708          |

**City of Sherman**  
**TIRZ #7 CONSTRUCTION FUND**  
**2025-2026 Annual Budget**

|                                   | Actual<br>2023-2024 | Projected<br>2024-2025 | Budget<br>2025-2026 |
|-----------------------------------|---------------------|------------------------|---------------------|
| Beginning Fund Balance            | \$ (286,750)        | \$ (563,967)           | \$ (441,602)        |
| Revenues                          |                     |                        |                     |
| Property Tax                      | 82,465              | 165,579                | 249,335             |
| Intergovernmental                 | 73,385              | 134,786                | 164,180             |
| Interest Income                   | -                   | -                      | -                   |
| Transfers In                      | -                   | -                      | -                   |
| Total Revenues                    | 155,850             | 300,365                | 413,515             |
| Total Funds Available             | (130,900)           | (263,602)              | (28,087)            |
| Expenditures                      |                     |                        |                     |
| Capital Expenses                  | 255,067             | -                      | -                   |
| Transfers Out                     | 178,000             | 178,000                | 177,351             |
| Total Expenditures                | 433,067             | 178,000                | 177,351             |
| Excess Revenues over Expenditures | (277,217)           | 122,365                | 236,164             |
| Ending Fund Balance               | \$ (563,967)        | \$ (441,602)           | \$ (205,438)        |



**City of Sherman**  
**TIRZ #8 CONSTRUCTION FUND**  
**2025-2026 Annual Budget**

|                                   | Actual<br>2023-2024 | Projected<br>2024-2025 | Budget<br>2025-2026 |
|-----------------------------------|---------------------|------------------------|---------------------|
| Beginning Fund Balance            | \$ -                | \$ -                   | \$ 7,630            |
| Revenues                          |                     |                        |                     |
| Property Tax                      | -                   | 4,218                  | 51,994              |
| Intergovernmental                 | -                   | 3,412                  | 33,359              |
| Interest Income                   | -                   | -                      | -                   |
| Transfers In                      | -                   | -                      | -                   |
| Total Revenues                    | -                   | 7,630                  | 85,353              |
| Total Funds Available             | -                   | 7,630                  | 92,983              |
| Expenditures                      |                     |                        |                     |
| Capital Expenses                  | -                   | -                      | -                   |
| Transfers Out                     | -                   | -                      | -                   |
| Total Expenditures                | -                   | -                      | -                   |
| Excess Revenues over Expenditures | -                   | 7,630                  | 85,353              |
| Ending Fund Balance               | \$ -                | \$ 7,630               | \$ 92,983           |

**City of Sherman**  
**TIRZ #9 CONSTRUCTION FUND**  
**2025-2026 Annual Budget**

|                                   | Actual<br>2023-2024 | Projected<br>2024-2025 | Budget<br>2025-2026 |
|-----------------------------------|---------------------|------------------------|---------------------|
| Beginning Fund Balance            | \$ -                | \$ -                   | \$ -                |
| Revenues                          |                     |                        |                     |
| Property Tax                      | -                   | -                      | 26,111              |
| Intergovernmental                 | -                   | -                      | 47                  |
| Interest Income                   | -                   | -                      | -                   |
| Transfers In                      | -                   | -                      | -                   |
| Total Revenues                    | -                   | -                      | 26,158              |
| Total Funds Available             | -                   | -                      | 26,158              |
| Expenditures                      |                     |                        |                     |
| Capital Expenses                  | -                   | -                      | -                   |
| Transfers Out                     | -                   | -                      | -                   |
| Total Expenditures                | -                   | -                      | -                   |
| Excess Revenues over Expenditures | -                   | -                      | 26,158              |
| Ending Fund Balance               | \$ -                | \$ -                   | \$ 26,158           |

**City of Sherman**  
**ROADWAY IMPACT FEES ZONE #1**  
**2025-2026 Annual Budget**

|                                   | Actual<br>2023-2024 | Projected<br>2024-2025 | Budget<br>2025-2026 |
|-----------------------------------|---------------------|------------------------|---------------------|
| Beginning Fund Balance            | \$ 71,864           | \$ 325,342             | \$ 36,342           |
| Revenues                          |                     |                        |                     |
| Interest Income                   | 10,368              | 11,000                 | 7,000               |
| Sales & Service                   | 243,110             | 100,000                | 100,000             |
| Total Revenues                    | 253,478             | 111,000                | 107,000             |
| Total Funds Available             | 325,342             | 436,342                | 143,342             |
| Expenditures                      |                     |                        |                     |
| Capital Expenses                  | -                   | -                      | -                   |
| Transfers Out                     | -                   | 400,000                | -                   |
| Total Expenditures                | -                   | 400,000                | -                   |
| Excess Revenues over Expenditures | 253,478             | (289,000)              | 107,000             |
| Ending Fund Balance               | \$ 325,342          | \$ 36,342              | \$ 143,342          |

**City of Sherman**  
**ROADWAY IMPACT FEES ZONE #2**  
**2025-2026 Annual Budget**

|                                   | Actual<br>2023-2024 | Projected<br>2024-2025 | Budget<br>2025-2026 |
|-----------------------------------|---------------------|------------------------|---------------------|
| Beginning Fund Balance            | \$ 851,285          | \$ 558,821             | \$ 863,821          |
| Revenues                          |                     |                        |                     |
| Interest Income                   | 35,080              | 30,000                 | 28,000              |
| Sales & Service                   | 572,456             | 575,000                | 375,000             |
| Total Revenues                    | 607,536             | 605,000                | 403,000             |
| Total Funds Available             | 1,458,821           | 1,163,821              | 1,266,821           |
| Expenditures                      |                     |                        |                     |
| Capital Expenses                  | -                   | -                      | -                   |
| Transfers Out                     | 900,000             | 300,000                | 1,200,000           |
| Total Expenditures                | 900,000             | 300,000                | 1,200,000           |
| Excess Revenues over Expenditures | (292,464)           | 305,000                | (797,000)           |
| Ending Fund Balance               | \$ 558,821          | \$ 863,821             | \$ 66,821           |

**City of Sherman**  
**ROADWAY IMPACT FEES ZONE #3**  
**2025-2026 Annual Budget**

|                                   | Actual<br>2023-2024 | Projected<br>2024-2025 | Budget<br>2025-2026 |
|-----------------------------------|---------------------|------------------------|---------------------|
| Beginning Fund Balance            | \$ 51,080           | \$ 250,203             | \$ 266,203          |
| Revenues                          |                     |                        |                     |
| Interest Income                   | 2,944               | 6,000                  | 1,000               |
| Sales & Service                   | 196,179             | 10,000                 | 10,000              |
| Total Revenues                    | 199,123             | 16,000                 | 11,000              |
| Total Funds Available             | 250,203             | 266,203                | 277,203             |
| Expenditures                      |                     |                        |                     |
| Capital Expenses                  | -                   | -                      | -                   |
| Transfers Out                     | -                   | -                      | -                   |
| Total Expenditures                | -                   | -                      | -                   |
| Excess Revenues over Expenditures | 199,123             | 16,000                 | 11,000              |
| Ending Fund Balance               | \$ 250,203          | \$ 266,203             | \$ 277,203          |

**City of Sherman**  
**ROADWAY IMPACT FEES ZONE #4**  
**2025-2026 Annual Budget**

|                                   | Actual<br>2023-2024 | Projected<br>2024-2025 | Budget<br>2025-2026 |
|-----------------------------------|---------------------|------------------------|---------------------|
| Beginning Fund Balance            | \$ 2,768,202        | \$ 1,151,234           | \$ 1,369,234        |
| Revenues                          |                     |                        |                     |
| Interest Income                   | 110,843             | 38,000                 | 40,000              |
| Sales & Service                   | 272,189             | 480,000                | 400,000             |
| Total Revenues                    | 383,032             | 518,000                | 440,000             |
| Total Funds Available             | 3,151,234           | 1,669,234              | 1,809,234           |
| Expenditures                      |                     |                        |                     |
| Capital Expenses                  | -                   | -                      | -                   |
| Transfers Out                     | 2,000,000           | 300,000                | 1,800,000           |
| Total Expenditures                | 2,000,000           | 300,000                | 1,800,000           |
| Excess Revenues over Expenditures | (1,616,968)         | 218,000                | (1,360,000)         |
| Ending Fund Balance               | \$ 1,151,234        | \$ 1,369,234           | \$ 9,234            |

**City of Sherman**  
**WATER IMPACT FEES**  
**2025-2026 Annual Budget**

|                                   | Actual<br>2023-2024 | Projected<br>2024-2025 | Budget<br>2025-2026 |
|-----------------------------------|---------------------|------------------------|---------------------|
| Beginning Fund Balance            | \$ 1,903,601        | \$ 3,654,601           | \$ 5,829,601        |
| Revenues                          |                     |                        |                     |
| Interest Income                   | 143,910             | 175,000                | 160,000             |
| Sales & Service                   | 2,407,090           | 2,000,000              | 2,000,000           |
| Total Revenues                    | 2,551,000           | 2,175,000              | 2,160,000           |
| Total Funds Available             | 4,454,601           | 5,829,601              | 7,989,601           |
| Expenditures                      |                     |                        |                     |
| Capital Expenses                  | -                   | -                      | -                   |
| Transfers Out                     | 800,000             | -                      | 3,250,000           |
| Total Expenditures                | 800,000             | -                      | 3,250,000           |
| Excess Revenues over Expenditures | 1,751,000           | 2,175,000              | (1,090,000)         |
| Ending Fund Balance               | \$ 3,654,601        | \$ 5,829,601           | \$ 4,739,601        |

**City of Sherman**  
**SEWER IMPACT FEES**  
**2025-2026 Annual Budget**

|                                   | Actual<br>2023-2024 | Projected<br>2024-2025 | Budget<br>2025-2026 |
|-----------------------------------|---------------------|------------------------|---------------------|
| Beginning Fund Balance            | \$ 315,956          | \$ 1,297,096           | \$ 2,167,096        |
| Revenues                          |                     |                        |                     |
| Interest Income                   | 30,470              | 70,000                 | 65,000              |
| Sales & Service                   | 1,250,670           | 800,000                | 800,000             |
| Total Revenues                    | 1,281,140           | 870,000                | 865,000             |
| Total Funds Available             | 1,597,096           | 2,167,096              | 3,032,096           |
| Expenditures                      |                     |                        |                     |
| Capital Expenses                  | -                   | -                      | -                   |
| Transfers Out                     | 300,000             | -                      | -                   |
| Total Expenditures                | 300,000             | -                      | -                   |
| Excess Revenues over Expenditures | 981,140             | 870,000                | 865,000             |
| Ending Fund Balance               | \$ 1,297,096        | \$ 2,167,096           | \$ 3,032,096        |



**City of Sherman**  
**STORMWATER FUND**  
**2025-2026 Annual Budget**

|                                   | Actual<br>2023-2024 | Projected<br>2024-2025 | Budget<br>2025-2026 |
|-----------------------------------|---------------------|------------------------|---------------------|
| Beginning Fund Balance            | \$ (230,909)        | \$ 109,539             | \$ (22,295)         |
| Revenues                          |                     |                        |                     |
| Sales & Service                   | 876,480             | 920,000                | 930,000             |
| Fines & Penalties                 | 0                   | -                      | -                   |
| Interest Income                   | 55                  | 500                    | 1,000               |
| Total Revenues                    | 876,534             | 920,500                | 931,000             |
| Total Funds Available             | 645,625             | 1,030,039              | 908,705             |
| Expenditures                      |                     |                        |                     |
| Personnel                         | 72,656              | 224,121                | 233,440             |
| Supplies                          | 7,564               | 5,530                  | 5,429               |
| Repair & Maintenance              | 10,267              | 66,238                 | 69,545              |
| Utilities                         | 654                 | 900                    | 1,230               |
| Information Technology            | 5,181               | 5,040                  | 8,580               |
| Services & Charges                | 59,437              | 24,172                 | 24,966              |
| Capital Expenses                  | 4,400               | 410,000                | 225,000             |
| Vehicle Usage                     | 47,928              | 47,333                 | 52,340              |
| Transfers Out                     | 273,000             | 269,000                | 272,275             |
| Fleet Services & Charges          | 55,000              | -                      | -                   |
| Total Expenditures                | 536,087             | 1,052,334              | 892,805             |
| Excess Revenues over Expenditures | 340,448             | (131,834)              | 38,195              |
| Ending Fund Balance               | \$ 109,539          | \$ (22,295)            | \$ 15,900           |

**City of Sherman**  
**BEL AIR PUBLIC IMPROVEMENT DISTRICT**  
**2025-2026 Annual Budget**

|                                   | Actual<br>2023-2024 | Projected<br>2024-2025 | Budget<br>2025-2026 |
|-----------------------------------|---------------------|------------------------|---------------------|
| Beginning Fund Balance            | \$ 211,154          | \$ 6,939               | \$ 299,939          |
| Revenues                          |                     |                        |                     |
| Sales & Service                   | 295,680             | 828,000                | 988,000             |
| Interest Income                   | 6,630               | 15,000                 | 17,000              |
| Total Revenues                    | 302,311             | 843,000                | 1,005,000           |
| Total Funds Available             | 513,465             | 849,939                | 1,304,939           |
| Expenditures                      |                     |                        |                     |
| Services & Charges                | 506,526             | 550,000                | 1,250,000           |
| Total Expenditures                | 506,526             | 550,000                | 1,250,000           |
| Excess Revenues over Expenditures | (204,215)           | 293,000                | (245,000)           |
| Ending Fund Balance               | \$ 6,939            | \$ 299,939             | \$ 54,939           |

**City of Sherman**  
**EMERGENCY 9-1-1 FUND**  
**2025-2026 Annual Budget**

|                                   | Actual<br>2023-2024 | Projected<br>2024-2025 | Budget<br>2025-2026 |
|-----------------------------------|---------------------|------------------------|---------------------|
| Beginning Fund Balance            | \$ 476,062          | \$ 1,057,992           | \$ 700,952          |
| Revenues                          |                     |                        |                     |
| Sales & Service                   | 342,269             | 325,000                | 330,000             |
| Grant Revenue                     | 636,895             | 78,200                 | 51,000              |
| Interest Income                   | 32,821              | 40,000                 | 35,000              |
| Total Revenues                    | 1,011,985           | 443,200                | 416,000             |
| Total Funds Available             | 1,488,047           | 1,501,192              | 1,116,952           |
| Expenditures                      |                     |                        |                     |
| Personnel                         | 108,370             | 594,590                | 600,520             |
| Supplies                          | -                   | -                      | -                   |
| Repair & Maintenance              | -                   | -                      | -                   |
| Services & Charges                | 107,347             | 143,743                | 188,687             |
| Capital Expenses                  | 214,338             | 61,906                 | 268,745             |
| Total Expenditures                | 430,055             | 800,239                | 1,057,952           |
| Excess Revenues over Expenditures | 581,930             | (357,039)              | (641,952)           |
| Ending Fund Balance               | \$ 1,057,992        | \$ 700,952             | \$ 59,000           |

**City of Sherman**  
**COURT SECURITY & TECHNOLOGY FUND**  
**2025-2026 Annual Budget**

|                                   | Actual<br>2023-2024 | Projected<br>2024-2025 | Budget<br>2025-2026 |
|-----------------------------------|---------------------|------------------------|---------------------|
| Beginning Fund Balance            | \$ 150,757          | \$ 156,908             | \$ 130,686          |
| Revenues                          |                     |                        |                     |
| Fines & Penalties                 | 56,906              | 67,550                 | 70,500              |
| Interest Income                   | 4,497               | 4,600                  | 3,500               |
| Total Revenues                    | 61,403              | 72,150                 | 74,000              |
| Total Funds Available             | 212,160             | 229,058                | 204,686             |
| Expenditures                      |                     |                        |                     |
| Supplies                          | 7,236               | 55,000                 | 20,500              |
| Repair & Maintenance              | 1,064               | 372                    | -                   |
| Services & Charges                | 1,951               | 8,000                  | 12,000              |
| Capital Expenses                  | -                   | -                      | -                   |
| Transfers Out                     | 45,000              | 35,000                 | 15,000              |
| Total Expenditures                | 55,252              | 98,372                 | 47,500              |
| Excess Revenues over Expenditures | 6,151               | (26,222)               | 26,500              |
| Ending Fund Balance               | \$ 156,908          | \$ 130,686             | \$ 157,186          |

**City of Sherman**  
**PARKS PRIDE FUND**  
**2025-2026 Annual Budget**

|                                   | Actual<br>2023-2024 | Projected<br>2024-2025 | Budget<br>2025-2026 |
|-----------------------------------|---------------------|------------------------|---------------------|
| Beginning Fund Balance            | \$ 19,505           | \$ 34,593              | \$ 159,393          |
| Revenues                          |                     |                        |                     |
| Miscellaneous Revenue             | 28,369              | 135,000                | 13,200              |
| Interest Income                   | 719                 | 1,800                  | 500                 |
| Total Revenues                    | 29,088              | 136,800                | 13,700              |
| Total Funds Available             | 48,593              | 171,393                | 173,093             |
| Expenditures                      |                     |                        |                     |
| Services & Charges                | -                   | 12,000                 | 50,000              |
| Capital Expenses                  | -                   | -                      | 120,000             |
| Transfers Out                     | 14,000              | -                      | -                   |
| Total Expenditures                | 14,000              | 12,000                 | 170,000             |
| Excess Revenues over Expenditures | 15,088              | 124,800                | (156,300)           |
| Ending Fund Balance               | \$ 34,593           | \$ 159,393             | \$ 3,093            |

**City of Sherman**  
**POLICE PRIDE FUND**  
**2025-2026 Annual Budget**

|                                   | Actual<br>2023-2024 | Projected<br>2024-2025 | Budget<br>2025-2026 |
|-----------------------------------|---------------------|------------------------|---------------------|
| Beginning Fund Balance            | \$ 21,665           | \$ 41,138              | \$ 27,818           |
| Revenues                          |                     |                        |                     |
| Miscellaneous Revenue             | 36,980              | 10,390                 | 10,390              |
| Grant Revenue                     | 7,500               | -                      | -                   |
| Interest Income                   | 742                 | 1,290                  | 720                 |
| Total Revenues                    | 45,222              | 11,680                 | 11,110              |
| Total Funds Available             | 66,887              | 52,818                 | 38,928              |
| Expenditures                      |                     |                        |                     |
| Supplies                          | -                   | -                      | -                   |
| Services & Charges                | 6,248               | 5,000                  | 5,000               |
| Capital Expenses                  | 19,500              | 20,000                 | 20,000              |
| Total Expenditures                | 25,748              | 25,000                 | 25,000              |
| Excess Revenues over Expenditures | 19,473              | (13,320)               | (13,890)            |
| Ending Fund Balance               | \$ 41,138           | \$ 27,818              | \$ 13,928           |

**City of Sherman**  
**DONATIONS FUND**  
**2025-2026 Annual Budget**

|                                   | Actual<br>2023-2024 | Projected<br>2024-2025 | Budget<br>2025-2026 |
|-----------------------------------|---------------------|------------------------|---------------------|
| Beginning Fund Balance            | \$ 3,886            | \$ 17,090              | \$ 20,790           |
| Revenues                          |                     |                        |                     |
| Miscellaneous Revenue             | 12,962              | 13,200                 | 13,000              |
| Interest Income                   | 241                 | 500                    | 350                 |
| Total Revenues                    | 13,204              | 13,700                 | 13,350              |
| Total Funds Available             | 17,090              | 30,790                 | 34,140              |
| Expenditures                      |                     |                        |                     |
| Supplies                          | -                   | 10,000                 | 30,000              |
| Excess Revenues over Expenditures | 13,204              | 3,700                  | (16,650)            |
| Ending Fund Balance               | \$ 17,090           | \$ 20,790              | \$ 4,140            |

**City of Sherman**  
**HOTEL/MOTEL TAX FUND**  
**2025-2026 Annual Budget**

|                                          | Actual<br>2023-2024        | Projected<br>2024-2025  | Budget<br>2025-2026       |
|------------------------------------------|----------------------------|-------------------------|---------------------------|
| Beginning Fund Balance                   | \$ (28,222)                | \$ (408,163)            | \$ 89,372                 |
| <b>Revenues</b>                          |                            |                         |                           |
| Hotel-Motel Taxes                        | 839,974                    | 875,000                 | 800,000                   |
| Fines & Penalties                        | -                          | -                       | -                         |
| Miscellaneous Revenue                    | 6,902                      | 2,700                   | 1,500                     |
| Interest Income                          | 141                        | -                       | -                         |
| Sales & Service                          | 47,465                     | 60,000                  | 60,000                    |
| Rentals                                  | 19,101                     | 26,500                  | 26,500                    |
| Transfers In                             | -                          | 700,000                 | 150,000                   |
| <b>Total Revenues</b>                    | <u>913,583</u>             | <u>1,664,200</u>        | <u>1,038,000</u>          |
| <b>Total Funds Available</b>             | 885,361                    | 1,256,037               | 1,127,372                 |
| <b>Expenditures</b>                      |                            |                         |                           |
| Personnel                                | 231,254                    | 217,124                 | 234,480                   |
| Supplies                                 | 44,572                     | 15,750                  | 27,750                    |
| Repair & Maintenance                     | 4,486                      | 1,100                   | 7,000                     |
| Utilities                                | 28,459                     | 29,910                  | 32,780                    |
| Information Technology                   | 5,181                      | 21,320                  | 23,590                    |
| Services & Charges                       | 854,468                    | 734,800                 | 734,875                   |
| Vehicle Usage                            | 10,570                     | 43,661                  | 25,520                    |
| Capital Expenses                         | 5,534                      | -                       | -                         |
| Transfers Out                            | 109,000                    | 103,000                 | 108,152                   |
| <b>Total Expenditures</b>                | <u>1,293,524</u>           | <u>1,166,665</u>        | <u>1,194,147</u>          |
| <b>Excess Revenues over Expenditures</b> | <u>(379,941)</u>           | <u>497,535</u>          | <u>(156,147)</u>          |
| <b>Ending Fund Balance</b>               | <u><u>\$ (408,163)</u></u> | <u><u>\$ 89,372</u></u> | <u><u>\$ (66,775)</u></u> |



**City of Sherman**  
**DRUG ENFORCEMENT FUND**  
**2025-2026 Annual Budget**

|                                   | Actual<br>2023-2024 | Projected<br>2024-2025 | Budget<br>2025-2026 |
|-----------------------------------|---------------------|------------------------|---------------------|
| Beginning Fund Balance            | \$ 90,176           | \$ 145,771             | \$ 183,171          |
| Revenues                          |                     |                        |                     |
| Fines & Penalties                 | 65,845              | 50,000                 | 65,000              |
| Interest Income                   | 1,211               | 1,900                  | 1,900               |
| Miscellaneous Revenue             | -                   | -                      | -                   |
| Total Revenues                    | 67,056              | 51,900                 | 66,900              |
| Total Funds Available             | 157,232             | 197,671                | 250,071             |
| Expenditures                      |                     |                        |                     |
| Supplies                          | 2,010               | 8,000                  | 50,400              |
| Repair & Maintenance              | -                   | -                      | 12,000              |
| Services & Charges                | 2,377               | 6,500                  | 6,500               |
| Capital Expenses                  | 7,075               | -                      | -                   |
| Total Expenditures                | 11,461              | 14,500                 | 68,900              |
| Excess Revenues over Expenditures | 55,595              | 37,400                 | (2,000)             |
| Ending Fund Balance               | \$ 145,771          | \$ 183,171             | \$ 181,171          |

**City of Sherman**  
**MUNICIPAL AIRPORT FUND**  
**2025-2026 Annual Budget**

|                                          | Actual<br>2023-2024 | Projected<br>2024-2025 | Budget<br>2025-2026 |
|------------------------------------------|---------------------|------------------------|---------------------|
| Beginning Fund Balance                   | \$ 193,101          | \$ 218,322             | \$ 112,191          |
| <b>Revenues</b>                          |                     |                        |                     |
| Interest Income                          | 14,149              | 6,400                  | 5,500               |
| Rentals                                  | 95,938              | 98,000                 | 98,000              |
| Sales & Service                          | 363,944             | 329,000                | 329,000             |
| Grant Revenue                            | 10,680              | 40,000                 | 100,000             |
| Miscellaneous Revenue                    | 0                   | -                      | -                   |
| <b>Total Revenues</b>                    | <b>484,710</b>      | <b>473,400</b>         | <b>532,500</b>      |
| <b>Total Funds Available</b>             | <b>677,811</b>      | <b>691,722 -</b>       | <b>644,691</b>      |
| <b>Expenditures</b>                      |                     |                        |                     |
| Supplies                                 | 308,347             | 396,566                | 396,590             |
| Repair & Maintenance                     | 6,125               | 8,995                  | 8,995               |
| Services & Charges                       | 121,640             | 105,851                | 108,274             |
| Utilities                                | 10,865              | 12,280                 | 12,890              |
| Vehicle Usage                            | 7,789               | 5,839                  | 7,000               |
| Capital Expenses                         | 4,723               | 50,000                 | 100,000             |
| <b>Total Expenditures</b>                | <b>459,489</b>      | <b>579,531</b>         | <b>633,749</b>      |
| <b>Excess Revenues over Expenditures</b> | <b>25,221</b>       | <b>(106,131)</b>       | <b>(101,249)</b>    |
| <b>Ending Fund Balance</b>               | <b>\$ 218,322</b>   | <b>\$ 112,191</b>      | <b>\$ 10,942</b>    |

**City of Sherman**  
**EMPLOYEE INSURANCE FUND**  
**2025-2026 Annual Budget**

|                                          | Actual<br>2023-2024 | Budget<br>2024-2025 | Projected<br>2024-2025 | Budget<br>2025-2026 |
|------------------------------------------|---------------------|---------------------|------------------------|---------------------|
| Beginning Fund Balance                   | \$ 1,364,722        | \$ 399,672          | \$ 1,408,446           | \$ 1,031,840        |
| <b>Revenues</b>                          |                     |                     |                        |                     |
| Employer Contributions                   | 5,564,775           | 5,208,730           | 5,385,680              | 5,384,810           |
| Employee Contributions                   | 1,157,763           | 1,105,000           | 1,053,742              | 1,150,000           |
| Retiree Contributions                    | 111,776             | 110,000             | 100,000                | 100,000             |
| COBRA Contributions                      | 831                 | 1,000               | 1,110                  | 1,000               |
| Miscellaneous Revenue                    | 58,730              | -                   | 450,000                | 350,000             |
| Interest Income                          | 89,297              | 30,000              | 75,000                 | 60,000              |
| Transfers In                             | -                   | -                   | -                      | -                   |
| <b>Total Revenues</b>                    | <b>6,983,172</b>    | <b>6,454,730</b>    | <b>7,065,532</b>       | <b>7,045,810</b>    |
| <b>Total Funds Available</b>             | <b>8,347,894</b>    | <b>6,854,402</b>    | <b>8,473,978</b>       | <b>8,077,650</b>    |
| <b>Expenditures</b>                      |                     |                     |                        |                     |
| Health Insurance Claims                  | 5,697,861           | 5,040,000           | 6,219,618              | 6,696,000           |
| Administration & Premiums                | 1,185,389           | 1,378,000           | 1,162,520              | 1,256,000           |
| Life Insurance Premiums                  | 56,198              | 56,000              | 60,000                 | 69,000              |
| Transfers Out                            | -                   | -                   | -                      | -                   |
| <b>Total Expenditures</b>                | <b>6,939,448</b>    | <b>6,474,000</b>    | <b>7,442,138</b>       | <b>8,021,000</b>    |
| <b>Excess Revenues over Expenditures</b> | <b>43,724</b>       | <b>(19,270)</b>     | <b>(376,606)</b>       | <b>(975,190)</b>    |
| <b>Ending Fund Balance</b>               | <b>\$ 1,408,446</b> | <b>\$ 380,402</b>   | <b>\$ 1,031,840</b>    | <b>\$ 56,650</b>    |

**City of Sherman**  
**INFORMATION TECHNOLOGY FUND**  
**2025-2026 Annual Budget**

|                                   | Actual<br>2023-2024 | Projected<br>2024-2025 | Budget<br>2025-2026 |
|-----------------------------------|---------------------|------------------------|---------------------|
| Beginning Fund Balance            | \$ 111,904          | \$ 96,896              | \$ 96,896           |
| Revenues                          |                     |                        |                     |
| Technology Services:              |                     |                        |                     |
| General Fund                      | 1,345,455           | 1,576,020              | 1,919,595           |
| Stormwater                        | 5,181               | 5,040                  | 8,580               |
| Tourism                           | 5,181               | 21,320                 | 23,590              |
| Equipment Services Fund           | 56,996              | 72,860                 | 83,610              |
| Utility Fund                      | 376,520             | 457,730                | 529,540             |
| Solid Waste Fund                  | 105,357             | 123,240                | 153,280             |
| Interest Income                   | 4,131               | -                      | -                   |
| Miscellaneous Revenue             | 702                 | -                      | -                   |
| Total Revenues                    | 1,899,524           | 2,256,210              | 2,718,195           |
| Total Funds Available             | 2,011,428           | 2,353,106              | 2,815,091           |
| Expenditures                      |                     |                        |                     |
| Personnel                         | 1,077,290           | 1,215,986              | 1,254,920           |
| Supplies                          | 67,668              | 106,756                | 153,444             |
| Repair & Maintenance              | 235,645             | 193,044                | 424,258             |
| Utilities                         | 55,836              | 62,070                 | 100,010             |
| Services & Charges                | 382,659             | 572,812                | 610,819             |
| Capital Expenses                  | 50,395              | 61,500                 | 74,000              |
| Transfers Out                     | 45,040              | 44,042                 | 43,844              |
| Total Expenditures                | 1,914,531           | 2,256,211              | 2,661,295           |
| Excess Revenues over Expenditures | (15,007)            | (1)                    | 56,900              |
| Ending Fund Balance               | \$ 96,896           | \$ 96,896              | \$ 153,796          |

**City of Sherman**  
**EQUIPMENT SERVICES FUND**  
**2025-2026 Annual Budget**

|                                   | Actual<br>2023-2024 | Projected<br>2024-2025 | Budget<br>2025-2026 |
|-----------------------------------|---------------------|------------------------|---------------------|
| Beginning Fund Balance            | \$ (61,219)         | \$ (151,566)           | \$ 93,480           |
| Revenues                          |                     |                        |                     |
| Equipment Service Revenue         | 5,385,885           | 5,888,505              | 5,946,450           |
| Interest Income                   | -                   | -                      | -                   |
| Miscellaneous Revenue             | 8,225               | -                      | -                   |
| Total Revenues                    | 5,394,110           | 5,888,505              | 5,946,450           |
| Total Funds Available             | 5,332,891           | 5,736,939              | 6,039,930           |
| Expenditures                      |                     |                        |                     |
| Personnel                         | 1,255,660           | 1,347,094              | 1,474,680           |
| Supplies                          | 1,316,109           | 1,352,624              | 1,388,194           |
| Repair & Maintenance              | 2,292,519           | 2,106,921              | 2,118,382           |
| Utilities                         | 24,284              | 26,560                 | 33,870              |
| Information Technology            | 56,996              | 72,860                 | 83,610              |
| Services & Charges                | 412,750             | 513,567                | 579,999             |
| Capital Expenses                  | 18,175              | 223,832                | 42,500              |
| Fleet Services & Charges          | 75,000              | -                      | 178,562             |
| Vehicle Usage                     | 32,963              | -                      | -                   |
| Total Expenditures                | 5,484,457           | 5,643,459              | 5,899,797           |
| Excess Revenues over Expenditures | (90,347)            | 245,046                | 46,653              |
| Ending Fund Balance               | \$ (151,566)        | \$ 93,480              | \$ 140,133          |

**City of Sherman**  
**FLEET REPLACEMENT FUND**  
**2025-2026 Annual Budget**

|                                   | Actual<br>2023-2024 | Adjusted<br>Budget<br>2024-2025 | Projected<br>2024-2025 | Budget<br>2025-2026 |
|-----------------------------------|---------------------|---------------------------------|------------------------|---------------------|
| Beginning Fund Balance            | \$ 3,244,154        | \$ 3,195,099                    | \$ 3,215,090           | \$ 521,221          |
| Revenues                          |                     |                                 |                        |                     |
| Fleet Replacement Revenue         | 2,266,607           | 1,996,279                       | 1,996,279              | 1,333,405           |
| Property Tax                      | 1,921,965           | 2,528,000                       | 2,543,000              | 3,032,000           |
| Interest Income                   | 169,179             | 90,000                          | 130,000                | 130,000             |
| Debt Proceeds                     | 3,522,446           | 3,242,538                       | 3,778,106              | 2,545,016           |
| Miscellaneous Revenue             | -                   | -                               | -                      | -                   |
| Total Revenues                    | 7,880,197           | 7,856,817                       | 8,447,385              | 7,040,421           |
| Total Funds Available             | 11,124,351          | 11,051,916                      | 11,662,475             | 7,561,642           |
| Expenditures                      |                     |                                 |                        |                     |
| Debt Service                      | 2,680,951           | 2,975,915                       | 2,990,531              | 3,121,920           |
| Services & Charges                | 64,859              | 50,000                          | 45,048                 | 100,000             |
| Capital Expenses                  | 5,163,451           | 7,548,040                       | 8,105,675              | 3,452,079           |
| Total Expenditures                | 7,909,261           | 10,573,955                      | 11,141,254             | 6,673,999           |
| Excess Revenues over Expenditures | (29,064)            | (2,717,138)                     | (2,693,869)            | 366,422             |
| Ending Fund Balance               | \$ 3,215,090        | \$ 477,961                      | \$ 521,221             | \$ 887,643          |

DETAILS

| BUDGET FY25/26                         |                                   |                                  |
|----------------------------------------|-----------------------------------|----------------------------------|
|                                        | Expense<br>TRANSFER FROM<br>Debit | Revenue<br>TRANSFER TO<br>Credit |
| From fund 700 5% franchise, admin cost |                                   | \$ 5,126,000.00                  |
| From fund 790, dept 243, 244           |                                   | \$ 1,299,000.00                  |
| From 790, debt service                 |                                   | \$ 1,121,661.00                  |
| From fund 700, debt service            |                                   | \$ 397,358.00                    |
| From fund 450, truancy clerk           |                                   | \$ 15,000.00                     |
| From fund 630, debt service            |                                   | \$ 43,844.00                     |
| To fund 105, Risk Contingency          | \$ -                              |                                  |
| To fund 460, concerts                  | \$ 150,000.00                     |                                  |
| From fund 251, Moore St                |                                   | \$ 1,200,000.00                  |
| From fund 253, Shepherd Rd             |                                   | \$ 1,800,000.00                  |
| To fund 300, debt service              | \$ 288,196.00                     |                                  |
| To fund 300, debt service              | \$ 225,384.00                     |                                  |
| To fund 300, debt service              | \$ 177,351.00                     |                                  |
| To fund 222, Moore Street              | \$ 1,200,000.00                   |                                  |
| To fund 222, Shepherd Rd               | \$ 1,800,000.00                   |                                  |
| From fund 420, debt service            |                                   | \$ 272,275.00                    |
| From fund 241, debt service            |                                   | \$ 288,196.00                    |
| From fund 242, debt service            |                                   | \$ 225,384.00                    |
| From fund 243, debt service            |                                   | \$ 177,351.00                    |
| From fund 460, debt service            |                                   | \$ 108,152.00                    |
| To fund 700, debt service              | \$ 200,000.00                     |                                  |
| To fund 300, debt service              | \$ 272,275.00                     |                                  |
| To fund 100, truancy clerk             | \$ 15,000.00                      |                                  |
| To fund 300, debt service              | \$ 108,152.00                     |                                  |
| From fund 100, concerts                |                                   | \$ 150,000.00                    |
| To fund 300, debt service              | \$ 43,844.00                      |                                  |
| To fund 100, debt service              | \$ 11,279.00                      |                                  |
| To fund 100, debt service              | \$ 348,813.00                     |                                  |
| To fund 100, debt service              | \$ 27,236.00                      |                                  |
| To fund 100, debt service              | \$ 10,030.00                      |                                  |
| To fund 100 5% franchise               | \$ 2,366,000.00                   |                                  |
| To fund 100 5% admin cost              | \$ 2,760,000.00                   |                                  |
| From fund 750, impact fees             |                                   | \$ 3,250,000.00                  |
| From fund 300, downtown sewer          |                                   | \$ 200,000.00                    |
| SW Admin                               |                                   | \$ 191,000.00                    |
| To fund 700, contractual debt          | \$ 3,250,000.00                   |                                  |
| To fund 100, debt service              | \$ 602,291.00                     |                                  |
| To fund 100, admin                     | \$ 134,000.00                     |                                  |
| To fund 100, franchise                 | \$ 214,000.00                     |                                  |
| To fund 700, admin                     | \$ 51,000.00                      |                                  |
| To fund 100, debt service              | \$ 519,370.00                     |                                  |
| To fund 100, admin                     | \$ 365,000.00                     |                                  |
| To fund 100, franchise                 | \$ 586,000.00                     |                                  |
| To fund 700, admin                     | \$ 140,000.00                     |                                  |
| TOTALS                                 | \$ 15,865,221.00                  | \$ 15,865,221.00                 |

**City of Sherman**  
**Historical Property Tax Rates**

| <b>Fiscal Year</b> | <b>Rate per \$100</b> |
|--------------------|-----------------------|
| 1983               | 0.5930                |
| 1984               | 0.5930                |
| 1985               | 0.5930                |
| 1986               | 0.5930                |
| 1987               | 0.5930                |
| 1988               | 0.5780                |
| 1989               | 0.5110                |
| 1990               | 0.5230                |
| 1991               | 0.5490                |
| 1992               | 0.5490                |
| 1993               | 0.5760                |
| 1994               | 0.5870                |
| 1995               | 0.5870                |
| 1996               | 0.5800                |
| 1997               | 0.4120                |
| 1998               | 0.4050                |
| 1999               | 0.4000                |
| 2000               | 0.4000                |
| 2001               | 0.4000                |
| 2002               | 0.4000                |
| 2003               | 0.4000                |
| 2004               | 0.4000                |
| 2005               | 0.4000                |
| 2006               | 0.4000                |
| 2007               | 0.4000                |
| 2008               | 0.4000                |
| 2009               | 0.3200                |
| 2010               | 0.3200                |
| 2011               | 0.3200                |
| 2012               | 0.3200                |
| 2013               | 0.3200                |
| 2014               | 0.3480                |
| 2015               | 0.3720                |
| 2016               | 0.3720                |
| 2017               | 0.3943                |
| 2018               | 0.4273                |
| 2019               | 0.4273                |
| 2020               | 0.4890                |
| 2021               | 0.4890                |
| 2022               | 0.4890                |
| 2023               | 0.4699                |
| 2024               | 0.5080                |
| 2025               | 0.5080                |
| 2026 est.          | 0.5080                |



**City of Sherman, Texas**  
Bonded Debt as of 9/30/25

| Fiscal Yr | <sup>(1)</sup><br>\$6,970,000<br>Tax & Waterworks & Sewer System (Limited Pledge)<br>Revenue Certificates of Obligation Series 2016 |              |              | <sup>(2)</sup><br>\$7,776,530<br>General Obligation<br>Refunding Bonds Series 2017 |              |              |
|-----------|-------------------------------------------------------------------------------------------------------------------------------------|--------------|--------------|------------------------------------------------------------------------------------|--------------|--------------|
|           | Coupon                                                                                                                              | Principal    | Interest     | Coupon                                                                             | Principal    | Interest     |
| 2026      | 2.000%                                                                                                                              | 360,000.00   | 108,812.50   | 4.00%                                                                              | 795,200.26   | 113,100.90   |
| 2027      | 2.000%                                                                                                                              | 370,000.00   | 101,612.50   | 4.00%                                                                              | 793,151.70   | 86,333.97    |
| 2028      | 2.250%                                                                                                                              | 375,000.00   | 94,212.50    | 4.00%                                                                              | 828,151.70   | 54,955.83    |
| 2029      | 2.250%                                                                                                                              | 385,000.00   | 85,775.00    | 4.00%                                                                              | 436,933.75   | 22,343.71    |
| 2030      | 2.375%                                                                                                                              | 390,000.00   | 77,112.50    | 3.00%                                                                              | -            | 1,718.75     |
| 2031      | 2.375%                                                                                                                              | 400,000.00   | 67,850.00    | -                                                                                  | -            | -            |
| 2032      | 2.500%                                                                                                                              | 410,000.00   | 58,350.00    | -                                                                                  | -            | -            |
| 2033      | 2.500%                                                                                                                              | 420,000.00   | 48,100.00    | -                                                                                  | -            | -            |
| 2034      | 2.500%                                                                                                                              | 430,000.00   | 37,600.00    | -                                                                                  | -            | -            |
| 2035      | 3.000%                                                                                                                              | 440,000.00   | 26,850.00    | -                                                                                  | -            | -            |
| 2036      | 3.000%                                                                                                                              | 455,000.00   | 13,650.00    | -                                                                                  | -            | -            |
| 2037      | -                                                                                                                                   | -            | -            | -                                                                                  | -            | -            |
| 2038      | -                                                                                                                                   | -            | -            | -                                                                                  | -            | -            |
| 2039      | -                                                                                                                                   | -            | -            | -                                                                                  | -            | -            |
| 2040      | -                                                                                                                                   | -            | -            | -                                                                                  | -            | -            |
| 2041      | -                                                                                                                                   | -            | -            | -                                                                                  | -            | -            |
| 2042      | -                                                                                                                                   | -            | -            | -                                                                                  | -            | -            |
| 2043      | -                                                                                                                                   | -            | -            | -                                                                                  | -            | -            |
| 2044      | -                                                                                                                                   | -            | -            | -                                                                                  | -            | -            |
| 2045      | -                                                                                                                                   | -            | -            | -                                                                                  | -            | -            |
| 2046      | -                                                                                                                                   | -            | -            | -                                                                                  | -            | -            |
| 2047      | -                                                                                                                                   | -            | -            | -                                                                                  | -            | -            |
| 2048      | -                                                                                                                                   | -            | -            | -                                                                                  | -            | -            |
| 2049      | -                                                                                                                                   | -            | -            | -                                                                                  | -            | -            |
| 2050      | -                                                                                                                                   | -            | -            | -                                                                                  | -            | -            |
| 2051      | -                                                                                                                                   | -            | -            | -                                                                                  | -            | -            |
| 2052      | -                                                                                                                                   | -            | -            | -                                                                                  | -            | -            |
| 2053      | -                                                                                                                                   | -            | -            | -                                                                                  | -            | -            |
| 2054      | -                                                                                                                                   | -            | -            | -                                                                                  | -            | -            |
| 2055      | -                                                                                                                                   | -            | -            | -                                                                                  | -            | -            |
|           |                                                                                                                                     | 4,435,000.00 | 719,925.00   |                                                                                    | 2,853,437.41 | 278,453.16   |
|           |                                                                                                                                     |              | 5,154,925.00 |                                                                                    |              | 3,131,890.57 |

(1) These bonds were issued to fund street improvements, library renovation and a new fire station.

(2) These bonds refunded the Series 2006 bonds, and the 2008, 2009 and 2009A Certificates of Obligation.

**City of Sherman, Texas**  
Bonded Debt as of 9/30/25

| Fiscal Yr | (3)<br>\$474,557<br>TIF #1<br>Refunding Bonds Series 2017 |           |           | (4)<br>\$1,108,913<br>Auditorium<br>Refunding Bonds Series 2017 |            |            |
|-----------|-----------------------------------------------------------|-----------|-----------|-----------------------------------------------------------------|------------|------------|
|           | Coupon                                                    | Principal | Interest  | Coupon                                                          | Principal  | Interest   |
| 2026      | 4.00%                                                     | 67,793.86 | 6,902.88  | 4.00%                                                           | 92,005.88  | 16,146.22  |
| 2027      | -                                                         | -         | -         | 4.00%                                                           | 96,848.30  | 11,616.03  |
| 2028      | -                                                         | -         | -         | 4.00%                                                           | 96,848.30  | 7,394.17   |
| 2029      | -                                                         | -         | -         | 4.00%                                                           | 101,690.71 | 3,006.29   |
| 2030      | -                                                         | -         | -         | 3.00%                                                           | 111,375.54 | 231.25     |
| 2031      | -                                                         | -         | -         | -                                                               | -          | -          |
| 2032      | -                                                         | -         | -         | -                                                               | -          | -          |
| 2033      | -                                                         | -         | -         | -                                                               | -          | -          |
| 2034      | -                                                         | -         | -         | -                                                               | -          | -          |
| 2035      | -                                                         | -         | -         | -                                                               | -          | -          |
| 2036      | -                                                         | -         | -         | -                                                               | -          | -          |
| 2037      | -                                                         | -         | -         | -                                                               | -          | -          |
| 2038      | -                                                         | -         | -         | -                                                               | -          | -          |
| 2039      | -                                                         | -         | -         | -                                                               | -          | -          |
| 2040      | -                                                         | -         | -         | -                                                               | -          | -          |
| 2041      | -                                                         | -         | -         | -                                                               | -          | -          |
| 2042      | -                                                         | -         | -         | -                                                               | -          | -          |
| 2043      | -                                                         | -         | -         | -                                                               | -          | -          |
| 2044      | -                                                         | -         | -         | -                                                               | -          | -          |
| 2045      | -                                                         | -         | -         | -                                                               | -          | -          |
| 2046      | -                                                         | -         | -         | -                                                               | -          | -          |
| 2047      | -                                                         | -         | -         | -                                                               | -          | -          |
| 2048      | -                                                         | -         | -         | -                                                               | -          | -          |
| 2049      | -                                                         | -         | -         | -                                                               | -          | -          |
| 2050      | -                                                         | -         | -         | -                                                               | -          | -          |
| 2051      | -                                                         | -         | -         | -                                                               | -          | -          |
| 2052      | -                                                         | -         | -         | -                                                               | -          | -          |
| 2053      | -                                                         | -         | -         | -                                                               | -          | -          |
| 2054      | -                                                         | -         | -         | -                                                               | -          | -          |
| 2055      | -                                                         | -         | -         | -                                                               | -          | -          |
|           |                                                           | 67,793.86 | 6,902.88  |                                                                 | 498,768.73 | 38,393.96  |
|           |                                                           |           | 74,696.74 |                                                                 |            | 537,162.69 |

(3) These bonds refunded the Series 2006 bonds, and the 2008, 2009 and 2009A Certificates of Obligation.

(4) These bonds refunded the Series 2006 bonds, and the 2008, 2009 and 2009A Certificates of Obligation.

**City of Sherman, Texas**  
Bonded Debt as of 9/30/25

| Fiscal Yr | <sup>(5)</sup><br>\$8,760,000<br>Combination Tax & Revenue<br>Certificates of Obligation Series 2017 |              |              | <sup>(6)</sup><br>\$3,900,000<br>TIRZ #5<br>Certificates of Obligation Series 2017 |              |              |
|-----------|------------------------------------------------------------------------------------------------------|--------------|--------------|------------------------------------------------------------------------------------|--------------|--------------|
|           | Coupon                                                                                               | Principal    | Interest     | Coupon                                                                             | Principal    | Interest     |
| 2026      | 5.00%                                                                                                | 425,665.38   | 221,666.45   | 5.00%                                                                              | 189,508.56   | 98,687.12    |
| 2027      | 4.00%                                                                                                | 447,432.36   | 200,383.19   | 4.00%                                                                              | 199,199.34   | 89,211.69    |
| 2028      | 4.00%                                                                                                | 466,780.78   | 182,485.89   | 4.00%                                                                              | 207,813.36   | 81,243.72    |
| 2029      | 3.00%                                                                                                | 483,710.66   | 163,814.66   | 3.00%                                                                              | 215,350.64   | 72,931.18    |
| 2030      | 3.00%                                                                                                | 498,221.98   | 149,303.34   | 3.00%                                                                              | 221,811.15   | 66,470.67    |
| 2031      | 3.13%                                                                                                | 512,733.30   | 134,356.68   | 3.13%                                                                              | 228,271.67   | 59,816.33    |
| 2032      | 3.25%                                                                                                | 529,663.17   | 118,333.77   | 3.25%                                                                              | 235,808.95   | 52,682.84    |
| 2033      | 3.38%                                                                                                | 546,593.04   | 101,119.71   | 3.38%                                                                              | 243,346.22   | 45,019.05    |
| 2034      | 3.38%                                                                                                | 565,941.47   | 82,672.20    | 3.38%                                                                              | 251,960.24   | 36,806.12    |
| 2035      | 3.58%                                                                                                | 585,289.90   | 63,571.67    | 3.58%                                                                              | 260,574.27   | 28,302.46    |
| 2036      | 3.50%                                                                                                | 604,638.32   | 43,086.53    | 3.50%                                                                              | 269,188.29   | 19,182.36    |
| 2037      | 3.50%                                                                                                | 626,405.30   | 21,924.19    | 3.50%                                                                              | 278,879.07   | 9,760.77     |
| 2038      | -                                                                                                    | -            | -            | -                                                                                  | -            | -            |
| 2039      | -                                                                                                    | -            | -            | -                                                                                  | -            | -            |
| 2040      | -                                                                                                    | -            | -            | -                                                                                  | -            | -            |
| 2041      | -                                                                                                    | -            | -            | -                                                                                  | -            | -            |
| 2042      | -                                                                                                    | -            | -            | -                                                                                  | -            | -            |
| 2043      | -                                                                                                    | -            | -            | -                                                                                  | -            | -            |
| 2044      | -                                                                                                    | -            | -            | -                                                                                  | -            | -            |
| 2045      | -                                                                                                    | -            | -            | -                                                                                  | -            | -            |
| 2046      | -                                                                                                    | -            | -            | -                                                                                  | -            | -            |
| 2047      | -                                                                                                    | -            | -            | -                                                                                  | -            | -            |
| 2048      | -                                                                                                    | -            | -            | -                                                                                  | -            | -            |
| 2049      | -                                                                                                    | -            | -            | -                                                                                  | -            | -            |
| 2050      | -                                                                                                    | -            | -            | -                                                                                  | -            | -            |
| 2051      | -                                                                                                    | -            | -            | -                                                                                  | -            | -            |
| 2052      | -                                                                                                    | -            | -            | -                                                                                  | -            | -            |
| 2053      | -                                                                                                    | -            | -            | -                                                                                  | -            | -            |
| 2054      | -                                                                                                    | -            | -            | -                                                                                  | -            | -            |
| 2055      | -                                                                                                    | -            | -            | -                                                                                  | -            | -            |
|           |                                                                                                      | 6,293,075.65 | 1,482,718.28 |                                                                                    | 2,801,711.76 | 660,114.30   |
|           |                                                                                                      |              | 7,775,793.93 |                                                                                    |              | 3,461,826.06 |

(5) These certificates were issued to fund new street development and construction and improvements to city facilities.

(6) These certificates were issued to fund infrastructure improvements in Sherman Crossroads (TIRZ #5) development. Debt service is paid from property tax increment generated by the zone.

**City of Sherman, Texas**  
Bonded Debt as of 9/30/25

| Fiscal Yr | (7)<br>\$3,050,000<br>TIRZ #6<br>Certificates of Obligation Series 2017 |              |            |              | (8)<br>\$2,400,000<br>TIRZ #7<br>Certificates of Obligation Series 2017 |              |            |              |
|-----------|-------------------------------------------------------------------------|--------------|------------|--------------|-------------------------------------------------------------------------|--------------|------------|--------------|
|           | Coupon                                                                  | Principal    | Interest   |              | Coupon                                                                  | Principal    | Interest   |              |
| 2026      | 5.00%                                                                   | 148,205.41   | 77,178.39  | 225,383.80   | 5.00%                                                                   | 116,620.65   | 60,730.54  | 177,351.19   |
| 2027      | 4.00%                                                                   | 155,784.10   | 69,768.12  | 225,552.22   | 5.00%                                                                   | 122,584.21   | 54,899.50  | 177,483.71   |
| 2028      | 4.00%                                                                   | 162,520.71   | 63,536.75  | 226,057.46   | 5.00%                                                                   | 127,885.15   | 49,996.13  | 177,881.28   |
| 2029      | 3.00%                                                                   | 168,415.24   | 57,035.93  | 225,451.17   | 3.00%                                                                   | 132,523.47   | 44,880.73  | 177,404.20   |
| 2030      | 3.00%                                                                   | 173,467.70   | 51,983.47  | 225,451.17   | 3.00%                                                                   | 136,499.17   | 40,905.02  | 177,404.20   |
| 2031      | 3.13%                                                                   | 178,520.15   | 46,779.44  | 225,299.59   | 3.00%                                                                   | 140,474.88   | 36,810.05  | 177,284.93   |
| 2032      | 3.25%                                                                   | 184,414.69   | 41,200.68  | 225,615.37   | 3.13%                                                                   | 145,113.20   | 32,420.21  | 177,533.41   |
| 2033      | 3.38%                                                                   | 190,309.22   | 35,207.21  | 225,516.43   | 3.25%                                                                   | 149,751.52   | 27,704.03  | 177,455.55   |
| 2034      | 3.38%                                                                   | 197,045.83   | 28,784.27  | 225,830.10   | 3.25%                                                                   | 155,052.46   | 22,649.92  | 177,702.37   |
| 2035      | 3.58%                                                                   | 203,782.44   | 22,133.97  | 225,916.41   | 3.38%                                                                   | 160,353.40   | 17,416.90  | 177,770.29   |
| 2036      | 3.50%                                                                   | 210,519.05   | 15,001.59  | 225,520.64   | 3.38%                                                                   | 165,654.33   | 11,804.53  | 177,458.86   |
| 2037      | 3.50%                                                                   | 218,097.74   | 7,633.42   | 225,731.16   | 3.50%                                                                   | 171,617.89   | 6,006.63   | 177,624.52   |
| 2038      | -                                                                       | -            | -          | -            | -                                                                       | -            | -          | -            |
| 2039      | -                                                                       | -            | -          | -            | -                                                                       | -            | -          | -            |
| 2040      | -                                                                       | -            | -          | -            | -                                                                       | -            | -          | -            |
| 2041      | -                                                                       | -            | -          | -            | -                                                                       | -            | -          | -            |
| 2042      | -                                                                       | -            | -          | -            | -                                                                       | -            | -          | -            |
| 2043      | -                                                                       | -            | -          | -            | -                                                                       | -            | -          | -            |
| 2044      | -                                                                       | -            | -          | -            | -                                                                       | -            | -          | -            |
| 2045      | -                                                                       | -            | -          | -            | -                                                                       | -            | -          | -            |
| 2046      | -                                                                       | -            | -          | -            | -                                                                       | -            | -          | -            |
| 2047      | -                                                                       | -            | -          | -            | -                                                                       | -            | -          | -            |
| 2048      | -                                                                       | -            | -          | -            | -                                                                       | -            | -          | -            |
| 2049      | -                                                                       | -            | -          | -            | -                                                                       | -            | -          | -            |
| 2050      | -                                                                       | -            | -          | -            | -                                                                       | -            | -          | -            |
| 2051      | -                                                                       | -            | -          | -            | -                                                                       | -            | -          | -            |
| 2052      | -                                                                       | -            | -          | -            | -                                                                       | -            | -          | -            |
| 2053      | -                                                                       | -            | -          | -            | -                                                                       | -            | -          | -            |
| 2054      | -                                                                       | -            | -          | -            | -                                                                       | -            | -          | -            |
| 2055      | -                                                                       | -            | -          | -            | -                                                                       | -            | -          | -            |
|           |                                                                         | 2,191,082.27 | 516,243.24 | 2,707,325.51 |                                                                         | 1,724,130.31 | 406,224.19 | 2,130,354.50 |

(7) These certificates were issued to fund infrastructure improvements in Sherman Landing on the south side of the Hwy 75 and Hwy 691 intersection (TIRZ #6). Debt

(8) These certificates were issued to fund infrastructure improvements on the south east corner of the Hwy 75 and Hwy 1417 intersection (TIRZ #7). Debt service is

**City of Sherman, Texas**  
Bonded Debt as of 9/30/25

| Fiscal Yr | (9)<br>\$3,900,000<br>Stormwater<br>Certificates of Obligation Series 2017A |              |              | (10)<br>\$18,980,000<br>Combination Tax & Revenue<br>Certificates of Obligation Series 2018 |               |               |
|-----------|-----------------------------------------------------------------------------|--------------|--------------|---------------------------------------------------------------------------------------------|---------------|---------------|
|           | Coupon                                                                      | Principal    | Interest     | Coupon                                                                                      | Principal     | Interest      |
|           |                                                                             |              |              |                                                                                             |               |               |
| 2026      | 4.00%                                                                       | 185,000.00   | 87,275.00    | 5.00%                                                                                       | 630,000.00    | 564,256.26    |
| 2027      | 4.00%                                                                       | 190,000.00   | 79,875.00    | 5.00%                                                                                       | 660,000.00    | 532,756.26    |
| 2028      | 4.00%                                                                       | 200,000.00   | 72,275.00    | 5.00%                                                                                       | 695,000.00    | 499,756.26    |
| 2029      | 3.00%                                                                       | 205,000.00   | 64,275.00    | 3.00%                                                                                       | 730,000.00    | 465,006.26    |
| 2030      | 3.00%                                                                       | 210,000.00   | 58,125.00    | 3.00%                                                                                       | 750,000.00    | 443,106.26    |
| 2031      | 3.00%                                                                       | 220,000.00   | 51,825.00    | 3.00%                                                                                       | 775,000.00    | 420,606.26    |
| 2032      | 3.00%                                                                       | 225,000.00   | 45,225.00    | 3.13%                                                                                       | 795,000.00    | 397,356.26    |
| 2033      | 3.00%                                                                       | 230,000.00   | 38,475.00    | 3.25%                                                                                       | 820,000.00    | 372,512.50    |
| 2034      | 3.13%                                                                       | 240,000.00   | 31,575.00    | 3.25%                                                                                       | 850,000.00    | 345,862.50    |
| 2035      | 3.13%                                                                       | 245,000.00   | 24,075.00    | 3.38%                                                                                       | 875,000.00    | 318,237.50    |
| 2036      | 3.13%                                                                       | 255,000.00   | 16,418.76    | 3.38%                                                                                       | 905,000.00    | 288,706.26    |
| 2037      | 3.25%                                                                       | 260,000.00   | 8,450.00     | 3.50%                                                                                       | 935,000.00    | 258,162.50    |
| 2038      | -                                                                           | -            | -            | 3.50%                                                                                       | 970,000.00    | 225,437.50    |
| 2039      | -                                                                           | -            | -            | 3.50%                                                                                       | 1,005,000.00  | 191,487.50    |
| 2040      | -                                                                           | -            | -            | 3.50%                                                                                       | 1,040,000.00  | 156,312.50    |
| 2041      | -                                                                           | -            | -            | 3.50%                                                                                       | 1,075,000.00  | 119,912.50    |
| 2042      | -                                                                           | -            | -            | 3.63%                                                                                       | 1,115,000.00  | 82,287.50     |
| 2043      | -                                                                           | -            | -            | 3.63%                                                                                       | 1,155,000.00  | 41,868.86     |
| 2044      | -                                                                           | -            | -            | -                                                                                           | -             | -             |
| 2045      | -                                                                           | -            | -            | -                                                                                           | -             | -             |
| 2046      | -                                                                           | -            | -            | -                                                                                           | -             | -             |
| 2047      | -                                                                           | -            | -            | -                                                                                           | -             | -             |
| 2048      | -                                                                           | -            | -            | -                                                                                           | -             | -             |
| 2049      | -                                                                           | -            | -            | -                                                                                           | -             | -             |
| 2050      | -                                                                           | -            | -            | -                                                                                           | -             | -             |
| 2051      | -                                                                           | -            | -            | -                                                                                           | -             | -             |
| 2052      | -                                                                           | -            | -            | -                                                                                           | -             | -             |
| 2053      | -                                                                           | -            | -            | -                                                                                           | -             | -             |
| 2054      | -                                                                           | -            | -            | -                                                                                           | -             | -             |
| 2055      | -                                                                           | -            | -            | -                                                                                           | -             | -             |
|           |                                                                             | 2,665,000.00 | 577,868.76   |                                                                                             | 15,780,000.00 | 5,723,631.44  |
|           |                                                                             |              | 3,242,868.76 |                                                                                             |               | 21,503,631.44 |

(9) These certificates were issued to fund projects from the City's Stormwater Management Plan. Debt service is paid from the stormwater utility fee added to utility bills.

(10) These certificates were issued to fund new street and park development, and construction and improvements to city facilities.

**City of Sherman, Texas**  
Bonded Debt as of 9/30/25

| Fiscal Yr | (11)<br>\$19,130,000<br>Combination Tax & Revenue<br>Certificates of Obligation Series 2019 |               |               | (12)<br>\$29,025,000<br>Combination Tax & Revenue<br>Certificates of Obligation Series 2021 |               |               |
|-----------|---------------------------------------------------------------------------------------------|---------------|---------------|---------------------------------------------------------------------------------------------|---------------|---------------|
|           | Coupon                                                                                      | Principal     | Interest      | Coupon                                                                                      | Principal     | Interest      |
| 2026      | 5.00%                                                                                       | 585,000.00    | 579,862.50    | 3.00%                                                                                       | 695,000.00    | 667,468.76    |
| 2027      | 5.00%                                                                                       | 610,000.00    | 550,612.50    | 3.00%                                                                                       | 730,000.00    | 632,718.76    |
| 2028      | 5.00%                                                                                       | 645,000.00    | 520,112.50    | 5.00%                                                                                       | 765,000.00    | 596,218.76    |
| 2029      | 3.00%                                                                                       | 675,000.00    | 487,862.50    | 3.00%                                                                                       | 805,000.00    | 557,968.76    |
| 2030      | 4.00%                                                                                       | 710,000.00    | 454,112.50    | 3.00%                                                                                       | 845,000.00    | 517,718.76    |
| 2031      | 4.00%                                                                                       | 735,000.00    | 425,712.50    | 2.00%                                                                                       | 885,000.00    | 475,468.76    |
| 2032      | 4.00%                                                                                       | 765,000.00    | 396,312.50    | 2.00%                                                                                       | 905,000.00    | 457,768.76    |
| 2033      | 4.00%                                                                                       | 795,000.00    | 365,712.50    | 2.00%                                                                                       | 925,000.00    | 439,668.76    |
| 2034      | 3.00%                                                                                       | 830,000.00    | 333,912.50    | 2.00%                                                                                       | 940,000.00    | 421,168.76    |
| 2035      | 3.00%                                                                                       | 855,000.00    | 309,012.50    | 2.00%                                                                                       | 960,000.00    | 402,368.76    |
| 2036      | 3.00%                                                                                       | 880,000.00    | 283,362.50    | 2.00%                                                                                       | 980,000.00    | 383,168.76    |
| 2037      | 3.00%                                                                                       | 905,000.00    | 256,962.50    | 2.00%                                                                                       | 1,000,000.00  | 363,568.76    |
| 2038      | 3.00%                                                                                       | 935,000.00    | 229,812.50    | 2.00%                                                                                       | 1,020,000.00  | 343,568.76    |
| 2039      | 3.13%                                                                                       | 960,000.00    | 201,762.50    | 2.00%                                                                                       | 1,040,000.00  | 323,168.76    |
| 2040      | 3.25%                                                                                       | 990,000.00    | 171,762.50    | 2.00%                                                                                       | 1,060,000.00  | 302,368.76    |
| 2041      | 3.25%                                                                                       | 1,025,000.00  | 139,587.50    | 2.00%                                                                                       | 1,080,000.00  | 281,168.76    |
| 2042      | 3.25%                                                                                       | 1,055,000.00  | 106,275.00    | 2.00%                                                                                       | 1,100,000.00  | 259,568.76    |
| 2043      | 3.25%                                                                                       | 1,090,000.00  | 71,987.50     | 2.00%                                                                                       | 1,125,000.00  | 237,568.76    |
| 2044      | 3.25%                                                                                       | 1,125,000.00  | 36,562.50     | 2.00%                                                                                       | 1,145,000.00  | 215,068.76    |
| 2045      | -                                                                                           | -             | -             | 2.125%                                                                                      | 1,170,000.00  | 192,168.76    |
| 2046      | -                                                                                           | -             | -             | 2.125%                                                                                      | 1,195,000.00  | 167,306.26    |
| 2047      | -                                                                                           | -             | -             | 2.125%                                                                                      | 1,220,000.00  | 141,912.50    |
| 2048      | -                                                                                           | -             | -             | 2.25%                                                                                       | 1,245,000.00  | 115,987.50    |
| 2049      | -                                                                                           | -             | -             | 2.25%                                                                                       | 1,275,000.00  | 87,975.00     |
| 2050      | -                                                                                           | -             | -             | 2.25%                                                                                       | 1,305,000.00  | 59,287.50     |
| 2051      | -                                                                                           | -             | -             | 2.25%                                                                                       | 1,330,000.00  | 29,925.00     |
| 2052      | -                                                                                           | -             | -             | 2.25%                                                                                       | -             | -             |
| 2053      | -                                                                                           | -             | -             | 2.25%                                                                                       | -             | -             |
| 2054      | -                                                                                           | -             | -             | 2.25%                                                                                       | -             | -             |
| 2055      | -                                                                                           | -             | -             | -                                                                                           | -             | -             |
|           |                                                                                             | 16,170,000.00 | 5,921,300.00  |                                                                                             | 26,745,000.00 | 8,672,318.96  |
|           |                                                                                             |               | 22,091,300.00 |                                                                                             |               | 35,417,318.96 |

(11) These certificates were issued to fund new streets and improvements to existing streets.

(12) These certificates were issued to fund new streets, major rebuild of some existing streets and a new police headquarters.

**City of Sherman, Texas**  
Bonded Debt as of 9/30/25

| Fiscal Yr | (13)<br>\$1,980,000<br>Combination Tax & Revenue<br>Tax Notes Series 2021 |            |            | (14)<br>\$2,100,000<br>Combination Tax & Revenue<br>Limited Tax Notes, Series 2022 |            |            |
|-----------|---------------------------------------------------------------------------|------------|------------|------------------------------------------------------------------------------------|------------|------------|
|           | Coupon                                                                    | Principal  | Interest   | Coupon                                                                             | Principal  | Interest   |
| 2026      | 3.00%                                                                     | 350,000.00 | 14,000.00  | 5.00%                                                                              | 360,000.00 | 37,000.00  |
| 2027      |                                                                           | -          | -          | 5.00%                                                                              | 380,000.00 | 19,000.00  |
| 2028      |                                                                           | -          | -          |                                                                                    | -          | -          |
| 2029      |                                                                           | -          | -          |                                                                                    | -          | -          |
| 2030      |                                                                           | -          | -          |                                                                                    | -          | -          |
| 2031      |                                                                           | -          | -          |                                                                                    | -          | -          |
| 2032      |                                                                           | -          | -          |                                                                                    | -          | -          |
| 2033      |                                                                           | -          | -          |                                                                                    | -          | -          |
| 2034      |                                                                           | -          | -          |                                                                                    | -          | -          |
| 2035      |                                                                           | -          | -          |                                                                                    | -          | -          |
| 2036      |                                                                           | -          | -          |                                                                                    | -          | -          |
| 2037      |                                                                           | -          | -          |                                                                                    | -          | -          |
| 2038      |                                                                           | -          | -          |                                                                                    | -          | -          |
| 2039      |                                                                           | -          | -          |                                                                                    | -          | -          |
| 2040      |                                                                           | -          | -          |                                                                                    | -          | -          |
| 2041      |                                                                           | -          | -          |                                                                                    | -          | -          |
| 2042      |                                                                           | -          | -          |                                                                                    | -          | -          |
| 2043      |                                                                           | -          | -          |                                                                                    | -          | -          |
| 2044      |                                                                           | -          | -          |                                                                                    | -          | -          |
| 2045      |                                                                           | -          | -          |                                                                                    | -          | -          |
| 2046      |                                                                           | -          | -          |                                                                                    | -          | -          |
| 2047      |                                                                           | -          | -          |                                                                                    | -          | -          |
| 2048      |                                                                           | -          | -          |                                                                                    | -          | -          |
| 2049      |                                                                           | -          | -          |                                                                                    | -          | -          |
| 2050      |                                                                           | -          | -          |                                                                                    | -          | -          |
| 2051      |                                                                           | -          | -          |                                                                                    | -          | -          |
| 2052      |                                                                           | -          | -          |                                                                                    | -          | -          |
| 2053      |                                                                           | -          | -          |                                                                                    | -          | -          |
| 2054      |                                                                           | -          | -          |                                                                                    | -          | -          |
| 2055      |                                                                           | -          | -          |                                                                                    | -          | -          |
|           |                                                                           | 350,000.00 | 14,000.00  |                                                                                    | 740,000.00 | 56,000.00  |
|           |                                                                           |            | 364,000.00 |                                                                                    |            | 796,000.00 |

(13) These certificates were issued to fund fleet and equipment purchases

(14) These certificates were issued to fund fleet and equipment purchases

**City of Sherman, Texas**  
Bonded Debt as of 9/30/25

| Fiscal Yr | <sup>(15)</sup><br>\$3,095,000 |              |              | <sup>(16)</sup><br>\$73,640,000 |               |                |
|-----------|--------------------------------|--------------|--------------|---------------------------------|---------------|----------------|
|           | Coupon                         | Principal    | Interest     | Coupon                          | Principal     | Interest       |
| 2026      | 5.00%                          | 515,000.00   | 81,500.00    | 5.00%                           | 1,215,000.00  | 3,551,250.00   |
| 2027      | 5.00%                          | 545,000.00   | 55,750.00    | 5.00%                           | 1,275,000.00  | 3,490,500.00   |
| 2028      | 5.00%                          | 570,000.00   | 28,500.00    | 5.00%                           | 1,340,000.00  | 3,426,750.00   |
| 2029      | -                              | -            | -            | 5.00%                           | 1,410,000.00  | 3,359,750.00   |
| 2030      | -                              | -            | -            | 5.00%                           | 1,480,000.00  | 3,289,250.00   |
| 2031      | -                              | -            | -            | 5.00%                           | 1,550,000.00  | 3,215,250.00   |
| 2032      | -                              | -            | -            | 5.00%                           | 1,630,000.00  | 3,137,750.00   |
| 2033      | -                              | -            | -            | 5.00%                           | 1,710,000.00  | 3,056,250.00   |
| 2034      | -                              | -            | -            | 5.00%                           | 1,795,000.00  | 2,970,750.00   |
| 2035      | -                              | -            | -            | 5.00%                           | 1,885,000.00  | 2,881,000.00   |
| 2036      | -                              | -            | -            | 5.00%                           | 1,980,000.00  | 2,786,750.00   |
| 2037      | -                              | -            | -            | 5.00%                           | 2,080,000.00  | 2,687,750.00   |
| 2038      | -                              | -            | -            | 5.00%                           | 2,185,000.00  | 2,583,750.00   |
| 2039      | -                              | -            | -            | 5.00%                           | 2,295,000.00  | 2,474,500.00   |
| 2040      | -                              | -            | -            | 5.00%                           | 2,410,000.00  | 2,359,750.00   |
| 2041      | -                              | -            | -            | 5.00%                           | 2,530,000.00  | 2,239,250.00   |
| 2042      | -                              | -            | -            | 5.00%                           | 2,655,000.00  | 2,112,750.00   |
| 2043      | -                              | -            | -            | 5.00%                           | 2,785,000.00  | 1,980,000.00   |
| 2044      | -                              | -            | -            | 5.00%                           | 2,925,000.00  | 1,840,750.00   |
| 2045      | -                              | -            | -            | 5.00%                           | 3,075,000.00  | 1,694,500.00   |
| 2046      | -                              | -            | -            | 5.00%                           | 3,225,000.00  | 1,540,750.00   |
| 2047      | -                              | -            | -            | 5.00%                           | 3,390,000.00  | 1,379,500.00   |
| 2048      | -                              | -            | -            | 5.00%                           | 3,560,000.00  | 1,210,000.00   |
| 2049      | -                              | -            | -            | 5.00%                           | 3,735,000.00  | 1,032,000.00   |
| 2050      | -                              | -            | -            | 5.00%                           | 3,920,000.00  | 845,250.00     |
| 2051      | -                              | -            | -            | 5.00%                           | 4,120,000.00  | 649,250.00     |
| 2052      | -                              | -            | -            | 5.00%                           | 4,325,000.00  | 443,250.00     |
| 2053      | -                              | -            | -            | 5.00%                           | 4,540,000.00  | 227,000.00     |
| 2054      | -                              | -            | -            | -                               | -             | -              |
| 2055      | -                              | -            | -            | -                               | -             | -              |
|           |                                | 1,630,000.00 | 165,750.00   |                                 | 71,025,000.00 | 62,465,250.00  |
|           |                                |              | 1,795,750.00 |                                 |               | 133,490,250.00 |

(15) These certificates were issued to fund fleet and equipment purchases

(16) These certificates were issued to street, park, and facility improvements



**City of Sherman, Texas**  
Bonded Debt as of 9/30/25

| Fiscal Yr     | (17)<br>\$3,926,216<br>Limited Tax Notes, Series 2024 |            |            | (18)<br>\$19,735,000<br>Combination Tax & Revenue<br>Certificates of Obligation Series 2024 |              |            |
|---------------|-------------------------------------------------------|------------|------------|---------------------------------------------------------------------------------------------|--------------|------------|
|               | Coupon                                                | Principal  | Interest   | Coupon                                                                                      | Principal    | Interest   |
| 2026          | 5.00%                                                 | 590,000.00 | 127,250.00 | 4.50%                                                                                       | 325,000.00   | 802,187.50 |
| 2027          | 5.00%                                                 | 620,000.00 | 97,750.00  | 4.50%                                                                                       | 340,000.00   | 785,937.50 |
| 2028          | 5.00%                                                 | 650,000.00 | 66,750.00  | 4.50%                                                                                       | 355,000.00   | 768,937.50 |
| 2029          | 5.00%                                                 | 685,000.00 | 34,250.00  | 4.50%                                                                                       | 375,000.00   | 751,187.50 |
| 2030          | -                                                     | -          | -          | 4.50%                                                                                       | 395,000.00   | 732,437.50 |
| 2031          | -                                                     | -          | -          | 4.50%                                                                                       | 415,000.00   | 712,687.50 |
| 2032          | -                                                     | -          | -          | 4.50%                                                                                       | 435,000.00   | 691,937.50 |
| 2033          | -                                                     | -          | -          | 4.50%                                                                                       | 455,000.00   | 670,187.50 |
| 2034          | -                                                     | -          | -          | 4.50%                                                                                       | 480,000.00   | 647,437.50 |
| 2035          | -                                                     | -          | -          | 4.50%                                                                                       | 495,000.00   | 628,237.50 |
| 2036          | -                                                     | -          | -          | 4.50%                                                                                       | 520,000.00   | 603,487.50 |
| 2037          | -                                                     | -          | -          | 4.50%                                                                                       | 540,000.00   | 582,687.50 |
| 2038          | -                                                     | -          | -          | 4.50%                                                                                       | 565,000.00   | 561,087.50 |
| 2039          | -                                                     | -          | -          | 4.50%                                                                                       | 585,000.00   | 538,487.50 |
| 2040          | -                                                     | -          | -          | 4.50%                                                                                       | 610,000.00   | 515,087.50 |
| 2041          | -                                                     | -          | -          | 4.50%                                                                                       | 635,000.00   | 490,687.50 |
| 2042          | -                                                     | -          | -          | 4.50%                                                                                       | 665,000.00   | 458,937.50 |
| 2043          | -                                                     | -          | -          | 4.50%                                                                                       | 700,000.00   | 425,687.50 |
| 2044          | -                                                     | -          | -          | 4.50%                                                                                       | 730,000.00   | 397,687.50 |
| 2045          | -                                                     | -          | -          | 4.50%                                                                                       | 755,000.00   | 368,487.50 |
| 2046          | -                                                     | -          | -          | 4.50%                                                                                       | 785,000.00   | 338,287.50 |
| 2047          | -                                                     | -          | -          | 4.50%                                                                                       | 820,000.00   | 306,887.50 |
| 2048          | -                                                     | -          | -          | 4.50%                                                                                       | 850,000.00   | 274,087.50 |
| 2049          | -                                                     | -          | -          | 4.50%                                                                                       | 885,000.00   | 240,087.50 |
| 2050          | -                                                     | -          | -          | 4.50%                                                                                       | 920,000.00   | 204,687.50 |
| 2051          | -                                                     | -          | -          | 4.50%                                                                                       | 955,000.00   | 167,887.50 |
| 2052          | -                                                     | -          | -          | 4.50%                                                                                       | 995,000.00   | 128,493.76 |
| 2053          | -                                                     | -          | -          | 4.50%                                                                                       | 1,040,000.00 | 87,450.00  |
| 2054          | -                                                     | -          | -          | 4.50%                                                                                       | 1,080,000.00 | 44,550.00  |
| 2055          | -                                                     | -          | -          | 4.50%                                                                                       | -            | -          |
| 2,545,000.00  |                                                       |            | 326,000.00 | 18,705,000.00                                                                               |              |            |
| 2,871,000.00  |                                                       |            |            | 13,925,918.76                                                                               |              |            |
| 32,630,918.76 |                                                       |            |            |                                                                                             |              |            |

(17) These certificates were issued to fund fleet and equipment purchases

(18) These certificates were issued to street, park, and facility improvements

**City of Sherman, Texas**  
Bonded Debt as of 9/30/25

| Fiscal Yr | <sup>(18)</sup><br>\$24,750,000<br>Combination Tax & Revenue<br>Certificates of Obligation Series 2025 |               |               | <sup>(19)</sup><br>\$6,810,000<br>Limited Tax Notes, Series 2025 |              |              |
|-----------|--------------------------------------------------------------------------------------------------------|---------------|---------------|------------------------------------------------------------------|--------------|--------------|
|           | Coupon                                                                                                 | Principal     | Interest      | Coupon                                                           | Principal    | Interest     |
| 2026      | 4.50%                                                                                                  | 375,000.00    | 1,225,187.50  | 5.00%                                                            | 1,030,000.00 | 284,750.00   |
| 2027      | 4.50%                                                                                                  | 390,000.00    | 1,206,437.50  | 5.00%                                                            | 1,080,000.00 | 233,250.00   |
| 2028      | 4.50%                                                                                                  | 410,000.00    | 1,186,937.50  | 5.00%                                                            | 1,135,000.00 | 179,250.00   |
| 2029      | 4.50%                                                                                                  | 430,000.00    | 1,166,437.50  | 5.00%                                                            | 1,195,000.00 | 122,500.00   |
| 2030      | 4.50%                                                                                                  | 455,000.00    | 1,144,937.50  | 5.00%                                                            | 1,255,000.00 | 62,750.00    |
| 2031      | 4.50%                                                                                                  | 475,000.00    | 1,122,187.50  | -                                                                | -            | -            |
| 2032      | 4.50%                                                                                                  | 500,000.00    | 1,098,437.50  | -                                                                | -            | -            |
| 2033      | 4.50%                                                                                                  | 525,000.00    | 1,073,437.50  | -                                                                | -            | -            |
| 2034      | 4.50%                                                                                                  | 550,000.00    | 1,047,187.50  | -                                                                | -            | -            |
| 2035      | 4.50%                                                                                                  | 580,000.00    | 1,019,687.50  | -                                                                | -            | -            |
| 2036      | 4.50%                                                                                                  | 610,000.00    | 990,687.50    | -                                                                | -            | -            |
| 2037      | 4.50%                                                                                                  | 640,000.00    | 960,187.50    | -                                                                | -            | -            |
| 2038      | 4.50%                                                                                                  | 670,000.00    | 928,187.50    | -                                                                | -            | -            |
| 2039      | 4.50%                                                                                                  | 705,000.00    | 894,687.50    | -                                                                | -            | -            |
| 2040      | 4.50%                                                                                                  | 740,000.00    | 859,437.50    | -                                                                | -            | -            |
| 2041      | 4.50%                                                                                                  | 775,000.00    | 822,437.50    | -                                                                | -            | -            |
| 2042      | 4.50%                                                                                                  | 815,000.00    | 783,687.50    | -                                                                | -            | -            |
| 2043      | 4.50%                                                                                                  | 855,000.00    | 742,937.50    | -                                                                | -            | -            |
| 2044      | 4.50%                                                                                                  | 900,000.00    | 700,187.50    | -                                                                | -            | -            |
| 2045      | 4.50%                                                                                                  | 945,000.00    | 655,187.50    | -                                                                | -            | -            |
| 2046      | 4.50%                                                                                                  | 990,000.00    | 607,937.50    | -                                                                | -            | -            |
| 2047      | 4.50%                                                                                                  | 1,040,000.00  | 558,437.50    | -                                                                | -            | -            |
| 2048      | 4.50%                                                                                                  | 1,095,000.00  | 506,437.50    | -                                                                | -            | -            |
| 2049      | 4.50%                                                                                                  | 1,145,000.00  | 451,687.50    | -                                                                | -            | -            |
| 2050      | 4.50%                                                                                                  | 1,200,000.00  | 397,300.00    | -                                                                | -            | -            |
| 2051      | 4.50%                                                                                                  | 1,260,000.00  | 340,300.00    | -                                                                | -            | -            |
| 2052      | 4.50%                                                                                                  | 1,320,000.00  | 280,450.00    | -                                                                | -            | -            |
| 2053      | 4.50%                                                                                                  | 1,380,000.00  | 217,750.00    | -                                                                | -            | -            |
| 2054      | 4.50%                                                                                                  | 1,450,000.00  | 148,750.00    | -                                                                | -            | -            |
| 2055      | 4.50%                                                                                                  | 1,525,000.00  | 76,250.00     | -                                                                | -            | -            |
|           |                                                                                                        | 24,750,000.00 | 23,213,800.00 |                                                                  | 5,695,000.00 | 882,500.00   |
|           |                                                                                                        |               | 47,963,800.00 |                                                                  |              | 6,577,500.00 |

(18) These certificates were issued to street, park, and facility improvements

(19) These certificates were issued to fund fleet and equipment purchases

**City of Sherman, Texas**  
Bonded Debt as of 9/30/25

| Fiscal Yr | TOTALS         |                |                |
|-----------|----------------|----------------|----------------|
|           | Principal      | Interest       | TOTAL          |
| 2026      | 9,050,000.00   | 8,725,212.52   | 17,775,212.52  |
| 2027      | 9,005,000.00   | 8,298,412.52   | 17,303,412.52  |
| 2028      | 9,030,000.00   | 7,879,312.52   | 16,909,312.52  |
| 2029      | 8,433,624.46   | 7,459,025.02   | 15,892,649.48  |
| 2030      | 7,631,375.54   | 7,090,162.52   | 14,721,538.06  |
| 2031      | 6,515,000.00   | 6,769,350.02   | 13,284,350.02  |
| 2032      | 6,760,000.00   | 6,527,775.02   | 13,287,775.02  |
| 2033      | 7,010,000.00   | 6,273,393.76   | 13,283,393.76  |
| 2034      | 7,285,000.00   | 6,006,406.26   | 13,291,406.26  |
| 2035      | 7,545,000.00   | 5,740,893.76   | 13,285,893.76  |
| 2036      | 7,835,000.00   | 5,455,306.28   | 13,290,306.28  |
| 2037      | 7,655,000.00   | 5,163,093.76   | 12,818,093.76  |
| 2038      | 6,345,000.00   | 4,871,843.76   | 11,216,843.76  |
| 2039      | 6,590,000.00   | 4,624,093.76   | 11,214,093.76  |
| 2040      | 6,850,000.00   | 4,364,718.76   | 11,214,718.76  |
| 2041      | 7,120,000.00   | 4,093,043.76   | 11,213,043.76  |
| 2042      | 7,405,000.00   | 3,803,506.26   | 11,208,506.26  |
| 2043      | 7,710,000.00   | 3,500,050.12   | 11,210,050.12  |
| 2044      | 6,825,000.00   | 3,190,256.26   | 10,015,256.26  |
| 2045      | 5,945,000.00   | 2,910,343.76   | 8,855,343.76   |
| 2046      | 6,195,000.00   | 2,654,281.26   | 8,849,281.26   |
| 2047      | 6,470,000.00   | 2,386,737.50   | 8,856,737.50   |
| 2048      | 6,750,000.00   | 2,106,512.50   | 8,856,512.50   |
| 2049      | 7,040,000.00   | 1,811,750.00   | 8,851,750.00   |
| 2050      | 7,345,000.00   | 1,506,525.00   | 8,851,525.00   |
| 2051      | 7,665,000.00   | 1,187,362.50   | 8,852,362.50   |
| 2052      | 6,640,000.00   | 852,193.76     | 7,492,193.76   |
| 2053      | 6,960,000.00   | 532,200.00     | 7,492,200.00   |
| 2054      | 2,530,000.00   | 193,300.00     | 2,723,300.00   |
| 2055      | 1,525,000.00   | 76,250.00      | 1,601,250.00   |
|           | 207,665,000.00 | 126,053,312.92 | 333,718,312.92 |

**CITY OF SHERMAN**  
**ITEMIZATION OF CERTAIN EXPENDITURES REQUIRED BY LGC SECTION**  
**140.0045**

| <b>Expenditures for:</b>                                                                                                                                                              | <b>FY 2025</b> | <b>FY2026</b> |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|---------------|
| (1) Notices required by law to be published in a newspaper by the City or a representative of the City                                                                                | \$ 33,683.75   | \$ 22,229.73  |
| (2) directly or indirectly influencing or attempting to influence the outcome of legislation of administrative action, as those terms are defined in Section 305.002, Government Code | \$ -           | \$ -          |



## **City Council Regular Meeting**

Agenda Item No. D.2.

**Meeting Date:** 8/18/2025

**Prepared By:** Clint Philpott, Assistant City Manager

**Approved By:** Zachary Flores, Acting City Manager

### **Caption:**

#### **INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 6856**

Approving the 2025-26 Annual Service and Assessment Plan Update for the Bel Air Village Public Improvement District

### **Issue:**

To approve the 2025-26 Annual Service Plan Update for the Bel Air Village Public Improvement District

### **Background:**

The Bel Air Village Public Improvement District (the "PID") was created pursuant to the PID Act and Resolution No. 6711 of the City Council on March 15, 2021, to finance certain public improvement projects for the benefit of the property in the PID. The PIDs are required to undergo annual review of the Service and Assessment Plan to update any projected changes to the Plan, such as changes in cost estimates or changes in values created with the PID area.

A service and assessment plan (the "Service and Assessment Plan") was prepared at the direction of the City identifying the public improvements (the "Authorized Improvements") to be provided by the PID, the costs of the Authorized Improvements, the indebtedness to be incurred for the Authorized Improvements, and the manner of assessing the property in the PID for the costs of the Authorized Improvements. Pursuant to the PID Act, the Service and Assessment Plan must be reviewed and updated annually.

The City also adopted the Phase #1 and Phase #2 Assessment Roll attached as Appendix D and E to the Service and Assessment Plan, identifying the assessments on each Parcel within the PID by Phase, based on the method of assessment identified in the Service and Assessment Plan. This Annual Service Plan Update also updates the Assessment Rolls for 2025-26.

### **Capital Improvement Program:**

### **Origination:**

City Manager's Office

### **Financial Consideration:**

The City determined the estimated total costs of public improvements for the benefit of the property within Phase 1 District Improvements and to be financed by the District is \$9,060,054. The City determined the estimated total costs of public improvements for the benefit of the property within Phase 2 District Improvements and to be financed by the District is \$20,186,042, all of which is expected to be collected through the PID Assessments. There is no cost to the City related to this PID.

**Staff Recommendation:**

Staff recommends approval of this Ordinance

**Alternatives:**

As directed by the City Council

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**Attachments:**

1. Ordinance No. 6856
2. Bel Air Village PID - Annual SAP Update - 2025-26 v3
3. Bel Air Village - 2025-26 Annual SAP Presentation
4. Location Map

**ORDINANCE NO. 6856**

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, APPROVING THE 2025-26 ANNUAL SERVICE AND ASSESSMENT PLAN UPDATE FOR THE BEL AIR VILLAGE PUBLIC IMPROVEMENT DISTRICT; 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 of Sherman (the “City”) is authorized pursuant to Texas Local Government Code, Chapter 372, as amended (the “PID Act”) to create public improvement districts for the purposes described therein; and

**WHEREAS**, the City received a petition (the “Petition”) requesting the creation of the Bel Air Village Public Improvement District (the “PID”); and

**WHEREAS**, on March 15, 2021, the City held a public hearing then passed and adopted Resolution 6711 establishing the Bel Air Village Public Improvement District in accordance with the PID Act; and

**WHEREAS**, on May 3, 2021, the City passed and adopted Ordinance 6377 approving a Service and Assessment Plan (the “SAP”) for the PID;

**WHEREAS**, the City Council of the City wishes to approve the 2025-2026 Annual Update of the SAP (the “Annual Service Plan Update”) for the PID.

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

**SECTION 1.** The facts recited in the preamble hereto are found to be true and correct.

**SECTION 2.** The 2025-2026 Annual Service Plan Update, attached to this Ordinance, is hereby approved and adopted on behalf of the PID.

**SECTION 3.** All Ordinances, and agreements and parts of Ordinances and agreements in conflict herewith are hereby repealed to the extent of the conflict only.

**SECTION 4.** It is hereby found and determined that the meeting at which this Ordinance was passed was open to the public and that advance public notice of the time, place and purpose of said meeting was given as required by law. The Ordinance shall become effective immediately upon passage. The City Secretary shall cause this Ordinance to be filed with the City clerk in each City in which all or a part of the PID is located not later than seven (7) days after the date the governing body of the City approves this Annual Service Plan Update.

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

**INTRODUCED** on this the 18<sup>th</sup> day of August 2025.

**ADOPTED** on this the 18<sup>th</sup> day of August 2025.

**EFFECTIVE DATE** on this the 18<sup>th</sup> day of August 2025

**CITY OF SHERMAN, TEXAS**

**BY:** \_\_\_\_\_  
**SHAWN C TEAMNANN,**

**MAYOR**

**ATTEST:**

**BY:** \_\_\_\_\_  
**LEAH ROBERTS,**  
**EXECUTIVE DIR. OF ADMIN.**  
**ACTING CITY CLERK**

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

**BY:** \_\_\_\_\_  
**RYAN D. PITTMAN, CITY ATTORNEY**



**BEL AIR VILLAGE  
PUBLIC IMPROVEMENT DISTRICT  
CITY OF SHERMAN, TEXAS**

**ANNUAL SERVICE PLAN UPDATE  
(ASSESSMENT YEAR 9/1/25 - 8/31/26)**

**AS APPROVED BY CITY COUNCIL ON:  
AUGUST 18, 2025**

**PREPARED BY:**

**MUNICAP, INC.**  
— PUBLIC FINANCE —

# **BEL AIR VILLAGE PUBLIC IMPROVEMENT DISTRICT**

## **ANNUAL SERVICE PLAN UPDATE (ASSESSMENT YEAR 9/1/25 – 8/31/26)**

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## ***I. INTRODUCTION***

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The Bel Air Village Public Improvement District (the “PID”) was created pursuant to the PID Act and Resolution No. 6711 of the City Council on March 15, 2021, to finance certain public improvement projects for the benefit of the property in the PID.

On April 4, 2022, the City approved Phase #1 Reimbursement Agreement in the amount of \$9,060,054 (the “Phase #1 Reimbursement Agreement”) to finance, refinance, provide or otherwise assist in the acquisition, construction and maintenance of the public improvements provided for the benefit of the property in the PID.

A service and assessment plan (the “Service and Assessment Plan”) was prepared at the direction of the City identifying the public improvements (the “Authorized Improvements”) to be provided by the PID, the costs of the Authorized Improvements, the indebtedness to be incurred for the Authorized Improvements, and the manner of assessing the property in the PID for the costs of the Authorized Improvements. The Service and Assessment Plan was updated for the Phase #2 Reimbursement Agreement in the aggregate principal amount of \$20,186,042 (the “Phase #2 Reimbursement Agreement”) on December 5, 2022 (the “Updated Service and Assessment Plan”). Pursuant to Chapter 372 of the Texas Local Government Code, as amended (the “PID Act”), the Updated Service and Assessment Plan must be reviewed and updated annually for the purpose of determining the annual budget for the Authorized Improvements. This document is the annual update of the Updated Service and Assessment Plan for 2025-26 (the “Annual Service Plan Update”).

The City also adopted the Phase #1 Assessment Roll and Phase #2 Assessment Roll attached as Appendices F and G, respectively, to the Updated Service and Assessment Plan, identifying the assessments on each Parcel within the PID, based on the method of assessment identified in the Service and Assessment Plan. This Annual Service Plan Update also updates the Assessment Rolls for 2024-25.

The Texas legislature passed House Bill 1543 as an amendment to the PID Act, requiring, among other things, (i) all Service and Assessment Plans and Annual Service Plan Updates be approved through City ordinance or order to be filed with the county clerk of each county in which all or part of the PID is located within seven days and (ii) include a copy of the notice form required by Section 5.014 of the Texas Property Code (the “PID Assessment Notice”) as disclosure of the obligation to pay PID Assessments. In light of these amendments to the PID Act, this Annual Service Plan Update includes a copy of the PID Assessment Notice as Appendix F and copy of this Annual Service Plan Update will be filed with the county clerk in each county in which all or a part of the PID is located not later than seven (7) days after the date the governing body of the City approves this Annual Service Plan Update.

Section 372.013 of the PID Act, as amended, stipulates that a person who proposes to sell or otherwise convey real property that is located in the PID, except in certain situation described in the PID Act, shall first give to the purchaser of the property a copy of the completed PID Assessment Notice. The PID Assessment Notice shall be given to a prospective purchase before the execution of a binding contract of purchase and sale, either separately or as an addendum or paragraph of a purchase contract. In the event a contract of purchase and sale is entered into without

the seller provided the required notice, the purchaser, subject to certain exceptions described in the PID act, is entitled to terminate the contract.

The PID Assessment Notice shall be executed by the seller and must be filed in the real property records of the County in which the property is located at the closing of the purchase and sale of the property.

Capitalized terms shall have the meanings set forth in the Updated Service and Assessment Plan unless otherwise defined herein.

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## II. UPDATE OF THE SERVICE PLAN

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### A. UPDATED SOURCES AND USES FOR PUBLIC IMPROVEMENTS

#### Phase #1 Improvements Sources and Uses

Pursuant to the original Service and Assessment Plan adopted on April 4, 2022, the initial total estimated costs of the Phase #1 Improvements, including the proportional share of the Major Improvement costs, were equal to \$9,060,054. According to the Updated Service and Assessment Plan dated December 5, 2022, the estimated costs of Phase #1 Improvements increased to \$9,607,702. According to Bel Air Village SFR, LLC (the “Developer”), the actual costs of the Phase #1 Improvements were equal to \$10,361,727.

According to the City, the Phase #1 Improvements were completed and accepted by the City on September 26, 2022.

Table II-A-1 below summarizes the updated sources and uses of funds required to (1) construct the Phase #1 Improvements and (2) establish the PID.

**Table II-A-1**  
**Updated Sources and Uses – Phase #1**

| Sources of Funds                       | Initial<br>Estimated<br>Budget | Actual<br>Amount<br>Spent | Variance           |
|----------------------------------------|--------------------------------|---------------------------|--------------------|
| Assessments                            | \$9,060,054                    | \$9,060,054               | \$0                |
| Other funding sources                  | \$0                            | \$1,301,673               | \$1,301,673        |
| <b>Total Sources</b>                   | <b>\$9,060,054</b>             | <b>\$10,361,727</b>       | <b>\$1,301,673</b> |
| <b>Uses of Funds</b>                   |                                |                           |                    |
| <u>Phase #1 Improvements</u>           |                                |                           |                    |
| Roadway Improvements                   | \$2,168,179                    | \$3,849,764               | \$1,681,585        |
| Water Improvements                     | \$729,393                      | \$832,756                 | \$103,363          |
| Sanitary Sewer Improvements            | \$1,021,867                    | \$1,238,197               | \$216,330          |
| Storm Drainage Improvements            | \$2,422,332                    | \$1,693,170               | (\$729,162)        |
| Landscaping and Hardscaping            | \$641,447                      | \$1,235,645               | \$594,198          |
| Other Soft and Miscellaneous Costs     | \$2,076,836                    | \$1,512,195               | (\$564,641)        |
| <i>Subtotal: Phase #1 Improvements</i> | <i>\$9,060,054</i>             | <i>\$10,361,727</i>       | <i>\$1,301,673</i> |
| <b>Total Uses</b>                      | <b>\$9,060,054</b>             | <b>\$10,361,727</b>       | <b>\$1,301,673</b> |

1 – According to the Developer as of July 28, 2023.

#### Phase #1 Improvement Cost Variances

As stated in Table II-A-1 above, there is a significant variance of \$1,301,673 between the initial estimated budget and the actual amount spent. The net increase in actual costs were funded by the Developer.

### Phase #2 Improvements Sources and Uses

Pursuant to the Updated Service and Assessment Plan, the initial total estimated costs of the Phase #2 Improvements, including the proportional share of the Major Improvement costs, were equal to \$20,186,042. According to the Developer, the actual costs of the Phase #2 Improvements were equal to \$20,296,417.

According to the City, the Phase #2 Improvements were completed and accepted by the City on July 2, 2024.

Table II-A-2 below summarizes the updated sources and uses of funds required to (1) construct the Phase #2 Improvements and (2) establish the PID, according to the Developer as of July 31, 2024.

**Table II-A-2**  
**Updated Sources and Uses – Phase #2**

| <b>Sources of Funds</b>                | <b>Initial<br/>Estimated<br/>Budget</b> | <b>Actual<br/>Amount<br/>Spent</b> | <b>Variance</b>  |
|----------------------------------------|-----------------------------------------|------------------------------------|------------------|
| Assessments                            | \$20,186,042                            | \$20,186,042                       | \$0              |
| Other funding sources                  | \$0                                     | \$110,376                          | \$110,376        |
| <b>Total Sources</b>                   | <b>\$20,186,042</b>                     | <b>\$20,296,417</b>                | <b>\$110,376</b> |
| <b>Uses of Funds</b>                   |                                         |                                    |                  |
| <u>Phase #2 Improvements</u>           |                                         |                                    |                  |
| Roadway Improvements                   | \$5,261,258                             | \$4,761,152                        | (\$500,106)      |
| Water Improvements                     | \$2,012,039                             | \$1,998,921                        | (\$13,118)       |
| Sanitary Sewer Improvements            | \$2,756,226                             | \$3,100,570                        | \$344,344        |
| Storm Drainage Improvements            | \$4,324,151                             | \$4,412,654                        | \$88,503         |
| Landscaping and Hardscaping            | \$1,720,657                             | \$2,261,880                        | \$541,223        |
| Other Soft and Miscellaneous Costs     | \$4,111,711                             | \$3,761,240                        | (\$350,471)      |
| <i>Subtotal: Phase #2 Improvements</i> | <i>\$20,186,042</i>                     | <i>\$20,296,417</i>                | <i>\$110,375</i> |
| <b>Total Uses</b>                      | <b>\$20,186,042</b>                     | <b>\$20,296,417</b>                | <b>\$110,375</b> |

1 – According to the Developer as of July 31, 2024.

### Phase #2 Improvement Cost Variances

As stated in Table II-A-2 above, there is a significant variance of \$110,375 between the initial estimated budget and the actual amount spent. The net increase in actual costs were funded by the Developer.

## B. FIVE YEAR SERVICE PLAN

According to the PID Act, a service plan must cover a period of five years. All of the Phase #1 Improvements and Phase #2 Improvements are expected to be built within a period of five years. The anticipated budget for the Phase #1 Improvements and Phase #2 Improvements are shown in Section II.A of this report, and the Annual Installments expected to be collected for these costs is shown by Tables II-B-1 and Table II-B-2 below.

**Table II-B-1**  
**Phase #1 Projected Annual Installments (2021-2031)**

| <b>Assessment Year<br/>Ending 9/01</b> | <b>Phase #1 Projected Annual<br/>Installments<sup>1,2,3</sup></b> |
|----------------------------------------|-------------------------------------------------------------------|
| 2021-25                                | \$1,261,387                                                       |
| 2026                                   | \$759,550                                                         |
| 2027                                   | \$759,140                                                         |
| 2028                                   | \$746,985                                                         |
| 2029                                   | \$668,829                                                         |
| 2030                                   | \$602,868                                                         |
| 2031                                   | \$612,153                                                         |
| <b>Total</b>                           | <b>\$5,410,912</b>                                                |

1 – Projected Annual Installments for Assessment Years ending 2021-2026 represent actual amounts billed and include applicable credits. Assessment Years ending 2027-2031 represent projected amounts and will be updated in future Annual Service Plan Updates.

2 – Represents the Annual Installments billed for the Phase #1 Lots triggered as of the respective period. Amounts do not include prepayments.

3 - Refer to Section D of this report for additional information regarding Phase #1's annual budget and Annual Installments.

**Table II-B-2**  
**Phase #2 Projected Annual Installments (2024-2031)**

| <b>Assessment Year<br/>Ending 9/01</b> | <b>Phase #2 Projected Annual<br/>Installments<sup>1,2,3</sup></b> |
|----------------------------------------|-------------------------------------------------------------------|
| 2024-25                                | \$0                                                               |
| 2026                                   | \$1,938,302                                                       |
| 2027                                   | \$1,939,409                                                       |
| 2028                                   | \$1,940,540                                                       |
| 2029                                   | \$1,941,695                                                       |
| 2030                                   | \$1,942,876                                                       |
| 2031                                   | \$1,705,650                                                       |
| <b>Total</b>                           | <b>\$11,408,472</b>                                               |

1 – Projected Annual Installments for Assessment Years ending 2024-2026 represent actual amount billed and include applicable credits. Assessment Years ending 2027-2031 represent projected amounts and will be updated in future Annual Service Plan Updates.

2 – Represents the Annual Installments billed for the Phase #2 Lots triggered as of the respective period. Amounts do not include prepayments.

3 - Refer to Section F of this report for additional information regarding Phase #2's annual budget and Annual Installments.

## C. STATUS OF DEVELOPMENT

See Table II-C-1 below for the status of building permits issued within Phase #1 and Phase #2 as of June 30, 2024.

**Table II-C-1**  
**Building Permits Issued<sup>1,2</sup>**

|                                        | Cumulative as of<br>June 30, 2022 | Cumulative as of<br>July 31, 2023 | Cumulative as of<br>June 30, 2024 |
|----------------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|
| Phase #1 Building Permits              | 24                                | 185                               | 267                               |
| Phase #2 Building Permits <sup>3</sup> | 0                                 | 0                                 | 0                                 |

1 – Based on the building permit issuances according to the City.

2 – The number of building permits issued as of June 30, 2025 is not yet available as of the date of this report. Refer to Table II-D-1 and Table II-F-1 of this report for information regarding the collection of the first Annual Installment for each Lot within Phase #1 and Phase #2 of the PID.

See Table II-C-2 below for the status of completed homes within Phase #1 and Phase #2 as of July 31, 2025.

**Table II-C-2**  
**Completed Homes**

| Status                   | Cumulative as of<br>June 30, 2023 <sup>1</sup> | Cumulative as of<br>June 30, 2024 <sup>1</sup> | Cumulative as of<br>July 31, 2025 <sup>2</sup> |
|--------------------------|------------------------------------------------|------------------------------------------------|------------------------------------------------|
| Phase #1 Completed Homes | 77                                             | 199                                            | 256                                            |
| Phase #2 Completed Homes | 0                                              | 0                                              | 7                                              |

1 – Based on the certificates of occupancy issuances according to the City.

2 – According to Grayson Central Appraisal District's online records as of July 31, 2025.

See Appendix C for 2025 assessed values of all Parcels within Phase #1 of the PID.

## D. ANNUAL BUDGET – PHASE #1

### Phase #1 - Annual Installments

The Assessment imposed on any Parcel may be paid in full at any time. If not paid in full, the Assessment shall be payable in thirty Annual Installments of principal and interest beginning with the tax year following the collection of the first Annual Installment for a Phase #1 Lot or Parcel shall commence upon the earlier of: (i) with tax bills sent the first October following the issuance of the first building permit for each Lot within Phase #1, such that Assessments are billed only for Lots for which a building permit has been issued, (ii) with tax bills sent the first October after issuance of any Bonds secured by the respective reimbursement agreement for Phase #1 Assessed Property, or (iii) with tax bills sent the first October following the second anniversary of the levy of Assessments on the Phase #1 Assessed Property such that all Assessments in the applicable Phase begin collection immediately after the expiration of such two-year period.

Table II-D-1 on the following page shows the amount of Assessments applicable to all Phase #1 Lots triggered as of June 30, 2024.



**Table II-D-1**  
**Assessments on Phase #1 Lots Triggered for Annual**  
**Installment Collection as of June 30, 2024<sup>1</sup>**

| <b>Trigger Period</b> | <b>Annual Installment Condition Trigger</b> | <b>Number of Lots<sup>2</sup></b> | <b>Total EU</b> | <b>Total Assessments<sup>3</sup></b> |
|-----------------------|---------------------------------------------|-----------------------------------|-----------------|--------------------------------------|
| 2022-23               | Condition (i)                               | 24                                | 22.78           | \$708,086.57                         |
| 2023-24               | Condition (i)                               | 161                               | 142.22          | \$4,421,223.45                       |
| 2024-25               | Condition (iii)                             | 142                               | 126.44          | \$3,930,743.98                       |
| <b>Total</b>          |                                             | <b>327</b>                        | <b>291.44</b>   | <b>\$9,060,054.00</b>                |

1 – Number of Lots represents the building permits issued according to the City.

2 – See Section II.C. of this report for building permit issuance information relating to the reported lots triggered.

3 – Total Assessments for lots triggered as of June 30, 2024 represent 100 percent of the total Phase #1 Assessments. See various Assessment Rolls for the current total outstanding Assessment balances.

Pursuant to the Updated Service and Assessment Plan, each Assessment securing the Phase #1 Reimbursement Agreement obligation shall bear interest at the rate on the Phase #1 Reimbursement Agreement obligation commencing with the effective date of the Phase #1 Reimbursement Agreement obligation. The interest rate applicable to the Phase #1 Reimbursement Agreement obligation is 7.95 percent per annum for 2025-26 and is used to calculate the interest on the Assessments securing the Phase #1 Reimbursement Agreement Obligation.

Pursuant to the Updated Service and Assessment Plan, the Annual Service Plan Update shall show the remaining balance of the Assessments, the Annual Installment due for 2025-26 and the Administrative Expenses to be collected from each Parcel. Administrative Expenses shall be allocated to each Parcel pro rata based upon the amount the Annual Installment on a Parcel bears to the total amount of Annual Installments in the PID as a whole that are payable at the time of such allocation. Each Annual Installment shall be reduced by any credits applied under applicable documents including the Updated Service and Assessment.

These payments, the “Annual Installments” of the Assessments, shall be billed by the City in 2025 and will be delinquent on February 1, 2026.

#### Annual Budget for the Repayment of Indebtedness

Debt service proportionately allocated to each Lot will be paid on the Phase #1 Reimbursement Agreement from the collection of the Annual Installments of the Assessments on the Assessed Property. In addition, Administrative Expenses are to be collected with the Annual Installments to pay expenses related to the collection of the Annual Installments.

#### Phase #1 Annual Installments to be collected for 2025-26

The proportional Phase #1 budget for the PID will be paid from the collection of Annual Installments collected for 2025-26 as shown in Table II-D-2 on the following page.

**Table II-D-2**  
**Phase #1 Budget for the Annual Installments**  
**to be Collected for 2025-26**

| Descriptions                                   | Budget for Lots Based on Trigger Period |                  |                  | Total            |
|------------------------------------------------|-----------------------------------------|------------------|------------------|------------------|
|                                                | 2022-23                                 | 2023-24          | 2024-25          |                  |
| Interest payment on or after March 1, 2026     | \$28,137                                | \$172,273        | \$154,994        | \$355,404        |
| Interest payment on or after September 1, 2026 | \$28,137                                | \$172,273        | \$154,994        | \$355,404        |
| Principal payment on September 1, 2026         | \$78                                    | \$478            | \$431            | \$987            |
| <i>Subtotal debt service on R.A.</i>           | <i>\$56,352</i>                         | <i>\$345,024</i> | <i>\$310,419</i> | <i>\$711,796</i> |
| Administrative Expenses                        | \$3,781                                 | \$23,148         | \$20,826         | \$47,754         |
| <i>Subtotal Expenses</i>                       | <i>\$60,133</i>                         | <i>\$368,172</i> | <i>\$331,245</i> | <i>\$759,550</i> |
| Available Administrative Expense account       | \$0                                     | \$0              | \$0              | \$0              |
| <i>Subtotal funds available</i>                | <i>\$0</i>                              | <i>\$0</i>       | <i>\$0</i>       | <i>\$0</i>       |
| <b>Annual Installments</b>                     | <b>\$60,133</b>                         | <b>\$368,172</b> | <b>\$331,245</b> | <b>\$759,550</b> |

Debt Service Payments

Table II-D-3 below shows the Phase #1 Annual Installments to be collected for principal and interest based on the outstanding Assessment balance for each trigger period and the effective interest rate of 7.95 percent.

**Table II-D-3**  
**Phase #1 Principal and Interest to be Collected for 2025-26**

| Lots in Trigger Period | Outstanding Assessment Balance | Principal Due | Effective Interest Rate | 3/1 Interest Due | 9/1 Interest Due | Annual Installments to be Collected for P&I |
|------------------------|--------------------------------|---------------|-------------------------|------------------|------------------|---------------------------------------------|
| 2022-23                | \$707,852                      | \$78          | 7.95%                   | \$28,137         | \$28,137         | \$56,352                                    |
| 2023-24                | \$4,333,911                    | \$478         | 7.95%                   | \$172,273        | \$172,273        | \$345,024                                   |
| 2024-25                | \$3,899,227                    | \$431         | 7.95%                   | \$154,994        | \$154,994        | \$310,419                                   |
| <b>Total</b>           | <b>\$8,940,990</b>             | <b>\$987</b>  |                         | <b>\$355,404</b> | <b>\$355,404</b> | <b>\$711,796</b>                            |

Administrative Expenses

The Phase #1 proportional annual administrative expenses include the City, Administrator, and contingency fees for 2025-26 and are shown in Table II-D-4 below.

**Table II-D-4**  
**Phase #1 Administrative Budget Breakdown**

| Lots in Trigger Period | 2025-26 Estimated Budget<br>(09/01/2025-08/31/2026) |
|------------------------|-----------------------------------------------------|
| 2022-23                | \$3,781                                             |
| 2023-24                | \$23,148                                            |
| 2024-25                | \$20,826                                            |
| <b>Total</b>           | <b>\$47,754</b>                                     |

### Available Administrative Expense Account

There are no available administrative expense funds to reduce the Phase #1 2025-26 Annual Installment.

### **E. ANNUAL INSTALLMENTS PER UNIT – PHASE #1**

According to the Updated Service and Assessment Plan, the Annual Installments shall be collected in an amount sufficient to pay principal and interest on Phase #1 Reimbursement Agreement and to cover Administrative Expenses of the PID.

According to the Updated Service and Assessment Plan, 327 units representing 291.44 total Equivalent Units were anticipated to be built within the PID. As of June 30, 2025, three-hundred and twenty-seven (327) Phase #1 Lots have been triggered for Annual Installment collection, representing 291.44 Equivalent Units. See Table II-D-1 of this report for the trigger period breakdown of the lots triggered in Phase #1. As of June 30, 2025, two 25' Lots and two 50' Lots have prepaid their Phase #1 Assessment in full. As a result, the outstanding Phase #1 total Equivalent Units are 287.67 ( $291.44 - 3.78 = 287.67$ ).

The Annual Installment to be collected from each Parcel within Phase #1 of the PID is calculated by multiplying the Annual Installment for each unit shown in Table II-D-5 below by the total estimated Equivalent Units for each Parcel in the PID.

**Table II-D-5**  
**Phase #1 Annual Installment Per Equivalent Unit**

| <b>Lots in<br/>Trigger Period</b> | <b>Principal</b> | <b>Interest</b> | <b>Administrative<br/>Expense</b> | <b>Annual<br/>Installment</b> |
|-----------------------------------|------------------|-----------------|-----------------------------------|-------------------------------|
| 2022-23                           | \$3.43           | \$2,470.58      | \$165.98                          | \$2,639.99                    |
| 2023-24                           | \$3.43           | \$2,470.85      | \$166.00                          | \$2,640.27                    |
| 2024-25                           | \$3.43           | \$2,471.12      | \$166.02                          | \$2,640.57                    |

The list of Parcels triggered per period within Phase #1 of the PID, the number of units to be developed on the current residential Parcels, the corresponding total units, the total outstanding Assessment, the annual principal and interest, the Administrative Expenses, and the Annual Installment to be collected for 2025-26 are shown in the Phase #1 Assessment Roll Summaries attached hereto as Appendix D-1, D-2 and D-3.

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## F. ANNUAL BUDGET – PHASE #2

### Phase #2 - Annual Installments

The Assessment imposed on any Parcel may be paid in full at any time. If not paid in full, the Assessment shall be payable in thirty Annual Installments of principal and interest beginning with the tax year following the collection of the first Annual Installment for a Phase #2 Lot or Parcel shall commence upon the earlier of: (i) with tax bills sent the first October following the issuance of the first building permit for each Lot within each Phase, such that Assessments are billed only for Lots for which a building permit has been issued, (ii) with tax bills sent the first October after issuance of any Bonds secured by the respective reimbursement agreement for Phase #2 Assessed Property, or (iii) with tax bills sent the first October following the second anniversary of the levy of Assessments on the Phase #2 Assessed Property such that all Assessments in the applicable Phase begin collection immediately after the expiration of such two year period.

Table II-F-1 below shows the amount of Assessments applicable to all Phase #2 Lots triggered as of June 30, 2025.

**Table II-F-1**  
**Assessments on Phase #2 Lots Triggered for Annual**  
**Installment Collection as of June 30, 2025<sup>1</sup>**

| <b>Trigger Period</b> | <b>Annual Installment Condition Trigger</b> | <b>Number of Lots</b> | <b>Total EU</b> | <b>Total Assessments<sup>2</sup></b> |
|-----------------------|---------------------------------------------|-----------------------|-----------------|--------------------------------------|
| 2025-26               | Condition (iii)                             | 561                   | 530.36          | \$20,186,041.91                      |
| <b>Total</b>          |                                             | <b>561</b>            | <b>530.36</b>   | <b>\$20,186,041.91</b>               |

1 – Number of Lots represents the total number of platted lots planned to be developed according to the Updated Service and Assessment Plan.

2 – Total Assessments for lots triggered as of June 30, 2025 represent 100 percent of the total Phase #2 Assessments. See various Assessment Rolls for the current total outstanding Assessment balances.

Pursuant to the Updated Service and Assessment Plan, each Assessment securing the Phase #2 Reimbursement Agreement obligation shall bear interest at the rate on the Phase #2 Reimbursement Agreement obligation commencing with the effective date of the Phase #2 Reimbursement Agreement obligation. The interest rate applicable to the Phase #2 Reimbursement Agreement obligation is 9.30 percent per annum for 2025-26 and is used to calculate the interest on the Assessments securing the Phase #2 Reimbursement Agreement Obligation.

Pursuant to the Updated Service and Assessment Plan, the Annual Service Plan Update shall show the remaining balance of the Assessments, the Annual Installment due for 2025-26 and the Administrative Expenses to be collected from each Parcel. Administrative Expenses shall be allocated to each Parcel pro rata based upon the amount the Annual Installment on a Parcel bears to the total amount of Annual Installments in the PID as a whole that are payable at the time of such allocation. Each Annual Installment shall be reduced by any credits applied under applicable documents including the Updated Service and Assessment.

These payments, the “Annual Installments” of the Assessments, shall be billed by the City in 2025 and will be delinquent on February 1, 2026.

### Annual Budget for the Repayment of Indebtedness

Debt service proportionately allocated to each Lot will be paid on the Phase #2 Reimbursement Agreement from the collection of the Annual Installments of the Assessments on the Assessed Property. In addition, Administrative Expenses are to be collected with the Annual Installments to pay expenses related to the collection of the Annual Installments.

### Phase #2 Annual Installments to be collected for 2025-26

The proportional Phase #2 budget for the PID will be paid from the collection of Annual Installments collected for 2025-26 as shown in Table II-F-2 below.

**Table II-F-2**  
**Phase #2 Budget for the Annual Installments  
to be Collected for 2025-26**

| <b>Descriptions</b>                            | <b>Total</b>       |
|------------------------------------------------|--------------------|
| Interest payment on or after March 1, 2026     | \$938,651          |
| Interest payment on or after September 1, 2026 | \$938,651          |
| Principal payment on September 1, 2026         | \$1,000            |
| <i>Subtotal debt service on R.A.</i>           | <i>\$1,878,302</i> |
| Administrative Expenses                        | \$60,000           |
| <i>Subtotal Expenses</i>                       | <i>\$1,938,302</i> |
| Available Administrative Expense account       | \$0                |
| <i>Subtotal funds available</i>                | <i>\$0</i>         |
| <b>Annual Installments</b>                     | <b>\$1,938,302</b> |

### Debt Service Payments

Table II-F-3 below shows the Phase #2 Annual Installments to be collected for principal and interest based on the outstanding Assessment balance and the effective interest rate of 9.30 percent.

**Table II-F-3**  
**Phase #2 Principal and Interest to be Collected for 2025-26**

| <b>Lots in<br/>Trigger<br/>Period</b> | <b>Outstanding<br/>Assessment<br/>Balance</b> | <b>Principal<br/>Due</b> | <b>Effective<br/>Interest<br/>Rate</b> | <b>3/1<br/>Interest<br/>Due</b> | <b>9/1<br/>Interest<br/>Due</b> | <b>Annual<br/>Installments to<br/>be Collected for<br/>P&amp;I</b> |
|---------------------------------------|-----------------------------------------------|--------------------------|----------------------------------------|---------------------------------|---------------------------------|--------------------------------------------------------------------|
| 2025-26                               | \$20,186,042                                  | \$1,000                  | 9.30%                                  | \$938,651                       | \$938,651                       | \$1,878,302                                                        |
| <b>Total</b>                          | <b>\$20,186,042</b>                           | <b>\$1,000</b>           |                                        | <b>\$938,651</b>                | <b>\$938,651</b>                | <b>\$1,878,302</b>                                                 |

### Administrative Expenses

The Phase #2 proportional annual administrative expenses include the City, Administrator, and contingency fees for 2025-26 and are shown in Table II-F-4 on the following page.

**Table II-F-4**  
**Phase #2 Administrative Budget Breakdown**

| <b>Lots in Trigger Period</b> | <b>2025-26 Estimated Budget<br/>(09/01/2025-08/31/2026)</b> |
|-------------------------------|-------------------------------------------------------------|
| 2025-26                       | \$60,000                                                    |
| <b>Total</b>                  | <b>\$60,000</b>                                             |

Available Administrative Expense Account

There are no available administrative expense funds to reduce the Phase #2 2025-26 Annual Installment.

**G. ANNUAL INSTALLMENTS PER UNIT – PHASE #2**

According to the Updated Service and Assessment Plan, the Annual Installments shall be collected in an amount sufficient to pay principal and interest on Phase #2 Reimbursement Agreement and to cover Administrative Expenses of the PID.

According to the Updated Service and Assessment Plan, 561 units representing 530.36 total Equivalent Units were anticipated to be built within the PID. As of June 30, 2025, five-hundred sixty-one (561) Phase #2 Lots have been triggered for Annual Installment collection, representing 530.36 Equivalent Units. See Table II-F-1 of this report for the trigger period breakdown of the lots triggered in Phase #2. As of June 30, 2025, no parcels have prepaid their Phase #2 Assessment in full. As a result, the outstanding Phase #2 total Equivalent Units are 530.36.

The Annual Installment to be collected from each Parcel within Phase #2 of the PID is calculated by multiplying the Annual Installment for each unit shown in Table II-F-5 below by the total estimated Equivalent Units for each Parcel in the PID.

**Table II-F-5**  
**Phase #2 Annual Installment Per Equivalent Unit**

| <b>Lots in<br/>Trigger Period</b> | <b>Principal</b> | <b>Interest</b> | <b>Administrative<br/>Expense</b> | <b>Annual<br/>Installment</b> |
|-----------------------------------|------------------|-----------------|-----------------------------------|-------------------------------|
| 2025-26                           | \$1.89           | \$3,539.70      | \$113.13                          | \$3,654.72                    |

The list of Parcels triggered per period within Phase#2 of the PID, the number of units to be developed on the current residential Parcels, the corresponding total units, the total outstanding Assessment, the annual principal and interest, the Administrative Expenses, and the Annual Installment to be collected for 2025-26 are shown in the Phase #2 Assessment Roll Summary attached hereto as Appendix E.

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### ***III. UPDATE OF THE ASSESSMENT PLAN***

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The Updated Service and Assessment Plan adopted by the City Council describes that the Authorized Improvement costs shall be allocated to the Assessed Property equally based on the equivalent number of residential dwelling units anticipated to be built on each Parcel once such property is fully developed, and that such method of allocation will result in the imposition of equal shares of the Authorized Improvement costs to Parcels similarly benefited.

#### ***Assessment Methodology***

This method of assessing the Phase #1 and Phase #2 property, as updated in prior Annual Service Plan Updates, has not been changed and Assessed Property will continue to be assessed as provided for in the Updated Service and Assessment Plan.

#### ***Projected Tax Rate Equivalent per Unit***

According to the Developer, the Phase #2 estimated finished lot value per unit has been revised from the values reported in the Updated Service and Assessment Plan. According to the Developer, the Phase #2 revised estimated finished lot value per unit reported in the Updated Service and Assessment Plan reported the incorrect values in error. Table III-A-1 below shows the corrected estimated finished lot value per unit for Phase #2 of the PID.

**Table III-A-1**  
**Revised Projected Tax Rate Equivalent per Unit – Phase #2**

| <b>Lot Type</b>        | <b>Planned<br/>No. of<br/>Units</b> | <b>Estimated<br/>Finished<br/>Lot Value<br/>per unit</b> | <b>Projected<br/>Home<br/>Value per<br/>unit</b> | <b>Projected<br/>Average<br/>Annual<br/>Installment<br/>per unit</b> | <b>Tax Rate<br/>Equivalent<br/>(per \$100<br/>Lot Value)</b> | <b>Tax Rate<br/>Equivalent<br/>(per \$100<br/>Home<br/>Value)</b> |
|------------------------|-------------------------------------|----------------------------------------------------------|--------------------------------------------------|----------------------------------------------------------------------|--------------------------------------------------------------|-------------------------------------------------------------------|
| Lot Type 1 (50 Ft Lot) | 123                                 | \$100,000                                                | \$466,000                                        | \$3,287                                                              | \$3.29                                                       | \$0.71                                                            |
| Lot Type 2 (40 Ft Lot) | 280                                 | \$90,000                                                 | \$446,000                                        | \$3,146                                                              | \$3.50                                                       | \$0.71                                                            |
| Lot Type 4 (Townhomes) | 128                                 | \$70,000                                                 | \$386,000                                        | \$2,723                                                              | \$3.03                                                       | \$0.71                                                            |
| Lot Type 5 (60 Ft Lot) | 30                                  | \$120,000                                                | \$518,000                                        | \$3,654                                                              | \$5.96                                                       | \$0.71                                                            |

<sup>1</sup>Provided by Developer.

<sup>2</sup>Assumes projected home value per unit remains static.

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## ***IV. UPDATE OF THE ASSESSMENT ROLL***

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Pursuant to the Updated Service and Assessment Plan, the Assessment Rolls shall be updated each year to reflect:

(i) the identification of each Parcel (ii) the Assessment for each Parcel of Assessed Property, including any adjustments authorized by the Updated Service and Assessment Plan or in the PID Act; (iii) the Annual Installment for the Assessed Property for the year (if the Assessment is payable in installments); and (iv) payments of the Assessment, if any, as provided by Section VI.I of the Service and Assessment Plan.

The summary of the updated Assessment Rolls are shown in Appendix D-1, D-2, D-2 and E of this report. Each Parcel in the PID is identified, along with the Assessment on each Parcel and the Annual Installment to be collected from each Parcel. Assessments are to be reallocated for the subdivision of any Parcels.

### **A. PARCEL UPDATES**

According to the Updated Service and Assessment Plan, upon the subdivision of any Parcel, the Administrator shall reallocate the Assessment for the Parcel prior to the subdivision among the new subdivided Parcels according to the following formula:

$$A = B \times (C \div D)$$

Where the terms have the following meanings:

A = the Assessment for each new subdivided Parcel.  
B = the Assessment for the Parcel prior to subdivision.  
C = the estimated Equivalent Units to be built on each newly subdivided Parcel  
D = the sum of the estimated Equivalent Units to be built on all of the new subdivided Parcels

The calculation of the estimated number of units to be built on a Parcel shall be performed by the Administrator and confirmed by the City Council based on the information available regarding the use of the Parcel. The estimate as confirmed shall be conclusive. The number of units to be built on a Parcel may be estimated by net land area and reasonable density ratios.

According to the Developer and the Grayson Central Appraisal District (the “GCAD”), three-hundred and thirty-three (333) Lots in Phase #1 of the PID were subdivided from Parcels 125515, 220351, and 125513 in 2021. The final plat was recorded in June of 2021 and the Assessments were allocated proportionally according to Lot Type.

According to the Grayson County Clerk’s Office, an amended Phase #1 plat was filed and recorded on March 24, 2022. According to the City, the amended Phase #1 plat was filed to address utility easements needed for the development and did not impact the total lot count, or any lot sizes, subdivided in the original Phase #1 plat.



According to the Developer and the GCAD, a final plat for Phase #2 was filed and recorded in June 2024 for the proposed development of 561 residential Lots. As a result, Lots within Phase #2 of the PID are anticipated to be individually billed Annual Installments beginning in tax year 2025.

## **B. PREPAYMENT OF ASSESSMENTS**

### Phase #1

As of June 30, 2025, four Parcels have prepaid their Phase #1 Assessments in full. See Appendix B for more information related to the prepaid Parcels.

### Phase #2

As of June 30, 2025, no Parcels have prepaid their Phase #2 Assessments in full. See Appendix B for more information related to the prepaid Parcels.

The complete Assessment Rolls are available for review at the City Hall, located at 222 W. Mulberry Street, Sherman, Texas 75090.

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**APPENDIX A**  
**BEL AIR VILLAGE PID MAP**







**APPENDIX B**  
**PREPAID PARCELS**

**PREPAID PARCELS**

| Phase        | Parcel ID | Prepayment Date | Amount              | Full/Partial |
|--------------|-----------|-----------------|---------------------|--------------|
| Phase #1     | 437230    | Sep-23          | \$31,086.73         | Full         |
| Phase #1     | 437427    | Nov-24          | \$31,086.73         | Full         |
| Phase #1     | 437175    | Dec-24          | \$24,175.90         | Full         |
| Phase #1     | 437372    | Dec-24          | \$31,083.30         | Full         |
| <b>Total</b> |           |                 | <b>\$117,432.65</b> |              |

**APPENDIX C**  
**ASSESSED VALUES**

**Appendix C**  
**2025 Assessed Value**

| Phase                    | Parcels    | 2025 Assessed Value <sup>1</sup> |
|--------------------------|------------|----------------------------------|
| Phase #1 <sup>2</sup>    | 332        | \$96,306,447                     |
| Phase #2                 | 575        | \$31,436,237                     |
| <b>Total<sup>2</sup></b> | <b>907</b> | <b>\$127,742,684</b>             |

1 - Includes 327 single family residential lots and five HOA lots

2 - Includes 561 single family residential lots and fourteen HOA lots

**APPENDIX D-1**  
**PHASE #1 ASSESSMENT ROLL SUMMARY – 2025-26**  
**LOTS TRIGGERED FOR COLLECTION IN 2022-23**



Appendix D-1

**BEL AIR VILLAGE PUBLIC IMPROVEMENT DISTRICT  
PHASE #1 2025-26 ASSESSMENT ROLL  
Lots Triggered for Collection in 2022-23**

| CAD Parcel ID | Tax Parcel ID | Block | Lot | Lot Size | Equivalent Unit | Outstanding Assessments | Principal      | Interest           | Administrative Expenses | 2025-26 Annual Installment |
|---------------|---------------|-------|-----|----------|-----------------|-------------------------|----------------|--------------------|-------------------------|----------------------------|
| 437219        | R711474       | C     | 17  | 40'      | 0.89            | \$27,623.50             | \$3.05         | \$2,196.07         | \$147.54                | \$2,346.66                 |
| 437220        | R711479       | C     | 18  | 40'      | 0.89            | \$27,623.50             | \$3.05         | \$2,196.07         | \$147.54                | \$2,346.66                 |
| 437221        | R711484       | C     | 19  | 40'      | 0.89            | \$27,623.50             | \$3.05         | \$2,196.07         | \$147.54                | \$2,346.66                 |
| 437224        | R711499       | C     | 22  | 40'      | 0.89            | \$27,623.50             | \$3.05         | \$2,196.07         | \$147.54                | \$2,346.66                 |
| 437225        | R711504       | C     | 23  | 40'      | 0.89            | \$27,623.50             | \$3.05         | \$2,196.07         | \$147.54                | \$2,346.66                 |
| 437226        | R711509       | C     | 24  | 40'      | 0.89            | \$27,623.50             | \$3.05         | \$2,196.07         | \$147.54                | \$2,346.66                 |
| 437238        | R711569       | C     | 36  | 50'      | 1.00            | \$31,076.43             | \$3.43         | \$2,470.58         | \$165.98                | \$2,639.99                 |
| 437241        | R711584       | E     | 1   | 50'      | 1.00            | \$20,696.90             | \$2.29         | \$1,645.40         | \$110.54                | \$1,758.23                 |
| 452869        | R762288       | E     |     |          |                 | \$10,379.53             | \$1.15         | \$825.17           | \$55.44                 | \$881.76                   |
| 437242        | R711589       | E     | 2   | 50'      | 1.00            | \$31,076.43             | \$3.43         | \$2,470.58         | \$165.98                | \$2,639.99                 |
| 437245        | R711604       | E     | 5   | 50'      | 1.00            | \$31,076.43             | \$3.43         | \$2,470.58         | \$165.98                | \$2,639.99                 |
| 437246        | R711609       | E     | 6   | 50'      | 1.00            | \$31,076.43             | \$3.43         | \$2,470.58         | \$165.98                | \$2,639.99                 |
| 437247        | R711614       | E     | 7   | 50'      | 1.00            | \$31,076.43             | \$3.43         | \$2,470.58         | \$165.98                | \$2,639.99                 |
| 437251        | R711634       | E     | 11  | 50'      | 1.00            | \$31,076.43             | \$3.43         | \$2,470.58         | \$165.98                | \$2,639.99                 |
| 437252        | R711638       | E     | 12  | 50'      | 1.00            | \$31,076.43             | \$3.43         | \$2,470.58         | \$165.98                | \$2,639.99                 |
| 437253        | R711643       | E     | 13  | 50'      | 1.00            | \$31,076.43             | \$3.43         | \$2,470.58         | \$165.98                | \$2,639.99                 |
| 437256        | R711658       | E     | 16  | 50'      | 1.00            | \$31,076.43             | \$3.43         | \$2,470.58         | \$165.98                | \$2,639.99                 |
| 437257        | R711663       | E     | 17  | 50'      | 1.00            | \$31,076.43             | \$3.43         | \$2,470.58         | \$165.98                | \$2,639.99                 |
| 437258        | R711668       | E     | 18  | 50'      | 1.00            | \$31,076.43             | \$3.43         | \$2,470.58         | \$165.98                | \$2,639.99                 |
| 437279        | R711769       | E     | 39  | 50'      | 1.00            | \$31,076.43             | \$3.43         | \$2,470.58         | \$165.98                | \$2,639.99                 |
| 437281        | R711778       | E     | 41  | 40'      | 0.89            | \$27,623.50             | \$3.05         | \$2,196.07         | \$147.54                | \$2,346.66                 |
| 437282        | R711782       | E     | 42  | 40'      | 0.89            | \$27,623.50             | \$3.05         | \$2,196.07         | \$147.54                | \$2,346.66                 |
| 437283        | R711786       | E     | 43  | 40'      | 0.89            | \$27,623.50             | \$3.05         | \$2,196.07         | \$147.54                | \$2,346.66                 |
| 437289        | R711810       | F     | 2   | 40'      | 0.89            | \$27,623.50             | \$3.05         | \$2,196.07         | \$147.54                | \$2,346.66                 |
| 437294        | R711835       | F     | 7   | 40'      | 0.89            | \$27,623.50             | \$3.05         | \$2,196.07         | \$147.54                | \$2,346.66                 |
| <b>Total</b>  |               |       |     |          | <b>22.78</b>    | <b>\$707,852.10</b>     | <b>\$78.15</b> | <b>\$56,274.24</b> | <b>\$3,780.68</b>       | <b>\$60,133.08</b>         |

**APPENDIX D-2**  
**PHASE #1 ASSESSMENT ROLL SUMMARY – 2025-26**  
**LOTS TRIGGERED FOR COLLECTION IN 2023-24**

Appendix D-2

**BEL AIR VILLAGE PUBLIC IMPROVEMENT DISTRICT  
PHASE #1 2025-26 ASSESSMENT ROLL  
Lots Triggered for Collection in 2023-24**

| CAD Parcel ID | Tax Parcel ID | Block | Lot | Lot Size | Original Equivalent Unit | Outstanding Equivalent Unit | Outstanding Assessments | Principal | Interest   | Administrative Expenses | 2025-26 Annual Installment |
|---------------|---------------|-------|-----|----------|--------------------------|-----------------------------|-------------------------|-----------|------------|-------------------------|----------------------------|
| 437118        | R710912       | A     | 1   | 25'      | 0.78                     | 0.78                        | \$24,173.21             | \$2.67    | \$1,921.77 | \$129.11                | \$2,053.55                 |
| 437119        | R710919       | A     | 2   | 25'      | 0.78                     | 0.78                        | \$24,173.21             | \$2.67    | \$1,921.77 | \$129.11                | \$2,053.55                 |
| 437132        | R711000       | A     | 15  | 25'      | 0.78                     | 0.78                        | \$24,173.21             | \$2.67    | \$1,921.77 | \$129.11                | \$2,053.55                 |
| 437133        | R711006       | A     | 16  | 25'      | 0.78                     | 0.78                        | \$24,173.21             | \$2.67    | \$1,921.77 | \$129.11                | \$2,053.55                 |
| 437134        | R711012       | A     | 17  | 25'      | 0.78                     | 0.78                        | \$24,173.21             | \$2.67    | \$1,921.77 | \$129.11                | \$2,053.55                 |
| 437135        | R711018       | A     | 18  | 25'      | 0.78                     | 0.78                        | \$24,173.21             | \$2.67    | \$1,921.77 | \$129.11                | \$2,053.55                 |
| 437136        | R711023       | A     | 19  | 25'      | 0.78                     | 0.78                        | \$24,173.21             | \$2.67    | \$1,921.77 | \$129.11                | \$2,053.55                 |
| 437137        | R711030       | A     | 20  | 25'      | 0.78                     | 0.78                        | \$24,173.21             | \$2.67    | \$1,921.77 | \$129.11                | \$2,053.55                 |
| 437138        | R711037       | A     | 21  | 25'      | 0.78                     | 0.78                        | \$24,173.21             | \$2.67    | \$1,921.77 | \$129.11                | \$2,053.55                 |
| 437139        | R711043       | A     | 22  | 25'      | 0.78                     | 0.78                        | \$24,173.21             | \$2.67    | \$1,921.77 | \$129.11                | \$2,053.55                 |
| 437140        | R711049       | A     | 23  | 25'      | 0.78                     | 0.78                        | \$24,173.21             | \$2.67    | \$1,921.77 | \$129.11                | \$2,053.55                 |
| 437141        | R711055       | A     | 24  | 25'      | 0.78                     | 0.78                        | \$24,173.21             | \$2.67    | \$1,921.77 | \$129.11                | \$2,053.55                 |
| 437142        | R711061       | A     | 25  | 25'      | 0.78                     | 0.78                        | \$24,173.21             | \$2.67    | \$1,921.77 | \$129.11                | \$2,053.55                 |
| 437143        | R711067       | A     | 26  | 25'      | 0.78                     | 0.78                        | \$24,173.21             | \$2.67    | \$1,921.77 | \$129.11                | \$2,053.55                 |
| 437144        | R711073       | A     | 27  | 25'      | 0.78                     | 0.78                        | \$24,173.21             | \$2.67    | \$1,921.77 | \$129.11                | \$2,053.55                 |
| 437145        | R711080       | A     | 28  | 25'      | 0.78                     | 0.78                        | \$24,173.21             | \$2.67    | \$1,921.77 | \$129.11                | \$2,053.55                 |
| 437146        | R711086       | A     | 29  | 25'      | 0.78                     | 0.78                        | \$24,173.21             | \$2.67    | \$1,921.77 | \$129.11                | \$2,053.55                 |
| 437169        | R711206       | A     | 52  | 25'      | 0.78                     | 0.78                        | \$24,173.21             | \$2.67    | \$1,921.77 | \$129.11                | \$2,053.55                 |
| 437170        | R711211       | A     | 53  | 25'      | 0.78                     | 0.78                        | \$24,173.21             | \$2.67    | \$1,921.77 | \$129.11                | \$2,053.55                 |
| 437171        | R711216       | A     | 54  | 25'      | 0.78                     | 0.78                        | \$24,173.21             | \$2.67    | \$1,921.77 | \$129.11                | \$2,053.55                 |
| 437196        | R711354       | B     | 20  | 25'      | 0.78                     | 0.78                        | \$24,173.21             | \$2.67    | \$1,921.77 | \$129.11                | \$2,053.55                 |
| 437223        | R711494       | C     | 21  | 40'      | 0.89                     | 0.89                        | \$27,626.52             | \$3.05    | \$2,196.31 | \$147.55                | \$2,346.91                 |
| 437263        | R711693       | E     | 23  | 50'      | 1.00                     | 1.00                        | \$31,079.84             | \$3.43    | \$2,470.85 | \$166.00                | \$2,640.27                 |
| 437276        | R711756       | E     | 36  | 50'      | 1.00                     | 1.00                        | \$31,079.84             | \$3.43    | \$2,470.85 | \$166.00                | \$2,640.27                 |
| 437285        | R711795       | E     | 45  | 40'      | 0.89                     | 0.89                        | \$13,813.26             | \$1.52    | \$1,098.15 | \$73.78                 | \$1,173.46                 |
| 448173        | R739250       |       |     |          |                          |                             | \$13,813.26             | \$1.52    | \$1,098.15 | \$73.78                 | \$1,173.46                 |
| 437339        | R712002       | G     | 6   | 40'      | 0.89                     | 0.89                        | \$9,227.26              | \$1.02    | \$733.57   | \$49.28                 | \$783.87                   |
| 452709        | R762179       |       |     |          |                          |                             | \$18,399.27             | \$2.03    | \$1,462.74 | \$98.27                 | \$1,563.04                 |
| 437380        | R712203       | H     | 9   | 50'      | 1.00                     | 1.00                        | \$31,079.84             | \$3.43    | \$2,470.85 | \$166.00                | \$2,640.27                 |
| 437414        | R712335       | I     | 1   | 50'      | 1.00                     | 1.00                        | \$31,079.84             | \$3.43    | \$2,470.85 | \$166.00                | \$2,640.27                 |
| 437419        | R712354       | I     | 6   | 50'      | 1.00                     | 1.00                        | \$31,079.84             | \$3.43    | \$2,470.85 | \$166.00                | \$2,640.27                 |
| 437447        | R712459       | I     | 34  | 50'      | 1.00                     | 1.00                        | \$31,079.84             | \$3.43    | \$2,470.85 | \$166.00                | \$2,640.27                 |
| 437448        | R712463       | I     | 35  | 50'      | 1.00                     | 1.00                        | \$31,079.84             | \$3.43    | \$2,470.85 | \$166.00                | \$2,640.27                 |
| 437120        | R710926       | A     | 3   | 25'      | 0.78                     | 0.78                        | \$24,173.21             | \$2.67    | \$1,921.77 | \$129.11                | \$2,053.55                 |
| 437121        | R710933       | A     | 4   | 25'      | 0.78                     | 0.78                        | \$24,173.21             | \$2.67    | \$1,921.77 | \$129.11                | \$2,053.55                 |
| 437148        | R711098       | A     | 31  | 25'      | 0.78                     | 0.78                        | \$24,173.21             | \$2.67    | \$1,921.77 | \$129.11                | \$2,053.55                 |
| 437149        | R711104       | A     | 32  | 25'      | 0.78                     | 0.78                        | \$24,173.21             | \$2.67    | \$1,921.77 | \$129.11                | \$2,053.55                 |
| 437150        | R711110       | A     | 33  | 25'      | 0.78                     | 0.78                        | \$24,173.21             | \$2.67    | \$1,921.77 | \$129.11                | \$2,053.55                 |
| 437151        | R711116       | A     | 34  | 25'      | 0.78                     | 0.78                        | \$24,173.21             | \$2.67    | \$1,921.77 | \$129.11                | \$2,053.55                 |
| 437152        | R711122       | A     | 35  | 25'      | 0.78                     | 0.78                        | \$24,173.21             | \$2.67    | \$1,921.77 | \$129.11                | \$2,053.55                 |
| 437153        | R711128       | A     | 36  | 25'      | 0.78                     | 0.78                        | \$24,173.21             | \$2.67    | \$1,921.77 | \$129.11                | \$2,053.55                 |
| 437154        | R711134       | A     | 37  | 25'      | 0.78                     | 0.78                        | \$24,173.21             | \$2.67    | \$1,921.77 | \$129.11                | \$2,053.55                 |
| 437155        | R711140       | A     | 38  | 25'      | 0.78                     | 0.78                        | \$24,173.21             | \$2.67    | \$1,921.77 | \$129.11                | \$2,053.55                 |
| 437156        | R711145       | A     | 39  | 25'      | 0.78                     | 0.78                        | \$24,173.21             | \$2.67    | \$1,921.77 | \$129.11                | \$2,053.55                 |
| 437157        | R711150       | A     | 40  | 25'      | 0.78                     | 0.78                        | \$24,173.21             | \$2.67    | \$1,921.77 | \$129.11                | \$2,053.55                 |
| 437158        | R711155       | A     | 41  | 25'      | 0.78                     | 0.78                        | \$24,173.21             | \$2.67    | \$1,921.77 | \$129.11                | \$2,053.55                 |
| 437159        | R711160       | A     | 42  | 25'      | 0.78                     | 0.78                        | \$24,173.21             | \$2.67    | \$1,921.77 | \$129.11                | \$2,053.55                 |
| 437160        | R711164       | A     | 43  | 25'      | 0.78                     | 0.78                        | \$24,173.21             | \$2.67    | \$1,921.77 | \$129.11                | \$2,053.55                 |
| 437161        | R711168       | A     | 44  | 25'      | 0.78                     | 0.78                        | \$24,173.21             | \$2.67    | \$1,921.77 | \$129.11                | \$2,053.55                 |
| 437162        | R711172       | A     | 45  | 25'      | 0.78                     | 0.78                        | \$24,173.21             | \$2.67    | \$1,921.77 | \$129.11                | \$2,053.55                 |
| 437167        | R711196       | A     | 50  | 25'      | 0.78                     | 0.78                        | \$24,173.21             | \$2.67    | \$1,921.77 | \$129.11                | \$2,053.55                 |
| 437168        | R711201       | A     | 51  | 25'      | 0.78                     | 0.78                        | \$24,173.21             | \$2.67    | \$1,921.77 | \$129.11                | \$2,053.55                 |
| 437172        | R711221       | A     | 55  | 25'      | 0.78                     | 0.78                        | \$24,173.21             | \$2.67    | \$1,921.77 | \$129.11                | \$2,053.55                 |
| 437173        | R711225       | A     | 56  | 25'      | 0.78                     | 0.78                        | \$24,173.21             | \$2.67    | \$1,921.77 | \$129.11                | \$2,053.55                 |
| 437174        | R711231       | A     | 57  | 25'      | 0.78                     | 0.78                        | \$24,173.21             | \$2.67    | \$1,921.77 | \$129.11                | \$2,053.55                 |
| 437175        | R711236       | A     | 58  | 25'      | 0.78                     | 0.00                        | Prepaid                 | \$0.00    | \$0.00     | \$0.00                  | \$0.00                     |
| 437176        | R711242       | A     | 59  | 25'      | 0.78                     | 0.78                        | \$24,173.21             | \$2.67    | \$1,921.77 | \$129.11                | \$2,053.55                 |
| 437186        | R711299       | B     | 10  | 25'      | 0.78                     | 0.78                        | \$24,173.21             | \$2.67    | \$1,921.77 | \$129.11                | \$2,053.55                 |
| 437187        | R711305       | B     | 11  | 25'      | 0.78                     | 0.78                        | \$24,173.21             | \$2.67    | \$1,921.77 | \$129.11                | \$2,053.55                 |
| 437188        | R711310       | B     | 12  | 25'      | 0.78                     | 0.78                        | \$24,173.21             | \$2.67    | \$1,921.77 | \$129.11                | \$2,053.55                 |
| 437189        | R711315       | B     | 13  | 25'      | 0.78                     | 0.78                        | \$24,173.21             | \$2.67    | \$1,921.77 | \$129.11                | \$2,053.55                 |
| 437190        | R711321       | B     | 14  | 25'      | 0.78                     | 0.78                        | \$24,173.21             | \$2.67    | \$1,921.77 | \$129.11                | \$2,053.55                 |
| 437191        | R711327       | B     | 15  | 25'      | 0.78                     | 0.78                        | \$24,173.21             | \$2.67    | \$1,921.77 | \$129.11                | \$2,053.55                 |
| 437192        | R711332       | B     | 16  | 25'      | 0.78                     | 0.78                        | \$24,173.21             | \$2.67    | \$1,921.77 | \$129.11                | \$2,053.55                 |
| 437193        | R711337       | B     | 17  | 25'      | 0.78                     | 0.78                        | \$24,173.21             | \$2.67    | \$1,921.77 | \$129.11                | \$2,053.55                 |
| 437194        | R711343       | B     | 18  | 25'      | 0.78                     | 0.78                        | \$24,173.21             | \$2.67    | \$1,921.77 | \$129.11                | \$2,053.55                 |
| 437195        | R711348       | B     | 19  | 25'      | 0.78                     | 0.78                        | \$24,173.21             | \$2.67    | \$1,921.77 | \$129.11                | \$2,053.55                 |
| 437197        | R711360       | B     | 21  | 25'      | 0.78                     | 0.78                        | \$24,173.21             | \$2.67    | \$1,921.77 | \$129.11                | \$2,053.55                 |
| 437198        | R711365       | B     | 22  | 25'      | 0.78                     | 0.78                        | \$24,173.21             | \$2.67    | \$1,921.77 | \$129.11                | \$2,053.55                 |
| 437199        | R711370       | B     | 23  | 25'      | 0.78                     | 0.78                        | \$24,173.21             | \$2.67    | \$1,921.77 | \$129.11                | \$2,053.55                 |
| 437200        | R711375       | B     | 24  | 25'      | 0.78                     | 0.78                        | \$24,173.21             | \$2.67    | \$1,921.77 | \$129.11                | \$2,053.55                 |
| 437201        | R711380       | B     | 25  | 25'      | 0.78                     | 0.78                        | \$24,173.21             | \$2.67    | \$1,921.77 | \$129.11                | \$2,053.55                 |
| 437202        | R711386       | B     | 26  | 25'      | 0.78                     | 0.78                        | \$24,173.21             | \$2.67    | \$1,921.77 | \$129.11                | \$2,053.55                 |
| 437203        | R711392       | C     | 1   | 25'      | 0.78                     | 0.78                        | \$24,173.21             | \$2.67    | \$1,921.77 | \$129.11                | \$2,053.55                 |
| 437204        | R711397       | C     | 2   | 25'      | 0.78                     | 0.78                        | \$24,173.21             | \$2.67    | \$1,921.77 | \$129.11                | \$2,053.55                 |
| 437205        | R711403       | C     | 3   | 25'      | 0.78                     | 0.78                        | \$24,173.21             | \$2.67    | \$1,921.77 | \$129.11                | \$2,053.55                 |
| 437206        | R711409       | C     | 4   | 25'      | 0.78                     | 0.78                        | \$24,173.21             | \$2.67    | \$1,921.77 | \$129.11                | \$2,053.55                 |
| 437207        | R711414       | C     | 5   | 25'      | 0.78                     | 0.78                        | \$24,173.21             | \$2.67    | \$1,921.77 | \$129.11                | \$2,053.55                 |
| 437208        | R711419       | C     | 6   | 25'      | 0.78                     | 0.78                        | \$24,173.21             | \$2.67    | \$1,921.77 | \$129.11                | \$2,053.55                 |

Appendix D-2

**BEL AIR VILLAGE PUBLIC IMPROVEMENT DISTRICT  
PHASE #1 2025-26 ASSESSMENT ROLL  
Lots Triggered for Collection in 2023-24**

| CAD Parcel ID | Tax Parcel ID | Block | Lot | Lot Size | Original Equivalent Unit | Outstanding Equivalent Unit | Outstanding Assessments | Principal | Interest   | Administrative Expenses | 2025-26 Annual Installment |
|---------------|---------------|-------|-----|----------|--------------------------|-----------------------------|-------------------------|-----------|------------|-------------------------|----------------------------|
| 437209        | R711424       | C     | 7   | 25'      | 0.78                     | 0.78                        | \$24,173.21             | \$2.67    | \$1,921.77 | \$129.11                | \$2,053.55                 |
| 437210        | R711429       | C     | 8   | 25'      | 0.78                     | 0.78                        | \$16,116.28             | \$1.78    | \$1,281.24 | \$86.08                 | \$1,369.10                 |
| 455391        | TBD           |       |     |          |                          |                             | \$8,056.93              | \$0.89    | \$640.53   | \$43.03                 | \$684.45                   |
| 437211        | R711434       | C     | 9   | 25'      | 0.78                     | 0.78                        | \$24,173.21             | \$2.67    | \$1,921.77 | \$129.11                | \$2,053.55                 |
| 437217        | R711464       | C     | 15  | 40'      | 0.89                     | 0.89                        | \$27,626.52             | \$3.05    | \$2,196.31 | \$147.55                | \$2,346.91                 |
| 437218        | R711469       | C     | 16  | 40'      | 0.89                     | 0.89                        | \$13,813.26             | \$1.52    | \$1,098.15 | \$73.78                 | \$1,173.46                 |
| 452705        | R762177       |       |     |          |                          |                             | \$13,813.26             | \$1.52    | \$1,098.15 | \$73.78                 | \$1,173.46                 |
| 437222        | R711489       | C     | 20  | 40'      | 0.89                     | 0.89                        | \$27,626.52             | \$3.05    | \$2,196.31 | \$147.55                | \$2,346.91                 |
| 437227        | R711514       | C     | 25  | 40'      | 0.89                     | 0.89                        | \$27,626.52             | \$3.05    | \$2,196.31 | \$147.55                | \$2,346.91                 |
| 437229        | R711524       | C     | 27  | 50'      | 1.00                     | 1.00                        | \$31,079.84             | \$3.43    | \$2,470.85 | \$166.00                | \$2,640.27                 |
| 437230        | R711529       | C     | 28  | 50'      | 1.00                     | 0.00                        | Prepaid                 | \$0.00    | \$0.00     | \$0.00                  | \$0.00                     |
| 437235        | R711554       | C     | 33  | 50'      | 1.00                     | 1.00                        | \$31,079.84             | \$3.43    | \$2,470.85 | \$166.00                | \$2,640.27                 |
| 437236        | R711559       | C     | 34  | 50'      | 1.00                     | 1.00                        | \$31,079.84             | \$3.43    | \$2,470.85 | \$166.00                | \$2,640.27                 |
| 437237        | R711564       | C     | 35  | 50'      | 1.00                     | 1.00                        | \$31,079.84             | \$3.43    | \$2,470.85 | \$166.00                | \$2,640.27                 |
| 437243        | R711594       | E     | 3   | 50'      | 1.00                     | 1.00                        | \$31,079.84             | \$3.43    | \$2,470.85 | \$166.00                | \$2,640.27                 |
| 437244        | R711599       | E     | 4   | 50'      | 1.00                     | 1.00                        | \$15,539.92             | \$1.71    | \$1,235.42 | \$83.00                 | \$1,320.14                 |
| 460386        | TBD           |       |     |          |                          |                             | \$15,539.92             | \$1.71    | \$1,235.42 | \$83.00                 | \$1,320.14                 |
| 437248        | R711619       | E     | 8   | 50'      | 1.00                     | 1.00                        | \$31,079.84             | \$3.43    | \$2,470.85 | \$166.00                | \$2,640.27                 |
| 437249        | R711624       | E     | 9   | 50'      | 1.00                     | 1.00                        | \$31,079.84             | \$3.43    | \$2,470.85 | \$166.00                | \$2,640.27                 |
| 437250        | R711629       | E     | 10  | 50'      | 1.00                     | 1.00                        | \$31,079.84             | \$3.43    | \$2,470.85 | \$166.00                | \$2,640.27                 |
| 437254        | R711648       | E     | 14  | 50'      | 1.00                     | 1.00                        | \$31,079.84             | \$3.43    | \$2,470.85 | \$166.00                | \$2,640.27                 |
| 437255        | R711653       | E     | 15  | 50'      | 1.00                     | 1.00                        | \$31,079.84             | \$3.43    | \$2,470.85 | \$166.00                | \$2,640.27                 |
| 437261        | R711683       | E     | 21  | 50'      | 1.00                     | 1.00                        | \$31,079.84             | \$3.43    | \$2,470.85 | \$166.00                | \$2,640.27                 |
| 437262        | R711688       | E     | 22  | 50'      | 1.00                     | 1.00                        | \$31,079.84             | \$3.43    | \$2,470.85 | \$166.00                | \$2,640.27                 |
| 437267        | R711712       | E     | 27  | 50'      | 1.00                     | 1.00                        | \$31,079.84             | \$3.43    | \$2,470.85 | \$166.00                | \$2,640.27                 |
| 437268        | R711717       | E     | 28  | 50'      | 1.00                     | 1.00                        | \$31,079.84             | \$3.43    | \$2,470.85 | \$166.00                | \$2,640.27                 |
| 437269        | R711722       | E     | 29  | 50'      | 1.00                     | 1.00                        | \$31,079.84             | \$3.43    | \$2,470.85 | \$166.00                | \$2,640.27                 |
| 437270        | R711727       | E     | 30  | 50'      | 1.00                     | 1.00                        | \$31,079.84             | \$3.43    | \$2,470.85 | \$166.00                | \$2,640.27                 |
| 437272        | R711737       | E     | 32  | 50'      | 1.00                     | 1.00                        | \$31,079.84             | \$3.43    | \$2,470.85 | \$166.00                | \$2,640.27                 |
| 437273        | R711742       | E     | 33  | 50'      | 1.00                     | 1.00                        | \$31,079.84             | \$3.43    | \$2,470.85 | \$166.00                | \$2,640.27                 |
| 437274        | R711746       | E     | 34  | 50'      | 1.00                     | 1.00                        | \$31,079.84             | \$3.43    | \$2,470.85 | \$166.00                | \$2,640.27                 |
| 437275        | R711751       | E     | 35  | 50'      | 1.00                     | 1.00                        | \$31,079.84             | \$3.43    | \$2,470.85 | \$166.00                | \$2,640.27                 |
| 437278        | R711766       | E     | 38  | 50'      | 1.00                     | 1.00                        | \$31,079.84             | \$3.43    | \$2,470.85 | \$166.00                | \$2,640.27                 |
| 437280        | R711773       | E     | 40  | 50'      | 1.00                     | 1.00                        | \$31,079.84             | \$3.43    | \$2,470.85 | \$166.00                | \$2,640.27                 |
| 437284        | R711791       | E     | 44  | 40'      | 0.89                     | 0.89                        | \$27,626.52             | \$3.05    | \$2,196.31 | \$147.55                | \$2,346.91                 |
| 437286        | R711800       | E     | 46  | 40'      | 0.89                     | 0.89                        | \$13,813.26             | \$1.52    | \$1,098.15 | \$73.78                 | \$1,173.46                 |
| 448319        | R739274       |       |     |          |                          |                             | \$13,813.26             | \$1.52    | \$1,098.15 | \$73.78                 | \$1,173.46                 |
| 437287        | R711805       | E     | 47  | 40'      | 0.89                     | 0.89                        | \$27,626.52             | \$3.05    | \$2,196.31 | \$147.55                | \$2,346.91                 |
| 437290        | R711815       | F     | 3   | 40'      | 0.89                     | 0.89                        | \$27,626.52             | \$3.05    | \$2,196.31 | \$147.55                | \$2,346.91                 |
| 437293        | R711830       | F     | 6   | 40'      | 0.89                     | 0.89                        | \$27,626.52             | \$3.05    | \$2,196.31 | \$147.55                | \$2,346.91                 |
| 437297        | R711850       | F     | 10  | 40'      | 0.89                     | 0.89                        | \$27,626.52             | \$3.05    | \$2,196.31 | \$147.55                | \$2,346.91                 |
| 442240        | R712494       | F     | 16  | 40'      | 0.89                     | 0.89                        | \$27,626.52             | \$3.05    | \$2,196.31 | \$147.55                | \$2,346.91                 |
| 442243        | R712505       | F     | 33  | 40'      | 0.89                     | 0.89                        | \$27,626.52             | \$3.05    | \$2,196.31 | \$147.55                | \$2,346.91                 |
| 437334        | R711977       | G     | 1   | 40'      | 0.89                     | 0.89                        | \$27,626.52             | \$3.05    | \$2,196.31 | \$147.55                | \$2,346.91                 |
| 437336        | R711987       | G     | 3   | 40'      | 0.89                     | 0.89                        | \$27,626.52             | \$3.05    | \$2,196.31 | \$147.55                | \$2,346.91                 |
| 437337        | R711992       | G     | 4   | 40'      | 0.89                     | 0.89                        | \$27,626.52             | \$3.05    | \$2,196.31 | \$147.55                | \$2,346.91                 |
| 437338        | R711997       | G     | 5   | 40'      | 0.89                     | 0.89                        | \$27,626.52             | \$3.05    | \$2,196.31 | \$147.55                | \$2,346.91                 |
| 437340        | R712007       | G     | 7   | 40'      | 0.89                     | 0.89                        | \$27,626.52             | \$3.05    | \$2,196.31 | \$147.55                | \$2,346.91                 |
| 437341        | R712011       | G     | 8   | 40'      | 0.89                     | 0.89                        | \$27,626.52             | \$3.05    | \$2,196.31 | \$147.55                | \$2,346.91                 |
| 437342        | R712016       | G     | 9   | 40'      | 0.89                     | 0.89                        | \$27,626.52             | \$3.05    | \$2,196.31 | \$147.55                | \$2,346.91                 |
| 437343        | R712021       | G     | 10  | 40'      | 0.89                     | 0.89                        | \$27,626.52             | \$3.05    | \$2,196.31 | \$147.55                | \$2,346.91                 |
| 437348        | R712046       | G     | 15  | 40'      | 0.89                     | 0.89                        | \$27,626.52             | \$3.05    | \$2,196.31 | \$147.55                | \$2,346.91                 |
| 437349        | R712051       | G     | 16  | 40'      | 0.89                     | 0.89                        | \$27,626.52             | \$3.05    | \$2,196.31 | \$147.55                | \$2,346.91                 |
| 437353        | R712071       | G     | 20  | 40'      | 0.89                     | 0.89                        | \$27,626.52             | \$3.05    | \$2,196.31 | \$147.55                | \$2,346.91                 |
| 437372        | R712166       | H     | 1   | 50'      | 1.00                     | 0.00                        | Prepaid                 | \$0.00    | \$0.00     | \$0.00                  | \$0.00                     |
| 437373        | R712171       | H     | 2   | 50'      | 1.00                     | 1.00                        | \$31,079.84             | \$3.43    | \$2,470.85 | \$166.00                | \$2,640.27                 |
| 437374        | R712176       | H     | 3   | 50'      | 1.00                     | 1.00                        | \$20,730.25             | \$2.29    | \$1,648.06 | \$110.72                | \$1,761.06                 |
| 456232        | TBD           |       |     |          |                          |                             | \$10,349.59             | \$1.14    | \$822.79   | \$55.28                 | \$879.21                   |
| 437375        | R712181       | H     | 4   | 50'      | 1.00                     | 1.00                        | \$31,079.84             | \$3.43    | \$2,470.85 | \$166.00                | \$2,640.27                 |
| 437377        | R712191       | H     | 6   | 50'      | 1.00                     | 1.00                        | \$31,079.84             | \$3.43    | \$2,470.85 | \$166.00                | \$2,640.27                 |
| 437378        | R712195       | H     | 7   | 50'      | 1.00                     | 1.00                        | \$31,079.84             | \$3.43    | \$2,470.85 | \$166.00                | \$2,640.27                 |
| 437379        | R712199       | H     | 8   | 50'      | 1.00                     | 1.00                        | \$31,079.84             | \$3.43    | \$2,470.85 | \$166.00                | \$2,640.27                 |
| 437381        | R712207       | H     | 10  | 50'      | 1.00                     | 1.00                        | \$31,079.84             | \$3.43    | \$2,470.85 | \$166.00                | \$2,640.27                 |
| 437385        | R712222       | H     | 14  | 50'      | 1.00                     | 1.00                        | \$31,079.84             | \$3.43    | \$2,470.85 | \$166.00                | \$2,640.27                 |
| 437388        | R712234       | H     | 17  | 50'      | 1.00                     | 1.00                        | \$31,079.84             | \$3.43    | \$2,470.85 | \$166.00                | \$2,640.27                 |
| 437389        | R712238       | H     | 18  | 50'      | 1.00                     | 1.00                        | \$31,079.84             | \$3.43    | \$2,470.85 | \$166.00                | \$2,640.27                 |
| 437406        | R712304       | H     | 35  | 40'      | 0.89                     | 0.89                        | \$27,626.52             | \$3.05    | \$2,196.31 | \$147.55                | \$2,346.91                 |
| 437410        | R712320       | H     | 39  | 40'      | 0.89                     | 0.89                        | \$27,626.52             | \$3.05    | \$2,196.31 | \$147.55                | \$2,346.91                 |
| 437413        | R712331       | H     | 42  | 40'      | 0.89                     | 0.89                        | \$27,626.52             | \$3.05    | \$2,196.31 | \$147.55                | \$2,346.91                 |
| 437415        | R712339       | I     | 2   | 50'      | 1.00                     | 1.00                        | \$31,079.84             | \$3.43    | \$2,470.85 | \$166.00                | \$2,640.27                 |
| 437416        | R712343       | I     | 3   | 50'      | 1.00                     | 1.00                        | \$31,079.84             | \$3.43    | \$2,470.85 | \$166.00                | \$2,640.27                 |
| 437420        | R712357       | I     | 7   | 50'      | 1.00                     | 1.00                        | \$31,079.84             | \$3.43    | \$2,470.85 | \$166.00                | \$2,640.27                 |
| 437421        | R712360       | I     | 8   | 50'      | 1.00                     | 1.00                        | \$31,079.84             | \$3.43    | \$2,470.85 | \$166.00                | \$2,640.27                 |
| 437424        | R712371       | I     | 11  | 50'      | 1.00                     | 1.00                        | \$31,079.84             | \$3.43    | \$2,470.85 | \$166.00                | \$2,640.27                 |
| 437425        | R712375       | I     | 12  | 50'      | 1.00                     | 1.00                        | \$31,079.84             | \$3.43    | \$2,470.85 | \$166.00                | \$2,640.27                 |
| 437429        | R712391       | I     | 16  | 50'      | 1.00                     | 1.00                        | \$31,079.84             | \$3.43    | \$2,470.85 | \$166.00                | \$2,640.27                 |
| 437430        | R712395       | I     | 17  | 50'      | 1.00                     | 1.00                        | \$31,079.84             | \$3.43    | \$2,470.85 | \$166.00                | \$2,640.27                 |
| 437431        | R712399       | I     | 18  | 50'      | 1.00                     | 1.00                        | \$31,079.84             | \$3.43    | \$2,470.85 | \$166.00                | \$2,640.27                 |
| 437436        | R712418       | I     | 23  | 50'      | 1.00                     | 1.00                        | \$31,079.84             | \$3.43    | \$2,470.85 | \$166.00                | \$2,640.27                 |

Appendix D-2

**BEL AIR VILLAGE PUBLIC IMPROVEMENT DISTRICT  
PHASE #1 2025-26 ASSESSMENT ROLL  
Lots Triggered for Collection in 2023-24**

| CAD Parcel ID | Tax Parcel ID | Block | Lot | Lot Size | Original Equivalent Unit | Outstanding Equivalent Unit | Outstanding Assessments | Principal       | Interest            | Administrative Expenses | 2025-26 Annual Installment |
|---------------|---------------|-------|-----|----------|--------------------------|-----------------------------|-------------------------|-----------------|---------------------|-------------------------|----------------------------|
| 437437        | R712421       | I     | 24  | 50'      | 1.00                     | 1.00                        | \$31,079.84             | \$3.43          | \$2,470.85          | \$166.00                | \$2,640.27                 |
| 437438        | R712425       | I     | 25  | 50'      | 1.00                     | 1.00                        | \$31,079.84             | \$3.43          | \$2,470.85          | \$166.00                | \$2,640.27                 |
| 437439        | R712429       | I     | 26  | 50'      | 1.00                     | 1.00                        | \$31,079.84             | \$3.43          | \$2,470.85          | \$166.00                | \$2,640.27                 |
| 437440        | R712433       | I     | 27  | 50'      | 1.00                     | 1.00                        | \$31,079.84             | \$3.43          | \$2,470.85          | \$166.00                | \$2,640.27                 |
| 437441        | R712437       | I     | 28  | 50'      | 1.00                     | 1.00                        | \$31,079.84             | \$3.43          | \$2,470.85          | \$166.00                | \$2,640.27                 |
| 437442        | R712441       | I     | 29  | 50'      | 1.00                     | 1.00                        | \$31,079.84             | \$3.43          | \$2,470.85          | \$166.00                | \$2,640.27                 |
| 437443        | R712445       | I     | 30  | 50'      | 1.00                     | 1.00                        | \$31,079.84             | \$3.43          | \$2,470.85          | \$166.00                | \$2,640.27                 |
| 437444        | R712449       | I     | 31  | 50'      | 1.00                     | 1.00                        | \$31,079.84             | \$3.43          | \$2,470.85          | \$166.00                | \$2,640.27                 |
| 437445        | R712453       | I     | 32  | 50'      | 1.00                     | 1.00                        | \$31,079.84             | \$3.43          | \$2,470.85          | \$166.00                | \$2,640.27                 |
| 437446        | R712456       | I     | 33  | 50'      | 1.00                     | 1.00                        | \$31,079.84             | \$3.43          | \$2,470.85          | \$166.00                | \$2,640.27                 |
| <b>Total</b>  |               |       |     |          | <b>142.22</b>            | <b>139.44</b>               | <b>\$4,333,911.09</b>   | <b>\$477.99</b> | <b>\$344,545.93</b> | <b>\$23,147.68</b>      | <b>\$368,171.60</b>        |

**APPENDIX D-3**  
**PHASE #1 ASSESSMENT ROLL SUMMARY – 2025-26**  
**LOTS TRIGGERED FOR COLLECTION IN 2024-25**

Appendix D-3

**BEL AIR VILLAGE PUBLIC IMPROVEMENT DISTRICT  
PHASE #1 2025-26 ASSESSMENT ROLL  
Lots Triggered for Collection in 2024-25**

| CAD Parcel ID | Tax Parcel ID | Block | Lot    | Lot Size | Original Equivalent Unit | Outstanding Equivalent Unit | Outstanding Assessments | Principal | Interest   | Administrative Expenses | 2025-26 Annual Installment |
|---------------|---------------|-------|--------|----------|--------------------------|-----------------------------|-------------------------|-----------|------------|-------------------------|----------------------------|
| 437122        | R710939       | A     | 5      | 25'      | 0.78                     | 0.78                        | \$24,175.90             | \$2.67    | \$1,921.98 | \$129.12                | \$2,053.78                 |
| 437123        | R710945       | A     | 6      | 25'      | 0.78                     | 0.78                        | \$24,175.90             | \$2.67    | \$1,921.98 | \$129.12                | \$2,053.78                 |
| 437124        | R710951       | A     | 7      | 25'      | 0.78                     | 0.78                        | \$24,175.90             | \$2.67    | \$1,921.98 | \$129.12                | \$2,053.78                 |
| 437125        | R710957       | A     | 8      | 25'      | 0.78                     | 0.78                        | \$24,175.90             | \$2.67    | \$1,921.98 | \$129.12                | \$2,053.78                 |
| 437126        | R710964       | A     | 9      | 25'      | 0.78                     | 0.78                        | \$24,175.90             | \$2.67    | \$1,921.98 | \$129.12                | \$2,053.78                 |
| 437127        | R710970       | A     | 10     | 25'      | 0.78                     | 0.78                        | \$24,175.90             | \$2.67    | \$1,921.98 | \$129.12                | \$2,053.78                 |
| 437128        | R710976       | A     | 11     | 25'      | 0.78                     | 0.78                        | \$24,175.90             | \$2.67    | \$1,921.98 | \$129.12                | \$2,053.78                 |
| 437129        | R710982       | A     | 12     | 25'      | 0.78                     | 0.78                        | \$24,175.90             | \$2.67    | \$1,921.98 | \$129.12                | \$2,053.78                 |
| 437130        | R710988       | A     | 13     | 25'      | 0.78                     | 0.78                        | \$24,175.90             | \$2.67    | \$1,921.98 | \$129.12                | \$2,053.78                 |
| 437131        | R710995       | A     | 14     | 25'      | 0.78                     | 0.78                        | \$24,175.90             | \$2.67    | \$1,921.98 | \$129.12                | \$2,053.78                 |
| 437147        | R711092       | A     | 30-HOA | HOA      | 0.00                     | 0.00                        | \$0.00                  | \$0.00    | \$0.00     | \$0.00                  | \$0.00                     |
| 437163        | R711177       | A     | 46     | 25'      | 0.78                     | 0.78                        | \$24,175.90             | \$2.67    | \$1,921.98 | \$129.12                | \$2,053.78                 |
| 437164        | R711182       | A     | 47     | 25'      | 0.78                     | 0.78                        | \$24,175.90             | \$2.67    | \$1,921.98 | \$129.12                | \$2,053.78                 |
| 437165        | R711187       | A     | 48     | 25'      | 0.78                     | 0.78                        | \$24,175.90             | \$2.67    | \$1,921.98 | \$129.12                | \$2,053.78                 |
| 437166        | R711191       | A     | 49     | 25'      | 0.78                     | 0.78                        | \$24,175.90             | \$2.67    | \$1,921.98 | \$129.12                | \$2,053.78                 |
| 437177        | R711248       | B     | 1      | 25'      | 0.78                     | 0.78                        | \$24,175.90             | \$2.67    | \$1,921.98 | \$129.12                | \$2,053.78                 |
| 437178        | R711254       | B     | 2      | 25'      | 0.78                     | 0.78                        | \$24,175.90             | \$2.67    | \$1,921.98 | \$129.12                | \$2,053.78                 |
| 437179        | R711259       | B     | 3      | 25'      | 0.78                     | 0.78                        | \$24,175.90             | \$2.67    | \$1,921.98 | \$129.12                | \$2,053.78                 |
| 437180        | R711265       | B     | 4      | 25'      | 0.78                     | 0.78                        | \$24,175.90             | \$2.67    | \$1,921.98 | \$129.12                | \$2,053.78                 |
| 437181        | R711271       | B     | 5      | 25'      | 0.78                     | 0.78                        | \$24,175.90             | \$2.67    | \$1,921.98 | \$129.12                | \$2,053.78                 |
| 437182        | R711277       | B     | 6      | 25'      | 0.78                     | 0.78                        | \$24,175.90             | \$2.67    | \$1,921.98 | \$129.12                | \$2,053.78                 |
| 437183        | R711283       | B     | 7      | 25'      | 0.78                     | 0.78                        | \$24,175.90             | \$2.67    | \$1,921.98 | \$129.12                | \$2,053.78                 |
| 437184        | R711288       | B     | 8      | 25'      | 0.78                     | 0.78                        | \$24,175.90             | \$2.67    | \$1,921.98 | \$129.12                | \$2,053.78                 |
| 437185        | R711294       | B     | 9      | 25'      | 0.78                     | 0.78                        | \$24,175.90             | \$2.67    | \$1,921.98 | \$129.12                | \$2,053.78                 |
| 437212        | R711439       | C     | 10     | 25'      | 0.78                     | 0.78                        | \$24,175.90             | \$2.67    | \$1,921.98 | \$129.12                | \$2,053.78                 |
| 437213        | R711444       | C     | 11     | 25'      | 0.78                     | 0.78                        | \$24,175.90             | \$2.67    | \$1,921.98 | \$129.12                | \$2,053.78                 |
| 437214        | R711449       | C     | 12     | 25'      | 0.78                     | 0.78                        | \$24,175.90             | \$2.67    | \$1,921.98 | \$129.12                | \$2,053.78                 |
| 437215        | R711454       | C     | 13     | 25'      | 0.78                     | 0.78                        | \$24,175.90             | \$2.67    | \$1,921.98 | \$129.12                | \$2,053.78                 |
| 437216        | R711459       | C     | 14     | 25'      | 0.78                     | 0.78                        | \$24,175.90             | \$2.67    | \$1,921.98 | \$129.12                | \$2,053.78                 |
| 437228        | R711519       | C     | 26     | HOA      | 0.00                     | 0.00                        | \$0.00                  | \$0.00    | \$0.00     | \$0.00                  | \$0.00                     |
| 437231        | R711534       | C     | 29     | 50'      | 1.00                     | 1.00                        | \$31,083.30             | \$3.43    | \$2,471.12 | \$166.02                | \$2,640.57                 |
| 437232        | R711539       | C     | 30     | 50'      | 1.00                     | 1.00                        | \$31,083.30             | \$3.43    | \$2,471.12 | \$166.02                | \$2,640.57                 |
| 437233        | R711544       | C     | 31     | 50'      | 1.00                     | 1.00                        | \$31,083.30             | \$3.43    | \$2,471.12 | \$166.02                | \$2,640.57                 |
| 437234        | R711549       | C     | 32     | 50'      | 1.00                     | 1.00                        | \$31,083.30             | \$3.43    | \$2,471.12 | \$166.02                | \$2,640.57                 |
| 437239        | R711574       | C     | 37     | 50'      | 1.00                     | 1.00                        | \$31,083.30             | \$3.43    | \$2,471.12 | \$166.02                | \$2,640.57                 |
| 437240        | R711579       | D     | 1-HOA  | HOA      | 0.00                     | 0.00                        | \$0.00                  | \$0.00    | \$0.00     | \$0.00                  | \$0.00                     |
| 437259        | R711673       | E     | 19     | 50'      | 1.00                     | 1.00                        | \$31,083.30             | \$3.43    | \$2,471.12 | \$166.02                | \$2,640.57                 |
| 437260        | R711678       | E     | 20     | 50'      | 1.00                     | 1.00                        | \$31,083.30             | \$3.43    | \$2,471.12 | \$166.02                | \$2,640.57                 |
| 437264        | R711697       | E     | 24     | 50'      | 1.00                     | 1.00                        | \$31,083.30             | \$3.43    | \$2,471.12 | \$166.02                | \$2,640.57                 |
| 437265        | R711702       | E     | 25     | 50'      | 1.00                     | 1.00                        | \$31,083.30             | \$3.43    | \$2,471.12 | \$166.02                | \$2,640.57                 |
| 437266        | R711707       | E     | 26     | 50'      | 1.00                     | 1.00                        | \$31,083.30             | \$3.43    | \$2,471.12 | \$166.02                | \$2,640.57                 |
| 437271        | R711732       | E     | 31     | 50'      | 1.00                     | 1.00                        | \$31,083.30             | \$3.43    | \$2,471.12 | \$166.02                | \$2,640.57                 |
| 437277        | R711761       | E     | 37     | 50'      | 1.00                     | 1.00                        | \$31,083.30             | \$3.43    | \$2,471.12 | \$166.02                | \$2,640.57                 |
| 437291        | R711820       | F     | 4      | 40'      | 0.89                     | 0.89                        | \$27,629.60             | \$3.05    | \$2,196.55 | \$147.57                | \$2,347.18                 |
| 437292        | R711825       | F     | 5      | 40'      | 0.89                     | 0.89                        | \$27,629.60             | \$3.05    | \$2,196.55 | \$147.57                | \$2,347.18                 |
| 437295        | R711840       | F     | 8      | 40'      | 0.89                     | 0.89                        | \$27,629.60             | \$3.05    | \$2,196.55 | \$147.57                | \$2,347.18                 |
| 437296        | R711845       | F     | 9      | 40'      | 0.89                     | 0.89                        | \$27,629.60             | \$3.05    | \$2,196.55 | \$147.57                | \$2,347.18                 |
| 442235        | R712475       | F     | 11     | 40'      | 0.89                     | 0.89                        | \$27,629.60             | \$3.05    | \$2,196.55 | \$147.57                | \$2,347.18                 |
| 442236        | R712479       | F     | 12     | 40'      | 0.89                     | 0.89                        | \$27,629.60             | \$3.05    | \$2,196.55 | \$147.57                | \$2,347.18                 |
| 442237        | R712483       | F     | 13     | 40'      | 0.89                     | 0.89                        | \$27,629.60             | \$3.05    | \$2,196.55 | \$147.57                | \$2,347.18                 |
| 442238        | R712487       | F     | 14     | 40'      | 0.89                     | 0.89                        | \$27,629.60             | \$3.05    | \$2,196.55 | \$147.57                | \$2,347.18                 |
| 442239        | R712490       | F     | 15     | 40'      | 0.89                     | 0.89                        | \$27,629.60             | \$3.05    | \$2,196.55 | \$147.57                | \$2,347.18                 |
| 442241        | R712497       | F     | 18     | 40'      | 0.89                     | 0.89                        | \$27,629.60             | \$3.05    | \$2,196.55 | \$147.57                | \$2,347.18                 |
| 437306        | R711855       | F     | 19     | 40'      | 0.89                     | 0.89                        | \$27,629.60             | \$3.05    | \$2,196.55 | \$147.57                | \$2,347.18                 |
| 437307        | R711860       | F     | 20     | 40'      | 0.89                     | 0.89                        | \$27,629.60             | \$3.05    | \$2,196.55 | \$147.57                | \$2,347.18                 |
| 437308        | R711865       | F     | 21     | 40'      | 0.89                     | 0.89                        | \$27,629.60             | \$3.05    | \$2,196.55 | \$147.57                | \$2,347.18                 |
| 437309        | R711870       | F     | 22     | 40'      | 0.89                     | 0.89                        | \$27,629.60             | \$3.05    | \$2,196.55 | \$147.57                | \$2,347.18                 |
| 437310        | R711874       | F     | 23     | 40'      | 0.89                     | 0.89                        | \$27,629.60             | \$3.05    | \$2,196.55 | \$147.57                | \$2,347.18                 |
| 437311        | R711879       | F     | 24     | 40'      | 0.89                     | 0.89                        | \$27,629.60             | \$3.05    | \$2,196.55 | \$147.57                | \$2,347.18                 |
| 437312        | R711884       | F     | 25     | 40'      | 0.89                     | 0.89                        | \$27,629.60             | \$3.05    | \$2,196.55 | \$147.57                | \$2,347.18                 |
| 437313        | R711889       | F     | 26     | 40'      | 0.89                     | 0.89                        | \$27,629.60             | \$3.05    | \$2,196.55 | \$147.57                | \$2,347.18                 |
| 437314        | R711894       | F     | 27     | 40'      | 0.89                     | 0.89                        | \$27,629.60             | \$3.05    | \$2,196.55 | \$147.57                | \$2,347.18                 |
| 437315        | R711899       | F     | 28     | 40'      | 0.89                     | 0.89                        | \$27,629.60             | \$3.05    | \$2,196.55 | \$147.57                | \$2,347.18                 |
| 437316        | R711904       | F     | 29     | 40'      | 0.89                     | 0.89                        | \$27,629.60             | \$3.05    | \$2,196.55 | \$147.57                | \$2,347.18                 |
| 437317        | R711909       | F     | 30     | 40'      | 0.89                     | 0.89                        | \$27,629.60             | \$3.05    | \$2,196.55 | \$147.57                | \$2,347.18                 |
| 437318        | R711913       | F     | 31     | 40'      | 0.89                     | 0.89                        | \$27,629.60             | \$3.05    | \$2,196.55 | \$147.57                | \$2,347.18                 |
| 442242        | R712501       | F     | 32     | 40'      | 0.89                     | 0.89                        | \$27,629.60             | \$3.05    | \$2,196.55 | \$147.57                | \$2,347.18                 |
| 442244        | R712509       | F     | 34     | 40'      | 0.89                     | 0.89                        | \$27,629.60             | \$3.05    | \$2,196.55 | \$147.57                | \$2,347.18                 |
| 442245        | R712513       | F     | 1-HOA  | HOA      | 0.00                     | 0.00                        | \$0.00                  | \$0.00    | \$0.00     | \$0.00                  | \$0.00                     |
| 442246        | R712517       | F     | 2-HOA  | HOA      | 0.00                     | 0.00                        | \$0.00                  | \$0.00    | \$0.00     | \$0.00                  | \$0.00                     |
| 437322        | R711918       | F     | 35     | 40'      | 0.89                     | 0.89                        | \$27,629.60             | \$3.05    | \$2,196.55 | \$147.57                | \$2,347.18                 |
| 437323        | R711923       | F     | 36     | 40'      | 0.89                     | 0.89                        | \$27,629.60             | \$3.05    | \$2,196.55 | \$147.57                | \$2,347.18                 |
| 437324        | R711928       | F     | 37     | 40'      | 0.89                     | 0.89                        | \$27,629.60             | \$3.05    | \$2,196.55 | \$147.57                | \$2,347.18                 |
| 437325        | R711933       | F     | 38     | 40'      | 0.89                     | 0.89                        | \$27,629.60             | \$3.05    | \$2,196.55 | \$147.57                | \$2,347.18                 |
| 437326        | R711938       | F     | 39     | 40'      | 0.89                     | 0.89                        | \$27,629.60             | \$3.05    | \$2,196.55 | \$147.57                | \$2,347.18                 |

Appendix D-3

**BEL AIR VILLAGE PUBLIC IMPROVEMENT DISTRICT  
PHASE #1 2025-26 ASSESSMENT ROLL  
Lots Triggered for Collection in 2024-25**

| CAD Parcel ID | Tax Parcel ID | Block | Lot | Lot Size | Original Equivalent Unit | Outstanding Equivalent Unit | Outstanding Assessments | Principal       | Interest            | Administrative Expenses | 2025-26 Annual Installment |
|---------------|---------------|-------|-----|----------|--------------------------|-----------------------------|-------------------------|-----------------|---------------------|-------------------------|----------------------------|
| 437327        | R711942       | F     | 40  | 40'      | 0.89                     | 0.89                        | \$27,629.60             | \$3.05          | \$2,196.55          | \$147.57                | \$2,347.18                 |
| 437328        | R711947       | F     | 41  | 40'      | 0.89                     | 0.89                        | \$27,629.60             | \$3.05          | \$2,196.55          | \$147.57                | \$2,347.18                 |
| 437329        | R711952       | F     | 42  | 40'      | 0.89                     | 0.89                        | \$27,629.60             | \$3.05          | \$2,196.55          | \$147.57                | \$2,347.18                 |
| 437330        | R711957       | F     | 43  | 40'      | 0.89                     | 0.89                        | \$27,629.60             | \$3.05          | \$2,196.55          | \$147.57                | \$2,347.18                 |
| 437331        | R711962       | F     | 44  | 40'      | 0.89                     | 0.89                        | \$27,629.60             | \$3.05          | \$2,196.55          | \$147.57                | \$2,347.18                 |
| 437332        | R711967       | F     | 45  | 40'      | 0.89                     | 0.89                        | \$27,629.60             | \$3.05          | \$2,196.55          | \$147.57                | \$2,347.18                 |
| 437333        | R711972       | F     | 46  | 40'      | 0.89                     | 0.89                        | \$27,629.60             | \$3.05          | \$2,196.55          | \$147.57                | \$2,347.18                 |
| 437335        | R711982       | G     | 2   | 40'      | 0.89                     | 0.89                        | \$27,629.60             | \$3.05          | \$2,196.55          | \$147.57                | \$2,347.18                 |
| 437344        | R712026       | G     | 11  | 40'      | 0.89                     | 0.89                        | \$27,629.60             | \$3.05          | \$2,196.55          | \$147.57                | \$2,347.18                 |
| 437345        | R712031       | G     | 12  | 40'      | 0.89                     | 0.89                        | \$27,629.60             | \$3.05          | \$2,196.55          | \$147.57                | \$2,347.18                 |
| 437346        | R712036       | G     | 13  | 40'      | 0.89                     | 0.89                        | \$27,629.60             | \$3.05          | \$2,196.55          | \$147.57                | \$2,347.18                 |
| 437347        | R712041       | G     | 14  | 40'      | 0.89                     | 0.89                        | \$27,629.60             | \$3.05          | \$2,196.55          | \$147.57                | \$2,347.18                 |
| 437350        | R712056       | G     | 17  | 40'      | 0.89                     | 0.89                        | \$27,629.60             | \$3.05          | \$2,196.55          | \$147.57                | \$2,347.18                 |
| 437351        | R712061       | G     | 18  | 40'      | 0.89                     | 0.89                        | \$27,629.60             | \$3.05          | \$2,196.55          | \$147.57                | \$2,347.18                 |
| 437352        | R712066       | G     | 19  | 40'      | 0.89                     | 0.89                        | \$27,629.60             | \$3.05          | \$2,196.55          | \$147.57                | \$2,347.18                 |
| 437354        | R712076       | G     | 21  | 40'      | 0.89                     | 0.89                        | \$27,629.60             | \$3.05          | \$2,196.55          | \$147.57                | \$2,347.18                 |
| 437355        | R712081       | G     | 22  | 40'      | 0.89                     | 0.89                        | \$27,629.60             | \$3.05          | \$2,196.55          | \$147.57                | \$2,347.18                 |
| 437356        | R712086       | G     | 23  | 40'      | 0.89                     | 0.89                        | \$27,629.60             | \$3.05          | \$2,196.55          | \$147.57                | \$2,347.18                 |
| 437357        | R712091       | G     | 24  | 40'      | 0.89                     | 0.89                        | \$27,629.60             | \$3.05          | \$2,196.55          | \$147.57                | \$2,347.18                 |
| 437358        | R712096       | G     | 25  | 40'      | 0.89                     | 0.89                        | \$27,629.60             | \$3.05          | \$2,196.55          | \$147.57                | \$2,347.18                 |
| 437359        | R712101       | G     | 26  | 40'      | 0.89                     | 0.89                        | \$27,629.60             | \$3.05          | \$2,196.55          | \$147.57                | \$2,347.18                 |
| 437360        | R712106       | G     | 27  | 40'      | 0.89                     | 0.89                        | \$27,629.60             | \$3.05          | \$2,196.55          | \$147.57                | \$2,347.18                 |
| 437361        | R712111       | G     | 28  | 40'      | 0.89                     | 0.89                        | \$27,629.60             | \$3.05          | \$2,196.55          | \$147.57                | \$2,347.18                 |
| 437362        | R712116       | G     | 29  | 40'      | 0.89                     | 0.89                        | \$27,629.60             | \$3.05          | \$2,196.55          | \$147.57                | \$2,347.18                 |
| 437363        | R712121       | G     | 30  | 40'      | 0.89                     | 0.89                        | \$27,629.60             | \$3.05          | \$2,196.55          | \$147.57                | \$2,347.18                 |
| 437364        | R712126       | G     | 31  | 40'      | 0.89                     | 0.89                        | \$27,629.60             | \$3.05          | \$2,196.55          | \$147.57                | \$2,347.18                 |
| 437365        | R712131       | G     | 32  | 40'      | 0.89                     | 0.89                        | \$27,629.60             | \$3.05          | \$2,196.55          | \$147.57                | \$2,347.18                 |
| 437366        | R712136       | G     | 33  | 40'      | 0.89                     | 0.89                        | \$27,629.60             | \$3.05          | \$2,196.55          | \$147.57                | \$2,347.18                 |
| 437367        | R712141       | G     | 34  | 40'      | 0.89                     | 0.89                        | \$27,629.60             | \$3.05          | \$2,196.55          | \$147.57                | \$2,347.18                 |
| 437368        | R712146       | G     | 35  | 40'      | 0.89                     | 0.89                        | \$27,629.60             | \$3.05          | \$2,196.55          | \$147.57                | \$2,347.18                 |
| 437369        | R712151       | G     | 36  | 40'      | 0.89                     | 0.89                        | \$27,629.60             | \$3.05          | \$2,196.55          | \$147.57                | \$2,347.18                 |
| 437370        | R712156       | G     | 37  | 40'      | 0.89                     | 0.89                        | \$27,629.60             | \$3.05          | \$2,196.55          | \$147.57                | \$2,347.18                 |
| 437371        | R712161       | G     | 38  | 40'      | 0.89                     | 0.89                        | \$27,629.60             | \$3.05          | \$2,196.55          | \$147.57                | \$2,347.18                 |
| 437376        | R712186       | H     | 5   | 50'      | 1.00                     | 1.00                        | \$31,083.30             | \$3.43          | \$2,471.12          | \$166.02                | \$2,640.57                 |
| 437382        | R712211       | H     | 11  | 50'      | 1.00                     | 1.00                        | \$31,083.30             | \$3.43          | \$2,471.12          | \$166.02                | \$2,640.57                 |
| 437383        | R712214       | H     | 12  | 50'      | 1.00                     | 1.00                        | \$31,083.30             | \$3.43          | \$2,471.12          | \$166.02                | \$2,640.57                 |
| 437384        | R712218       | H     | 13  | 50'      | 1.00                     | 1.00                        | \$31,083.30             | \$3.43          | \$2,471.12          | \$166.02                | \$2,640.57                 |
| 437386        | R712226       | H     | 15  | 50'      | 1.00                     | 1.00                        | \$31,083.30             | \$3.43          | \$2,471.12          | \$166.02                | \$2,640.57                 |
| 437387        | R712230       | H     | 16  | 50'      | 1.00                     | 1.00                        | \$31,083.30             | \$3.43          | \$2,471.12          | \$166.02                | \$2,640.57                 |
| 437390        | R712242       | H     | 19  | 40'      | 0.89                     | 0.89                        | \$27,629.60             | \$3.05          | \$2,196.55          | \$147.57                | \$2,347.18                 |
| 437391        | R712245       | H     | 20  | 40'      | 0.89                     | 0.89                        | \$27,629.60             | \$3.05          | \$2,196.55          | \$147.57                | \$2,347.18                 |
| 437392        | R712249       | H     | 21  | 40'      | 0.89                     | 0.89                        | \$27,629.60             | \$3.05          | \$2,196.55          | \$147.57                | \$2,347.18                 |
| 437393        | R712252       | H     | 22  | 40'      | 0.89                     | 0.89                        | \$27,629.60             | \$3.05          | \$2,196.55          | \$147.57                | \$2,347.18                 |
| 437394        | R712256       | H     | 23  | 40'      | 0.89                     | 0.89                        | \$27,629.60             | \$3.05          | \$2,196.55          | \$147.57                | \$2,347.18                 |
| 437395        | R712260       | H     | 24  | 40'      | 0.89                     | 0.89                        | \$27,629.60             | \$3.05          | \$2,196.55          | \$147.57                | \$2,347.18                 |
| 437396        | R712264       | H     | 25  | 40'      | 0.89                     | 0.89                        | \$27,629.60             | \$3.05          | \$2,196.55          | \$147.57                | \$2,347.18                 |
| 437397        | R712268       | H     | 26  | 40'      | 0.89                     | 0.89                        | \$27,629.60             | \$3.05          | \$2,196.55          | \$147.57                | \$2,347.18                 |
| 437398        | R712272       | H     | 27  | 40'      | 0.89                     | 0.89                        | \$27,629.60             | \$3.05          | \$2,196.55          | \$147.57                | \$2,347.18                 |
| 437399        | R712276       | H     | 28  | 40'      | 0.89                     | 0.89                        | \$27,629.60             | \$3.05          | \$2,196.55          | \$147.57                | \$2,347.18                 |
| 437400        | R712280       | H     | 29  | 40'      | 0.89                     | 0.89                        | \$27,629.60             | \$3.05          | \$2,196.55          | \$147.57                | \$2,347.18                 |
| 437401        | R712284       | H     | 30  | 40'      | 0.89                     | 0.89                        | \$27,629.60             | \$3.05          | \$2,196.55          | \$147.57                | \$2,347.18                 |
| 437402        | R712288       | H     | 31  | 40'      | 0.89                     | 0.89                        | \$27,629.60             | \$3.05          | \$2,196.55          | \$147.57                | \$2,347.18                 |
| 437403        | R712292       | H     | 32  | 40'      | 0.89                     | 0.89                        | \$27,629.60             | \$3.05          | \$2,196.55          | \$147.57                | \$2,347.18                 |
| 437404        | R712296       | H     | 33  | 40'      | 0.89                     | 0.89                        | \$27,629.60             | \$3.05          | \$2,196.55          | \$147.57                | \$2,347.18                 |
| 437405        | R712300       | H     | 34  | 40'      | 0.89                     | 0.89                        | \$27,629.60             | \$3.05          | \$2,196.55          | \$147.57                | \$2,347.18                 |
| 437407        | R712308       | H     | 36  | 40'      | 0.89                     | 0.89                        | \$27,629.60             | \$3.05          | \$2,196.55          | \$147.57                | \$2,347.18                 |
| 437408        | R712312       | H     | 37  | 40'      | 0.89                     | 0.89                        | \$27,629.60             | \$3.05          | \$2,196.55          | \$147.57                | \$2,347.18                 |
| 437409        | R712316       | H     | 38  | 40'      | 0.89                     | 0.89                        | \$27,629.60             | \$3.05          | \$2,196.55          | \$147.57                | \$2,347.18                 |
| 437411        | R712324       | H     | 40  | 40'      | 0.89                     | 0.89                        | \$27,629.60             | \$3.05          | \$2,196.55          | \$147.57                | \$2,347.18                 |
| 437412        | R712328       | H     | 41  | 40'      | 0.89                     | 0.89                        | \$27,629.60             | \$3.05          | \$2,196.55          | \$147.57                | \$2,347.18                 |
| 437417        | R712347       | I     | 4   | 50'      | 1.00                     | 1.00                        | \$31,083.30             | \$3.43          | \$2,471.12          | \$166.02                | \$2,640.57                 |
| 437418        | R712350       | I     | 5   | 50'      | 1.00                     | 1.00                        | \$31,083.30             | \$3.43          | \$2,471.12          | \$166.02                | \$2,640.57                 |
| 437422        | R712364       | I     | 9   | 50'      | 1.00                     | 1.00                        | \$31,083.30             | \$3.43          | \$2,471.12          | \$166.02                | \$2,640.57                 |
| 437423        | R712367       | I     | 10  | 50'      | 1.00                     | 1.00                        | \$31,083.30             | \$3.43          | \$2,471.12          | \$166.02                | \$2,640.57                 |
| 437426        | R712379       | I     | 13  | 50'      | 1.00                     | 1.00                        | \$15,541.65             | \$1.72          | \$1,235.56          | \$83.01                 | \$1,320.29                 |
| 459350        | TBD           |       |     |          |                          |                             | \$15,541.65             | \$1.72          | \$1,235.56          | \$83.01                 | \$1,320.29                 |
| 437427        | R712383       | I     | 14  | 50'      | 1.00                     | 0.00                        | Prepaid                 | \$0.00          | \$0.00              | \$0.00                  | \$0.00                     |
| 437428        | R712387       | I     | 15  | 50'      | 1.00                     | 1.00                        | \$31,083.30             | \$3.43          | \$2,471.12          | \$166.02                | \$2,640.57                 |
| 437432        | R712403       | I     | 19  | 50'      | 1.00                     | 1.00                        | \$31,083.30             | \$3.43          | \$2,471.12          | \$166.02                | \$2,640.57                 |
| 437433        | R712407       | I     | 20  | 50'      | 1.00                     | 1.00                        | \$31,083.30             | \$3.43          | \$2,471.12          | \$166.02                | \$2,640.57                 |
| 437434        | R712410       | I     | 21  | 50'      | 1.00                     | 1.00                        | \$31,083.30             | \$3.43          | \$2,471.12          | \$166.02                | \$2,640.57                 |
| 437435        | R712414       | I     | 22  | 50'      | 1.00                     | 1.00                        | \$31,083.30             | \$3.43          | \$2,471.12          | \$166.02                | \$2,640.57                 |
| 437449        | R712467       | I     | 36  | 50'      | 1.00                     | 1.00                        | \$31,083.30             | \$3.43          | \$2,471.12          | \$166.02                | \$2,640.57                 |
| 437450        | R712471       | J     | 1   | HOA      | 0.00                     | 0.00                        | \$0.00                  | \$0.00          | \$0.00              | \$0.00                  | \$0.00                     |
| <b>Total</b>  |               |       |     |          | <b>126.44</b>            | <b>125.44</b>               | <b>\$3,899,226.83</b>   | <b>\$430.85</b> | <b>\$309,988.53</b> | <b>\$20,826.00</b>      | <b>\$331,245.39</b>        |



**APPENDIX E**  
**PHASE #2 ASSESSMENT ROLL SUMMARY – 2025-26**  
**LOTS TRIGGERED FOR COLLECTION IN 2025-26**

Appendix E

**BEL AIR VILLAGE PUBLIC IMPROVEMENT DISTRICT  
PHASE #2 2025-26 ASSESSMENT ROLL**

| CAD Parcel ID | Tax Parcel ID | Block | Lot     | Lot Size | Equivalent Unit | Outstanding Assessments | Principal | Interest   | Administrative Expenses | 2025-26 Annual Installment |
|---------------|---------------|-------|---------|----------|-----------------|-------------------------|-----------|------------|-------------------------|----------------------------|
| 456436        | TBD           | A     | IX-HOA  | HOA      | 0.00            | \$0.00                  | \$0.00    | \$0.00     | \$0.00                  | \$0.00                     |
| 456437        | TBD           | A     | 2       | Townhome | 0.83            | \$31,527.16             | \$1.56    | \$2,932.03 | \$93.71                 | \$3,027.30                 |
| 456438        | TBD           | A     | 3       | Townhome | 0.83            | \$31,527.16             | \$1.56    | \$2,932.03 | \$93.71                 | \$3,027.30                 |
| 456439        | TBD           | A     | 4       | Townhome | 0.83            | \$31,527.16             | \$1.56    | \$2,932.03 | \$93.71                 | \$3,027.30                 |
| 456440        | TBD           | A     | 5       | Townhome | 0.83            | \$31,527.16             | \$1.56    | \$2,932.03 | \$93.71                 | \$3,027.30                 |
| 456441        | TBD           | A     | 6       | Townhome | 0.83            | \$31,527.16             | \$1.56    | \$2,932.03 | \$93.71                 | \$3,027.30                 |
| 456442        | TBD           | A     | 7       | Townhome | 0.83            | \$31,527.16             | \$1.56    | \$2,932.03 | \$93.71                 | \$3,027.30                 |
| 456443        | TBD           | A     | 8       | Townhome | 0.83            | \$31,527.16             | \$1.56    | \$2,932.03 | \$93.71                 | \$3,027.30                 |
| 456444        | TBD           | A     | 9       | Townhome | 0.83            | \$31,527.16             | \$1.56    | \$2,932.03 | \$93.71                 | \$3,027.30                 |
| 456445        | TBD           | A     | 10      | Townhome | 0.83            | \$31,527.16             | \$1.56    | \$2,932.03 | \$93.71                 | \$3,027.30                 |
| 456446        | TBD           | A     | 11      | Townhome | 0.83            | \$31,527.16             | \$1.56    | \$2,932.03 | \$93.71                 | \$3,027.30                 |
| 456447        | TBD           | A     | 12      | Townhome | 0.83            | \$31,527.16             | \$1.56    | \$2,932.03 | \$93.71                 | \$3,027.30                 |
| 456448        | TBD           | A     | 13      | Townhome | 0.83            | \$31,527.16             | \$1.56    | \$2,932.03 | \$93.71                 | \$3,027.30                 |
| 456449        | TBD           | A     | 14      | Townhome | 0.83            | \$31,527.16             | \$1.56    | \$2,932.03 | \$93.71                 | \$3,027.30                 |
| 456450        | TBD           | A     | 15      | Townhome | 0.83            | \$31,527.16             | \$1.56    | \$2,932.03 | \$93.71                 | \$3,027.30                 |
| 456451        | TBD           | A     | 16      | Townhome | 0.83            | \$31,527.16             | \$1.56    | \$2,932.03 | \$93.71                 | \$3,027.30                 |
| 456452        | TBD           | A     | 17      | Townhome | 0.83            | \$31,527.16             | \$1.56    | \$2,932.03 | \$93.71                 | \$3,027.30                 |
| 456453        | TBD           | A     | 18      | Townhome | 0.83            | \$31,527.16             | \$1.56    | \$2,932.03 | \$93.71                 | \$3,027.30                 |
| 456454        | TBD           | A     | 19      | Townhome | 0.83            | \$31,527.16             | \$1.56    | \$2,932.03 | \$93.71                 | \$3,027.30                 |
| 456455        | TBD           | A     | 20      | Townhome | 0.83            | \$31,527.16             | \$1.56    | \$2,932.03 | \$93.71                 | \$3,027.30                 |
| 456456        | TBD           | A     | 21      | Townhome | 0.83            | \$31,527.16             | \$1.56    | \$2,932.03 | \$93.71                 | \$3,027.30                 |
| 456457        | TBD           | A     | 22      | Townhome | 0.83            | \$31,527.16             | \$1.56    | \$2,932.03 | \$93.71                 | \$3,027.30                 |
| 456458        | TBD           | A     | 23      | Townhome | 0.83            | \$31,527.16             | \$1.56    | \$2,932.03 | \$93.71                 | \$3,027.30                 |
| 456459        | TBD           | A     | 24      | Townhome | 0.83            | \$31,527.16             | \$1.56    | \$2,932.03 | \$93.71                 | \$3,027.30                 |
| 456460        | TBD           | A     | 25      | Townhome | 0.83            | \$31,527.16             | \$1.56    | \$2,932.03 | \$93.71                 | \$3,027.30                 |
| 456461        | TBD           | A     | 26      | Townhome | 0.83            | \$31,527.16             | \$1.56    | \$2,932.03 | \$93.71                 | \$3,027.30                 |
| 456462        | TBD           | A     | 27      | Townhome | 0.83            | \$31,527.16             | \$1.56    | \$2,932.03 | \$93.71                 | \$3,027.30                 |
| 456463        | TBD           | A     | 28      | Townhome | 0.83            | \$31,527.16             | \$1.56    | \$2,932.03 | \$93.71                 | \$3,027.30                 |
| 456464        | TBD           | A     | 29X-HOA | HOA      | 0.00            | \$0.00                  | \$0.00    | \$0.00     | \$0.00                  | \$0.00                     |
| 456465        | TBD           | A     | 30      | Townhome | 0.83            | \$31,527.16             | \$1.56    | \$2,932.03 | \$93.71                 | \$3,027.30                 |
| 456466        | TBD           | A     | 31      | Townhome | 0.83            | \$31,527.16             | \$1.56    | \$2,932.03 | \$93.71                 | \$3,027.30                 |
| 456467        | TBD           | A     | 32      | Townhome | 0.83            | \$31,527.16             | \$1.56    | \$2,932.03 | \$93.71                 | \$3,027.30                 |
| 456468        | TBD           | A     | 33      | Townhome | 0.83            | \$31,527.16             | \$1.56    | \$2,932.03 | \$93.71                 | \$3,027.30                 |
| 456469        | TBD           | A     | 34X-HOA | HOA      | 0.00            | \$0.00                  | \$0.00    | \$0.00     | \$0.00                  | \$0.00                     |
| 456470        | TBD           | A     | 35      | Townhome | 0.83            | \$31,527.16             | \$1.56    | \$2,932.03 | \$93.71                 | \$3,027.30                 |
| 456471        | TBD           | A     | 36      | Townhome | 0.83            | \$31,527.16             | \$1.56    | \$2,932.03 | \$93.71                 | \$3,027.30                 |
| 456472        | TBD           | A     | 37      | Townhome | 0.83            | \$31,527.16             | \$1.56    | \$2,932.03 | \$93.71                 | \$3,027.30                 |
| 456473        | TBD           | A     | 38      | Townhome | 0.83            | \$31,527.16             | \$1.56    | \$2,932.03 | \$93.71                 | \$3,027.30                 |
| 456474        | TBD           | A     | 39      | Townhome | 0.83            | \$31,527.16             | \$1.56    | \$2,932.03 | \$93.71                 | \$3,027.30                 |
| 456475        | TBD           | A     | 40      | Townhome | 0.83            | \$31,527.16             | \$1.56    | \$2,932.03 | \$93.71                 | \$3,027.30                 |
| 456476        | TBD           | A     | 41      | Townhome | 0.83            | \$31,527.16             | \$1.56    | \$2,932.03 | \$93.71                 | \$3,027.30                 |
| 456477        | TBD           | A     | 42      | Townhome | 0.83            | \$31,527.16             | \$1.56    | \$2,932.03 | \$93.71                 | \$3,027.30                 |
| 456478        | TBD           | A     | 43      | Townhome | 0.83            | \$31,527.16             | \$1.56    | \$2,932.03 | \$93.71                 | \$3,027.30                 |
| 456479        | TBD           | A     | 44      | Townhome | 0.83            | \$31,527.16             | \$1.56    | \$2,932.03 | \$93.71                 | \$3,027.30                 |
| 456480        | TBD           | A     | 45      | Townhome | 0.83            | \$31,527.16             | \$1.56    | \$2,932.03 | \$93.71                 | \$3,027.30                 |
| 456481        | TBD           | A     | 46      | Townhome | 0.83            | \$31,527.16             | \$1.56    | \$2,932.03 | \$93.71                 | \$3,027.30                 |
| 456482        | TBD           | A     | 47      | Townhome | 0.83            | \$31,527.16             | \$1.56    | \$2,932.03 | \$93.71                 | \$3,027.30                 |
| 456483        | TBD           | A     | 48      | Townhome | 0.83            | \$31,527.16             | \$1.56    | \$2,932.03 | \$93.71                 | \$3,027.30                 |
| 456484        | TBD           | A     | 49      | Townhome | 0.83            | \$31,527.16             | \$1.56    | \$2,932.03 | \$93.71                 | \$3,027.30                 |
| 456485        | TBD           | A     | 50      | Townhome | 0.83            | \$31,527.16             | \$1.56    | \$2,932.03 | \$93.71                 | \$3,027.30                 |
| 456486        | TBD           | A     | 51      | Townhome | 0.83            | \$31,527.16             | \$1.56    | \$2,932.03 | \$93.71                 | \$3,027.30                 |
| 456487        | TBD           | A     | 52      | Townhome | 0.83            | \$31,527.16             | \$1.56    | \$2,932.03 | \$93.71                 | \$3,027.30                 |
| 456488        | TBD           | A     | 53      | Townhome | 0.83            | \$31,527.16             | \$1.56    | \$2,932.03 | \$93.71                 | \$3,027.30                 |
| 456489        | TBD           | A     | 54      | Townhome | 0.83            | \$31,527.16             | \$1.56    | \$2,932.03 | \$93.71                 | \$3,027.30                 |
| 456490        | TBD           | A     | 55      | Townhome | 0.83            | \$31,527.16             | \$1.56    | \$2,932.03 | \$93.71                 | \$3,027.30                 |
| 456491        | TBD           | A     | 56      | Townhome | 0.83            | \$31,527.16             | \$1.56    | \$2,932.03 | \$93.71                 | \$3,027.30                 |
| 456492        | TBD           | A     | 57      | Townhome | 0.83            | \$31,527.16             | \$1.56    | \$2,932.03 | \$93.71                 | \$3,027.30                 |
| 456493        | TBD           | A     | 58      | Townhome | 0.83            | \$31,527.16             | \$1.56    | \$2,932.03 | \$93.71                 | \$3,027.30                 |
| 456494        | TBD           | A     | 59      | Townhome | 0.83            | \$31,527.16             | \$1.56    | \$2,932.03 | \$93.71                 | \$3,027.30                 |
| 456495        | TBD           | A     | 60      | Townhome | 0.83            | \$31,527.16             | \$1.56    | \$2,932.03 | \$93.71                 | \$3,027.30                 |
| 456496        | TBD           | A     | 61      | Townhome | 0.83            | \$31,527.16             | \$1.56    | \$2,932.03 | \$93.71                 | \$3,027.30                 |
| 456497        | TBD           | A     | 62X-HOA | HOA      | 0.00            | \$0.00                  | \$0.00    | \$0.00     | \$0.00                  | \$0.00                     |
| 456498        | TBD           | B     | 1       | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456499        | TBD           | B     | 2       | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456500        | TBD           | B     | 3       | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456501        | TBD           | B     | 4       | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456502        | TBD           | B     | 5       | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456503        | TBD           | B     | 6       | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456504        | TBD           | B     | 7       | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456505        | TBD           | B     | 8       | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456506        | TBD           | B     | 9       | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456507        | TBD           | B     | 10      | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456508        | TBD           | B     | 11      | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |

Appendix E

**BEL AIR VILLAGE PUBLIC IMPROVEMENT DISTRICT  
PHASE #2 2025-26 ASSESSMENT ROLL**

| CAD Parcel ID | Tax Parcel ID | Block | Lot     | Lot Size | Equivalent Unit | Outstanding Assessments | Principal | Interest   | Administrative Expenses | 2025-26 Annual Installment |
|---------------|---------------|-------|---------|----------|-----------------|-------------------------|-----------|------------|-------------------------|----------------------------|
| 456509        | TBD           | B     | 12      | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456510        | TBD           | B     | 13      | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456511        | TBD           | B     | 14      | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456512        | TBD           | B     | 15      | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456513        | TBD           | B     | 16      | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456514        | TBD           | B     | 17      | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456515        | TBD           | B     | 18      | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456516        | TBD           | B     | 19      | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456517        | TBD           | B     | 20      | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456518        | TBD           | B     | 21      | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456519        | TBD           | B     | 22      | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456520        | TBD           | B     | 23      | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456521        | TBD           | B     | 24      | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456522        | TBD           | B     | 25      | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456523        | TBD           | B     | 26      | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456524        | TBD           | B     | 27      | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456525        | TBD           | B     | 28      | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456526        | TBD           | B     | 29      | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456527        | TBD           | B     | 30      | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456528        | TBD           | B     | 31      | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456529        | TBD           | B     | 32      | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456530        | TBD           | B     | 33      | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456531        | TBD           | B     | 34      | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456532        | TBD           | B     | 35      | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456533        | TBD           | B     | 36      | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456534        | TBD           | B     | 37      | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456535        | TBD           | B     | 38      | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456536        | TBD           | B     | 39      | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456537        | TBD           | B     | 40      | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456538        | TBD           | B     | 41      | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456539        | TBD           | B     | 42      | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456540        | TBD           | C     | 1       | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456541        | TBD           | C     | 2       | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456542        | TBD           | C     | 3       | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456543        | TBD           | C     | 4       | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456544        | TBD           | C     | 5       | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456545        | TBD           | C     | 6       | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456546        | TBD           | C     | 7       | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456547        | TBD           | C     | 8       | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456548        | TBD           | C     | 9       | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456549        | TBD           | C     | 10      | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456550        | TBD           | C     | 11X-HOA | HOA      | 0.00            | \$0.00                  | \$0.00    | \$0.00     | \$0.00                  | \$0.00                     |
| 456551        | TBD           | C     | 12      | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456552        | TBD           | C     | 13      | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456553        | TBD           | C     | 14      | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456554        | TBD           | C     | 15      | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456555        | TBD           | C     | 16      | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456556        | TBD           | C     | 17      | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456557        | TBD           | C     | 18      | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456558        | TBD           | C     | 19      | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456559        | TBD           | C     | 20      | 50 FT    | 1.00            | \$38,061.29             | \$1.89    | \$3,539.70 | \$113.13                | \$3,654.72                 |
| 456560        | TBD           | C     | 21      | 50 FT    | 1.00            | \$38,061.29             | \$1.89    | \$3,539.70 | \$113.13                | \$3,654.72                 |
| 456561        | TBD           | C     | 22      | 50 FT    | 1.00            | \$38,061.29             | \$1.89    | \$3,539.70 | \$113.13                | \$3,654.72                 |
| 456562        | TBD           | C     | 23      | 50 FT    | 1.00            | \$38,061.29             | \$1.89    | \$3,539.70 | \$113.13                | \$3,654.72                 |
| 456563        | TBD           | C     | 24      | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456564        | TBD           | C     | 25      | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456565        | TBD           | C     | 26      | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456566        | TBD           | C     | 27      | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456567        | TBD           | C     | 28      | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456568        | TBD           | C     | 29      | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456569        | TBD           | C     | 30      | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456570        | TBD           | C     | 31      | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456571        | TBD           | C     | 32      | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456572        | TBD           | C     | 33      | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456573        | TBD           | C     | 34      | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456574        | TBD           | C     | 35      | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456575        | TBD           | C     | 36      | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456576        | TBD           | C     | 37      | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456577        | TBD           | C     | 38      | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456578        | TBD           | C     | 39      | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456579        | TBD           | C     | 40      | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456580        | TBD           | C     | 41      | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |

Appendix E

**BEL AIR VILLAGE PUBLIC IMPROVEMENT DISTRICT  
PHASE #2 2025-26 ASSESSMENT ROLL**

| CAD Parcel ID | Tax Parcel ID | Block | Lot     | Lot Size | Equivalent Unit | Outstanding Assessments | Principal | Interest   | Administrative Expenses | 2025-26 Annual Installment |
|---------------|---------------|-------|---------|----------|-----------------|-------------------------|-----------|------------|-------------------------|----------------------------|
| 456581        | TBD           | D     | 1X-HOA  | HOA      | 0.00            | \$0.00                  | \$0.00    | \$0.00     | \$0.00                  | \$0.00                     |
| 456582        | TBD           | D     | 2X-HOA  | HOA      | 0.00            | \$0.00                  | \$0.00    | \$0.00     | \$0.00                  | \$0.00                     |
| 456583        | TBD           | D     | 3       | 60 FT    | 1.11            | \$42,308.47             | \$2.10    | \$3,934.69 | \$125.76                | \$4,062.54                 |
| 456584        | TBD           | D     | 4       | 60 FT    | 1.11            | \$42,308.47             | \$2.10    | \$3,934.69 | \$125.76                | \$4,062.54                 |
| 456585        | TBD           | D     | 5       | 60 FT    | 1.11            | \$42,308.47             | \$2.10    | \$3,934.69 | \$125.76                | \$4,062.54                 |
| 456586        | TBD           | D     | 6       | 60 FT    | 1.11            | \$42,308.47             | \$2.10    | \$3,934.69 | \$125.76                | \$4,062.54                 |
| 456587        | TBD           | D     | 7       | 60 FT    | 1.11            | \$42,308.47             | \$2.10    | \$3,934.69 | \$125.76                | \$4,062.54                 |
| 456588        | TBD           | D     | 8       | 60 FT    | 1.11            | \$42,308.47             | \$2.10    | \$3,934.69 | \$125.76                | \$4,062.54                 |
| 456589        | TBD           | D     | 9       | 60 FT    | 1.11            | \$42,308.47             | \$2.10    | \$3,934.69 | \$125.76                | \$4,062.54                 |
| 456590        | TBD           | D     | 10      | 60 FT    | 1.11            | \$42,308.47             | \$2.10    | \$3,934.69 | \$125.76                | \$4,062.54                 |
| 456591        | TBD           | D     | 11      | 60 FT    | 1.11            | \$42,308.47             | \$2.10    | \$3,934.69 | \$125.76                | \$4,062.54                 |
| 456592        | TBD           | D     | 12      | 60 FT    | 1.11            | \$42,308.47             | \$2.10    | \$3,934.69 | \$125.76                | \$4,062.54                 |
| 456593        | TBD           | D     | 13      | 60 FT    | 1.11            | \$42,308.47             | \$2.10    | \$3,934.69 | \$125.76                | \$4,062.54                 |
| 456594        | TBD           | D     | 14      | 60 FT    | 1.11            | \$42,308.47             | \$2.10    | \$3,934.69 | \$125.76                | \$4,062.54                 |
| 456595        | TBD           | D     | 15      | 60 FT    | 1.11            | \$42,308.47             | \$2.10    | \$3,934.69 | \$125.76                | \$4,062.54                 |
| 456596        | TBD           | D     | 16      | 60 FT    | 1.11            | \$42,308.47             | \$2.10    | \$3,934.69 | \$125.76                | \$4,062.54                 |
| 456597        | TBD           | D     | 17      | 60 FT    | 1.11            | \$42,308.47             | \$2.10    | \$3,934.69 | \$125.76                | \$4,062.54                 |
| 456598        | TBD           | D     | 18      | 60 FT    | 1.11            | \$42,308.47             | \$2.10    | \$3,934.69 | \$125.76                | \$4,062.54                 |
| 456599        | TBD           | D     | 19      | 60 FT    | 1.11            | \$42,308.47             | \$2.10    | \$3,934.69 | \$125.76                | \$4,062.54                 |
| 456600        | TBD           | D     | 20      | 60 FT    | 1.11            | \$42,308.47             | \$2.10    | \$3,934.69 | \$125.76                | \$4,062.54                 |
| 456601        | TBD           | D     | 21      | 60 FT    | 1.11            | \$42,308.47             | \$2.10    | \$3,934.69 | \$125.76                | \$4,062.54                 |
| 456602        | TBD           | D     | 22      | 60 FT    | 1.11            | \$42,308.47             | \$2.10    | \$3,934.69 | \$125.76                | \$4,062.54                 |
| 456603        | TBD           | D     | 23      | 60 FT    | 1.11            | \$42,308.47             | \$2.10    | \$3,934.69 | \$125.76                | \$4,062.54                 |
| 456604        | TBD           | D     | 24      | 60 FT    | 1.11            | \$42,308.47             | \$2.10    | \$3,934.69 | \$125.76                | \$4,062.54                 |
| 456605        | TBD           | D     | 25      | 50 FT    | 1.00            | \$38,061.29             | \$1.89    | \$3,539.70 | \$113.13                | \$3,654.72                 |
| 456606        | TBD           | D     | 26      | 50 FT    | 1.00            | \$38,061.29             | \$1.89    | \$3,539.70 | \$113.13                | \$3,654.72                 |
| 456607        | TBD           | D     | 27      | 50 FT    | 1.00            | \$38,061.29             | \$1.89    | \$3,539.70 | \$113.13                | \$3,654.72                 |
| 456608        | TBD           | D     | 28      | 50 FT    | 1.00            | \$38,061.29             | \$1.89    | \$3,539.70 | \$113.13                | \$3,654.72                 |
| 456609        | TBD           | D     | 29      | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456610        | TBD           | D     | 30      | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456611        | TBD           | D     | 31      | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456612        | TBD           | D     | 32      | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456613        | TBD           | D     | 33      | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456614        | TBD           | D     | 34X-HOA | HOA      | 0.00            | \$0.00                  | \$0.00    | \$0.00     | \$0.00                  | \$0.00                     |
| 456615        | TBD           | D     | 35      | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456616        | TBD           | D     | 36      | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456617        | TBD           | D     | 37      | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456618        | TBD           | D     | 38      | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456619        | TBD           | D     | 39      | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456620        | TBD           | D     | 40      | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456621        | TBD           | D     | 41      | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456622        | TBD           | D     | 42      | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456623        | TBD           | D     | 43      | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456624        | TBD           | D     | 44      | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456625        | TBD           | D     | 45      | 50 FT    | 1.00            | \$38,061.29             | \$1.89    | \$3,539.70 | \$113.13                | \$3,654.72                 |
| 456626        | TBD           | D     | 46      | 50 FT    | 1.00            | \$38,061.29             | \$1.89    | \$3,539.70 | \$113.13                | \$3,654.72                 |
| 456627        | TBD           | D     | 47      | 50 FT    | 1.00            | \$38,061.29             | \$1.89    | \$3,539.70 | \$113.13                | \$3,654.72                 |
| 456628        | TBD           | D     | 48      | 50 FT    | 1.00            | \$38,061.29             | \$1.89    | \$3,539.70 | \$113.13                | \$3,654.72                 |
| 456629        | TBD           | D     | 49      | 50 FT    | 1.00            | \$38,061.29             | \$1.89    | \$3,539.70 | \$113.13                | \$3,654.72                 |
| 456630        | TBD           | D     | 50      | 50 FT    | 1.00            | \$38,061.29             | \$1.89    | \$3,539.70 | \$113.13                | \$3,654.72                 |
| 456631        | TBD           | D     | 51      | 50 FT    | 1.00            | \$38,061.29             | \$1.89    | \$3,539.70 | \$113.13                | \$3,654.72                 |
| 456632        | TBD           | D     | 52      | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456633        | TBD           | D     | 53      | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456634        | TBD           | D     | 54X-HOA | HOA      | 0.00            | \$0.00                  | \$0.00    | \$0.00     | \$0.00                  | \$0.00                     |
| 456635        | TBD           | E     | 1       | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456636        | TBD           | E     | 2       | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456637        | TBD           | E     | 3       | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456638        | TBD           | E     | 4       | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456639        | TBD           | E     | 5       | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456640        | TBD           | E     | 6       | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456641        | TBD           | E     | 7       | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456642        | TBD           | E     | 8       | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456643        | TBD           | E     | 9       | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456644        | TBD           | E     | 10      | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456645        | TBD           | E     | 11      | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456646        | TBD           | E     | 12      | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456647        | TBD           | E     | 13      | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456648        | TBD           | E     | 14      | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456649        | TBD           | E     | 15      | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456650        | TBD           | E     | 16      | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456651        | TBD           | E     | 17      | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456652        | TBD           | E     | 18      | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |

## Appendix E

**BEL AIR VILLAGE PUBLIC IMPROVEMENT DISTRICT  
PHASE #2 2025-26 ASSESSMENT ROLL**

| CAD Parcel ID | Tax Parcel ID | Block | Lot | Lot Size | Equivalent Unit | Outstanding Assessments | Principal | Interest   | Administrative Expenses | 2025-26 Annual Installment |
|---------------|---------------|-------|-----|----------|-----------------|-------------------------|-----------|------------|-------------------------|----------------------------|
| 456653        | TBD           | E     | 19  | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456654        | TBD           | E     | 20  | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456655        | TBD           | E     | 21  | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456656        | TBD           | E     | 22  | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456657        | TBD           | E     | 23  | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456658        | TBD           | E     | 24  | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456659        | TBD           | E     | 25  | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456660        | TBD           | E     | 26  | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456661        | TBD           | E     | 27  | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456662        | TBD           | E     | 28  | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456663        | TBD           | E     | 29  | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456664        | TBD           | F     | 1   | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456665        | TBD           | F     | 2   | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456666        | TBD           | F     | 3   | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456667        | TBD           | F     | 4   | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456668        | TBD           | F     | 5   | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456669        | TBD           | F     | 6   | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456670        | TBD           | F     | 7   | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456671        | TBD           | F     | 8   | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456672        | TBD           | F     | 9   | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456673        | TBD           | F     | 10  | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456674        | TBD           | F     | 11  | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456675        | TBD           | F     | 12  | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456676        | TBD           | F     | 13  | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456677        | TBD           | F     | 14  | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456678        | TBD           | F     | 15  | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456679        | TBD           | F     | 16  | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456680        | TBD           | F     | 17  | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456681        | TBD           | F     | 18  | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456682        | TBD           | F     | 19  | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456683        | TBD           | F     | 20  | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456684        | TBD           | F     | 21  | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456685        | TBD           | F     | 22  | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456686        | TBD           | F     | 23  | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456687        | TBD           | F     | 24  | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456688        | TBD           | F     | 25  | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456689        | TBD           | F     | 26  | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456690        | TBD           | F     | 27  | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456691        | TBD           | F     | 28  | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456692        | TBD           | F     | 29  | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456693        | TBD           | F     | 30  | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456694        | TBD           | G     | 1   | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456695        | TBD           | G     | 2   | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456696        | TBD           | G     | 3   | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456697        | TBD           | G     | 4   | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456698        | TBD           | G     | 5   | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456699        | TBD           | G     | 6   | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456700        | TBD           | G     | 7   | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456701        | TBD           | G     | 8   | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456702        | TBD           | G     | 9   | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456703        | TBD           | G     | 10  | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456704        | TBD           | G     | 11  | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456705        | TBD           | G     | 12  | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456706        | TBD           | G     | 13  | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456707        | TBD           | G     | 14  | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456708        | TBD           | G     | 15  | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456709        | TBD           | G     | 16  | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456710        | TBD           | G     | 17  | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456711        | TBD           | G     | 18  | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456712        | TBD           | G     | 19  | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456713        | TBD           | G     | 20  | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456714        | TBD           | G     | 21  | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456715        | TBD           | G     | 22  | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456716        | TBD           | G     | 23  | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456717        | TBD           | G     | 24  | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456718        | TBD           | G     | 25  | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456719        | TBD           | G     | 26  | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456720        | TBD           | G     | 27  | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456721        | TBD           | G     | 28  | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456722        | TBD           | G     | 29  | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456723        | TBD           | G     | 30  | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456724        | TBD           | G     | 31  | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |

## Appendix E

**BEL AIR VILLAGE PUBLIC IMPROVEMENT DISTRICT  
PHASE #2 2025-26 ASSESSMENT ROLL**

| CAD Parcel ID | Tax Parcel ID | Block | Lot | Lot Size | Equivalent Unit | Outstanding Assessments | Principal | Interest   | Administrative Expenses | 2025-26 Annual Installment |
|---------------|---------------|-------|-----|----------|-----------------|-------------------------|-----------|------------|-------------------------|----------------------------|
| 456725        | TBD           | G     | 32  | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456726        | TBD           | G     | 33  | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456727        | TBD           | G     | 34  | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456728        | TBD           | G     | 35  | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456729        | TBD           | G     | 36  | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456730        | TBD           | G     | 37  | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456731        | TBD           | G     | 38  | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456732        | TBD           | G     | 39  | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456733        | TBD           | G     | 40  | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456734        | TBD           | G     | 41  | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456735        | TBD           | G     | 42  | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456736        | TBD           | G     | 43  | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456737        | TBD           | G     | 44  | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456738        | TBD           | G     | 45  | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456739        | TBD           | G     | 46  | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456740        | TBD           | G     | 47  | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456741        | TBD           | G     | 48  | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456742        | TBD           | G     | 49  | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456743        | TBD           | G     | 50  | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456744        | TBD           | G     | 51  | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456745        | TBD           | G     | 52  | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456746        | TBD           | G     | 53  | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456747        | TBD           | G     | 54  | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456748        | TBD           | G     | 55  | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456749        | TBD           | H     | 1   | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456750        | TBD           | H     | 2   | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456751        | TBD           | H     | 3   | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456752        | TBD           | H     | 4   | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456753        | TBD           | H     | 5   | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456754        | TBD           | H     | 6   | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456755        | TBD           | H     | 7   | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456756        | TBD           | H     | 8   | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456757        | TBD           | H     | 9   | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456758        | TBD           | H     | 10  | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456759        | TBD           | H     | 11  | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456760        | TBD           | H     | 12  | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456761        | TBD           | H     | 13  | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456762        | TBD           | H     | 14  | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456763        | TBD           | H     | 15  | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456764        | TBD           | H     | 16  | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456765        | TBD           | H     | 17  | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456766        | TBD           | H     | 18  | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456767        | TBD           | H     | 19  | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456768        | TBD           | H     | 20  | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456769        | TBD           | H     | 21  | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456770        | TBD           | H     | 22  | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456771        | TBD           | H     | 23  | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456772        | TBD           | H     | 24  | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456773        | TBD           | I     | 1   | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456774        | TBD           | I     | 2   | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456775        | TBD           | I     | 3   | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456776        | TBD           | I     | 4   | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456777        | TBD           | I     | 5   | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456778        | TBD           | I     | 6   | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456779        | TBD           | I     | 7   | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456780        | TBD           | I     | 8   | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456781        | TBD           | I     | 9   | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456782        | TBD           | I     | 10  | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456783        | TBD           | I     | 11  | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456784        | TBD           | I     | 12  | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456785        | TBD           | I     | 13  | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456786        | TBD           | I     | 14  | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456787        | TBD           | I     | 15  | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456788        | TBD           | I     | 16  | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456789        | TBD           | I     | 17  | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456790        | TBD           | I     | 18  | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456791        | TBD           | I     | 19  | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456792        | TBD           | I     | 20  | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456793        | TBD           | I     | 21  | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456794        | TBD           | I     | 22  | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456795        | TBD           | J     | 1   | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456796        | TBD           | J     | 2   | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |

Appendix E

**BEL AIR VILLAGE PUBLIC IMPROVEMENT DISTRICT  
PHASE #2 2025-26 ASSESSMENT ROLL**

| CAD Parcel ID | Tax Parcel ID | Block | Lot | Lot Size | Equivalent Unit | Outstanding Assessments | Principal | Interest   | Administrative Expenses | 2025-26 Annual Installment |
|---------------|---------------|-------|-----|----------|-----------------|-------------------------|-----------|------------|-------------------------|----------------------------|
| 456797        | TBD           | J     | 3   | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456798        | TBD           | J     | 4   | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456799        | TBD           | J     | 5   | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456800        | TBD           | J     | 6   | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456801        | TBD           | J     | 7   | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456802        | TBD           | J     | 8   | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456803        | TBD           | J     | 9   | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456804        | TBD           | J     | 10  | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456805        | TBD           | J     | 11  | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456806        | TBD           | J     | 12  | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456807        | TBD           | J     | 13  | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456808        | TBD           | J     | 14  | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456809        | TBD           | J     | 15  | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456810        | TBD           | J     | 16  | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456811        | TBD           | J     | 17  | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456812        | TBD           | J     | 18  | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456813        | TBD           | J     | 19  | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456814        | TBD           | J     | 20  | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456815        | TBD           | J     | 21  | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456816        | TBD           | J     | 22  | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456817        | TBD           | J     | 23  | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456818        | TBD           | J     | 24  | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456819        | TBD           | J     | 25  | 40 FT    | 0.96            | \$36,427.76             | \$1.80    | \$3,387.78 | \$108.28                | \$3,497.86                 |
| 456820        | TBD           | K     | 1   | 50 FT    | 1.00            | \$38,061.29             | \$1.89    | \$3,539.70 | \$113.13                | \$3,654.72                 |
| 456821        | TBD           | K     | 2   | 50 FT    | 1.00            | \$38,061.29             | \$1.89    | \$3,539.70 | \$113.13                | \$3,654.72                 |
| 456822        | TBD           | K     | 3   | 50 FT    | 1.00            | \$38,061.29             | \$1.89    | \$3,539.70 | \$113.13                | \$3,654.72                 |
| 456823        | TBD           | K     | 4   | 50 FT    | 1.00            | \$38,061.29             | \$1.89    | \$3,539.70 | \$113.13                | \$3,654.72                 |
| 456824        | TBD           | K     | 5   | 50 FT    | 1.00            | \$38,061.29             | \$1.89    | \$3,539.70 | \$113.13                | \$3,654.72                 |
| 456825        | TBD           | K     | 6   | 50 FT    | 1.00            | \$38,061.29             | \$1.89    | \$3,539.70 | \$113.13                | \$3,654.72                 |
| 456826        | TBD           | K     | 7   | 50 FT    | 1.00            | \$38,061.29             | \$1.89    | \$3,539.70 | \$113.13                | \$3,654.72                 |
| 456827        | TBD           | K     | 8   | 50 FT    | 1.00            | \$38,061.29             | \$1.89    | \$3,539.70 | \$113.13                | \$3,654.72                 |
| 456828        | TBD           | K     | 9   | 50 FT    | 1.00            | \$38,061.29             | \$1.89    | \$3,539.70 | \$113.13                | \$3,654.72                 |
| 456829        | TBD           | K     | 10  | 50 FT    | 1.00            | \$38,061.29             | \$1.89    | \$3,539.70 | \$113.13                | \$3,654.72                 |
| 456830        | TBD           | K     | 11  | 50 FT    | 1.00            | \$38,061.29             | \$1.89    | \$3,539.70 | \$113.13                | \$3,654.72                 |
| 456831        | TBD           | K     | 12  | 50 FT    | 1.00            | \$38,061.29             | \$1.89    | \$3,539.70 | \$113.13                | \$3,654.72                 |
| 456832        | TBD           | K     | 13  | 50 FT    | 1.00            | \$38,061.29             | \$1.89    | \$3,539.70 | \$113.13                | \$3,654.72                 |
| 456833        | TBD           | K     | 14  | 50 FT    | 1.00            | \$38,061.29             | \$1.89    | \$3,539.70 | \$113.13                | \$3,654.72                 |
| 456834        | TBD           | K     | 15  | 50 FT    | 1.00            | \$38,061.29             | \$1.89    | \$3,539.70 | \$113.13                | \$3,654.72                 |
| 456835        | TBD           | K     | 16  | 50 FT    | 1.00            | \$38,061.29             | \$1.89    | \$3,539.70 | \$113.13                | \$3,654.72                 |
| 456836        | TBD           | K     | 17  | 50 FT    | 1.00            | \$38,061.29             | \$1.89    | \$3,539.70 | \$113.13                | \$3,654.72                 |
| 456837        | TBD           | K     | 18  | 50 FT    | 1.00            | \$38,061.29             | \$1.89    | \$3,539.70 | \$113.13                | \$3,654.72                 |
| 456838        | TBD           | K     | 19  | 50 FT    | 1.00            | \$38,061.29             | \$1.89    | \$3,539.70 | \$113.13                | \$3,654.72                 |
| 456839        | TBD           | K     | 20  | 50 FT    | 1.00            | \$38,061.29             | \$1.89    | \$3,539.70 | \$113.13                | \$3,654.72                 |
| 456840        | TBD           | K     | 21  | 50 FT    | 1.00            | \$38,061.29             | \$1.89    | \$3,539.70 | \$113.13                | \$3,654.72                 |
| 456841        | TBD           | K     | 22  | 50 FT    | 1.00            | \$38,061.29             | \$1.89    | \$3,539.70 | \$113.13                | \$3,654.72                 |
| 456842        | TBD           | K     | 23  | 50 FT    | 1.00            | \$38,061.29             | \$1.89    | \$3,539.70 | \$113.13                | \$3,654.72                 |
| 456843        | TBD           | K     | 24  | 50 FT    | 1.00            | \$38,061.29             | \$1.89    | \$3,539.70 | \$113.13                | \$3,654.72                 |
| 456844        | TBD           | K     | 25  | 50 FT    | 1.00            | \$38,061.29             | \$1.89    | \$3,539.70 | \$113.13                | \$3,654.72                 |
| 456845        | TBD           | K     | 26  | 50 FT    | 1.00            | \$38,061.29             | \$1.89    | \$3,539.70 | \$113.13                | \$3,654.72                 |
| 456846        | TBD           | K     | 27  | 50 FT    | 1.00            | \$38,061.29             | \$1.89    | \$3,539.70 | \$113.13                | \$3,654.72                 |
| 456847        | TBD           | K     | 28  | 50 FT    | 1.00            | \$38,061.29             | \$1.89    | \$3,539.70 | \$113.13                | \$3,654.72                 |
| 456848        | TBD           | K     | 29  | 50 FT    | 1.00            | \$38,061.29             | \$1.89    | \$3,539.70 | \$113.13                | \$3,654.72                 |
| 456849        | TBD           | K     | 30  | 50 FT    | 1.00            | \$38,061.29             | \$1.89    | \$3,539.70 | \$113.13                | \$3,654.72                 |
| 456850        | TBD           | K     | 31  | 50 FT    | 1.00            | \$38,061.29             | \$1.89    | \$3,539.70 | \$113.13                | \$3,654.72                 |
| 456851        | TBD           | K     | 32  | 50 FT    | 1.00            | \$38,061.29             | \$1.89    | \$3,539.70 | \$113.13                | \$3,654.72                 |
| 456852        | TBD           | K     | 33  | 50 FT    | 1.00            | \$38,061.29             | \$1.89    | \$3,539.70 | \$113.13                | \$3,654.72                 |
| 456853        | TBD           | K     | 34  | 50 FT    | 1.00            | \$38,061.29             | \$1.89    | \$3,539.70 | \$113.13                | \$3,654.72                 |
| 456854        | TBD           | K     | 35  | 50 FT    | 1.00            | \$38,061.29             | \$1.89    | \$3,539.70 | \$113.13                | \$3,654.72                 |
| 456855        | TBD           | K     | 36  | 50 FT    | 1.00            | \$38,061.29             | \$1.89    | \$3,539.70 | \$113.13                | \$3,654.72                 |
| 456856        | TBD           | K     | 37  | 50 FT    | 1.00            | \$38,061.29             | \$1.89    | \$3,539.70 | \$113.13                | \$3,654.72                 |
| 456857        | TBD           | K     | 38  | 50 FT    | 1.00            | \$38,061.29             | \$1.89    | \$3,539.70 | \$113.13                | \$3,654.72                 |
| 456858        | TBD           | K     | 39  | 50 FT    | 1.00            | \$38,061.29             | \$1.89    | \$3,539.70 | \$113.13                | \$3,654.72                 |
| 456859        | TBD           | K     | 40  | 50 FT    | 1.00            | \$38,061.29             | \$1.89    | \$3,539.70 | \$113.13                | \$3,654.72                 |
| 456860        | TBD           | K     | 41  | 50 FT    | 1.00            | \$38,061.29             | \$1.89    | \$3,539.70 | \$113.13                | \$3,654.72                 |
| 456861        | TBD           | L     | 1   | 60 FT    | 1.11            | \$42,308.47             | \$2.10    | \$3,934.69 | \$125.76                | \$4,062.54                 |
| 456862        | TBD           | L     | 2   | 60 FT    | 1.11            | \$42,308.47             | \$2.10    | \$3,934.69 | \$125.76                | \$4,062.54                 |
| 456863        | TBD           | L     | 3   | 60 FT    | 1.11            | \$42,308.47             | \$2.10    | \$3,934.69 | \$125.76                | \$4,062.54                 |
| 456864        | TBD           | L     | 4   | 60 FT    | 1.11            | \$42,308.47             | \$2.10    | \$3,934.69 | \$125.76                | \$4,062.54                 |
| 456865        | TBD           | L     | 5   | 50 FT    | 1.00            | \$38,061.29             | \$1.89    | \$3,539.70 | \$113.13                | \$3,654.72                 |
| 456866        | TBD           | L     | 6   | 50 FT    | 1.00            | \$38,061.29             | \$1.89    | \$3,539.70 | \$113.13                | \$3,654.72                 |
| 456867        | TBD           | L     | 7   | 50 FT    | 1.00            | \$38,061.29             | \$1.89    | \$3,539.70 | \$113.13                | \$3,654.72                 |
| 456868        | TBD           | L     | 8   | 50 FT    | 1.00            | \$38,061.29             | \$1.89    | \$3,539.70 | \$113.13                | \$3,654.72                 |



Appendix E

**BEL AIR VILLAGE PUBLIC IMPROVEMENT DISTRICT  
PHASE #2 2025-26 ASSESSMENT ROLL**

| CAD Parcel ID | Tax Parcel ID | Block | Lot     | Lot Size | Equivalent Unit | Outstanding Assessments | Principal | Interest   | Administrative Expenses | 2025-26 Annual Installment |
|---------------|---------------|-------|---------|----------|-----------------|-------------------------|-----------|------------|-------------------------|----------------------------|
| 456869        | TBD           | L     | 9       | 50 FT    | 1.00            | \$38,061.29             | \$1.89    | \$3,539.70 | \$113.13                | \$3,654.72                 |
| 456870        | TBD           | L     | 10      | 50 FT    | 1.00            | \$38,061.29             | \$1.89    | \$3,539.70 | \$113.13                | \$3,654.72                 |
| 456871        | TBD           | L     | 11      | 50 FT    | 1.00            | \$38,061.29             | \$1.89    | \$3,539.70 | \$113.13                | \$3,654.72                 |
| 456872        | TBD           | L     | 12      | 50 FT    | 1.00            | \$38,061.29             | \$1.89    | \$3,539.70 | \$113.13                | \$3,654.72                 |
| 456873        | TBD           | L     | 13      | 50 FT    | 1.00            | \$38,061.29             | \$1.89    | \$3,539.70 | \$113.13                | \$3,654.72                 |
| 456874        | TBD           | L     | 14      | 50 FT    | 1.00            | \$38,061.29             | \$1.89    | \$3,539.70 | \$113.13                | \$3,654.72                 |
| 456875        | TBD           | L     | 15      | 50 FT    | 1.00            | \$38,061.29             | \$1.89    | \$3,539.70 | \$113.13                | \$3,654.72                 |
| 456876        | TBD           | L     | 16      | 50 FT    | 1.00            | \$38,061.29             | \$1.89    | \$3,539.70 | \$113.13                | \$3,654.72                 |
| 456877        | TBD           | L     | 17      | 50 FT    | 1.00            | \$38,061.29             | \$1.89    | \$3,539.70 | \$113.13                | \$3,654.72                 |
| 456878        | TBD           | L     | 18      | 50 FT    | 1.00            | \$38,061.29             | \$1.89    | \$3,539.70 | \$113.13                | \$3,654.72                 |
| 456879        | TBD           | L     | 19      | 50 FT    | 1.00            | \$38,061.29             | \$1.89    | \$3,539.70 | \$113.13                | \$3,654.72                 |
| 456880        | TBD           | L     | 20      | 50 FT    | 1.00            | \$38,061.29             | \$1.89    | \$3,539.70 | \$113.13                | \$3,654.72                 |
| 456881        | TBD           | M     | 1       | 60 FT    | 1.11            | \$42,308.47             | \$2.10    | \$3,934.69 | \$125.76                | \$4,062.54                 |
| 456882        | TBD           | M     | 2       | 60 FT    | 1.11            | \$42,308.47             | \$2.10    | \$3,934.69 | \$125.76                | \$4,062.54                 |
| 456883        | TBD           | M     | 3       | 60 FT    | 1.11            | \$42,308.47             | \$2.10    | \$3,934.69 | \$125.76                | \$4,062.54                 |
| 456884        | TBD           | M     | 4       | 60 FT    | 1.11            | \$42,308.47             | \$2.10    | \$3,934.69 | \$125.76                | \$4,062.54                 |
| 456885        | TBD           | M     | 5       | 50 FT    | 1.00            | \$38,061.29             | \$1.89    | \$3,539.70 | \$113.13                | \$3,654.72                 |
| 456886        | TBD           | M     | 6       | 50 FT    | 1.00            | \$38,061.29             | \$1.89    | \$3,539.70 | \$113.13                | \$3,654.72                 |
| 456887        | TBD           | M     | 7       | 50 FT    | 1.00            | \$38,061.29             | \$1.89    | \$3,539.70 | \$113.13                | \$3,654.72                 |
| 456888        | TBD           | M     | 8       | 50 FT    | 1.00            | \$38,061.29             | \$1.89    | \$3,539.70 | \$113.13                | \$3,654.72                 |
| 456889        | TBD           | M     | 9       | 50 FT    | 1.00            | \$19,030.64             | \$0.94    | \$1,769.85 | \$56.57                 | \$1,827.36                 |
| 466475        | TBD           |       |         |          |                 | \$19,030.64             | \$0.94    | \$1,769.85 | \$56.57                 | \$1,827.36                 |
| 456890        | TBD           | M     | 10      | 50 FT    | 1.00            | \$38,061.29             | \$1.89    | \$3,539.70 | \$113.13                | \$3,654.72                 |
| 456891        | TBD           | M     | 11      | 50 FT    | 1.00            | \$38,061.29             | \$1.89    | \$3,539.70 | \$113.13                | \$3,654.72                 |
| 456892        | TBD           | M     | 12      | 50 FT    | 1.00            | \$38,061.29             | \$1.89    | \$3,539.70 | \$113.13                | \$3,654.72                 |
| 456893        | TBD           | M     | 13      | 50 FT    | 1.00            | \$38,061.29             | \$1.89    | \$3,539.70 | \$113.13                | \$3,654.72                 |
| 456894        | TBD           | M     | 14      | 50 FT    | 1.00            | \$38,061.29             | \$1.89    | \$3,539.70 | \$113.13                | \$3,654.72                 |
| 456895        | TBD           | M     | 15      | 50 FT    | 1.00            | \$38,061.29             | \$1.89    | \$3,539.70 | \$113.13                | \$3,654.72                 |
| 456896        | TBD           | M     | 16      | 50 FT    | 1.00            | \$38,061.29             | \$1.89    | \$3,539.70 | \$113.13                | \$3,654.72                 |
| 456897        | TBD           | M     | 17      | 50 FT    | 1.00            | \$38,061.29             | \$1.89    | \$3,539.70 | \$113.13                | \$3,654.72                 |
| 456898        | TBD           | M     | 18      | 50 FT    | 1.00            | \$38,061.29             | \$1.89    | \$3,539.70 | \$113.13                | \$3,654.72                 |
| 456899        | TBD           | M     | 19      | 50 FT    | 1.00            | \$38,061.29             | \$1.89    | \$3,539.70 | \$113.13                | \$3,654.72                 |
| 456900        | TBD           | N     | IX-HOA  | HOA      | 0.00            | \$0.00                  | \$0.00    | \$0.00     | \$0.00                  | \$0.00                     |
| 456901        | TBD           | N     | 2       | Townhome | 0.83            | \$31,527.16             | \$1.56    | \$2,932.03 | \$93.71                 | \$3,027.30                 |
| 456902        | TBD           | N     | 3       | Townhome | 0.83            | \$31,527.16             | \$1.56    | \$2,932.03 | \$93.71                 | \$3,027.30                 |
| 456903        | TBD           | N     | 4       | Townhome | 0.83            | \$31,527.16             | \$1.56    | \$2,932.03 | \$93.71                 | \$3,027.30                 |
| 456904        | TBD           | N     | 5       | Townhome | 0.83            | \$31,527.16             | \$1.56    | \$2,932.03 | \$93.71                 | \$3,027.30                 |
| 456905        | TBD           | N     | 6       | Townhome | 0.83            | \$31,527.16             | \$1.56    | \$2,932.03 | \$93.71                 | \$3,027.30                 |
| 456906        | TBD           | N     | 7       | Townhome | 0.83            | \$31,527.16             | \$1.56    | \$2,932.03 | \$93.71                 | \$3,027.30                 |
| 456907        | TBD           | N     | 8       | Townhome | 0.83            | \$31,527.16             | \$1.56    | \$2,932.03 | \$93.71                 | \$3,027.30                 |
| 456908        | TBD           | N     | 9       | Townhome | 0.83            | \$31,527.16             | \$1.56    | \$2,932.03 | \$93.71                 | \$3,027.30                 |
| 456909        | TBD           | N     | 10      | Townhome | 0.83            | \$31,527.16             | \$1.56    | \$2,932.03 | \$93.71                 | \$3,027.30                 |
| 456910        | TBD           | N     | 11      | Townhome | 0.83            | \$31,527.16             | \$1.56    | \$2,932.03 | \$93.71                 | \$3,027.30                 |
| 456911        | TBD           | N     | 12      | Townhome | 0.83            | \$31,527.16             | \$1.56    | \$2,932.03 | \$93.71                 | \$3,027.30                 |
| 456912        | TBD           | N     | 13      | Townhome | 0.83            | \$31,527.16             | \$1.56    | \$2,932.03 | \$93.71                 | \$3,027.30                 |
| 456913        | TBD           | N     | 14      | Townhome | 0.83            | \$31,527.16             | \$1.56    | \$2,932.03 | \$93.71                 | \$3,027.30                 |
| 456914        | TBD           | N     | 15      | Townhome | 0.83            | \$31,527.16             | \$1.56    | \$2,932.03 | \$93.71                 | \$3,027.30                 |
| 456915        | TBD           | N     | 16X-HOA | HOA      | 0.00            | \$0.00                  | \$0.00    | \$0.00     | \$0.00                  | \$0.00                     |
| 456916        | TBD           | N     | 17X-HOA | HOA      | 0.00            | \$0.00                  | \$0.00    | \$0.00     | \$0.00                  | \$0.00                     |
| 456917        | TBD           | N     | 18      | Townhome | 0.83            | \$31,527.16             | \$1.56    | \$2,932.03 | \$93.71                 | \$3,027.30                 |
| 456918        | TBD           | N     | 19      | Townhome | 0.83            | \$31,527.16             | \$1.56    | \$2,932.03 | \$93.71                 | \$3,027.30                 |
| 456919        | TBD           | N     | 20      | Townhome | 0.83            | \$31,527.16             | \$1.56    | \$2,932.03 | \$93.71                 | \$3,027.30                 |
| 456920        | TBD           | N     | 21      | Townhome | 0.83            | \$31,527.16             | \$1.56    | \$2,932.03 | \$93.71                 | \$3,027.30                 |
| 456921        | TBD           | N     | 22      | Townhome | 0.83            | \$31,527.16             | \$1.56    | \$2,932.03 | \$93.71                 | \$3,027.30                 |
| 456922        | TBD           | N     | 23      | Townhome | 0.83            | \$31,527.16             | \$1.56    | \$2,932.03 | \$93.71                 | \$3,027.30                 |
| 456923        | TBD           | N     | 24      | Townhome | 0.83            | \$31,527.16             | \$1.56    | \$2,932.03 | \$93.71                 | \$3,027.30                 |
| 456924        | TBD           | N     | 25      | Townhome | 0.83            | \$31,527.16             | \$1.56    | \$2,932.03 | \$93.71                 | \$3,027.30                 |
| 456925        | TBD           | N     | 26      | Townhome | 0.83            | \$31,527.16             | \$1.56    | \$2,932.03 | \$93.71                 | \$3,027.30                 |
| 456926        | TBD           | N     | 27      | Townhome | 0.83            | \$31,527.16             | \$1.56    | \$2,932.03 | \$93.71                 | \$3,027.30                 |
| 456927        | TBD           | N     | 28      | Townhome | 0.83            | \$31,527.16             | \$1.56    | \$2,932.03 | \$93.71                 | \$3,027.30                 |
| 456928        | TBD           | N     | 29      | Townhome | 0.83            | \$31,527.16             | \$1.56    | \$2,932.03 | \$93.71                 | \$3,027.30                 |
| 456929        | TBD           | N     | 30      | Townhome | 0.83            | \$31,527.16             | \$1.56    | \$2,932.03 | \$93.71                 | \$3,027.30                 |
| 456930        | TBD           | N     | 31      | Townhome | 0.83            | \$31,527.16             | \$1.56    | \$2,932.03 | \$93.71                 | \$3,027.30                 |
| 456931        | TBD           | N     | 32      | Townhome | 0.83            | \$31,527.16             | \$1.56    | \$2,932.03 | \$93.71                 | \$3,027.30                 |
| 456932        | TBD           | N     | 33      | Townhome | 0.83            | \$31,527.16             | \$1.56    | \$2,932.03 | \$93.71                 | \$3,027.30                 |
| 456933        | TBD           | N     | 34X-HOA | HOA      | 0.00            | \$0.00                  | \$0.00    | \$0.00     | \$0.00                  | \$0.00                     |
| 456934        | TBD           | O     | 1X-HOA  | HOA      | 0.00            | \$0.00                  | \$0.00    | \$0.00     | \$0.00                  | \$0.00                     |
| 456935        | TBD           | O     | 2       | Townhome | 0.83            | \$31,527.16             | \$1.56    | \$2,932.03 | \$93.71                 | \$3,027.30                 |
| 456936        | TBD           | O     | 3       | Townhome | 0.83            | \$31,527.16             | \$1.56    | \$2,932.03 | \$93.71                 | \$3,027.30                 |
| 456937        | TBD           | O     | 4       | Townhome | 0.83            | \$31,527.16             | \$1.56    | \$2,932.03 | \$93.71                 | \$3,027.30                 |
| 456938        | TBD           | O     | 5       | Townhome | 0.83            | \$31,527.16             | \$1.56    | \$2,932.03 | \$93.71                 | \$3,027.30                 |
| 456939        | TBD           | O     | 6       | Townhome | 0.83            | \$31,527.16             | \$1.56    | \$2,932.03 | \$93.71                 | \$3,027.30                 |



Appendix E

**BEL AIR VILLAGE PUBLIC IMPROVEMENT DISTRICT  
PHASE #2 2025-26 ASSESSMENT ROLL**

| CAD Parcel ID | Tax Parcel ID | Block | Lot     | Lot Size | Equivalent Unit | Outstanding Assessments | Principal | Interest   | Administrative Expenses | 2025-26 Annual Installment |
|---------------|---------------|-------|---------|----------|-----------------|-------------------------|-----------|------------|-------------------------|----------------------------|
| 456940        | TBD           | O     | 7       | Townhome | 0.83            | \$31,527.16             | \$1.56    | \$2,932.03 | \$93.71                 | \$3,027.30                 |
| 456941        | TBD           | O     | 8       | Townhome | 0.83            | \$31,527.16             | \$1.56    | \$2,932.03 | \$93.71                 | \$3,027.30                 |
| 456942        | TBD           | O     | 9       | Townhome | 0.83            | \$31,527.16             | \$1.56    | \$2,932.03 | \$93.71                 | \$3,027.30                 |
| 456943        | TBD           | O     | 10      | Townhome | 0.83            | \$31,527.16             | \$1.56    | \$2,932.03 | \$93.71                 | \$3,027.30                 |
| 456944        | TBD           | O     | 11      | Townhome | 0.83            | \$31,527.16             | \$1.56    | \$2,932.03 | \$93.71                 | \$3,027.30                 |
| 456945        | TBD           | O     | 12      | Townhome | 0.83            | \$31,527.16             | \$1.56    | \$2,932.03 | \$93.71                 | \$3,027.30                 |
| 456946        | TBD           | O     | 13      | Townhome | 0.83            | \$31,527.16             | \$1.56    | \$2,932.03 | \$93.71                 | \$3,027.30                 |
| 456947        | TBD           | O     | 14      | Townhome | 0.83            | \$31,527.16             | \$1.56    | \$2,932.03 | \$93.71                 | \$3,027.30                 |
| 456948        | TBD           | O     | 15      | Townhome | 0.83            | \$31,527.16             | \$1.56    | \$2,932.03 | \$93.71                 | \$3,027.30                 |
| 456949        | TBD           | O     | 16      | Townhome | 0.83            | \$31,527.16             | \$1.56    | \$2,932.03 | \$93.71                 | \$3,027.30                 |
| 456950        | TBD           | O     | 17      | Townhome | 0.83            | \$31,527.16             | \$1.56    | \$2,932.03 | \$93.71                 | \$3,027.30                 |
| 456951        | TBD           | O     | 18      | Townhome | 0.83            | \$31,527.16             | \$1.56    | \$2,932.03 | \$93.71                 | \$3,027.30                 |
| 456952        | TBD           | O     | 19      | Townhome | 0.83            | \$31,527.16             | \$1.56    | \$2,932.03 | \$93.71                 | \$3,027.30                 |
| 456953        | TBD           | O     | 20      | Townhome | 0.83            | \$31,527.16             | \$1.56    | \$2,932.03 | \$93.71                 | \$3,027.30                 |
| 456954        | TBD           | O     | 21      | Townhome | 0.83            | \$31,527.16             | \$1.56    | \$2,932.03 | \$93.71                 | \$3,027.30                 |
| 456955        | TBD           | O     | 22X-HOA | HOA      | 0.00            | \$0.00                  | \$0.00    | \$0.00     | \$0.00                  | \$0.00                     |
| 456956        | TBD           | O     | 23      | Townhome | 0.83            | \$31,527.16             | \$1.56    | \$2,932.03 | \$93.71                 | \$3,027.30                 |
| 456957        | TBD           | O     | 24      | Townhome | 0.83            | \$31,527.16             | \$1.56    | \$2,932.03 | \$93.71                 | \$3,027.30                 |
| 456958        | TBD           | O     | 25      | Townhome | 0.83            | \$31,527.16             | \$1.56    | \$2,932.03 | \$93.71                 | \$3,027.30                 |
| 456959        | TBD           | O     | 26      | Townhome | 0.83            | \$31,527.16             | \$1.56    | \$2,932.03 | \$93.71                 | \$3,027.30                 |
| 456960        | TBD           | O     | 27      | Townhome | 0.83            | \$31,527.16             | \$1.56    | \$2,932.03 | \$93.71                 | \$3,027.30                 |
| 456961        | TBD           | O     | 28      | Townhome | 0.83            | \$31,527.16             | \$1.56    | \$2,932.03 | \$93.71                 | \$3,027.30                 |
| 456962        | TBD           | O     | 29      | Townhome | 0.83            | \$31,527.16             | \$1.56    | \$2,932.03 | \$93.71                 | \$3,027.30                 |
| 456963        | TBD           | O     | 30      | Townhome | 0.83            | \$31,527.16             | \$1.56    | \$2,932.03 | \$93.71                 | \$3,027.30                 |
| 456964        | TBD           | O     | 31      | Townhome | 0.83            | \$31,527.16             | \$1.56    | \$2,932.03 | \$93.71                 | \$3,027.30                 |
| 456965        | TBD           | O     | 32      | Townhome | 0.83            | \$31,527.16             | \$1.56    | \$2,932.03 | \$93.71                 | \$3,027.30                 |
| 456966        | TBD           | O     | 33      | Townhome | 0.83            | \$31,527.16             | \$1.56    | \$2,932.03 | \$93.71                 | \$3,027.30                 |
| 456967        | TBD           | O     | 34      | Townhome | 0.83            | \$31,527.16             | \$1.56    | \$2,932.03 | \$93.71                 | \$3,027.30                 |
| 456968        | TBD           | O     | 35      | Townhome | 0.83            | \$31,527.16             | \$1.56    | \$2,932.03 | \$93.71                 | \$3,027.30                 |
| 456969        | TBD           | O     | 36      | Townhome | 0.83            | \$31,527.16             | \$1.56    | \$2,932.03 | \$93.71                 | \$3,027.30                 |
| 456970        | TBD           | O     | 37      | Townhome | 0.83            | \$31,527.16             | \$1.56    | \$2,932.03 | \$93.71                 | \$3,027.30                 |
| 456971        | TBD           | O     | 38      | Townhome | 0.83            | \$31,527.16             | \$1.56    | \$2,932.03 | \$93.71                 | \$3,027.30                 |
| 456972        | TBD           | O     | 39      | Townhome | 0.83            | \$31,527.16             | \$1.56    | \$2,932.03 | \$93.71                 | \$3,027.30                 |
| 456973        | TBD           | O     | 40      | Townhome | 0.83            | \$31,527.16             | \$1.56    | \$2,932.03 | \$93.71                 | \$3,027.30                 |
| 456974        | TBD           | O     | 41      | Townhome | 0.83            | \$31,527.16             | \$1.56    | \$2,932.03 | \$93.71                 | \$3,027.30                 |
| 456975        | TBD           | O     | 42      | Townhome | 0.83            | \$31,527.16             | \$1.56    | \$2,932.03 | \$93.71                 | \$3,027.30                 |
| 456976        | TBD           | O     | 43X-HOA | HOA      | 0.00            | \$0.00                  | \$0.00    | \$0.00     | \$0.00                  | \$0.00                     |
| 456977        | TBD           | P     | 1       | 50 FT    | 1.00            | \$38,061.29             | \$1.89    | \$3,539.70 | \$113.13                | \$3,654.72                 |
| 456978        | TBD           | P     | 2       | 50 FT    | 1.00            | \$38,061.29             | \$1.89    | \$3,539.70 | \$113.13                | \$3,654.72                 |
| 456979        | TBD           | P     | 3       | 50 FT    | 1.00            | \$38,061.29             | \$1.89    | \$3,539.70 | \$113.13                | \$3,654.72                 |
| 456980        | TBD           | P     | 4       | 50 FT    | 1.00            | \$38,061.29             | \$1.89    | \$3,539.70 | \$113.13                | \$3,654.72                 |
| 456981        | TBD           | P     | 5       | 50 FT    | 1.00            | \$38,061.29             | \$1.89    | \$3,539.70 | \$113.13                | \$3,654.72                 |
| 456982        | TBD           | P     | 6       | 50 FT    | 1.00            | \$38,061.29             | \$1.89    | \$3,539.70 | \$113.13                | \$3,654.72                 |
| 456983        | TBD           | P     | 7       | 50 FT    | 1.00            | \$38,061.29             | \$1.89    | \$3,539.70 | \$113.13                | \$3,654.72                 |
| 456984        | TBD           | P     | 8       | 50 FT    | 1.00            | \$38,061.29             | \$1.89    | \$3,539.70 | \$113.13                | \$3,654.72                 |
| 456985        | TBD           | P     | 9       | 50 FT    | 1.00            | \$38,061.29             | \$1.89    | \$3,539.70 | \$113.13                | \$3,654.72                 |
| 456986        | TBD           | P     | 10      | 50 FT    | 1.00            | \$38,061.29             | \$1.89    | \$3,539.70 | \$113.13                | \$3,654.72                 |
| 456987        | TBD           | P     | 11      | 50 FT    | 1.00            | \$38,061.29             | \$1.89    | \$3,539.70 | \$113.13                | \$3,654.72                 |
| 456988        | TBD           | P     | 12      | 50 FT    | 1.00            | \$38,061.29             | \$1.89    | \$3,539.70 | \$113.13                | \$3,654.72                 |
| 456989        | TBD           | P     | 13      | 50 FT    | 1.00            | \$38,061.29             | \$1.89    | \$3,539.70 | \$113.13                | \$3,654.72                 |
| 456990        | TBD           | P     | 14      | 50 FT    | 1.00            | \$38,061.29             | \$1.89    | \$3,539.70 | \$113.13                | \$3,654.72                 |
| 456991        | TBD           | P     | 15      | 50 FT    | 1.00            | \$38,061.29             | \$1.89    | \$3,539.70 | \$113.13                | \$3,654.72                 |
| 456992        | TBD           | P     | 16      | 50 FT    | 1.00            | \$38,061.29             | \$1.89    | \$3,539.70 | \$113.13                | \$3,654.72                 |
| 456993        | TBD           | P     | 17      | 50 FT    | 1.00            | \$38,061.29             | \$1.89    | \$3,539.70 | \$113.13                | \$3,654.72                 |
| 456994        | TBD           | P     | 18      | 50 FT    | 1.00            | \$38,061.29             | \$1.89    | \$3,539.70 | \$113.13                | \$3,654.72                 |
| 456995        | TBD           | Q     | 1       | 50 FT    | 1.00            | \$38,061.29             | \$1.89    | \$3,539.70 | \$113.13                | \$3,654.72                 |
| 456996        | TBD           | Q     | 2       | 50 FT    | 1.00            | \$38,061.29             | \$1.89    | \$3,539.70 | \$113.13                | \$3,654.72                 |
| 456997        | TBD           | Q     | 3       | 50 FT    | 1.00            | \$38,061.29             | \$1.89    | \$3,539.70 | \$113.13                | \$3,654.72                 |
| 456998        | TBD           | Q     | 4       | 50 FT    | 1.00            | \$38,061.29             | \$1.89    | \$3,539.70 | \$113.13                | \$3,654.72                 |
| 456999        | TBD           | Q     | 5       | 50 FT    | 1.00            | \$38,061.29             | \$1.89    | \$3,539.70 | \$113.13                | \$3,654.72                 |
| 457000        | TBD           | Q     | 6       | 50 FT    | 1.00            | \$38,061.29             | \$1.89    | \$3,539.70 | \$113.13                | \$3,654.72                 |
| 457001        | TBD           | Q     | 7       | 50 FT    | 1.00            | \$38,061.29             | \$1.89    | \$3,539.70 | \$113.13                | \$3,654.72                 |
| 457002        | TBD           | Q     | 8       | 50 FT    | 1.00            | \$38,061.29             | \$1.89    | \$3,539.70 | \$113.13                | \$3,654.72                 |
| 457003        | TBD           | Q     | 9       | 50 FT    | 1.00            | \$38,061.29             | \$1.89    | \$3,539.70 | \$113.13                | \$3,654.72                 |
| 457004        | TBD           | Q     | 10      | 50 FT    | 1.00            | \$38,061.29             | \$1.89    | \$3,539.70 | \$113.13                | \$3,654.72                 |
| 457005        | TBD           | Q     | 11      | 50 FT    | 1.00            | \$38,061.29             | \$1.89    | \$3,539.70 | \$113.13                | \$3,654.72                 |
| 457006        | TBD           | Q     | 12      | 50 FT    | 1.00            | \$38,061.29             | \$1.89    | \$3,539.70 | \$113.13                | \$3,654.72                 |
| 457007        | TBD           | Q     | 13      | 50 FT    | 1.00            | \$38,061.29             | \$1.89    | \$3,539.70 | \$113.13                | \$3,654.72                 |
| 457008        | TBD           | Q     | 14      | 50 FT    | 1.00            | \$38,061.29             | \$1.89    | \$3,539.70 | \$113.13                | \$3,654.72                 |
| 457009        | TBD           | Q     | 15      | 50 FT    | 1.00            | \$38,061.29             | \$1.89    | \$3,539.70 | \$113.13                | \$3,654.72                 |
| 457010        | TBD           | Q     | 16      | 50 FT    | 1.00            | \$38,061.29             | \$1.89    | \$3,539.70 | \$113.13                | \$3,654.72                 |

Appendix E

**BEL AIR VILLAGE PUBLIC IMPROVEMENT DISTRICT  
PHASE #2 2025-26 ASSESSMENT ROLL**

| <b>CAD Parcel ID</b> | <b>Tax Parcel ID</b> | <b>Block</b> | <b>Lot</b> | <b>Lot Size</b> | <b>Equivalent Unit</b> | <b>Outstanding Assessments</b> | <b>Principal</b>  | <b>Interest</b>       | <b>Administrative Expenses</b> | <b>2025-26 Annual Installment</b> |
|----------------------|----------------------|--------------|------------|-----------------|------------------------|--------------------------------|-------------------|-----------------------|--------------------------------|-----------------------------------|
| 457011               | TBD                  | Q            | 17         | 50 FT           | 1.00                   | \$38,061.29                    | \$1.89            | \$3,539.70            | \$113.13                       | \$3,654.72                        |
| 457012               | TBD                  | Q            | 18         | 50 FT           | 1.00                   | \$38,061.29                    | \$1.89            | \$3,539.70            | \$113.13                       | \$3,654.72                        |
| <b>Total</b>         |                      |              |            |                 | <b>530.36</b>          | <b>\$20,186,041.91</b>         | <b>\$1,000.00</b> | <b>\$1,877,301.90</b> | <b>\$60,000.00</b>             | <b>\$1,938,301.90</b>             |

**APPENDIX F**  
**PID ASSESSMENT NOTICE**

**PID Assessment Notice**

NOTICE OF OBLIGATION TO PAY PUBLIC IMPROVEMENT DISTRICT ASSESSMENT  
TO  
CITY OF SHERMAN, TEXAS  
CONCERNING THE FOLLOWING PROPERTY

[insert property address]

As the purchaser of the real property described above, you are obligated to pay assessments to the City of Sherman, Texas (the "City"), for the costs of a portion of a public improvement or services project (the "Authorized Improvements") undertaken for the benefit of the property within the Bel Air Village Public Improvement District (the "District") created under Subchapter A, Chapter 372, Local Government Code.

AN ASSESSMENT HAS BEEN LEVIED AGAINST YOUR PROPERTY FOR THE AUTHORIZED IMPROVEMENTS, WHICH MAY BE PAID IN FULL AT ANY TIME. IF THE ASSESSMENT IS NOT PAID IN FULL, IT WILL BE DUE AND PAYABLE IN ANNUAL INSTALLMENTS THAT WILL VARY FROM YEAR TO YEAR DEPENDING ON THE AMOUNT OF INTEREST PAID, COLLECTION COSTS, ADMINISTRATIVE COSTS, AND DELINQUENCY COSTS.

The exact amount of the assessment may be obtained from the City. The exact amount of each annual installment will be approved each year by the City Council in the Annual Service Plan Update for the District. More information about the assessments, including the amounts and due dates, may be obtained from the City or MuniCap, Inc., the District Administrator for the City, located at 600 E. John Carpenter Fwy, Suite 150, Irving, Texas 75062 and available by telephone at (469) 490-2800 or (866) 648-8482 (toll free) and email at [txpid@municap.com](mailto:txpid@municap.com).

Your failure to pay any assessment or any annual installment may result in penalties and interest being added to what you owe or in a lien on and the foreclosure of your property.

Date: \_\_\_\_\_

\_\_\_\_\_  
Signature of Seller

\_\_\_\_\_  
Signature of Seller

STATE OF TEXAS

§

§

COUNTY OF \_\_\_\_\_

§

The foregoing instrument was acknowledged before me by \_\_\_\_\_ and \_\_\_\_\_, known to me to be the person(s) whose name(s) is/are subscribed to the foregoing instrument, and acknowledged to me that he or she executed the same for the purposes therein expressed, in the capacity stated and as the act and deed of the above-referenced entities as an authorized signatory of said entities.

Given under my hand and seal of office on this \_\_\_\_\_, 20\_\_.

\_\_\_\_\_  
Notary Public, State of Texas

The undersigned purchaser acknowledges receipt of this notice before the effective date of a binding contract for the purchase of the real property at the address described above.

Date: \_\_\_\_\_

\_\_\_\_\_  
Signature of Purchaser

\_\_\_\_\_  
Signature of Purchaser

STATE OF TEXAS

§

§

COUNTY OF \_\_\_\_\_

§

The foregoing instrument was acknowledged before me by \_\_\_\_\_ and \_\_\_\_\_, known to me to be the person(s) whose name(s) is/are subscribed to the foregoing instrument, and acknowledged to me that he or she executed the same for the purposes therein expressed, in the capacity stated and as the act and deed of the above-referenced entities as an authorized signatory of said entities.

Given under my hand and seal of office on this \_\_\_\_\_, 20\_\_.

\_\_\_\_\_  
Notary Public, State of Texas

# **Bel Air Village Public Improvement District City of Sherman, Texas**

Presented to City Council on  
August 18, 2025

# **Annual Service and Assessment**

## **Plan Update**

- Authorized Improvements budget
- Outstanding Assessments
- Annual Budgets
- Annual Installments
- Changes to Assessment Methodology
- Projected Tax Rate Equivalent per Unit
- Parcel Subdivisions and Consolidations
- Prepayments
- Next Steps

# Authorized Improvements

## ■ Phase #1 Improvements completed

| Sources of Funds                 | Initial Estimated Budget | Actual Amount Spent | Variance           |
|----------------------------------|--------------------------|---------------------|--------------------|
| Assessments                      | \$9,060,054              | \$9,060,054         | \$0                |
| Other funding sources            | \$0                      | \$1,301,673         | \$1,301,673        |
| <b>Total Sources<sup>1</sup></b> | <b>\$9,060,054</b>       | <b>\$10,361,727</b> | <b>\$1,301,673</b> |

| Uses of Funds                          |                    |                     |                    |
|----------------------------------------|--------------------|---------------------|--------------------|
| <i>Phase #1 Improvements</i>           |                    |                     |                    |
| Roadway Improvements                   | \$2,168,179        | \$3,849,764         | \$1,681,585        |
| Water Improvements                     | \$729,393          | \$832,756           | \$103,363          |
| Sanitary Sewer Improvements            | \$1,021,867        | \$1,238,197         | \$216,330          |
| Storm Drainage Improvements            | \$2,422,332        | \$1,693,170         | (\$729,162)        |
| Landscaping and Hardscaping            | \$641,447          | \$1,235,645         | \$594,198          |
| Other Soft and Miscellaneous Costs     | \$2,076,836        | \$1,512,195         | (\$564,641)        |
| <i>Subtotal: Phase #1 Improvements</i> | <i>\$9,060,054</i> | <i>\$10,361,727</i> | <i>\$1,301,673</i> |
| <b>Total Uses<sup>1</sup></b>          | <b>\$9,060,054</b> | <b>\$10,361,727</b> | <b>\$1,301,673</b> |

1 – According to the Developer as of July 28, 2023.



# Authorized Improvements

## ■ Phase #2 Improvements completed

| Sources of Funds                       | Initial<br>Estimated<br>Budget | Actual<br>Amount<br>Spent | Variance         |
|----------------------------------------|--------------------------------|---------------------------|------------------|
| Assessments                            | \$20,186,042                   | \$20,186,042              | \$0              |
| Other funding sources                  | \$0                            | \$110,376                 | \$110,376        |
| <b>Total Sources</b>                   | <b>\$20,186,042</b>            | <b>\$20,296,417</b>       | <b>\$110,376</b> |
| <b>Uses of Funds</b>                   |                                |                           |                  |
| <i>Phase #2 Improvements</i>           |                                |                           |                  |
| Roadway Improvements                   | \$5,261,258                    | \$4,761,152               | (\$500,106)      |
| Water Improvements                     | \$2,012,039                    | \$1,998,921               | (\$13,118)       |
| Sanitary Sewer Improvements            | \$2,756,226                    | \$3,100,570               | \$344,344        |
| Storm Drainage Improvements            | \$4,324,151                    | \$4,412,654               | \$88,503         |
| Landscaping and Hardscaping            | \$1,720,657                    | \$2,261,880               | \$541,223        |
| Other Soft and Miscellaneous Costs     | \$4,111,711                    | \$3,761,240               | (\$350,471)      |
| <i>Subtotal: Phase #2 Improvements</i> | <i>\$20,186,042</i>            | <i>\$20,296,417</i>       | <i>\$110,375</i> |
| <b>Total Uses</b>                      | <b>\$20,186,042</b>            | <b>\$20,296,417</b>       | <b>\$110,375</b> |

1 – According to the Developer as of July 1, 2024.

# **Annual Installment Conditions**

**Annual Installment Conditions** refer to when the assessment for each parcel should be collected. The earlier of the three conditions below will trigger the commencement of the collection of Annual Installments for each parcel.

- **Condition i:** Annual Installment collection for a specific parcel shall commence when the building permit for the parcel has been issued.
- **Condition ii:** Annual Installment collection for all parcels in the Phase shall commence the first October after issuance of any Bonds secured by the respective reimbursement agreement for the Assessed Property.
- **Condition iii:** Annual Installment collection for all parcels (or remaining parcels that yet to be triggered) shall commence the first October occurring after the expiration of two years from the date of the levy of Assessments on the Phase.

# Phase #1 Lots Triggered

| <b>Trigger Period</b> | <b>Annual Installment Condition Trigger</b> | <b>Number of Lots<sup>2</sup></b> | <b>Total EU</b> | <b>Total Assessments<sup>3</sup></b> |
|-----------------------|---------------------------------------------|-----------------------------------|-----------------|--------------------------------------|
| 2022-23               | Condition (i)                               | 24                                | 22.78           | \$708,086.57                         |
| 2023-24               | Condition (i)                               | 161                               | 142.22          | \$4,421,223.45                       |
| 2024-25               | Condition (iii)                             | 142                               | 126.44          | \$3,930,743.98                       |
| <b>Total</b>          |                                             | <b>327</b>                        | <b>291.44</b>   | <b>\$9,060,054.00</b>                |

- Total expected number of Lots in Phase #1 – 327
- 327 Lots triggered as of June 30<sup>th</sup> represents 100% of the total within Phase #1.
- Each Trigger Period has a separate debt service schedule and annual budget.

# Annual Budget

## Phase #1

|                                                | Budget for all Lots Based on Trigger Period |                  |                  |                  |
|------------------------------------------------|---------------------------------------------|------------------|------------------|------------------|
| Descriptions                                   | 2022-23                                     | 2023-24          | 2024-25          | TOTAL            |
| Interest payment on or after March 1, 2026     | \$28,137                                    | \$172,273        | \$154,994        | \$355,404        |
| Interest payment on or after September 1, 2026 | \$28,137                                    | \$172,273        | \$154,994        | \$355,404        |
| Principal payment on September 1, 2026         | \$78                                        | \$478            | \$431            | \$987            |
| <i>Subtotal debt service on R.A.</i>           | <i>\$56,352</i>                             | <i>\$345,024</i> | <i>\$310,419</i> | <i>\$711,796</i> |
| Administrative Expenses                        | \$3,781                                     | \$23,148         | \$20,826         | \$47,754         |
| <i>Subtotal Expenses</i>                       | <i>\$60,133</i>                             | <i>\$368,172</i> | <i>\$331,245</i> | <i>\$759,550</i> |
| Available Administrative Expense account       | \$0                                         | \$0              | \$0              | \$0              |
| <i>Subtotal funds available</i>                | <i>\$0</i>                                  | <i>\$0</i>       | <i>\$0</i>       | <i>\$0</i>       |
| Annual Installments                            | <b>\$60,133</b>                             | <b>\$368,172</b> | <b>\$331,245</b> | <b>\$759,550</b> |



# Annual Installments

## Phase #1

| <b>Lots in Trigger Period</b> | <b>Principal</b> | <b>Interest</b> | <b>Administrative Expense</b> | <b>Annual Installment</b> |
|-------------------------------|------------------|-----------------|-------------------------------|---------------------------|
| 2022-23                       | \$3.43           | \$2,470.58      | \$165.98                      | \$2,639.99                |
| 2023-24                       | \$3.43           | \$2,470.85      | \$166.00                      | \$2,640.27                |
| 2024-25                       | \$3.43           | \$2,471.12      | \$166.02                      | \$2,640.57                |

## Per Equivalent Unit

| <b>Phase #1</b> | <b>Lots in Trigger Period 2022-23</b> | <b>Lots in Trigger Period 2022-24</b> | <b>Lots in Trigger Period 2022-25</b> |
|-----------------|---------------------------------------|---------------------------------------|---------------------------------------|
| 25' Lots        | \$2,053.32                            | \$2,053.55                            | \$2,053.78                            |
| 40' Lots        | \$2,346.66                            | \$2,346.91                            | \$2,347.18                            |
| 50' Lots        | \$2,639.99                            | \$2,640.27                            | \$2,640.57                            |

# **Phase #2 Lots Triggered**

| <b>Trigger Period</b> | <b>Annual<br/>Installment<br/>Condition<br/>Trigger</b> | <b>Number of Lots</b> | <b>Total EU</b> | <b>Total<br/>Assessments<sup>2</sup></b> |
|-----------------------|---------------------------------------------------------|-----------------------|-----------------|------------------------------------------|
| 2025-26               | Condition (iii)                                         | 561                   | 530.36          | \$20,186,041.91                          |
| <b>Total</b>          |                                                         | <b>561</b>            | <b>530.36</b>   | <b>\$20,186,041.91</b>                   |

- Total expected number of Lots in Phase #2 – 561
- 561 Lots triggered as of June 30<sup>th</sup> represents 100% of the total within Phase #2.
- All Phase #2 lots triggered at the same time. As a result, all Phase #2 parcels follow the same debt service schedule and annual budget.

# Annual Budget

## Phase #2

| Descriptions                                   | Total              |
|------------------------------------------------|--------------------|
| Interest payment on or after March 1, 2026     | \$938,651          |
| Interest payment on or after September 1, 2026 | \$938,651          |
| Principal payment on September 1, 2026         | \$1,000            |
| <i>Subtotal debt service on R.A.</i>           | <i>\$1,878,302</i> |
| Administrative Expenses                        | \$60,000           |
| <i>Subtotal Expenses</i>                       | <i>\$1,938,302</i> |
| Available Administrative Expense account       | \$0                |
| <i>Subtotal funds available</i>                | <i>\$0</i>         |
| <b>Annual Installments</b>                     | <b>\$1,938,302</b> |

# Annual Installments

## Phase #2

| <b>Lots in Trigger Period</b> | <b>Principal</b> | <b>Interest</b> | <b>Administrative Expense</b> | <b>Annual Installment</b> |
|-------------------------------|------------------|-----------------|-------------------------------|---------------------------|
| 2025-26                       | \$1.89           | \$3,539.70      | \$113.13                      | \$3,654.72                |

## Per Equivalent Unit

| <b>Phase #2</b> | <b>Lots in Trigger Period 2025-26</b> |
|-----------------|---------------------------------------|
| 40' Lots        | \$3,497.86                            |
| 50' Lots        | \$3,654.72                            |
| 60' Lots        | \$4,062.54                            |
| Townhome Lots   | \$3,027.30                            |



# **Changes to Assessment Methodology**

- No changes to the Assessment methodology that was previously approved in the Service and Assessment Plan.

# **Parcel Subdivisions and Consolidations**

- Final plat for Phase #2 was filed and recorded in June 2024 for the proposed development of 561 residential Lots.
- All Phase #2 lots are anticipated to be individually billed Annual Installments beginning in tax year 2025.

# Prepayments

- Phase #1
  - As of June 30, 2025, four Parcels have prepaid their Phase #1 Assessments in full.
  
- Phase #2
  - As of June 30, 2025, no Parcels have prepaid their Phase #2 Assessments in full.

# Next Steps

- City Council Options
  - Approve the ordinance as presented
  - Approve the ordinance with revisions
  - Deny the ordinance as presented
- Upon approval of 2025-26 Annual SAP Update, the approved amounts for each Parcel will be provided to the Grayson County Tax Office for billing with the 2025 property taxes.
- Approved 2025-26 Annual SAP Update and ordinance will be filed and recorded with the Grayson County Clerk's office.









## SHERMAN CITY COUNCIL Agenda Communication Form

### City Council Regular Meeting

Agenda Item No. D.3.

**Meeting Date:** 8/18/2025

**Prepared By:** Mary Lawrence, Chief Financial Officer

**Approved By:** Zachary Flores, Acting City Manager

**Caption:**

**INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 6857**

Relating to Greater Texoma Utility Authority Contract Revenue Bonds, Series 2025 (City of Sherman Project); and Approving the Issuance Thereof and the Facilities to be Constructed or Acquired by such Authority

**Issue:**

Consider all matters incident and related to the issuance and sale of "Greater Texoma Utility Authority Contract Revenue Bonds, Series 2025 (City of Sherman Project)", including the adoption of an ordinance approving the issuance thereof, and the facilities to be constructed or acquired by such Authority.

**Background:**

The Greater Texoma Utility Authority received pricing on the City of Sherman bonds on August 14, 2025. The bonds fund the continuation of several projects, some new projects and the boundary settlement between Texas and Oklahoma. Below is a list of the projects with amounts.

| <b>Project Name</b>                                         | <b>Budget</b>               |
|-------------------------------------------------------------|-----------------------------|
| Lake Texoma Pump Station (LTPS) Expansion                   | \$ 9,000,000                |
| Shepherd 2 MG Elevated Storage Tank                         | 1,200,000                   |
| LTPS Electrical Improvements                                | 5,600,000                   |
| Downtown Sewer Improvements                                 | 300,000                     |
| WWTP Electrical MV Loop North Plant                         | 5,200,000                   |
| Lake Texoma Backup Generator                                | 2,820,000                   |
| Hwy 82 and N. Loy Lake Sewer                                | 2,200,000                   |
| WWTP Upgrade and Expansion North Plant (Filter and re-lift) | 2,000,000                   |
| WWTP South MBR Phase II                                     | 5,000,000                   |
| Industrial Sewer Line by GW                                 | 5,600,000                   |
| NTMWD Second water line from LTPS to WTP (84")              | 5,015,000                   |
| Red River Boundary Comm Settlement                          | 2,150,000                   |
| Blalock Park Interceptor                                    | 2,600,000                   |
| WWTP Sludge/Solids Thickener construction                   | 5,100,000                   |
| <b>Total Projects</b>                                       | <b><u>\$ 53,785,000</u></b> |

**Capital Improvement Program:**

| <b>Project #</b> | <b>Project Name</b> | <b>Budget</b> |
|------------------|---------------------|---------------|
| 22-030           | LTPS Expansion      | \$ 9,000,000  |

|                       |                                                             |                             |
|-----------------------|-------------------------------------------------------------|-----------------------------|
| 22-032                | Shepherd 2 MG Elevated Storage Tank                         | 1,200,000                   |
| 22-042                | LTPS Electrical Improvements                                | 5,600,000                   |
| 22-051                | Downtown Sewer Improvements                                 | 300,000                     |
| 23-008                | WWTP Electrical MV Loop North Plant                         | 5,200,000                   |
| 23-009                | Lake Texoma Backup Generator                                | 2,820,000                   |
| 24-052                | Hwy 82 and N. Loy Lake Sewer                                | 2,200,000                   |
| 25-001                | WWTP Upgrade and Expansion North Plant (Filter and re-lift) | 2,000,000                   |
| 25-012                | WWTP South MBR Phase II                                     | 5,000,000                   |
| 25-057                | Industrial Sewer Line by GW                                 | 5,600,000                   |
| 25-062                | NTMWD Second water line from LTPS to WTP (84")              | 5,015,000                   |
| 25-067                | Red River Boundary Comm Settlement                          | 2,150,000                   |
| 25-068                | Blalock Park Interceptor                                    | 2,600,000                   |
| 25-077                | WWTP Sludge/Solids Thickener construction                   | 5,100,000                   |
| <b>Total Projects</b> |                                                             | <b><u>\$ 53,785,000</u></b> |

**Origination:**

Paul Sigle, GTUA General Manager

Kristen Savant, Partner in Norton Rose Fulbright US LLP (GTUA's Bond Counsel)

**Financial Consideration:**

The cost of issuance of about \$250,000 is included in the bonds. Debt service on these bonds will be paid by the City to GTUA in accordance with the Contract for Water Supply and Sewer Service between the two entities.

Funds for this contractual debt repayment are generated through the City's water and sewer revenues.

**Staff Recommendation:**

Staff recommends that the ordinance be approved as presented, confirming GTUA's issuance of these bonds.

**Alternatives:**

No viable alternatives can be suggested at this time.

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**Attachments:**

1. Ordinance No. 6857
2. GTUA SHERMAN REV 2025 - BOND RESOLUTION

**ORDINANCE NO. 6857**

**AN ORDINANCE BY THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, RELATING TO THE GREATER TEXOMA UTILITY AUTHORITY CONTRACT REVENUE BONDS, SERIES 2025 (CITY OF SHERMAN PROJECT); AND APPROVING THE ISSUANCE THEREOF AND THE FACILITIES TO BE CONSTRUCTED OR ACQUIRED BY SUCH AUTHORITY; 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 Greater Texoma Utility Authority (the "Authority") and the City of Sherman, Texas (the "City"), have previously executed and delivered a Contract for Water Supply and Sewer Service, dated as of March 1, 1985 (the "Contract"), as amended, whereby the Authority is to provide water and sewer facilities to the City; and

WHEREAS, under Section 4.15 of the Contract, it is provided that the City shall approve (i) the issuance by the Authority of any bonds that are to be payable (in whole or in part) from certain moneys that the City has contracted to pay under the provisions of the Contract, and (ii) the facilities to be constructed, acquired and improved; and

WHEREAS, it is now appropriate for this Council to approve the issuance and delivery of the Bonds, the Resolution of the Authority authorizing the Bonds (the "Bond Resolution"), together with the Pricing Certificate, dated August 14, 2025, executed pursuant to the Bond Resolution (the "Pricing Certificate"), and the project described in the Bond Resolution (the "Series 2025 Project"); now, therefore,

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

SECTION 1: The facilities to be constructed, acquired, and improved by the Authority with the proceeds of the Bonds as described in the Bond Resolution are hereby approved. The issuance of the Bonds by the Authority and the use of the proceeds thereof, as described in the Bond Resolution, is hereby approved. The Bond Resolution and the Pricing Certificate are approved as to form and content, and the City acknowledges that the payment of principal of and interest on the Bonds is payable, in whole or in part, from payments to be made by the City under and pursuant to the Contract. The City Manager is authorized to execute any documents or certifications necessary to accomplish the delivery of the Bonds.

SECTION 2: It is the purpose and intent of the City Council of the City to approve the Official Statement (with respect to the information contained therein with respect to the City).

SECTION 3: It is the purpose and intent of the City Council of the City to approve the Bond Resolution, and the facilities to be constructed, acquired, and improved in full accordance with the provisions of the Contract mentioned in the preamble hereof. To the extent required by the purchaser of the Bonds or the Office of the Attorney General of Texas, the Authority is authorized by this City Council to make changes and revisions to the Bond Resolution from the form approved by this Ordinance in order to expedite the delivery of the



Bonds. It is the intent of the City to authorize the Authority to proceed with the construction, acquisition, and improvement of the facilities at the earliest possible date, but nothing herein shall be construed as a limitation upon the right and power of the City to approve a change in the facilities for which the Bonds are to be issued (but not the purpose for which the Bonds are to be issued as set forth in the Bond Resolution), the City specifically reserving the right to modify the facilities for which the Bonds are being issued if the Authority and the City agree such modification should be made.

SECTION 4: In order to assist the Authority in complying with Rule 15c2-12 of the Securities Exchange Act of 1934, as amended (the "Rule"), the City covenants and agrees as follows:

(a) Annual Information. The City will provide to the Authority, no later than March 1 of each year (or such other date as may be agreed to by the City and the Authority, while the City is an "obligated person" under the Rule), the information with respect to the City described in Tables 1 through 11 appearing in the Official Statement and Appendix C to the Official Statement relating to the Bonds. Any financial statements to be provided pursuant to this Section shall be (i) prepared in accordance with the accounting principles described in Appendix C to the Official Statement, (ii) audited, if the City commissions an audit of such statements and the audit is completed within the period during which they must be provided. If the audit of such financial statements is not completed within such period, then the City shall provide notice to the Authority that the audited financial statements are not available and shall provide unaudited financial statements for the applicable fiscal year to the Authority by the required time. Thereafter, when and if audited financial statements are available, the City shall provide such audited financial statements as required to the Authority.

If the City's fiscal year end differs from the Authority's fiscal year end, the City shall provide the most recent year end annual information as well as cumulative current year to date information. The City shall notify the Authority if the City changes its fiscal year.

The financial information and operating data to be provided pursuant to this Section may be set forth in full in one or more documents or may be included by specific reference to any document available to the public on the MSRB's Internet Web site or filed with the SEC.

The City will notify the Authority as soon as possible if the information required by this Section cannot be provided in the above-specified time frame.

(b) Notice of Certain Events. To the extent applicable to the City as an "obligated person" under the Rule and in connection with the Bonds, the City agrees to notify the MSRB in a timely manner and not more than 10 business days after occurrence of the event:

- (1) Principal and interest payment delinquencies;
- (2) Non-payment related defaults, if material;
- (3) Unscheduled draws on debt service reserves reflecting financial difficulties;
- (4) Unscheduled draws on credit enhancements reflecting financial difficulties;

- (5) Substitution of credit or liquidity providers, or their failure to perform;
- (6) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB), or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;
- (7) Modifications to rights of holders of the Bonds, if material;
- (8) Bond calls, if material, and tender offers;
- (9) Defeasances;
- (10) Release, substitution, or sale of property securing repayment of the Bonds, if material;
- (11) Rating changes;
- (12) Bankruptcy, insolvency, receivership, or similar event of the City, which shall occur as described below;
- (13) The consummation of a merger, consolidation, or acquisition involving the City or the sale of all or substantially all of its assets, other than in the ordinary course of business, the entry into of a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
- (14) Appointment of a successor or additional trustee or the change of name of a trustee, if material;
- (15) Incurrence of a Financial Obligation of the City, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the City, any of which affect security holders, if material; and
- (16) Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the City, any of which reflect financial difficulties.

(c) Accuracy and Completeness. The City warrants that all information provided by it to the Authority pursuant to this Section will be accurate in all material respects to the best of its knowledge and belief. The City will provide the Authority with such information as the Authority may reasonably request to confirm the accuracy and completeness of any information provided by the City pursuant to this Section. If the Authority thereafter has reasonable grounds to question the completeness or accuracy of such information, the City will afford the Authority and its attorneys and agents, at the expense of the Authority, reasonable access to any and all records, documents, contracts, and other information which is in the custody or control of the City to confirm such accuracy and completeness. The Authority and its attorneys and agents shall maintain the confidentiality of all such information; unless required to be provided by the Authority to the MSRB, and except as otherwise provided by law. The City shall not be required to provide information or to allow

access to its records which exceeds the standards applicable to a due diligence inquiry in the preparation of an official statement in connection with the sale of Bonds or any Additional Bonds by the Authority.

(d) Limitations, Disclaimers and Amendments. (1) The City shall be obligated to observe and perform the covenants specified in this Section for so long as, but only for so long as, the Authority and the City each remain an Obligated Person, provided that the Authority and the City in any event will give notice of any payment or deposit of funds by either of such parties that causes the Bonds to be retired and defeased.

(2) The provisions of this Section are for the sole benefit of the Holders and beneficial owners of the Bonds, and nothing in this Section, express or implied, shall give any benefit or any legal or equitable right, remedy, or claim hereunder to any other person. The Authority and the City undertake to provide only the financial information, operating data, financial statements and notices which it has expressly agreed to provide pursuant to this Section and do not hereby undertake to provide any other information that may be relevant or material to a complete presentation of the Authority's or the City's financial results, condition, or prospects or hereby undertake to update any information provided in accordance with this Section or otherwise, except as expressly provided herein. Neither the Authority nor the City make any representation or warranty concerning such information or its usefulness to a decision to invest in or sell Bonds at any future date.

(3) UNDER NO CIRCUMSTANCES SHALL THE CITY BE LIABLE TO THE HOLDER OR BENEFICIAL OWNER OF ANY BOND OR ANY OTHER PERSON, IN CONTRACT, OR TORT, FOR DAMAGES RESULTING IN WHOLE OR IN PART FROM ANY BREACH BY THE CITY, WHETHER NEGLIGENT OR WITHOUT FAULT ON ITS PART, OF ANY COVENANT SPECIFIED IN THIS SECTION, BUT EVERY RIGHT AND REMEDY OF ANY SUCH PERSON, IN CONTRACT OR TORT, FOR OR ON ACCOUNT OF ANY SUCH BREACH SHALL BE LIMITED TO AN ACTION FOR MANDAMUS OR SPECIFIC PERFORMANCE.

(4) The provisions of this Section may be amended by the City (with the written approval of the Authority) from time to time to adapt to changed circumstances that arise from a change in legal requirements, a change in law, or a change in the identity, nature, status, or type of operations of the City, only if (1) the provisions of this Section, as so amended, would have permitted an underwriter to purchase or sell Bonds in the primary offering of the Bonds in compliance with the Rule, taking into account any amendments or interpretations of the Rule to the date of such amendment, as well as such changed circumstances, and (2) either (a) the Holders of a majority in aggregate principal amount (or any greater amount required by provisions of the Bond Resolution that authorizes such an amendment) of the outstanding Bonds consent to such amendment or (b) a person that is unaffiliated with the City (such as nationally recognized bond counsel) determines that such amendment will not materially impair the interests of the Holders and beneficial owners of the Bonds. If the provisions of this Section are so amended, the Authority shall include with any amended financial information or operating data next provided in accordance with the Bond Resolution an explanation, in narrative form, of the reasons for the amendment and of the impact of any change in the type of financial information or operating data so provided.

(e) Remedies. In the event the City fails or refuses to provide the information required by paragraphs (a) and (b) hereof, the Authority may enforce its right hereunder by an action for mandamus or specific performance; provided, however, before enforcing such

remedies, the Authority shall give the City notice as provided herein and a reasonable opportunity to provide the requested information.

SECTION 5: Reporting of Significant Events. (1) Upon the occurrence of any of the events described below, the City will promptly notify the Authority and provide information requested by the Authority pertaining to (i) an action, suit or other formal proceeding at law or in equity, against the City that would materially and adversely affect the City's financial condition or its ability to make payments under the Contract and (ii) any change in the City's financial condition or financing arrangements that would materially and adversely affect the City's financial condition or its ability to make payments under the Contract.

SECTION 6: The findings and determinations of the City Council contained in the preamble hereof are hereby incorporated by reference and made a part of this Ordinance for all purposes as if the same were restated in full in this Section.

SECTION 7: It is hereby officially found and determined that the meeting at which this Ordinance is passed is open to the public as required by law and that public notice of the time, place, and purpose of said meeting was given as required.

SECTION 8: This Ordinance shall be effective from and after its adoption, and it is so resolved.

*[remainder of page left blank intentionally]*

**INTRODUCED** on this the 18<sup>th</sup> day of August 2025.

**ADOPTED** on this the 18<sup>th</sup> day of August 2025.

**EFFECTIVE DATE** on this the 18<sup>th</sup> day of August 2025.

**CITY OF SHERMAN, TEXAS**

**BY:** \_\_\_\_\_  
**SHAWN C. TEAMANN, MAYOR**

**ATTEST:**

**BY:** \_\_\_\_\_  
**LEAH ROBERTS,**  
**EXEC. DIRECTOR OF ADMIN.**  
**ACTING CITY CLERK**

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

**BY:** \_\_\_\_\_  
**RYAN D. PITTMAN, CITY ATTORNEY**

A RESOLUTION by the Board of Directors of the Greater Texoma Utility Authority authorizing the issuance of "Greater Texoma Utility Authority Contract Revenue Bonds, Series 2025 (City of Sherman Project)"; pledging the Pledged Revenue to the payment of the principal of and interest on said Bonds; delegating matters relating to the issuance, sale, and delivery of said Bonds to authorized Authority officials; and resolving other matters incident and related thereto

WHEREAS, the Board of Directors of the Greater Texoma Utility Authority (the "Authority") has determined that Bonds should be authorized at this time to provide funding for the Series 2025 Project more fully described in Section 1 hereof; and

WHEREAS, the Authority shall by this Resolution, in accordance with the provisions of Chapter 1371, Texas Government Code, as amended, delegate to a Pricing Officer (hereafter designated) the authority to determine the principal amount of Bonds to be issued and negotiate the terms of sale thereof; and

WHEREAS, the Board of Directors of the Authority has determined that the Bonds herein authorized may and shall be issued as Additional Bonds (herein defined) on a parity with the Outstanding Previously Issued Bonds (herein defined) in that:

(a) The Authority is not now in default as to any covenant, condition or obligation contained in the Contract (as hereinafter defined) and the resolutions authorizing the issuance of Outstanding Previously Issued Bonds;

(b) The City of Sherman, Texas, will approve the resolution authorizing the issuance of the Bonds as to form and content and will acknowledge that payment of principal and interest on the Bonds will be made, in whole or in part, by the City of Sherman, Texas, under and pursuant to the Contract;

(c) A consulting engineer will certify to the Authority the need for an estimated amount of additional financing required for completion, expansion, enlargement or improvement of the Project (herein defined);

(d) The Bonds herein authorized shall mature on April 1 and/or October 1 in each of the years in which they are scheduled to mature as provided in the Pricing Certificate;

(e) As provided herein, deposits to the Bond Fund will be sufficient to pay principal of and interest on the Bonds herein authorized as the same become due;

(f) As provided herein, the amount to be accumulated and maintained in the Reserve Fund will be in an amount equal to not less than the average annual requirement (calculated on a Fiscal Year basis) of all Outstanding Bonds Similarly Secured as of the date of the last series of Bonds Similarly Secured after giving effect to the issuance of the Bonds for the payment of principal of and interest on all obligations to be secured by a first lien on and pledge of the Pledged Revenues, and any additional amount to be maintained in the Reserve Fund shall be accumulated within not more than 60 months from the date of the passage of this Resolution; and;

(g) The Authority will demonstrate to the Texas Water Development Board's Executive Administrator that the Pledged Revenues will be sufficient to pay the Previously Issued Bonds and the Bonds;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE GREATER TEXOMA UTILITY AUTHORITY:

SECTION 1: Authorization - Designation - Principal Amount – Purpose – Bond Date. Revenue bonds of the Authority shall be and are hereby authorized to be issued in the maximum aggregate principal amount hereinafter set forth to be designated and bear the title "GREATER TEXOMA UTILITY AUTHORITY CONTRACT REVENUE BONDS, SERIES 2025 (CITY OF SHERMAN PROJECT)" (herein referred to as the "Bonds"), for the construction, acquisition, and improvement of water and sewer system facilities and necessary appurtenances for use by the City of Sherman, Texas (the "City"), and the acquisition of land and rights-of-way necessary therefor or incidental thereto, and for the purpose of funding the portion of the Required Reserve Fund Amount attributable to the Bonds and the payment of all costs incident and related to the acquisition and financing thereof, and the purpose of funding the portion of the Required Reserve Fund Amount attributable to the Bonds, pursuant to authority conferred by and in conformity with the Constitution and the laws of the State of Texas, including Texas Special District Local Laws Code, Chapter 8283 and Chapter 1371, Texas Government Code, as amended. The Bonds shall be dated (the "Bond Date") as provided in the Pricing Certificate.

SECTION 2: Fully Registered Obligations - Terms. The Bonds shall be issued as fully registered obligations, without coupons, and the Bonds (other than the Initial Bond(s) referenced in Section 8 hereof) shall be in denominations of \$5,000 or any integral multiple (within a Stated Maturity) thereof, shall be lettered "R" and numbered consecutively from One (1) upward and principal shall become due and payable on a date certain in each of the years and in amounts (the "Stated Maturities") and bear interest at the rate(s) per annum in accordance with the details of the Bonds as set forth in the Pricing Certificate.

The Bonds shall bear interest on the unpaid principal amounts from the date specified in the Pricing Certificate at the rate(s) per annum shown in the Pricing Certificate (calculated on the basis of a 360-day year consisting of twelve 30-day months). Interest on the Bonds shall be payable in each year, on the dates, and commencing on the date, set forth in the Pricing Certificate.

SECTION 3: Delegation of Authority to Pricing Officer.

(a) As authorized by Texas Government Code, Chapter 1371, as amended, the General Manager or President of the Board of Directors (either the "Pricing Officer") is hereby authorized to act on behalf of the Authority in selling and delivering the Bonds and carrying out the other procedures specified in this Resolution, including, determining the aggregate original principal amount of the Bonds, the date of the Bonds, any additional or different designation or title by which the Bonds shall be known, the price at which the Bonds will be sold, the manner of sale (negotiated, privately placed or competitively bid), the years in which the Bonds will mature, the principal amount to mature in each of such years, the rate of interest to be borne by each such maturity, the interest payment dates, the price and terms upon and at which the Bonds shall be subject to redemption prior to maturity at the option of the Authority, as well as any mandatory sinking fund redemption provisions, the designation of a Paying Agent/Registrar, and all other matters relating to the issuance, sale, and delivery of the Bonds, including any modification of the

Rule 15c2-12 continuing disclosure undertaking contained in Section 39 hereof, all of which shall be specified in the Pricing Certificate; provided that:

- (i) the aggregate original principal amount of the Bonds shall not exceed \$68,500,000;
- (ii) the true interest cost rate for the Bonds shall not exceed the highest rate permitted by law; and
- (iii) the maximum maturity date of the Bonds shall be October 1, 2055.

The execution of the Pricing Certificate shall evidence the sale date of the Bonds by the Authority to the Purchasers (hereinafter defined).

- (b) The delegation made hereby shall expire if not exercised by the Pricing Officer on or prior to 365 days from the date hereof.

SECTION 4: Terms of Payment - Paying Agent/Registrar. The principal of, premium, if any, and the interest on the Bonds, due and payable by reason of maturity, redemption or otherwise, shall be payable only to the registered owners or holders of the Bonds (hereinafter called the "Holders") appearing on the registration and transfer books (the "Security Register") maintained by the Paying Agent/Registrar, and the payment thereof shall be in any coin or currency of the United States of America, which at the time of payment is legal tender for the payment of public and private debts, and shall be without exchange or collection charges to the Holders.

The selection and appointment of the Paying Agent/Registrar for the Bonds shall be as provided in the Pricing Certificate. Books and records relating to the registration, payment, exchange and transfer of the Bonds (the "Security Register") shall at all times be kept and maintained on behalf of the Authority by the Paying Agent/Registrar, all as provided herein, in accordance with the terms and provisions of a "Paying Agent/Registrar Agreement," substantially in the form attached hereto as Exhibit A and such reasonable rules and regulations as the Paying Agent/Registrar and the Authority may prescribe. The Pricing Officer is hereby authorized to execute and deliver such Paying Agent/Registrar Agreement in connection with the delivery of the Bonds. The Authority covenants to maintain and provide a Paying Agent/Registrar at all times until the Bonds are paid and discharged, and any successor Paying Agent/Registrar shall be a commercial bank, trust company, financial institution, or other entity qualified and authorized to serve in such capacity and perform the duties and services of Paying Agent/Registrar. Upon any change in the Paying Agent/Registrar for the Bonds, the Authority agrees to promptly cause a written notice thereof to be sent to each Holder by United States Mail, first class postage prepaid, which notice shall also give the address of the new Paying Agent/Registrar.

Principal of and premium, if any, on the Bonds shall be payable at the Stated Maturities or the redemption thereof, only upon presentation and surrender of the Bonds to the Paying Agent/Registrar at its designated office specified in the Pricing Certificate or such other office as shall be designated from time to time by the Paying Agent/Registrar, or its successors (the "Designated Payment/Transfer Office"). Interest on each Bond shall be paid to the Holder whose name appears in the Security Register at the close of business on the Record Date (the fifteenth (15<sup>th</sup>) day of the month next preceding each interest payment date) and shall be paid by the Paying Agent/Registrar (i) by check sent United States mail, first class postage prepaid, to the



address of the Holder recorded in the Security Register, or (ii) by such other method, acceptable to the Paying Agent/Registrar, requested by, and at the risk and expense of, the Holder. If the date for the payment of the principal of or interest on the Bonds shall be a Saturday, Sunday, a legal holiday, or a day on which banking institutions in the city where the Paying Agent/Registrar is located are authorized by law or executive order to close, then the date for such payment shall be the next succeeding day which is not such a Saturday, Sunday, legal holiday, or day on which banking institutions are authorized to close; and payment on such date shall have the same force and effect as if made on the original date payment was due.

In the event of a nonpayment of interest on a scheduled payment date, and for thirty (30) days thereafter, a new record date for such interest payment (a "Special Record Date") will be established by the Paying Agent/Registrar, if and when funds for the payment of such interest have been received from the Authority. Notice of the Special Record Date and of the scheduled payment date of the past due interest (which shall be fifteen (15) days after the Special Record Date) shall be sent at least five (5) business days prior to the Special Record Date by United States mail, first class postage prepaid, to the address of each Holder appearing on the Security Register at the close of business on the last business day next preceding the date of mailing of such notice.

SECTION 5: Registration - Transfer - Exchange of Bonds - Predecessor Bonds. A Security Register relating to the registration, payment, and transfer or exchange of the Bonds shall at all times be kept and maintained by the Authority at the Designated Payment/Transfer Office of the Paying Agent/Registrar, and also at a location within the State of Texas, as provided herein and in accordance with rules and regulations as the Paying Agent/Registrar and the Authority may prescribe. The Paying Agent/Registrar shall obtain, record, and maintain in the Security Register the name and address of each and every owner of the Bonds issued under and pursuant to the provisions of this Resolution, or if appropriate, the nominee thereof. Any Bond may be transferred or exchanged for Bonds of other authorized denominations by the Holder, in person or by his duly authorized agent, upon surrender of such Bond to the Paying Agent/Registrar for cancellation, accompanied by a written instrument of transfer or request for exchange duly executed by the Holder or by his duly authorized agent, in form satisfactory to the Paying Agent/Registrar.

Upon surrender of any Bond (other than the Initial Bond(s) authorized in Section 8 hereof) for transfer at the Designated Payment/Transfer Office of the Paying Agent/Registrar, the Paying Agent/Registrar shall register and deliver, in the name of the designated transferee or transferees, one or more new Bonds of authorized denominations and having the same Stated Maturity and being of a like aggregate principal amount as the Bond or Bonds surrendered for transfer.

At the option of the Holder, Bonds (other than the Initial Bond(s) authorized in Section 8 hereof) may be exchanged for other Bonds of authorized denominations and having the same Stated Maturity, bearing the same rate of interest and being of a like aggregate principal amount as the Bonds surrendered for exchange, upon surrender of the Bonds to be exchanged at the Designated Payment/Transfer Office of the Paying Agent/Registrar. Whenever any Bonds are surrendered for exchange, the Paying Agent/Registrar shall register and deliver new Bonds to the Holder requesting the exchange.

All Bonds issued in any transfer or exchange of Bonds shall be delivered to the Holders at the Designated Payment/Transfer Office of the Paying Agent/Registrar or sent by United States mail, first class postage prepaid, to the Holders, and, upon the registration and delivery thereof, the same shall be the valid obligations of the Authority, evidencing the same obligation to pay,

and entitled to the same benefits under this Resolution, as the Bonds surrendered in such transfer or exchange.

All transfers or exchanges of Bonds pursuant to this Section shall be made without expense or service charge to the Holder, except as otherwise herein provided, and except that the Paying Agent/Registrar shall require payment by the Holder requesting such transfer or exchange of any tax or other governmental charges required to be paid with respect to such transfer or exchange.

Bonds canceled by reason of an exchange or transfer pursuant to the provisions hereof are hereby defined to be "Predecessor Bonds," evidencing all or a portion, as the case may be, of the same obligation to pay evidenced by the new Bond or Bonds registered and delivered in the exchange or transfer therefor. Additionally, the term "Predecessor Bonds" shall include any mutilated, lost, destroyed, or stolen Bond for which a replacement Bond has been issued, registered and delivered in lieu thereof pursuant to the provisions of Section 30 hereof and such new replacement Bond shall be deemed to evidence the same obligation as the mutilated, lost, destroyed, or stolen Bond.

Neither the Authority nor the Paying Agent/Registrar shall be required to issue or transfer to an assignee of a Holder any Bond called for redemption, in whole or in part, within forty-five (45) days of the date fixed for the redemption of such Bond; provided, however, such limitation on transferability shall not be applicable to an exchange by the Holder of the unredeemed balance of a Bond called for redemption in part.

SECTION 6: Book-Entry-Only Transfers and Transactions. Notwithstanding the provisions contained in this Resolution relating to the payment and transfer/exchange of the Bonds, the Authority hereby approves and authorizes the use of the "Book-Entry Only" securities clearance, settlement, and transfer system provided by The Depository Trust Company ("DTC"), a limited purpose trust company organized under the laws of the State of New York, in accordance with the operational arrangements referenced in a Blanket Issuer Letter of Representations by and between the Authority and DTC (the "Depository Agreement").

Pursuant to the Depository Agreement and the rules of DTC, the Bonds shall be deposited with DTC who shall hold said Bonds for its participants (the "DTC Participants"). While the Bonds are held by DTC under the Depository Agreement, the Holder of the Bonds on the Security Register for all purposes, including payment and notices, shall be Cede & Co., as nominee of DTC, notwithstanding the ownership of each actual purchaser or owner of each Bond (the "Beneficial Owners") being recorded in the records of DTC and DTC Participants.

In the event DTC determines to discontinue serving as securities depository for the Bonds or otherwise ceases to provide book-entry clearance and settlement of securities transactions in general, the Authority covenants and agrees with the Holders of the Bonds to cause Bonds to be printed in definitive form and provide for the Bond certificates to be issued and delivered to DTC Participants and Beneficial Owners, as the case may be. Thereafter, the Bonds in definitive form shall be assigned, transferred and exchanged on the Security Register maintained by the Paying Agent/Registrar and payment of such Bonds shall be made in accordance with the provisions of Sections 4 and 5 hereof.

SECTION 7: Execution - Registration. The Bonds shall be executed on behalf of the Authority by the President or Vice President of the Board of Directors under its seal reproduced or impressed thereon and attested by the Secretary or Assistant Secretary of the Board of

Directors. The signature of said officers on the Bonds may be manual or facsimile. Bonds bearing the manual or facsimile signatures of individuals who are or were the proper officers of the Authority on the date of the adoption of this Resolution shall be deemed to be duly executed on behalf of the Authority, notwithstanding that such individuals or either of them shall cease to hold such offices at the time of delivery of the Bonds to the initial Holders and with respect to Bonds delivered in subsequent exchanges and transfers, all as authorized and provided in the Public Security Procedures Act, Texas Chapter 1201, Government Code, as amended.

No Bond shall be entitled to any right or benefit under this Resolution, or be valid or obligatory for any purpose, unless there appears on such Bond either a certificate of registration substantially in the form provided in Section 9(c), manually executed by the Comptroller of Public Accounts of the State of Texas or his or her duly authorized agent, or a certificate of registration substantially in the form provided in Section 9(d), manually executed by an authorized officer, employee or representative of the Paying Agent/Registrar, and either such certificate upon any Bond duly signed shall be conclusive evidence, and the only evidence, that such Bond has been duly certified, registered and delivered.

**SECTION 8: Initial Bond(s).** The Bonds herein authorized shall be initially issued either (i) as a single fully registered bond in the aggregate principal amount of the Bonds with principal installments to become due and payable as provided in the Pricing Certificate and numbered T-1, or (ii) as multiple fully registered bonds, being one bond for each year of maturity in the applicable principal amount and denomination and to be numbered consecutively from T-1 and upward (hereinafter called the "Initial Bond(s)") and, in either case, the Initial Bond(s) shall be registered in the name of the initial purchaser(s) or the designee thereof. The Initial Bond(s) shall be the Bonds submitted to the Office of the Attorney General of the State of Texas for approval, certified and registered by the Office of the Comptroller of Public Accounts of the State of Texas, and delivered to the initial purchaser(s). Any time after the delivery of the Initial Bond(s), the Paying Agent/Registrar, pursuant to written instructions from the initial purchaser(s), or the designee thereof, shall cancel the Initial Bond(s) delivered hereunder and exchange therefor definitive Bonds of authorized denominations, Stated Maturities, principal amounts and bearing applicable interest rates for transfer and delivery to the Holders named at the addresses identified therefor; all pursuant to and in accordance with such written instructions from the initial purchaser(s), or the designee thereof, and such other information and documentation as the Paying Agent/Registrar may reasonably require.

**SECTION 9: Forms.**

(a) **Forms Generally.** The Bonds, the Registration Certificate of the Comptroller of Public Accounts of the State of Texas to appear on the Initial Bond(s), the Registration Certificate of Paying Agent/Registrar to appear on the definitive Bonds, and the form of Assignment to appear on each of the Bonds shall be substantially in the forms set forth in this Section with such appropriate insertions, omissions, substitutions, and other variations as are permitted or required by this Resolution, and the Bonds may have such letters, numbers, or other marks of identification (including identifying numbers and letters of the Committee on Uniform Securities Identification Procedures of the American Bankers Association) and such legends and endorsements (including insurance legends in the event the Bonds are purchased with insurance and any reproduction of an opinion of counsel) thereon as may, consistently herewith, be established by the Authority or determined by the officers executing such Bonds as evidenced by their execution. Any portion of the text of any Bond may be set forth on the reverse thereof, with an appropriate reference thereto on the face of the Bond.

The definitive Bonds and the Initial Bond(s) shall be printed, lithographed, engraved, typewritten, photocopied or otherwise reproduced in any other similar manner, all as determined by the officers executing such Bonds as evidenced by their execution thereof.

(b) Form of Definitive Bond.

REGISTERED  
NO. \_\_\_\_\_

REGISTERED  
\$ \_\_\_\_\_

UNITED STATES OF AMERICA  
STATE OF TEXAS  
COUNTIES OF GRAYSON, COLLIN, FANNIN AND COOKE  
GREATER TEXOMA UTILITY AUTHORITY  
CONTRACT REVENUE BONDS, SERIES 2025  
(CITY OF SHERMAN PROJECT)

Bond Date:  
\_\_\_\_\_

Interest Rate:  
\_\_\_\_\_ %

Stated Maturity:  
\_\_\_\_\_ 1, 20\_\_

CUSIP NO.  
\_\_\_\_\_

Registered Owner:

Principal Amount:

DOLLARS

The Greater Texoma Utility Authority (hereinafter referred to as the "Authority"), for value received, hereby promises to pay to the Registered Owner named above (the "Holder") or the registered assigns thereof, solely from the revenues hereinafter identified, on the Stated Maturity date specified above, the Principal Amount hereinabove stated and to pay interest on the unpaid principal amount hereof from the interest payment date next preceding the "Registration Date" of this Bond appearing below (unless this Bond bears a "Registration Date" as of an interest payment date, in which case it shall bear interest from such date, or unless the "Registration Date" of this Bond is the delivery date of this Bond (or its Predecessor Bond) to the initial Holder, in which case it shall bear interest from the \_\_\_\_\_) at the per annum rate of interest specified above computed on the basis of a 360-day year of twelve 30-day months; such interest being payable on \_\_\_\_\_, and each April 1 and October 1 thereafter until maturity or prior redemption. Principal of this Bond is payable at its Stated Maturity or date of redemption to the Holder hereof, upon presentation and surrender, at the Designated Payment/Transfer Office of \_\_\_\_\_, the Paying Agent/Registrar, or its successor. Interest is payable to the Holder of this Bond (or one or more Predecessor Bonds, as defined in the Resolution hereinafter referenced) whose name appears on the "Security Register" maintained by the Paying Agent/Registrar at the close of business on the "Record Date," which is the fifteenth (15<sup>th</sup>) day of the month next preceding each interest payment date, and interest shall be paid by the Paying Agent/Registrar by check sent United States Mail, first class postage prepaid, to the address of the Holder recorded in the Security Register or by such other method acceptable to the Paying Agent/Registrar, requested by, and at the risk and expense of the Holder. All payments of principal of, premium, if any, and interest on this Bond shall be in any coin or currency of the United States of America, which at the time of payment is legal tender for the payment of public and private debts.

If the date for payment of the principal of or interest on this Bond shall be a Saturday, Sunday, a legal holiday, or a day on which banking institutions in the city where the Designated Payment/Transfer Office of the Paying Agent/Registrar is located are authorized by law or executive order to close, then the date for such payment shall be the next succeeding day which is not such a Saturday, Sunday, legal holiday, or day on which banking institutions are authorized to close; and payment on such date shall have the same force and effect as if made on the original date payment was due.

This Bond is one of the series specified in its title issued in the aggregate principal amount of \$\_\_\_\_\_ (herein referred to as the "Bonds") for the purpose of providing funds for the construction, acquisition, and improvement of water and sewer system facilities and necessary appurtenances for use by the City of Sherman, Texas, and the acquisition of land and rights-of-way necessary therefor or incidental thereto, and for the purpose of funding the portion of the Required Reserve Fund Amount attributable to the Bonds and the payment of all costs incident and related to the acquisition and financing thereof, pursuant to authority conferred by and in conformity with the Constitution and the laws of the State of Texas, including Texas Special District Local Laws Code, Chapter 8283 and Chapter 1371, Texas Government Code, as amended, and pursuant to a Resolution adopted by the Board of Directors of the Authority (herein referred to as the "Resolution").

The Bonds maturing on and after \_\_\_\_\_, may be redeemed prior to their Stated Maturities, at the option of the Authority, in whole or in part, in principal amounts of \$5,000 or any integral multiple thereof (and if within a Stated Maturity selected by lot by the Paying Agent/Registrar) on \_\_\_\_\_, or on any date thereafter, at the redemption price of par, together with accrued interest to the date of redemption.

Not fewer than thirty (30) days prior to a redemption date for the Bonds, a notice of redemption shall be sent by United States Mail, first class postage prepaid, in the name of the Authority and at the Authority's expense, to each Registered Owner of a Bond to be redeemed and subject to the terms and provisions relating thereto contained in the Resolution. If this Bond (or any portion of the principal sum hereof) shall have been duly called for redemption and notice of such redemption duly given, then upon such redemption date this Bond (or the portion of the principal sum hereof to be redeemed) shall become due and payable, and, if moneys for the payment of the redemption price and the interest accrued on the principal amount to be redeemed to the date of redemption are held for the purpose of such payment by the Paying Agent/Registrar, interest shall cease to accrue and be payable hereon from and after the redemption date on the principal amount hereof to be redeemed.

In the event of a partial redemption of the principal amount of this Bond, payment of the redemption price of such principal amount shall be made to the Holder only upon presentation and surrender of this Bond to the Paying Agent/Registrar at the Designated Payment/Transfer Office, and there shall be issued, without charge therefor to the Holder hereof, a new Bond or Bonds of like maturity and interest rate in any authorized denominations provided by the Resolution for the then unredeemed balance of the principal sum hereof. If this Bond is selected for redemption, in whole or in part, the Authority and the Paying Agent/Registrar shall not be required to transfer this Bond to an assignee of the Holder within forty-five (45) days of the redemption date therefor; provided, however, such limitation on transferability shall not be applicable to an exchange by the Holder of the unredeemed balance hereof in the event of its redemption in part.

With respect to any optional redemption of the Bonds, unless certain prerequisites to such redemption required by the Resolution have been met and moneys sufficient to pay the principal of and premium, if any, and interest on the Bonds to be redeemed shall have been received by the Paying Agent/Registrar prior to the giving of such notice of redemption, such notice may state that said redemption is conditional upon the satisfaction of such prerequisites and receipt of such moneys by the Paying Agent/Registrar on or prior to the date fixed for such redemption. If a conditional notice of redemption is given and such prerequisites to the redemption are not satisfied or sufficient moneys are not received, such notice shall be of no force and effect, the Authority shall not redeem such Bonds and the Paying Agent/Registrar shall give notice, in the manner in which the notice of redemption was given, to the effect that the Bonds have not been redeemed.

The Bonds constitute special obligations of the Authority, and, together with the outstanding Previously Issued Bonds and any Additional Bonds, if issued, are payable as to principal and interest solely from and equally secured by a first lien on the Pledged Revenue of the Authority (identified and defined in the Resolution, and including revenues to be received under and pursuant to a Contract For Water Supply and Sewer Service between the Authority and the City of Sherman, Texas, dated as of March 1, 1985, together with all amendments thereto). Reference is hereby made to the Resolution, copies of which are on file in the Designated Payment/Transfer Office of the Paying Agent/Registrar, and to all of the provisions of which the Holder by his acceptance hereof hereby assents, for definitions of terms; the description of and the nature and extent of the revenues pledged for the payment of the Bonds; the terms and conditions relating to the transfer or exchange of this Bond; the conditions upon which the Resolution may be amended or supplemented with or without the consent of the Holders; the rights, duties, and obligations of the Authority and the Paying Agent/Registrar; the terms and provisions upon which this Bond may be discharged at or prior to its maturity, and deemed to be no longer Outstanding thereunder; and for the other terms and provisions thereof. Capitalized terms used herein have the same meanings assigned in the Resolution.

The Authority expressly reserves the right to issue further and additional revenue bond obligations in all things on a parity with the Bonds and the Previously Issued Bonds, payable solely from and equally secured by a first lien on the Pledged Revenue described above; provided, however, that any and all such Additional Bonds may be so issued only in accordance with and subject to the covenants, conditions, limitations and restrictions relating thereto which are set out and contained in the Resolution, to which reference is hereby made for more complete and full particulars.

The Holder hereof shall never have the right to demand payment of this obligation out of any funds raised or to be raised by taxation.

This Bond, subject to certain limitations contained in the Resolution, may be transferred on the Security Register only upon its presentation and surrender at the Designated Payment/Transfer Office of the Paying Agent/Registrar, with the Assignment hereon duly endorsed by, or accompanied by a written instrument of transfer in form satisfactory to the Paying Agent/Registrar duly executed by, the Holder hereof, or his duly authorized agent. When a transfer on the Security Register occurs, one or more new fully registered Bonds of the same Stated Maturity, of authorized denominations, bearing the same rate of interest, and of the same aggregate principal amount will be issued by the Paying Agent/Registrar to the designated transferee or transferees.

The Authority and the Paying Agent/Registrar, and any agent of either, shall treat the Holder whose name appears on the Security Register (i) on the Record Date as the owner entitled to payment of interest hereon, (ii) on the date of surrender of this Bond as the owner entitled to payment of principal hereof at its Stated Maturity or its redemption in whole or in part, and (iii) on any other date as the owner for all other purposes, and neither the Authority nor the Paying Agent/Registrar, or any agent of either, shall be affected by notice to the contrary. In the event of nonpayment of interest on a scheduled payment date and for thirty (30) days thereafter, a new record date for such interest payment (a "Special Record Date") will be established by the Paying Agent/Registrar, if and when funds for the payment of such interest have been received from the Authority. Notice of the Special Record Date and of the scheduled payment date of the past due interest (which shall be fifteen (15) days after the Special Record Date) shall be sent at least five (5) business days prior to the Special Record Date by United States mail, first class postage prepaid, to the address of each Holder appearing on the Security Register at the close of business on the last business day next preceding the date of mailing of such notice.

It is hereby certified, covenanted, and represented that all acts, conditions, and things required to be performed, exist, and be done precedent to or in the issuance of this Bond in order to render the same a legal, valid and binding obligation of the Authority have been performed, exist, and have been done, in regular and due time, form, and manner, as required by law, and that the issuance of the Bonds does not exceed any constitutional or statutory limitation. In case any provision in this Bond or any application thereof shall be invalid, illegal, or unenforceable, the validity, legality, and enforceability of the remaining provisions and applications shall not in any way be affected or impaired thereby. The terms and provisions of this Bond and the Resolution shall be construed in accordance with and shall be governed by the laws of the State of Texas.

IN WITNESS WHEREOF, the Board of Directors of the Authority has caused this Bond to be duly executed under the official seal of the Authority.

GREATER TEXOMA UTILITY AUTHORITY

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President, Board of Directors

ATTEST:

---

Secretary, Board of Directors

(SEAL)

(c) Form of Registration Certificate of Comptroller of Public Accounts to appear on Initial Bond(s) only.

REGISTRATION CERTIFICATE OF  
COMPTROLLER OF PUBLIC ACCOUNTS

OFFICE OF THE COMPTROLLER  
OF PUBLIC ACCOUNTS

THE STATE OF TEXAS

(  
(  
(  
(

REGISTER NO. \_\_\_\_\_

I HEREBY CERTIFY that this Bond has been examined, certified as to validity and approved by the Attorney General of the State of Texas, and duly registered by the Comptroller of Public Accounts of the State of Texas.

WITNESS my signature and seal of office this \_\_\_\_\_.

\_\_\_\_\_  
Comptroller of Public Accounts  
of the State of Texas

(SEAL)

(d) Form of Certificate of Paying Agent/Registrar to appear on the definitive Bonds.

CERTIFICATE OF PAYING AGENT/REGISTRAR

This Bond has been duly issued under the provisions of the within-mentioned Resolution; the bond or bonds of the above entitled and designated series originally delivered having been approved by the Attorney General of the State of Texas and registered by the Comptroller of Public Accounts, as shown by the records of the Paying Agent/Registrar.

The principal office of the Paying Agent/Register in \_\_\_\_\_ is the "Designated Payment/Transfer Office" for this Bond.

\_\_\_\_\_,  
as Paying Agent/Registrar

Registration Date:

\_\_\_\_\_

By: \_\_\_\_\_  
Authorized Signature



(e) Form of Assignment.

ASSIGNMENT

FOR VALUE RECEIVED the undersigned hereby sells, assigns, and transfers unto  
(Print or typewrite name, address, and zip code of transferee:) \_\_\_\_\_

\_\_\_\_\_  
(Social Security or other identifying number: \_\_\_\_\_) the within Bond and all  
rights thereunder, and hereby irrevocably constitutes and appoints \_\_\_\_\_

\_\_\_\_\_  
attorney  
to transfer the within Bond on the books kept for registration thereof, with full power of substitution  
in the premises.

DATED: \_\_\_\_\_

Signature guaranteed:  
\_\_\_\_\_

NOTICE: The signature on this assignment must  
correspond with the name of the registered owner  
as it appears on the face of the within Bond in  
every particular.

(f) The Initial Bond(s) shall be in the form set forth in paragraph (b) of this Section,  
except that the form of a single fully registered Initial Bond shall be modified as follows:

REGISTERED  
NO. T-1

REGISTERED  
\$ \_\_\_\_\_

UNITED STATES OF AMERICA  
STATE OF TEXAS  
COUNTIES OF COOKE, FANNIN, GRAYSON AND COLLIN  
GREATER TEXOMA UTILITY AUTHORITY  
CONTRACT REVENUE BONDS, SERIES 2025  
(CITY OF SHERMAN PROJECT)

Bond Date: \_\_\_\_\_

Registered Owner:

Principal Amount:

The Greater Texoma Utility Authority (hereinafter referred to as the "Authority"), for value  
received, hereby promises to pay to the Registered Owner named above (the "Holder") or the  
registered assigns thereof, solely from the revenues hereinafter identified, on \_\_\_\_\_ in each  
of the years and in principal amounts and bearing interest at per annum rates in accordance with  
the following schedule:

| <u>YEAR</u> | <u>PRINCIPAL<br/>INSTALLMENTS</u> | <u>INTEREST<br/>RATE</u> |
|-------------|-----------------------------------|--------------------------|
|-------------|-----------------------------------|--------------------------|

(Information to be inserted from schedule in the Pricing Certificate)

(or so much thereof as shall not have been paid upon prior redemption) and to pay interest on the unpaid principal amount hereof from the interest payment date next preceding the "Registration Date" of this Bond appearing below (unless this Bond bears a "Registration Date" as of an interest payment date, in which case it shall bear interest from such date, or unless the "Registration Date" of this Bond is the delivery date of this Bond (or its Predecessor Bond) to the initial Holder, in which case it shall bear interest from the \_\_\_\_\_) at the per annum rates of interest specified above computed on the basis of a 360-day year of twelve 30-day months; such interest being payable on \_\_\_\_\_, and each April 1 and October 1 thereafter until maturity or prior redemption. Principal of this Bond is payable at its Stated Maturity or redemption to the Holder hereof by \_\_\_\_\_ (the "Paying Agent/Registrar"), upon presentation and surrender, at its designated offices in \_\_\_\_\_ (the "Designated Payment/Transfer Office"), or its successor. Interest is payable to the Holder of this Bond (or one or more Predecessor Bonds, as defined in the Resolution hereinafter referenced) whose name appears on the "Security Register" maintained by the Paying Agent/Registrar at the close of business on the "Record Date," which is the fifteenth (15<sup>th</sup>) day of the month next preceding each interest payment date, and interest shall be paid by the Paying Agent/Registrar by check sent United States Mail, first class postage prepaid, to the address of the registered owner recorded in the Security Register or by such other method acceptable to the Paying Agent/Registrar, requested by, and at the risk and expense of the Holder. All payments of principal of, premium, if any, and interest on this Bond shall be in any coin or currency of the United States of America, which at the time of payment is legal tender for the payment of public and private debts.

SECTION 10: Certain Definitions. In addition to terms defined elsewhere in this Resolution, for all purposes of this Resolution and in particular for clarity with respect to the issuance of the Bonds and the pledge and appropriation of the Pledged Revenue therefor, the following definitions are provided:

(a) The term "Additional Bonds" shall mean parity revenue bonds issued in accordance with the terms and conditions prescribed in Section 19 hereof.

(b) The term "Authorized Investments" shall mean the obligations identified in the "Public Funds Investment Act" (Texas Government Code, Chapter 2256), as amended.

(c) The term "Bonds" shall mean the "Greater Texoma Utility Authority Contract Revenue Bonds, Series 2025 (City of Sherman Project)" authorized by this Resolution.

(d) The term "Bonds Similarly Secured" shall mean the Bonds, the Previously Issued Bonds, and Additional Bonds.

(e) The term "Contract" or "Contract for Water Supply and Sewer Service" shall mean that certain contract, dated as of the 1st day of March, 1985, by and between the Authority and the City of Sherman, Texas, together with amendments and supplements thereto (which by the term of such instrument is designated as a supplement to such Contract), a conformed copy of such Contract being attached hereto as Exhibit B for the purposes of identification only.

(f) The term "Cost of the Project" shall have the meaning assigned such term in Section 1.01 of the Contract.

(g) The term "Fiscal Year" shall mean the twelve month operational period of the Authority commencing October 1 of each year; provided, however, the Authority may change the fiscal year to another period of not less than twelve (12) calendar months but in no event may the fiscal year be changed more than one time in any three calendar year period.

(h) The term "Government Obligations" as used herein, unless otherwise provided in the Pricing Certificate, means (i) direct noncallable obligations of the United States of America, including obligations the principal of and interest on which are unconditionally guaranteed by the United States of America, (ii) noncallable obligations of an agency or instrumentality of the United States, including obligations unconditionally guaranteed or insured by the agency or instrumentality and, on the date of their acquisition or purchase by the Authority, are rated as to investment quality by a nationally recognized investment rating firm not less than AAA or its equivalent, (iii) noncallable obligations of a state or an agency or a county, municipality or other political subdivision of a state that have been refunded and that, on the date of their acquisition or purchase by the Authority, are rated as to investment quality by a nationally recognized investment rating firm not less than AAA or its equivalent and (iv) any other authorized securities or obligations under applicable laws of the State of Texas that may be used to defease obligations such as the Bonds.

(i) The term "Maintenance and Operation Expense of the Project" shall have the meaning assigned such term in Section 1.01 of the Contract.

(j) The term "Outstanding" shall mean when used in this Resolution with respect to Bonds or Bonds Similarly Secured, as of the date of determination, all Bonds or Bonds Similarly Secured theretofore issued and delivered, except:

(i) those Bonds or Bonds Similarly Secured canceled by the Paying Agent/Registrar or delivered to the Paying Agent/Registrar for cancellation;

(ii) those Bonds or Bonds Similarly Secured paid or deemed to be paid in accordance with the provisions of Section 27 hereof; and

(iii) those Bonds or Bonds Similarly Secured that have been mutilated, destroyed, lost, or stolen and replacement Bonds have been registered and delivered in lieu thereof as provided in Section 30 hereof or similar provisions with respect to Bonds Similarly Secured.

(k) The term "Pledged Revenue" shall mean (i) the amount received by the Authority as monthly amortization payments by reason of Section 3.01 (a) of the Contract, less the fees and charges of the Paying Agent/Registrar with respect to Bonds Similarly Secured, plus (ii) the amounts deposited into the Bond Fund reaffirmed by Section 12(b) of this Resolution, and the Reserve Fund reaffirmed by Section 12(c) of this Resolution; plus (iii) any amounts on deposit in any construction fund, created and established by a resolution authorizing the issuance of the Bonds or Bonds Similarly Secured, pending the application of such money for the payment of the Cost of a Project.

(l) The term "Previously Issued Bonds" shall mean the Outstanding (1) "Greater Texoma Utility Authority Contract Revenue Bonds, Series 2006 (City of Sherman Project)," (2) "Greater Texoma Utility Authority Contract Revenue Bonds, Series 2013A (City of Sherman Project)," (3) "Greater Texoma Utility Authority Contract Revenue Bonds, Series 2014 (City of Sherman Project)," (4) "Greater Texoma Utility Authority Contract Revenue Bonds, Series 2015

(City of Sherman Project)," (5) "Greater Texoma Utility Authority Contract Revenue Bonds, Series 2015A (City of Sherman Project)," (6) "Greater Texoma Utility Authority Contract Revenue Bonds, Series 2015B (City of Sherman Project)," (7) "Greater Texoma Utility Authority Contract Revenue Bonds, Series 2017 (City of Sherman Project)," (8) "Greater Texoma Utility Authority Contract Revenue Bonds, Series 2017A (City of Sherman Project)," (9) "Greater Texoma Utility Authority Contract Revenue and Refunding Bonds, Series 2019 (City of Sherman Project)," (10) "Greater Texoma Utility Authority Contract Revenue Bonds, Series 2019A (City of Sherman Project)," (11) "Greater Texoma Utility Authority Contract Revenue Bonds, Series 2020 (City of Sherman Project)," (12) "Greater Texoma Utility Authority Contract Revenue Bonds, Series 2021 (City of Sherman Project)," (13) "Greater Texoma Utility Authority Contract Revenue Refunding Bonds, Series 2021 (City of Sherman Project)," (14) "Greater Texoma Utility Authority Contract Revenue Bonds, Series 2022 (City of Sherman Project)," (15) "Greater Texoma Utility Authority Contract Revenue Bonds, Series 2023 (City of Sherman Project)," (16) "Greater Texoma Utility Authority Contract Revenue Bonds, Series 2023A (City of Sherman Project)", 17) "Greater Texoma Utility Authority Contract Revenue Bonds, Series 2024 (City of Sherman Project)" and 18) "Greater Texoma Utility Authority Contract Revenue Bonds, Series 2024A (City of Sherman Project)" heretofore issued which are in every respect on a parity with the Bonds.

(m) The term "Project" shall mean, with respect to the Bonds Similarly Secured, collectively, the projects described as such in the resolutions of the Authority that have from time to time authorized the issuance of Bonds Similarly Secured by the Authority for the financing of such projects.

(n) The term "Series 2025 Project" shall mean, with respect to the Bonds, the project described in Section 1 hereof.

**SECTION 11: Pledge.** The Authority hereby covenants and agrees that all of the Pledged Revenue is hereby irrevocably pledged for the payment of the Bonds Similarly Secured, and the interest thereon, and it is hereby declared and resolved that the Bonds Similarly Secured and the interest thereon shall constitute a first lien upon said Pledged Revenue.

Texas Government Code, Chapter 1208, as amended, applies to the issuance of the Bonds Similarly Secured and the pledge of the Pledged Revenue granted by the Authority under this Section of this Resolution, and such pledge is therefore valid, effective, and perfected. If Texas law is amended at any time while the Bonds are Outstanding and unpaid such that the pledge of the Pledged Revenue granted by the Authority under this Section of this Resolution is to be subject to the filing requirements of Texas Business & Commerce Code, Chapter 9, as amended, then in order to preserve to the registered owners of the Bonds the perfection of the security interest in said Pledged Revenue, the Authority agrees to take such measures as it determines are reasonable and necessary under Texas law to comply with the applicable provisions of Texas Business & Commerce Code, Chapter 9, as amended, and enable a filing to perfect the security interest in said Pledged Revenue to occur.

**SECTION 12: Fund Designations.** The Authority hereby covenants and agrees with the Holders of the Bonds Similarly Secured that all income, receipts and revenues derived from the operation and ownership of the Project shall be kept separate from other funds or accounts of the Authority. To that end, the following special Funds (herein so called) were created and established by a resolution authorizing Previously Issued Bonds and shall exist and govern the application of the Pledged Revenue while the Bonds Similarly Secured are Outstanding, to wit:

(a) Greater Texoma Utility Authority Revenue Fund, hereinafter called the "Revenue Fund." This Fund shall be kept in a depository of the Authority.

(b) Greater Texoma Utility Authority Bond Interest and Sinking Fund, hereinafter called the "Bond Fund." This Fund shall be deposited with a depository of the Authority as trustee of the Pledged Revenue, and moneys deposited therein shall be used to pay principal of and interest on Bonds Similarly Secured when and as the same shall become due and payable.

(c) Greater Texoma Utility Authority Bond Reserve Fund, hereinafter called the "Reserve Fund." This Fund shall be deposited with a depository of the Authority and money deposited therein shall be used to pay the principal of and interest on Bonds Similarly Secured falling due at any time where there is insufficient money available in the Bond Fund.

SECTION 13: Revenue Fund. All revenues and income of any kind or character received by the Authority by reason of (i) its ownership of all or a part of the Project, (ii) the operation of the Project, or (iii) the Contract, shall be deposited in the Revenue Fund.

In the event money is deposited in the Revenue Fund from sources other than those specified in Section 3.01 of the Contract, then such money may be invested or reinvested or placed on time deposit in the same manner as the Reserve Fund pending its application to the reduction of payments that would otherwise be required to be made by the City under Section 3.01 of the Contract. Investment income and profits from the investment of the Revenue Fund shall be retained therein until used as provided in this Section.

Money in the Revenue Fund shall be used in the following order of priority:

1. Payments into the Bond Fund, as provided by Section 14;
2. Payments into the Reserve Fund, as provided by Section 15;
3. The curing of any deficiencies, as provided by Section 16;
4. The payment of other costs of the Project including maintenance and operation expenses not paid by the Authority and those purposes for which provision is made by Section 3.01(c) through 3.01(e) of the Contract; and
5. Applied as provided in Section 17.

SECTION 14: Bond Fund. The Authority hereby covenants and agrees to deposit to the credit of the Bond Fund amounts sufficient to pay the principal of and interest on the outstanding Bonds Similarly Secured as the same becomes due. There shall be deposited into the Bond Fund, by reason of the issuance of the Bonds, from the Pledged Revenue on deposit in the Revenue Fund (i) beginning on or before the twenty-fifth (25th) day of the month next following delivery of the Bonds and on or before the twenty-fifth (25th) day of each following month until and including the first interest payment date, an amount equal to not less than the fractional amount required in order to have the amount of the first installment of interest on deposit by the twenty-fifth (25th) day of the month next preceding the first interest payment date, and thereafter on the twenty-fifth (25th) day of each following month, an amount equal to not less than one sixth (1/6) of the next installment of interest; (ii) beginning on or before the twenty-fifth (25th) day of the month next following delivery of the Bonds, and on or before the twenty-fifth (25th) day of each following month until and including the first principal payment date, an amount equal to not less

than the fractional amount required in order to have the amount of the first installment of principal on deposit by the twenty-fifth (25th) day of the month preceding the first principal payment date, and thereafter on or before the twenty-fifth (25th) day of each month, an amount equal to one twelfth (1/12) of the next annual principal payment to become due on the Bonds.

The amounts required to be so deposited shall take into account amounts already on deposit in the Bond Fund.

The monthly deposits to the Bond Fund for the payment of principal and interest on the Bonds shall continue to be made as hereinabove provided until such time as (i) the total amount on deposit in the Bond Fund is equal to the amount required to pay all Outstanding Bonds Similarly Secured (principal and interest) for which said Fund was created and established or (ii) the Bonds Similarly Secured payable therefrom are no longer Outstanding.

Moneys on deposit in the Bond Fund may be invested, to the extent such investments are Authorized Investments, in United States Treasury bills, in similar direct obligations of the United States of America, or in certificates of deposit of any bank that is a member of the Federal Deposit Insurance Corporation (which are fully secured by a pledge of direct obligations of, or obligations of which the principal and interest are guaranteed by, the United States of America to the extent such certificates are not insured) maturing at such dates and in such manner as will provide cash to discharge interest and/or principal payments on Bonds Similarly Secured when and as the same become due.

Investment income and profits realized from the investment of the Bond Fund shall be retained therein until used as provided in this Section. Accrued interest, if any, shall be deposited into the Bond Fund.

SECTION 15: Reserve Fund. Upon the delivery of the Bonds, amounts on deposit in the Reserve Fund, allocated as a part of the Reserve Fund for the security of "Bonds Similarly Secured" under the resolutions authorizing the issuance of such Bonds Similarly Secured (including amounts held in the Reserve Fund by reason of the issuance of the Previously Issued Bonds) shall continue to be held as a part of the Reserve Fund for the security and payment, if required, of Bonds Similarly Secured as defined herein. The Authority hereby covenants and agrees with the holders of the Bonds Similarly Secured that it will provide for the accumulation of, and when accumulated, will thereafter continuously maintain in the Reserve Fund an amount equal to the average annual principal and interest requirement of all Bonds Similarly Secured (the Required Reserve Fund Amount). If any Bonds Similarly Secured are subject to mandatory redemption, the amount required to be redeemed in any Fiscal Year shall be treated as if it matured in that Fiscal Year. The average annual requirement shall be calculated on a Fiscal Year basis on the Outstanding Bonds Similarly Secured on the date of the last series of Bonds Similarly Secured (after giving effect to the issuance of such last series); provided, however, at such time as the Previously Issued Bonds identified in 1-7 of Section 10(I) hereof are no longer Outstanding, the average annual requirement shall also be calculated at the end of each Fiscal Year. Any amounts on deposit in the Reserve Fund in excess of such requirement shall be transferred to the Revenue Fund.

In addition, beginning on or before the twenty-fifth (25th) day of the month following the delivery of the Bonds, and on or before the twenty-fifth (25th) day of each month thereafter, there shall be deposited in the Reserve Fund substantially equal month deposits in an amount which will result in the Required Reserve Fund Amount being on deposit in the Reserve Fund within not

more than sixty (60) months from the date of the passage of this Resolution, and such monthly deposits shall take into account the amounts already on deposit in said Reserve Fund.

When the Required Reserve Fund Amount has been fully accumulated, said monthly payments to said Fund may be terminated; provided, however, should the money in the Reserve Fund be utilized so the Reserve Fund balance is less than the Required Reserve Fund Amount, after the same has been accumulated, monthly deposits shall be made in an amount not less than one-twelfth (1/12th) of the amount of the deficiency and shall continue to be made on or before the twenty-fifth (25<sup>th</sup>) day of each month until the Required Reserve Fund Amount has been fully restored.

Money in the Reserve Fund may be, at the option of the Authority, invested or reinvested from time to time in direct obligations of or obligations the principal and interest of which are guaranteed by the United States of America or invested in direct obligations of or participation certificates guaranteed by the Federal Intermediate Credit Banks, Federal Land Banks, Federal National Mortgage Association, Federal Home Loan Banks, Banks for Cooperatives, and in certificates of deposit of any bank which is a member of the Federal Deposit Insurance Corporation, and such certificates of deposit are fully insured and/or secured by a pledge of the securities of any of the kind hereinabove specified, such obligations or securities to mature in not more than ten years from the date of such investment or not later than the final maturity of the Bonds Similarly Secured Outstanding for which the Reserve Fund is established, whichever is shorter. Any obligations in which money is so invested shall be kept in escrow with the custodian of said Fund, and shall be promptly sold when notified by the Authority that moneys on deposit in the Bond Fund are insufficient to make a current interest and/or principal payment on Bonds Similarly Secured, and the proceeds of sale of such investments and/or moneys on deposit in the Reserve Fund in an amount sufficient to meet the deficiency in the Bond Fund shall be immediately transferred to the Bond Fund, without further notice or authorization. The Authority shall direct the investment of moneys on deposit in the Reserve Fund.

Investment income and profits realized from the investment of the Reserve Fund shall be retained therein as may be necessary to fully establish or restore the Required Reserve Fund Amount and thereafter shall be transferred to the Revenue Fund.

Investments in the Reserve Fund shall be valued at the lower of cost or market on June 1 of each year, by the chief financial officer of the Authority. In the event the amount contained in the Reserve Fund (as the result of such valuation) is less than the amount then required to be on deposit, additional deposits in an amount equal to not less than 1/12th of the deficiency shall be made monthly, beginning on the 25th day of October next following until the deficiency has been corrected. In the event the amount contained in the Reserve Fund (as a result of such valuation) is more than the Required Reserve Fund Amount, the amount of such excess may be transferred to the Revenue Fund and shall be so transferred if directed by the Authority.

SECTION 16: Deficiencies in Funds. If in any month the Authority shall, for any reason, fail to pay into the Bond Fund and Reserve Fund the full amounts above stipulated, amounts equivalent to such deficiencies shall be set apart and paid into said Funds from the first available and un-allocated Pledged Revenue of the following month or months, and such payments shall be in addition to the amount hereinabove provided to be otherwise paid into said Funds during such month or months.

SECTION 17: Remainder of Revenues. Money remaining in the Revenue Fund, after making the payments required in items (1) through (4) of the last paragraph of Section 13, shall

be transferred to any other fund created by this Resolution and used as a credit to the amount that would otherwise be required to be paid by the City under Section 3.01 of the Contract.

SECTION 18: Security of Funds and Their Transfer. All moneys on deposit in the special Funds for which this Resolution makes provision (except any portions thereof as may be at any time properly invested) shall be secured in the manner and to the fullest extent required by the laws of the State of Texas for the security of public funds, and moneys in such special Funds shall be used only for the purposes permitted by this Resolution.

While any of the Bonds are Outstanding, the Board of Directors shall cause to be transferred to the Paying Agent/Registrar therefor, from funds on deposit in the Bond Fund and, if necessary, in the Reserve Fund, amounts sufficient to fully pay and discharge promptly as each installment of interest and principal of the Bonds accrues or matures or comes due by reason of redemption prior to maturity, such transfer of funds to be made in such manner as will cause immediately available funds to be deposited with the Paying Agent/Registrar for the Bonds at the close of the business day next preceding the date of payment for the Bonds.

SECTION 19: Issuance of Additional Parity Bonds. In addition to the right to issue bonds of inferior lien as authorized by the laws of this State, the Authority reserves the right hereafter to issue Additional Bonds. The Additional Bonds, when issued, shall be payable from and secured by a first lien on and pledge of the Pledged Revenue in the same manner and to the same extent as are the Bonds and the Previously Issued Bonds. Bonds Similarly Secured shall in all respects be of equal dignity. The Additional Bonds may be issued in one or more installments provided, however, that no Additional Bonds shall be issued unless and until the following conditions have been met:

(a) The Authority is not then in default as to any covenant, condition or obligation prescribed in a resolution authorizing the issuance of the Outstanding Bonds Similarly Secured or the Contract (including any amendment or supplement thereto).

(b) A consulting engineer certifies to the Authority the need for an estimated amount of additional financing required for completion, expansion, enlargement or improvement of the Project.

(c) The City of Sherman, Texas, shall have approved the resolution(s) authorizing the issuance of the Additional Bonds as to form and content and acknowledged that the payment of principal of and interest on such bonds is payable, in whole or in part, from payments to be made by the City of Sherman, Texas, under and pursuant to the Contract.

(d) The Additional Bonds are made to mature on April 1 or October 1 or both in each of the years in which they are scheduled to mature.

(e) The resolution authorizing the issuance of the Additional Bonds provides for deposits to be made to the Bond Fund in amounts sufficient to pay the principal of and interest on such Additional Bonds as the same become due.

(f) The resolution authorizing the issuance of the Additional Bonds provides that (i) the amount to be accumulated and maintained in the Reserve Fund shall be in an amount equal to not less than the average annual requirement (calculated on a Fiscal Year basis) of the Outstanding Bonds Similarly Secured, as of the date of the last series of Bonds Similarly Secured after giving effect to the issuance of the Additional Bonds) for the payment of principal of and



interest on all obligations to be secured by a first lien on and pledge of the Pledged Revenue, and (ii) any additional amount to be maintained in the Reserve Fund shall be accumulated within not more than 60 months from the date of the passage of the resolution authorizing the issuance of the proposed Additional Bonds.

(g) The Authority will demonstrate to the Executive Administrator of the Texas Water Development Board that the Pledged Revenues will be sufficient to pay the Previously Issued Bonds, the Bonds and the proposed Additional Bonds.

Bonds Similarly Secured may be refunded (pursuant to any law then available) upon such terms and conditions as the governing body of the Authority may deem to be in the best interest of the Authority, and if less than all such Outstanding Bonds Similarly Secured are refunded the proposed refunding bonds shall be considered as "Additional Bonds" under the provisions of this Section, but the certificate required in subdivision (b) shall not be required or be applicable to the issuance of such refunding bonds.

SECTION 20: Insurance. The Authority covenants that it will at all times keep insured such of its plants, structures, buildings, stations, machinery, equipment, apparatus, distribution pipelines and equipment, as are usually insured by corporations operating like properties, with a responsible insurance company or companies, against risks, accidents or casualties against which and to the extent insurance is usually carried by corporations operating like properties, and will also at all times maintain worker's compensation insurance and insurance against public liability and property damages to the extent permitted by law, in a reasonable amount with a responsible insurance company or companies; provided, however, that any time while any contractor engaged in construction work shall be fully responsible therefor, or the Authority has assumed such responsibility, the Authority shall not be required to carry such insurance.

SECTION 21: Records - Accounts - Accounting Reports. The Authority hereby covenants and agrees that so long as any of the Bonds Similarly Secured or any interest thereon remain Outstanding and unpaid, it will keep and maintain a proper and complete system of records and accounts on a Fiscal Year basis pertaining to the operation of the Project separate and apart from all other records and accounts of the Authority in accordance with accepted accounting practices, and complete and correct entries shall be made of all transactions relating to said Project. The Holder or Holders of any Bonds Similarly Secured, or any duly authorized agent or agents of such Holders, shall have the right at all reasonable times to inspect all such records, accounts and data relating thereto and to inspect the Project and all properties comprising same. The Authority further agrees that within one hundred twenty (120) days following the close of each Fiscal Year, or as soon thereafter as possible, it will cause an audit of such books and accounts to be made by an independent firm of Certified Public Accountants or Licensed Public Accountants. Each such audit, in addition to whatever other matters may be thought proper by the Accountant shall particularly include the following:

- (a) A detailed statement of the receipts and disbursements from the Revenue Fund.
- (b) A balance sheet as of the end of such Fiscal Year.

(c) The Accountant's comments regarding the manner in which the Authority and the City have complied with the covenants and requirements of this Resolution and the Contract and his recommendations for any changes or improvements in the operation, records and accounts of the Authority.

(d) A list of the insurance policies in force (if obtained by the Authority) at the end of the Fiscal Year on the Project properties, setting out as to each policy the amount thereof, the risk covered, the name of the insurer, and the policy's expiration date.

(e) A list of the securities which have been on deposit as security for money in the Bond Fund and Reserve Fund throughout the Fiscal Year, a list of the securities, if any, in which money in the Bond Fund and Reserve Fund has been invested, and a statement of the manner in which money in the Revenue Fund has been secured in such Fiscal Year.

Expenses incurred in making the audits above referred to are to be regarded as Maintenance and Operating Expenses of the Project and paid as such. Copies of the aforesaid annual audit shall be immediately furnished to the Executive Director of the Municipal Advisory Council of Texas at his or her office in Austin, Texas, and, upon written request, to the initial Holder and any subsequent Holder of the Bonds Similarly Secured.

By its approval of this Resolution, the City of Sherman, Texas, agrees, in order to secure its obligations under the Contract, to maintain rates and charges for its utility system sufficient to pay all of its obligations secured by and made payable from the revenues derived from the operation of its utility system.

SECTION 22: Remedies in Event of Default. In addition to all the rights and remedies provided by the laws of the State of Texas, the Authority covenants and agrees particularly that in the event the Authority (a) defaults in payments to be made to the Bond Fund or Reserve Fund as required by this Resolution, or (b) defaults in the observance or performance of any other of the covenants, conditions or obligations set forth in this Resolution any Holder shall be entitled to a writ of mandamus issued by a court of proper jurisdiction compelling and requiring the Board of Directors and other officers of the Authority to observe and perform any covenant, condition or obligation prescribed in this Resolution.

No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power, or shall be construed to be a waiver of any such default or acquiescence therein, and every such right or power may be exercised from time to time and as often as may be deemed expedient. The specific remedy herein provided shall be cumulative of all other existing remedies and the specification of such remedies shall not be deemed to be exclusive.

SECTION 23: Special Covenants. The Authority hereby further covenants as follows:

(a) It has the lawful power to pledge the revenues supporting this issue of Bonds and has lawfully exercised said power under the Constitution and laws of the State of Texas; that the Bonds, Previously Issued Bonds, and the Additional Bonds, when issued, shall be ratably secured under said pledge of the Pledged Revenue in such manner that one bond shall have no preference over any other bond of said issues.

(b) Other than for the Bonds and the Previously Issued Bonds, the Pledged Revenue has in no manner been committed or pledged to the payment of any debt or obligation of the Authority.

(c) So long as any of the Bonds or any interest thereon remain Outstanding, the Authority will not sell or encumber the Project or any substantial part thereof; provided, however, this covenant shall not be construed to prohibit the sale of such machinery, or other properties or equipment which has become obsolete or otherwise unsuited to the efficient operation of the

Project, and, also, with the exception of the Additional Bonds expressly permitted by this Resolution to be issued, it will not encumber the Pledged Revenue unless such encumbrance is made junior and subordinate to all of the provisions of this Resolution.

(d) The Authority will maintain rates and charges to the City sufficient to meet the debt service requirements on the Outstanding obligations of the Authority that are supported by such revenues.

None of the special covenants herein appearing shall be construed in any manner which would deprive the Authority of its right to pledge any revenues produced by modification of the Contract and specifically designated to meet obligations incurred in providing the Authority with enlarged or additional facilities; further, that none of said covenants shall be construed in any manner which would deprive the Authority of its right to pledge that part of any revenue or income derived by it from other future contracts with other cities, towns or villages or the Authority or others and required to satisfy conditions for payment of other bonds or obligations issued by the Authority and such right is especially reserved.

SECTION 24: Bonds are Special Obligations. The Bonds are special obligations of the Authority payable from the Pledged Revenue and the Holders thereof shall never have the right to demand payment thereof out of funds raised or to be raised by taxation.

SECTION 25: Bonds are Negotiable Instruments. Each of the Bonds herein authorized shall be deemed and construed to be a "Security" and as such a negotiable instrument, within the meaning of Texas Business & Commerce Code, Chapter 8, as amended.

SECTION 26: Resolution a Contract - Amendments. This Resolution shall constitute a contract with the Holders from time to time, be binding on the Authority, and shall not be amended or repealed by the Authority so long as any Bond remains Outstanding except as permitted in this Section and in Section 39 hereof. The Authority, may, without the consent of or notice to any Holders, from time to time and at any time, amend this Resolution in any manner not detrimental to the interests of the Holders, including the curing of any ambiguity, inconsistency, or formal defect or omission herein. In addition, the Authority may, with the written consent of Holders holding a majority in aggregate principal amount of the Bonds Similarly Secured then outstanding, amend, add to, or rescind any of the provisions of this Resolution; provided that, without the consent of all Holders of the Bonds then outstanding, no such amendment, addition, or rescission shall (1) extend the time or times of payment of the principal of, premium, if any, and interest on the Bonds, reduce the principal amount thereof, the redemption price therefor, or the rate of interest thereon, or in any other way modify the terms of payment of the principal of, premium, if any, or interest on the Bonds, (2) give any preference to any Bond over any other Bond, or (3) reduce the aggregate principal amount of Bonds required to be held by Holders for consent to any such amendment, addition, or rescission.

SECTION 27: Satisfaction of Obligation of Authority. If the Authority shall pay or cause to be paid, or there shall otherwise be paid to the Holders, the principal of, premium, if any, and interest on the Bonds, at the times and in the manner stipulated in this Resolution, then the pledge of the Pledged Revenue under this Resolution and all other obligations of the Authority to the Holders shall thereupon cease, terminate, and become void and be discharged and satisfied.

Bonds or any principal amount(s) thereof shall be deemed to have been paid within the meaning and with the effect expressed above in this Section when (i) money sufficient to pay in full such Bonds or the principal amount(s) thereof at maturity or to the redemption date therefor,

together with all interest due thereon, shall have been irrevocably deposited with and held in trust by the Paying Agent/Registrar, or an authorized escrow agent, or (ii) Government Obligations shall have been irrevocably deposited in trust with the Paying Agent/Registrar, or an authorized escrow agent, which Government Obligations shall mature as to principal and interest in such amounts and at such times as will insure the availability, without reinvestment, of sufficient money, together with any moneys deposited therewith, if any, to pay when due the principal of and interest on such Bonds, or the principal amount(s) thereof, on and prior to the Stated Maturity thereof or (if notice of redemption has been duly given or waived or if irrevocable arrangements therefor acceptable to the Paying Agent/Registrar have been made) the redemption date thereof. In the event of a defeasance of the Bonds, the Authority shall deliver a certificate from its financial advisor, the Paying Agent/Registrar, an independent certified public accountant, or another qualified third party concerning the sufficiency of the deposit of cash and/or Government Obligations to pay, when due, the principal of, redemption premium (if any), and interest due on any defeased Bonds. The Authority covenants that no deposit of moneys or Government Obligations will be made under this Section and no use made of any such deposit which would cause the Bonds to be treated as "arbitrage bonds" within the meaning of Section 148 of the Internal Revenue Code of 1986, as amended, or regulations adopted pursuant thereto.

Any moneys so deposited with the Paying Agent/Registrar, or an authorized escrow agent, and all income from Government Obligations held in trust by the Paying Agent/Registrar or an authorized escrow agent, pursuant to this Section which is not required for the payment of the Bonds, or any principal amount(s) thereof, or interest thereon with respect to which such moneys have been so deposited shall be remitted to the Authority or deposited as directed by the Authority. Furthermore, any money held by the Paying Agent/Registrar for the payment of the principal of and interest on the Bonds and remaining unclaimed for a period of three (3) years after the Stated Maturity, or applicable redemption date, of the Bonds such moneys were deposited and are held in trust to pay shall, upon the request of the Authority, be remitted to the Authority against a written receipt therefor. Notwithstanding the above and foregoing, any remittance of funds from the Paying Agent/Registrar to the Authority shall be subject to any applicable unclaimed property laws of the State of Texas.

**SECTION 28: Notices to Holders-Waiver.** Wherever this Resolution provides for notice to Holders of any event, such notice shall be sufficiently given (unless otherwise herein expressly provided) if in writing and sent by United States mail, first class postage prepaid, to the address of each Holder as it appears in the Security Register.

In any case in which notice to Holders is given by mail, neither the failure to mail such notice to any particular Holders, nor any defect in any notice so mailed, shall affect the sufficiency of such notice with respect to all other Bonds. Where this Resolution provides for notice in any manner, such notice may be waived in writing by the Holder entitled to receive such notice, either before or after the event with respect to which such notice is given, and such waiver shall be the equivalent of such notice. Waivers of notice by Holders shall be filed with the Paying Agent/Registrar, but such filing shall not be a condition precedent to the validity of any action taken in reliance upon such waiver.

**SECTION 29: Cancellation.** All Bonds surrendered for payment, redemption, transfer, exchange, or replacement, if surrendered to the Paying Agent/Registrar, shall be promptly canceled by it and, if surrendered to the Authority, shall be delivered to the Paying Agent/Registrar and, if not already canceled, shall be promptly canceled by the Paying Agent/Registrar. The Authority may at any time deliver to the Paying Agent/Registrar for cancellation any Bonds previously certified or registered and delivered which the Authority may have acquired in any

manner whatsoever, and all Bonds so delivered shall be promptly canceled by the Paying Agent/Registrar. All canceled Bonds held by the Paying Agent/Registrar shall be destroyed as directed by the Authority.

SECTION 30: Mutilated - Destroyed - Lost and Stolen Bonds. In case any Bond shall be mutilated, or destroyed, lost or stolen, the Paying Agent/Registrar may execute and deliver a replacement Bond of like form and tenor, and in the same denomination and bearing a number not contemporaneously outstanding, in exchange and substitution for such mutilated Bond, or in lieu of and in substitution for such destroyed, lost or stolen Bond, only upon the approval of the Authority and after (i) the filing by the Holder thereof with the Paying Agent/Registrar of evidence satisfactory to the Paying Agent/Registrar of the destruction, loss or theft of such Bond, and of the authenticity of the ownership thereof and (ii) the furnishing to the Paying Agent/Registrar of indemnification in an amount satisfactory to hold the Authority and the Paying Agent/Registrar harmless. All expenses and charges associated with such indemnity and with the preparation, execution and delivery of a replacement Bond shall be borne by the Holder of the Bond mutilated, or destroyed, lost or stolen.

Every replacement Bond issued pursuant to this Section shall be a valid and binding obligation, and shall be entitled to all the benefits of this Resolution equally and ratably with all other Outstanding Bonds; notwithstanding the enforceability of payment by anyone of the destroyed, lost, or stolen Bonds.

The provisions of this Section are exclusive and shall preclude (to the extent lawful) all other rights and remedies with respect to the replacement and payment of mutilated, destroyed, lost or stolen Bonds.

SECTION 31: Covenants to Maintain Tax-Exempt Status.

(a) Definitions. When used in this Section, the following terms shall have the following meanings:

“Closing Date” means the date on which the Bonds are first authenticated and delivered to the initial purchasers against payment therefor.

“Code” means the Internal Revenue Code of 1986, as amended by all legislation, if any, effective on or before the Closing Date.

“Computation Date” has the meaning set forth in Section 1.148-1(b) of the Regulations.

“Gross Proceeds” means any proceeds as defined in Section 1.148-1(b) of the Regulations, and any replacement proceeds as defined in Section 1.148-1(c) of the Regulations, of the Bonds.

“Investment” has the meaning set forth in Section 1.148-1(b) of the Regulations.

“Nonpurpose Investment” means any investment property, as defined in Section 148(b) of the Code, in which Gross Proceeds of the Bonds are invested and which is not acquired to carry out the governmental purposes of the Bonds.

“Rebate Amount” has the meaning set forth in Section 1.148-1(b) of the Regulations.

“Regulations” means any proposed, temporary, or final Income Tax Regulations issued pursuant to Sections 103 and 141 through 150 of the Code, and 103 of the Internal Revenue Code of 1954, which are applicable to the Bonds. Any reference to any specific Regulation shall also mean, as appropriate, any proposed, temporary or final Income Tax Regulation designed to supplement, amend or replace the specific Regulation referenced.

“Yield” of (i) any Investment has the meaning set forth in Section 1.148-5 of the Regulations; and (ii) the Bonds has the meaning set forth in Section 1.148-4 of the Regulations.

(b) Not to Cause Interest to Become Taxable. The Authority shall not use, permit the use of, or omit to use Gross Proceeds or any other amounts (or any property the acquisition, construction or improvement of which is to be financed directly or indirectly with Gross Proceeds) in a manner which if made or omitted, respectively, would cause the interest on any Bond to become includable in the gross income, as defined in Section 61 of the Code, of the owner thereof for federal income tax purposes. Without limiting the generality of the foregoing, unless and until the Authority receives a written opinion of counsel nationally recognized in the field of municipal bond law to the effect that failure to comply with such covenant will not adversely affect the exemption from federal income tax of the interest on any Bond, the Authority shall comply with each of the specific covenants in this Section.

(c) No Private Use or Private Payments. Except as permitted by Section 141 of the Code and the Regulations and rulings thereunder, the Authority shall at all times prior to the last Stated Maturity of Bonds:

(i) exclusively own, operate and possess all property the acquisition, construction or improvement of which is to be financed or refinanced directly or indirectly with Gross Proceeds of the Bonds, and not use or permit the use of such Gross Proceeds (including all contractual arrangements with terms different than those applicable to the general public) or any property acquired, constructed or improved with such Gross Proceeds in any activity carried on by any person or entity (including the United States or any agency, department and instrumentality thereof) other than a state or local government, unless such use is solely as a member of the general public; and

(ii) not directly or indirectly impose or accept any charge or other payment by any person or entity who is treated as using Gross Proceeds of the Bonds or any property the acquisition, construction or improvement of which is to be financed or refinanced directly or indirectly with such Gross Proceeds, other than taxes of general application within the Authority or interest earned on investments acquired with such Gross Proceeds pending application for their intended purposes.

(d) No Private Loan. Except to the extent permitted by Section 141 of the Code and the Regulations and rulings thereunder, the Authority shall not use Gross Proceeds of the Bonds to make or finance loans to any person or entity other than a state or local government. For purposes of the foregoing covenant, such Gross Proceeds are considered to be “loaned” to a person or entity if: (1) property acquired, constructed or improved with such Gross Proceeds is

sold or leased to such person or entity in a transaction which creates a debt for federal income tax purposes; (2) capacity in or service from such property is committed to such person or entity under a take-or-pay, output or similar contract or arrangement; or (3) indirect benefits, or burdens and benefits of ownership, of such Gross Proceeds or any property acquired, constructed or improved with such Gross Proceeds are otherwise transferred in a transaction which is the economic equivalent of a loan.

(e) Not to Invest at Higher Yield. Except to the extent permitted by Section 148 of the Code and the Regulations and rulings thereunder, the Authority shall not at any time prior to the final Stated Maturity of the Bonds directly or indirectly invest Gross Proceeds in any Investment (or use Gross Proceeds to replace money so invested), if as a result of such investment the Yield from the Closing Date of all Investments acquired with Gross Proceeds (or with money replaced thereby), whether then held or previously disposed of, exceeds the Yield of the Bonds.

(f) Not Federally Guaranteed. Except to the extent permitted by Section 149(b) of the Code and the Regulations and rulings thereunder, the Authority shall not take or omit to take any action which would cause the Bonds to be federally guaranteed within the meaning of Section 149(b) of the Code and the Regulations and rulings thereunder.

(g) Information Report. The Authority shall timely file the information required by Section 149(e) of the Code with the Secretary of the Treasury on Form 8038-G or such other form and in such place as the Secretary may prescribe.

(h) Rebate of Arbitrage Profits. Except to the extent otherwise provided in Section 148(f) of the Code and the Regulations and rulings thereunder:

(i) The Authority shall account for all Gross Proceeds (including all receipts, expenditures and investments thereof) on its books of account separately and apart from all other funds (and receipts, expenditures and investments thereof) and shall retain all records of accounting for at least six years after the day on which the last outstanding Bond is discharged. However, to the extent permitted by law, the Authority may commingle Gross Proceeds of the Bonds with other money of the Authority, provided that the Authority separately accounts for each receipt and expenditure of Gross Proceeds and the obligations acquired therewith.

(ii) Not less frequently than each Computation Date, the Authority shall calculate the Rebate Amount in accordance with rules set forth in Section 148(f) of the Code and the Regulations and rulings thereunder. The Authority shall maintain such calculations with its official transcript of proceedings relating to the issuance of the Bonds until six years after the final Computation Date.

(iii) As additional consideration for the purchase of the Bonds by the Purchasers and the loan of the money represented thereby and in order to induce such purchase by measures designed to insure the excludability of the interest thereon from the gross income of the owners thereof for federal income tax purposes, the Authority shall pay to the United States out of the general fund, other appropriate fund, or if permitted by applicable Texas statute, regulation or opinion of the Attorney General of the State of Texas, the Bond Fund the amount that when added to the future value of previous rebate payments made for the Bonds equals (i) in the case of a Final Computation Date as defined in Section 1.148-3(e)(2) of the Regulations, one hundred percent (100%) of the Rebate Amount on such date;

and (ii) in the case of any other Computation Date, ninety percent (90%) of the Rebate Amount on such date. In all cases, the rebate payments shall be made at the times, in the installments, to the place and in the manner as is or may be required by Section 148(f) of the Code and the Regulations and rulings thereunder, and shall be accompanied by Form 8038-T or such other forms and information as is or may be required by Section 148(f) of the Code and the Regulations and rulings thereunder.

(iv) The Authority shall exercise reasonable diligence to assure that no errors are made in the calculations and payments required by paragraphs (2) and (3), and if an error is made, to discover and promptly correct such error within a reasonable amount of time thereafter (and in all events within one hundred eighty (180) days after discovery of the error), including payment to the United States of any additional Rebate Amount owed to it, interest thereon, and any penalty imposed under Section 1.148-3(h) of the Regulations.

(i) Not to Divert Arbitrage Profits. Except to the extent permitted by section 148 of the Code and the Regulations and rulings thereunder, the Authority shall not, at any time prior to the earlier of the Stated Maturity or final payment of the Bonds, enter into any transaction that reduces the amount required to be paid to the United States pursuant to Subsection (h) of this Section because such transaction results in a smaller profit or a larger loss than would have resulted if the transaction had been at arm's length and had the Yield of the Bonds not been relevant to either party.

(j) Elections. The Authority hereby directs and authorizes the President, Vice President, Secretary and/or Assistant Secretary of the Board of Directors of the Authority, and the General Manager of the Authority, individually or jointly, to make elections permitted or required pursuant to the provisions of the Code or the Regulations, as they deem necessary or appropriate in connection with the Bonds, in the Certificate as to Tax Exemption or similar or other appropriate certificate, form or document.

SECTION 32: Sale of Bonds – Official Statement. The Bonds authorized by this Resolution may be sold by the Authority to the purchaser(s) (herein referred to as the "Purchasers") by (i) negotiated sale, in accordance with a bond purchase agreement (the "Purchase Contract"), (ii) private placement, in accordance with an agreement to purchase or other agreement, or (iii) competitive bidding, in accordance with the successful bid submitted therefor, as determined by the Pricing Officer, in accordance with Section 3 hereof. The Pricing Officer is hereby authorized and directed to execute the Purchase Contract, agreement to purchase in the event of a private placement, or the successful bid form in the event of a competitive sale, as applicable, for and on behalf of the Authority and as the act and deed of this Board.

The President and Secretary of the Board of Directors of the Authority are further authorized and directed to execute and deliver for and on behalf of the Authority copies of a Preliminary Official Statement and Official Statement, prepared in connection with the offering of the Bonds by the Purchasers, in final form as may be required by the Purchasers, and such final Official Statement in the form and content as approved by the Pricing Officer shall be deemed to be approved by the Board of Directors of the Authority and constitute the Official Statement authorized for distribution and use by the Purchasers.



SECTION 33: Proceeds of Sale. Immediately following the delivery of the Bonds, the proceeds of sale (less those proceeds of sale designated to pay costs of issuance, and accrued interest received from the Purchasers, if any, of the Bonds) shall be deposited to the credit of a fund kept at a depository bank of the Authority. Pending expenditure for authorized projects and purposes, such proceeds of sale may be invested in authorized investments in accordance with the provisions of Texas Government Code, Chapter 2256, including guaranteed investment contracts permitted in Texas Government Code., Section 2256.015, et seq, and any investment earnings realized may be expended for such authorized projects and purposes or deposited in the Bond Fund as shall be determined by the Board of Directors; all in accordance with written instructions from the Authority or its financial advisor. Any accrued interest received from the Purchasers and as well as all surplus proceeds of sale of the Bonds, including investment earnings, remaining after completion of all authorized projects or purposes shall be deposited to the credit of the Bond Fund.

SECTION 34: Control and Custody of Bonds. The President of the Board of Directors of the Authority shall be and is hereby authorized to take and have charge of all necessary orders and records pending investigation by the Attorney General of the State of Texas, including the printing and supply of definitive Bonds, and shall take and have charge and control of the Initial Bonds pending approval by the Attorney General, the registration thereof by the Comptroller of Public Accounts, and the delivery thereof to the Purchaser.

SECTION 35: Legal Opinion. The Purchaser's obligation to accept delivery of the Bonds is subject to its being furnished a final opinion of Norton Rose Fulbright US LLP ("Bond Counsel") approving such Bonds as to their validity, said opinion to be dated and delivered as of the date of delivery and payment for the Bonds by the initial purchasers. A true and correct reproduction of said opinion is hereby authorized to be printed on the definitive Bonds or an executed counterpart thereof shall accompany the global Bonds deposited with the Depository Trust Company. The Board of Directors confirms the prior engagement of Norton Rose Fulbright US LLP as the Authority's Bond Counsel.

SECTION 36: CUSIP Numbers. CUSIP numbers may be printed or typed on the Bonds. It is expressly provided, however, that the presence or absence of CUSIP numbers on the Bonds shall be of no significance or effect as regards the legality thereof and neither the Authority nor attorneys approving said Bonds as to legality are to be held responsible for CUSIP numbers incorrectly printed or typed on the Bonds.

SECTION 37: Effect of Headings. The Section headings herein are for convenience only and shall not affect the construction hereof.

SECTION 38: Further Procedures. Any one or more of the President, Vice President, Secretary, and/or Assistant Secretary of the Board of Directors of the Authority, and the General Manager of the Authority, are hereby expressly authorized, empowered and directed from time to time and at any time to do and perform all such acts and things and to execute, acknowledge and deliver in the name and on behalf of the Authority all agreements, instruments, certificates or other documents, whether mentioned herein or not, as may be necessary or desirable in order to carry out the terms and provisions of this Resolution and the issuance of the Bonds. In addition, prior to the initial delivery of the Bonds, the President, Vice President, Secretary, and/or Assistant Secretary of the Board of Directors of the Authority, and the General Manager of the Authority, and Bond Counsel are each hereby authorized and directed to approve any technical changes or corrections to this Resolution or to any of the documents authorized and approved by this Resolution: (i) in order to cure any technical ambiguity, formal defect, or omission in the Resolution

or such other document; or (ii) as requested by the Attorney General of the State of Texas or his representative to obtain the approval of the Bonds by the Attorney General and if such officer or counsel determines that such ministerial changes are consistent with the intent and purpose of the Resolution, which determination shall be final. In the event that any officer of the Authority whose signature shall appear on any document shall cease to be such officer before the delivery of such document, such signature nevertheless shall be valid and sufficient for all purposes the same as if such officer had remained in office until such delivery.

#### SECTION 39: Continuing Disclosure Undertaking.

(a) Definitions. As used in this Section, the following terms have the meanings ascribed to such terms below:

“Financial Obligation” means a (a) debt obligation; (b) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (c) guarantee of a debt obligation or any such derivative instrument; provided that “financial obligation” shall not include municipal securities as to which a final official statement (as defined in the Rule) has been provided to the MSRB consistent with the Rule.

“MSRB” means the Municipal Securities Rulemaking Board.

“Rule” means SEC Rule 15c2-12, as amended from time to time or officially interpreted by the SEC.

“SEC” means the United States Securities and Exchange Commission.

(b) Annual Reports. The Authority shall provide annually to the MSRB (1) within six months after the end of each fiscal year ending in the year stated in the Pricing Certificate, financial information and operating data with respect to the Authority and the City of the general type included in the final Official Statement approved by the Pricing Officer and described in the Pricing Certificate, and (2) if not provided as part such financial information and operating data, audited financial statements of the Authority and the City, when and if available. Any financial statements so to be provided shall be prepared in accordance with the accounting principles described in the Pricing Certificate, or such other accounting principles as the Authority and the City, respectively, may be required to employ from time to time pursuant to state law or regulation, and audited, if the Authority commissions an audit of such statements and the audit is completed within the period during which they must be provided. If the audit of such financial statements is not complete within twelve (12) months after any such fiscal year end, then the Authority shall file unaudited financial statements within such twelve-month period and audited financial statements when and if such audited financial statements become available.

If the Authority changes its fiscal year, it will notify the MSRB of the change (and of the date of the new fiscal year end) prior to the next date by which the Authority otherwise would be required to provide financial information and operating data pursuant to this Section.

The financial information and operating data to be provided pursuant to this Section may be set forth in full in one or more documents or may be included by specific reference to any document available to the public on the MSRB’s Internet Web site or filed with the SEC.

(c) Notice of Certain Events. The Authority shall provide notice of any of the following events with respect to the Bonds to the MSRB in a timely manner and not more than 10 business days after occurrence of the event:

- (1) Principal and interest payment delinquencies;
- (2) Non-payment related defaults, if material;
- (3) Unscheduled draws on debt service reserves reflecting financial difficulties;
- (4) Unscheduled draws on credit enhancements reflecting financial difficulties;
- (5) Substitution of credit or liquidity providers, or their failure to perform;
- (6) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB), or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;
- (7) Modifications to rights of holders of the Bonds, if material;
- (8) Bond calls, if material, and tender offers;
- (9) Defeasances;
- (10) Release, substitution, or sale of property securing repayment of the Bonds, if material;
- (11) Rating changes;
- (12) Bankruptcy, insolvency, receivership, or similar event of the Authority, which shall occur as described below;
- (13) The consummation of a merger, consolidation, or acquisition involving the Authority or the sale of all or substantially all of its assets, other than in the ordinary course of business, the entry into of a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
- (14) Appointment of a successor or additional trustee or the change of name of a trustee, if material;
- (15) Incurrence of a Financial Obligation of the District, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the Authority, any of which affect security holders, if material; and
- (16) Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the Authority, any of which reflect financial difficulties.

For these purposes, (a) any event described in the immediately preceding paragraph 12 is considered to occur when any of the following occur: the appointment of a receiver, fiscal

agent, or similar officer for the Authority in a proceeding under the United States Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the Authority, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement, or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Authority, and (b) the Authority intends the words used in the immediately preceding paragraphs (15) and (16) and the definition of Financial Obligation in this Section to have the meanings ascribed to them in SEC Release No. 34-83885, dated August 20, 2018.

The Authority shall notify the MSRB, in a timely manner, of any failure by the Authority to provide financial information or operating data in accordance with subsection (b) of this Section by the time required by this Section.

(d) Filings with the MSRB. All financial information, operating data, financial statements, notices, and other documents provided to the MSRB in accordance with this Section shall be provided in an electronic format prescribed by the MSRB and shall be accompanied by identifying information as prescribed by the MSRB.

(e) Limitations, Disclaimers, and Amendments. The Authority shall be obligated to observe and perform the covenants specified in this Section with respect to the Authority and the Bonds while, but only while, the Authority remains an “obligated person” with respect to the Bonds within the meaning of the Rule, except that the Authority in any event will give notice required by subsection (c) hereof of any Bond calls and defeasance that cause the Authority to be no longer such an “obligated person”.

The provisions of this Section are for the sole benefit of the Holders and beneficial owners of the Bonds, and nothing in this Section, express or implied, shall give any benefit or any legal or equitable right, remedy, or claim hereunder to any other person. The Authority undertakes to provide only the financial information, operating data, financial statements, and notices which it has expressly agreed to provide pursuant to this Section and does not hereby undertake to provide any other information that may be relevant or material to a complete presentation of the financial results, condition, or prospects of the Authority or the State of Texas or hereby undertake to update any information provided in accordance with this Section or otherwise, except as expressly provided herein. The Authority does not make any representation or warranty concerning such information or its usefulness to a decision to invest in or sell Bonds at any future date.

UNDER NO CIRCUMSTANCES SHALL THE AUTHORITY BE LIABLE TO THE HOLDER OR BENEFICIAL OWNER OF ANY BOND OR ANY OTHER PERSON, IN CONTRACT OR TORT, FOR DAMAGES RESULTING IN WHOLE OR IN PART FROM ANY BREACH BY THE AUTHORITY, WHETHER NEGLIGENT OR WITHOUT FAULT ON ITS PART, OF ANY COVENANT SPECIFIED IN THIS SECTION, BUT EVERY RIGHT AND REMEDY OF ANY SUCH PERSON, IN CONTRACT OR TORT, FOR OR ON ACCOUNT OF ANY SUCH BREACH SHALL BE LIMITED TO AN ACTION FOR *MANDAMUS* OR SPECIFIC PERFORMANCE.

No default by the Authority in observing or performing its obligations under this Section shall constitute a breach of or default under this Resolution for purposes of any other provision of this Resolution.

Nothing in this Section is intended or shall act to disclaim, waive, or otherwise limit the duties of the Authority under federal and state securities laws.

Notwithstanding anything herein to the contrary, the provisions of this Section may be amended by the Authority from time to time to adapt to changed circumstances resulting from a change in legal requirements, a change in law, or a change in the identity, nature, status, or type of operations of the Authority, but only if (1) the provisions of this Section, as so amended, would have permitted an underwriter to purchase or sell Bonds in the primary offering of the Bonds in compliance with the Rule, taking into account any amendments or interpretations of the Rule to the date of such amendment, as well as such changed circumstances, and (2) either (a) the Holders of a majority in aggregate principal amount (or any greater amount required by any other provision of this Resolution that authorizes such an amendment) of the Outstanding Bonds consent to such amendment or (b) a Person that is unaffiliated with the Authority (such as nationally recognized bond counsel) determines that such amendment will not materially impair the interests of the Holders and beneficial owners of the Bonds. The provisions of this Section may also be amended from time to time or repealed by the Authority if the SEC amends or repeals the applicable provisions of the Rule or a court of final jurisdiction determines that such provisions are invalid, but only if and to the extent that reservation of the Authority's right to do so would not prevent underwriters of the initial public offering of the Bonds from lawfully purchasing or selling Bonds in such offering. If the Authority so amends the provisions of this Section, it shall include with any amended financial information or operating data next provided in accordance with subsection (b) an explanation, in narrative form, of the reasons for the amendment and of the impact of any change in the type of financial information or operating data so provided.

SECTION 40: Benefits of Resolution. Nothing in this Resolution, expressed or implied, is intended or shall be construed to confer upon any person other than the Authority, the Paying Agent/Registrar and the Holders, any right, remedy, or claim, legal or equitable, under or by reason of this Resolution or any provision hereof, this Resolution and all its provisions being intended to be and being for the sole and exclusive benefit of the Authority, the Paying Agent/Registrar, and the Holders.

SECTION 41: Inconsistent Provisions. All orders or resolutions, or parts thereof, which are in conflict or inconsistent with any provision of this Resolution are hereby repealed to the extent of such conflict, and the provisions of this Resolution shall be and remain controlling as to the matters contained herein.

SECTION 42: Governing Law. This Resolution shall be construed and enforced in accordance with the laws of the State of Texas and the United States of America.

SECTION 43: Incorporation of Findings and Determinations. The findings and determinations of the Board of the Authority contained in the preambles hereof are hereby incorporated by reference and made a part of this Resolution for all purposes as if the same were restated in full in this Section.

SECTION 44: Severability. If any provision of this Resolution or the application thereof to any circumstance shall be held to be invalid, the remainder of this Resolution and the application thereof to other circumstances shall nevertheless be valid, and this governing body hereby declares that this Resolution would have been enacted without such invalid provision.

SECTION 45: Municipal Bond Insurance. The Bonds may be sold with the principal of and interest thereon being insured by a municipal bond insurance provider authorized to transact

business in the State of Texas. The Pricing Officer is hereby authorized to make the selection of municipal bond insurance (if any) for the Bonds and make the determination of the provisions of any commitment therefor.

SECTION 46: Public Meeting. It is officially found, determined, and declared that the meeting at which this Resolution is adopted was open to the public and public notice of the time, place, and subject matter of the public business to be considered at such meeting, including this Resolution, was given, all as required by Texas Government Code, Chapter 551, as amended.

SECTION 47: Effective Date. This Resolution shall be in force and effect from and after its passage on the date shown below.

*[remainder of page left blank intentionally]*

PASSED AND ADOPTED, this June 16, 2025.

GREATER TEXOMA UTILITY AUTHORITY

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President, Board of Directors

ATTEST:

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Secretary, Board of Directors

(Seal)

EXHIBIT A

Form of Paying Agent/Registrar Agreement



## **FORM OF PAYING AGENT/REGISTRAR AGREEMENT**

THIS AGREEMENT is entered into as of \_\_\_\_\_ (this "Agreement"), by and between \_\_\_\_\_, \_\_\_\_\_, Texas, a banking corporation duly organized and existing under the laws of the \_\_\_\_\_ and authorized to do business in the State of Texas, or its successors (the "Bank") and the Greater Texoma Utility Authority (the "Issuer"),

### **RECITALS**

WHEREAS, the Issuer has duly authorized and provided for the issuance of its "Greater Texoma Utility Authority Contract Revenue Bonds, Series 2025 (City of Sherman Project)" (the "Securities"), dated \_\_\_\_\_, such Securities scheduled to be delivered to the initial purchasers thereof on or about \_\_\_\_\_; and

WHEREAS, the Issuer has selected the Bank to serve as Paying Agent/Registrar in connection with the payment of the principal of, premium, if any, and interest on said Securities and with respect to the registration, transfer and exchange thereof by the registered owners thereof; and

WHEREAS, the Bank has agreed to serve in such capacities for and on behalf of the Issuer and has full power and authority to perform and serve as Paying Agent/Registrar for the Securities;

NOW, THEREFORE, it is mutually agreed as follows:

### **ARTICLE ONE APPOINTMENT OF BANK AS PAYING AGENT AND REGISTRAR**

**Section 1.01 Appointment.** The Issuer hereby appoints the Bank to serve as Paying Agent with respect to the Securities, and, as Paying Agent for the Securities, the Bank shall be responsible for paying on behalf of the Issuer the principal, premium (if any), and interest on the Securities as the same become due and payable to the registered owners thereof; all in accordance with this Agreement and the "Authorizing Document" (hereinafter defined). The Issuer hereby appoints the Bank as Registrar with respect to the Securities and, as Registrar for the Securities, the Bank shall keep and maintain for and on behalf of the Issuer books and records as to the ownership of said Securities and with respect to the transfer and exchange thereof as provided herein and in the Authorizing Document.

The Bank hereby accepts its appointment, and agrees to serve as the Paying Agent and Registrar for the Securities.

**Section 1.02 Compensation.** As compensation for the Bank's services as Paying Agent/Registrar, the Issuer hereby agrees to pay the Bank the fees and amounts set forth in Annex A attached hereto; provided however, notwithstanding anything herein or in Annex A to the contrary, the aggregate value of this agreement shall be less than the dollar limitation set forth in Sections 2271.002(a)(2), 2274.002(a)(2) and 2276.002(a)(2) of the Texas Government Code, as amended.

In addition, the Issuer agrees to reimburse the Bank upon its request for all reasonable expenses, disbursements and advances incurred or made by the Bank in accordance with any of

the provisions hereof (including the reasonable compensation and the expenses and disbursements of its agents and counsel).

## **ARTICLE TWO DEFINITIONS**

**Section 2.01 Definitions.** For all purposes of this Agreement, except as otherwise expressly provided or unless the context otherwise requires:

“Acceleration Date” on any Security means the date, if any, on and after which the principal or any or all installments of interest, or both, are due and payable on any Security which has become accelerated pursuant to the terms of the Security.

“Authorizing Document” means the resolution, order, or ordinance of the governing body of the Issuer pursuant to which the Securities are issued, as the same may be amended or modified, including any pricing certificate related thereto, certified by the secretary or any other officer of the Issuer and delivered to the Bank.

“Bank Office” means the designated office of the Bank at the address shown in Section 3.01 hereof. The Bank will notify the Issuer in writing of any change in location of the Bank Office.

“Holder” and “Security Holder” each means the Person in whose name a Security is registered in the Security Register.

“Person” means any individual, corporation, partnership, joint venture, association, joint stock company, trust, unincorporated organization or government or any agency or political subdivision of a government.

“Predecessor Securities” of any particular Security means every previous Security evidencing all or a portion of the same obligation as that evidenced by such particular Security (and, for the purposes of this definition, any mutilated, lost, destroyed, or stolen Security for which a replacement Security has been registered and delivered in lieu thereof pursuant to Section 4.06 hereof and the Authorizing Document).

“Redemption Date”, when used with respect to any Security to be redeemed, means the date fixed for such redemption pursuant to the terms of the Authorizing Document.

“Responsible Officer”, when used with respect to the Bank, means the Chairman or Vice-Chairman of the Board of Directors, the Chairman or Vice-Chairman of the Executive Committee of the Board of Directors, the President, any Vice President, the Secretary, any Assistant Secretary, the Treasurer, any Assistant Treasurer, the Cashier, any Assistant Cashier, any Trust Officer or Assistant Trust Officer, or any other officer of the Bank customarily performing functions similar to those performed by any of the above designated officers and also means, with respect to a particular corporate trust matter, any

other officer to whom such matter is referred because of his knowledge of and familiarity with the particular subject.

“Security Register” means a register maintained by the Bank on behalf of the Issuer providing for the registration and transfers of Securities.

“Stated Maturity” means the date specified in the Authorizing Document the principal of a Security is scheduled to be due and payable.

**Section 2.02 Other Definitions.** The terms “Bank,” “Issuer,” and “Securities (Security)” have the meanings assigned to them in the recital paragraphs of this Agreement.

The term “Paying Agent/Registrar” refers to the Bank in the performance of the duties and functions of this Agreement.

### **ARTICLE THREE PAYING AGENT**

**Section 3.01 Duties of Paying Agent.** As Paying Agent, the Bank shall pay, provided adequate collected funds have been provided to it for such purpose by or on behalf of the Issuer, on behalf of the Issuer the principal of each Security at its Stated Maturity, Redemption Date or Acceleration Date, to the Holder upon surrender of the Security to the Bank at the following address:

As Paying Agent, the Bank shall, provided adequate collected funds have been provided to it for such purpose by or on behalf of the Issuer, pay on behalf of the Issuer the interest on each Current Interest Bond when due, by computing the amount of interest to be paid each Holder and making payment thereof to the Holders of the Current Interest Bonds (or their Predecessor Securities) on the Record Date (as defined in the Authorizing Document). All payments of principal and/or interest on the Securities to the registered owners shall be accomplished (1) by the issuance of checks, payable to the registered owners, drawn on the paying agent account provided in Section 5.05 hereof, sent by United States mail, first class postage prepaid, to the address appearing on the Security Register or (2) by such other method, acceptable to the Bank, requested in writing by the Holder at the Holder’s risk and expense.

**Section 3.02 Payment Dates.** The Issuer hereby instructs the Bank to pay the principal of and interest on the Securities on the dates specified in the Authorizing Document.

### **ARTICLE FOUR REGISTRAR**

**Section 4.01 Security Register - Transfers and Exchanges.** The Bank agrees to keep and maintain for and on behalf of the Issuer at the Bank Office books and records (herein sometimes referred to as the “Security Register”) for recording the names and addresses of the Holders of the Securities, the transfer, exchange and replacement of the Securities and the payment of the principal of and interest on the Securities to the Holders and containing such other

information as may be reasonably required by the Issuer and subject to such reasonable regulations as the Issuer and the Bank may prescribe. The Bank represents and warrants that it will at all times have immediate access to the Security Register by electronic or other means and will be capable at all times of producing a hard copy of the Security Register for use by the Issuer. All transfers, exchanges and replacements of Securities shall be noted in the Security Register.

Every Security surrendered for transfer or exchange shall be duly endorsed or be accompanied by a written instrument of transfer, the signature on which has been guaranteed by an officer of a federal or state bank or a member of the Financial Industry Regulatory Authority, such written instrument to be in a form satisfactory to the Bank and duly executed by the Holder thereof or his agent duly authorized in writing.

The Bank may request any supporting documentation it feels necessary to effect a re-registration, transfer or exchange of the Securities.

To the extent possible and under reasonable circumstances, the Bank agrees that, in relation to an exchange or transfer of Securities, the exchange or transfer by the Holders thereof will be completed and new Securities delivered to the Holder or the assignee of the Holder in not more than three (3) business days after the receipt of the Securities to be cancelled in an exchange or transfer and the written instrument of transfer or request for exchange duly executed by the Holder, or his duly authorized agent, in form and manner satisfactory to the Paying Agent/Registrar.

**Section 4.02 Securities.** The Issuer shall provide additional Securities when needed to facilitate transfers or exchanges thereof. The Bank covenants that such additional Securities, if and when provided, will be kept in safekeeping pending their use and reasonable care will be exercised by the Bank in maintaining such Securities in safekeeping, which shall be not less than the care maintained by the Bank for debt securities of other governments or corporations for which it serves as registrar, or that is maintained for its own securities.

**Section 4.03 Form of Security Register.** The Bank, as Registrar, will maintain the Security Register relating to the registration, payment, transfer and exchange of the Securities in accordance with the Bank's general practices and procedures in effect from time to time. The Bank shall not be obligated to maintain such Security Register in any form other than those which the Bank has currently available and currently utilizes at the time.

The Security Register may be maintained in written form or in any other form capable of being converted into written form within a reasonable time.

**Section 4.04 List of Security Holders.** The Bank will provide the Issuer at any time requested by the Issuer, upon payment of the required fee, a copy of the information contained in the Security Register. The Issuer may also inspect the information contained in the Security Register at any time the Bank is customarily open for business, provided that reasonable time is allowed the Bank to provide an up-to-date listing or to convert the information into written form.

The Bank will not release or disclose the contents of the Security Register to any person other than to, or at the written request of, an authorized officer or employee of the Issuer, except upon receipt of a court order or as otherwise required by law. Upon receipt of a court order and prior to the release or disclosure of the contents of the Security Register, the Bank will notify the Issuer so that the Issuer may contest the court order or such release or disclosure of the contents of the Security Register.

**Section 4.05 Return of Cancelled Securities.** The Bank will, at such reasonable intervals as it determines, surrender to the Issuer, all Securities in lieu of which or in exchange for which other Securities have been issued, or which have been paid.

**Section 4.06 Mutilated, Destroyed, Lost or Stolen Securities.** The Issuer hereby instructs the Bank, subject to the provisions of the Authorizing Document, to deliver and issue Securities in exchange for or in lieu of mutilated, destroyed, lost, or stolen Securities as long as the same does not result in an overissuance.

In case any Security shall be mutilated, destroyed, lost or stolen, the Bank may execute and deliver a replacement Security of like form and tenor, and in the same denomination and bearing a number not contemporaneously outstanding, in exchange and substitution for such mutilated Security, or in lieu of and in substitution for such mutilated, destroyed, lost or stolen Security, only upon the approval of the Issuer and after (i) the filing by the Holder thereof with the Bank of evidence satisfactory to the Bank of the destruction, loss or theft of such Security, and of the authenticity of the ownership thereof and (ii) the furnishing to the Bank of indemnification in an amount satisfactory to hold the Issuer and the Bank harmless. All expenses and charges associated with such indemnity and with the preparation, execution and delivery of a replacement Security shall be borne by the Holder of the Security mutilated, destroyed, lost or stolen.

**Section 4.07 Transaction Information to Issuer.** The Bank will, within a reasonable time after receipt of written request from the Issuer, furnish the Issuer information as to the Securities it has paid pursuant to Section 3.01, Securities it has delivered upon the transfer or exchange of any Securities pursuant to Section 4.01, and Securities it has delivered in exchange for or in lieu of mutilated, destroyed, lost, or stolen Securities pursuant to Section 4.06.

## **ARTICLE FIVE THE BANK**

**Section 5.01 Duties of Bank.** The Bank undertakes to perform the duties set forth herein and agrees to use reasonable care in the performance thereof.

**Section 5.02 Reliance on Documents, Etc.**

(a) The Bank may conclusively rely, as to the truth of the statements and correctness of the opinions expressed therein, on certificates or opinions furnished to the Bank.

(b) The Bank shall not be liable for any error of judgment made in good faith by a Responsible Officer, unless it shall be proved that the Bank was negligent in ascertaining the pertinent facts.

(c) No provisions of this Agreement shall require the Bank to expend or risk its own funds or otherwise incur any financial liability for performance of any of its duties hereunder, or in the exercise of any of its rights or powers, if it shall have reasonable grounds for believing that repayment of such funds or adequate indemnity satisfactory to it against such risks or liability is not assured to it.

(d) The Bank may rely and shall be protected in acting or refraining from acting upon any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, bond, note, security or other paper or document believed by it to be genuine and

to have been signed or presented by the proper party or parties. Without limiting the generality of the foregoing statement, the Bank need not examine the ownership of any Securities, but is protected in acting upon receipt of Securities containing an endorsement or instruction of transfer or power of transfer which appears on its face to be signed by the Holder or an agent of the Holder. The Bank shall not be bound to make any investigation into the facts or matters stated in a resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, bond, note, security or other paper or document supplied by the Issuer.

(e) The Bank may consult with counsel, and the written advice of such counsel or any opinion of counsel shall be full and complete authorization and protection with respect to any action taken, suffered, or omitted by it hereunder in good faith and in reliance thereon.

(f) The Bank may exercise any of the powers hereunder and perform any duties hereunder either directly or by or through agents or attorneys of the Bank.

(g) The Bank is also authorized to transfer funds relating to the closing and initial delivery of the Securities in the manner disclosed in the closing memorandum or letter as prepared by the Issuer, Issuer's financial advisor or other agent. The Bank may act on a facsimile or e-mail transmission of the closing memorandum or letter acknowledged by the Issuer, the Issuer's financial advisor or other agent as the final closing memorandum or letter. The Bank shall not be liable for any losses, costs or expenses arising directly or indirectly from the Bank's reliance upon and compliance with such instructions.

**Section 5.03 Recitals of Issuer.** The recitals contained herein with respect to the Issuer and in the Securities shall be taken as the statements of the Issuer, and the Bank assumes no responsibility for their correctness.

The Bank shall in no event be liable to the Issuer, any Holder or Holders of any Security, or any other Person for any amount due on any Security from its own funds.

**Section 5.04 May Hold Securities.** The Bank, in its individual or any other capacity, may become the owner or pledgee of Securities and may otherwise deal with the Issuer with the same rights it would have if it were not the Paying Agent/Registrar, or any other agent.

**Section 5.05 Moneys Held by Bank - Paying Agent Account/Collateralization.** A paying agent account shall at all times be kept and maintained by the Bank for the receipt, safekeeping, and disbursement of moneys received from the Issuer under this Agreement for the payment of the Securities, and money deposited to the credit of such account until paid to the Holders of the Securities shall be continuously collateralized by securities or obligations which qualify and are eligible under both the laws of the State of Texas and the laws of the United States of America to secure and be pledged as collateral for paying agent accounts to the extent such money is not insured by the Federal Deposit Insurance Corporation. Payments made from such paying agent account shall be made by check drawn on such account unless the owner of the Securities shall, at its own expense and risk, request an alternative method of payment.

Subject to the applicable unclaimed property laws of the State of Texas, any money deposited with the Bank for the payment of the principal of, premium (if any), or interest on any Security and remaining unclaimed for three years after final maturity of the Security has become due and payable will be held by the Bank and disposed of only in accordance with Title 6 of the Texas Property Code, as amended. The Bank shall have no liability by virtue of actions taken in compliance with this provision.

The Bank is not obligated to pay interest on any money received by it under this Agreement.

This Agreement relates solely to money deposited for the purposes described herein, and the parties agree that the Bank may serve as depository for other funds of the Issuer, act as trustee under indentures authorizing other bond transactions of the Issuer, or act in any other capacity not in conflict with its duties hereunder.

**Section 5.06 Indemnification.** To the extent permitted by law, the Issuer agrees to indemnify the Bank for, and hold it harmless against, any loss, liability, or expense incurred without negligence or bad faith on its part, arising out of or in connection with its acceptance or administration of its duties hereunder, including the cost and expense against any claim or liability in connection with the exercise or performance of any of its powers or duties under this Agreement.

**Section 5.07 Interpleader.** The Issuer and the Bank agree that the Bank may seek adjudication of any adverse claim, demand, or controversy over its person as well as funds on deposit, in either a Federal or State District Court located in the state and county where the administrative office of the Issuer is located, and agree that service of process by certified or registered mail, return receipt requested, to the address referred to in Section 6.03 of this Agreement shall constitute adequate service. The Issuer and the Bank further agree that the Bank has the right to file a Bill of Interpleader in any court of competent jurisdiction in the State of Texas to determine the rights of any Person claiming any interest herein.

**Section 5.08 DTC Services.** It is hereby represented and warranted that, in the event the Securities are otherwise qualified and accepted for "Depository Trust Company" services or equivalent depository trust services by other organizations, the Bank has the capability and, to the extent within its control, will comply with the "Operational Arrangements", which establishes requirements for securities to be eligible for such type depository trust services, including, but not limited to, requirements for the timeliness of payments and funds availability, transfer turnaround time, and notification of redemptions and calls.

## **ARTICLE SIX MISCELLANEOUS PROVISIONS**

**Section 6.01 Amendment.** This Agreement may be amended only by an agreement in writing signed by both of the parties hereto.

**Section 6.02 Assignment.** This Agreement may not be assigned by either party without the prior written consent of the other.

**Section 6.03 Notices.** Any request, demand, authorization, direction, notice, consent, waiver, or other document provided or permitted hereby to be given or furnished to the Issuer or the Bank shall be mailed or delivered to the Issuer or the Bank, respectively, at the addresses shown on the signature page(s) hereof.

**Section 6.04 Effect of Headings.** The Article and Section headings herein are for convenience of reference only and shall not affect the construction hereof.

**Section 6.05 Successors and Assigns.** All covenants and agreements herein by the Issuer shall bind its successors and assigns, whether so expressed or not.

**Section 6.06 Severability.** In case any provision herein shall be invalid, illegal, or unenforceable, the validity, legality, and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

**Section 6.07 Merger, Conversion, Consolidation, or Succession.** Any corporation or association into which the Bank may be merged or converted or with which it may be consolidated, or any corporation or association resulting from any merger, conversion, or consolidation to which the Bank shall be a party, or any corporation or association succeeding to all or substantially all of the corporate trust business of the Bank shall be the successor of the Bank as Paying Agent under this Agreement without the execution or filing of any paper or any further act on the part of either parties hereto.

**Section 6.08 Benefits of Agreement.** Nothing herein, express or implied, shall give to any Person, other than the parties hereto and their successors hereunder, any benefit or any legal or equitable right, remedy, or claim hereunder.

**Section 6.09 Entire Agreement.** This Agreement and the Authorizing Document constitute the entire agreement between the parties hereto relative to the Bank acting as Paying Agent/Registrar and if any conflict exists between this Agreement and the Authorizing Document, the Authorizing Document shall govern.

**Section 6.10 Counterparts.** This Agreement may be executed in any number of counterparts, each of which shall be deemed an original and all of which shall constitute one and the same Agreement.

**Section 6.11 Termination.** This Agreement will terminate (i) on the date of final payment of the principal of and interest on the Securities to the Holders thereof or (ii) may be earlier terminated by either party upon sixty (60) days written notice; provided, however, an early termination of this Agreement by either party shall not be effective until (a) a successor Paying Agent/Registrar has been appointed by the Issuer and such appointment accepted and (b) notice has been given to the Holders of the Securities of the appointment of a successor Paying Agent/Registrar. However, if the Issuer fails to appoint a successor Paying Agent/Registrar within a reasonable time, the Bank may petition a court of competent jurisdiction within the State of Texas to appoint a successor. Furthermore, the Bank and the Issuer mutually agree that the effective date of an early termination of this Agreement shall not occur at any time which would disrupt, delay or otherwise adversely affect the payment of the Securities.

Upon an early termination of this Agreement, the Bank agrees to promptly transfer and deliver the Security Register (or a copy thereof), together with the other pertinent books and records relating to the Securities, to the successor Paying Agent/Registrar designated and appointed by the Issuer.

The provisions of Section 1.02 and of Article Five shall survive and remain in full force and effect following the termination of this Agreement.

**Section 6.12 Iran, Sudan and Foreign Terrorist Organizations.** The Bank represents that neither it nor any of its parent company, wholly- or majority-owned subsidiaries, and other affiliates is a company identified on a list prepared and maintained by the Texas Comptroller of Public Accounts under Section 2252.153 or Section 2270.0201, Government Code. The foregoing representation excludes the Bank and each of its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, that the United States government has affirmatively



declared to be excluded from its federal sanctions regime relating to Sudan or Iran or any federal sanctions regime relating to a foreign terrorist organization. The Bank understands “affiliate” to mean any entity that controls, is controlled by, or is under common control with the Bank within the meaning of SEC Rule 405, 17 C.F.R. § 230.405, and exists to make a profit. .

Notwithstanding anything contained herein, the representation contained in this Section shall survive termination of this Agreement until the statute of limitations has run.

**Section 6.13 Governing Law.** This Agreement shall be construed in accordance with and governed by the laws of the State of Texas.

*[Remainder of page left blank intentionally.]*

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

\_\_\_\_\_

By: \_\_\_\_\_

Title: \_\_\_\_\_

Address: \_\_\_\_\_  
\_\_\_\_\_

GREATER TEXOMA UTILITY AUTHORITY

By: \_\_\_\_\_  
Pricing Officer

Address: 5100 Airport Drive  
Denison, Texas 75020

ANNEX A  
FEE SCHEDULE

EXHIBIT B

Contract For Water Supply and Sewer Service

**FIRST AMENDED AND RESTATED CONTRACT  
FOR WATER SUPPLY AND SEWER SERVICE**

**THE STATE OF TEXAS       §  
                                          §  
COUNTY OF GRAYSON       §**

THIS FIRST AMENDED AND RESTATED CONTRACT FOR WATER SUPPLY AND SEWER SERVICE is made and entered into between the GREATER TEXOMA UTILITY AUTHORITY (herein after referred to as the "Authority"), a conservation and reclamation Authority, a governmental agency, a political subdivision of the State of Texas, and a body politic corporate, duly created, existing and acting by virtue of Chapter 97, Acts of the 66th Legislature of Texas, Regular Session, 1979, as amended (the "Act"), and the CITY OF SHERMAN, TEXAS, a home-rule municipal corporation in the County of Grayson, Texas (hereinafter referred to as the "City") duly created and existing under the laws of the State of Texas:

**WITNESSETH:**

WHEREAS, the Authority and the City have previously entered into that certain Contract for Water Supply and Sewer Service, dated as of March 1, 1985, as such contract has been amended from time to time (the "Prior Contract"); and,

WHEREAS, this First Amended and Restated Contract amends and restates the Prior Contract, but it is the express intention of the parties hereto that no amendment to the Prior Contract contained herein shall alter or impair any existing obligations to bondholders of Previously Issued Bonds (as defined herein) or constitute or be construed to be the extinguishment of any security or the indebtedness represented thereby or the reissuance of any security or the refunding of any indebtedness represented thereby; and

WHEREAS, the Authority, acting pursuant to the Act, proposes to issue bonds from time to time for the purpose of providing (i) certain sanitary sewer collection and treatment facilities for use by the City, and (ii) an additional supply of water to the City and certain water supply facilities in order to store and transport such water to the City; and

WHEREAS, payments made by the City to the Authority under this Contract are to be pledged to the payment and security of the Bonds to be issued by the Authority and will constitute the basis for the Authority's credit in financing such

facilities; and

WHEREAS, each party represents that it is independently authorized to perform the functions or services contemplated by this Contract; and

WHEREAS, each party desires to enter into this Contract pursuant to Chapter 791 of the Texas Government Code (otherwise known as the Interlocal Cooperation Act), as amended; and

WHEREAS, the subject matter of this Contract constitutes a governmental function that serves the public health, safety and welfare and is of mutual concern to the parties; and

WHEREAS, each party obligated to pay for the performance of governmental functions or services under this Contract shall make those payments from current revenues available to the paying party and all payments are in an amount that fairly compensates the performing party for the services or functions performed under this Contract; and

WHEREAS, the Authority and the City, acting through their duly constituted governing bodies, have mutually agreed upon the terms and conditions of this Contract; now, therefore:

IN CONSIDERATION of the mutual covenants, agreements and undertakings herein set forth, the parties hereto hereby agree, and contract as follows:

## **ARTICLE I**

### **DEFINITIONS**

**SECTION 1.01:** Unless the context shall indicate a contrary meaning of intent, the terms below defined, for all purposes of this Contract and any contract, amendatory or supplemental to this Contract, shall be construed or used and are intended to have meanings as follows:

- (a) "Authority" shall mean the Greater Texoma Utility Authority, or its successor;
- (b) "Board" and "Board of Directors" shall mean the Board of Directors of

the Authority;

- (c) "Bond Resolution" shall mean any resolution of the Board of Directors authorizing the issuance of a Bond and providing for their security and payment, as such resolution(s) may be amended from time to time as therein permitted, where the proceeds from the sale of each such Bond will be used to discharge the cost of a Project. The Authority shall provide to City a copy of each Bond Resolution and any amendments thereto at least 72 hours before each resolution or amendment is to be considered by the Authority's Board of Directors, and the City is entitled to object in writing to each resolution or amendment prior to action by the Board of Directors, in which case the Board of Directors shall not approve the resolution or amendment;
- (d) "Bonds" shall mean any bonds to be issued from time to time by the Authority for the purpose of providing funds to pay the necessary costs of a Project upon the written request of the City, whether in one or more series or issues, or any bonds issued to refund same;
- (e) "City" shall mean the City of Sherman, Texas;
- (f) "Cost of the Project" shall mean, with respect to a Water Project or a Sewer Project, all cost and expense incurred in connection with the acquisition, construction, improvements, enlargement, extension and repair of a Project, including, without limiting the generality of the foregoing the cost of the acquisition of all land, rights-of-way, property rights, easements, and interests, the cost of all machinery and equipment, financing charges, interest and administrative expenses expected to accrue during the period of construction, the funding of any reserve funds created by the Bond Resolution(s), cost of estimates and of engineering and legal services, plans, specifications, surveys, estimates of cost and of revenue, other expenses necessary or incident to determining the feasibility and practicability of acquiring, constructing, improving, enlarging, extending, or repairing a Project, and such other expense as may be necessary or incident to the acquisition, construction, improvement, enlargement, extension or repair of a Project and all legal fees, printing and other costs, fees and expenses necessary for or incident to the issuance of the Bonds;
- (g) "Engineer" shall mean a registered, professional engineer (who may be



the City Engineer or the Authority's Engineer). The City and Authority agree that the Engineer may be a different firm on different aspects of a Project; and that each Project will be acquired, constructed, improved, enlarged, extended and repaired in accordance with the plans and specifications prepared under the supervision of the Engineer. It is further agreed that an Engineer may be changed or added and the scope of duties adjusted by the Authority, subject to the consent of the City;

- (h) "Fiscal Year" shall mean the twelve month operating period commencing October 1<sup>st</sup> of each year
- (i) "Maintenance and Operation Expense of the Project" shall mean the expense of maintenance and operation of a Project including all salaries, labor, materials, interest, repairs, and replacements necessary to render efficient service, or which might be necessary to meet some physical accident or condition which would otherwise impair the security of the Bonds. Such term shall not include depreciation;
- G) "Previously Issued Bonds" shall mean the outstanding (1) "Greater Texoma Utility Authority Contract Revenue Bonds, Series 2006 (City of Sherman Project)," (2) "Greater Texoma Utility Authority Contract Revenue Bonds, Series 2013A (City of Sherman Project)," (3) "Greater Texoma Utility Authority Contract Revenue Bonds, Series 2014 (City of Sherman Project)," (4) "Greater Texoma Utility Authority Contract Revenue Bonds, Series 2015 (City of Sherman Project)," (5) "Greater Texoma Utility Authority Contract Revenue Bonds, Series 2015A (City of Sherman Project)," (6) "Greater Texoma Utility Authority Contract Revenue Bonds, Series 2015B (City of Sherman Project)," (7) "Greater Texoma Utility Authority Contract Revenue Bonds, Series 2017 (City of Sherman Project)," (8) "Greater Texoma Utility Authority Contract Revenue Bonds, Series 2017A (City of Sherman Project)," (9) "Greater Texoma Utility Authority Contract Revenue and Refunding Bonds, Series 2019 (City of Sherman Project)," (10) "Greater Texoma Utility Authority Contract Revenue Bonds, Series 2019A (City of Sherman Project)," (11) "Greater Texoma Utility Authority Contract Revenue Bonds, Series 2020 (City of Sherman Project)," (12) "Greater Texoma Utility Authority Contract Revenue Bonds, Series 2021 (City of Sherman Project)," (13) "Greater Texoma Utility Authority Contract Revenue Refunding Bonds, Series 2021 (City of Sherman Project),"

(14) "Greater Texoma Utility Authority Contract Revenue Bonds, Series 2022 (City of Sherman Project)," (15) "Greater Texoma Utility Authority Contract Revenue Bonds, Series 2023 (City of Sherman Project)," (16) "Greater Texoma Utility Authority Contract Revenue Bonds, Series 2023A (City of Sherman Project) and (17) Greater Texoma Utility Authority Contract Revenue Bonds, Series 2024 (City of Sherman Project) heretofore issued which are in every respect on a parity with any proposed Bonds proposed to be issued pursuant to this Contract.

- (k) "Project" shall mean a Water Project or a Sewer Project as described in each resolution or order of the Authority, duly passed prior to or subsequent to the date of this Contract, authorizing the issuance of Bonds by the Authority to finance the Costs of the Project.;
- (l) "Sewer Project" shall mean the sanitary sewer facilities for which the City has made a written request for funding from the Authority and which are to be (i) constructed or acquired in order to meet the contractual obligations hereunder, and (ii) financed by the Authority through the issuance of bonds or other obligations, to the extent the same are payable from the money paid or required to be paid by the City under this Contract, or obtained as grant funds, from any source, for the purpose of paying all or part of the Cost of the Project; and
- (m) "Water Project" shall mean the water supply, storage and transmission facilities for which the City has made a written request for funding from the Authority and which are to be (i) constructed or acquired in order to meet the contractual obligations hereunder, and (ii) financed by the Authority through the issuance of bonds or other obligations, to the extent the same are payable from the money paid or required to be paid by the City under this Contract or obtained as grant funds, from any source, for the purpose of paying all or part of the Cost of the Project.

## **ARTICLE II**

### **REPRESENTATIONS AND AGREEMENTS**

#### **SECTION 2.01: The City's Representations and Agreements.**

In connection with its undertakings hereunder, the City represents to the Authority and agrees with the Authority as follows:

- (a) In its capacity as a duly incorporated city of Texas, it is empowered under applicable laws of Texas, particularly under the Interlocal Cooperation Act, to enter into the engagements prescribed for it under this Contract and to perform all obligations which may result therefrom, and its governing body has duly authorized execution of this Contract;
- (b) It will timely pay to the Authority the full amount it is required to pay under the provisions of this Contract;
- (c) It will plan, construct, maintain, operate and finance its own utility system and set retail rates to individual customers for water and sanitary sewer service adequate to pay all City obligations secured by and made payable from the revenues derived from the operation of the City's combined water and sanitary sewer system;
- (d) That it will cooperate with the Authority in the performance of the duties and responsibilities assigned to the Authority by this Contract.

**SECTION 2.02: Representations and Agreements of Authority.**

In connection with its undertakings hereunder, the Authority represents to the City and agrees with the City as follows:

- (a) In its capacity as conservation and reclamation Authority created by the Act, pursuant to Article XIV, Section 59 of the Texas Constitution, it is empowered under the applicable laws of the State of Texas, particularly under the Interlocal Cooperation Act and the Texas Water Code, to enter into the engagements prescribed for it under this Contract and to perform all obligations which may result therefrom, and its governing body has duly authorized execution of this Contract; and
- (b) That it will finance all costs of each Project not provided by the City and any grant secured for the construction of each Project; and
- (c) That it will cooperate with the City in the performance of the duties and responsibilities assigned to the City by this Contract.

**SECTION 2.03: Construction.**

The City agrees to assume responsibility for the construction of each Project, and the Authority will enter into and enforce such contracts as are necessary to provide each Project. To this end, the Authority and the City agree that:

- (a) Unless otherwise agreed by the parties in writing, the City shall be responsible for the preparation of final plans and specifications for each Project;
- (b) Final plans and specifications for each Project shall be subject to the approval of the City;
- (c) All construction contracts shall be let by the City, acting as GTUA's authorized agent, pursuant to all applicable laws;
- (d) The Authority shall award all construction contracts, subject to the approval of each contract by the City;
- (e) The Authority shall deposit from the proceeds from the sale of its Bonds and any grant funds received for the purpose of providing all or part of each Project in a segregated, special Construction Fund for each Project to be created and established by the Bond Resolution(s), an amount of money which shall be specified in said Bond Resolution(s). The Authority shall draw on and use said Construction Fund to pay the cost of acquiring, constructing, improving, extending, enlarging and repairing each Project; and
- (f) Unless otherwise agreed by the parties in writing, the City shall be responsible for the acquisition of all land, rights-of-way, property rights, easements and interest required to provide the Project

## ARTICLE III

### FISCAL MATTERS

#### **SECTION 3.01: Payment for Service.**

The Authority will provide from the proceeds received through the issuance and sale of its Bonds such funds as are necessary, when coupled with any funds or property provided by the City and any grant received for the purpose of providing all or part of each Project. It is agreed that the City and its customers shall have the exclusive use of the entire Project for the useful life of each Project, unless otherwise approved by the City after consultation with Bond Counsel to the Authority to ensure compliance with covenants contained in the Bond Resolution(s), including compliance with the Internal Revenue Code of 1986 and Treasury Regulations promulgated thereunder. In consideration for the Authority's obligations hereunder, the City recognizes and agrees that the Authority is the owner of each Project during the period in which one or more Bonds to fund the Project have been duly issued and remain outstanding. It is further agreed that the City's obligations to make any and all payments for each Project as specified in this Article will automatically terminate when all of the Authority's Bonds issued in connection with each such Project have been paid in full and retired and are no longer outstanding. It is further agreed that upon completion of each Project, and when all of the Authority's Bonds issued in connection with each Project have been paid in full and retired and are no longer outstanding, ownership of the Project shall automatically transfer to and fully vest in the City. At the request of the City, the Authority shall promptly provide to the City a written statement or other evidence of such ownership transfer on a form approved by both parties. It is within the lawful and reasonable contemplation of the parties that the amounts due under this Contract from the City will be satisfied out of current revenues or some currently available fund within the immediate control of the City. It is further understood and agreed that the Authority's only source of funds to pay the principal of and interest on the Bonds is from the payments to be made by the City to the Authority under this Contract, grant funds received for the purpose of providing all or part of each Project and other funds as approved by the City and GTUA, and the City agrees that it will make to the Authority the following payments:

- (a) Monthly amortization payment. Such amounts, payable monthly on or before the 25th day of each month, in approximately equal installments, as are necessary to pay (i) the principal coming due on the

Authority's Bonds on the next succeeding principal payment date; (ii) the interest coming due on the Authority's Bonds on the next succeeding interest payment date; and; (iii) the fees and charges of the Paying Agent(s) for paying or redeeming the Bonds and interest thereon coming due on each applicable date;

- (b) Reserve Fund Payment. Such amount as is required to be paid into the Reserve Fund from the Revenue Fund (out of payments to be made by the City) under the Bond Resolution in order to establish, maintain or, replenish the Reserve for the security and payment of Bonds similarly secured;
- (c) Administrative Payment. An amount sufficient to pay the administrative and overhead expenses of the Authority, directly attributable and chargeable to the Bonds and the Project, including the cost of routine annual accounting reports; and
- (d) Extraordinary Expense Payment. Such amounts, as are necessary to pay or reimburse the Authority for any extraordinary, unexpected expenses or costs reasonably and necessarily incurred by the Authority in connection with the Bonds and the Project, and costs of special studies and special professional services, if and when required by any governmental directive or regulation or as may be agreed between City and Authority. The City's obligation to pay such extraordinary, unexpected expenses or costs is conditioned on GTUA providing to the City advance written notice of the nature, cause and anticipated amount of such expenses or costs before GTUA incurs any such expenses or costs and the City providing written approval of the same.

### **SECTION 3.02: Time for Making of Payments.**

The City agrees to make the payments required by Section 3.01 at the times hereafter specified:

- (a) Monthly Amortization Payments. The City shall commence making monthly amortization payments at such time as any amount required by the Bond Resolution(s) to be deposited into an escrow account for the payment of interest on the Bonds during the Project construction period has been fully exhausted; provided that such payments shall commence

in no event later than the earlier of (i) twelve months prior to the first principal payment date specified in the Bond Resolution(s), or (ii) six months prior to the first interest payment date for which monies are not set aside for the payment of the interest coming due on such date from the proceeds of the Bonds. Monthly amortization payments shall continue to be made throughout the term of the Contract and shall be adjusted by the City so as to provide for the accumulation of the full amount of debt service requirements (principal, interest and paying agent fees due on any given payment date) on or before the first day of the month such debt service requirements become due;

- (b) Reserve Fund Payment. The City shall commence making these payments on the 25th day of a month, as may be provided in the Bond Resolution after the delivery of the initial series of Bonds to provide the Project, and upon the issuance of additional Bonds, shall increase the payments in accordance with the Resolution authorizing such Bonds;
- (c) Administrative Payment. The City shall commence making the administrative payment as required under Section 3.01(d) on the 10th day following the Effective Date (hereinafter defined) of this Contract, and thereafter such payment shall be made on the 25<sup>th</sup> day of each month thereafter throughout the term of this Contract;
- (d) Extraordinary Expense Payment. The City shall make any extraordinary expense payment as required under Section 3.01(d) on the 30th day following the date the City receives the written statement with all relevant backup information therefore; and
- (e) Maintenance and Operating Expenses. Such expenses shall be paid by the City as the same becomes due.

### **SECTION 3.03: Maintenance and Operation of the Project.**

Unless otherwise agreed by the parties in writing, it is agreed that the City will be responsible for maintaining and operating each Project, and shall pay all costs and expenses incurred in regard to the maintenance and operation of each Project. The City hereby agrees and covenants to operate and maintain the Project in accordance with accepted good business and engineering practices and in accordance with all applicable federal and state laws, including any rules and

regulations issued by appropriate agencies in the administration of said laws.

**SECTION 3.04: Insurance.**

The City specifically agrees to carry fire, casualty, public liability, or other insurance on each Project for purposes and in an amount which would ordinarily be carried by a municipal corporation owning and operating such facilities. Such insurance will provide, to the extent feasible and practicable, for the restoration of damaged or destroyed properties and equipment so as to minimize the interruption of services of such facilities. All premiums for such insurance shall constitute a maintenance and operation expense of the Project.

**SECTION 3. 05: Covenant of Timely Payment.**

The City covenants that it will timely make (i) the monthly amortization payments and (ii) the additional payments specified hereunder in accordance with the provisions of this Contract as the same shall become due and payable, irrespective of whether service of the Project has been abandoned or discontinued, or if the Project has been rendered wholly or partially unuseful by reason for "force majeure". The City recognizes the fact that the Authority will use the payment received from the City hereunder to pay, secure and finance the issuance of the Bonds, and the holders of the Bonds shall be entitled to rely on the foregoing covenant of payment regardless of any other agreement that may exist between the Authority and the City.

**SECTION 3.06: Late Payment Penalty.**

Should the City fail to make any payment at the times herein specified, interest on such amounts shall accrue at the rate specified in Section 2251.025 of the Texas Government Code from the date such payment becomes due until paid in full with interest as herein specified. In the event such payment is not made within sixty (60) days from the date such payment becomes due, the Authority may institute a proceeding for a mandatory injunction requiring the payment of the amount due and interest thereon, such action to be instituted in a court of competent jurisdiction.

**SECTION 3.07: Priority of Charges - City to Fix Adequate Rates.**

- (a) The City represents and covenants that all payments to be made by it hereunder shall constitute "operating expenses" of the City's combined



water and sanitary sewer system; and

- (b) The City further agrees to fix and collect such rates and charges for water and sanitary waste services to its customers as will make possible the prompt payment of all expenses of operating and maintaining its combined water and sanitary sewer system, including all payments, obligations and indemnities contracted hereunder.

**SECTION 3.08: Nature of Obligation of City.**

The payments required to be made by the City under the terms of this Contract shall be due and payable in any and all events regardless of whether there shall be, for any reason, a delay in the completion of all or any part of a Project and regardless of whether the Project shall have been wholly or partially destroyed or damaged. The agreements of the City shall be and are separate and independent covenants and the City shall have no rights of setoff, recoupment, or counterclaim. The Authority shall never have the right to demand payment of any amounts due hereunder by the City out of funds raised or to be raised by taxation. Any obligations assumed or imposed on either party hereto shall never be construed to be a debt of such party of a kind that would require it to levy and collect taxes to discharge any such obligation, it being expressly understood by the parties hereto that the funds required for all payments due from the City pursuant to this Contract are to be collected from the sources referenced herein, and from no other.

**SECTION 3.09: Right to Audit; Access to Books and Records.**

The City shall have the right to audit, to examine and to make copies of or extracts from all financial, performance and compliance records (in whatever form they may be kept, whether written, electronic or other) relating to or pertaining to the Authority's activities under this Contract kept by or under the control of the Authority, including but not limited to, those kept by the Authority, its employees, agents, assigns successors and subcontractors. In the event of such audit, the Authority agrees to provide the City with reasonable access to the Authority's employees and make all such financial, performance and compliance records available to the City. The Authority shall, at all times during the term of this Contract and for a period of five years after the termination or expiration of this Contract, maintain such records, together with supporting or underlying documents and materials.

SECTION 3.10: Indemnity.

- (a) IN THE EVENT ANY PERSON OR ENTITY, NOT A PARTY TO THIS CONTRACT, SHALL MAKE ANY CLAIM OR FILE ANY LAWSUIT AGAINST THE AUTHORITY THAT ARISES OUT OF, RELATES IN WHOLE OR IN PART, OR RELATES IN ANY WAY TO THE SUBJECT OF THIS CONTRACT IN ANY RESPECT, THE CITY AGREES TO INDEMNIFY, DEFEND, AND HOLD HARMLESS AUTHORITY FROM ANY AND ALL SUCH CLAIMS AND LAWSUITS, INCLUDING THE PAYMENT OF ALL DAMAGES, EXPENSES, COSTS, AND ATTORNEYS' FEES, EVEN WHEN CAUSED IN WHOLE OR IN PART BY THE ACTS, OMISSIONS, NEGLIGENCE, GROSS NEGLIGENCE OR OTHER LEGAL DEFAULTS OF THE AUTHORITY, EXCEPT ANY CRIMINAL ACT COMMITTED BY THE AUTHORITY OR ITS OFFICERS, EMPLOYEES OR OTHER AGENTS. IT IS WITHIN THE LAWFUL AND REASONABLE CONTEMPLATION OF THE PARTIES THAT ANY AMOUNTS DUE UNDER THIS SUBSECTION (a) WILL BE SATISFIED OUT OF CURRENT REVENUES OR SOME CURRENTLY AVAILABLE FUND WITHIN THE IMMEDIATE CONTROL OF THE CITY.
  
- (b) IN THE EVENT ANY PERSON OR ENTITY, NOT A PARTY TO THIS CONTRACT, SHALL MAKE ANY CLAIM OR FILE ANY LAWSUIT AGAINST THE CITY THAT ARISES OUT OF, RELATES IN WHOLE OR IN PART, OR RELATES IN ANY WAY TO ANY CRIMINAL ACT COMMITTED BY THE AUTHORITY OR ITS OFFICERS, EMPLOYEES OR OTHER AGENTS IN CONNECTION WITH THE SUBJECT OF THIS CONTRACT IN ANY RESPECT, THE AUTHORITY AGREES TO INDEMNIFY, DEFEND, AND HOLD HARMLESS THE CITY FROM ANY AND ALL SUCH CLAIMS AND LAWSUITS, INCLUDING THE PAYMENT OF ALL DAMAGES, EXPENSES, COSTS, AND ATTORNEYS' FEES, EVEN WHEN CAUSED IN WHOLE OR IN PART BY THE ACTS, OMISSIONS, NEGLIGENCE, GROSS NEGLIGENCE OR OTHER LEGAL DEFAULTS OF THE CITY. IT IS WITHIN THE LAWFUL AND REASONABLE CONTEMPLATION OF

**THE PARTIES THAT ANY AMOUNTS DUE UNDER THIS SUBSECTION (b) WILL BE SATISFIED OUT OF CURRENT REVENUES OR SOME CURRENTLY AVAILABLE FUND WITHIN THE IMMEDIATE CONTROL OF THE AUTHORITY.**

## **ARTICLE IV**

### **Miscellaneous Provisions**

#### **SECTION 4.01: Contract Term.**

The obligation of the City to promptly make all prescribed payments shall commence with the delivery of the first series of Bonds issued to fund the cost of each Project and continue for the period during which the Bonds are outstanding and unpaid.

#### **SECTION 4.02: Useful Life of Project.**

The City and Authority agree and mutually find that the anticipated useful life of each Project equals or exceeds the period specified in the Bond Resolution(s) for the maturity of all Bonds authorized to be issued.

#### **SECTION 4.03: Abandonment of Use of Project.**

It is specifically recognized by the parties hereto that the City, during the term of this Contract, may acquire other facilities so as to make the continued operation of each Project uneconomical so it will be to the best interest of the parties to discontinue the operation of the Project.

Should the City choose to discontinue the operation of all or part of a Project, the City shall have the exclusive right to the salvage of all of the properties and improvements constituting the Project so discontinued. Any cost of salvage will be a maintenance and operating expense of the City, and any money realized from such salvage will serve as a reduction of such expense. The City shall retain the use of the land where the Project is situated and all remaining improvements thereon for its corporate purposes.

The abandonment of the use of the Project shall have no effect upon the obligations of the City to the Authority provided for by this Contract and all

payments provided for by this Contract shall remain obligations of the City of the same nature as provided for by this Contract.

**SECTION 4.04: Modification of Provisions.**

This Contract may be changed and modified only with the consent of the governing bodies of all parties. Such modification may be requested by either party, in which event a joint meeting of the governing bodies or of their duly authorized and appointed representatives shall be held not less than thirty (30) days after the giving of such notice. At such joint meeting, the suggested changes or modifications shall be considered, discussed and settled. No such change or modification may be made which will effect adversely the payment when due of all monies required to be paid by the City under the terms of this Contract and no such change will be effective which effects adversely or causes a violation of any covenants contained in the Bond Resolution(s).

**SECTION 4.05: Regulatory Provisions.**

This Contract shall be subject to, and each party shall comply with, all valid rules, regulations and laws applicable thereto, as promulgated by the United States of America, the State of Texas, or any other governmental body or agency having lawful jurisdiction, or any authorized representative or agency of any of them.

**SECTION 4.06: Taxes.**

In the event any sales or use taxes, or taxes of any nature are hereafter imposed upon a Project or the Authority on account of the acquisition, existence, ownership, operation and maintenance of the Project, the amount of such taxes shall be treated as operating expenses of the Project.

**SECTION 4.07: Title to Water and Sewage.**

Title to all water and sewage put into a Project under this Contract shall be in the City's Certificate of Convenience and Necessity (CCN).

**SECTION 4.08: Notices.**

Any notice, request, demand, statement or bill provided for in this Contract shall be in writing and shall be considered to have been duly delivered when sent by

registered mail, addressed as follows:

To the Authority: 5100 Airport Drive  
Denison, Texas 75020  
Attention: \_\_\_\_\_  
President, Board of Directors

To the City: City Hall  
220 W. Mulberry  
Sherman, Texas 75091  
Attention: City Manager  
City of Sherman

as the case may be, except that routine communications may be sent by ordinary mail and except that either party, by the filing of an appropriate written notice to the other, may specify some other individual to whom communications thereafter are to be addressed.

**SECTION 4.09: Covenant to Enforce Contractual Obligations.**

The Authority covenants that it will enforce the obligations of the City hereunder as may be required to accomplish the purpose of this Contract. Either party may enforce any obligations hereunder owed to it by the other party.

**SECTION 4.10: Consequences of City Default.**

The Authority and the City agree that in the event of default or threatened default, in the payment of principal or interest on the Bonds, any court of competent jurisdiction upon petition of the holders of twenty-five percent (25%) of the principal amount of the then outstanding Bonds of the Authority shall appoint a receiver with authority to collect and receive all resources pledged to the payment of the Bonds, enforce all rights arising from default, if any, by the City in making payment under this Contract, and take charge of the pledged funds on hand and manage the proprietary affairs of the Authority insofar as such affairs relate to the Project. The court may further vest the receiver with such powers and duties as the court may find necessary for the protection of the holders of the Bonds.

**SECTION 4.11: Further Agreements of the Parties.**

The parties hereto specifically recognize that the City has heretofore issued, sold and delivered, and may in the future issue, sell and deliver, revenue and other bonds that are payable from and secured by a lien on and pledge of the net revenue of its combined water and sanitary sewer system;

The City represents to the Authority:

- (a) There is no provision in the ordinances authorizing the issuance of such revenue bonds which prohibits the City from entering into and executing this Contract; and
- (b) The execution of this Contract and the operation thereunder will not in any way impair the obligation of Contract by and between the City and the owners of its outstanding bonds payable from revenues of its water and sanitary sewer system since each Project is in furtherance of governmental policy, not inconsistent with the existing contractual obligations of the City.

**SECTION 4.12: Control of Project by City.**

The parties hereto recognize and it is specifically agreed that after completion of each Project and during the term of this Contract, the City shall have the exclusive right to the use and utilization of the Project, for the benefit of the City, as determined by the City; that the City without hindrance from the Authority or the City, or the employees or other agents of either of them, may operate, maintain, repair, enlarge, improve, extend, provide for additions to or otherwise control, manage and keep up each such Project. Except as specified in this Contract, the abandonment of the use of all or part of each such Project has no effect upon the obligations of the parties.

**SECTION 4.13: Force Majeure.**

- (a) If for any reason of "force majeure" either of the parties hereto shall be rendered unable wholly or in part to carry out its obligations under this Contract, other than the obligation of City to make the payments required under the terms of Section 3.01 hereof, then if such party shall give notice and full particulars of such reasons in writing to the other party within a reasonable time after the occurrence of the event, or

cause relied on, the obligation of the party giving such notice, so far as its affected by such "force majeure" shall be suspended during the continuance of the inability then claimed, but for no longer period, and any such parties shall endeavor to remove or overcome such inability with all reasonable dispatch. The term "force majeure" as employed herein shall mean acts of God, strikes, lockouts, or other industrial disturbances, acts of a public enemy, orders or actions of any kind of the Government of the United States of America or of the State of Texas or any civil or military authority; insurrections, riots, epidemics, landslides, lightning, earthquakes, fires, hurricanes, storms, floods, washouts, droughts, arrests, restraints of government and people, civil disturbances, explosions, breakages or accident to dams, machinery, partial or entire failure of water supply and inability on the part of the Authority to deliver water hereunder or to provide sewage treatment or of the City to receive water or to deliver sewage treatment on account of any other cause not reasonably within the control of the party claiming such inability. It is understood and agreed that the settlement of strikes and lockouts shall be entirely within the discretion of the party having the difficulty, and that the above requirement that any force majeure shall be remedied with all reasonable dispatch, shall not require the settlement of strikes and lockouts by acceding to the demands of the opposing parties when such settlement is unfavorable to it in the judgment of the party having the difficulty. No failure of Authority to meet any obligation by reason of force majeure shall relieve the City from its obligations to make the payments required under the terms of Section 3.01 hereof;

- (b) No damage shall be recoverable from Authority by reason of the suspension of the operation of the Project due to any of the causes above mentioned. If City's ability to operate the Project is affected by any such causes, the City shall promptly notify the other party in writing giving the particulars as soon as practicable after the occurrence of the cause or causes for such interruption; and

#### **SECTION 4.14:        Easements.**

City agrees that Authority may have such easements over any easements, right of way or property held by City as are necessary so that the facilities herein anticipated and the placement thereof and of all required equipment may be

appropriately provided.

**SECTION 4.15: Bond Approval by the City.**

- (a) Prior to the issuance and delivery of any Bonds which are: (i) payable as to principal, interest or redemption premium out of the debt service payments, or (ii) to provide facilities or service or any item which is to be maintained by the Authority utilizing any part of the base monthly payments, the governing body of the City shall approve the issuance thereof by the Authority and the facilities to be constructed or acquired by the Authority.

**SECTION 4.16: Effective Date of this Contract.**

- (a) The parties hereto recognize this Contract amends and restates the Prior Contract to the extent any certain amendment does not affect adversely or cause a violation of any covenants contained in the Bond Resolution(s) of Previously Issued Bonds.

**SECTION 4.17: Severability.**

The parties hereto agree that if any of the provisions of this Contract contravene or be held invalid under the laws of the State, same shall not invalidate the whole Contract but it shall be construed as through not containing that particular provision and the rights and obligations of the parties shall be construed and in force accordingly.

If any amendment herein of the Prior Contract or the application thereof to any circumstance shall be held to affect adversely the payment when due of monies required to be paid by the City under the terms of the Prior Contract or affects adversely or causes a violation of any covenants contained in the Bond Resolution (s) for the Previously Issued Bonds, no such amendment shall become effective and the remainder of this Contract or the application thereof to other circumstances shall nevertheless be valid.

**SECTION 4.18: Immunity.**

It is expressly understood and agreed that, in the execution and performance of this Contract, neither party has 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 Contract, the parties do not create any obligations, express or implied, other than those set forth herein. Nothing in this Contract shall be construed to create any right in any third party not a signatory to this Contract, and the parties do not intend to create any third party beneficiaries by entering into this Contract.

IN WITNESS WHEREOF, the parties hereto, acting under authority of their respective governing bodies, have caused this Contract to be duly executed in several counterparts, each of which shall constitute an original. The date this Contract 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 Contract ("Effective Date").

GREATER TEXOMA UTILITY

BY: [Signature]  
P cctors  
DATE: 11-17-11

AT [Signature]  
Secretary, Board of Directors

CITY OF SHERMAN, TEXAS

BY: 12-1-11  
City ig7 City of Sherman  
DATE: 12-01-11

ATTEST:

[Signature]  
City Clerk, City of Sherman  
(Authority Seal)

APPROVED AS TO LEGAL FOR tvI:



\_\_\_\_\_  
City Attorney, City of Sherman  
(Authority Seal)



## City Council Regular Meeting

Agenda Item No. D.4.

**Meeting Date:** 8/18/2025

**Prepared By:** Kylar Christison, Wastewater Project Manager

**Approved By:** Zachary Flores, Acting City Manager

### **Caption:**

#### **INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 6858**

Amending the Code of Ordinances of the City of Sherman, Texas, Chapter 13 (Utilities), Article 13.09 (Service Fees); Modifying Certain Fees and Other Regulations Related to Laboratory Testing Fees; Providing a Penalty Clause with a Maximum Fine of \$2,000, Saving/Repealing Clause, Severability Clause and an Effective Date; Providing for the Publication of the Caption Hereof

### **Issue:**

Amending Chapter 13 of the Code of Ordinances to modify fees and regulations relating to laboratory testing services.

### **Background:**

The City of Sherman, Texas finds that it is necessary to amend Chapter 13 (Utilities), Article 13.09 (Service Fees) of the Code of Ordinances, City of Sherman, Texas to modify certain fees and regulations relating to laboratory testing services.

### **Capital Improvement Program:**

### **Origination:**

City of Sherman Utilities Laboratory Department

### **Financial Consideration:**

The change is expected to generate approximately \$23,000 in additional revenue based on laboratory testing service fees.

### **Staff Recommendation:**

Staff recommends Council approve this ordinance

### **Alternatives:**

As directed by Council

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### **Attachments:**

1. Ordinance No. 6858

## ORDINANCE NO. 6858

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AMENDING THE CODE OF ORDINANCES OF THE CITY OF SHERMAN, TEXAS, CHAPTER 13 (UTILITIES), ARTICLE 13.09 (SERVICE FEES); MODIFYING CERTAIN FEES AND OTHER REGULATIONS RELATED TO LABORATORY TESTING FEES; PROVIDING A PENALTY CLAUSE WITH A MAXIMUM FINE OF \$2,000, SAVINGS/REPEALING CLAUSE, SEVERABILITY CLAUSE AND AN EFFECTIVE DATE; PROVIDING FOR THE PUBLICATION OF THE CAPTION HEREOF; 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 Council of the City of Sherman, Texas (“City Council”) finds that it is necessary to amend Chapter 13 (Utilities), Article 13.09 (Service Fees) of the Code of Ordinances, City of Sherman, Texas (“Code of Ordinance”) to modify certain fees and other regulations imposed by the City of Sherman, Texas (“City” or “Sherman”); and

WHEREAS, Sherman has complied with all legal notices and public hearing requirements as required by law; and

WHEREAS, the City Council finds that adopting this Ordinance promotes the health, safety and welfare of Sherman and is in the best interest of the citizens of Sherman.

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

SECTION 1: Findings Incorporated. The findings set forth above are incorporated into the body of this Ordinance as if fully set forth herein.

SECTION 2: Amendment to Chapter 13 (Utilities) of the Code of Ordinances. Chapter 13 (Utilities) of the Code of Ordinances is hereby amended as follows<sup>1</sup>:

### **“CHAPTER 13 UTILITIES**

...

### **ARTICLE 13.09 SERVICE FEES**

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<sup>1</sup> Deletions are evidenced by ~~strikethrough~~; additions are *italicized*.

...

**§ 13.09.002. Laboratory fees.**

(a) The following fee schedule is hereby adopted for laboratory fees:

- (1) Biochemical oxygen demand (BOD5): ~~\$42.00.~~ *\$48.00.*
- (2) Carbonaceous BOD5: ~~\$42.00.~~ *\$48.00.*
- (3) Ammonia nitrogen (NH3N): ~~\$28.00.~~ *\$32.00.*
- (4) Total suspended solids (TSS): ~~\$22.00.~~ *\$25.00.*
- (5) Volatile suspended solids (VSS): ~~\$22.00.~~ *\$24.00.*
- (6) Total coliform (TC): ~~\$25.00.~~ *\$30.00.*
- (7) E. coli - MPN (EC): ~~\$38.00.~~ *\$40.00.*

(b) The following schedule is hereby adopted for administrative fees:

- (1) Cooler return fee: \$10.00.

(c) The City reserves the right to establish user schedules, limit the number of analyses performed each day and refuse samples that do not meet prescribed sample acceptance policies.

...

**SECTION 3: Penalty.** Any person, firm, corporation or entity violating any provision of this Ordinance shall be deemed guilty of a misdemeanor, and on conviction thereof, shall be fined in an amount not exceeding FIVE HUNDRED DOLLARS (\$500.00), unless the violation relates to fire safety, zoning or public health and sanitation, in which case the fine amount shall not exceed 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 Sherman from filing suit to enjoin the violation. Sherman retains all legal rights and remedies available to it pursuant to local, state and federal law.

**SECTION 4: Severability.** Should 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 5: Repealing/Savings.** The Code of Ordinances shall remain in full force and

**Ordinance No. 6858**

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: Open Meeting.** The meeting at which this Ordinance was introduced and passed was open to the public, and public notice of the time, place and purpose of said meeting was given all as required by law.

**SECTION 7: Effective Date; Publication.** This Ordinance shall become effective from and after its adoption and publication as required by law. The City Clerk is directed to publish the caption of this Ordinance as required by law.

**DULY PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS** on this 18<sup>th</sup> day of August 2025.

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**SHAWN C. TEAMANN, MAYOR**

**ATTEST:**

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**LEAH ROBERTS,  
EXEC. DIR. OF ADMINISTRATION,  
ACTING CITY CLERK**

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

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**RYAN D. PITTMAN, CITY ATTORNEY**



## City Council Regular Meeting

Agenda Item No. D.5.

**Meeting Date:** 8/18/2025

**Prepared By:** Rob Rae, Developmental Services Director

**Approved By:** Zachary Flores, Acting City Manager

### **Caption:**

#### **INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 6859**

Amending Sherman's Zoning Ordinance/Code Of Ordinances Chapter 14, To Rezone A Tract Of Land consisting of 5.73 acres, being in the J.B. McAnair Survey, Abstract No. 763, City Of Sherman, Grayson County, Texas, Located at 1900 Block North Grand Avenue, Heretofore M-1 (Light Manufacturing) District to a C-2 (General Commercial) District Zoning Classification, Jay Ho-InterProperty Holdings (Owner) 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 5.73 acres of land located at 1900 Block North Grand Avenue from an M-1 (Light Manufacturing) District to a C-2 (General Commercial) District.

### **Background:**

The property is located at 1900 Block North Grand Avenue. The owner is requesting a zone change from an M-1 (Light Manufacturing) District to a C-2 (General Commercial) District.

This is an existing commercial retail center that is zoned manufacturing. The applicant is requesting a zone change for consistency between the zoning district and the uses conducted at this property.

**At the July 22, 2025 regular meeting, the Planning and Zoning Commission voted 7/0 to recommend to City Council that the Zone Change be approved**

### **Capital Improvement Program:**

N/A

### **Origination:**

Jay Ho-InterProperty Holdings (Owner) and Mangram Commercial, LLC (Applicant)

### **Financial Consideration:**

None

### **Staff Recommendation:**

Staff recommends that the City Council approve this zone change request.

### **Alternatives:**

The City Council could deny the request.

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**Attachments:**

1. Ordinance No. 6859
2. Exhibit A - Survey and Legal Description
3. Location Map
4. Zoning Map
5. Future Land Use Map
6. Property Notification Sign



## **ORDINANCE NO. 6859**

**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 5.73 ACRES BEING A PART OF THE J.B. MCANAIR SURVEY, ABSTRACT NO. 763 CITY OF SHERMAN, GRAYSON COUNTY, TEXAS, LOCATED AT 1900 BLOCK NORTH GRAND STREET, HERETOFORE M-1 (LIGHT MANUFACTURING) DISTRICT REZONING AND PLACING THE TRACT IN THE C-2 (GENERAL COMMERCIAL) DISTRICT ZONING CLASSIFICATION, JAY HO-INTERPROPERTY (OWNER), 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 1900 Block North Grand Avenue and all streets, roads and alleyways contiguous and/or adjacent thereto, shall be rezoned and placed in the C-2 (General Commercial) 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 18th day of August 2025.

**ADOPTED** on this the 18th day of August 2025.

**EFFECTIVE DATE** on this the 18th day of August 2025.

**CITY OF SHERMAN, TEXAS**

**BY:** \_\_\_\_\_  
**SHAWN C. TEAMANN, MAYOR**

**ATTEST:**

**BY:** \_\_\_\_\_  
**LEAH ROBERTS,**  
**EXECUTIVE DIR. OF ADMIN.**  
**ACTING CITY CLERK**

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

**BY:** \_\_\_\_\_  
**RYAN D. PITTMAN, CITY ATTORNEY**

## EXHIBIT A

## EXHIBIT A

From a survey of 5.73 acres of land in the City of Sherman, Grayson County, Texas, out of the J. B. McAnair Survey, Abstract No. 763, being all of Lot No. 4 of the Partition of the Roberts Estate as shown by plat of record in Volume 398 at page 43 of the Grayson County Deed Records, all of Lot 7 and Lot 8 of the J. S. Hefner's Division of 2.11 acres as shown by plat of record in Volume 345 at Page 188 of the Grayson County Deed Records, the same tract of land conveyed from Craft-Barnett Investments to Commodore Savings Association by deed recorded in Volume 1993, Page 367 of the Grayson County Deed Records, and being more particularly described as follows:

BEGINNING at a 1/2" iron rod found in the South right-of-way line of Grand Avenue (formerly known as Roberts Road) maintaining the Northeast corner of a called 0.990 acres tract of land conveyed to Denny's Inc. by deed recorded in Volume 1589 at Page 158 of the Grayson County Deed Records;

THENCE South 11 deg. 36 min. West with the East line of the Denny's tract, passing the Southeast corner of the Denny's tract and the Northeast corner of a called 2.807 acre tract of land conveyed to Sherman Motel Limited Partnership by deed recorded in Volume 1950 at Page 697 of the Grayson County Deed Records at 316.0 feet, and continuing for a total distance of 371.3 feet to an "X" found chiselled in a concrete drainage flume;

THENCE South 10 deg. 58 min. West with the East line of the Sherman Motel tract, a distance of 301.2 feet to an iron rod found at the Southeast corner of the Sherman Motel Tract and in the North line of the J. S. Hefner's Division;

THENCE North 77 deg. 23 min. East with the North line of the J. S. Hefner's Division, a distance of 240.5 feet to an iron rod found at the Northeast corner of Lot 9;

THENCE South 01 deg. 28 min. West with the East line of Lot 9, a distance of 68.0 feet to a 1/2" iron rod found at the Southeast corner of Lot 9 and in the North right-of-way line of Frisco Road;

THENCE North 89 deg. 38 min. East with the North right-of-way line of Frisco Road, a distance of 110.0 feet to a chain link fence post, set in concrete and broken off flush with the ground, maintaining the Southwest corner of Lot 6;

THENCE North 00 deg. 12 min. West with the West line of Lot 6, a distance of 90.7 feet to a 1/2" iron rod found at the Northwest corner of Lot 6;

THENCE North 77 deg. 36 min. East with the North line of the J. S. Hefner's Division, a distance of 94.0 feet to a 1/2" iron rod found at the most Westerly Southwest corner of a called 5.44 acre tract of land conveyed to R. R. & H. Investments by deed recorded in Volume 1544, page 660 of the Grayson County Deed Records;

THENCE Northerly with the West line of the R. R. & H. tract, the following courses and distances;

North 07 deg. 55 min. East, a distance of 184.5 feet to a found 1/2" iron rod;  
North 12 deg. 48 min. East, a distance of 339.5 feet to a 1/2" iron rod found in the South right-of-way line of Grand Avenue at the Northwest corner of the R. R. & H. tract;

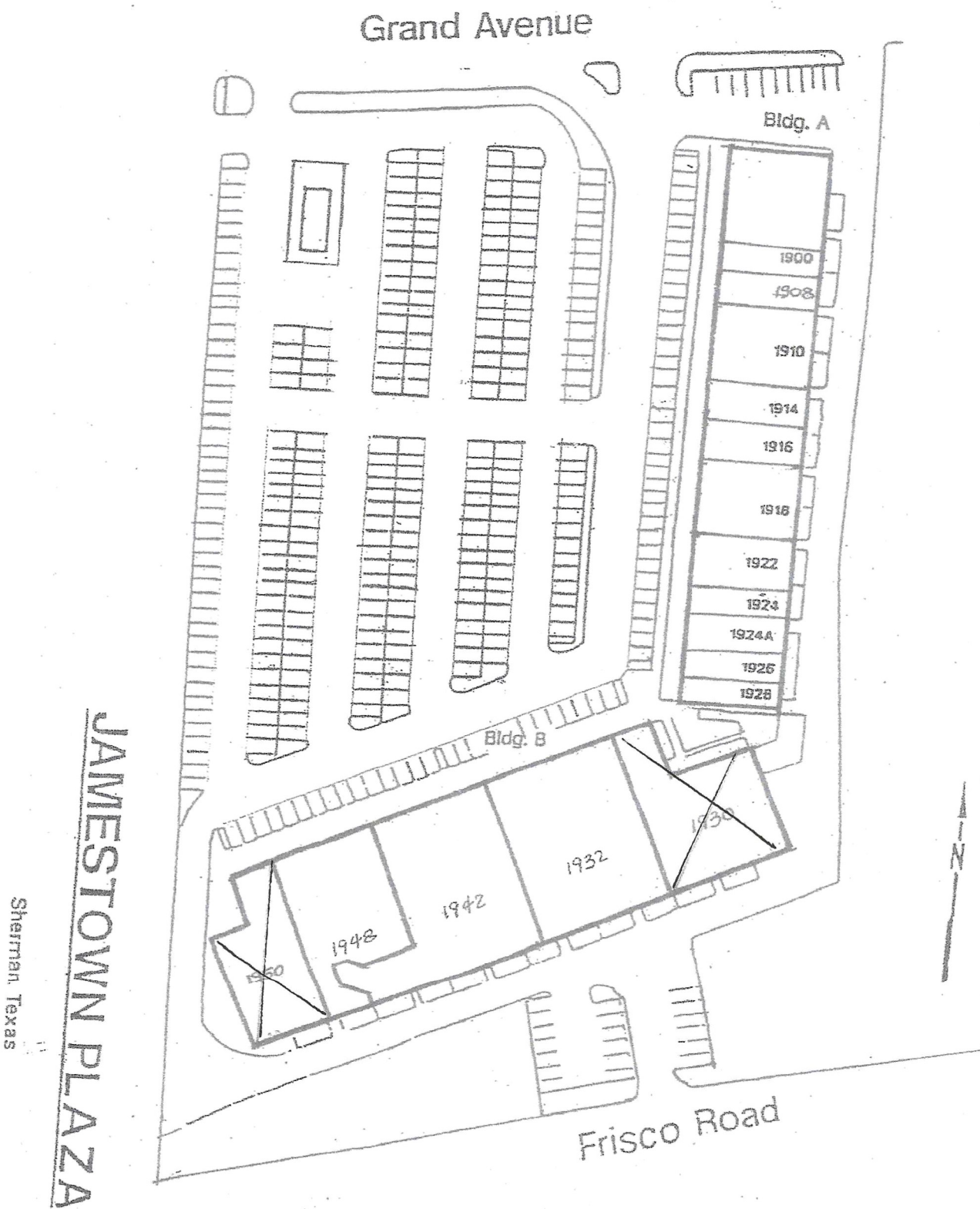
THENCE North 83 deg. 00 min. West with the South right-of-way line of Grand Avenue, a distance of 406.1 feet to the point of beginning.

And all improvements now or hereafter situated thereon inclusive of all goods which are or are to become fixtures, now or hereafter located in and about such improvements, including, without limitation, all heating, air conditioning, ventilating, plumbing, electrical fixtures and wiring, replacements thereof and additions thereto, all of which Grantor represents and agrees are and will be a part of and affixed to said tract of land (the "Real Property").

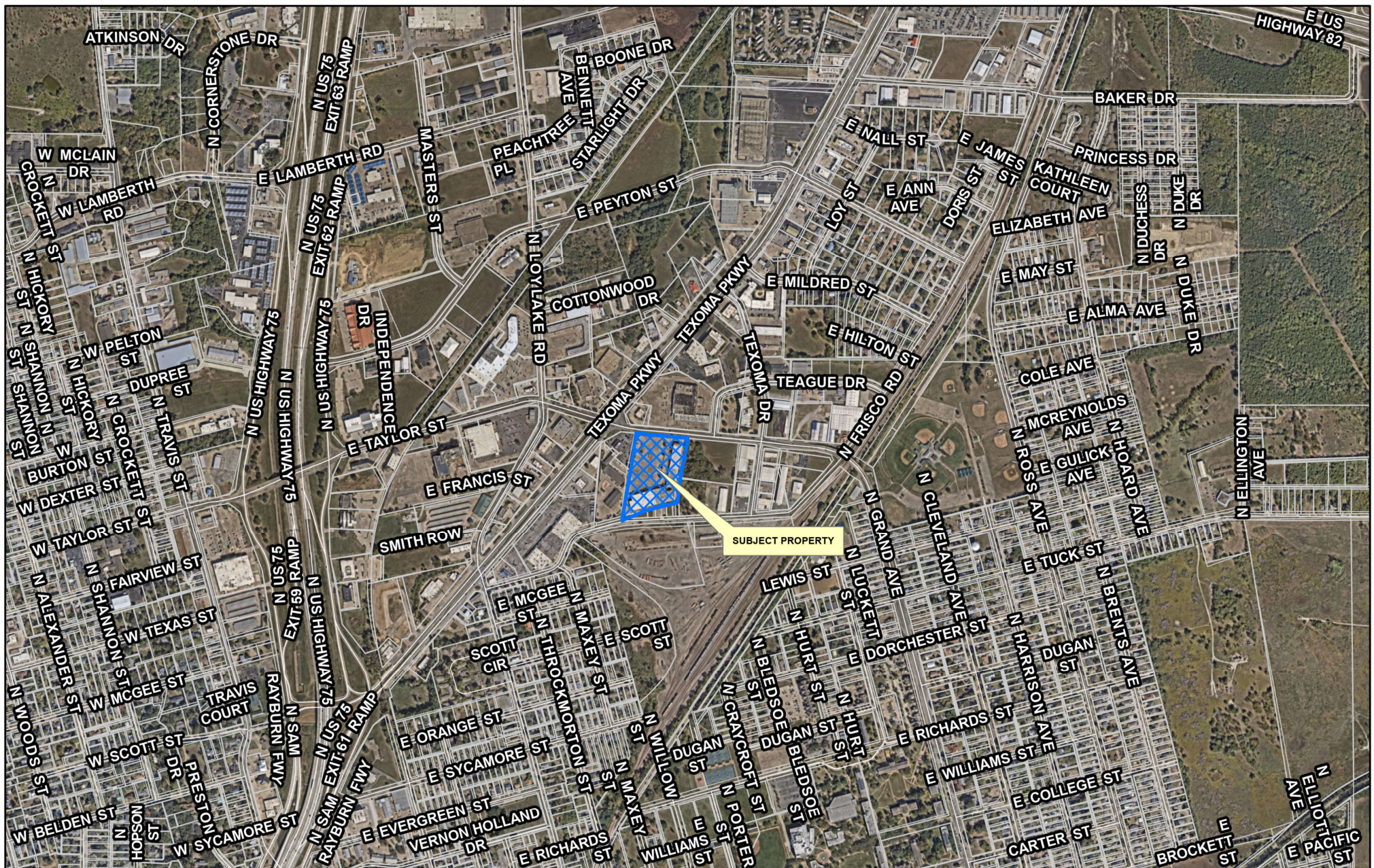
Filed for record and recorded January 11, 1995 at \_\_\_\_\_ M.  
Sara Jackson, County Clerk  
By Paul S. Jackson Deputy

EXHIBIT A

EXHIBIT "A"  
DEMISED PREMISES







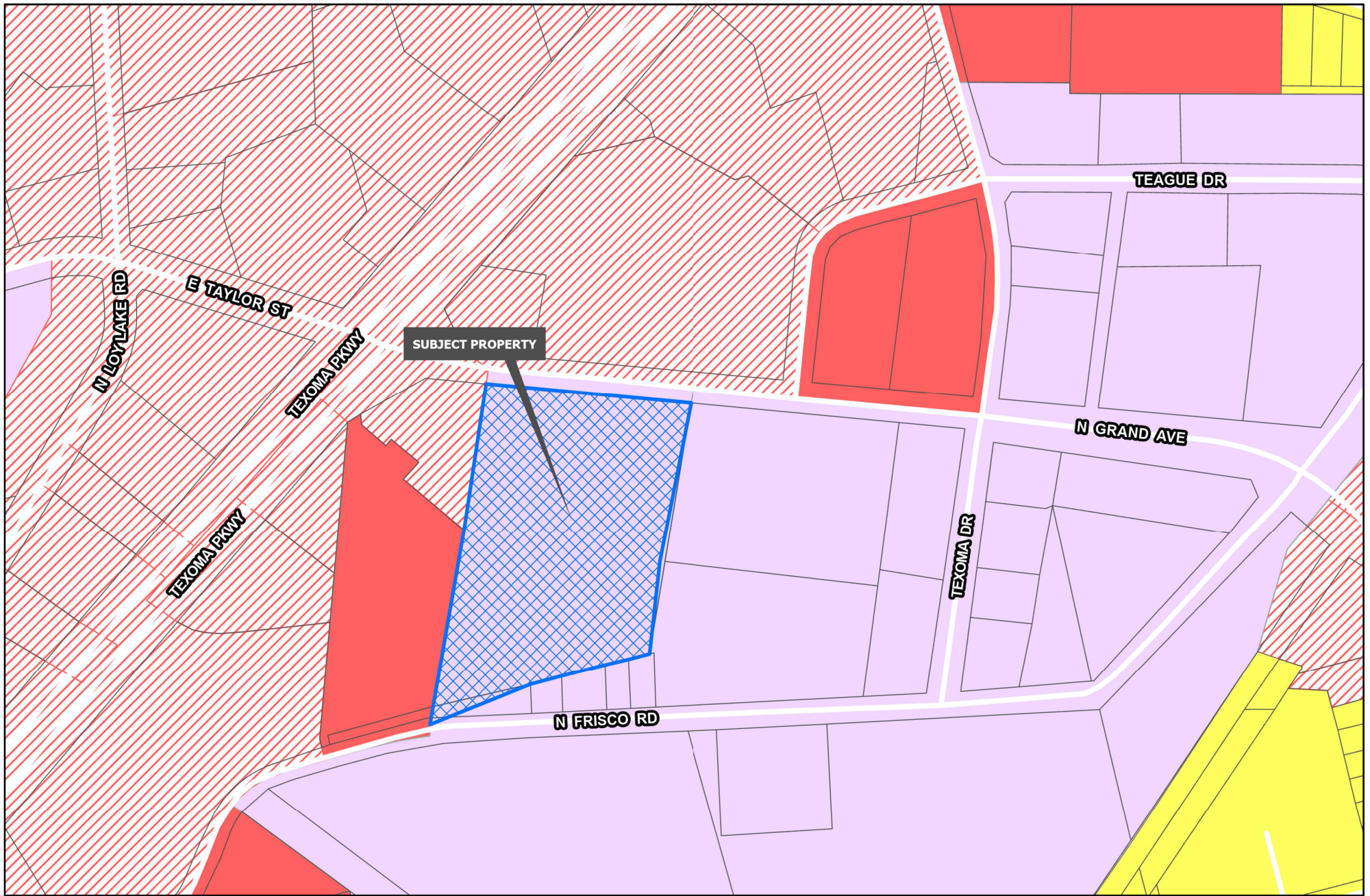
City of Sherman, Texas  
Development Services Department

**CITY OF SHERMAN  
LOCATION MAP  
1900 N GRAND AVE**



Date: 7/9/2025 8:28 AM





*Sherman*  
CLASSIC TOWN. BROAD HORIZON.

Development Services  
Department

 Planning & Zoning

 R-A Residential Agricultural

 R-E Estate Residential

 R-12 Single Family Residential

 R-6 Single Family Residential

 R-5 Single Family Residential

 R-4 Patio Home Residential

 R-2F Duplex Residential

 R-TH Townhome Residential

 MF-15 Multi-Family Residential

 MF-30 Multi-Family Residential

 MH Manufactured Housing

 C-N Neighborhood Commercial

 C-O Office

 C-1 Retail Business

 C-2 General Commercial

 M-1 Light Manufacturing

 M-1.5 Medium Manufacturing

 M-2 Heavy Manufacturing

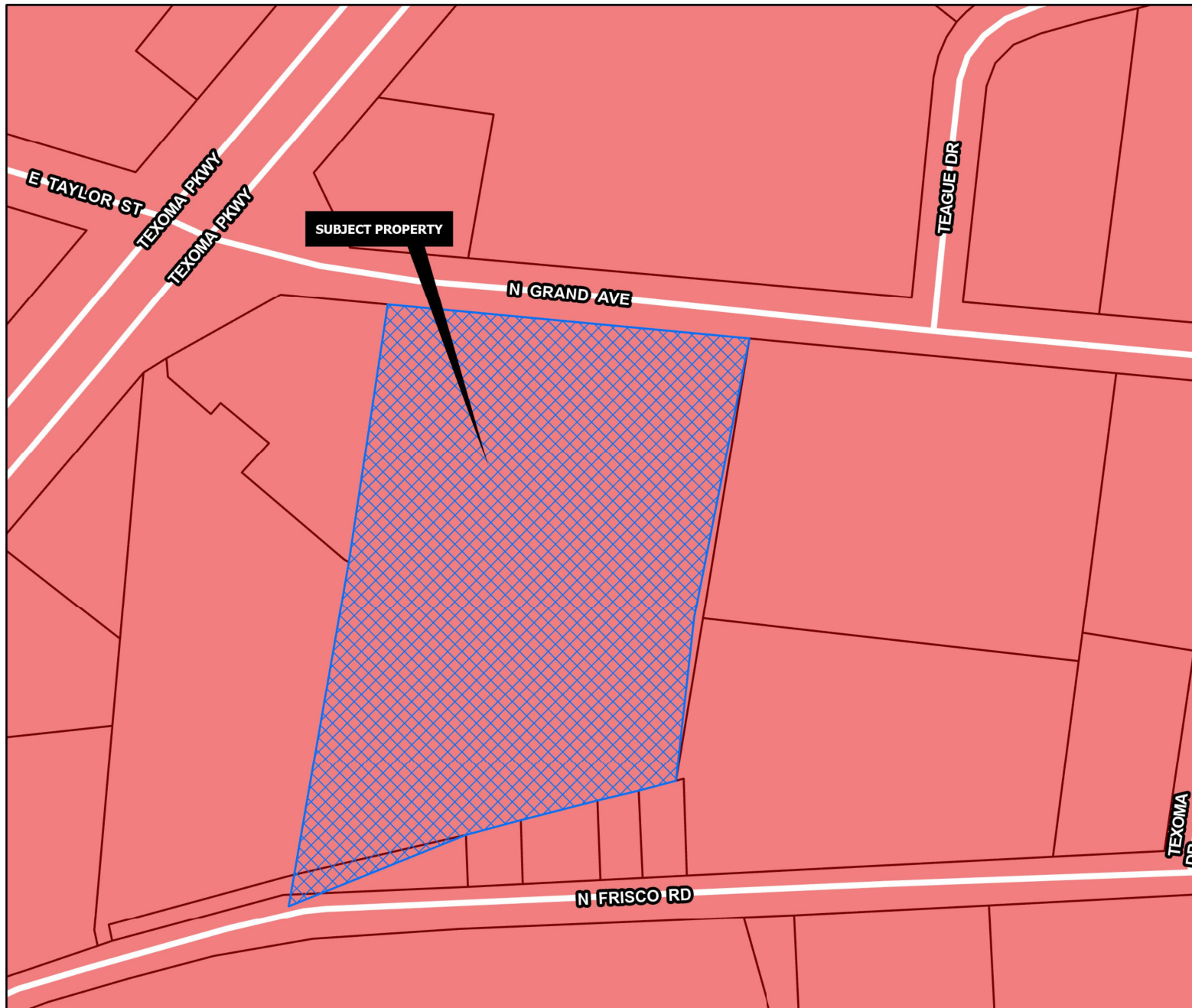
 PD Planned Development

CITY OF SHERMAN  
ZONING MAP  
1900 N GRAND AVE



Date: 7/9/2025 8:28 AM





## REGIONAL COMMERCIAL

### Intent & Character

The Regional Commercial category is intended to promote large-scale commercial development along US-75, while promoting community character through design. US-75 serves as the major gateway to and through the community; therefore, aesthetics and design should be promoted in this corridor. This category should allow large-scale commercial uses that serve the region and the community alike. A mix of uses and inter-connectivity between parcels should be encouraged.

### Appropriate Land Use Types

- Retail and Restaurants
- Multi-Family Living
- Office Complex
- Medical
- Mixed Use
- Indoor Entertainment

### Compatible Zoning Districts

- Retail Business
- General Commercial
- Office
- Multi-Family Residential (MF-15 and MF-30)
- Planned Development (for larger tracts)

### Considerations

- Site design considerations should be given to parking, landscaping, and building articulation.
- Where possible, parking should be screened from view or well-landscaped with native, drought-tolerant plants.
- All buildings facades fronting a public street or within significant public view should have aesthetically-pleasing horizontal and vertical articulation.
- Signage should be multi-tenant, where possible, and should match the character of the primary structure.
- High density residential should be included in mixed use developments.
- High density residential is appropriate behind commercial areas, with inter-connectivity.
- If high density is stand alone, the surrounding uses and connectivity should be considered to avoid an "island."

*Sherman*  
CLASSIC TOWN. BROAD HORIZON.

Development Services  
Department



CITY OF SHERMAN  
FUTURE LAND USE MAP  
1900 N GRAND AVE



Date: 7/9/2025 8:28 AM



Posted Friday, July 11, 2025 - 1900 Block North Grand





## City Council Regular Meeting

Agenda Item No. D.6.

**Meeting Date:** 8/18/2025

**Prepared By:** Rob Rae, Developmental Services Director

**Approved By:** Zachary Flores, Acting City Manager

### **Caption:**

#### **INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 6860**

Amending Sherman's Zoning Ordinance/Code Of Ordinances Chapter 14, To Rezone A Tract Of Land consisting of 0.169 acres being a part of the Samuel Blagg Survey, Abstract No.56, City Of Sherman, Grayson County, Texas, Located at 314 West Cherry Street, Heretofore MF-30 (Multi-Family Residential) Rezoning and Placing the Tract in the R-5 (Single-Family Residential) District Zoning Classification, Santos, Samuel & Cesar Lopez c/o Samuel Lopez (Owner) and Underwood Drafting & 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 0.169 acres of land located at 314 West Cherry Street from an MF-30 (Multi-Family Residential) District to an R-5 (Single-Family Residential) District.

### **Background:**

The property is located at 314 West Cherry Street. The owner is requesting a Zone Change from an MF-30 (Multi-Family Residential) District to an R-5 (Single-Family Residential) District to construct a single-family home.

**At the July 22, 2025 regular meeting, the Planning and Zoning Commission voted 7/0 to recommend to City Council that the Zone Change be approved**

### **Capital Improvement Program:**

N/A

### **Origination:**

Santos, Samuel & Cesar Lopez c/o Samuel Lopez (Owner), and Underwood Drafting & Surveying (Surveyor)

### **Financial Consideration:**

None

### **Staff Recommendation:**

Staff recommends that the City Council approve this zone change request.

### **Alternatives:**

The City Council could deny the request.

---

### **Attachments:**

1. Ordinance No. 6860
2. Exhibit A - Survey and Legal Description
3. Location Map
4. Zoning Map
5. Future Land Use Map
6. Narrative
7. Site Plan
8. Elevation

## **ORDINANCE NO. 6860**

**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 0.169 ACRES BEING A PART OF THE SAMUEL BLAGG SURVEY, ABSTRACT NO. 56, CITY OF SHERMAN, GRAYSON COUNTY, TEXAS, LOCATED AT 314 WEST CHERRY STREET, HERETOFORE MF-30 (MULTI- FAMILY RESIDENTIAL) DISTRICT REZONING AND PLACING THE TRACT IN THE R-5 (SINGLE-FAMILY RESIDENTIAL) DISTRICT ZONING CLASSIFICATION, SANTOS, SAMUEL & CESAR LOPEZ C/O SAMUEL LOPEZ (OWNER), AND UNDERWOOD DRAFTING & 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 314 West Cherry Street and all streets, roads and alleyways contiguous and/or adjacent thereto, shall be rezoned and placed in the R-5 (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 18th day of August 2025.

**ADOPTED** on this the 18th day of August 2025.

**EFFECTIVE DATE** on this the 18th day of August 2025.

**CITY OF SHERMAN, TEXAS**

**BY:** \_\_\_\_\_  
**SHAWN C. TEAMANN, MAYOR**

**ATTEST:**

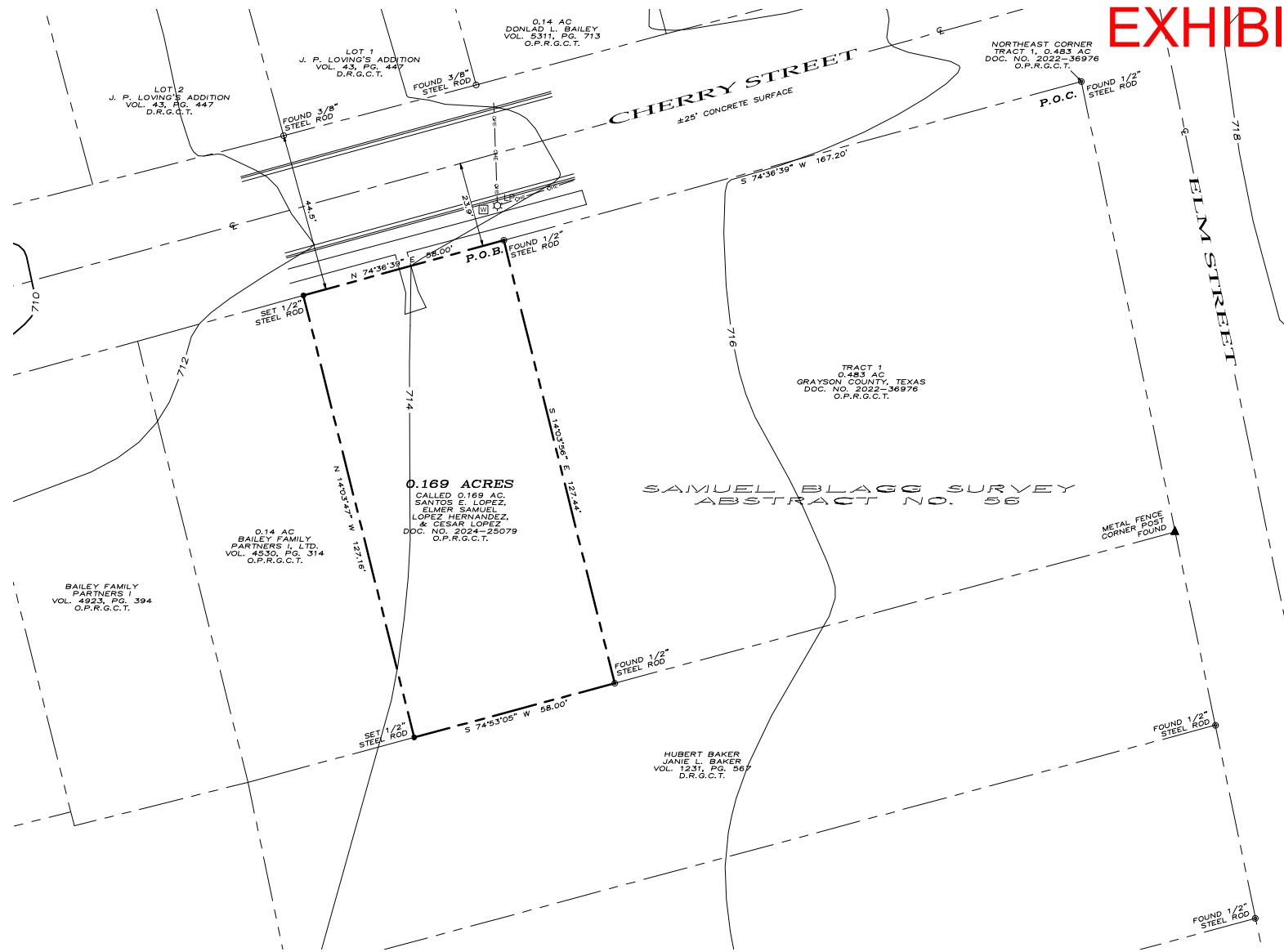
**BY:** \_\_\_\_\_  
**LEAH ROBERTS,**  
**EXECUTIVE DIR. OF ADMIN.,**  
**ACTING CITY CLERK**

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

**BY:** \_\_\_\_\_  
**RYAN D. PITTMAN, CITY ATTORNEY**



# EXHIBIT A



BAILEY FAMILY PARTNERS VOL. 4523, PG. 394 O.P.R.G.C.T.

0.14 AC. BAILEY FAMILY PARTNERS, L. LTD. VOL. 4530, PG. 314 O.P.R.G.C.T.

LOT 1 J. P. LOVING'S ADDITION VOL. 43, PG. 447 D.R.G.C.T.

0.14 AC. DONALD L. BAILEY VOL. 5311, PG. 713 O.P.R.G.C.T.

NORTHEAST CORNER TRACT 1, 0.483 AC. DOC. NO. 2022-36976 O.P.R.G.C.T.

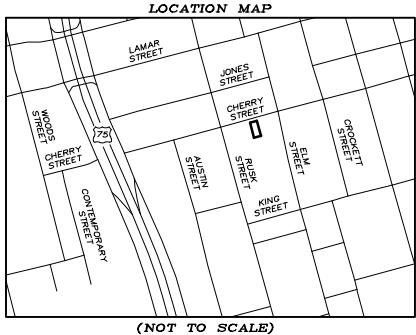
0.169 ACRES CALLED 0.169 AC. SANTOS E. LOPEZ, ELMER SAMUEL LOPEZ HERNANDEZ, & CESAR LOPEZ DDC. NO. 2024-25079 O.P.R.G.C.T.

SAMUEL BLAGG SURVEY ABSTRACT NO. 56

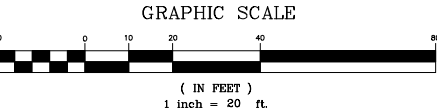
## ~ GENERAL NOTES ~

- Water Supply to be provided by the City of Sherman.
- Sewer Service to be provided by the City of Sherman.
- Electrical service is provided by Oncor Electrical Delivery.
- Blocking the flow of water or construction of improvements in drainage easements, and filling or obstruction of the roadway is prohibited.
- Any existing creeks 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.
- The City of Sherman will not be responsible for the maintenance and operation of said drainage ways or drainage easements for the control of erosion.
- 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.
- The owners and builders must comply with all other local, state and federal regulations regarding developments of this type.
- Bearings are based on the City of Sherman Control Monument Network.
- The City of Sherman reserves the right to require submission of Development Plat based on proposed use of each lot.
- The subject property does not lie within a Federal Emergency Management Agency (FEMA) designated flood plain as shown by Firm Map No. 48181C0290G, effective date September 1, 2022.

| LEGEND |                              |
|--------|------------------------------|
| ●      | 1/2" STEEL ROD SET           |
| ○      | 1/2" STEEL ROD FOUND         |
| ○      | 3/8" STEEL ROD FOUND         |
| ▲      | METAL FENCE CORNER POST      |
| —      | CENTERLINE OF ROAD           |
| —      | P.O.B. POINT OF BEGINNING    |
| —      | P.O.C. POINT OF COMMENCEMENT |
| ---    | BOUNDARY LINE                |
| ---    | PROPERTY LINE                |



Preliminary plat, for inspection purposes only. In no way official or approved for record purposes.



OWNERS/DEVELOPER  
SANTOS E. LOPEZ  
ELMER SAMUEL LOPEZ HERNANDEZ  
CESAR LOPEZ  
525 S. MONTGOMERY STREET  
SHERMAN, TX 75090

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

## LEGAL DESCRIPTION

Situated in the County of Grayson, State of Texas, being a part of the Samuel Blagg Survey, Abstract No. 56 and being a retracement survey of that tract of land, known as Tract Ten, conveyed to NRG Investments LLC as recorded in Document Number 2024-6543, Official Public Records, Grayson County, Texas, and being that same 0.169 acre tract of land conveyed to Santos E. Lopez, Elmer Samuel Lopez Hernandez and Cesar Lopez as recorded in Document Number 2024-25079, said Official Public Records, and being described by metes and bounds as follows:

Commencing at a 1/2" steel rod found for the northeast corner of that 0.483 acre tract, known as Tract 1, conveyed to Grayson County, Texas, as recorded in Document Number 2022-36976, said point also being at the intersection of the southerly Right-of-Way line of Cherry Street and the westerly Right-of-Way line of Elm Street;

Thence South 74°36'39" West, with the northerly line of said Tract 1, and with the southerly Right-of-Way line of said Cherry Street, a distance of 167.20 feet to a 1/2" steel rod set for the northeast corner of said Tract Ten, common to the northwest corner of said Tract 1, said point also being the True Point of Beginning;

Thence South 14°03'56" East, with the easterly line of said Tract Ten, and with the westerly line of said Tract 1, a distance of 127.44 feet 1/2" steel rod set for the southeast corner of said Tract Ten, common to the southwest corner of said Tract 1, said point also being in the northerly line of that tract of land conveyed to Hubert Baker and Janie L. Baker as recorded in Volume 1231, Page 567, Deed Records, Grayson County, Texas;

Thence South 74°53'05" West, with the southerly line of said Tract Ten, and with the northerly line of said Baker Tract, a distance of 58.00 feet to a 1/2" steel rod set for the southwest corner of said Tract Ten, common to the southeast corner of that 0.14 acre tract of land conveyed to Bailey Family Partners I, LTD., as recorded in Volume 4530, Page 314, said Official Public Records, said point also being in the northerly line of said Baker Tract;

Thence North 14°03'47" West, with the westerly line of said Tract Ten, and with the easterly line of said 0.14 acre tract, a distance of 127.16 feet to a 1/2" steel rod set for the northwest corner of said Tract Ten, common to the northeast corner of said 0.14 acre tract, said point also being in the southerly Right-of-Way line of said Cherry Street;

Thence North 74°36'39" East, with the northerly line of said Tract Ten, and with the southerly Right-of-Way line of said Cherry Street, a distance of 58.00 feet to the Point of Beginning and containing 0.169 acres of land, more or less.

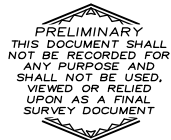
## SURVEYOR'S CERTIFICATION

KNOWN ALL MEN BY THESE PRESENTS:

That I, Douglas W. Underwood, do hereby certify that I prepared this plat from an actual and accurate survey of the land and that the corner monuments shown thereon were 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

Date



## AVIGATION RELEASE

THE STATE OF TEXAS  
COUNTY OF GRAYSON

WHEREAS, SANTOS E. LOPEZ, ELMER SAMUEL LOPEZ HERNANDEZ AND CESAR LOPEZ, 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 LOPEZ ON CHERRY STREET ADDITION, 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 noises, vibration, fumes, dust, fuel and lubricant particles, and all the 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 LOPEZ ON CHERRY STREET ADDITION, 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 \_\_\_\_\_ DAY OF \_\_\_\_\_, 2025.

BY: SANTOS E. LOPEZ

BY: \_\_\_\_\_

EXECUTED THIS \_\_\_\_\_ DAY OF \_\_\_\_\_, 2025.

BY: ELMER SAMUEL LOPEZ HERNANDEZ

BY: \_\_\_\_\_

EXECUTED THIS \_\_\_\_\_ DAY OF \_\_\_\_\_, 2025.

BY: CESAR LOPEZ

BY: \_\_\_\_\_

## OWNER'S CERTIFICATE OF DEDICATION

THAT SANTOS E. LOPEZ, ELMER SAMUEL LOPEZ HERNANDEZ AND CESAR LOPEZ, acting by and through its duly authorized agent, does hereby adopt this plat designating the herein described real property as LOPEZ ON CHERRY STREET ADDITION, an addition to the City of Sherman, Grayson County, Texas. Being 0.169 acres situated in and being a portion of the SAMUEL BLAGG Survey, Abstract No. 56, City of Sherman, Grayson County, Texas and does hereby dedicate to the public use forever the streets and easements shown on this plat for the mutual 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 any way 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 at Grayson County, Texas, this \_\_\_\_\_ day of \_\_\_\_\_, 2025.

SANTOS E. LOPEZ

WITNESS, my hand at Grayson County, Texas, this \_\_\_\_\_ day of \_\_\_\_\_, 2025.

ELMER SAMUEL LOPEZ HERNANDEZ

WITNESS, my hand at Grayson County, Texas, this \_\_\_\_\_ day of \_\_\_\_\_, 2025.

CESAR LOPEZ

STATE OF TEXAS  
COUNTY OF GRAYSON

BEFORE ME, the undersigned authority, a Notary Public in and for said County and State, on this day personally appeared SANTOS E. LOPEZ, 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 \_\_\_\_\_ day of \_\_\_\_\_, 2025.

Notary Public in and for  
the State of Texas  
Commission Expires: \_\_\_\_\_

STATE OF TEXAS  
COUNTY OF GRAYSON

BEFORE ME, the undersigned authority, a Notary Public in and for said County and State, on this day personally appeared ELMER SAMUEL LOPEZ HERNANDEZ, 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 \_\_\_\_\_ day of \_\_\_\_\_, 2025.

Notary Public in and for  
the State of Texas  
Commission Expires: \_\_\_\_\_

STATE OF TEXAS  
COUNTY OF GRAYSON

BEFORE ME, the undersigned authority, a Notary Public in and for said County and State, on this day personally appeared ELMER CESAR LOPEZ, 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 \_\_\_\_\_ day of \_\_\_\_\_, 2025.

Notary Public in and for  
the State of Texas  
Commission Expires: \_\_\_\_\_

## ACCEPTANCE

Approved this \_\_\_\_\_ day of \_\_\_\_\_, 2025, by the City Planning and Zoning Commission of the City of Sherman, Texas.

Chairman

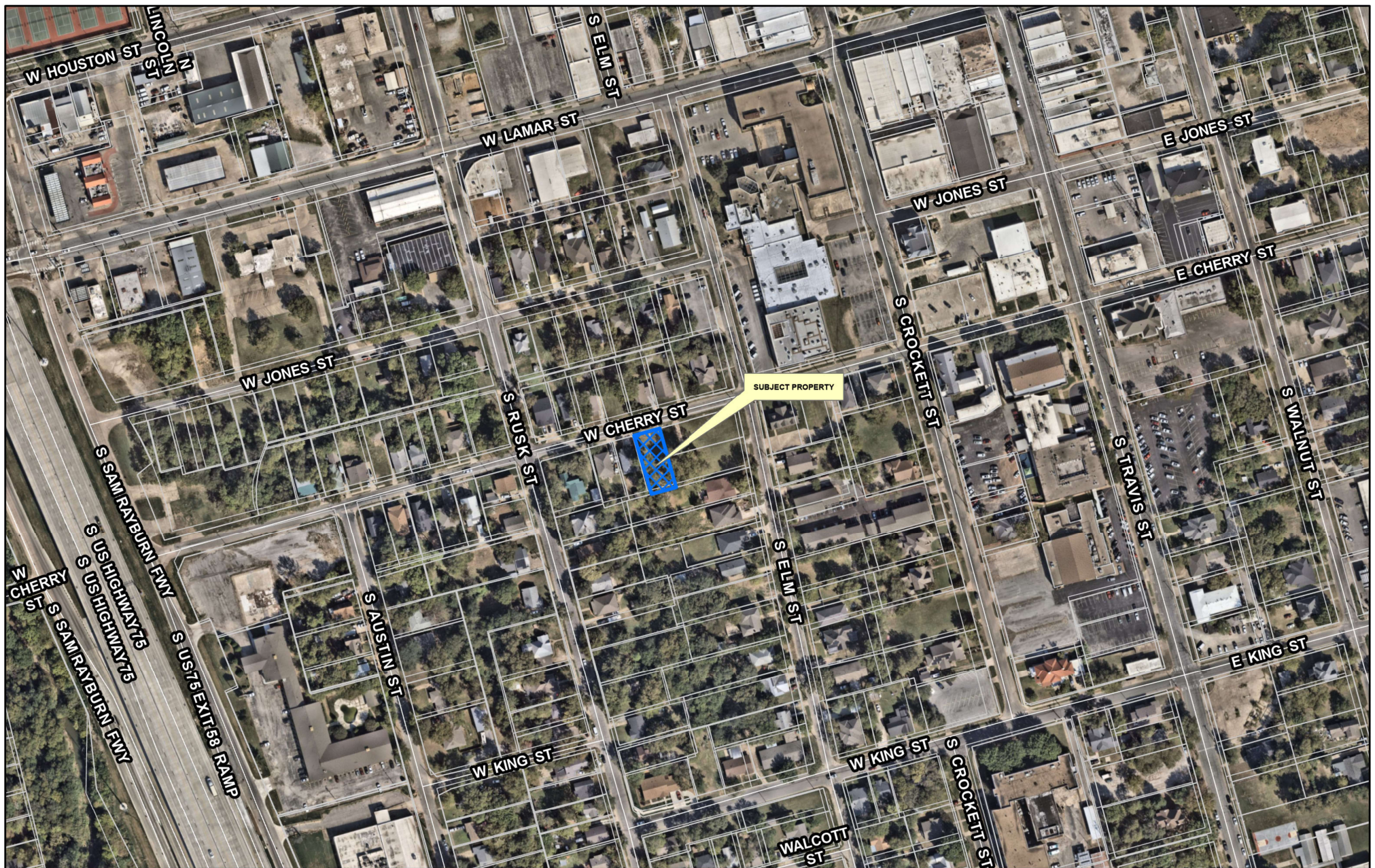
Secretary

## PRELIMINARY PLAT LOPEZ ON CHERRY STREET ADDITION

Being a part of the Samuel Blagg Survey, Abstract Number 56. Being in the City of Sherman, Grayson County, Texas. Containing 0.169 acres of land

06-03-2025





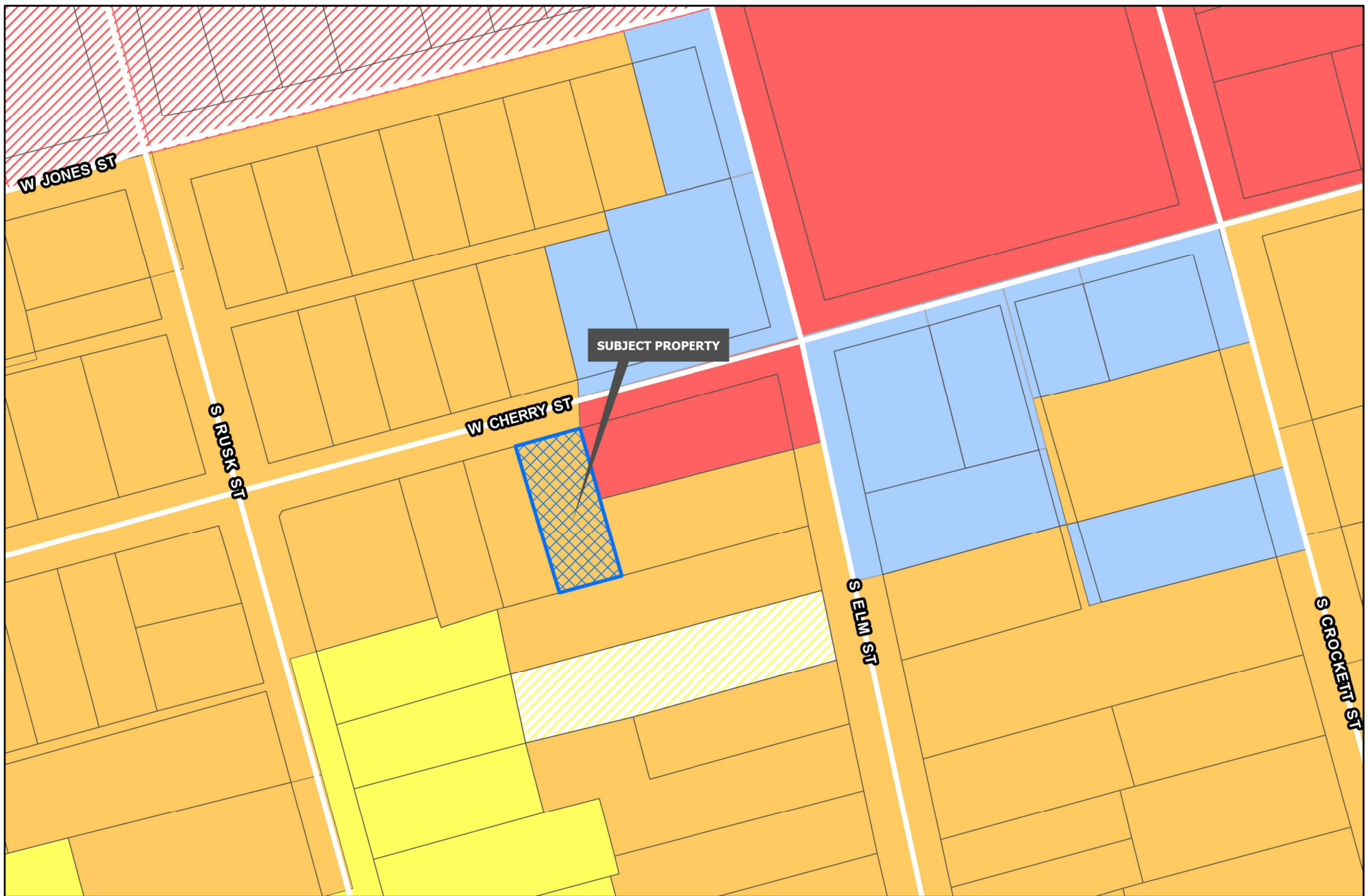
City of Sherman, Texas  
Development Services Department

CITY OF SHERMAN  
LOCATION MAP  
314 W CHERRY ST



Date: 7/9/2025 8:28 AM





Development Services  
Department

 Planning & Zoning

 R-A Residential Agricultural

 R-E Estate Residential

 R-12 Single Family Residential

 R-6 Single Family Residential

 R-5 Single Family Residential

 R-4 Patio Home Residential

 R-2F Duplex Residential

 R-TH Townhome Residential

 MF-15 Multi-Family Residential

 MF-30 Multi-Family Residential

 MH Manufactured Housing

 C-N Neighborhood Commercial

 C-O Office

 C-1 Retail Business

 C-2 General Commercial

 M-1 Light Manufacturing

 M-1.5 Medium Manufacturing

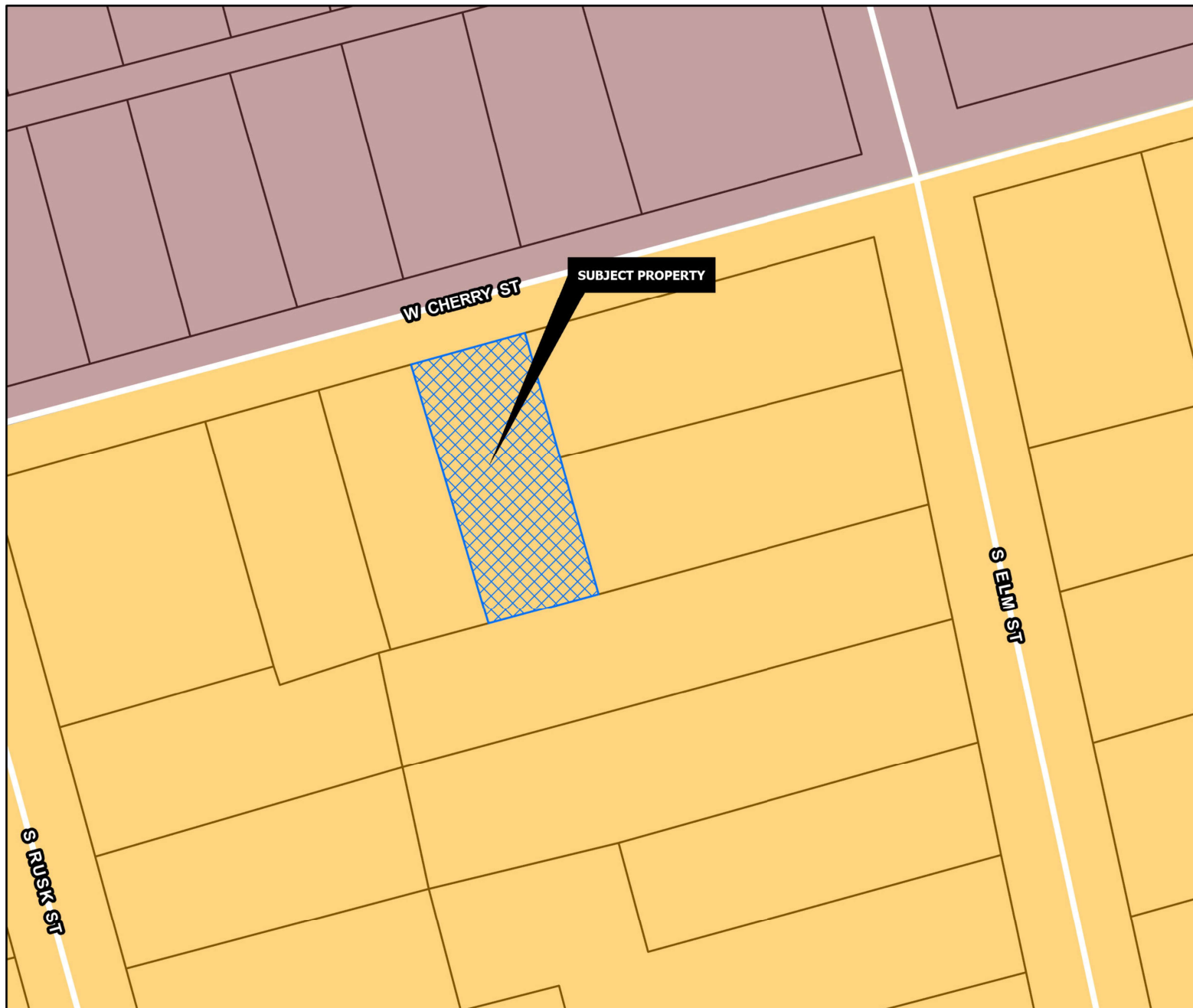
 M-2 Heavy Manufacturing

 PD Planned Development

CITY OF SHERMAN  
ZONING MAP  
314 W CHERRY ST



Date: 7/9/2025 8:28 AM



## CORE NEIGHBORHOOD

### Intent & Character

The Core Neighborhood category is intended to protect and enhance the existing residential areas of Sherman. This area is generally located in the center of the city, east and west of US-75. A majority of the Core Neighborhood category encompasses what is known as east Sherman. This category encourages infill development that maintains the existing character, while increasing the aesthetic appeal of the community. In certain areas, an increase in density can be appropriate through the development of single-family attached products, like townhomes or quad-plexes.

### Appropriate Land Use Types

- Single-family detached
- Single-family attached
- Local/neighborhood commercial and office
- Parks and open space
- Schools and civic uses

### Compatible Zoning Districts

- Single-Family Residential (R-5, R-4, R-2F, and R-TH)
- Multi-Family Residential (MF-15 and MF-30)
- Manufactured Housing
- Retail Business
- Neighborhood Commercial

### Considerations

- Infill that increases density should match the character of the surrounding structures.
- Small-scale commercial uses are appropriate along larger streets and should be compatible with the surrounding residential development.



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  
314 W CHERRY ST



Date: 7/9/2025 8:28 AM

## 314 W Cherry Sherman TX

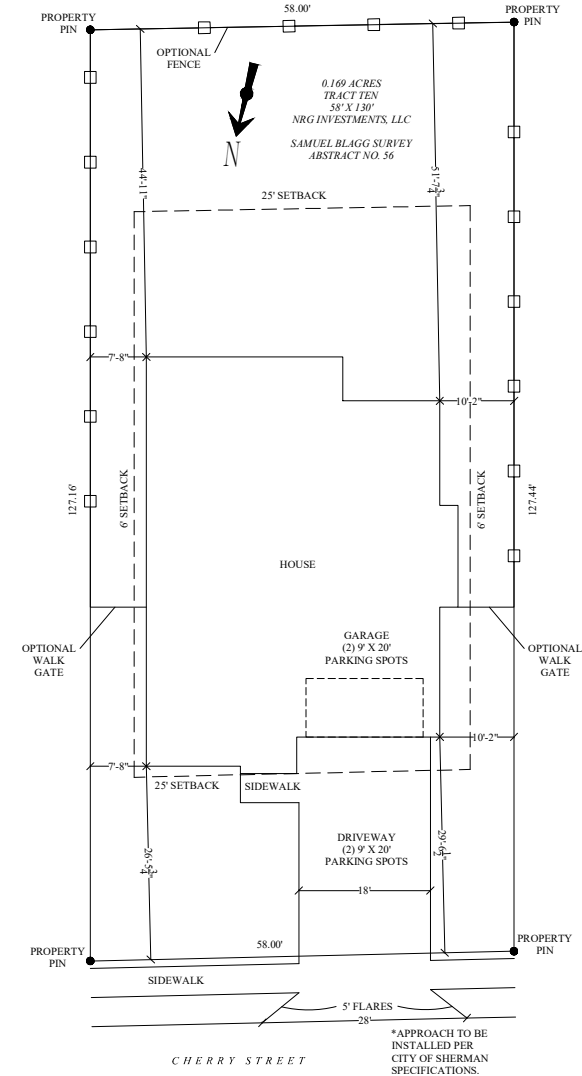
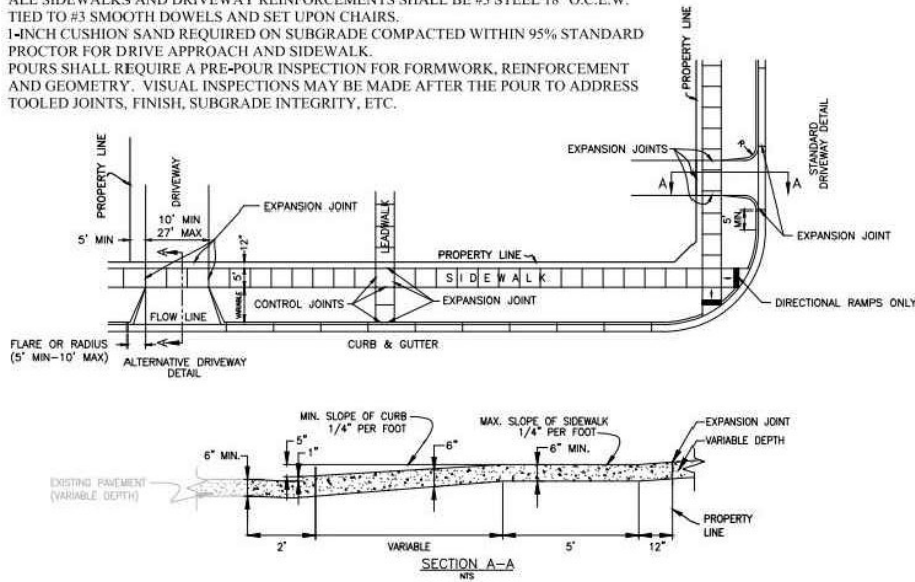
The proposed project involves the construction of a single-family residence on a parcel currently zoned MF-30. The single-family home will meet all applicable building codes and design standards for the R-6 zoning district. Approval of the rezoning will allow the property owner to make appropriate use of the land in accordance with its intended residential purpose.

**GENERAL NOTES:**

1. SIDEWALKS ARE REQUIRED PER CITY ORDINANCE NO. 5356.
2. CONSTRUCTION OF NEW SIDEWALKS SHALL BE DOWELED INTO EXISTING SIDEWALKS.
3. DRIVE APPROACHES SHALL BE DOWELED INTO EXISTING PAVEMENT.
4. WHEN REMOVING EXISTING CURB AND GUTTER, SAWCUTTING IS REQUIRED.
5. GRADE LOT 1/4" PER FT FROM BACK OF CURB TO PROPERTY LINE IN NEW SUB-DIVISIONS.

**CONSTRUCTION NOTES:**

1. RADIUS MARKED R- 5' MIN- 10' MAX
2. EXPANSION JOINTS - 3/4" REDWOOD OR 1/2" ASPHALT BOARD.
3. ALL SIDEWALKS AND DRIVEWAY REINFORCEMENTS SHALL BE #3 STEEL 18" O.C.E.W. TIED TO #3 SMOOTH DOWELS AND SET UPON CHAIRS.
4. 1-INCH CUSHION SAND REQUIRED ON SUBGRADE COMPACTED WITHIN 95% STANDARD PROCTOR FOR DRIVE APPROACH AND SIDEWALK.
5. POURS SHALL REQUIRE A PRE-POUR INSPECTION FOR FORMWORK, REINFORCEMENT AND GEOMETRY. VISUAL INSPECTIONS MAY BE MADE AFTER THE POUR TO ADDRESS TOOLED JOINTS, FINISH, SUBGRADE INTEGRITY, ETC.



# LOPEZ HOUSE PLAN

314 W. CHERRY STREET  
SHERMAN, TEXAS

D2LDESIGNS@YAHOO.COM

DATE  
02/07/25

SHEET  
SITE

SCALE  
1/8" = 1'

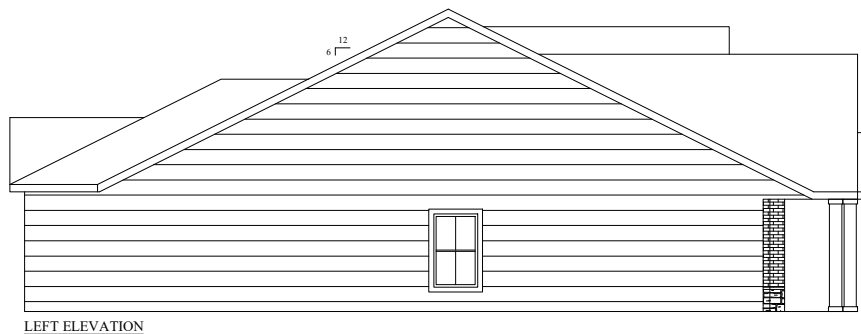
SITE PLAN



- NOTES:**
- OWNER & CONTRACTOR TO REVIEW AND APPROVE ALL PLANS PRIOR TO CONSTRUCTION.
  - CONTRACTOR TO VERIFY AND SPECIFY ALL MATERIALS USED FOR CONSTRUCTION.
  - CONTRACTOR AND MATERIAL SUPPLIER'S ENGINEER TO EITHER CONFIRM ALL SIZING IS ADEQUATE TO ACCOMMODATE THEIR MATERIAL LOADS AND SPANS, OR CONSULT A STRUCTURAL ENGINEER. CONTRACTOR AND SUPPLIER MUST CONTACT DESIGNER IF THEY NEED TO MAKE ANY CHANGES. DESIGNER IS NOT RESPONSIBLE FOR ANY MATERIAL RELATED ISSUES.
  - BLOCK ALL BATHROOMS FOR FUTURE GRAB BARS.
  - HOUSE TO BE BUILT BY DIMENSIONS WITH LINES, NOT BY DIMENSIONS ON ROOM LABELS.
  - HOUSE TO BE BUILT PER 2021 IRC CODES.
  - IF A DOOR OR WINDOW IS NOT DIMENSIONED, IT IS EITHER 6" OFF A WALL OR CENTERED IN A WALL.
  - ALL WALLS ARE 2X4, UNLESS NOTED OTHERWISE.

**SQUARE FOOTAGE**  
HEATED: 1463  
FRONT PORCH: 139  
BACK PORCH: 98  
HEATED GARAGE: 434  
TOTAL: 2134

**PLAN DESIGNER:**  
D2L DESIGNS, LLC  
D2LDESIGNS@YAHOO.COM  
903.267.1284



## ELEVATION PLAN

## LOPEZ HOUSE PLAN

314 W. CHERRY STREET  
SHERMAN, TEXAS

D2LDESIGNS@YAHOO.COM

DATE  
02/07/25  
SHEET  
ELEVATION  
SCALE  
1/4" = 1'





## City Council Regular Meeting

Agenda Item No. D.7.

**Meeting Date:** 8/18/2025

**Prepared By:** Rob Rae, Developmental Services Director

**Approved By:**

### **Caption:**

#### **INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 6861**

Amending The Code Of Ordinances Of The City Of Sherman, Texas, Appendix C (Comprehensive Fee Schedule); Modifying Certain Existing Fees Related To Planned Development District Applications And Establishing A New Fee For Building Plan Reviews For Commercial And Multifamily Applications; Providing A Penalty Clause With A Maximum Fine Of \$2,000, Savings/Repealing Clause, Severability Clause And An Effective Date; Providing For The Publication Of The Caption Hereof

### **Issue:**

Amending Appendix C: Comprehensive Fee Schedule in the Code of Ordinances to establish a fee for building plan review and to amend the planned development application fee.

### **Background:**

Currently, the cost of building plan review is included in the building permit fee for commercial and multifamily projects, calculated at \$0.50 per square foot of new construction. However, developers have requested that the building plan review fee be separated, allowing plans to be reviewed prior to securing contractors and paying impact fees.

Staff supports this change and, based on feedback from the City Council Zoning Subcommittee, recommends establishing a separate building plan review fee of **\$0.05/square foot**.

The proposed amendment to the Planned Development (PD) application fee is in response to recent changes in the PD regulations, which now allow developments as small as five acres. The current fee structure—\$10,000 plus \$20 per acre—is not a reasonable assessment for smaller developments requesting a Planned Development.

To address this, staff recommends revising the PD application fee to **\$100.00 per acre**. Under this structure, a five-acre development would pay **\$500.00**, aligning with the current fee for a standard zoning change application and ensuring a more equitable and scalable fee structure.

### **Capital Improvement Program:**

N/A

### **Origination:**

City of Sherman

**Financial Consideration:**

None

**Staff Recommendation:**

Staff recommends that this ordinance be approved.

**Alternatives:**

The City Council could deny the request.

---

**Attachments:**

1. Ordinance No. 6861

**ORDINANCE NO. 6861**

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AMENDING THE CODE OF ORDINANCES OF THE CITY OF SHERMAN, TEXAS, APPENDIX C (COMPREHENSIVE FEE SCHEDULE); MODIFYING CERTAIN EXISTING FEES RELATED TO PLANNED DEVELOPMENT DISTRICT APPLICATIONS AND ESTABLISHING A NEW FEE FOR BUILDING PLAN REVIEWS FOR COMMERCIAL AND MULTIFAMILY APPLICATIONS; PROVIDING A PENALTY CLAUSE WITH A MAXIMUM FINE OF \$2,000, SAVINGS/REPEALING CLAUSE, SEVERABILITY CLAUSE AND AN EFFECTIVE DATE; PROVIDING FOR THE PUBLICATION OF THE CAPTION HEREOF; 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 Council of the City of Sherman, Texas (“City Council”) finds that it is necessary to amend Appendix C (Comprehensive Fee Schedule) of the Code of Ordinances, City of Sherman, Texas (“Code of Ordinances”) to modify fees for Planned Development District applications and establishing a new fee for building plan reviews for commercial and multifamily applications in the City of Sherman, Texas (“City” or “Sherman”); and

WHEREAS, Sherman has complied with all legal notices and public hearings as required by law; and

WHEREAS, the City Council finds that adopting this Ordinance promotes the health, safety, welfare and morals of Sherman and is in the best interest of the citizens of Sherman.

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

**SECTION 1:** Findings Incorporated. The findings set forth above are incorporated into the body of this Ordinance as if fully set forth herein.

**SECTION 2:** Amendment to the Code of Ordinances, Appendix C (Comprehensive Fee Schedule). The Code of Ordinances, Appendix C (Comprehensive Fee Schedule) is amended as follows<sup>1</sup>:

**“APPENDIX C: COMPREHENSIVE FEE SCHEDULE**

...

(1) Building permit and inspection fees.

...

(B) Multifamily residential building permits.

---

<sup>1</sup> Deletions are evidenced by ~~strikethrough~~; additions are *italicized*.



...

|                                                                                                        |                           |
|--------------------------------------------------------------------------------------------------------|---------------------------|
| New multifamily residential <i>building permit</i> ( <del>includes plan review and inspections</del> ) | \$0.50/square foot        |
| <i>Multifamily plan review</i>                                                                         | <i>\$0.05/square foot</i> |

...

(C) Commercial building permits.

...

|                                       |                           |
|---------------------------------------|---------------------------|
| New commercial <i>building permit</i> | \$0.50/square foot        |
| <i>Commercial plan review</i>         | <i>\$0.05/square foot</i> |

...

(3) Zoning fees.

(A) Zoning requests.

...

|                                                  |                                                        |
|--------------------------------------------------|--------------------------------------------------------|
| Planned development <i>district applications</i> | <del>\$10,000 + \$20.00</del> <i>\$100.00</i> per acre |
|--------------------------------------------------|--------------------------------------------------------|

...”

**SECTION 4: Penalty.** Any person, firm, corporation or entity violating any provision of this Ordinance, or the 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 FIVE HUNDRED DOLLARS (\$500.00), unless the violation relates to fire safety, zoning or public health and sanitation, in which case the fine amount shall not exceed 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 Sherman from filing suit to enjoin the violation. Sherman retains all legal rights and remedies available to it pursuant to local, state and federal law.

**SECTION 5: Severability.** Should 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 6: Repealing/Savings.** The Code of Ordinances 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 7: Open Meeting. The meeting at which this Ordinance was introduced and passed was open to the public, and public notice of the time, place and purpose of said meeting was given all as required by law.

SECTION 8: Effective Date; Publication. All provisions of this Ordinance shall become effective from and after its adoption and publication as required by law. The City Clerk is directed to publish the caption of this Ordinance as required by law.

**DULY PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS,** on this 18<sup>th</sup> day of August 2025.

---

Shawn Teamann, Mayor

**ATTESTED AND CORRECTLY  
RECORDED:**

**APPROVED AS TO FORM:**

---

Leah Roberts, Executive Dir. of Admin,  
Acting City Clerk

---

Abernathy, Roeder, Boyd & Hullett, P.C  
Ryan D. Pittman, City Attorneys



## SHERMAN CITY COUNCIL Agenda Communication Form

### City Council Regular Meeting

Agenda Item No. D.8.

**Meeting Date:** 8/18/2025

**Prepared By:** Amber Doan, Engineering Coordinator

**Approved By:**

**Caption:**

**INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 6862**

Closing and Abandoning multiple Rights-of-Way in the City of Sherman, Grayson County, Texas, Said Rights-Of-Way Being Established In Volume 4, Page 22 Of Plat Records Of Grayson County, Texas; Authorizing The City Manager To Execute A Quitclaim Deed Conveying The Same To TCL LN BANK BK 3 202 LP, The Adjoining Property Owner

**Issue:**

To consider approving the closure and abandonment of multiple dedicated rights-of-way, original rights-of-way being established in Volume 4, Page 22, Plat Records and authorizing conveyance of the same to TCL LAND BANK BK 3 202 LP, the adjoining property owner.

**Background:**

Constitution Village, Section Two dedicated Rights-of-Way in these locations for the development. Construction ended prior to all of the rights-of-way being improved. Upon design of Travis Heights, Phase 1, the location of the roads have been revised, no longer requiring the formerly dedicated Rights-of-Way. The Rights-of-Way are owned by the City in fee simple, so authority to convey the same to TCL LN BANK BK 3 202 LP, the adjoining property owner, is sought.

**Capital Improvement Program:**

None.

**Origination:**

TCL LN BANK BK 3 202 LP, Developer; Engineering Department

**Financial Consideration:**

None

**Staff Recommendation:**

Staff recommends that the City Council approve the Ordinance closing and abandoning the rights-of-way and authorizing conveyance of the same to TCL LN BANK BK 3 202 LP, the adjoining property owner.

**Alternatives:**

As may be directed by City Council.

---

**Attachments:**

1. Ordinance No. 6862
2. Quitclaim Deed - Travis Heights Ph 1, Constitution Village, 2
3. Release of Claims - ROW Abandonment-Travis Heights Ph 1
4. .20250722 - Signed ROW Abandonment Request
5. Filed Plat-Constitution Village, Sec. 2
6. Location Map-ROW Abandon

## **ORDINANCE NO. 6862**

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, CLOSING AND ABANDONING MULTIPLE RIGHTS-OF-WAY IN THE CITY OF SHERMAN, GRAYSON COUNTY, TEXAS, BEING MORE PARTICULARLY DESCRIBED IN EXHIBITS "A" THROUGH "D" ATTACHED HERETO AND MADE A PART HEREOF FOR ALL PURPOSES, SAID RIGHTS-OF-WAY BEING ESTABLISHED IN VOLUME 4, PAGE 22 OF THE PLAT RECORDS OF GRAYSON COUNTY, TEXAS; 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 of Sherman, Texas has received a request to close and abandon certain rights-of-way more particularly described in Exhibits "A" through "D," attached hereto and made a part hereof for all purposes; and

WHEREAS, the City Council has held a public hearing on the proposed abandonment and the abutting property owner(s) of the proposed abandonment have been notified; and

WHEREAS, the City Council finds that all persons who own property adjacent to the rights-of-way concur and agree with the proposed abandonment; and

WHEREAS, the City Council finds that the rights-of-way are not essential to the safe and efficient flow of traffic in the area in which the rights-of-way are located; and

WHEREAS, the City Council finds that it is in the best interest of the City and its citizens to abandon the City's rights and interests in the rights-of-way.

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

**SECTION 1.** That the rights-of-way in the City of Sherman, Grayson County, Texas, being more particularly described in Exhibits "A" through "D," attached hereto and made a part hereof for all purposes, said rights-of-way being established in Volume 4, Page 22 of the Plat Records of Grayson County, Texas, are hereby closed and abandoned.

**SECTION 2.** That it is the intent of the City Council that the City's rights and interests in such rights-of-way are hereby vacated and shall vest in and to the abutting property owner, TCL LN BANK BK 3 202 LP, by appropriate conveyance of said rights-of-way herein described in that certain Quitclaim Deed prepared and approved by City staff.

**SECTION 3.** All presently existing water and wastewater lines and facilities, electric transmission and distribution lines and facilities, gas lines and facilities, communications lines and facilities and any other utility lines and facilities, if any, that are located in the right-of-way

being abandoned herein may remain in place despite this Ordinance and may continue to be used, repaired, enlarged and maintained in the ordinary course of business. Any person wanting removal of any existing utility line or facility must negotiate separately with the pertinent utility. Any person building in the subject right-of-way without first reaching an agreement with a utility having lines or facilities in the subject right-of-way does so at his own risk. After the date of this Ordinance, no utility may add new lines or facilities in the subject right-of-way based on a claim that the subject right-of-way is a public easement or right-of-way. The abandonment approved by this Ordinance does not relinquish any right arising other than from the plat or other instrument creating the public easement or right-of-way, nor does this Ordinance create new rights.

**SECTION 4.** That the Acting City Clerk is hereby directed to file and record this Ordinance after its adoption in the Deed Records of Grayson County, Texas.

**SECTION 5.** 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 18<sup>th</sup> day of August 2025.

**ADOPTED** on this the 18<sup>th</sup> day of August 2025.

**EFFECTIVE DATE** on this the 18<sup>th</sup> day of August 2025.

**CITY OF SHERMAN, TEXAS**

**BY: \_\_\_\_\_**  
**SHAWN C. TEAMANN, MAYOR**

**ATTEST:**

**BY: \_\_\_\_\_**  
**LEAH ROBERTS,**  
**EXEC. DIRECTOR OF ADMIN.**  
**ACTING CITY CLERK**

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

**BY: \_\_\_\_\_**  
**RYAN D. PITTMAN, CITY ATTORNEY**

**BEING** a tract of land situated in the Preston Kitchens Survey, Abstract Number 667, City of Sherman, Grayson County, Texas, and being all of Constitution Drive, a 60' wide right of way as depicted in Constitution Village Section Two, an addition to the City of Sherman, Texas, according to the Map or Plat thereof recorded in Volume 4, Page 22 of the Plat Records of Grayson County, Texas, and being more particularly described as follows:

**BEGINNING** at the southeast corner of the easterly terminus of said Constitution Drive, same being the northeast corner of Block Nine of said Constitution Village Section Two;

**THENCE** South 75°13'17" West, along the southerly right of way line of said Constitution Drive, the northerly line of said Block Nine and the northerly line of Block Five as depicted in the Replat of, Constitution Village, Section Two Block No. Five & Block No. Six, an addition to the City of Sherman, Texas, according to the Map or Plat thereof recorded in Volume 6, Page 31 of the Plat Records of Grayson County, Texas, a distance of 320.56 feet to the beginning of a tangent curve to the right with a radius of 440.00 feet, a central angle of 66°48'00", and a chord bearing and distance of North 71°22'43" West, 484.42 feet;

**THENCE** in a westerly direction, continuing along the southerly, becoming southwesterly right of way line of said Constitution Drive, along the northerly line of said Block No. Five and the northeasterly line of Block No. Six as depicted in said Replat of, Constitution Village, Section Two Block No. Five & Block No. Six, with said tangent curve to the right, an arc distance of 512.99 feet to a point for corner;

**THENCE** North 37°58'43" West, continuing along the southwesterly right of way line of said Constitution Drive and along the easterly line of Block No. Two as depicted in said Constitution Village Section Two, a distance of 152.87 feet to the northwest corner of the northerly terminus of said Constitution Drive;

**THENCE** North 52°01'17" East, along the northerly terminus of said Constitution Drive, a distance of 60.00 feet to the northeast corner of said terminus;

**THENCE** South 37°58'43" East, along the easterly right of way line of said Constitution Drive, a distance of 152.87 feet to the beginning of a tangent curve to the left with a radius of 380.00 feet, a central angle of 66°48'00", and a chord bearing and distance of South 71°22'43" East, 418.37 feet;

**THENCE** in an easterly direction, along the northeasterly, becoming northerly right of way line of said Constitution Drive, with said tangent curve to the left, an arc distance of 443.03 feet to a point for corner;

**THENCE** North 75°13'17" East, along the northerly right of way line of said Constitution Drive, a distance of 320.36 feet to the northeast corner of the easterly terminus of said Constitution Drive;

**THENCE** South 14°57'44" East, along the easterly terminus of said Constitution Drive a distance of 60.00 feet to a point for corner; to the **POINT OF BEGINNING** and containing 1.310 acres (57,080 square feet) of land, more or less.

EXHIBIT "A"  
**CONSTITUTION DRIVE  
ABANDONMENT**  
CONSTITUTION VILLAGE SECTION TWO  
CITY OF SHERMAN  
GRAYSON COUNTY, TEXAS

*Michael Marx*

MICHAEL MARX  
REGISTERED PROFESSIONAL  
LAND SURVEYOR NO. 5181  
6160 WARREN PKWY., SUITE 210  
FRISCO, TEXAS 75034  
PH. 972-335-3580  
michael.marx@kimley-horn.com



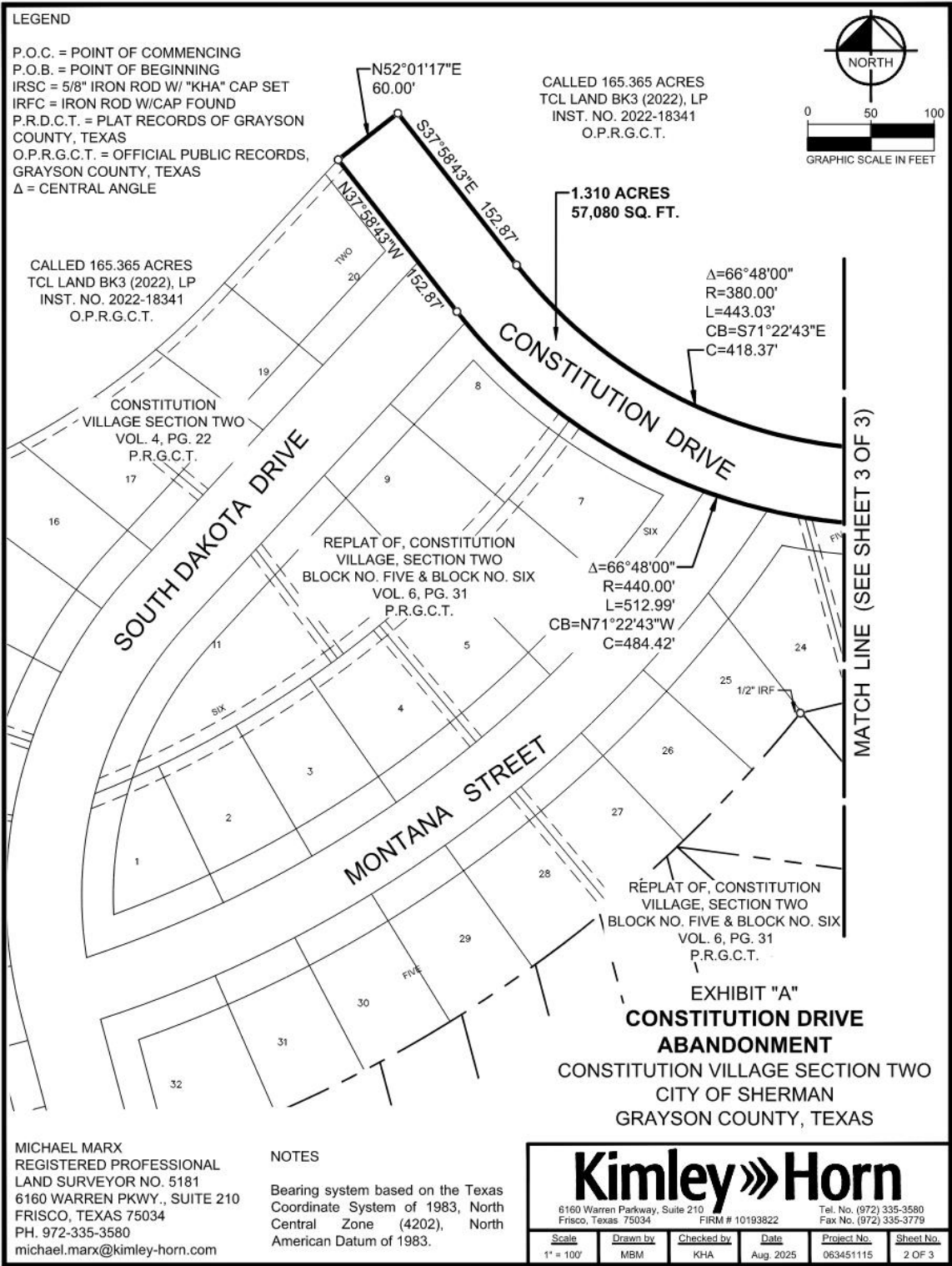
**Kimley»Horn**

6160 Warren Parkway, Suite 210  
Frisco, Texas 75034 FIRM # 10193822

Tel. No. (972) 335-3580  
Fax No. (972) 335-3779

| Scale | Drawn by | Checked by | Date      | Project No. | Sheet No. |
|-------|----------|------------|-----------|-------------|-----------|
| N/A   | MBM      | KHA        | Aug. 2025 | 063451115   | 1 OF 3    |

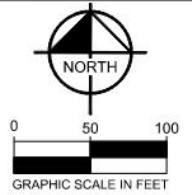
MARX, MICHAEL 8/5/2025 9:08 AM K:\FRI\_SURVEY\063451115-TRAVIS HEIGHTS - SHERMAN\DWG\SEPARATE INSTRUMENTS\063451115 CONSTITUTION ROW ABAND.DWG



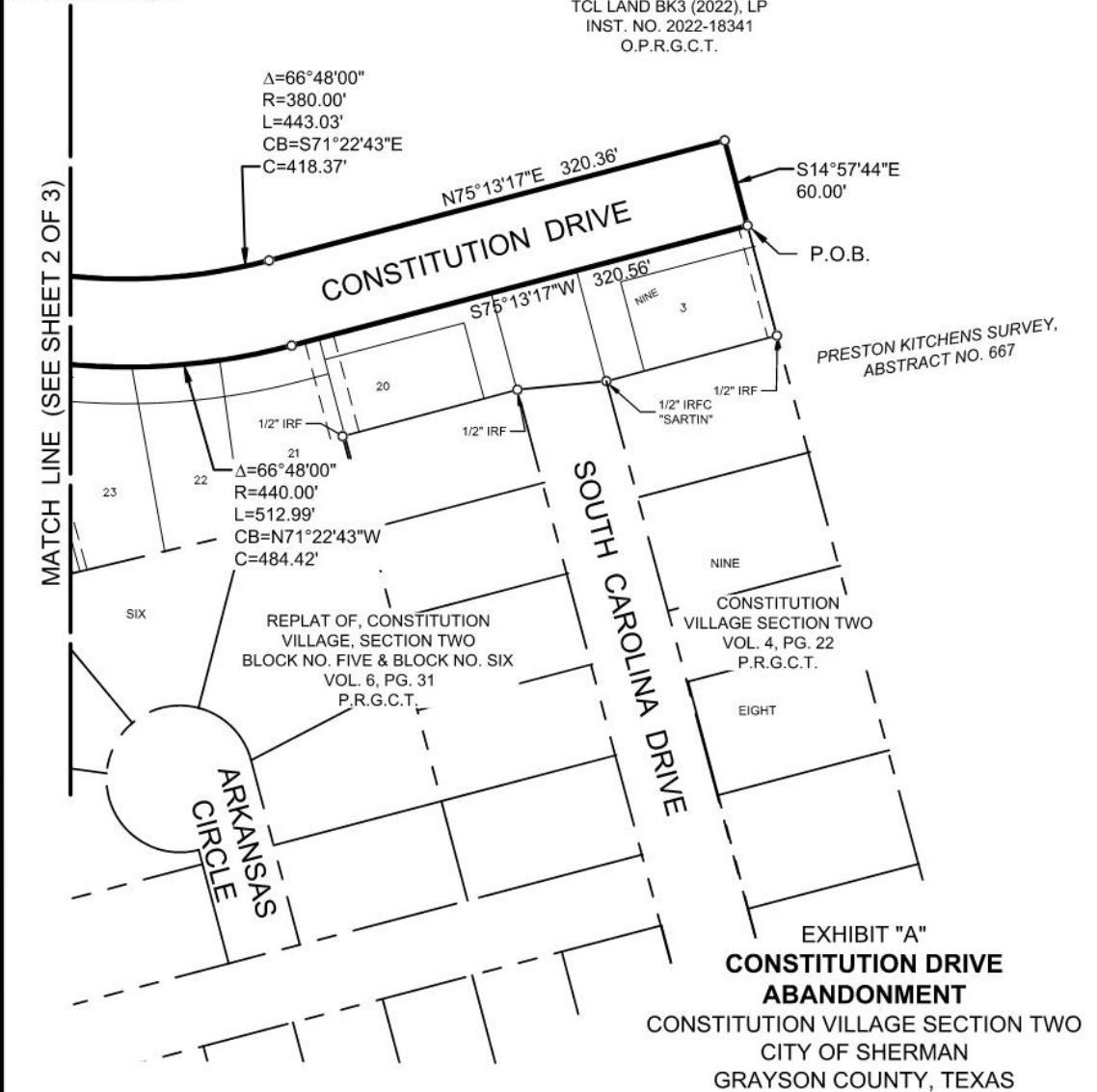


# LEGEND

P.O.C. = POINT OF COMMENCING  
P.O.B. = POINT OF BEGINNING  
IRSC = 5/8" IRON ROD W/ "KHA" CAP SET  
IRFC = IRON ROD W/CAP FOUND  
P.R.D.C.T. = PLAT RECORDS OF  
GRAYSON COUNTY, TEXAS  
O.P.R.G.C.T. = OFFICIAL PUBLIC RECORDS,  
GRAYSON COUNTY, TEXAS  
Δ = CENTRAL ANGLE



CALLED 165.365 ACRES  
TCL LAND BK3 (2022), LP  
INST. NO. 2022-18341  
O.P.R.G.C.T.



MICHAEL MARX  
REGISTERED PROFESSIONAL  
LAND SURVEYOR NO. 5181  
6160 WARREN PKWY., SUITE 210  
FRISCO, TEXAS 75034  
PH. 972-335-3580  
michael.marx@kimley-horn.com

## NOTES

Bearing system based on the Texas  
Coordinate System of 1983, North  
Central Zone (4202), North  
American Datum of 1983.

**Kimley»Horn**

6160 Warren Parkway, Suite 210  
Frisco, Texas 75034 FIRM # 10193822 Tel. No. (972) 335-3580  
Fax No. (972) 335-3779

| Scale     | Drawn by | Checked by | Date      | Project No. | Sheet No. |
|-----------|----------|------------|-----------|-------------|-----------|
| 1" = 100' | MBM      | KHA        | Aug. 2025 | 063451115   | 3 OF 3    |

MARX, MICHAEL 8/5/2025 9:08 AM K:\FRI\_SURVEY\063451115-TRAVIS HEIGHTS - SHERMAN\DWG\SEPARATE INSTRUMENTS\063451115 CONSTITUTION ROW ABAND.DWG

**BEING** a tract of land situated in the Preston Kitchens Survey, Abstract Number 667, City of Sherman, Grayson County, Texas, and being all of Montana Street, a 50' wide right of way as depicted in the Replat of, Constitution Village, Section Two Block No. Five & Block No. Six, an addition to the City of Sherman, Texas, according to the Map or Plat thereof recorded in Volume 6, Page 31 of the Plat Records of Grayson County, Texas, and being more particularly described as follows:

**BEGINNING** at a the intersection of the southeasterly right of way line of said Montana Street with the easterly right of way line of South Dakota Drive, a 60' wide right of way as depicted in Constitution Village Section Two, an addition to the City of Sherman, Texas, according to the Map or Plat thereof recorded in Volume 4, Page 22 of the Plat Records of Grayson County, Texas, same being the northwest corner of Block Five in said Replat of, Constitution Village, Section Two Block No. Five & Block No. Six;

**THENCE** North 14°37'14" West, departing the northwest corner of said Block Five and along the easterly right of way line of said South Dakota Drive, a distance of 18.18 feet to the beginning of a tangent curve to the right with a radius of 320.00 feet, a central angle of 05°44'36", and a chord bearing and distance of North 11°44'56" West, 32.06 feet;

**THENCE** in a northerly direction, continuing along the easterly right of way line of said South Dakota Drive, with said tangent curve to the right, an arc distance of 32.08 feet to the intersection of the easterly right of way line of said South Dakota Drive with the northwesterly right of way line of said Montana Street, same being the southwest corner of Block Six in said Replat of, Constitution Village, Section Two Block No. Five & Block No. Six, same also being the beginning of a non-tangent curve to the left with a radius of 956.55 feet, a central angle of 37°25'07", and a chord bearing and distance of North 52°55'03" East, 613.66 feet;

**THENCE** in a northeasterly direction, along the northwesterly right of way line of said Montana Street and along the southeasterly line of said Block Six, with said non-tangent curve to the left, an arc distance of 624.70 feet to the intersection of the northwesterly right of way line of said Montana Street with the southerly right of way line of Constitution Drive, a 60' wide right of way as depicted in said Constitution Village Section Two, same being the easterly corner of said Block Six, same also being the beginning of a non-tangent curve to the left with a radius of 440.00 feet, a central angle of 06°49'02", and a chord bearing and distance of South 73°22'39" East, 52.32 feet;

**THENCE** in an easterly direction, departing the easterly corner of said Block Six and along the southerly right of way line of said Constitution Drive, with said non-tangent curve to the left, an arc distance of 52.35 feet to the intersection of the southerly right of way line of said Constitution Drive with the southeasterly right of way line of said Montana, same being the northernmost corner of said Block Five, same also being the beginning of a non-tangent curve to the right with a radius of 1,006.55 feet, a central angle of 38°35'47", and a chord bearing and distance of South 52°36'24" West, 665.30 feet;

**THENCE** in a southwesterly direction, along the southeasterly right of way line of said Montana Street and the northwesterly line of said Block Five, with said non-tangent curve to the right, an arc distance of 678.05 feet to the **POINT OF BEGINNING** and containing 0.748 of an acre (32,565 square feet) of land, more or less.

*Michael Marx*

MICHAEL MARX  
REGISTERED PROFESSIONAL  
LAND SURVEYOR NO. 5181  
6160 WARREN PKWY., SUITE 210  
FRISCO, TEXAS 75034  
PH. 972-335-3580  
michael.marx@kimley-horn.com



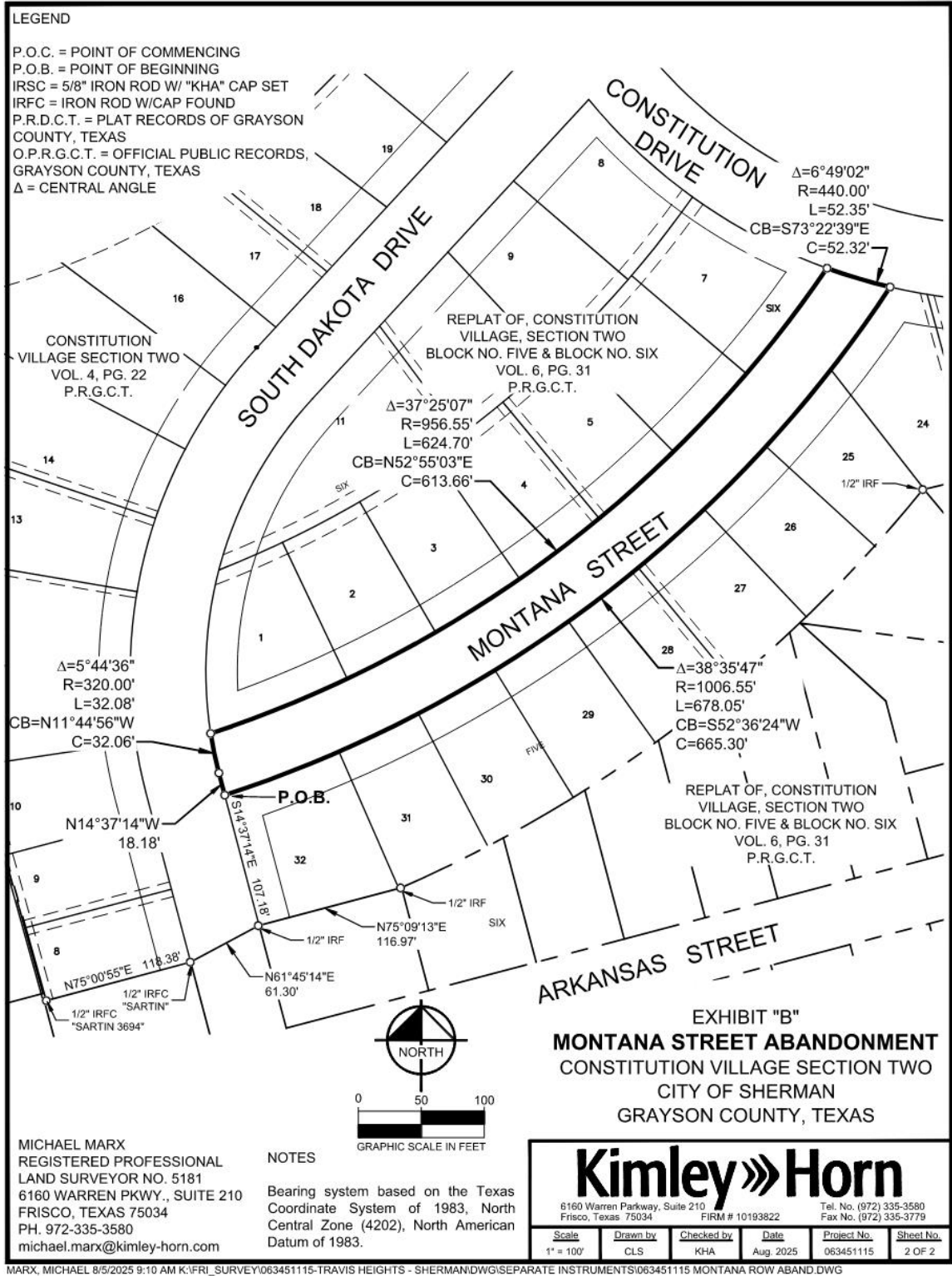
EXHIBIT "B"  
**MONTANA STREET ABANDONMENT**  
CONSTITUTION VILLAGE SECTION TWO  
CITY OF SHERMAN  
GRAYSON COUNTY, TEXAS

**Kimley»Horn**

6160 Warren Parkway, Suite 210 Frisco, Texas 75034 FIRM # 10193822 Tel. No. (972) 335-3580 Fax No. (972) 335-3779

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MARX, MICHAEL 8/5/2025 9:10 AM K:\FRI\_SURVEY\063451115-TRAVIS HEIGHTS - SHERMAN\DWG\SEPARATE INSTRUMENTS\063451115 MONTANA ROW ABAND.DWG



**BEING** a tract of land situated in the Preston Kitchens Survey, Abstract Number 667, City of Sherman, Grayson County, Texas, and a portion of South Carolina Drive, a 60' wide right-of-way as depicted in Constitution Village Section Two, an addition to the City of Sherman, Texas, according to the Map or Plat thereof recorded in Volume 4, Page 22 of the Plat Records of Grayson County, Texas, and being more particularly described as follows:

**BEGINNING** at a 1/2" iron rod with a cap stamped "SARTIN" found for the northwest corner of Lot 2, Block 9, of said Constitution Village Section Two and being the southwest corner of Lot 3, Block 9 of said addition and on the easterly right-of-way line of South Carolina Drive, from which a 1/2" iron rod found for the common easterly corner of said Lot 2, and Lot 3, Block 9 bears North 75°02'16" East, a distance of 120.00 feet;

**THENCE** South 84°30'00" West, over and across said South Carolina Drive, a distance of 60.83 feet to a 1/2" iron rod found on the westerly right-of-way line of said South Carolina Drive, common with the easterly line of the Replat of, Constitution Village, Section Two Block No. Five & Block No. Six, an addition to the City of Sherman, Texas, according to the Map or Plat thereof recorded in Volume 6, Page 31 of the Plat Records of Grayson County, Texas;

**THENCE** North 14°57'44" West, along said common line, a distance of 68.15 feet to a point for corner at the northeast corner of said Replat, and the intersection of the westerly right-of-way line of said South Carolina Drive and the southerly right-of-way line of Constitution Drive depicted in said Constitution Village Section Two;

**THENCE** North 75°13'17" East, over and across said South Carolina Drive, a distance of 60.00 feet to a point for corner at the northwest corner of aforementioned Lot 3, Block 9 and being the intersection of the southerly right-of-way line of said Constitution Drive and the easterly right-of-way line of said South Carolina Drive;

**THENCE** South 14°57'44" East, along the common line of said South Carolina Drive and said Lot 3, Block 9, a distance of 77.96 feet to the **POINT OF BEGINNING** and containing 4,383 square feet or 0.101 acres of land, more or less.

*Michael B. Marx*

MICHAEL MARX  
REGISTERED PROFESSIONAL  
LAND SURVEYOR NO. 5181  
6160 WARREN PKWY., SUITE 210  
FRISCO, TEXAS 75034  
PH. 972-335-3580  
michael.marx@kimley-horn.com



EXHIBIT "C"  
**SOUTH CAROLINA DRIVE  
ABANDONMENT**  
CONSTITUTION VILLAGE SECTION TWO  
CITY OF SHERMAN  
GRAYSON COUNTY, TEXAS

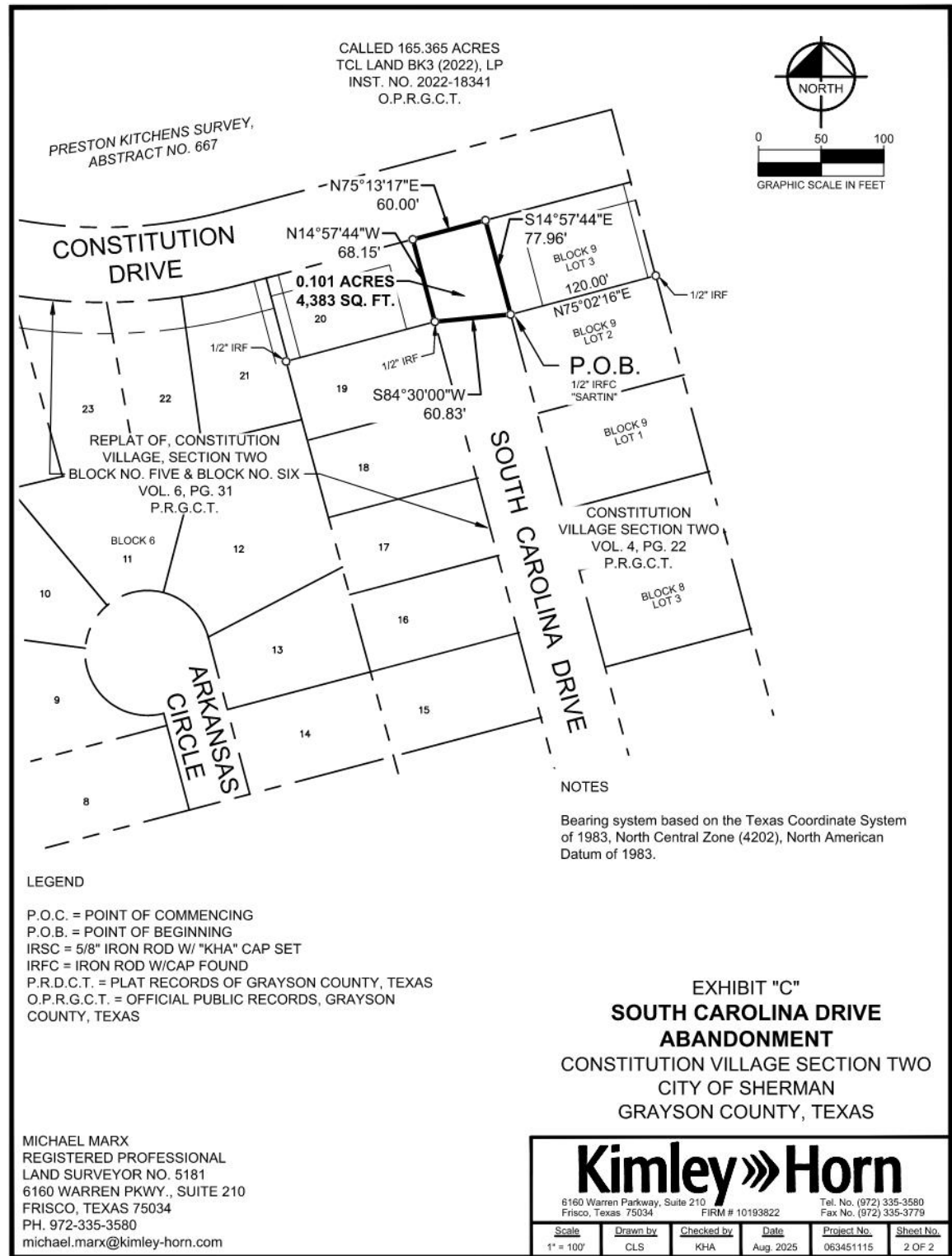
**Kimley»Horn**

6160 Warren Parkway, Suite 210 Tel. No. (972) 335-3580  
Frisco, Texas 75034 FIRM # 10193822 Fax No. (972) 335-3779

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MARX, MICHAEL 8/5/2025 9:15 AM K:\FRI\_SURVEY\063451115-TRAVIS HEIGHTS - SHERMAN\DWG\SEPARATE INSTRUMENTS\063451115 SOUTH CAROLINA ROW ABAND.DWG





**BEING** a tract of land situated in the Preston Kitchens Survey, Abstract Number 667, City of Sherman, Grayson County, Texas, and being all of South Dakota Drive, a 60' wide right of way as depicted in Constitution Village Section Two, an addition to the City of Sherman, Texas, according to the Map or Plat thereof recorded in Volume 4, Page 22 of the Plat Records of Grayson County, Texas, and being more particularly described as follows:

**BEGINNING** at a 1/2-inch iron rod with a plastic cap, stamped "SARTIN" found on the westerly right of way line of said South Dakota Drive for the southeast corner of Lot 8 and the northeast corner of Lot 7, Block Two of said Constitution Village Section Two;

**THENCE** North 14°37'14" West, along the westerly right of way line of said South Dakota Drive and the easterly line of said Block Two, a distance of 139.80 feet to the beginning of a tangent curve to the right with a radius of 380.00 feet, a central angle of 57°18'31", and a chord bearing and distance of North 14°02'01" East, 364.44 feet;

**THENCE** in a northerly direction, continuing along the westerly, becoming northwesterly right of way line of said South Dakota Drive and the easterly, becoming southeasterly line of said Block Two, with said tangent curve to the right, an arc distance of 380.08 feet to a point for corner;

**THENCE** North 42°41'16" East, continuing along the northwesterly right of way line of said South Dakota Drive and the southeasterly line of said Block Two, a distance of 333.20 feet to the intersection of the northwesterly right of way line of said South Dakota Drive with the southwesterly right of way line of Constitution Drive, a 60' wide right of way as depicted in said Constitution Village Section Two, same being the easterly corner of said Block two;

**THENCE** South 37°58'43" East, along the southwesterly right of way line of said Constitution Drive, a distance of 49.87 feet to the beginning of a tangent curve to the left with a radius of 440.00 feet, a central angle of 01°25'16", and a chord bearing and distance of South 38°41'21" East, 10.91 feet;

**THENCE** in a southerly direction, continuing along the southwesterly right of way line of said Constitution Drive, with said tangent curve to the left, an arc distance of 10.91 feet to the intersection of the southwesterly right of way line of said Constitution Drive with the southeasterly right of way line of said South Dakota Drive, same being the northerly corner of Block Six of the Replat of, Constitution Village, Section Two Block No. Five & Block No. Six, an addition to the City of Sherman, Texas, according to the Map or Plat thereof recorded in Volume 6, Page 31 of the Plat Records of Grayson County, Texas;

**THENCE** South 42°41'16" West, along the southeasterly right of way line of said South Dakota Drive and the northwesterly line of said Block Six, a distance of 323.48 feet to the beginning of a tangent curve to the left with a radius of 320.00 feet, a central angle of 57°18'31", and a chord bearing and distance of South 14°02'01" West, 306.89 feet;

EXHIBIT "D"  
**SOUTH DAKOTA DRIVE  
 ABANDONMENT**  
 CONSTITUTION VILLAGE SECTION TWO  
 CITY OF SHERMAN  
 GRAYSON COUNTY, TEXAS

MICHAEL MARX  
 REGISTERED PROFESSIONAL  
 LAND SURVEYOR NO. 5181  
 6160 WARREN PKWY., SUITE 210  
 FRISCO, TEXAS 75034  
 PH. 972-335-3580  
 michael.marx@kimley-horn.com

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| <small>6160 Warren Parkway, Suite 210 Frisco, Texas 75034 FIRM # 10193822 Tel. No. (972) 335-3580 Fax No. (972) 335-3779</small> |          |            |           |             |           |
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**THENCE** in a southerly direction, continuing along the southeasterly, becoming easterly right of way line of said South Dakota Drive and the northwesterly, becoming westerly line of said Block Six for part of the way, with said tangent curve to the left, an arc distance of 320.07 feet to a point for corner;

**THENCE** South 14°37'14" East, continuing along the easterly right of way line of said South Dakota Drive, passing the northwest corner of Block Five as depicted in said the Replat of, Constitution Village, Section Two Block No. Five & Block No. Six, continuing along the westerly line of said Block Five, a distance of 125.36 feet to a point for corner on the southerly line of a called 165.365-acre tract, described in a deed to TCL Land Bk3 (2022), LP, as recorded in Instrument No. 2022-18341 of the Official Public Records of Grayson County, Texas;

**THENCE** South 75°09'13" West, continuing along the easterly right of way line of said South Dakota Drive and the southerly line of said 165.365-acre tract, a distance of 0.42 feet to a 1/2-inch iron rod found for a corner;

**THENCE** South 61°45'14" West, departing the easterly right of way line of said South Dakota Drive, crossing said South Dakota Drive and continuing along the southerly line of said 165.365-acre tract, a distance of 61.30 feet to the **POINT OF BEGINNING** and containing 1.117 acres (48,653 square feet) of land, more or less.

*Michael B. Marx*

MICHAEL MARX  
REGISTERED PROFESSIONAL  
LAND SURVEYOR NO. 5181  
6160 WARREN PKWY., SUITE 210  
FRISCO, TEXAS 75034  
PH. 972-335-3580  
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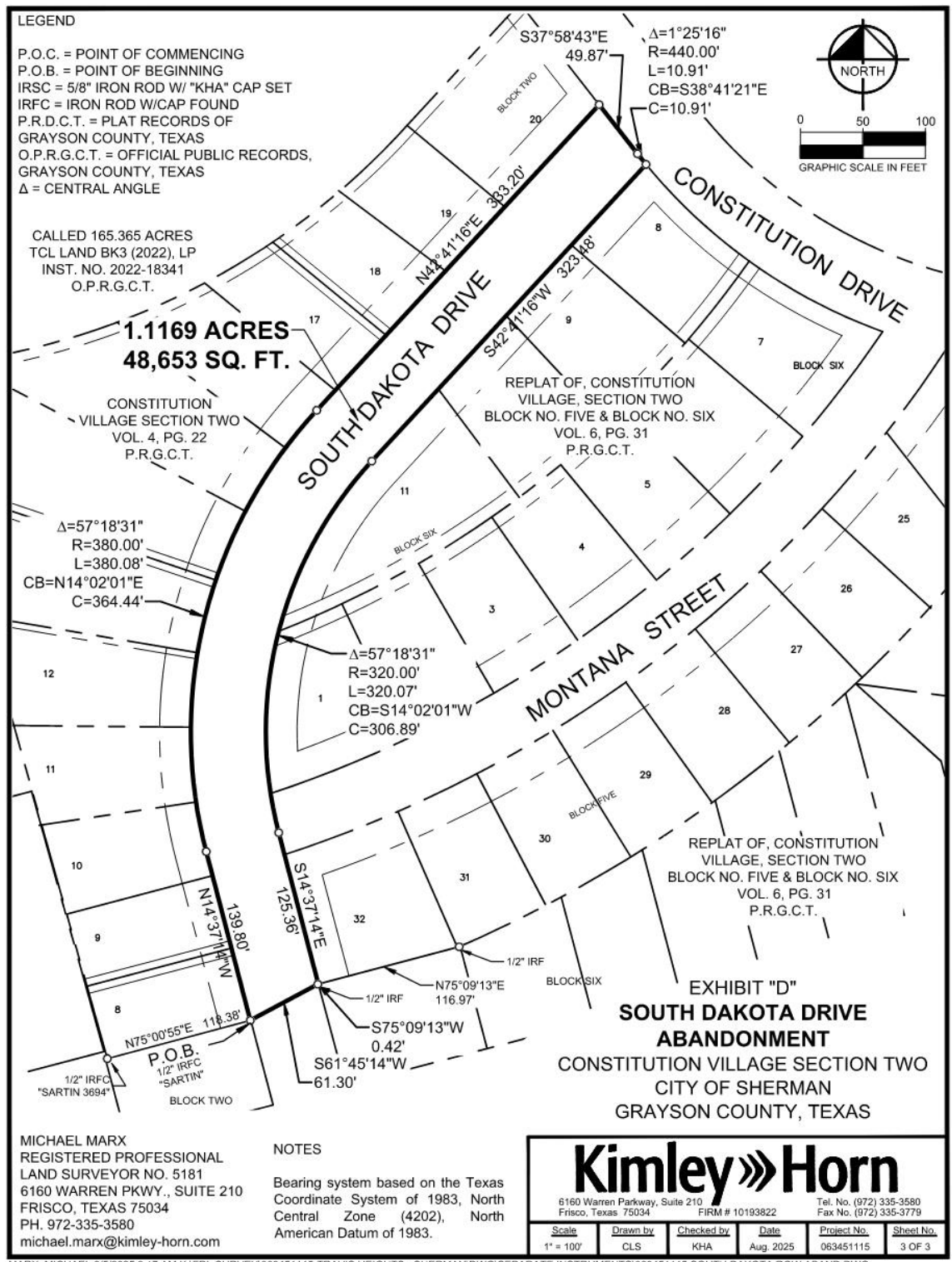
EXHIBIT "D"  
**SOUTH DAKOTA DRIVE  
ABANDONMENT**  
CONSTITUTION VILLAGE SECTION TWO  
CITY OF SHERMAN  
GRAYSON COUNTY, TEXAS

**Kimley»Horn**

6160 Warren Parkway, Suite 210 Frisco, Texas 75034 FIRM # 10193822 Tel. No. (972) 335-3580 Fax No. (972) 335-3779

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**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 DRIVERS' LICENSE NUMBER.**

# QUITCLAIM DEED

STATE OF TEXAS

ss

COUNTY OF GRAYSON

KNOW ALL PERSONS BY THESE PRESENTS:

As used herein, the following terms shall have the following meanings:

**Effective Date:** \_\_\_\_\_, 20\_\_\_\_

**Grantor:** CITY OF SHERMAN, TEXAS, a home-rule municipality

**Grantor's Mailing Address:** 220 W. Mulberry Street  
Sherman, TX 75091

**Grantee:** TCL LN BANK BK 3 202 LP

**Grantee's Mailing Address:** 5055 Keller Springs Road, Ste. 500  
Addison, TX 75001

**Consideration:** TEN DOLLARS (\$10.00) cash and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged

**Property (including any improvements):**

Being multiple parcels in the Preston Kitchens Survey, Abstract No. 667, in the City of Sherman, County of Grayson, State of Texas, as more particularly described and depicted in Exhibits "A" through "D", attached hereto and incorporated herein for all purposes ("Property").

Grantor, for the Consideration, quitclaims to Grantee all of Grantor's right, title and interest, if any, in and to the Property, to have and to hold it to Grantee and Grantee's heirs, successors, and assigns forever, without warranty of any kind. Neither Grantor nor Grantor's heirs, successors or assigns will have, claim or demand any right or title to the Property or any part of it.

This conveyance is made by the Grantor and accepted by the Grantee subject to the validly existing and enforceable rights, interests, estates, rights-of-way, easements, encumbrances and other matters presently recorded in Grayson County, Texas, and to all matters that would be revealed by a current survey of the Property.

By acceptance of this Deed, Grantee hereby agrees and acknowledges that:

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 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 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 IT IS SOLELY RELYING ON GRANTEE'S (OR GRANTEE'S REPRESENTATIVES') INSPECTION, EXAMINATION AND EVALUATION OF THE PROPERTY. GRANTEE ACKNOWLEDGES THAT 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 GRANTEE IS RELYING SOLELY UPON ITS OWN (OR ITS REPRESENTATIVES') INSPECTION, EXAMINATION AND EVALUATION OF THE PROPERTY. 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 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 ENVIRONMENTAL, GEOTECHNICAL, SEISMIC OR OTHERWISE, AFFECTING THE PROPERTY OR ANY PORTION THEREOF.

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 CONSIDERATION AND OTHER TERMS OF THE TRANSACTION WOULD HAVE BEEN MATERIALLY DIFFERENT.

This instrument shall be binding on, and inure to the benefit of, Grantee and Grantor and their respective successors or assigns.

This instrument may be executed in a number of identical counterparts, each of which shall be deemed an original for all purposes.

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

GRANTOR:

CITY OF SHERMAN, TEXAS,  
a home-rule municipality

By: \_\_\_\_\_  
Name: Dr. Zachary Flores  
Its: City Manager

STATE OF TEXAS       §  
                                  §  
COUNTY OF GRAYSON   §

BEFORE ME, the undersigned authority, on this day personally appeared ZACHARY FLORES, 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 City Manager and duly authorized representative of the CITY OF SHERMAN, TEXAS, a home-rule municipality, and that he executed the same for the purposes and consideration therein stated and in the capacity therein stated as the act and deed of the City of Sherman, Texas.

IN WITNESS WHEREOF, I have hereunto set my hand and seal of office this \_\_\_\_\_ day of \_\_\_\_\_, 2025.

\_\_\_\_\_  
Notary Public, State of Texas  
My Commission Expires:\_\_\_\_\_

ATTEST:

BY: \_\_\_\_\_  
Leah Roberts, City Clerk

APPROVED AS TO FORM:  
Abernathy, Roeder, Boyd & Hullett, P.C.

By: \_\_\_\_\_  
Ryan D. Pittman, City Attorney

**AGREED AND ACCEPTED BY GRANTEE:**

TCL LN BANK BK 3 202 LP

By: \_\_\_\_\_

Printed Name: John D. Hutchinson

Its: CEO

STATE OF TEXAS           §  
                                          §  
COUNTY OF \_\_\_\_\_ §

BEFORE ME, the undersigned authority, on this day personally appeared JOHN D. HUTCHINSON, 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 duly authorized representative of TCL LN BANK BK 3 202 LP, and that he executed said instrument for the purposes and consideration therein expressed and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this \_\_\_\_\_ day of \_\_\_\_\_, 2025.

\_\_\_\_\_  
Notary Public, State of Texas  
My Commission Expires: \_\_\_\_\_

After Recording Return to:  
Abernathy, Roeder, Boyd & Hullett, P.C.  
1700 Redbud Boulevard, Suite 300  
McKinney, Texas 75069  
Attention: Ryan D. Pittman

## Exhibits "A" through "D"

**BEING** a tract of land situated in the Preston Kitchens Survey, Abstract Number 667, City of Sherman, Grayson County, Texas, and being all of Constitution Drive, a 60' wide right of way as depicted in Constitution Village Section Two, an addition to the City of Sherman, Texas, according to the Map or Plat thereof recorded in Volume 4, Page 22 of the Plat Records of Grayson County, Texas, and being more particularly described as follows:

**BEGINNING** at the southeast corner of the easterly terminus of said Constitution Drive, same being the northeast corner of Block Nine of said Constitution Village Section Two;

**THENCE** South 75°13'17" West, along the southerly right of way line of said Constitution Drive, the northerly line of said Block Nine and the northerly line of Block Five as depicted in the Replat of, Constitution Village, Section Two Block No. Five & Block No. Six, an addition to the City of Sherman, Texas, according to the Map or Plat thereof recorded in Volume 6, Page 31 of the Plat Records of Grayson County, Texas, a distance of 320.56 feet to the beginning of a tangent curve to the right with a radius of 440.00 feet, a central angle of 66°48'00", and a chord bearing and distance of North 71°22'43" West, 484.42 feet;

**THENCE** in a westerly direction, continuing along the southerly, becoming southwesterly right of way line of said Constitution Drive, along the northerly line of said Block No. Five and the northeasterly line of Block No. Six as depicted in said Replat of, Constitution Village, Section Two Block No. Five & Block No. Six, with said tangent curve to the right, an arc distance of 512.99 feet to a point for corner;

**THENCE** North 37°58'43" West, continuing along the southwesterly right of way line of said Constitution Drive and along the easterly line of Block No. Two as depicted in said Constitution Village Section Two, a distance of 152.87 feet to the northwest corner of the northerly terminus of said Constitution Drive;

**THENCE** North 52°01'17" East, along the northerly terminus of said Constitution Drive, a distance of 60.00 feet to the northeast corner of said terminus;

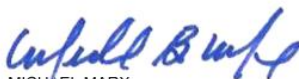
**THENCE** South 37°58'43" East, along the easterly right of way line of said Constitution Drive, a distance of 152.87 feet to the beginning of a tangent curve to the left with a radius of 380.00 feet, a central angle of 66°48'00", and a chord bearing and distance of South 71°22'43" East, 418.37 feet;

**THENCE** in an easterly direction, along the northeasterly, becoming northerly right of way line of said Constitution Drive, with said tangent curve to the left, an arc distance of 443.03 feet to a point for corner;

**THENCE** North 75°13'17" East, along the northerly right of way line of said Constitution Drive, a distance of 320.36 feet to the northeast corner of the easterly terminus of said Constitution Drive;

**THENCE** South 14°57'44" East, along the easterly terminus of said Constitution Drive a distance of 60.00 feet to a point for corner; to the **POINT OF BEGINNING** and containing 1.310 acres (57,080 square feet) of land, more or less.

EXHIBIT "A"  
**CONSTITUTION DRIVE  
ABANDONMENT**  
CONSTITUTION VILLAGE SECTION TWO  
CITY OF SHERMAN  
GRAYSON COUNTY, TEXAS

  
MICHAEL MARX  
REGISTERED PROFESSIONAL  
LAND SURVEYOR NO. 5181  
6160 WARREN PKWY., SUITE 210  
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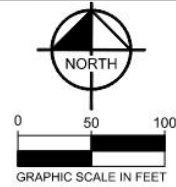
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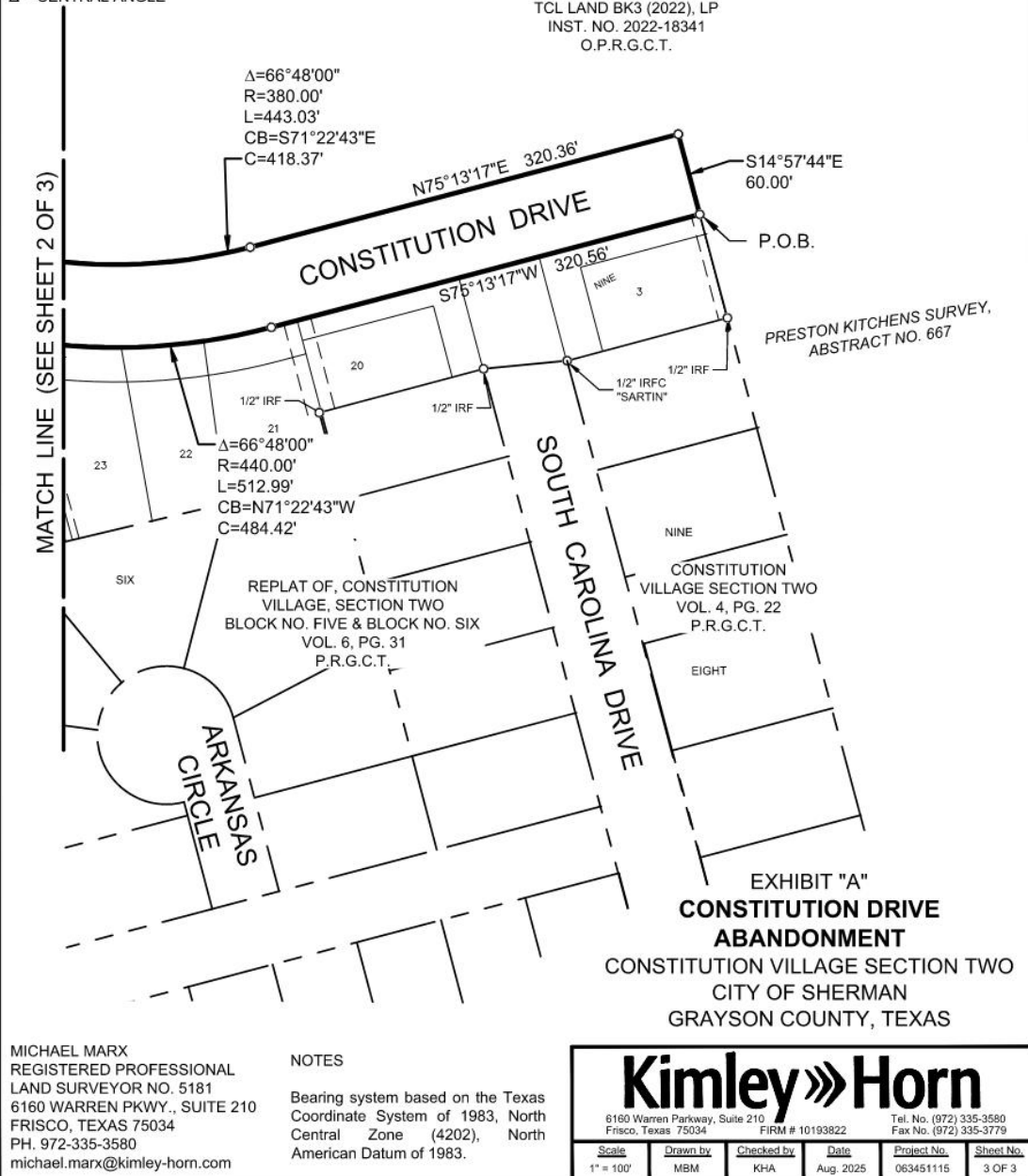


# LEGEND

P.O.C. = POINT OF COMMENCING  
P.O.B. = POINT OF BEGINNING  
IRSC = 5/8" IRON ROD W/ "KHA" CAP SET  
IRFC = IRON ROD W/CAP FOUND  
P.R.D.C.T. = PLAT RECORDS OF  
GRAYSON COUNTY, TEXAS  
O.P.R.G.C.T. = OFFICIAL PUBLIC RECORDS,  
GRAYSON COUNTY, TEXAS  
Δ = CENTRAL ANGLE



CALLED 165.365 ACRES  
TCL LAND BK3 (2022), LP  
INST. NO. 2022-18341  
O.P.R.G.C.T.



MARX, MICHAEL 8/5/2025 9:08 AM K:\FRI\_SURVEY\063451115-TRAVIS HEIGHTS - SHERMAN\DWG\SEPARATE INSTRUMENTS\063451115 CONSTITUTION ROW ABAND.DWG

## Quitclaim Deed

Eng. File No. 2510-A/02 Travis Heights, Ph. 1; 1537-A Constitution Village, Sec. 2



**BEING** a tract of land situated in the Preston Kitchens Survey, Abstract Number 667, City of Sherman, Grayson County, Texas, and being all of Montana Street, a 50' wide right of way as depicted in the Replat of, Constitution Village, Section Two Block No. Five & Block No. Six, an addition to the City of Sherman, Texas, according to the Map or Plat thereof recorded in Volume 6, Page 31 of the Plat Records of Grayson County, Texas, and being more particularly described as follows:

**BEGINNING** at a the intersection of the southeasterly right of way line of said Montana Street with the easterly right of way line of South Dakota Drive, a 60' wide right of way as depicted in Constitution Village Section Two, an addition to the City of Sherman, Texas, according to the Map or Plat thereof recorded in Volume 4, Page 22 of the Plat Records of Grayson County, Texas, same being the northwest corner of Block Five in said Replat of, Constitution Village, Section Two Block No. Five & Block No. Six;

**THENCE** North 14°37'14" West, departing the northwest corner of said Block Five and along the easterly right of way line of said South Dakota Drive, a distance of 18.18 feet to the beginning of a tangent curve to the right with a radius of 320.00 feet, a central angle of 05°44'36", and a chord bearing and distance of North 11°44'56" West, 32.06 feet;

**THENCE** in a northerly direction, continuing along the easterly right of way line of said South Dakota Drive, with said tangent curve to the right, an arc distance of 32.08 feet to the intersection of the easterly right of way line of said South Dakota Drive with the northwesterly right of way line of said Montana Street, same being the southwest corner of Block Six in said Replat of, Constitution Village, Section Two Block No. Five & Block No. Six, same also being the beginning of a non-tangent curve to the left with a radius of 956.55 feet, a central angle of 37°25'07", and a chord bearing and distance of North 52°55'03" East, 613.66 feet;

**THENCE** in a northeasterly direction, along the northwesterly right of way line of said Montana Street and along the southeasterly line of said Block Six, with said non-tangent curve to the left, an arc distance of 624.70 feet to the intersection of the northwesterly right of way line of said Montana Street with the southerly right of way line of Constitution Drive, a 60' wide right of way as depicted in said Constitution Village Section Two, same being the easterly corner of said Block Six, same also being the beginning of a non-tangent curve to the left with a radius of 440.00 feet, a central angle of 06°49'02", and a chord bearing and distance of South 73°22'39" East, 52.32 feet;

**THENCE** in an easterly direction, departing the easterly corner of said Block Six and along the southerly right of way line of said Constitution Drive, with said non-tangent curve to the left, an arc distance of 52.35 feet to the intersection of the southerly right of way line of said Constitution Drive with the southeasterly right of way line of said Montana, same being the northernmost corner of said Block Five, same also being the beginning of a non-tangent curve to the right with a radius of 1,006.55 feet, a central angle of 38°35'47", and a chord bearing and distance of South 52°36'24" West, 665.30 feet;

**THENCE** in a southwesterly direction, along the southeasterly right of way line of said Montana Street and the northwesterly line of said Block Five, with said non-tangent curve to the right, an arc distance of 678.05 feet to the **POINT OF BEGINNING** and containing 0.748 of an acre (32,565 square feet) of land, more or less.

*Michael B. Marx*

MICHAEL MARX  
REGISTERED PROFESSIONAL  
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PH. 972-335-3580  
michael.marx@kimley-horn.com



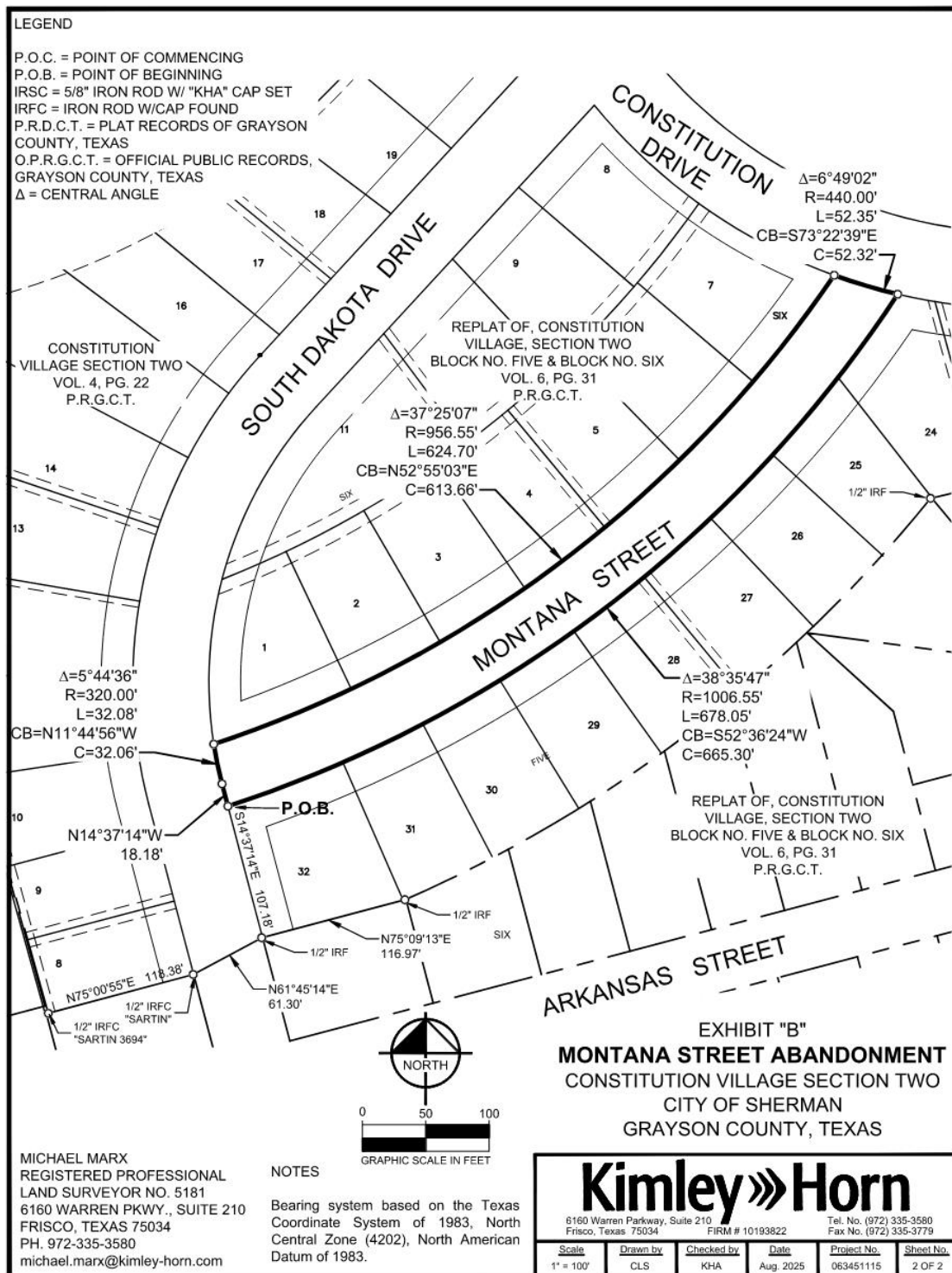
EXHIBIT "B"  
**MONTANA STREET ABANDONMENT**  
CONSTITUTION VILLAGE SECTION TWO  
CITY OF SHERMAN  
GRAYSON COUNTY, TEXAS

**Kimley»Horn**

6160 Warren Parkway, Suite 210  
Frisco, Texas 75034 FIRM # 10193822 Tel. No. (972) 335-3580  
Fax No. (972) 335-3779

| Scale | Drawn by | Checked by | Date      | Project No. | Sheet No. |
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MARX, MICHAEL 8/5/2025 9:10 AM K:\FRI\_SURVEY\063451115-TRAVIS HEIGHTS - SHERMAN\DWG\SEPARATE INSTRUMENTS\063451115 MONTANA ROW ABAND.DWG



# Quitclaim Deed

Eng. File No. 2510-A/02 Travis Heights, Ph. 1; 1537-A Constitution Village, Sec. 2

**BEING** a tract of land situated in the Preston Kitchens Survey, Abstract Number 667, City of Sherman, Grayson County, Texas, and a portion of South Carolina Drive, a 60' wide right-of-way as depicted in Constitution Village Section Two, an addition to the City of Sherman, Texas, according to the Map or Plat thereof recorded in Volume 4, Page 22 of the Plat Records of Grayson County, Texas, and being more particularly described as follows:

**BEGINNING** at a 1/2" iron rod with a cap stamped "SARTIN" found for the northwest corner of Lot 2, Block 9, of said Constitution Village Section Two and being the southwest corner of Lot 3, Block 9 of said addition and on the easterly right-of-way line of South Carolina Drive, from which a 1/2" iron rod found for the common easterly corner of said Lot 2, and Lot 3, Block 9 bears North 75°02'16" East, a distance of 120.00 feet;

**THENCE** South 84°30'00" West, over and across said South Carolina Drive, a distance of 60.83 feet to a 1/2" iron rod found on the westerly right-of-way line of said South Carolina Drive, common with the easterly line of the Replat of, Constitution Village, Section Two Block No. Five & Block No. Six, an addition to the City of Sherman, Texas, according to the Map or Plat thereof recorded in Volume 6, Page 31 of the Plat Records of Grayson County, Texas;

**THENCE** North 14°57'44" West, along said common line, a distance of 68.15 feet to a point for corner at the northeast corner of said Replat, and the intersection of the westerly right-of-way line of said South Carolina Drive and the southerly right-of-way line of Constitution Drive depicted in said Constitution Village Section Two;

**THENCE** North 75°13'17" East, over and across said South Carolina Drive, a distance of 60.00 feet to a point for corner at the northwest corner of aforementioned Lot 3, Block 9 and being the intersection of the southerly right-of-way line of said Constitution Drive and the easterly right-of-way line of said South Carolina Drive;

**THENCE** South 14°57'44" East, along the common line of said South Carolina Drive and said Lot 3, Block 9, a distance of 77.96 feet to the **POINT OF BEGINNING** and containing 4,383 square feet or 0.101 acres of land, more or less.

*Michael B. Marx*  
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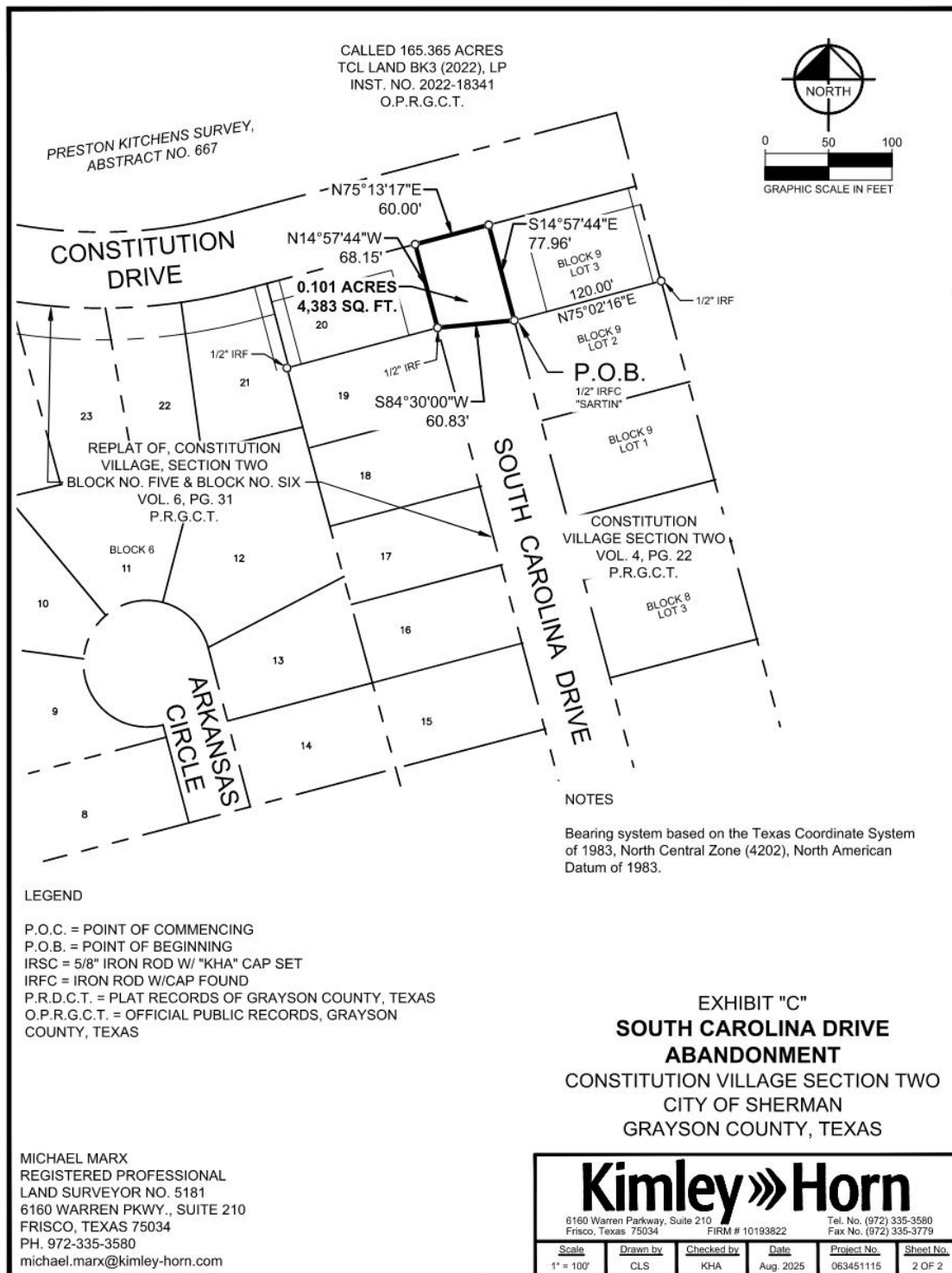
EXHIBIT "C"  
**SOUTH CAROLINA DRIVE  
ABANDONMENT**  
CONSTITUTION VILLAGE SECTION TWO  
CITY OF SHERMAN  
GRAYSON COUNTY, TEXAS

**Kimley»Horn**

6160 Warren Parkway, Suite 210  
Frisco, Texas 75034 FIRM # 10193822 Tel. No. (972) 335-3580  
Fax No. (972) 335-3779

| Scale | Drawn by | Checked by | Date      | Project No. | Sheet No. |
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MARX, MICHAEL 8/5/2025 9:15 AM K:\FRI\_SURVEY\063451115-TRAVIS HEIGHTS - SHERMAN\DWG\SEPARATE INSTRUMENTS\063451115 SOUTH CAROLINA ROW ABAND.DWG



# Quitclaim Deed

Eng. File No. 2510-A/02 Travis Heights, Ph. 1; 1537-A Constitution Village, Sec. 2



**BEING** a tract of land situated in the Preston Kitchens Survey, Abstract Number 667, City of Sherman, Grayson County, Texas, and being all of South Dakota Drive, a 60' wide right of way as depicted in Constitution Village Section Two, an addition to the City of Sherman, Texas, according to the Map or Plat thereof recorded in Volume 4, Page 22 of the Plat Records of Grayson County, Texas, and being more particularly described as follows:

**BEGINNING** at a 1/2-inch iron rod with a plastic cap, stamped "SARTIN" found on the westerly right of way line of said South Dakota Drive for the southeast corner of Lot 8 and the northeast corner of Lot 7, Block Two of said Constitution Village Section Two;

**THENCE** North 14°37'14" West, along the westerly right of way line of said South Dakota Drive and the easterly line of said Block Two, a distance of 139.80 feet to the beginning of a tangent curve to the right with a radius of 380.00 feet, a central angle of 57°18'31", and a chord bearing and distance of North 14°02'01" East, 364.44 feet;

**THENCE** in a northerly direction, continuing along the westerly, becoming northwesterly right of way line of said South Dakota Drive and the easterly, becoming southeasterly line of said Block Two, with said tangent curve to the right, an arc distance of 380.08 feet to a point for corner;

**THENCE** North 42°41'16" East, continuing along the northwesterly right of way line of said South Dakota Drive and the southeasterly line of said Block Two, a distance of 333.20 feet to the intersection of the northwesterly right of way line of said South Dakota Drive with the southwesterly right of way line of Constitution Drive, a 60' wide right of way as depicted in said Constitution Village Section Two, same being the easterly corner of said Block two;

**THENCE** South 37°58'43" East, along the southwesterly right of way line of said Constitution Drive, a distance of 49.87 feet to the beginning of a tangent curve to the left with a radius of 440.00 feet, a central angle of 01°25'16", and a chord bearing and distance of South 38°41'21" East, 10.91 feet;

**THENCE** in a southerly direction, continuing along the southwesterly right of way line of said Constitution Drive, with said tangent curve to the left, an arc distance of 10.91 feet to the intersection of the southwesterly right of way line of said Constitution Drive with the southeasterly right of way line of said South Dakota Drive, same being the northerly corner of Block Six of the Replat of, Constitution Village, Section Two Block No. Five & Block No. Six, an addition to the City of Sherman, Texas, according to the Map or Plat thereof recorded in Volume 6, Page 31 of the Plat Records of Grayson County, Texas;

**THENCE** South 42°41'16" West, along the southeasterly right of way line of said South Dakota Drive and the northwesterly line of said Block Six, a distance of 323.48 feet to the beginning of a tangent curve to the left with a radius of 320.00 feet, a central angle of 57°18'31", and a chord bearing and distance of South 14°02'01" West, 306.89 feet;

EXHIBIT "D"  
**SOUTH DAKOTA DRIVE  
ABANDONMENT**  
CONSTITUTION VILLAGE SECTION TWO  
CITY OF SHERMAN  
GRAYSON COUNTY, TEXAS

MICHAEL MARX  
REGISTERED PROFESSIONAL  
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**THENCE** in a southerly direction, continuing along the southeasterly, becoming easterly right of way line of said South Dakota Drive and the northwesterly, becoming westerly line of said Block Six for part of the way, with said tangent curve to the left, an arc distance of 320.07 feet to a point for corner;

**THENCE** South 14°37'14" East, continuing along the easterly right of way line of said South Dakota Drive, passing the northwest corner of Block Five as depicted in said the Replat of, Constitution Village, Section Two Block No. Five & Block No. Six, continuing along the westerly line of said Block Five, a distance of 125.36 feet to a point for corner on the southerly line of a called 165.365-acre tract, described in a deed to TCL Land Bk3 (2022), LP, as recorded in Instrument No. 2022-18341 of the Official Public Records of Grayson County, Texas;

**THENCE** South 75°09'13" West, continuing along the easterly right of way line of said South Dakota Drive and the southerly line of said 165.365-acre tract, a distance of 0.42 feet to a 1/2-inch iron rod found for a corner;

**THENCE** South 61°45'14" West, departing the easterly right of way line of said South Dakota Drive, crossing said South Dakota Drive and continuing along the southerly line of said 165.365-acre tract, a distance of 61.30 feet to the **POINT OF BEGINNING** and containing 1.117 acres (48,653 square feet) of land, more or less.

*Michael B. Marx*

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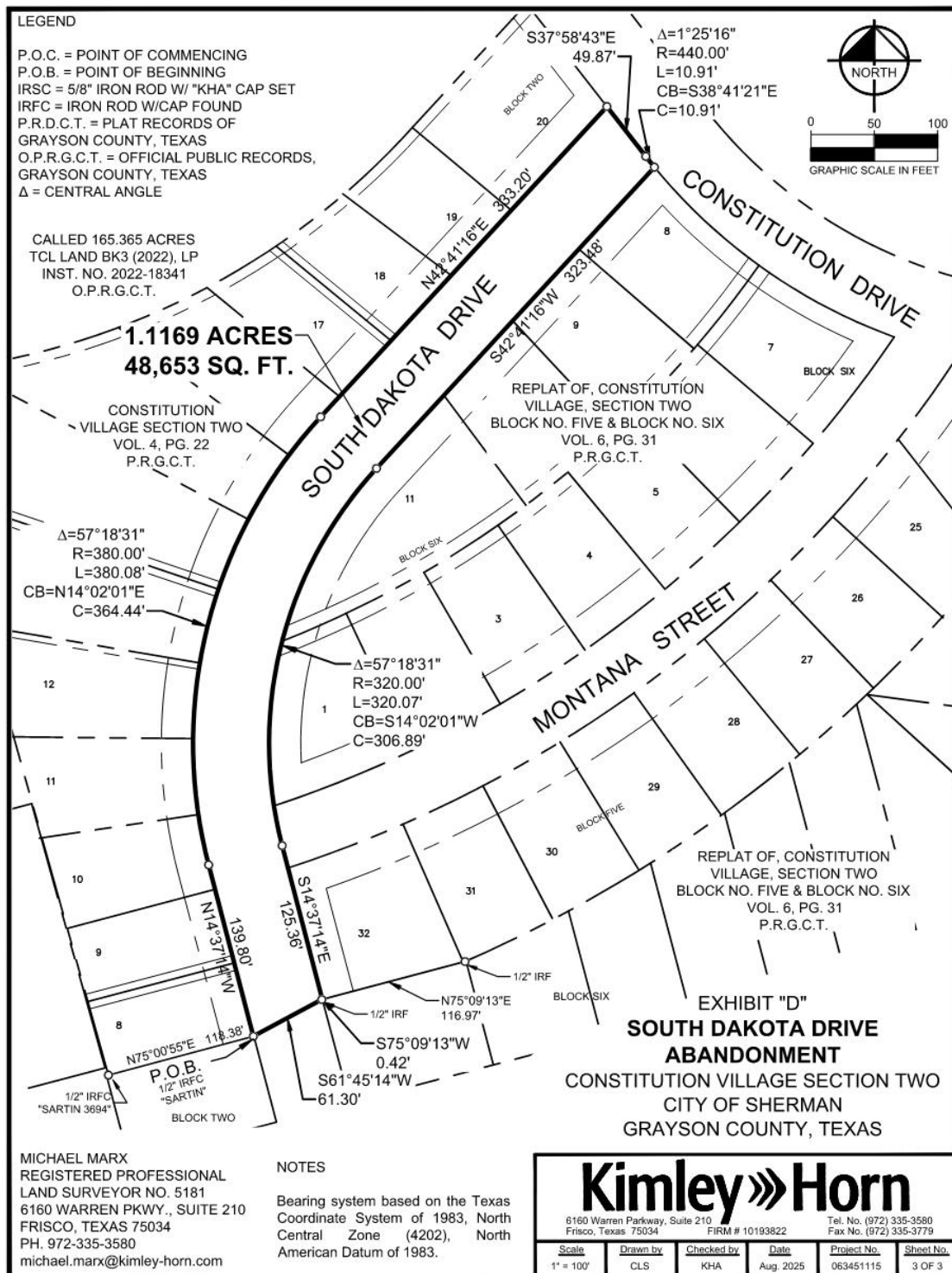
EXHIBIT "D"  
**SOUTH DAKOTA DRIVE  
ABANDONMENT**  
CONSTITUTION VILLAGE SECTION TWO  
CITY OF SHERMAN  
GRAYSON COUNTY, TEXAS

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# Quitclaim Deed

Eng. File No. 2510-A/02 Travis Heights, Ph. 1; 1537-A Constitution Village, Sec. 2

**RELEASE OF CLAIMS  
(Right-of-Way Abandonment)**

TCL LN BANK BK 3 202 LP hereby requests that the City of Sherman, Texas (“City”) abandon right-of-way, consisting of multiples tracts of land, situated in the Preston Kitchens Survey, Abstract No. 667, Sherman, Grayson County, Texas, which is more particularly described and depicted in Exhibits “A” through “D”, attached hereto and incorporated herein by reference for all purposes (“Existing Right-of-Way”). In consideration of the abandonment of the Existing Right-of-Way, the receipt and sufficiency of which is hereby acknowledged, TCL LN BANK BK 3 202 LP hereby releases any and all claims, causes of action, demands, suits and actions against the City and its City Council members, officers, agents, employees and representatives arising out of or relating in any way to the Existing Right-of-Way and/or the abandonment of the Existing Right-of-Way (collectively, “Released Claims”).

JOHN D. HUTCHINSON is fully authorized and empowered to enter into this Release on the terms and conditions stated herein, and the undersigned is fully authorized and legally competent to execute this Release on behalf of TCL LN BANK BK 3 202 LP as the legal, valid and binding act and deed of TCL LN BANK BK 3 202 LP. TCL LN BANK BK 3 202 LP represents and warrants that the Released Claims are currently owned solely by TCL LN BANK BK 3 202 LP, free and clear of all liens, encumbrances, pledges, assignments, claims and security interests of any kind or nature. TCL LN BANK BK 3 202 LP further represents and warrants that it has the right to compromise and settle the Released Claims and any other claims that could have been asserted by TCL LN BANK BK 3 202 LP which relate in any way to the Existing Right-of-Way.

**TCL LN BANK BK 3 202 LP AGREES TO DEFEND, INDEMNIFY AND HOLD HARMLESS THE CITY AND ITS CITY COUNCIL MEMBERS, OFFICERS, AGENTS, EMPLOYEES AND REPRESENTATIVES FROM AND AGAINST ANY AND ALL DAMAGES, INJURIES, CLAIMS, PROPERTY DAMAGES (INCLUDING LOSS OF USE), LOSSES, DEMANDS, SUITS, ACTIONS, JUDGMENTS, LIENS, COSTS AND EXPENSES, INCLUDING ATTORNEY’S FEES AND EXPENSES, ARISING FROM OR OUT OF THE REPRESENTATIONS AND WARRANTIES CONTAINED IN THE PRECEDING PARAGRAPH OF THIS RELEASE, AND/OR ARISING FROM OR OUT OF ANY CLAIMS IN REGARD TO THE CITY’S ABANDONMENT OF THE EXISTING RIGHT-OF-WAY BY (I) THE ADJOINING OR ABUTTING LANDOWNERS, OR (II) ANY UTILITY SERVICE PROVIDER WITH FACILITIES PRESENTLY IN THE GROUND IN THE EXISTING RIGHT-OF-WAY WHICH IS BEING ABANDONED.**

This Release shall be binding upon and inure to the benefit of the parties’ respective legal heirs, successors and assigns.

In the event that a term, condition or provision of this Release 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 Release shall remain in full force and effect as if such invalid, illegal, void, unenforceable or unlawful provision had never been contained in this Release.



Any claim or cause of action arising out of this Release shall be subject to the laws of the State of Texas, and exclusive venue shall lie in Grayson County, Texas.

In witness whereof, this Release is executed as of the \_\_\_\_ day of \_\_\_\_\_, 202\_\_.

TCL LN BANK BK 3 202 LP

By: \_\_\_\_\_

Name: John D. Hutchinson

Title: CEO

### ACKNOWLEDGMENT

STATE OF TEXAS §

§

COUNTY OF \_\_\_\_\_ §

Before me, the undersigned authority, on this day personally appeared JOHN D. HUTCHINSON, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed is the CEO and duly authorized representative of TCL LN BANK BK 3 202 LP, and that he executed said instrument for the purposes and consideration therein expressed as a binding act and deed of TCL LN BANK BK 3 202 LP.

Given under my hand and seal of office on this the \_\_\_\_ day of \_\_\_\_\_, 202\_\_.

\_\_\_\_\_  
Notary Public, State of Texas

My Commission Expires: \_\_\_\_\_

## Exhibits "A" through "D"

**BEING** a tract of land situated in the Preston Kitchens Survey, Abstract Number 667, City of Sherman, Grayson County, Texas, and being all of Constitution Drive, a 60' wide right of way as depicted in Constitution Village Section Two, an addition to the City of Sherman, Texas, according to the Map or Plat thereof recorded in Volume 4, Page 22 of the Plat Records of Grayson County, Texas, and being more particularly described as follows:

**BEGINNING** at the southeast corner of the easterly terminus of said Constitution Drive, same being the northeast corner of Block Nine of said Constitution Village Section Two;

**THENCE** South 75°13'17" West, along the southerly right of way line of said Constitution Drive, the northerly line of said Block Nine and the northerly line of Block Five as depicted in the Replat of, Constitution Village, Section Two Block No. Five & Block No. Six, an addition to the City of Sherman, Texas, according to the Map or Plat thereof recorded in Volume 6, Page 31 of the Plat Records of Grayson County, Texas, a distance of 320.56 feet to the beginning of a tangent curve to the right with a radius of 440.00 feet, a central angle of 66°48'00", and a chord bearing and distance of North 71°22'43" West, 484.42 feet;

**THENCE** in a westerly direction, continuing along the southerly, becoming southwesterly right of way line of said Constitution Drive, along the northerly line of said Block No. Five and the northeasterly line of Block No. Six as depicted in said Replat of, Constitution Village, Section Two Block No. Five & Block No. Six, with said tangent curve to the right, an arc distance of 512.99 feet to a point for corner;

**THENCE** North 37°58'43" West, continuing along the southwesterly right of way line of said Constitution Drive and along the easterly line of Block No. Two as depicted in said Constitution Village Section Two, a distance of 152.87 feet to the northwest corner of the northerly terminus of said Constitution Drive;

**THENCE** North 52°01'17" East, along the northerly terminus of said Constitution Drive, a distance of 60.00 feet to the northeast corner of said terminus;

**THENCE** South 37°58'43" East, along the easterly right of way line of said Constitution Drive, a distance of 152.87 feet to the beginning of a tangent curve to the left with a radius of 380.00 feet, a central angle of 66°48'00", and a chord bearing and distance of South 71°22'43" East, 418.37 feet;

**THENCE** in an easterly direction, along the northeasterly, becoming northerly right of way line of said Constitution Drive, with said tangent curve to the left, an arc distance of 443.03 feet to a point for corner;

**THENCE** North 75°13'17" East, along the northerly right of way line of said Constitution Drive, a distance of 320.36 feet to the northeast corner of the easterly terminus of said Constitution Drive;

**THENCE** South 14°57'44" East, along the easterly terminus of said Constitution Drive a distance of 60.00 feet to a point for corner; to the **POINT OF BEGINNING** and containing 1.310 acres (57,080 square feet) of land, more or less.

*Michael Marx*

MICHAEL MARX  
REGISTERED PROFESSIONAL  
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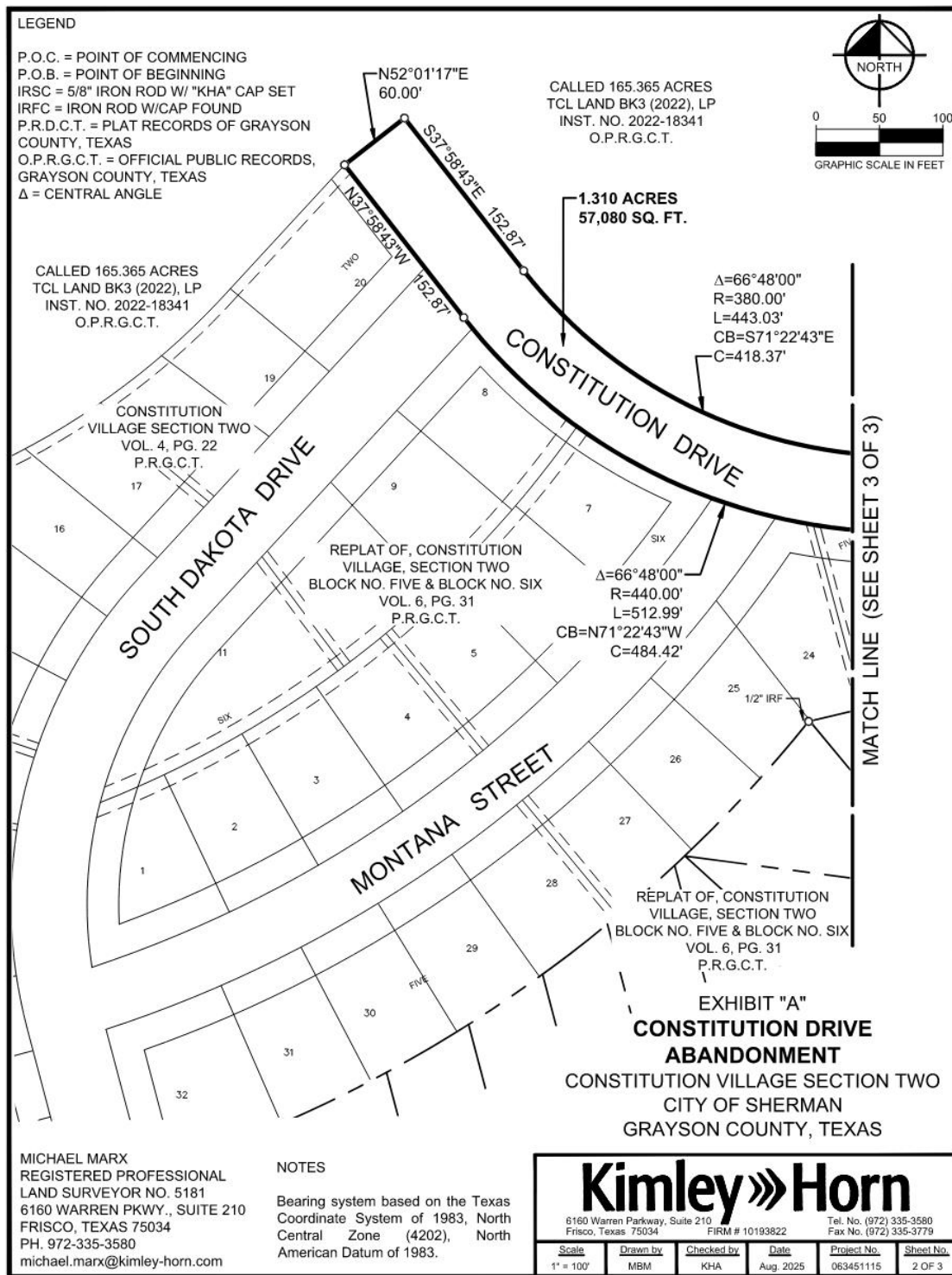
EXHIBIT "A"  
**CONSTITUTION DRIVE  
ABANDONMENT**  
CONSTITUTION VILLAGE SECTION TWO  
CITY OF SHERMAN  
GRAYSON COUNTY, TEXAS

**Kimley»Horn**

6160 Warren Parkway, Suite 210  
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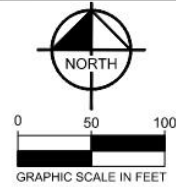
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# LEGEND

P.O.C. = POINT OF COMMENCING  
P.O.B. = POINT OF BEGINNING  
IRSC = 5/8" IRON ROD W/ "KHA" CAP SET  
IRFC = IRON ROD W/CAP FOUND  
P.R.D.C.T. = PLAT RECORDS OF  
GRAYSON COUNTY, TEXAS  
O.P.R.G.C.T. = OFFICIAL PUBLIC RECORDS,  
GRAYSON COUNTY, TEXAS  
Δ = CENTRAL ANGLE



CALLED 165.365 ACRES  
TCL LAND BK3 (2022), LP  
INST. NO. 2022-18341  
O.P.R.G.C.T.

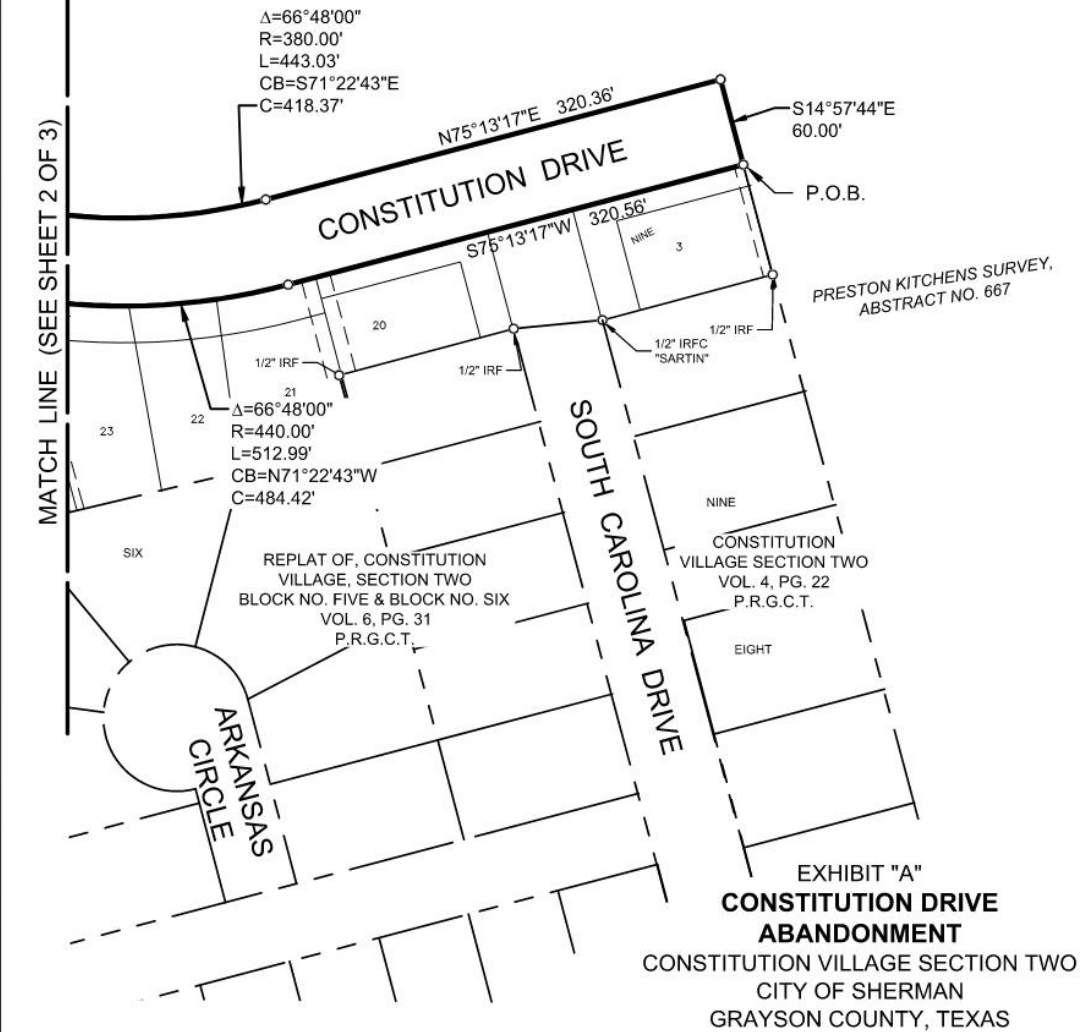


EXHIBIT "A"  
**CONSTITUTION DRIVE  
ABANDONMENT**  
CONSTITUTION VILLAGE SECTION TWO  
CITY OF SHERMAN  
GRAYSON COUNTY, TEXAS

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## NOTES

Bearing system based on the Texas  
Coordinate System of 1983, North  
Central Zone (4202), North  
American Datum of 1983.

**Kimley»Horn**

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| Scale     | Drawn by | Checked by | Date      | Project No. | Sheet No. |
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| 1" = 100' | MBM      | KHA        | Aug. 2025 | 063451115   | 3 OF 3    |

MARX, MICHAEL 8/5/2025 9:08 AM K:\FRI\_SURVEY\063451115-TRAVIS HEIGHTS - SHERMAN\DWG\SEPARATE INSTRUMENTS\063451115 CONSTITUTION ROW ABAND.DWG



**BEING** a tract of land situated in the Preston Kitchens Survey, Abstract Number 667, City of Sherman, Grayson County, Texas, and being all of Montana Street, a 50' wide right of way as depicted in the Replat of, Constitution Village, Section Two Block No. Five & Block No. Six, an addition to the City of Sherman, Texas, according to the Map or Plat thereof recorded in Volume 6, Page 31 of the Plat Records of Grayson County, Texas, and being more particularly described as follows:

**BEGINNING** at a the intersection of the southeasterly right of way line of said Montana Street with the easterly right of way line of South Dakota Drive, a 60' wide right of way as depicted in Constitution Village Section Two, an addition to the City of Sherman, Texas, according to the Map or Plat thereof recorded in Volume 4, Page 22 of the Plat Records of Grayson County, Texas, same being the northwest corner of Block Five in said Replat of, Constitution Village, Section Two Block No. Five & Block No. Six;

**THENCE** North 14°37'14" West, departing the northwest corner of said Block Five and along the easterly right of way line of said South Dakota Drive, a distance of 18.18 feet to the beginning of a tangent curve to the right with a radius of 320.00 feet, a central angle of 05°44'36", and a chord bearing and distance of North 11°44'56" West, 32.06 feet;

**THENCE** in a northerly direction, continuing along the easterly right of way line of said South Dakota Drive, with said tangent curve to the right, an arc distance of 32.08 feet to the intersection of the easterly right of way line of said South Dakota Drive with the northwesterly right of way line of said Montana Street, same being the southwest corner of Block Six in said Replat of, Constitution Village, Section Two Block No. Five & Block No. Six, same also being the beginning of a non-tangent curve to the left with a radius of 956.55 feet, a central angle of 37°25'07", and a chord bearing and distance of North 52°55'03" East, 613.66 feet;

**THENCE** in a northeasterly direction, along the northwesterly right of way line of said Montana Street and along the southeasterly line of said Block Six, with said non-tangent curve to the left, an arc distance of 624.70 feet to the intersection of the northwesterly right of way line of said Montana Street with the southerly right of way line of Constitution Drive, a 60' wide right of way as depicted in said Constitution Village Section Two, same being the easterly corner of said Block Six, same also being the beginning of a non-tangent curve to the left with a radius of 440.00 feet, a central angle of 06°49'02", and a chord bearing and distance of South 73°22'39" East, 52.32 feet;

**THENCE** in an easterly direction, departing the easterly corner of said Block Six and along the southerly right of way line of said Constitution Drive, with said non-tangent curve to the left, an arc distance of 52.35 feet to the intersection of the southerly right of way line of said Constitution Drive with the southeasterly right of way line of said Montana, same being the northernmost corner of said Block Five, same also being the beginning of a non-tangent curve to the right with a radius of 1,006.55 feet, a central angle of 38°35'47", and a chord bearing and distance of South 52°36'24" West, 665.30 feet;

**THENCE** in a southwesterly direction, along the southeasterly right of way line of said Montana Street and the northwesterly line of said Block Five, with said non-tangent curve to the right, an arc distance of 678.05 feet to the **POINT OF BEGINNING** and containing 0.748 of an acre (32,565 square feet) of land, more or less.

*Michael B. Marx*  
MICHAEL MARX  
REGISTERED PROFESSIONAL  
LAND SURVEYOR NO. 5181  
6160 WARREN PKWY., SUITE 210  
FRISCO, TEXAS 75034  
PH. 972-335-3580  
michael.marx@kimley-horn.com



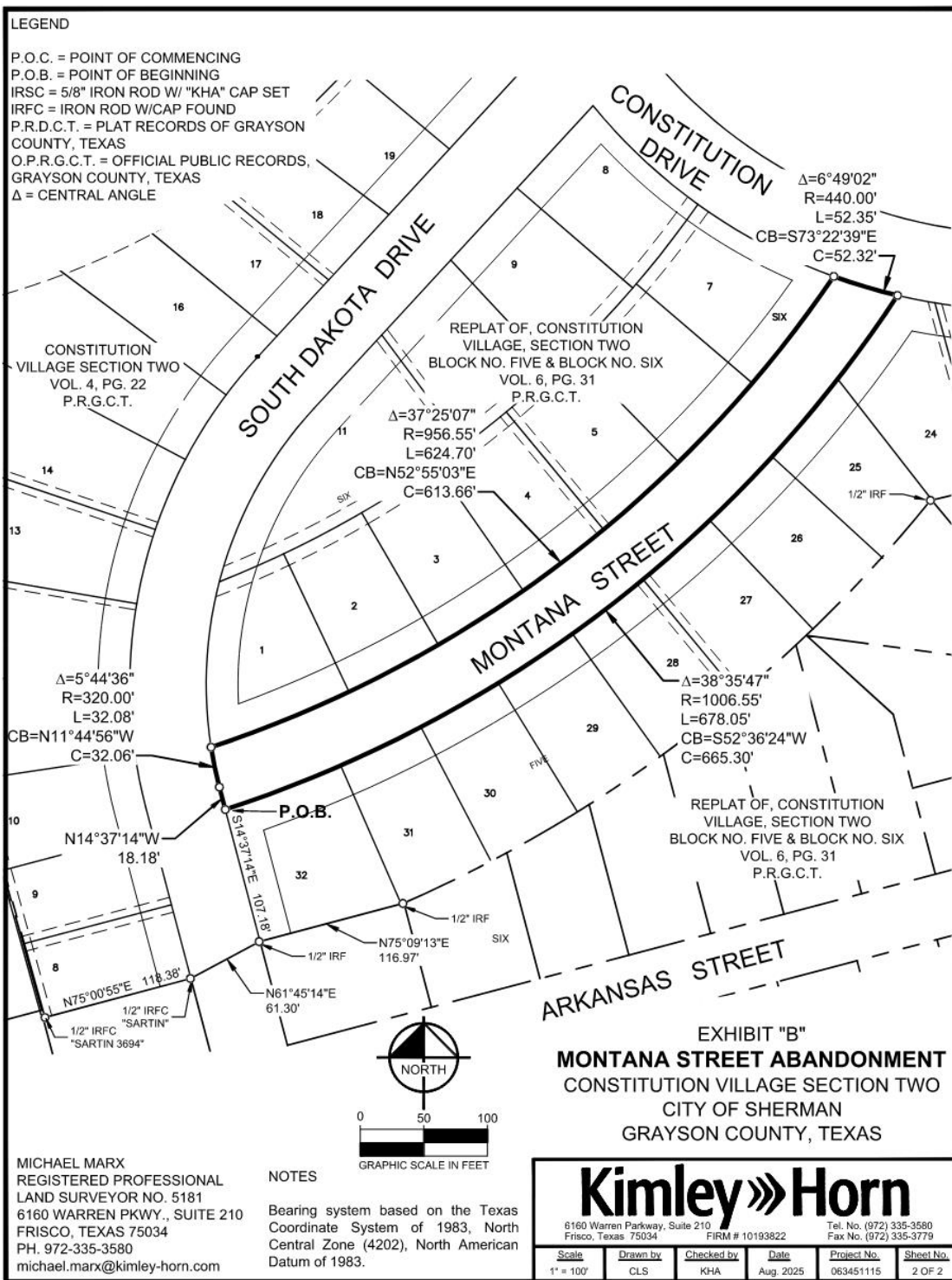
EXHIBIT "B"  
**MONTANA STREET ABANDONMENT**  
CONSTITUTION VILLAGE SECTION TWO  
CITY OF SHERMAN  
GRAYSON COUNTY, TEXAS

**Kimley»Horn**

6160 Warren Parkway, Suite 210  
Frisco, Texas 75034 FIRM # 10193822 Tel. No. (972) 335-3580  
Fax No. (972) 335-3779

| Scale | Drawn by | Checked by | Date      | Project No. | Sheet No. |
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| N/A   | CLS      | KHA        | Aug. 2025 | 063451115   | 1 OF 2    |

MARX, MICHAEL 8/5/2025 9:10 AM K:\FRI\_SURVEY\063451115-TRAVIS HEIGHTS - SHERMAN\DWG\SEPARATE INSTRUMENTS\063451115 MONTANA ROW ABAND.DWG



**BEING** a tract of land situated in the Preston Kitchens Survey, Abstract Number 667, City of Sherman, Grayson County, Texas, and a portion of South Carolina Drive, a 60' wide right-of-way as depicted in Constitution Village Section Two, an addition to the City of Sherman, Texas, according to the Map or Plat thereof recorded in Volume 4, Page 22 of the Plat Records of Grayson County, Texas, and being more particularly described as follows:

**BEGINNING** at a 1/2" iron rod with a cap stamped "SARTIN" found for the northwest corner of Lot 2, Block 9, of said Constitution Village Section Two and being the southwest corner of Lot 3, Block 9 of said addition and on the easterly right-of-way line of South Carolina Drive, from which a 1/2" iron rod found for the common easterly corner of said Lot 2, and Lot 3, Block 9 bears North 75°02'16" East, a distance of 120.00 feet;

**THENCE** South 84°30'00" West, over and across said South Carolina Drive, a distance of 60.83 feet to a 1/2" iron rod found on the westerly right-of-way line of said South Carolina Drive, common with the easterly line of the Replat of, Constitution Village, Section Two Block No. Five & Block No. Six, an addition to the City of Sherman, Texas, according to the Map or Plat thereof recorded in Volume 6, Page 31 of the Plat Records of Grayson County, Texas;

**THENCE** North 14°57'44" West, along said common line, a distance of 68.15 feet to a point for corner at the northeast corner of said Replat, and the intersection of the westerly right-of-way line of said South Carolina Drive and the southerly right-of-way line of Constitution Drive depicted in said Constitution Village Section Two;

**THENCE** North 75°13'17" East, over and across said South Carolina Drive, a distance of 60.00 feet to a point for corner at the northwest corner of aforementioned Lot 3, Block 9 and being the intersection of the southerly right-of-way line of said Constitution Drive and the easterly right-of-way line of said South Carolina Drive;

**THENCE** South 14°57'44" East, along the common line of said South Carolina Drive and said Lot 3, Block 9, a distance of 77.96 feet to the **POINT OF BEGINNING** and containing 4,383 square feet or 0.101 acres of land, more or less.

*Michael B. Marx*  
MICHAEL MARX  
REGISTERED PROFESSIONAL  
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michael.marx@kimley-horn.com



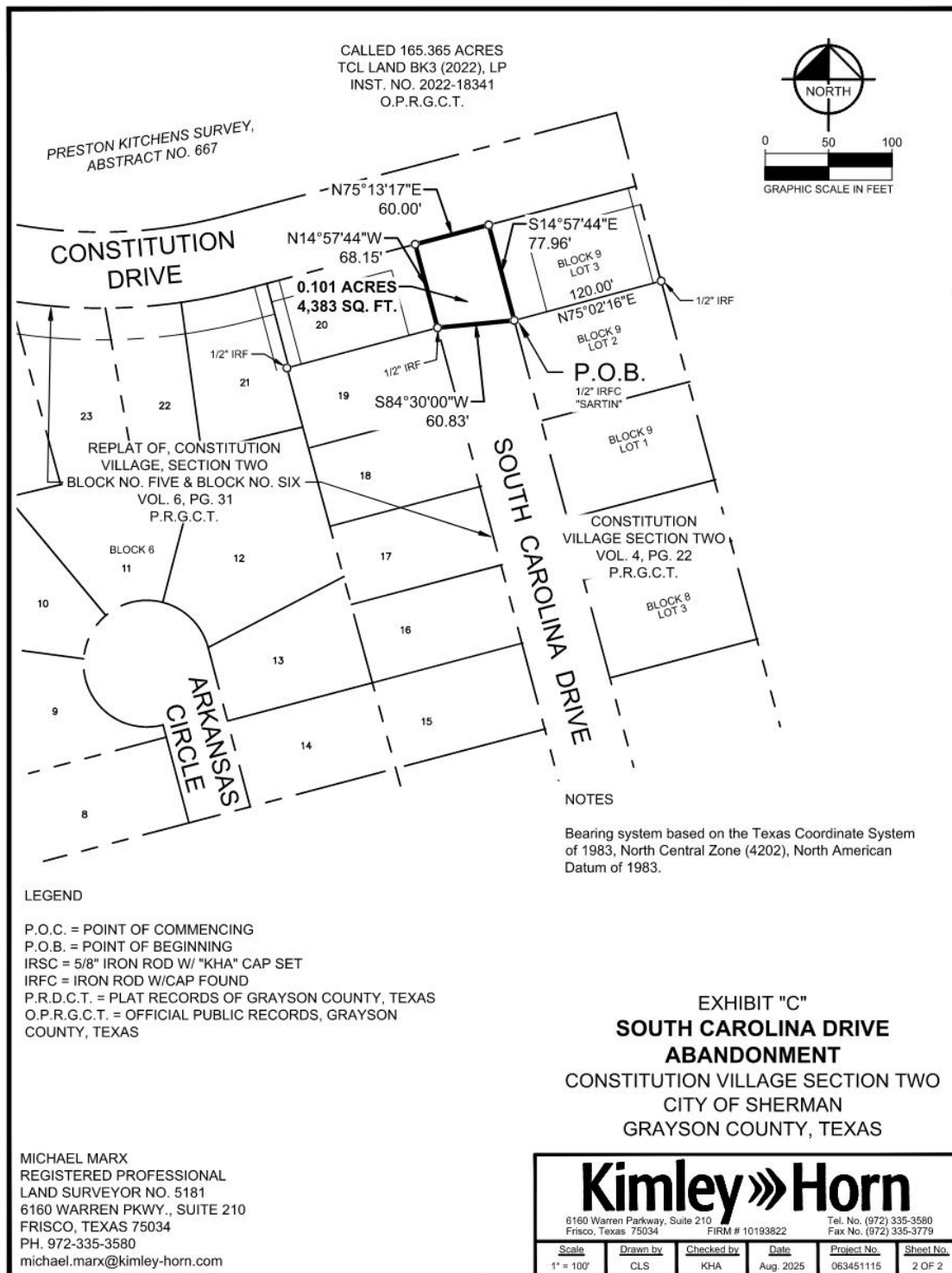
EXHIBIT "C"  
**SOUTH CAROLINA DRIVE  
ABANDONMENT**  
CONSTITUTION VILLAGE SECTION TWO  
CITY OF SHERMAN  
GRAYSON COUNTY, TEXAS

**Kimley»Horn**

6160 Warren Parkway, Suite 210  
Frisco, Texas 75034 FIRM # 10193822 Tel. No. (972) 335-3580  
Fax No. (972) 335-3779

| Scale | Drawn by | Checked by | Date      | Project No. | Sheet No. |
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| N/A   | CLS      | KHA        | Aug. 2025 | 063451115   | 1 OF 2    |

MARX, MICHAEL 8/5/2025 9:15 AM K:\FRI\_SURVEY\063451115-TRAVIS HEIGHTS - SHERMAN\DWG\SEPARATE INSTRUMENTS\063451115 SOUTH CAROLINA ROW ABAND.DWG





**BEING** a tract of land situated in the Preston Kitchens Survey, Abstract Number 667, City of Sherman, Grayson County, Texas, and being all of South Dakota Drive, a 60' wide right of way as depicted in Constitution Village Section Two, an addition to the City of Sherman, Texas, according to the Map or Plat thereof recorded in Volume 4, Page 22 of the Plat Records of Grayson County, Texas, and being more particularly described as follows:

**BEGINNING** at a 1/2-inch iron rod with a plastic cap, stamped "SARTIN" found on the westerly right of way line of said South Dakota Drive for the southeast corner of Lot 8 and the northeast corner of Lot 7, Block Two of said Constitution Village Section Two;

**THENCE** North 14°37'14" West, along the westerly right of way line of said South Dakota Drive and the easterly line of said Block Two, a distance of 139.80 feet to the beginning of a tangent curve to the right with a radius of 380.00 feet, a central angle of 57°18'31", and a chord bearing and distance of North 14°02'01" East, 364.44 feet;

**THENCE** in a northerly direction, continuing along the westerly, becoming northwesterly right of way line of said South Dakota Drive and the easterly, becoming southeasterly line of said Block Two, with said tangent curve to the right, an arc distance of 380.08 feet to a point for corner;

**THENCE** North 42°41'16" East, continuing along the northwesterly right of way line of said South Dakota Drive and the southeasterly line of said Block Two, a distance of 333.20 feet to the intersection of the northwesterly right of way line of said South Dakota Drive with the southwesterly right of way line of Constitution Drive, a 60' wide right of way as depicted in said Constitution Village Section Two, same being the easterly corner of said Block two;

**THENCE** South 37°58'43" East, along the southwesterly right of way line of said Constitution Drive, a distance of 49.87 feet to the beginning of a tangent curve to the left with a radius of 440.00 feet, a central angle of 01°25'16", and a chord bearing and distance of South 38°41'21" East, 10.91 feet;

**THENCE** in a southerly direction, continuing along the southwesterly right of way line of said Constitution Drive, with said tangent curve to the left, an arc distance of 10.91 feet to the intersection of the southwesterly right of way line of said Constitution Drive with the southeasterly right of way line of said South Dakota Drive, same being the northerly corner of Block Six of the Replat of, Constitution Village, Section Two Block No. Five & Block No. Six, an addition to the City of Sherman, Texas, according to the Map or Plat thereof recorded in Volume 6, Page 31 of the Plat Records of Grayson County, Texas;

**THENCE** South 42°41'16" West, along the southeasterly right of way line of said South Dakota Drive and the northwesterly line of said Block Six, a distance of 323.48 feet to the beginning of a tangent curve to the left with a radius of 320.00 feet, a central angle of 57°18'31", and a chord bearing and distance of South 14°02'01" West, 306.89 feet;

EXHIBIT "D"  
**SOUTH DAKOTA DRIVE  
 ABANDONMENT**  
 CONSTITUTION VILLAGE SECTION TWO  
 CITY OF SHERMAN  
 GRAYSON COUNTY, TEXAS

MICHAEL MARX  
 REGISTERED PROFESSIONAL  
 LAND SURVEYOR NO. 5181  
 6160 WARREN PKWY., SUITE 210  
 FRISCO, TEXAS 75034  
 PH. 972-335-3580  
 michael.marx@kimley-horn.com

|                                                                                                                                                                      |          |            |           |             |           |
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|                                                                                  |          |            |           |             |           |
| <small>6160 Warren Parkway, Suite 210<br/>         Frisco, Texas 75034      FIRM # 10193822      Tel. No. (972) 335-3580<br/>         Fax No. (972) 335-3779</small> |          |            |           |             |           |
| Scale                                                                                                                                                                | Drawn by | Checked by | Date      | Project No. | Sheet No. |
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MARX, MICHAEL 8/5/2025 9:17 AM K:\FRI\_SURVEY\063451115-TRAVIS HEIGHTS - SHERMAN\DWG\SEPARATE INSTRUMENTS\063451115 SOUTH DAKOTA ROW ABAND.DWG

**THENCE** in a southerly direction, continuing along the southeasterly, becoming easterly right of way line of said South Dakota Drive and the northwesterly, becoming westerly line of said Block Six for part of the way, with said tangent curve to the left, an arc distance of 320.07 feet to a point for corner;

**THENCE** South 14°37'14" East, continuing along the easterly right of way line of said South Dakota Drive, passing the northwest corner of Block Five as depicted in said the Replat of, Constitution Village, Section Two Block No. Five & Block No. Six, continuing along the westerly line of said Block Five, a distance of 125.36 feet to a point for corner on the southerly line of a called 165.365-acre tract, described in a deed to TCL Land Bk3 (2022), LP, as recorded in Instrument No. 2022-18341 of the Official Public Records of Grayson County, Texas;

**THENCE** South 75°09'13" West, continuing along the easterly right of way line of said South Dakota Drive and the southerly line of said 165.365-acre tract, a distance of 0.42 feet to a 1/2-inch iron rod found for a corner;

**THENCE** South 61°45'14" West, departing the easterly right of way line of said South Dakota Drive, crossing said South Dakota Drive and continuing along the southerly line of said 165.365-acre tract, a distance of 61.30 feet to the **POINT OF BEGINNING** and containing 1.117 acres (48,653 square feet) of land, more or less.

*Michael B. Marx*

MICHAEL MARX  
REGISTERED PROFESSIONAL  
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michael.marx@kimley-horn.com



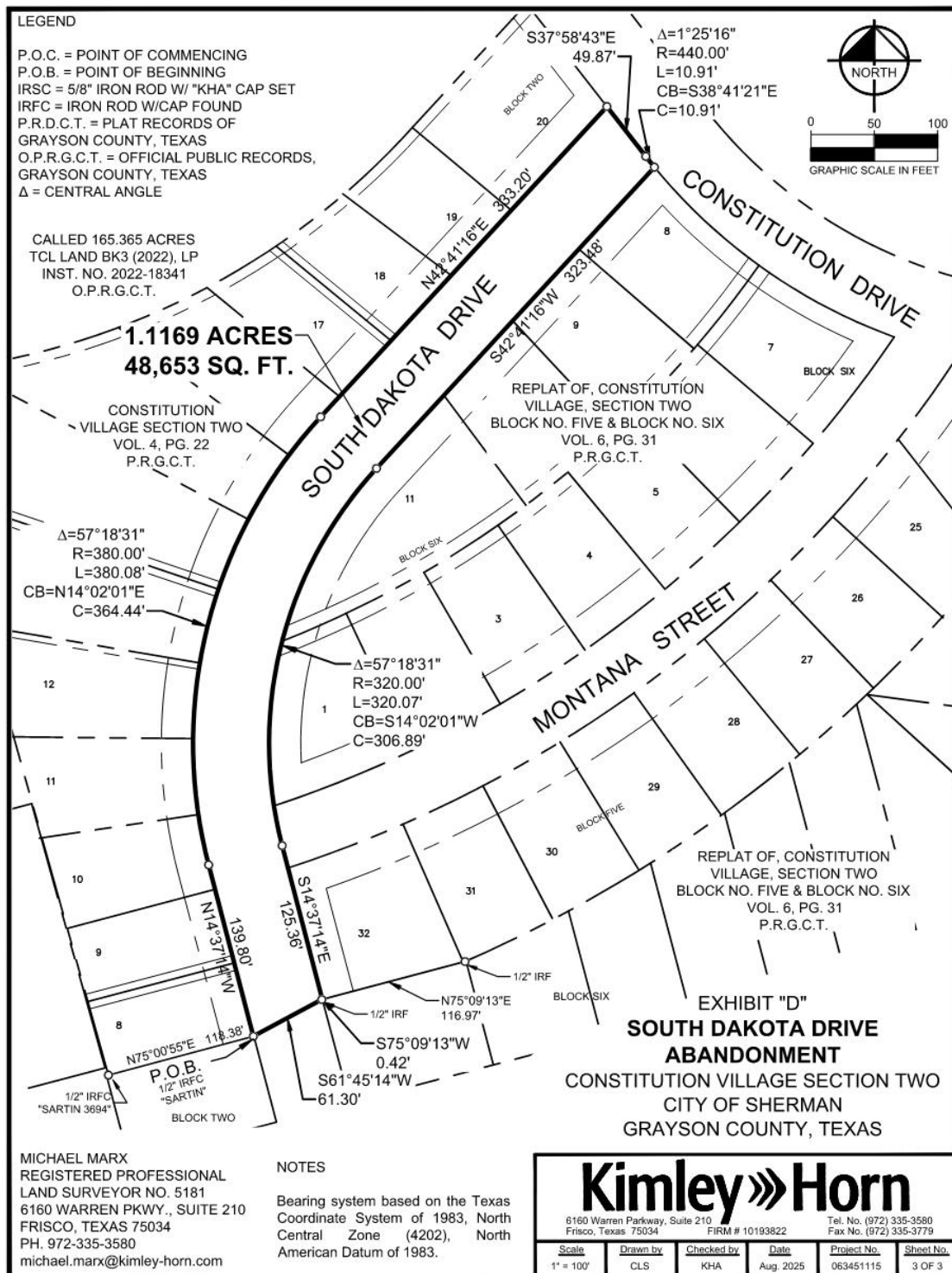
EXHIBIT "D"  
**SOUTH DAKOTA DRIVE  
ABANDONMENT**  
CONSTITUTION VILLAGE SECTION TWO  
CITY OF SHERMAN  
GRAYSON COUNTY, TEXAS

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| N/A   | CLS      | KHA        | Aug. 2025 | 063451115   | 2 OF 3    |

MARX, MICHAEL 8/5/2025 9:17 AM K:\FRI\_SURVEY\063451115-TRAVIS HEIGHTS - SHERMAN\DWG\SEPARATE INSTRUMENTS\063451115 SOUTH DAKOTA ROW ABAND.DWG





## ROW Abandonment Request

### **Owner Demographic Information:**

TCL LN BANK BK 3 202 LP

### **Request:**

This request is to abandon the 1.310 acre ROW easement for Constitution Drive, the 0.748 acre ROW easement for Montana Street, the 0.101 acre ROW easement for South Carolina Drive, and the 1.1169 acre ROW easement for South Dakota Drive that was established with the Replat of Constitution Village, Section Two.

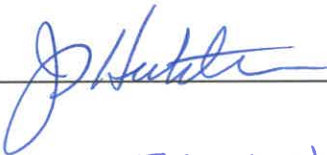
### **Reason for requesting abandonments:**

These ROW abandonments are due to the ROW no longer being needed. Travis Heights Phase 1 will be platted after this abandonment with differing ROW easement boundaries.

### **Legal descriptions:**

Please see accompanying exhibits for legal descriptions.

### **Signature(s) of Record Owner requesting abandonment:**

By: \_\_\_\_\_

Print Name: John D Hutchinson

Title: CEO

### **Signature(s) of Property owners adjacent to proposed ROW abandonment:**

By: \_\_\_\_\_

Print Name: John D Hutchinson

Title: CEO

Requestor:

Owner Name: TCL LN BANK BK 3 202 LP

Signor & Title: John D. Hutchinson, CEO

Owner Mailing Address: Angela Williams, 5055 Keller Springs Road, Suite 500

Owner Mailing Address City, State, Zip: Addison, Texas 75001

Owner Email Address: [angelaw@trezcapital.com](mailto:angelaw@trezcapital.com)

Owner Contact Phone Number: 214-545-0961





| TABLE OF STREET CURVE DATA |        |         |         |         |
|----------------------------|--------|---------|---------|---------|
| CURVE                      | ANGLE  | TANGENT | RADIUS  | LENGTH  |
| A                          | 57°28' | 191.84' | 350.00' | 351.04' |
| B                          | 38°36' | 343.73' | 981.55' | 661.27' |
| C                          | 66°48' | 270.34' | 410.00' | 478.01' |
| D                          | 25°10' | 49.89'  | 223.51' | 98.17'  |

LEGEND  
 ■ 10' X 10' PAD TRANSFORMER EASEMENT

"FIELD NOTES"

SITUATED IN THE COUNTY OF GRAYSON, STATE OF TEXAS, BEING A PART OF THE PRESTON KIT-CHENS SURVEY, ABSTRACT NO. 667, AND ALSO BEING A PART OF A 221.867 ACRE TRACT OF LAND CONVEYED BY ESTATE OF THOMAS H. BLOOMER TO PYLON FARMS, AND DESCRIBED BY METES AND BOUNDS AS FOLLOWS, TO-WIT:

BEGINNING AT A 1/2" STEEL ROD IN WEST LINE OF THE SAID 221.867 AC. TRACT OF LAND, SAID ROD BEING N13°50'W A DISTANCE OF 1085.35' FROM THE SOUTHWEST CORNER OF SAID 221.867 AC. TRACT OF LAND AND ALSO BEING THE NORTHWEST CORNER OF THE CONSTITUTION VILLAGE ADDITION TO THE CITY OF SHERMAN, TEXAS.

THENCE N13°50'W WITH THE WEST LINE OF SAID 221.867 AC. TRACT OF LAND A DISTANCE OF 397.00' TO A 1/2" STEEL ROD.

THENCE N14°39'W WITH THE WEST LINE OF SAID 221.867 AC. TRACT, A DISTANCE OF 685.35' TO A 1/2" STEEL ROD.

THENCE N14°20'W WITH SAID WEST LINE A DISTANCE OF 19.88' TO A 1/2" STEEL ROD.

THENCE IN A NORTHEASTERLY DIRECTION WITH A CURVE TO THE LEFT HAVING A RADIUS OF 591.42' A DISTANCE OF 450.89' TO A 1/2" STEEL ROD.

THENCE N43°34'E A DISTANCE OF 133.00' TO A 1/2" STEEL ROD.

THENCE N52°54'E A DISTANCE OF 60.00' TO A 1/2" STEEL ROD.

THENCE S37°06'E A DISTANCE OF 152.87' TO THE PC OF A CURVE TO THE LEFT;

THENCE IN A SOUTHEASTERLY DIRECTION WITH SAID CURVE HAVING A RADIUS OF 38000' A DISTANCE OF 443.03' TO A 1/2" STEEL ROD.

THENCE N76°06'E A DISTANCE OF 322.37' TO A 1/2" STEEL ROD.

THENCE S13°54'E A DISTANCE OF 79.15' TO A 1/2" STEEL ROD.

THENCE S39°04'E A DISTANCE OF 16.4' TO A 1/2" STEEL ROD, MAINTAINING THE NORTHEAST CORNER OF THE CONSTITUTION VILLAGE ADDITION TO THE CITY OF SHERMAN;

THENCE ALONG THE NORTH LINE OF SAID CONSTITUTION VILLAGE ADDITION THE FOLLOWING CALLS AND DISTANCES

S50°26'W 120.00'

S25°54'W 66.22'

S76°06'W 1058.98'

N13°54'W 6.06'

S76°06'W 120.50' TO THE PLACE OF BEGINNING AND CONTAINING 31.818 ACRES OF LAND MORE OR LESS.

KNOW ALL MEN BY THESE PRESENTS:

THAT I, MARTIN B. MOORE JR., A REGISTERED PUBLIC SURVEYOR, DO HEREBY THAT THIS PLAT WAS PREPARED FROM AN ACTUAL SURVEY MADE ON THE GROUND AND IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

MARTIN B. MOORE JR. DATE

THE STREETS AND EASEMENTS SHOWN ON THIS PLAT OF CONSTITUTION VILLAGE SECTION TWO ARE HEREBY DEDICATED TO PUBLIC USE FOREVER.

WITNESS MY HAND THIS 7 DAY OF JAN, 1970.

ATTEST CONSTITUTION VILLAGE INC.

BY J. A. ALEXANDER SECRETARY BY E. B. CHAPMAN PRESIDENT

THE STATE OF TEXAS  
 COUNTY OF GRAYSON

BEFORE ME, THE UNDERSIGNED, A NOTARY PUBLIC IN AND FOR SAID COUNTY AND STATE, ON THIS DAY PERSONALLY APPEARED E. B. CHAPMAN, PRESIDENT OF CONSTITUTION VILLAGE 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 CONSTITUTION VILLAGE INC. AND THAT HE EXECUTED THE SAME AS THE ACT 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 7 DAY OF JANUARY, 1970.

Notary Public in and for Grayson County, Texas

APPROVED THIS DAY OF JAN, 1970, BY THE CITY PLANNING AND ZONING COMMISSION OF THE CITY OF SHERMAN, TEXAS.

CHAIRMAN SECRETARY

ACCEPTED BY THE CITY COUNCIL OF THE CITY OF SHERMAN:

MAYOR, CITY OF SHERMAN, TEXAS DATE 1-26-70

THE UNDERSIGNED, THE CITY CLERK OF THE CITY OF SHERMAN, HEREBY CERTIFIES THAT THE FOREGOING FINAL PLAT OF CONSTITUTION VILLAGE SECTION TWO ADDITION TO THE CITY OF SHERMAN WAS SUBMITTED TO THE CITY COUNCIL ON THE 24 DAY OF JAN, 1970 AND THE CITY COUNCIL BY FORMAL ACTION THEN AND THERE ACCEPTED THE DEDICATION OF STREETS, ALLEYS, EASEMENTS, AND PUBLIC PLACES, AS SHOWN AND SET FORTH IN AND UPON SAID PLAT, AND SAID CITY COUNCIL FURTHER AUTHORIZED THE MAYOR TO NOTE THE ACCEPTANCE THEREOF BY SIGNING HIS NAME AS HEREINABOVE SUBSCRIBED.

WITNESS MY HAND THIS 24 DAY OF JAN, A.D. 1970.

CITY CLERK, CITY OF SHERMAN, TEXAS

FILED FOR RECORD  
 Feb. 11 1970  
 11:55  
 Recorded to Vol. 4 Page 22  
 Plat  
 PAUL E. LEE  
 County Clerk, Grayson County  
 By B. L. McLean  
 Deputy

CONSTITUTION VILLAGE  
 SECTION TWO  
 TO THE  
 CITY OF SHERMAN, TEXAS  
 OWNER: CONSTITUTION VILLAGE INC.



# Abandonments - Rights-of-Way - Constitution Village, Sec. 2



0 100 200 400 Feet







## City Council Regular Meeting

Agenda Item No. D.9.

**Meeting Date:** 8/18/2025

**Prepared By:** Amber Doan, Engineering Coordinator

**Approved By:** Zachary Flores, Acting City Manager

### **Caption:**

#### **INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 6863**

Abandoning Multiple Utility Easements and Utility and Drainage Easements Located in Block Two of Constitution Village Section Two; Block Six of Replat of Constitution Village, Section Two; Block Five of Replat of, Constitution Village, Section Two; and Block Nine, Lot 3 of Constitution Village Section Two, Being More Particularly Described in the Exhibits "A" through "D" Attached Hereto and Made a Part Hereof for all Purposes, which Utility Easements and Utility and Drainage Easements are Established in Volume 4, Page 22 and Volume 6, Page 31, Plat Records, Grayson County, Texas

### **Issue:**

To consider the abandonment of multiple Utility Easements and Utility and Drainage Easements located in Blocks Two and Nine of Constitution Village Section Two and Blocks Five and Six of Replat of Constitution Village, Section Two in the City of Sherman, Grayson County, Texas

### **Background:**

Said easements, which are filed of record in Volume 4, Page 22 and Volume 6, Page 31, Plat Records, Grayson County, Texas, are not being utilized and are no longer deemed necessary.

### **Capital Improvement Program:**

None

### **Origination:**

TCL LN BANK BK 3 202 LP, Developer; Engineering Department

### **Financial Consideration:**

None

### **Staff Recommendation:**

Staff recommends approval of the multiple Utility Easement and Utility and Drainage Easement abandonments.

### **Alternatives:**

As may be directed by City Council.

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### **Attachments:**



1. Ordinance No. 6863 - Abandoning Easements Constitution Village
2. .20250722 - Signed UE Abandonment Request
3. Filed Plat-Constitution Village, Sec. 2
4. Filed Plat-Constitution Village, Sec. 2 Replat
5. Location Map-Eas Abandon

**ORDINANCE NO. 6863**

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, ABANDONING MULTIPLE UTILITY EASEMENTS AND UTILITY AND DRAINAGE EASEMENTS LOCATED IN BLOCK TWO OF CONSTITUTION VILLAGE, SECTION TWO; BLOCK SIX OF REPLAT OF, CONSTITUTION VILLAGE, SECTION TWO; BLOCK FIVE OF REPLAT OF, CONSTITUTION VILLAGE, SECTION TWO; AND BLOCK NINE, LOT 3 OF CONSTITUTION VILLAGE SECTION TWO, BEING MORE PARTICULARLY DESCRIBED IN EXHIBITS "A" THROUGH "D", ATTACHED HERETO AND MADE A PART HEREOF FOR ALL PURPOSES, WHICH UTILITY EASEMENTS AND UTILITY AND DRAINAGE EASEMENTS ARE ESTABLISHED IN VOLUME 4, PAGE 22 AND VOLUME 6, PAGE 31, PLAT RECORDS OF GRAYSON COUNTY, TEXAS; 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 of Sherman, Texas has received a request to abandon a multiple Utility Easements and Utility and Drainage Easements, as described herein; and

WHEREAS, THE Utility Easement and Utility and Drainage Easements are established in Volume 4, Page 22 and Volume 6, Page 31 of the Plat Records of Grayson County, Texas; and

WHEREAS, the City Council has held a public hearing on the proposed abandonment and the abutting property owner(s) of the proposed abandonment have been notified; and

WHEREAS, the City Council has investigated and determined that all persons who own property adjacent to the easement concur and agree with the proposed abandonment; and

WHEREAS, the City Council has investigated and determined that the easements are no longer needed; and

WHEREAS, the City Council finds that it is in the best interest of the City and its citizens to abandon the City's right and interest in the easements, and that such action will benefit the public generally.

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

**SECTION 1.** That the Utility Easements and Utility and Drainage Easements described on the Exhibits "A" through "D" attached hereto and made a part hereof for all purposes, are hereby abandoned.

**SECTION 2.** That it is the intent of the City Council that the City's rights and interests in such easements are hereby vacated.

**SECTION 3.** The abandonment approved by this Ordinance does not relinquish any right arising other than from the plat or other instrument creating the public easement or right-of-way, nor does this Ordinance create new rights.

**SECTION 4.** That the City Clerk is hereby directed to file and record this Ordinance after its adoption in the Official Public Records of Grayson County, Texas.

**SECTION 5.** 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 6.** All provisions of any ordinance in conflict with this Ordinance are hereby repealed to the extent they are in conflict. Any remaining portions of said ordinances shall remain in full force and effect.

**SECTION 7.** Should 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 8.** This Ordinance shall become effective immediately upon its passage and adoption.

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

**INTRODUCED** on this the 18<sup>th</sup> day of August 2025.

**ADOPTED** on this the 18<sup>th</sup> day of August 2025

**EFFECTIVE DATE** on this the 18<sup>th</sup> day of August 2025.

**CITY OF SHERMAN, TEXAS**

**BY:**

\_\_\_\_\_  
**SHAWN TEAMANN, MAYOR**

**ATTEST:**

**BY:** \_\_\_\_\_  
**LEAH ROBERTS, CITY CLERK**

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

**BY:** \_\_\_\_\_  
**RYAN D. PITTMAN  
CITY ATTORNEY**

**BEING** a tract of land situated in the Preston Kitchens Survey, Abstract Number 667, City of Sherman, Grayson County, Texas, and being a portion of Constitution Village Section Two, an addition to the City of Sherman, Texas, according to the Map or Plat thereof recorded in Volume 4, Page 22 of the Plat Records of Grayson County, Texas, and being more particularly described as follows:

**BEGINNING** at a 1/2" iron rod with a cap stamped "SARTIN 3694" found for the northwest corner of Lot 7, Block Two, and the southwest corner of Lot 8, Block Two of said Constitution Village Section 2, same being on the east line of a called 2-acre tract of land dedicated to Barbara Wible Powell and Margaret Wible Briggs, recorded in Volume 3960, Page 876, Official Public Records of Grayson County, Texas;

**THENCE** along the westerly line of said Constitution Village Section 2, and the easterly line of said 2-acre tract, Lot 2, Block 1 of Bryan Luckett Addition, an addition to the City of Sherman, Texas, in the plat thereof recorded in Volume 20, Page 42, Plat Records of Grayson County, Texas, a called 1.76-acre tract described as "Tract 1" in the Deed to Bryan Luckett, recorded in Volume 5591, Page 712, Official Public Records of Grayson County, Texas, and a called 3.73-acre tract of land described in the Deed to Rogers D. Brown, recorded in Volume 5978, Page 500, Official Public Records of Grayson County, Texas, the following courses and distances:

North 15°31'43" West, passing a X cut found for the northeast corner of said 1.76-acre tract at a distance of 451.55 feet, same being the easternmost southeast corner of said 3.73-acre tract, continuing for a total distance of 555.50 feet to a point for corner;

North 15°12'43" West, a distance of 19.88 feet to a point for corner being the northwest corner of said Constitution Village Section 2, same being at the beginning of a non-tangent curve to the left with a radius of 591.42 feet, a central angle of 43°47'04", and a chord bearing and distance of North 63°56'28" East, 441.04 feet;

**THENCE** departing the easterly line of said 3.73-acre tract, along the northwesterly line of said Constitution Village Section 2, the following courses and distances:

In a northeasterly direction, with said non-tangent curve to the left, an arc distance of 451.95 feet to a point for corner being the north corner of Lot 19, Block Two of said Constitution Village Section 2,;

North 42°41'17" East, a distance of 133.00 feet to a point for corner being the north corner of Lot 20, Block Two of said Constitution Village Section 2, and the northwest corner of the northerly terminus of Constitution Drive, as depicted in said Constitution Village Section 2,;

**THENCE** South 37°58'43" East, along the southerly right-of-way line of said Constitution Drive common with the northeasterly line of said Lot 20, Block Two, a distance of 8.11 feet to a point for corner;

**EXHIBIT "A"**  
**UTILITY EASEMENT ABANDONMENT**  
**CONSTITUTION VILLAGE SECTION TWO**  
**CITY OF SHERMAN**  
**GRAYSON COUNTY, TEXAS**

MICHAEL MARX  
 REGISTERED PROFESSIONAL  
 LAND SURVEYOR NO. 5181  
 6160 WARREN PKWY., SUITE 210  
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 PH. 972-335-3580  
 michael.marx@kimley-horn.com

|                                                       |          |            |                 |             |                                                   |
|-------------------------------------------------------|----------|------------|-----------------|-------------|---------------------------------------------------|
| <b>Kimley»Horn</b>                                    |          |            |                 |             |                                                   |
| 6160 Warren Parkway, Suite 210<br>Frisco, Texas 75034 |          |            | FIRM # 10193822 |             | Tel. No. (972) 335-3580<br>Fax No. (972) 335-3779 |
| Scale                                                 | Drawn by | Checked by | Date            | Project No. | Sheet No.                                         |
| N/A                                                   | CLS      | KHA        | Aug. 2025       | 063451115   | 1 OF 5                                            |

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**THENCE** departing said right-of-way line, over and across Block Two of said Constitution Village Section 2, the following courses and distances:

South 42°41'17" West, a distance of 131.69 feet to a point at the beginning of a non-tangent curve to the right with a radius of 599.38 feet, a central angle of 13°00'36", and a chord bearing and distance of South 48°33'43" West, 135.81 feet;

In a westerly direction, with said non-tangent curve to the right, an arc distance of 136.10 feet to a point for corner;

South 50°33'43" East, a distance of 107.71 feet to a point for corner on the northwesterly right-of-way line of South Dakota Drive, depicted in said Constitution Village Section 2, same being the southeasterly line of Lot 18, Block Two of said Constitution Village Section 2,;

**THENCE** South 42°41'16" West, along said northwesterly right-of-way, a distance of 12.02 feet to a point for corner;

**THENCE** departing said right-of-way line, continuing over and across Block Two of said Constitution Village Section 2, the following courses and distances:

North 50°33'43" West, a distance of 110.52 feet to a point at the beginning of a non-tangent curve to the right with a radius of 599.42 feet, a central angle of 28°27'03", and a chord bearing and distance of South 70°29'13" West, 294.60 feet;

In a westerly direction, with said non-tangent curve to the right, an arc distance of 297.65 feet to a point for corner;

South 15°12'39" East, a distance of 9.84 feet to a point for corner;

South 15°31'43" East, a distance of 82.05 feet to a point for corner;

South 71°19'37" East, a distance of 219.54 feet to a point on the westerly right-of-way line of said South Dakota Drive and the east line of Lot 14, Block Two, same being at the beginning of a non-tangent curve to the left with a radius of 380.00 feet, a central angle of 01°30'28", and a chord bearing and distance of South 18°40'23" West, 10.00 feet;

**THENCE** along said right-of-way line, in a southerly direction, with said non-tangent curve to the left, an arc distance of 10.00 feet to a point for corner;

EXHIBIT "A"  
**UTILITY EASEMENT ABANDONMENT**  
CONSTITUTION VILLAGE SECTION TWO  
CITY OF SHERMAN  
GRAYSON COUNTY, TEXAS

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| N/A   | CLS      | KHA        | Aug. 2025 | 063451115   | 2 OF 5    |

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**THENCE** departing said right-of-way line, continuing over and across Block Two of said Constitution Village Section 2, the following courses and distances:

North 71°19'37" West, a distance of 212.75 feet to a point for corner;

South 15°31'43" East, a distance of 97.61 feet to a point for corner on the north line of Lot 12, Block Two of said Constitution Village Section 2,;

**THENCE** South 80°22'59" East, along said north line, a distance of 164.64 feet to a point for the northeast corner of Lot 12, Block Two same being on the westerly right-of-way line of said South Dakota Drive and at the beginning of a non-tangent curve to the left with a radius of 380.00 feet, a central angle of 00°45'14", and a chord bearing and distance of South 09°14'24" West, 5.00 feet;

**THENCE** departing said north line, along said right-of-way line, in a southerly direction, with said non-tangent curve to the left, an arc distance of 5.00 feet to a point for corner;

**THENCE** departing said right-of-way line, continuing over and across Block Two of said Constitution Village Section 2, the following courses and distances:

North 80°22'59" West, a distance of 162.32 feet to a point for corner;

South 15°31'43" East, a distance of 293.35 feet to a point for corner;

North 75°13'17" East, a distance of 112.08 feet to a point for corner on the westerly right-of-way line of said South Dakota Drive and the east line of Lot 9, Block Two of said Constitution Village Section 2,;

**THENCE** South 14°46'43" East, along said right-of-way line, a distance of 10.00 feet to a point for corner;

**THENCE** departing said right-of-way line, continuing over and across Block Two of said Constitution Village Section 2, the following courses and distances:

South 75°13'17" West, a distance of 111.95 feet to a point for corner;

South 15°31'43" East, a distance of 55.00 feet to a point for corner on the north line of Lot 7, Block Two of said Constitution Village Section 2,;

**THENCE** South 75°13'17" West, along said north line, a distance of 10.00 feet to the **POINT OF BEGINNING** and containing 15,763 square feet or 0.362 acres of land, more or less.

*Michael Marx*

MICHAEL MARX  
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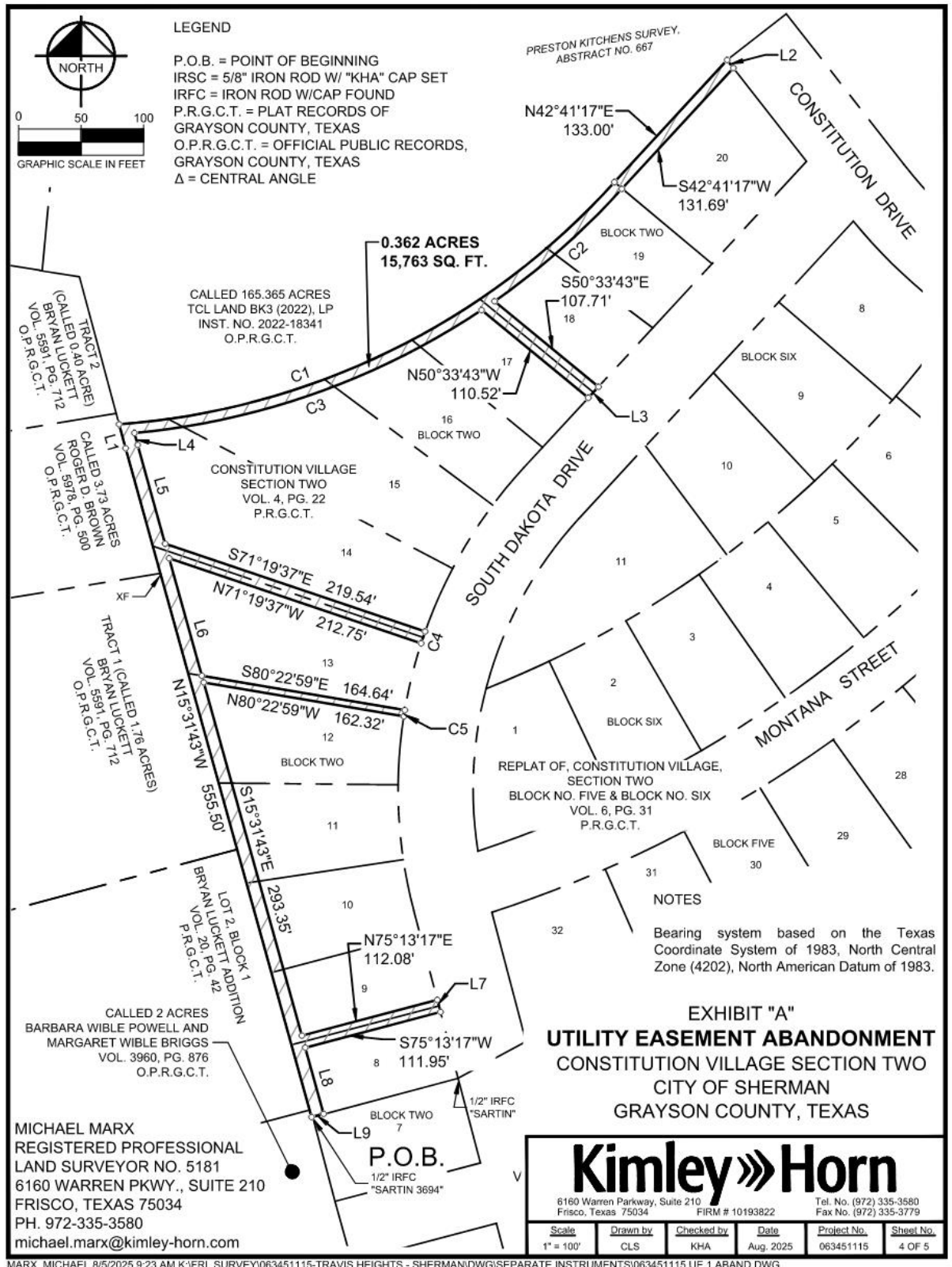
EXHIBIT "A"  
**UTILITY EASEMENT ABANDONMENT**  
CONSTITUTION VILLAGE SECTION TWO  
CITY OF SHERMAN  
GRAYSON COUNTY, TEXAS

**Kimley»Horn**

6160 Warren Parkway, Suite 210  
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| Scale | Drawn by | Checked by | Date      | Project No. | Sheet No. |
|-------|----------|------------|-----------|-------------|-----------|
| N/A   | CLS      | KHA        | Aug. 2025 | 063451115   | 3 OF 5    |

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| CURVE TABLE |           |         |         |               |         |
|-------------|-----------|---------|---------|---------------|---------|
| NO.         | DELTA     | RADIUS  | LENGTH  | CHORD BEARING | CHORD   |
| C1          | 43°47'04" | 591.42' | 451.95' | N63°56'28"E   | 441.04' |
| C2          | 13°00'36" | 599.38' | 136.10' | S48°33'43"W   | 135.81' |
| C3          | 28°27'03" | 599.42' | 297.65' | S70°29'13"W   | 294.60' |
| C4          | 1°30'28"  | 380.00' | 10.00'  | S18°40'23"W   | 10.00'  |
| C5          | 0°45'14"  | 380.00' | 5.00'   | S09°14'24"W   | 5.00'   |

| LINE TABLE |             |        |
|------------|-------------|--------|
| NO.        | BEARING     | LENGTH |
| L1         | N15°12'43"W | 19.88' |
| L2         | S37°58'43"E | 8.11'  |
| L3         | S42°41'16"W | 12.02' |
| L4         | S15°12'39"E | 9.84'  |
| L5         | S15°31'43"E | 82.05' |
| L6         | S15°31'43"E | 97.61' |
| L7         | N14°46'43"W | 10.00' |
| L8         | S15°31'43"E | 55.00' |
| L9         | S75°13'17"W | 10.00' |

#### NOTES

Bearing system based on the Texas Coordinate System of 1983,  
North Central Zone (4202), North American Datum of 1983.

**EXHIBIT "A"**  
**UTILITY EASEMENT ABANDONMENT**  
 CONSTITUTION VILLAGE SECTION TWO  
 CITY OF SHERMAN  
 GRAYSON COUNTY, TEXAS

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| Scale                                                 | Drawn by | Checked by | Date            | Project No. | Sheet No.                                         |
| N/A                                                   | CLS      | KHA        | Aug. 2025       | 063451115   | 5 OF 5                                            |

MARX, MICHAEL 8/5/2025 9:23 AM K:\FRI SURVEY\063451115-TRAVIS HEIGHTS - SHERMAN\DWG\SEPARATE INSTRUMENTS\063451115 UE 1 ABAND.DWG

**BEING** a tract of land situated in the Preston Kitchens Survey, Abstract Number 667, City of Sherman, Grayson County, Texas, and being a portion of the Replat of Constitution Village Section Two, Block No. Five & Block No. Six, an addition to the City of Sherman, Texas, according to the Map or Plat thereof recorded in Volume 6, Page 31 of the Plat Records of Grayson County, Texas, (referred to from hereon as Replat) and being more particularly described as follows:

**COMMENCING** at the north corner of said Replat, same being the north corner of Lot 8, Block six, and at the intersection of the southeast right-of-way line of South Dakota Drive depicted in Constitution Village Section Two, an addition to the City of Sherman, Texas, according to the Map or Plat thereof recorded in Volume 4, Page 22 of the Plat Records of Grayson County, Texas and the southwest right-of-way line of Constitution Drive depicted in said Constitution Village and being at the beginning of a non-tangent curve to the left with a radius of 440.00 feet, a central angle of 13°28'57", and a chord bearing and distance of South 46°08'27" East, 103.30 feet;

**THENCE** along said southwesterly right-of-way line, and the northeasterly line of said Replat the following courses and distances:

In a southeasterly direction, with said non-tangent curve to the left, an arc distance of 103.54 feet to the **POINT OF BEGINNING** being at the beginning of a non-tangent curve to the left with a radius of 440.00 feet, a central angle of 02°36'17", and a chord bearing and distance of South 54°11'04" East, 20.00 feet;

**THENCE** in an easterly direction, with said non-tangent curve to the left, an arc distance of 20.00 feet to a point at the beginning of a non-tangent curve to the right with a radius of 831.20 feet, a central angle of 14°51'04", and a chord bearing and distance of South 42°24'18" West, 214.84 feet;

**THENCE** departing said right-of-way line, and said northeasterly line, over and across said Replat the following courses and distances:

In a southerly direction, with said non-tangent curve to the right, an arc distance of 215.45 feet to a point for corner;

South 39°37'41" East, a distance of 110.01 feet to a point on the northerly right-of-way line of Montana Street, depicted in aforementioned Constitution Village, and at the beginning of a non-tangent curve to the right with a radius of 1,594.26 feet, a central angle of 00°43'08", and a chord bearing and distance of South 50°13'20" West, 20.00 feet;

**THENCE** in a southwesterly direction, along said northerly right-of-way line, and with said non-tangent curve to the right, an arc distance of 20.00 feet to a point for corner;

**THENCE** departing said right-of-way line, continuing over and across said Replat the following courses and distances:

**EXHIBIT "B"**  
**UTILITY & DRAINAGE EASEMENT**  
**ABANDONMENT**  
**REPLAT OF CONSTITUTION VILLAGE SECTION**  
**TWO, BLOCK NO. FIVE & BLOCK NO. SIX**  
**CITY OF SHERMAN**  
**GRAYSON COUNTY, TEXAS**

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| Scale                                                 | Drawn by | Checked by | Date            | Project No. | Sheet No.                                         |
| N/A                                                   | CLS      | KHA        | Aug. 2025       | 063451115   | 1 OF 4                                            |

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North 39°37'41" West, a distance of 110.06 feet to a point on the west line of said Replat and the easterly right-of-way line of aforementioned South Dakota Drive and at the beginning of a non-tangent curve to the right with a radius of 833.99 feet, a central angle of 18°05'35", and a chord bearing and distance of South 59°57'36" West, 262.27 feet;

In a westerly direction, with said non-tangent curve to the right, an arc distance of 263.36 feet to a point at the beginning of a non-tangent curve to the right with a radius of 320.00 feet, a central angle of 04°26'32", and a chord bearing and distance of North 14°37'51" East, 24.80 feet;

**THENCE** in a northerly direction, along said easterly right-of-way line and easterly line of said Replat , with said non-tangent curve to the right, an arc distance of 24.81 feet to a point at the beginning of a non-tangent curve to the left with a radius of 810.47 feet, a central angle of 14°11'02", and a chord bearing and distance of North 60°54'47" East, 200.13 feet;

**THENCE** departing said easterly right-of-way line and easterly line of said Replat, continuing over and across said Replat the following courses and distances:

In an easterly direction, with said non-tangent curve to the left, an arc distance of 200.64 feet to a point for corner;

North 36°43'43" West, a distance of 96.21 feet to a point on the northwesterly line of said Replat and in the southerly right-of-way line of said South Dakota Drive;

**THENCE** North 42°41'16" East, along the northwesterly line of said Replat and the southerly right-of-way line of said South Dakota Drive, a distance of 20.35 feet to a point for corner;

**THENCE** departing the northwesterly line of said Replat and the southerly right-of-way line of said South Dakota Drive, continuing over and across said Replat the following courses and distances:

South 36°43'43" East, a distance of 99.95 feet to a point at the beginning of a non-tangent curve to the left with a radius of 813.74 feet, a central angle of 17°45'09", and a chord bearing and distance of North 43°50'08" East, 251.12 feet;

In a northerly direction, with said non-tangent curve to the left, an arc distance of 252.13 feet to the **POINT OF BEGINNING** and containing 13,884 square feet or 0.319 acres of land, more or less.

EXHIBIT "B"  
**UTILITY & DRAINAGE EASEMENT  
ABANDONMENT**  
REPLAT OF CONSTITUTION VILLAGE SECTION  
TWO, BLOCK NO. FIVE & BLOCK NO. SIX  
CITY OF SHERMAN  
GRAYSON COUNTY, TEXAS

  
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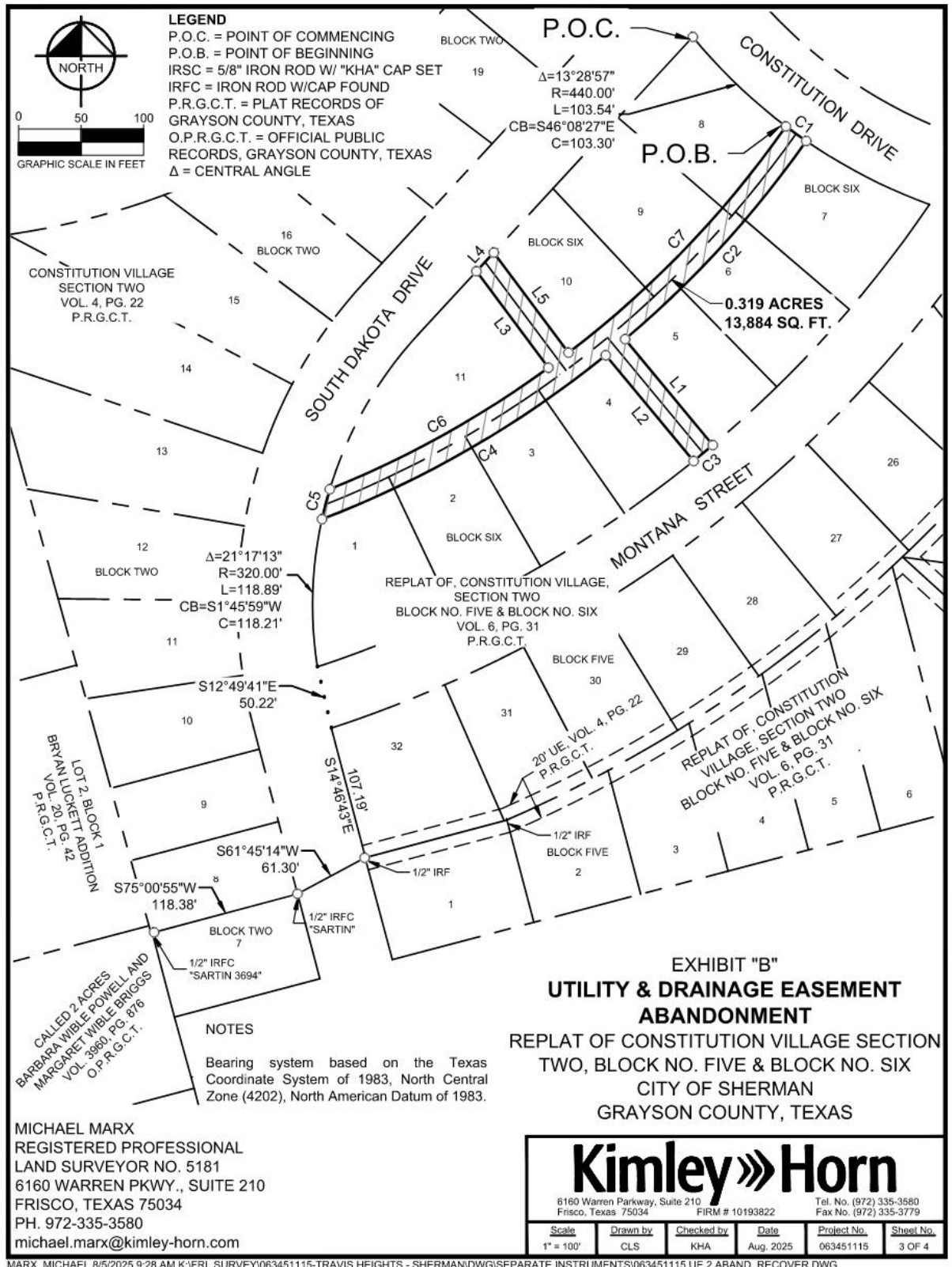


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| N/A   | CLS      | KHA        | Aug. 2025 | 063451115   | 2 OF 4    |

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| CURVE TABLE |           |          |         |               |         |
|-------------|-----------|----------|---------|---------------|---------|
| NO.         | DELTA     | RADIUS   | LENGTH  | CHORD BEARING | CHORD   |
| C1          | 2°36'17"  | 440.00'  | 20.00'  | S54°11'04"E   | 20.00'  |
| C2          | 14°51'04" | 831.20'  | 215.45' | S42°24'18"W   | 214.84' |
| C3          | 0°43'08"  | 1594.26' | 20.00'  | S50°13'20"W   | 20.00'  |
| C4          | 18°05'35" | 833.99'  | 263.36' | S59°57'36"W   | 262.27' |
| C5          | 4°26'32"  | 320.00'  | 24.81'  | N14°37'51"E   | 24.80'  |
| C6          | 14°11'02" | 810.47'  | 200.64' | N60°54'47"E   | 200.13' |
| C7          | 17°45'09" | 813.74'  | 252.13' | N43°50'08"E   | 251.12' |

| LINE TABLE |             |         |
|------------|-------------|---------|
| NO.        | BEARING     | LENGTH  |
| L1         | S39°37'41"E | 110.01' |
| L2         | N39°37'41"W | 110.06' |
| L3         | N36°43'43"W | 96.21'  |
| L4         | N42°41'16"E | 20.35'  |
| L5         | S36°43'43"E | 99.95'  |

#### NOTES

Bearing system based on the Texas Coordinate System of 1983,  
North Central Zone (4202), North American Datum of 1983.

**EXHIBIT "B"**  
**UTILITY & DRAINAGE EASEMENT**  
**ABANDONMENT**  
 REPLAT OF CONSTITUTION VILLAGE SECTION  
 TWO, BLOCK NO. FIVE & BLOCK NO. SIX  
 CITY OF SHERMAN  
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| N/A                                                   | CLS      | KHA        | Aug. 2025       | 063451115   | 4 OF 4                                            |

MARX, MICHAEL 8/5/2025 9:28 AM K:\FRI\_SURVEY\063451115-TRAVIS HEIGHTS - SHERMAN\DWG\SEPARATE INSTRUMENTS\063451115 UE 2 ABAND\_RECOVER.DWG

**TRACT 1**

**BEING** a tract of land situated in the Preston Kitchens Survey, Abstract Number 667, City of Sherman, Grayson County, Texas, and being a portion of the Replat of Constitution Village Section Two, Block No. Five & Block No. Six, an addition to the City of Sherman, Texas, according to the Map or Plat thereof recorded in Volume 6, Page 31 of the Plat Records of Grayson County, Texas, (hereon referred to as Replat) and being more particularly described as follows:

**COMMENCING** at a 1/2" iron rod found on the southerly line of a called 165.365-acre tract, described in a deed to TCL Land Bk3 (2022), LP, as recorded in Instrument No. 2022-18341 of the Official Public Records of Grayson County, Texas;

**THENCE** North 75°09'13" East, along said southerly line, 0.42 feet to the southeast corner of Lot 32, Block Five of said Replat;

**THENCE** North 14°37'14" West, departing said southerly line, along the easterly line of South Dakota Drive depicted in Constitution Village Section Two, an addition to the City of Sherman, Texas, according to the Map or Plat thereof recorded in Volume 4, Page 22 of the Plat Records of Grayson County, Texas, common with the westerly line of said Replat, a distance of 107.18 feet to point at the intersection of the easterly right-of-way line of said South Dakota Drive and the southerly right-of-way line of Montana Street depicted in said Constitution Village Section Two, same being at the beginning of a non-tangent curve to the left with a radius of 1,006.55 feet, a central angle of 20°54'03", and a chord bearing and distance of North 61°27'16" East, 365.15 feet;

**THENCE** along the southerly right-of-way line of said Montana Street, in a northeasterly direction with said non-tangent curve to the left, an arc distance of 367.18 feet to the **POINT OF BEGINNING** same being at the beginning of a non-tangent curve to the left with a radius of 1,006.55 feet, a central angle of 01°08'19", and a chord bearing and distance of North 50°26'05" East, 20.00 feet;

**THENCE** in a easterly direction, continuing along said southerly right-of-way line of Montana Street, passing the common corner of Lot 27 and Lot 28, Block Five of said Replat, with said non-tangent curve to the left, an arc distance of 20.00 feet to a point for corner;

**THENCE** departing said southerly right-of-way line, over and across said Replat the following courses and distances:

South 39°33'55" East, a distance of 108.19 feet to a point for corner on the northwesterly line of a 20' utility easement depicted in said Replat, and being at the beginning of a non-tangent curve to the right with a radius of 1,089.55 feet, a central angle of 01°03'06", and a chord bearing and distance of South 50°06'46" West, 20.00 feet;

In a westerly direction, with said non-tangent curve to the right and said utility easement, an arc distance of 20.00 feet to a point for corner;

North 39°33'55" West, departing said utility easement, a distance of 108.30 feet to a point for corner; to the **POINT OF BEGINNING** and containing 2,165 square feet or 0.050 acres of land.

EXHIBIT "C"  
**UTILITY & DRAINAGE EASEMENT  
ABANDONMENTS**  
REPLAT OF CONSTITUTION VILLAGE SECTION  
TWO, BLOCK NO. FIVE & BLOCK NO. SIX  
CITY OF SHERMAN  
GRAYSON COUNTY, TEXAS

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REGISTERED PROFESSIONAL  
LAND SURVEYOR NO. 5181  
6160 WARREN PKWY., SUITE 210  
FRISCO, TEXAS 75034  
PH. 972-335-3580  
michael.marx@kimley-horn.com

|                                                                                                                         |          |            |           |             |           |
|-------------------------------------------------------------------------------------------------------------------------|----------|------------|-----------|-------------|-----------|
| <b>Kimley»Horn</b>                                                                                                      |          |            |           |             |           |
| 6160 Warren Parkway, Suite 210<br>Frisco, Texas 75034 FIRM # 10193822 Tel. No. (972) 335-3580<br>Fax No. (972) 335-3779 |          |            |           |             |           |
| Scale                                                                                                                   | Drawn by | Checked by | Date      | Project No. | Sheet No. |
| N/A                                                                                                                     | CLS      | KHA        | Aug. 2025 | 063451115   | 1 OF 5    |

MARX, MICHAEL 8/5/2025 9:31 AM K:\FRI\_SURVEY\063451115-TRAVIS HEIGHTS - SHERMAN\DWG\SEPARATE INSTRUMENTS\063451115 UE 3 ABAND 3-TRACTS.DWG



**TRACT 2**

**BEING** a tract of land situated in the Preston Kitchens Survey, Abstract Number 667, City of Sherman, Grayson County, Texas, and being a portion of the Replat of Constitution Village Section Two, Block No. Five & Block No. Six, an addition to the City of Sherman, Texas, according to the Map or Plat thereof recorded in Volume 6, Page 31 of the Plat Records of Grayson County, Texas, (hereon referred to as Replat) and being more particularly described as follows:

**COMMENCING** at a 1/2" iron rod found on the southerly line of a called 165.365-acre tract, described in a deed to TCL Land Bk3 (2022), LP, as recorded in Instrument No. 2022-18341 of the Official Public Records of Grayson County, Texas;

**THENCE** North 75°09'13" East, along said southerly line, 0.42 feet to the southeast corner of Lot 32, Block Five of said Replat;

**THENCE** North 14°37'14" West, departing said southerly line, along the easterly line of South Dakota Drive depicted in Constitution Village Section Two, an addition to the City of Sherman, Texas, according to the Map or Plat thereof recorded in Volume 4, Page 22 of the Plat Records of Grayson County, Texas, common with the westerly line of said Replat, a distance of 107.18 feet to point at the intersection of the easterly right-of-way line of said South Dakota Drive and the southeasterly right-of-way line of Montana Street depicted in said Constitution Village Section Two, same being at the beginning of a non-tangent curve to the left with a radius of 1,006.55 feet, a central angle of 38°35'47", and a chord bearing and distance of North 52°36'24" East, 665.30 feet;

**THENCE** in an northeasterly direction, with said non-tangent curve to the left, an arc distance of 678.05 feet to a point at the intersection of the southeasterly right-of-way line of said Montana Street and the southerly right-of-way line of Constitution Drive, depicted in aforementioned Constitution Village Section Two, and being at the beginning of a non-tangent curve to the left with a radius of 440.00 feet, a central angle of 03°11'22", and a chord bearing and distance of South 78°22'51" East, 24.49 feet;

**THENCE** in a southeasterly direction, along said southerly right-of-way line, with said non-tangent curve to the left, an arc distance of 24.49 feet to the **POINT OF BEGINNING** and being at the beginning of a non-tangent curve to the left with a radius of 440.00 feet, a central angle of 01°25'53", and a chord bearing and distance of South 80°41'28" East, 10.99 feet;

**THENCE** in a southeasterly direction, along said southerly right-of-way line, passing the common corner of Lot 23 and Lot 24, Block Five of said Replat, with said non-tangent curve to the left, an arc distance of 10.99 feet to a point for corner;

**THENCE** departing said southerly right-of-way line, over and across said Replat the following courses and distances:

South 15°13'33" East, a distance of 138.21 feet to a point for corner on the northerly line of a 20-foot utility easement depicted in said Constitution Village Section Two;

South 76°37'05" West, along said utility easement, a distance of 10.01 feet to a point for corner;

North 15°13'33" West, departing said utility easement, a distance of 142.45 feet to the **POINT OF BEGINNING** and containing 1,403 square feet or 0.032 acres of land, more or less.

**EXHIBIT "C"**  
**UTILITY & DRAINAGE EASEMENT**  
**ABANDONMENTS**  
**REPLAT OF CONSTITUTION VILLAGE SECTION**  
**TWO, BLOCK NO. FIVE & BLOCK NO. SIX**  
**CITY OF SHERMAN**  
**GRAYSON COUNTY, TEXAS**

MICHAEL MARX  
REGISTERED PROFESSIONAL  
LAND SURVEYOR NO. 5181  
6160 WARREN PKWY., SUITE 210  
FRISCO, TEXAS 75034  
PH. 972-335-3580  
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|                                                                                                                                   |          |            |           |             |           |
|-----------------------------------------------------------------------------------------------------------------------------------|----------|------------|-----------|-------------|-----------|
| <b>Kimley»Horn</b>                                                                                                                |          |            |           |             |           |
| 6160 Warren Parkway, Suite 210<br>Frisco, Texas 75034      FIRM # 10193822      Tel. No. (972) 335-3580<br>Fax No. (972) 335-3779 |          |            |           |             |           |
| Scale                                                                                                                             | Drawn by | Checked by | Date      | Project No. | Sheet No. |
| N/A                                                                                                                               | CLS      | KHA        | Aug. 2025 | 063451115   | 2 OF 5    |

MARX, MICHAEL 8/5/2025 9:31 AM K:\FRI SURVEY\063451115-TRAVIS HEIGHTS - SHERMAN\DWG\SEPARATE INSTRUMENTS\063451115 UE 3 ABAND 3-TRACTS.DWG

**TRACT 3**

**BEING** a tract of land situated in the Preston Kitchens Survey, Abstract Number 667, City of Sherman, Grayson County, Texas, and being a portion of the Replat of Constitution Village Section Two, Block No. Five & Block No. Six, an addition to the City of Sherman, Texas, according to the Map or Plat thereof recorded in Volume 6, Page 31 of the Plat Records of Grayson County, Texas, (hereon referred to as Replat) and being more particularly described as follows:

**COMMENCING** at the northeast corner of said Replat, same being the intersection of the westerly right-of-way line of Carolina Drive and the southerly right-of-way line of Constitution Drive, both depicted in Constitution Village Section Two, an addition to the City of Sherman, Texas, according to the Map or Plat thereof recorded in Volume 4, Page 22 of the Plat Records of Grayson County, Texas;

**THENCE** South 75°13'17" West, along said southerly right-of-way line common with the northeasterly line of said Replat, a distance of 113.00 feet to the **POINT OF BEGINNING**;

**THENCE** South 14°46'43" East, departing said southerly right-of-way line, over and across said Replat, a distance of 68.51 feet to a point for corner on the south line of Lot 20, Block Five of said Replat;

**THENCE** over and across said Replat the following courses and distances:

South 75°06'54" West, a distance of 20.00 feet to a point for corner;

North 14°46'43" West, a distance of 68.54 feet to a point for corner on aforementioned southerly right-of-way line of Constitution Drive;

**THENCE** North 75°13'17" East, along said southerly right-of-way line, a distance of 20.00 feet to the **POINT OF BEGINNING** and containing 1,370 square feet or 0.0315 acres of land.

EXHIBIT "C"  
**UTILITY & DRAINAGE EASEMENT  
ABANDONMENTS**  
REPLAT OF CONSTITUTION VILLAGE SECTION  
TWO, BLOCK NO. FIVE & BLOCK NO. SIX  
CITY OF SHERMAN  
GRAYSON COUNTY, TEXAS

  
MICHAEL MARX  
REGISTERED PROFESSIONAL  
LAND SURVEYOR NO. 5181  
6160 WARREN PKWY., SUITE 210  
FRISCO, TEXAS 75034  
PH. 972-335-3580  
michael.marx@kimley-horn.com



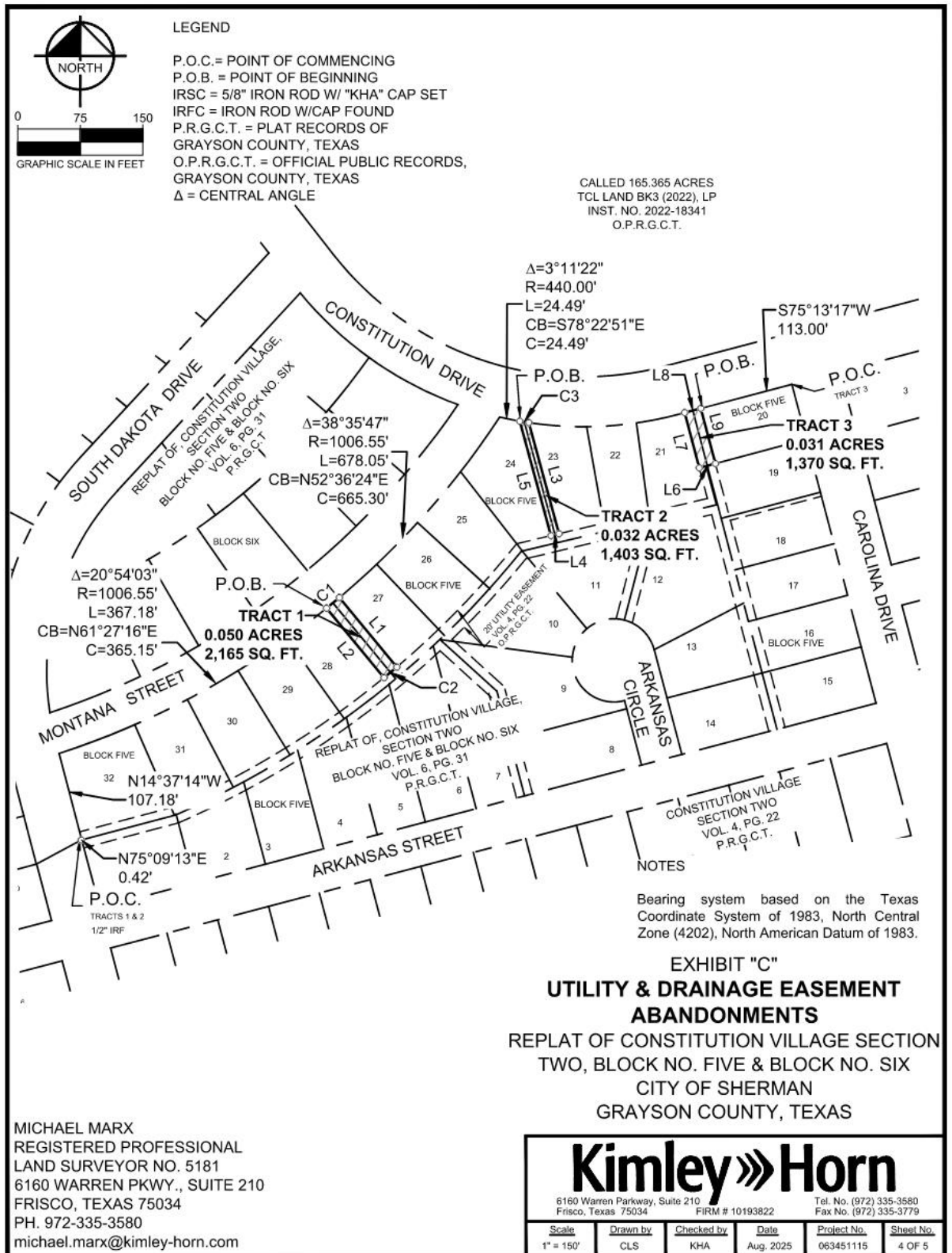
**Kimley»Horn**

6160 Warren Parkway, Suite 210 Frisco, Texas 75034 FIRM # 10193822 Tel. No. (972) 335-3580 Fax No. (972) 335-3779

| Scale | Drawn by | Checked by | Date      | Project No. | Sheet No. |
|-------|----------|------------|-----------|-------------|-----------|
| N/A   | CLS      | KHA        | Aug. 2025 | 063451115   | 3 OF 5    |

MARX, MICHAEL 8/5/2025 9:31 AM K:\FRI SURVEY\063451115-TRAVIS HEIGHTS - SHERMAN\DWG\SEPARATE INSTRUMENTS\063451115 UE 3 ABAND 3-TRACTS.DWG





| CURVE TABLE |          |          |        |               |        |
|-------------|----------|----------|--------|---------------|--------|
| NO.         | DELTA    | RADIUS   | LENGTH | CHORD BEARING | CHORD  |
| C1          | 1°08'19" | 1006.55' | 20.00' | N50°26'05"E   | 20.00' |
| C2          | 1°03'06" | 1089.55' | 20.00' | S50°06'46"W   | 20.00' |
| C3          | 1°25'53" | 440.00'  | 10.99' | S80°41'28"E   | 10.99' |

| LINE TABLE |             |         |
|------------|-------------|---------|
| NO.        | BEARING     | LENGTH  |
| L1         | S39°33'55"E | 108.19' |
| L2         | N39°33'55"W | 108.30' |
| L3         | S15°13'33"E | 138.21' |
| L4         | S76°37'05"W | 10.01'  |
| L5         | N15°13'33"W | 142.45' |
| L6         | S75°06'54"W | 20.00'  |
| L7         | N14°46'43"W | 68.54'  |
| L8         | N75°13'17"E | 20.00'  |
| L9         | S14°46'43"E | 68.51'  |

#### NOTES

Bearing system based on the Texas Coordinate System of 1983,  
North Central Zone (4202), North American Datum of 1983.

**EXHIBIT "C"**  
**UTILITY & DRAINAGE EASEMENT**  
**ABANDONMENTS**  
 REPLAT OF CONSTITUTION VILLAGE SECTION  
 TWO, BLOCK NO. FIVE & BLOCK NO. SIX  
 CITY OF SHERMAN  
 GRAYSON COUNTY, TEXAS

MICHAEL MARX  
 REGISTERED PROFESSIONAL  
 LAND SURVEYOR NO. 5181  
 6160 WARREN PKWY., SUITE 210  
 FRISCO, TEXAS 75034  
 PH. 972-335-3580  
 michael.marx@kimley-horn.com

| Kimley»Horn                                           |          |            |                 |             |                                                   |
|-------------------------------------------------------|----------|------------|-----------------|-------------|---------------------------------------------------|
| 6160 Warren Parkway, Suite 210<br>Frisco, Texas 75034 |          |            | FIRM # 10193822 |             | Tel. No. (972) 335-3580<br>Fax No. (972) 335-3779 |
| Scale                                                 | Drawn by | Checked by | Date            | Project No. | Sheet No.                                         |
| N/A                                                   | CLS      | KHA        | Aug. 2025       | 063451115   | 5 OF 5                                            |

MARX, MICHAEL 8/5/2025 9:31 AM K:\FRI\_SURVEY\063451115-TRAVIS HEIGHTS - SHERMAN\DWG\SEPARATE INSTRUMENTS\063451115 UE 3 ABAND 3-TRACTS.DWG

**BEING** a tract of land situated in the Preston Kitchens Survey, Abstract Number 667, City of Sherman, Grayson County, Texas, and being a portion of Constitution Village Section Two, an addition to the City of Sherman, Texas, according to the Map or Plat thereof recorded in Volume 4, Page 22 of the Plat Records of Grayson County, Texas and being more particularly described as follows:

**COMMENCING** at the northeast corner of said Constitution Village Section Two, same being the northwest corner of the easterly terminus of Constitution Drive depicted in said Constitution Village Section Two;

**THENCE** South 14°46'43" East, along said easterly terminus, a distance of 60.00 feet to the northeast corner of Lot 3, Block nine of said Constitution Village Section Two same being the southeast corner of said terminus and being the **POINT OF BEGINNING** of the herein described easement abandonment;

**THENCE** South 14°46'43" East, along the east line of said Lot 3, Block Nine, a distance of 77.57 feet to the southeast corner of said Lot 3, Block Nine;

**THENCE** South 75°04'25" West, along the south line of said Lot 3, Block Nine, a distance of 8.00 feet to a point for corner;

**THENCE** North 14°46'43" West, over and across said Lot 3, Block Nine, a distance of 77.59 feet to a point for corner on the southerly right-of-way of aforementioned Constitution Drive;

**THENCE** North 75°13'17" East, along said right-of-way line, a distance of 8.00 feet to the **POINT OF BEGINNING** and containing 621 square feet or 0.014 acres of land, more or less.

  
MICHAEL MARX  
REGISTERED PROFESSIONAL  
LAND SURVEYOR NO. 5181  
6160 WARREN PKWY., SUITE 210  
FRISCO, TEXAS 75034  
PH. 972-335-3580  
michael.marx@kimley-horn.com



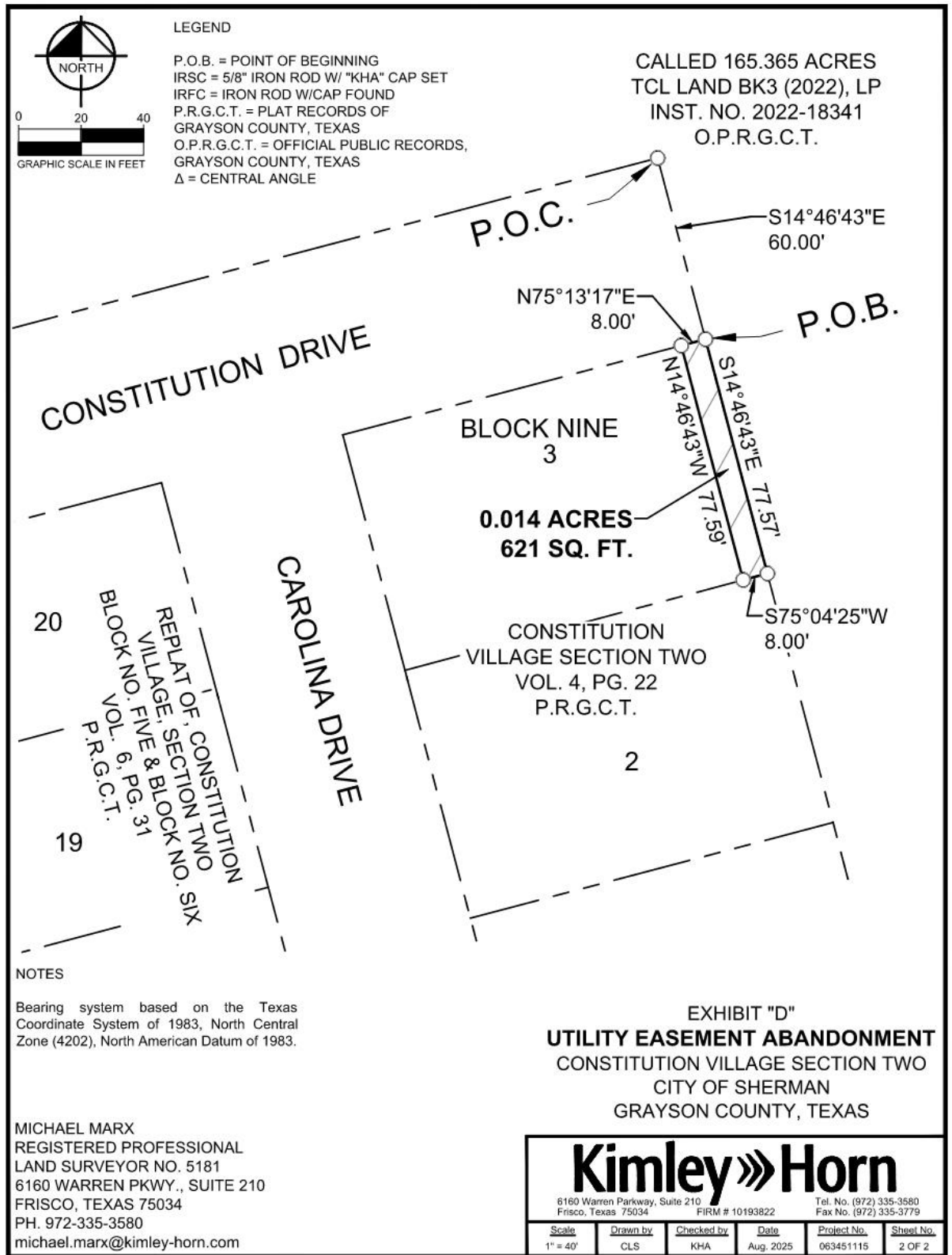
EXHIBIT "D"  
**UTILITY EASEMENT ABANDONMENT**  
CONSTITUTION VILLAGE SECTION TWO  
CITY OF SHERMAN  
GRAYSON COUNTY, TEXAS

**Kimley»Horn**

6160 Warren Parkway, Suite 210  
Frisco, Texas 75034 FIRM # 10193822 Tel. No. (972) 335-3580  
Fax No. (972) 335-3779

| Scale | Drawn by | Checked by | Date      | Project No. | Sheet No. |
|-------|----------|------------|-----------|-------------|-----------|
| N/A   | CLS      | KHA        | Aug. 2025 | 063451115   | 1 OF 2    |

MARX, MICHAEL 8/5/2025 9:33 AM K:\FRI\_SURVEY\063451115-TRAVIS HEIGHTS - SHERMAN\DWG\SEPARATE INSTRUMENTS\063451115 UE 4 ABAND.DWG



## Utility Easement Abandonment Request

### **Owner Demographic Information:**

TCL LN BANK BK 3 202 LP

### **Request:**

This request is to abandon a 0.362 acre utility easement, a 0.319 acre utility and drainage easement, a 0.050 acre utility and drainage easement, a 0.032 acre utility and drainage easement, a 0.031 acre utility and drainage easement, and a 0.014 acre utility easement that was established with the Replat of Constitution Village, Section Two.

### **Reason for requesting abandonments:**

These utility easement abandonments are due to the utility easements no longer being needed. None of the existing utility easements have any utility infrastructure within them.

### **Legal descriptions:**

Please see accompanying exhibits for legal descriptions.

### **Signature(s) of Record Owner requesting abandonment:**

By: \_\_\_\_\_

Print Name: John D Hutchinson

Title: CEO

### **Requestor:**

Owner Name: TCL LN BANK BK 3 202 LP

Signor & Title: John D. Hutchinson, CEO

Owner Mailing Address: Angela Williams, 5055 Keller Springs Road, Suite 500

Owner Mailing Address City, State, Zip: Addison, Texas 75001

Owner Email Address: [angelaw@trezcapital.com](mailto:angelaw@trezcapital.com)

Owner Contact Phone Number: 214-545-0961





| Q OF STREET CURVE DATA |        |         |         |         |
|------------------------|--------|---------|---------|---------|
| CURVE                  | ANGLE  | TANGENT | RADIUS  | LENGTH  |
| A                      | 57°28' | 191.84' | 350.00' | 351.04' |
| B                      | 38°36' | 343.73' | 981.55' | 661.27' |
| C                      | 66°48' | 270.34' | 410.00' | 478.01' |
| D                      | 25°10' | 49.89'  | 223.51' | 98.17'  |

LEGEND  
 ■ 10' X 10' PAD TRANSFORMER EASEMENT

# "FIELD NOTES"

SITUATED IN THE COUNTY OF GRAYSON, STATE OF TEXAS, BEING A PART OF THE PRESTON KIT-CHENS SURVEY, ABSTRACT NO. 667, AND ALSO BEING A PART OF A 221.867 ACRE TRACT OF LAND CONVEYED BY ESTATE OF THOMAS H. BLOOMER TO PYLON FARMS, AND DESCRIBED BY METES AND BOUNDS AS FOLLOWS, TO-WIT:

BEGINNING AT A 1/2" STEEL ROD IN WEST LINE OF THE SAID 221.867 AC. TRACT OF LAND, SAID ROD BEING N13°50'W A DISTANCE OF 1085.35' FROM THE SOUTHWEST CORNER OF SAID 221.867 AC. TRACT OF LAND AND ALSO BEING THE NORTHWEST CORNER OF THE CONSTITUTION VILLAGE ADDITION TO THE CITY OF SHERMAN, TEXAS.

THENCE N13°50'W WITH THE WEST LINE OF SAID 221.867 AC. TRACT OF LAND A DISTANCE OF 397.00' TO A 1/2" STEEL ROD.

THENCE N14°39'W WITH THE WEST LINE OF SAID 221.867 AC. TRACT, A DISTANCE OF 685.35' TO A 1/2" STEEL ROD.

THENCE N14°20'W WITH SAID WEST LINE A DISTANCE OF 19.88' TO A 1/2" STEEL ROD.

THENCE IN A NORTHEASTERLY DIRECTION WITH A CURVE TO THE LEFT HAVING A RADIUS OF 591.42' A DISTANCE OF 450.89' TO A 1/2" STEEL ROD.

THENCE N43°34'E A DISTANCE OF 133.00' TO A 1/2" STEEL ROD.

THENCE N52°54'E A DISTANCE OF 60.00' TO A 1/2" STEEL ROD.

THENCE S37°06'E A DISTANCE OF 152.87' TO THE PC OF A CURVE TO THE LEFT;

THENCE IN A SOUTHEASTERLY DIRECTION WITH SAID CURVE HAVING A RADIUS OF 38000' A DISTANCE OF 443.03' TO A 1/2" STEEL ROD.

THENCE N76°06'E A DISTANCE OF 322.37' TO A 1/2" STEEL ROD.

THENCE S13°54'E A DISTANCE OF 79.15' TO A 1/2" STEEL ROD.

THENCE S39°04'E A DISTANCE OF 16.4' TO A 1/2" STEEL ROD, MAINTAINING THE NORTHEAST CORNER OF THE CONSTITUTION VILLAGE ADDITION TO THE CITY OF SHERMAN;

THENCE ALONG THE NORTH LINE OF SAID CONSTITUTION VILLAGE ADDITION THE FOLLOWING CALLS AND DISTANCES

S50°26'W 120.00'  
 S25°54'W 66.22'  
 S76°06'W 1058.98'  
 N13°54'W 6.06'  
 S76°06'W 120.50' TO THE PLACE OF BEGINNING AND CONTAINING 31.818 ACRES OF LAND MORE OR LESS.

KNOW ALL MEN BY THESE PRESENTS:

THAT I, MARTIN B. MOORE JR., A REGISTERED PUBLIC SURVEYOR, DO HEREBY THAT THIS PLAT WAS PREPARED FROM AN ACTUAL SURVEY MADE ON THE GROUND AND IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

MARTIN B. MOORE JR. DATE  
 R.P.S.

THE STREETS AND EASEMENTS SHOWN ON THIS PLAT OF CONSTITUTION VILLAGE SECTION TWO ARE HEREBY DEDICATED TO PUBLIC USE FOREVER.

WITNESS MY HAND THIS 7 DAY OF January, 1970.

ATTEST CONSTITUTION VILLAGE INC.

BY J. A. ALEXANDER SECRETARY BY E. B. CHAPMAN PRESIDENT

THE STATE OF TEXAS  
 COUNTY OF GRAYSON  
 BEFORE ME, THE UNDERSIGNED, A NOTARY PUBLIC IN AND FOR SAID COUNTY AND STATE, ON THIS DAY PERSONALLY APPEARED E. B. CHAPMAN, PRESIDENT OF CONSTITUTION VILLAGE 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 CONSTITUTION VILLAGE INC. AND THAT HE EXECUTED THE SAME AS THE ACT 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 7 DAY OF January, 1970.

Notary Public in and for Grayson County, Texas

APPROVED THIS DAY OF January, 1970, BY THE CITY PLANNING AND ZONING COMMISSION OF THE CITY OF SHERMAN, TEXAS.

CHAIRMAN SECRETARY

ACCEPTED BY THE CITY COUNCIL OF THE CITY OF SHERMAN:

MAYOR, CITY OF SHERMAN, TEXAS DATE 1-26-70

THE UNDERSIGNED, THE CITY CLERK OF THE CITY OF SHERMAN, HEREBY CERTIFIES THAT THE FOREGOING FINAL PLAT OF CONSTITUTION VILLAGE SECTION TWO ADDITION TO THE CITY OF SHERMAN WAS SUBMITTED TO THE CITY COUNCIL ON THE 24 DAY OF January, 1970 AND THE CITY COUNCIL BY FORMAL ACTION THEN AND THERE ACCEPTED THE DEDICATION OF STREETS, ALLEYS, EASEMENTS, AND PUBLIC PLACES, AS SHOWN AND SET FORTH IN AND UPON SAID PLAT, AND SAID CITY COUNCIL FURTHER AUTHORIZED THE MAYOR TO NOTE THE ACCEPTANCE THEREOF BY SIGNING HIS NAME AS HEREINABOVE SUBSCRIBED.

WITNESS MY HAND THIS 24 DAY OF January, A.D. 1970.

City Clerk, City of Sherman, Texas

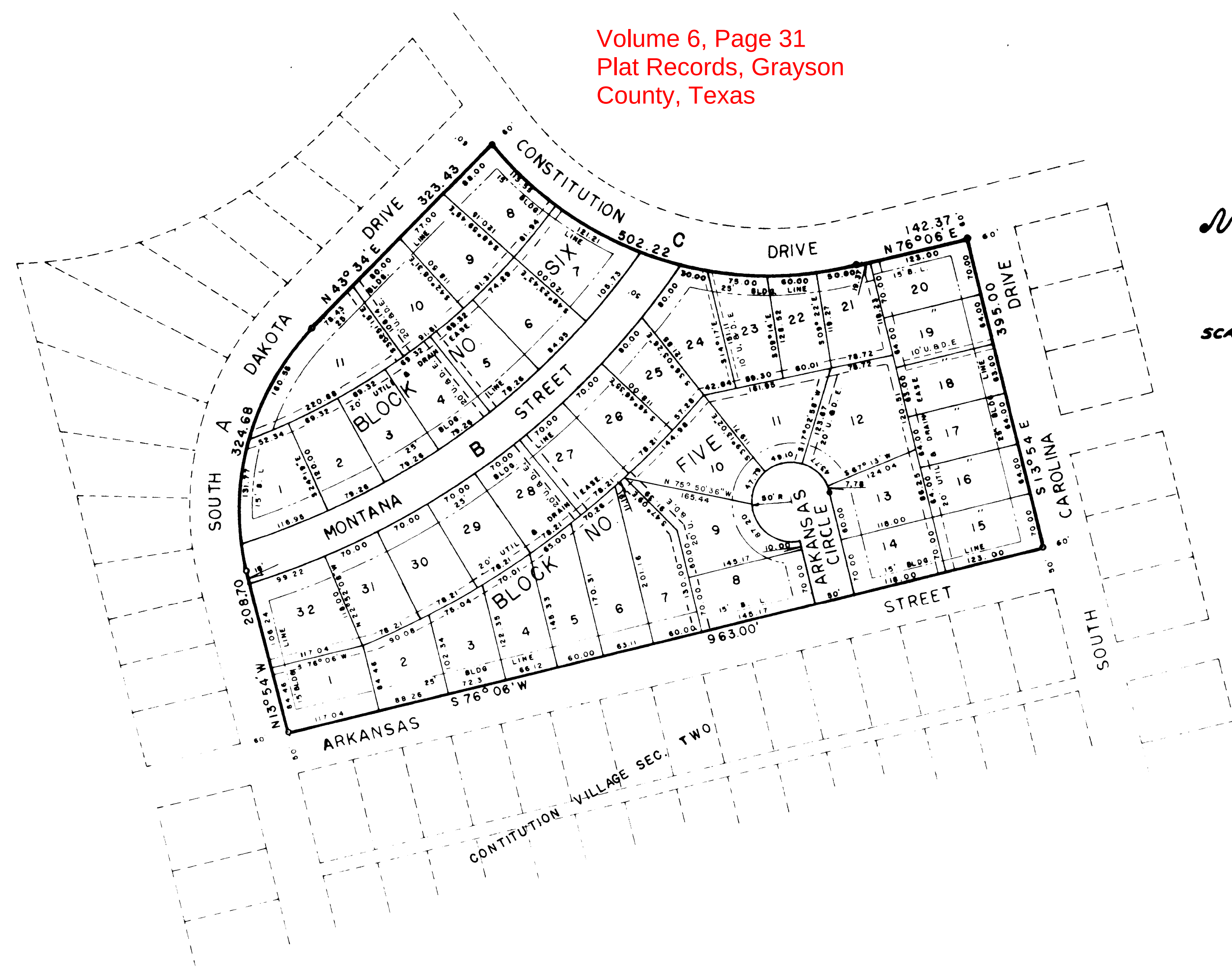
FILED FOR RECORD  
 Feb. 11 1970  
 11:55  
 Recorded to Vol. 4 Page 22  
 Plat  
 Recorded to County  
 PAUL E. LEE  
 County Clerk, Grayson County  
 By B. L. McLean  
 Deputy

CONSTITUTION VILLAGE  
 SECTION TWO  
 TO THE  
 CITY OF SHERMAN, TEXAS  
 OWNER: CONSTITUTION VILLAGE INC.



| OF STREET CURVE DATA |        |         |        |        |
|----------------------|--------|---------|--------|--------|
| CURVE                | ANGLE  | TANGENT | RADIUS | LENGTH |
| A                    | 57°28' | 191.84  | 350.00 | 351.04 |
| B                    | 38°36' | 343.73  | 981.55 | 661.27 |
| C                    | 66°48' | 270.34  | 410.00 | 478.01 |

Volume 6, Page 31  
Plat Records, Grayson  
County, Texas



REPLAT OF, CONSTITUTION VILLAGE, SECTION TWO  
BLOCK NO. FIVE & BLOCK NO. SIX  
TO THE CITY OF SHERMAN, TEXAS

# FIELD NOTES

Situated in the County of Grayson, State of Texas, being part of the Preston Kitchens Survey, Abstract No. 667, and being Blocks 5 and 6 of Constitution Village, Section Two, to the City of Sherman, Texas, as per plat of record in Volume 4, Page 22, Plat Records, Grayson County, Texas, and being more particularly described by metes and bounds as follows, to-wit:

BEGINNING at a steel rod at the intersection of the North line of Arkansas Street with the East line of South Dakota Drive, said rod maintaining the Southwest corner of said Block 5;

THENCE North 13 deg. 54 min. 00 sec. West with the East line of South Dakota Drive, a distance of 208.70 ft. to a point in Montana Street marking the beginning of a curve to the right;

THENCE Northeasterly with said curve having a radius of 320.00 ft., a distance of 324.68 ft. to a steel rod, the end of said curve;

THENCE North 43 deg. 34 min. 00 sec. East, continuing with the East line of South Dakota Drive, a distance of 323.43 ft. to a steel rod in the South line of Constitution Drive, said rod maintaining the Northeast corner of said Block 6;

THENCE in a Southeasterly direction with the South line of Constitution Drive and a curve to the left having a radius of 440.00 ft., a distance of 502.22 ft. to a steel rod, the end of said curve;

THENCE North 76 deg. 06 min. 00 sec. East with the South line of Constitution Drive, a distance of 142.37 ft. to a steel rod, the Northeast corner of said Block 5;

THENCE South 13 deg. 54 min. 00 sec. East with the West line of South Carolina Drive and the East line of said Block 5, a distance of 395.00 ft. to a steel rod, the Southeast corner of said Block 5;

THENCE South 76 deg. 06 min. 00 sec. West with the North line of Arkansas Street and the South line of said Block 5, a distance of 963.00 ft. to the place of beginning and containing 10.478 acres of land.

KNOW ALL MEN BY THESE PRESENTS:

I, Bobby J. Crow, Registered Public Surveyor, do hereby certify that this plat was prepared from an actual survey made on the ground, and that the corner monuments shown thereon were properly placed under my personal supervision in accordance with the subdivision regulations of the City of Sherman, Texas.

Bobby J. Crow 5-15-79  
Bobby J. Crow, RPS Date

The streets and easements shown on this Replat of Blocks 5 and 6, Constitution Village, Section Two, are hereby dedicated to public use forever.

WITNESS MY HAND THIS 21<sup>st</sup> DAY OF May, 1979

ATTEST  
BY Jerry T. May  
Secretary

CONSTITUTION VILLAGE, INC.  
BY E. B. Chapman  
President

THE STATE OF TEXAS I  
COUNTY OF GRAYSON I

BEFORE ME, THE UNDERSIGNED, a Notary Public in and for said County and State, on this day personally appeared E. B. Chapman, President of Constitution Village, 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 Constitution Village, Inc., and that he executed the same as the act 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 21<sup>st</sup> DAY OF May, 1979

Francis H. Haney  
Notary Public in and for Grayson County, Texas

APPROVED THIS 12<sup>th</sup> DAY OF June, 1979, BY THE PLANNING AND ZONING COMMISSION OF THE CITY OF SHERMAN, TEXAS

W. H. Shadden  
VICE-CHAIRMAN  
Robert A. Bickell  
SECRETARY

ACCEPTED BY THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, ON THIS 18<sup>th</sup> DAY OF JUNE, 1979

Virginia M. ...  
MAYOR, CITY OF SHERMAN, TEXAS

The undersigned, the City Clerk of the City of Sherman, Texas, hereby certifies that the foregoing Replat of Blocks 5 and 6, Constitution Village, Section Two, to the City of Sherman, Texas, was submitted to the City Council on the 12<sup>th</sup> day of June, 1979, and the City Council by formal action then and there accepted the dedication of streets, alleys, easements and public places as shown and set forth in and upon said plat, and said City Council further authorized the Mayor to note the acceptance thereof by signing his name as hereinabove subscribed.

WITNESS MY HAND THIS \_\_\_\_\_ DAY OF \_\_\_\_\_, 1979

\_\_\_\_\_  
City Clerk, City of Sherman, Texas



# Abandonments - Utility Easements & Utility and Drainage Easements - Constitution Village, Sec. 2



0 100 200 400 Feet







## SHERMAN CITY COUNCIL Agenda Communication Form

### City Council Regular Meeting

Agenda Item No. E.1.

Meeting Date: 8/18/2025

Prepared By:

Approved By:

Caption:

**Close Public Hearing**

Consider Adoption of Ordinances 6856, 6857, 6858, 6859, 6860, 6861, 6862 & 6863.

Issue:

**D. 2. INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 6856**

Approving the 2025-26 Annual Service and Assessment Plan Update for the Bel Air Village Public Improvement District

**D. 3. INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 6857**

Relating to Greater Texoma Utility Authority Contract Revenue Bonds, Series 2025 (City of Sherman Project); and Approving the Issuance Thereof and the Facilities to be Constructed or Acquired by such Authority

**D. 4. INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 6858**

Amending the Code of Ordinances of the City of Sherman, Texas, Chapter 13 (Utilities), Article 13.09 (Service Fees); Modifying Certain Fees and Other Regulations Related to Laboratory Testing Fees; Providing a Penalty Clause with a Maximum Fine of \$2,000, Saving/Repealing Clause, Severability Clause and an Effective Date; Providing for the Publication of the Caption Hereof

**D. 5. INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 6859**

Amending Sherman's Zoning Ordinance/Code Of Ordinances Chapter 14, To Rezone A Tract Of Land consisting of 5.73 acres, being in the J.B. McAnair Survey, Abstract No. 763, City Of Sherman, Grayson County, Texas, Located at 1900 Block North Grand Avenue, Heretofore M-1 (Light Manufacturing) District to a C-2 (General Commercial) District Zoning Classification, Jay Ho-InterProperty Holdings (Owner) Providing For A Penalty Not To Exceed \$2,000.00; Providing A Repealing/Savings Clause, Severability Clause And An Effective Date

**D. 6. INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 6860**

Amending Sherman's Zoning Ordinance/Code Of Ordinances Chapter 14, To Rezone A Tract Of Land consisting of 0.169 acres being a part of the Samuel Blagg Survey, Abstract No.56, City Of Sherman, Grayson County, Texas, Located at 314 West Cherry Street, Heretofore MF-30 (Multi-Family Residential) Rezoning and Placing the Tract in the R-5 (Single-Family Residential) District Zoning Classification, Santos, Samuel & Cesar Lopez c/o Samuel Lopez (Owner) and Underwood Drafting & Surveying (Surveyor) Providing For A Penalty Not To Exceed \$2,000.00; Providing A Repealing/Savings Clause, Severability Clause And An Effective Date;

**D. 7. INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 6861**

Amending The Code Of Ordinances Of The City Of Sherman, Texas, Appendix C (Comprehensive Fee Schedule); Modifying Certain Existing Fees Related To Planned Development District Applications And Establishing A New Fee For Building Plan Reviews For Commercial And Multifamily Applications; Providing A Penalty Clause With A Maximum Fine Of \$2,000, Savings/Repealing Clause, Severability Clause And An Effective Date; Providing For The Publication Of The Caption Hereof

**D. 8. INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 6862**

Closing and Abandoning multiple Rights-of-Way in the City of Sherman, Grayson County, Texas, Said Rights-Of-Way Being Established In Volume 4, Page 22 Of Plat Records Of Grayson County, Texas; Authorizing The City Manager To Execute A Quitclaim Deed Conveying The Same To TCL LN BANK BK 3 202 LP, The Adjoining Property Owner

**D. 9. INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 6863**

Abandoning Multiple Utility Easements and Utility and Drainage Easements Located in Block Two of Constitution Village Section Two; Block Six of Replat of Constitution Village, Section Two; Block Five of Replat of, Constitution Village, Section Two; and Block Nine, Lot 3 of Constitution Village Section Two, Being More Particularly Described in the Exhibits "A" through "D" Attached Hereto and Made a Part Hereof for all Purposes, which Utility Easements and Utility and Drainage Easements are Established in Volume 4, Page 22 and Volume 6, Page 31, Plat Records, Grayson County, Texas

**Background:**

**Capital Improvement Program:**

**Origination:**

**Financial Consideration:**

**Staff Recommendation:**

**Alternatives:**

---

**Attachments:**

None



## City Council Regular Meeting

Agenda Item No. F.1.

**Meeting Date:** 8/18/2025

**Prepared By:**

**Approved By:** Zachary Flores, Acting City Manager

### **Caption:**

#### **Resolution No. 7557**

Authorizing Execution of First Amended and Restated Chapter 380 Economic Development Program and Agreement between the City of Sherman, Texas and TEKMAK Sherman Hotel, LP.

### **Issue:**

Authorizing the execution of the First Amended and Restated Chapter 380 Economic Development Program and Agreement with TEKMAK Sherman Hotel, LP and the City of Sherman, Texas for the construction of a hotel and conference center located on 301 Block West Travis Street.

### **Background:**

At the July 16, 2024 City Council meeting, the original 380 agreement with TekMak Sherman Hotel, LP was approved. TekMak Sherman Hotel, LP still proposes to construct, develop and operate two upscale select service, Springhill Suites Marriott and TownePlace Suites Marriott or similar nationally recognized hotel approved by the City, containing a minimum of 230 hotel rooms and a combined minimum of 7,500 square feet of conference/meeting space, pre-function and pool/courtyard areas located on the first floor of the hotel, to be primarily used to host conferences and meetings.

This new hotel will constitute a capital investment of at least \$20 million by the company, with 30 expected new employment positions.

Due to design delays, TekMak is requesting a time extension on the agreement. This amendment extends all contract dates by six months.

### **Capital Improvement Program:**

### **Origination:**

TekMak Sherman Hotel, LP  
City Manager's Office

### **Financial Consideration:**

The City will be providing financial assistance and participation in a portion of the costs and expenses for the design and construction of the Property Improvements through a reimbursement of part of the increased local hotel/motel tax proceeds generated from the project. These hotels are expected to generate additional City hotel/motel tax revenue of at least \$450,000 annually from increased hotel/motel tax collections, and an additional \$100,000 in property tax revenues annually. The proposed Agreement provides for an eighty-five percent (85%) hotel tax reimbursement for a five-year period, so of the additional estimated \$2.25 million in increased

hotel/motel tax revenue during this period, up to \$1.9 million would be rebated to the developer, and \$.35 million would be retained by the City. Upon expiration of the agreement, all local hotel-motel tax revenue would be retained by the City.

**Staff Recommendation:**

Staff recommends approval of this agreement.

**Alternatives:**

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**Attachments:**

1. Resolution No. 7557
2. Signed Agreement

**RESOLUTION NO. 7557**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING EXECUTION OF A FIRST AMENDED AND RESTATED CHAPTER 380 ECONOMIC DEVELOPMENT PROGRAM AND AGREEMENT BETWEEN THE CITY OF SHERMAN, TEXAS AND TEKMAK SHERMAN HOTEL, LP.; FINDING AND DETERMINING THAT THE MEETING AT WHICH THIS RESOLUTION IS PASSED WAS NOTICED AND IS OPEN TO THE PUBLIC AS REQUIRED BY LAW.**

**WHEREAS:** The City Council of the City of Sherman, Texas approved Chapter 380 Economic Development Program and agreement with TEKMAK Sherman Hotel, LP at the regular City Council meeting of July 16, 2024;

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

**SECTION 1.** That the City Manager is hereby authorized and directed, subject to receipt of a first amended and restated agreement from TEKMAK Sherman Hotel, LP and all contract documents being properly completed and approved as to form and content by the City Attorney, to execute a amended and restated Economic Development Program Agreement with TEKMAK Sherman Hotel, LP for the grant of incentives pursuant to Chapter 380 of the Texas Local Government Code, for the construction and operation of a hotel AND Conference Center located at 301 block West Travis Street, in the same or substantially same form as the 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 18<sup>th</sup> day of August 2025.

**CITY OF SHERMAN, TEXAS**

**BY:**

\_\_\_\_\_  
**SHAWN C. TEAMANN, MAYOR**

**ATTEST:**

**BY: \_\_\_\_\_**  
**LEAH ROBERTS,**  
**EXECUTIVE DIR. OF ADMIN,**  
**ACTING CITY CLERK**

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

**BY: \_\_\_\_\_**  
**RYAN D. PITTMAN, CITY ATTORNEY**

**FIRST AMENDED AND RESTATED CHAPTER 380  
ECONOMIC DEVELOPMENT PROGRAM AND AGREEMENT**

This FIRST AMENDED AND RESTATED CHAPTER 380 ECONOMIC DEVELOPMENT PROGRAM AND AGREEMENT (the “**Amended Agreement**”) is entered into by and between the CITY OF SHERMAN, TEXAS, a home rule municipality (the “**City**” or “**Sherman**”), and TEKMAK SHERMAN HOTEL, LP, a Texas limited partnership (“**Company**”).

WHEREAS, the City Council of the City of Sherman, Texas (“**City Council**”) has found that it is in the best interest of Sherman and its citizens to encourage programs, including programs for making loans and grants of public money to promote local economic development and stimulate business and commercial activity in Sherman pursuant to Chapter 380 of the Texas Local Government Code, as amended (“**Chapter 380**”); and

WHEREAS, Company and City entered into that certain Chapter 380 Grant Agreement dated July 16, 2024 (“**Original Agreement**” and together with this Amended Agreement, the “**Agreement**”); and

WHEREAS, the parties desire to amend and restate the Original Agreement as set forth in this Amended Agreement and to agree as set forth herein; and

WHEREAS, Company proposes to: (a) purchase and own that certain parcel of land containing 4.821 acres, more or less, situated in the City of Sherman, Grayson County, Texas, as more particularly described and depicted in Exhibit A, attached hereto and incorporated herein for all purposes (the “**Land**”); and (b) construct, develop and operate on the Land an upscale select service Springhill Suites Marriott and TownePlace Suites Marriott hotel or similar nationally recognized hotel approved by the City, containing a minimum of 230 hotel rooms and a combined minimum of 7,500 square feet of conference/meeting space, prefunction and pool/courtyard areas located on the first floor of the hotel, to be primarily used to host conferences and meetings, all constructed in accordance with plans and specifications approved by Sherman and complying with applicable ordinances and the concept plan in Exhibit B (the “**Concept Plan**”), attached hereto and incorporated herein for all purposes (collectively, the “**Property Improvements**”), as generally depicted in the Concept Plan, according to plans and specifications complying with this Agreement and applicable ordinances of Sherman and as approved by Sherman; and

WHEREAS, Company represents and warrants that the Property Improvements will constitute a capital investment of at least \$20 million by Company, and that when fully operational, the Property Improvements are expected to bring new tourism and new employment to Sherman, with expected new employment totaling 30 Employment Positions, as hereinafter defined, in each such phase (collectively, the “**Project**”); and

WHEREAS, Company has requested financial assistance from Sherman to plan and construct the Property Improvements to assist in the development of the Land, consisting of financial assistance for a portion of the costs required for the design, engineering, construction and installation of the Property Improvements and required by the ordinances and regulations of Sherman, as described in this Agreement; and

WHEREAS, the City Council finds that Company meets the criteria for providing the Grant (hereinafter defined), pursuant to Chapter 380, based on, among other things, the Company: (a) constructing the Property Improvements on the Land in Sherman; (b) adding taxable improvements to real property in Sherman; (c) promoting tourism in Sherman; and (d) creating employment opportunities for the citizens of Sherman; and

WHEREAS, Company agrees that Sherman's obligation to perform or take any action under this Agreement is strictly contingent on Company's compliance with this Agreement, including completion of the Company Obligations (hereinafter defined) as defined in this Agreement; and

WHEREAS, Sherman is willing to provide Company with financial assistance and to participate in a portion of the costs and expenses incurred and paid by Company for the design and construction of the Property Improvements, as provided herein and subject to the terms and condition hereof, and Company is willing to accept the same subject to all terms and conditions contained in this Agreement; and

WHEREAS, the City Council finds that this Agreement substantially advances legitimate interests of Sherman by promoting economic development, attracting new consumers and tourists to Sherman and generating new tax revenue for Sherman and other jurisdictions in Grayson County, which will help stimulate the overall local economy; and

WHEREAS, the City Council finds that it would be advantageous and beneficial to Sherman and its citizens to enter into this Agreement on the terms and conditions set forth herein.

NOW, THEREFORE, for and in consideration of the promises, covenants, and agreements set forth herein, the receipt and sufficiency of which are hereby acknowledged, Sherman and Company agree as follows:

1. **Definitions.**

- a. "Affiliate" shall mean any person, directly or indirectly controlling, controlled by, or under common control with Company. As used in this definition, the term "control" means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a person, whether through ownership of voting securities, by contract or otherwise.
- b. "Capital Investment" means the total capitalized cost invested by Company for the Property Improvements that are the subject of the Grants under this Agreement.
- c. "Certificate of Occupancy" means the final certificate of occupancy issued by the City with respect to any Property Improvements allowing for the entrance and operation within such improvements.
- d. "Commencement of Construction" means the date that: (1) the plans for the Property Improvements have been prepared and all approvals thereof required by



applicable governmental authorities have been obtained; (2) all necessary permits for construction of the Property Improvements pursuant to the respective plans therefore have been issued by all applicable governmental authorities to allow, at a minimum, the pouring of building foundations for the Property Improvements; and (3) the pouring of the foundations for the Property Improvements has actually occurred.

- e. "Completion of Construction" means a final Certificate of Occupancy has been issued by the City with respect to the Property Improvements.
- f. "Delinquent Taxes" means any validly imposed Texas local or state taxes, including but not limited to, ad valorem taxes and Hotel Occupancy Taxes, that Company does not remit by the lawful due date, but does not include any such taxes that are assessed against Company as the result of a tax audit or other similar notice of assessment by any taxing authority unless Company fails to timely appeal such audit or notice of assessment. If Company subsequently loses the appeal of the tax audit or other notice of assessment, or fails to timely appeal the audit or notice of assessment, the taxes assessed pursuant to the audit will be considered "delinquent" the day after the date specified by the final order on appeal as the due date for payment or the day after the due date for a timely appeal if no appeal is taken or filed by Company.
- g. "Employment Positions" means non-temporary full time employment positions of Company or a Company Affiliate at the Project, including employees of contractors assigned to the Project as shown on Company's internal management systems. Two (2) or more part-time employees, totaling thirty (30) hours or more per week may be substituted for one (1) full-time employee.
- h. "Event of Bankruptcy or Insolvency" means the dissolution or termination of Company's existence as a going business, insolvency, appointment of receiver for any significant part of Company's property and such appointment is not terminated within ninety (90) days after such appointment is initially made, any general assignment for the benefit of creditors, or the commencement of any proceeding under any bankruptcy or insolvency laws by or against Company and such proceeding is not dismissed within ninety (90) days after the filing thereof.
- i. "Hotel Occupancy Tax" means City's receipt of tax imposed by City pursuant to Chapter 351 of the Texas Tax Code, as amended, on a person who, under a lease, concession, permit, right of access, license, contract or agreement pays for the use or possession of a hotel room on the Land.
- j. "Land" shall mean the real property described in Exhibit A, attached hereto.
- k. "Person" shall mean an individual or a corporation, partnership, trust, estate, unincorporated organization, association, or other entity.
- l. "Property Improvements" collectively means all the improvements that Company develops and constructs on the Project after the Effective Date of this Agreement,

which include, without limitation, the improvements depicted and described in Exhibit B. The term does not include any tangible personal property.

2. **Subject of this Agreement**. Company shall construct, develop and operate the Project, as further described in the submittals filed with the City in order to obtain such permits as may be required under applicable City ordinances.
3. **Economic Development Grants**. Subject to the terms and conditions of this Agreement, and specifically the satisfaction of the Company Obligations, the City shall participate in a portion of Company's costs related to the Property Improvements pursuant to Chapter 380 by providing to Company economic development grants (each a "**Grant**") to Company as follows:
  - a. Reimbursement in an amount equal to (1) the Hotel Occupancy Taxes actually collected by the City on the Land, multiplied by (2) the percentage set forth in the chart below for the year to which the Grant relates:

| <u>Grant Term Year</u> | <u>Percentage of Taxes<br/>Used to Calculate Grant</u> |
|------------------------|--------------------------------------------------------|
| Year 1 (12 months)     | 85%                                                    |
| Year 2 (12 months)     | 85%                                                    |
| Year 3 (12 months)     | 85%                                                    |
| Year 4 (12 months)     | 85%                                                    |
| Year 5 (12 months)     | 85%                                                    |

Each such Grant shall be paid by the City to Company semiannually on the 15<sup>th</sup> of January and the 15<sup>th</sup> of July following receipt by the City of (i) the Hotel Occupancy Tax payments corresponding to such Grant, (ii) Investment Reports (due under Section 4(b) of this Agreement), and (iii) Employment Reports (due under Section 4(c) of this Agreement). The term of this Agreement shall commence on the Effective Date of this Amended Agreement (hereinafter defined) and expire on the earlier of: (A) Company's satisfaction of the Company Obligations and City's provision of the Grant; or (B) the earlier termination of this Agreement (the "**Grant Term**"). In the event Company does not receive or is not eligible for the maximum amount of the Grant provided herein during the Grant Term, City shall have no obligation to pay to Company any portion of the Grant after the Grant Term has expired. City agrees to provide, and Company agrees to accept, the Grant as City's sole financial participation in the costs incurred by Company in connection with its obligations under this Agreement.

4. **Conditions to Qualify for Grants**. Each of the following conditions must be satisfied by Company for the entire Grant Term in order to qualify for the Grants, and Company shall provide to City documentation satisfactory to City that the Company has satisfied each of the conditions set forth in this Agreement, including, but not limited to, the following (collectively, the "**Company Obligations**"):

- a. Acquisition of fee simple title in and to the Land on or before ninety (90) days of the Effective Date of this Agreement;
- b. The Capital Investment in the Property Improvements meeting or exceeding the aggregate amount of \$20 million as of June 30, 2027, as evidenced by reports certifying Company's compliance with the minimum Capital Investment set forth herein (the "**Investment Reports**"). The Investment Reports shall be prepared and maintained in accordance with generally accepted accounting principles and shall include information on the extent and the amount of Company's investments in the Property Improvements. Company agrees to submit the Investment Reports no later than thirty (30) days after July 1, 2026 and on or before July 31 of each successive calendar year during the Grant Term. The City shall have the right to inspect Company's books and records relating to the construction and maintenance of the Property Improvements;
- c. The continuous employment and retention of no fewer than 30 Employment Positions at the Project beginning on the Effective Date and throughout the Grant Term. Within thirty (30) days after July 1, 2026 and then as part of its Certification of Compliance each successive year thereafter during the Grant Term, Company shall provide the City with reports certifying Company's compliance with the above commitment to Employment Positions and shall include information on the number of Employment Positions created or filled at the Project (the "**Employment Reports**"). The City shall have the right to inspect Company's payroll and other employment records, including Company's management system assigned to the Project, relating to the Employment Positions on the Project;
- d. Company's continuous compliance with all terms, conditions, covenants and obligations of this Agreement;
- e. City and the Company agreeing on a final site plan and plat for the Property Improvements;
- f. Commencement of Construction of the Property Improvements on or before January 1, 2026;
- g. Completion of Construction of the Property Improvements by obtaining a permanent Certificate of Occupancy for the Property Improvements on or before June 30, 2027, and continuous operation and maintenance of the Property Improvements as an upscale select service Springhill Suites Marriott and TownePlace Suites Marriott hotel or similar nationally recognized hotel approved by the City, containing a minimum of 230 hotel rooms and a combined minimum of 7,500 square feet of conference/meeting space, prefunction and pool/courtyard areas located on the first floor of the hotel, to be primarily used to host conferences and meetings;
- h. Company's providing the City with at least five (5) days each calendar year in which the City may use or permit the use of the conference center facilities at no

additional cost to the City. Any tables, chairs or other equipment owned or controlled by Company at the Project and not utilized by other customers or guests shall be made available to the City at no additional cost to the City. City will be responsible for any other costs. The City shall provide at least thirty (30) days' notice before use of the conference center facilities. Company is under no obligation to provide the conference center facilities on a date requested by the City if an event has already been scheduled for the date requested by the City;

- i. Company's providing the City with at least twenty (20) room nights each calendar year in which the City may use or permit the use of hotel rooms at no additional cost to the City. A room night shall be the use of one room per night so that if the City used, or permitted the use of, all 20 rooms in one night, this would constitute the 20 room nights required under this subsection. On an annual basis during the Grant Term, Company shall provide to the City by January 31 of each year, proposed "blackout dates" on which the City cannot use, or permit the use of, hotel rooms under this subsection; provided, however, the "blackout dates" shall be subject to the mutual agreement of the City and Company;
- j. At the time of payment of any portion of the Grants, Company must not be liable for Delinquent Taxes; and
- k. The City, its agents and employees having access to inspect the Property Improvements at reasonable times and with reasonable notice to Company to ensure that the operation of the Property Improvements is in accordance with this Agreement and all applicable state and local laws, codes, and regulations. After completion of construction of any of the Property Improvements, the City, its agents and employees shall have the continuing right to inspect the Property Improvements to ensure that the Property Improvements are thereafter maintained and operated in accordance with this Agreement during the Grant Term.

If, after all the Company Obligations have been initially satisfied, any of the Company Obligations are thereafter not satisfied during any calendar year for which a Grant is calculated or due, the City will be relieved of its obligation to pay the portions of the Grants related to such calendar year. Furthermore, in the event the City provides any portion of a Grant to Company for a particular period based upon a statement or information provided by Company to the City that is incorrect and which, if corrected, would have resulted in Company not being entitled to the portion of such Grant related to the applicable period for which the statement or information was provided, then Company will refund to the City the portion of such Grant which Company received based upon such statement or information within thirty (30) days after receipt of written demand by the City. If Company fails to refund such portion of the Grant as provided above, the City will be relieved of its obligation to pay Grants for the period of time that such refund remains unpaid and shall have the right to bring an action against Company for the payment of such refund.

5. **The Company Representations.** The Company makes the following continuing representations and warranties to City, and agrees to timely and fully perform the following additional obligations and duties (each an additional "Company Obligation"):

- a. Company is authorized to do business and is in good standing in the State of Texas and shall remain in good standing in the State of Texas during the term of this Agreement. As used herein, the term "good standing" means the status of the Company with the Comptroller of the State of Texas shall be "Active."
- b. No litigation or governmental proceeding is pending or, to the knowledge of the Company, threatened against or affecting the Company that may result in any material adverse change in the Company's business or operation.
- c. No bankruptcy proceedings or other similar proceedings are currently pending or contemplated against the Company, and the Company has not been informed of any potential involuntary bankruptcy proceedings against the Company.
- d. Company shall remain current and in good standing with all sales taxes, Hotel Occupancy Taxes, ad valorem taxes, fees and other recurring charges of City, the State of Texas and Grayson County taxing jurisdictions throughout the Grant Term.
- e. In accordance with Chapter 2264 of the Texas Government Code, Company represents and certifies that the Company does not and will not knowingly employ any undocumented worker at the Company Improvements or on the Land who is not lawfully admitted for permanent residence to the United States or authorized under law to be employed in the United States. If, after receiving any public subsidy from City under this Agreement, the Company is convicted of a violation under 8 U.S.C. § 1324a(f), the Company shall repay to City an amount equal to all economic incentives tendered or provided to the Company under this Agreement and any other funds received by the Company from City under this Agreement plus interest, at the rate of four percent (4%), not later than the 120th day after the date the public agency, state or local taxing jurisdiction notifies the Company of the violation.
- f. Pursuant to Section 2270.002 of the Texas Government Code, Company hereby represents that neither Company, nor any wholly owned subsidiary, majority-owned subsidiary, parent company or affiliate of Company "boycotts Israel", and subject to or as otherwise required by applicable federal law, including without limitation 50 U.S.C. Section 4607, agrees it will not boycott Israel during the term of this Agreement. As used in the immediately preceding sentence, "boycott Israel" shall have the meaning given such term in Section 2271.001 of the Texas Government Code.
- g. Pursuant to Subchapter F, Chapter 2252 of the Texas Government Code, Company certifies that it is not engaged in business with Iran, Sudan or a foreign terrorist organization.
- h. Pursuant to Chapter 2274 of the Texas Government Code, Company verifies that (i) it does not boycott energy companies and will not boycott energy companies during the Grant Term and (ii) it 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 Grant Term.

- i. Company acknowledges and agrees on behalf of itself and its successor and assigns and all current and future tenants and other occupants of the Land that the Grant shall constitute the sole economic incentive offered by City in connection with the development or use of the Land.

The Company's representations and warranties contained in this Agreement shall survive the execution and delivery of this Agreement and shall remain true and correct at all times during the Grant Term with the same effect as if made on and as of such later date.

6. **Default.**

- a. Each of the following will constitute an "Event of Default" under this Agreement:
  - (i) the City's failure to process any portion of the Grants owing to Company in accordance with this Agreement;
  - (ii) Company's failure to satisfy any of the Company Obligations;
  - (iii) Company's failure to pay any Delinquent Taxes owed to the City or any other taxing authority;
  - (iv) Company's suffering an Event of Bankruptcy or Insolvency;
  - (v) a breach of any representation or covenant made in this Agreement by Company; or
  - (vi) an attempted assignment of this Agreement by Company in violation of the terms set forth in Section 7 hereof.
- b. Upon the occurrence and during the continuance of an Event of Default by Company, the City shall have all remedies available to it at law or in equity, including without limitation, termination of this Agreement.
- c. Upon the occurrence and during the continuance of an Event of Default by Company following City's failure to cure the Event of Default within thirty (30) days after City receives written notice of such Event of Default from Company, then Company may seek specific performance of this Agreement as Company's sole and exclusive remedy.

7. **Assignment.** Except as may otherwise be provided under this Section 7, this Agreement may not be assigned without the City's prior written consent. Any purported assignment in violation of this Agreement is void. Notwithstanding the foregoing, so long as no Company Event of Default under this Agreement exists, Company may, without the prior written consent of the City, (a) assign its rights and obligations under this Agreement to an Affiliate of Company, so long as such Affiliate continues to be wholly-owned, directly or

indirectly, by Company or one of its constituent parties and Company notifies the City in advance of such assignment and provides evidence reasonably satisfactory to the City that such assignee is an Affiliate, or (b) make a collateral assignment of the Agreement solely for the benefit of a creditor providing financing for the Property Improvements. In the event the City consents to an assignment of this Agreement by Company, no further assignment shall be made without the express consent in writing of the City, unless such assignment may otherwise be made without such consent pursuant to the terms of this Agreement. Except as otherwise set forth herein, an assignment by Company of its interest in this Agreement shall not relieve Company from its obligations under this Agreement unless approved by the City.

8. **Indemnification.**

- a. IN ADDITION TO THE OTHER REMEDIES AFFORDED TO THE CITY IN THIS AGREEMENT, COMPANY SHALL RELEASE, INDEMNIFY, DEFEND AND HOLD HARMLESS THE CITY, ITS COUNCILMEMBERS, OFFICERS, EMPLOYEES, ATTORNEYS, CONTRACTORS, OR AGENTS (HEREINAFTER “**CITY’S INDEMNIFIED PARTY**”) FOR, FROM AND AGAINST ANY AND ALL LOSSES, LIENS, CAUSES OF ACTION, SUITS, JUDGMENTS AND EXPENSES (INCLUDING, WITHOUT LIMITATION, COURT COSTS, ATTORNEYS’ FEES AND COSTS OF INVESTIGATION, REMOVAL AND REMEDIATION, AND GOVERNMENTAL OVERSIGHT COSTS), ENVIRONMENTAL OR OTHERWISE OF ANY NATURE, KIND OR DESCRIPTION OF ANY PERSON OR ENTITY DIRECTLY OR INDIRECTLY ARISING OUT OF, RESULTING FROM, OR RELATED TO (IN WHOLE OR IN PART) CONSTRUCTION, OPERATION OR USE OF THE LAND, PROJECT OR PROPERTY IMPROVEMENTS OR COMPANY’S PERFORMANCE OF THE COMPANY OBLIGATIONS.
- b. The City’s Indemnified Party shall promptly notify Company of any indemnified Losses or Claim for indemnified Losses in respect of which the City’s Indemnified Party may be entitled to indemnification under this Section 8. Such notice shall be given as soon as reasonably practicable after the City’s Indemnified Party becomes aware of the loss or claim for losses.
- c. In the event any action or proceeding shall be brought against the City’s Indemnified Party by reason of any matter for which the City’s Indemnified Party is indemnified hereunder, Company shall, upon notice from the City’s Indemnified Party or its authorized agents or representatives, at Company’s sole cost and expense, resist and defend the same with legal counsel selected by City. Company’s obligation to defend shall apply regardless of whether the City’s Indemnified Party is solely or concurrently negligent. Nothing herein shall be deemed to prevent the City’s Indemnified Party at its election and at its own expense from participating in the defense of any litigation with their own counsel. If Company fails to retain defense counsel within seven (7) business days after receipt of City’s Indemnified Party written notice that the City’s Indemnified Party is invoking its right to indemnification under this Agreement, the City’s

Indemnified Party shall have the right to retain defense counsel on their own behalf, and Company shall be liable for all usual and customary defense costs incurred by the City's Indemnified Party.

9. **Miscellaneous.**

- a. All construction will be in accordance with applicable rules, regulations, and ordinances of the City, subject to any variances granted in writing by the City.
- b. It is acknowledged and agreed by the parties that the terms hereof are not intended to and will not be deemed to create a partnership or joint venture among the parties. It is further understood and agreed by the parties that Company and the City, in satisfying the conditions of this Agreement, have acted independently, and assume no responsibility or liability to third parties in connection with these actions.
- c. This Agreement contains the entire understanding of the parties with respect to the matters contained herein and may not be modified or terminated except in accordance with the provisions hereof or by the mutual written agreement of the parties hereto.
- d. This Agreement will be construed in accordance with the laws of the State of Texas and will be performable in Grayson County, Texas.
- e. This Agreement will be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.
- f. The individuals executing this Agreement on behalf of the respective parties below represent to each other and to others (i) 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, (ii) 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 party for whom the individual is signing this Agreement, and (iii) 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.
- g. This Agreement is executed by the parties hereto without coercion or duress and for substantial consideration, the sufficiency of which is forever confessed.
- h. Any notice and/or statement required and permitted to be delivered will be deemed delivered by depositing same in the United States mail, certified with return receipt requested, postage prepaid, addressed to the appropriate party at the following addresses:

If to the City:

City of Sherman, Texas  
220 W. Mulberry Street  
Sherman, Texas 75090  
Attn: City Manager



With required copy to: Abernathy, Roeder, Boyd & Hullett, P.C.  
1700 Redbud Blvd., Suite 300  
McKinney, Texas 75069  
Attn: Ryan D. Pittman

If to Company: TEKMAK Development Company  
3021 Ridge Road A-120  
Rockwall, Texas 75032

Each party may change the address to which notice may be sent to that party by giving notice of such change to the other parties in accordance with the provisions of this Agreement.

- i. This Agreement may be executed in any number of identical counterparts, each of which will be deemed an original for all purposes.
- j. In case any one or more of the provisions contained in this Agreement will for any reason be held invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability will not affect any other provision hereof, and this Agreement will be construed as if such invalid, illegal, or unenforceable provision had never been contained herein. If any subsequent federal or state legislation or any decision of a court of competent jurisdiction declares or renders this Agreement or any part hereof invalid or illegal, the parties agree to terminate (or if feasible, modify) this Agreement and to negotiate in good faith a remedy that preserves the intent of the parties hereunder as much as reasonably possible.
- k. Each signatory represents this Agreement has been read by the party for which this Agreement is executed and that such party has had an opportunity to confer with its counsel.
- l. Time is of the essence in this Agreement.
- m. The recitals to this Agreement are incorporated herein for all purposes. The following exhibits are attached to this Agreement and incorporated by reference herein for all purposes:

**Exhibit "A" — Land**

**Exhibit "B" — Concept Plan**

- n. The parties agree this Agreement has been drafted jointly by the parties and their legal representatives.
- o. Nothing in this Agreement will be implied to vest any rights in the parties. In addition, nothing contained in this Agreement will constitute a "permit" as defined in Chapter 245, Texas Local Government Code. **THE COMPANY WAIVES ANY CLAIM THAT THIS AGREEMENT ESTABLISHES VESTED**

**RIGHTS UNDER CHAPTER 245 OF THE TEXAS LOCAL GOVERNMENT CODE OR OTHER LAW. THIS SECTION WILL SURVIVE THE TERMINATION OF THIS AGREEMENT.**

- p. It is expressly understood that this Agreement will be binding upon and benefit the parties hereto only upon execution by both parties.
- q. This Amended Agreement amends and restates the Original Agreement. On the execution of this Amended Agreement by all parties, the provisions of the Original Agreement shall be void and of no further force or effect, and this Amended Agreement shall supersede the same.

IN WITNESS WHEREOF, the parties have executed this Amended Agreement and caused this Amended Agreement to be effective when all the parties have signed it. The date this Amended 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 Amended Agreement ("Effective Date").

**CITY OF SHERMAN, TEXAS,**  
a home-rule municipality

By: \_\_\_\_\_  
Zachary Flores, City Manager  
Date: \_\_\_\_\_

ATTEST:

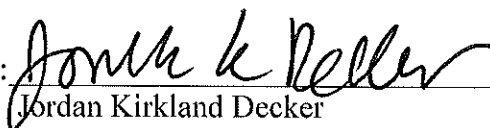
By: \_\_\_\_\_  
Acting City Clerk

APPROVED AS TO FORM:

By: \_\_\_\_\_  
Ryan D. Pittman, City Attorney

**TEKMAK SHERMAN HOTEL, LP,**  
a Texas limited partnership

By: SHERMAN TRADITION, LLC,  
its General Partner

By:  \_\_\_\_\_  
Jordan Kirkland Decker  
Managing Member  
Date: 7/18/25

## **Exhibit A**

### **Legal Description of the Land**

WHEREAS Heritage Development Partners, LLC are the owners of a tract of land situated in the Preston Kitchen Survey, Abstract No. 867, City of Sherman, Grayson County, Texas and being a portion of that 44.83 acre tract of land conveyed to Heritage Development Partners, LLC by Special Warranty Deed recorded in Volume 5676, Page 216 and Volume 5676, Page 224 of the Deed Records of Grayson County, Texas, and being more particularly described as follows:

BEGINNING at a 1/2-inch iron rod with yellow plastic cap stamped "VOTEX SURVEYING" set for corner in the north right-of-way line of West Travis Street (a variable width right-of-way) at the southwest corner of Lot 1, Block 1, Sherman Crossroads Medical No. 3, an addition to the City of Sherman according to the plat recorded in Document No. 2021-280, Plat Records, Grayson County, Texas;

THENCE with said north right-of-way line of West Travis Street, the following courses and distances:

S 74°35'12" W, a distance of 60.85 feet to a 1/2-inch iron rod with yellow plastic cap stamped "VOTEX SURVEYING" set at the beginning of a tangent curve to the right;

In a northwesterly direction, with said curve to the right, having a central angle of 43°43'11", a radius of 467.00 feet, a chord that bears N 83°33'13" W, a distance of 347.76 feet and an arc distance of 358.35 feet to a mag nail with steel washer stamped "VOTEX SURVEYING" set for corner in the west line of said Heritage Development Partners tract at the southeast corner of a tract of land conveyed as Tract Three to Sherman 301-A, LLC and Sherman 301-B, LLC tract by deed recorded in Document No. 2021-22359, Official Records, Grayson County, Texas;

THENCE N 14°32'05" W, departing said north right-of-way line of W. Travis Street and along the common line of said Sherman 301-A, LLC et al tract and said Heritage Development Partners tract, a distance of 648.76 feet to a 1/2-inch iron rod with yellow plastic cap stamped "VOTEX SURVEYING" set for corner;

THENCE departing said common line, over and across said Heritage Development Partners tract, the following courses and distances:

S 54°20'24" E, a distance of 126.26 feet to a 1/2-inch iron rod with yellow plastic cap stamped "VOTEX SURVEYING" set at the beginning of a non-tangent curve to the left;

In a southeasterly direction, with said curve to the left, having a central angle of 51°04'21", a radius of 300.00 feet, a chord that bears S 79°52'36" E, a distance of 258.65 feet and an arc distance of 267.42 feet to a 1/2-inch iron rod with yellow plastic cap stamped "VOTEX SURVEYING" set at the end of said curve;

N 74°35'12" E, a distance of 82.17 feet to a 1/2-inch iron rod with yellow plastic cap stamped "VOTEX SURVEYING" set at the northwest terminus of Medical Drive (a 60-foot wide right-of-way) as dedicated by the plat of Sherman Crossroads Medical No. 2 recorded in Document No. 2018-5, Plat Records, Grayson County, Texas;

THENCE S 15°24'48" E, along the southwest line of said Sherman Crossroads Medical No. 2, at a distance of 75.00 feet passing the southeast terminus of said Medical Drive and the southernmost northwest corner of Lot 1, Block 1 of said Sherman Crossroads Medical No. 2, and continuing for a total distance of 108.87 feet to a 1/2-inch iron rod with plastic cap stamped "RPLS 5310" found for corner;

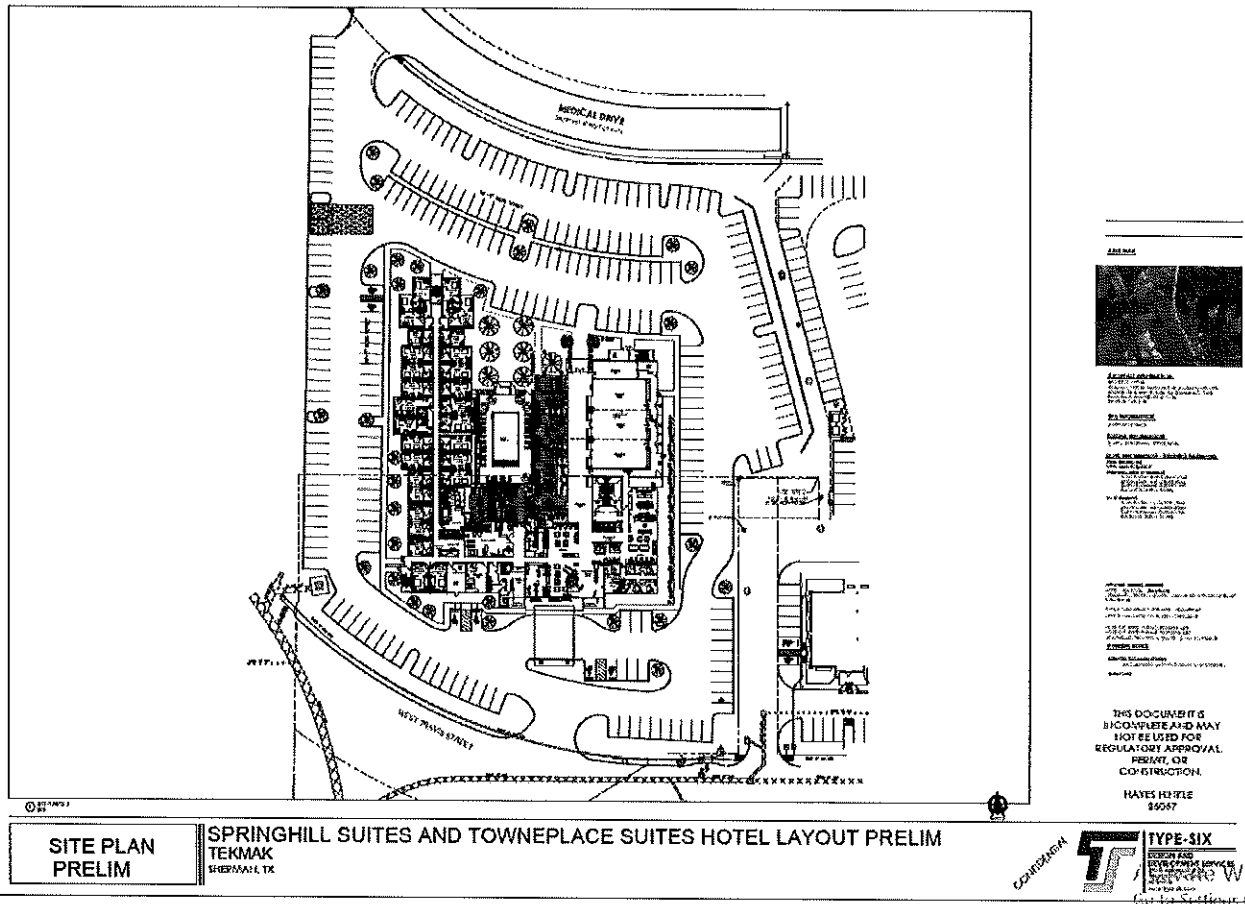
THENCE S 30°24'20" E, with the southwest line of said Lot 1, Block 1, Sherman Crossroads Medical No. 2, a distance of 185.29 feet to a 1/2-inch iron rod with plastic cap stamped "RPLS 5310" found for corner;

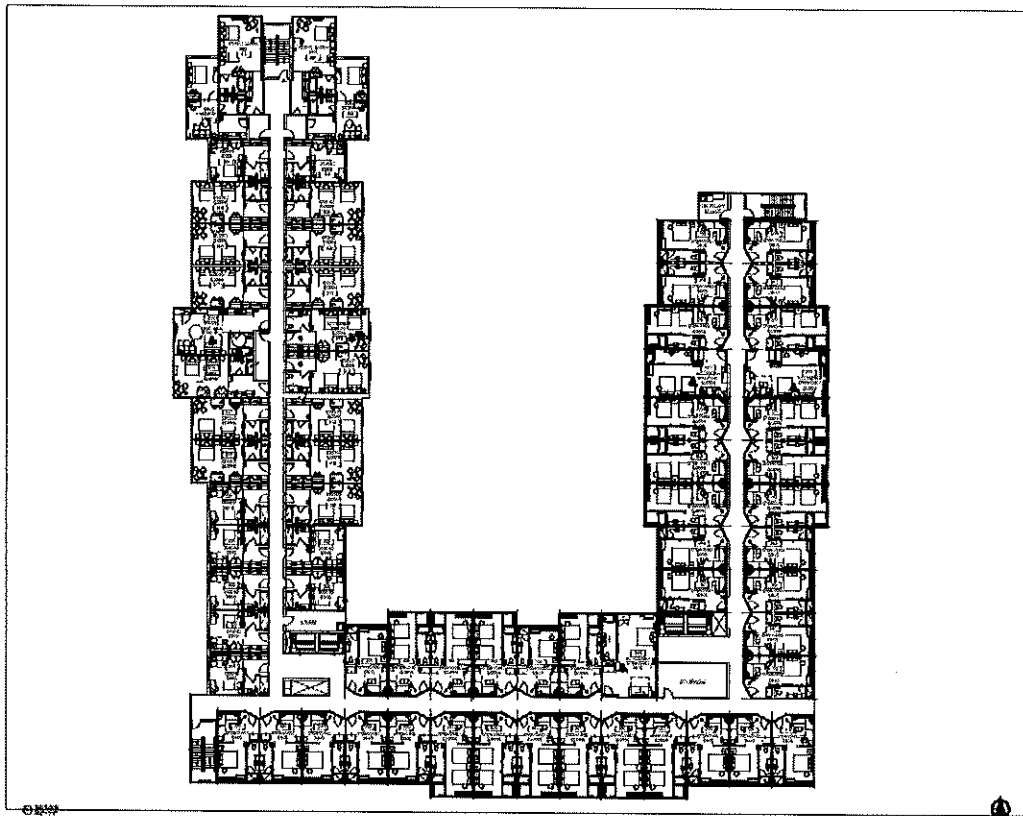
THENCE S 15°24'48" E, continuing with the southwest line of said Lot 1, Block 1, Sherman Crossroads Medical No. 2, a distance of 43.25 feet to a 1/2-inch iron rod with yellow plastic cap stamped "VOTEX SURVEYING" set for the northernmost northwest corner of said Lot 1, Block 1, Sherman Crossroads Medical No. 3; from which a 1/2-inch iron rod with plastic cap stamped "RPLS 5310" bears N 20°11'16" W, a distance of 0.82 feet;

THENCE S 74°35'07" W, with the north line of said Lot 1, Block 1, Sherman Crossroads Medical No. 3, a distance of 69.16 feet to a 1/2-inch iron rod with yellow plastic cap stamped "VOTEX SURVEYING" set at the westernmost northwest corner of said Sherman Crossroads Medical No. 3;

THENCE S 15°24'53" E, a distance of 237.34 feet to the POINT OF BEGINNING and containing 237,901 square feet or 5.461 acres of land, more or less.

# **Exhibit B** **Concept Plan**





UPPER FLOOR  
PLAN PRELIM

SPRINGHILL SUITES AND TOWNEPLACE SUITES HOTEL LAYOUT PRELIM  
TEKMAK  
THERMAN, TX

AREA 804



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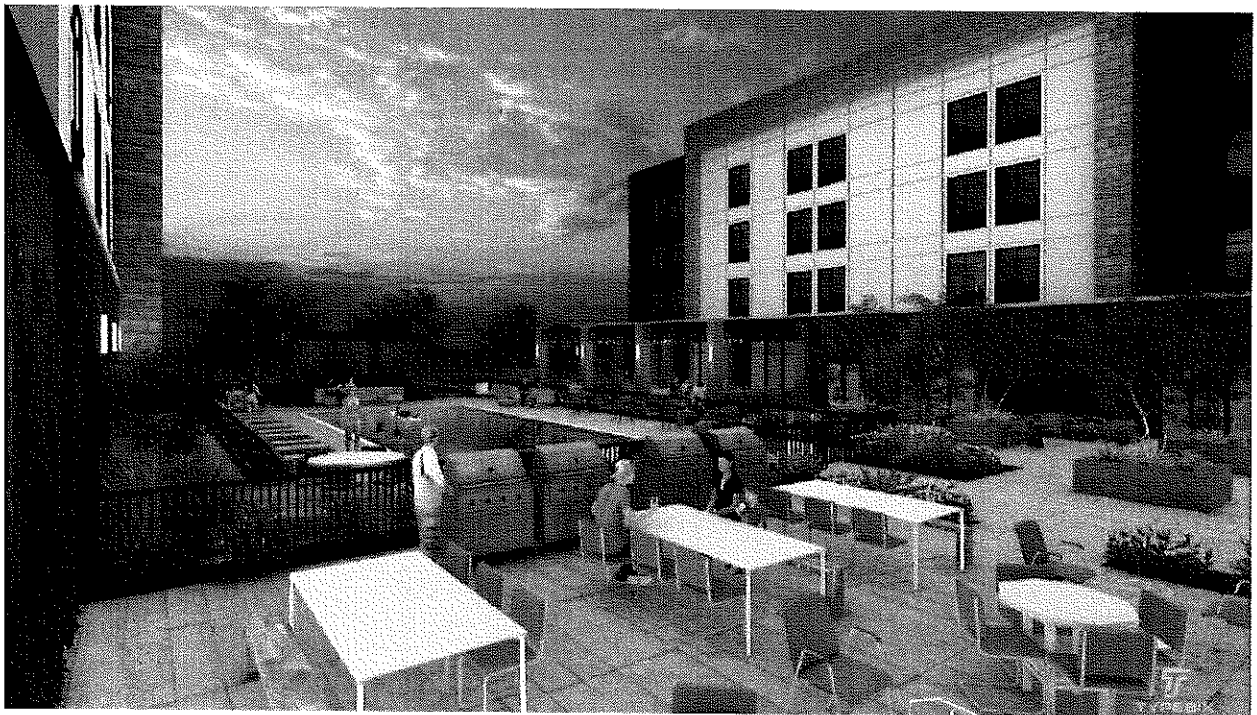
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## **City Council Regular Meeting**

Agenda Item No. F.2.

**Meeting Date:** 8/18/2025

**Prepared By:** Theresa Hutchinson, Park & Recreation Manager

**Approved By:**

### **Caption:**

#### **RESOLUTION NO. 7558**

Authorizing Execution of a Contract with T.F. Harper for the Renovation and Resurfacing of the Fairview Park Tennis Courts through the TIPS Purchasing Co-operative

### **Issue:**

Authorizing Execution of a Contract with T.F. Harper for the Renovation and Resurfacing of the Fairview Park Tennis Courts through the TIPS Purchasing Co-op

### **Background:**

The Fairview Tennis Courts have not undergone resurfacing in over ten years and are in urgent need of refurbishment. In conjunction with the resurfacing project, we plan to replace the fencing and lighting infrastructure, ensuring aesthetic consistency with the adjacent pickleball courts.

The renovation and resurfacing project has been facilitated through the TIPS purchasing cooperative, adhering to competitive bidding requirements stipulated in Texas Local Government Code Chapter 271. This approach ensures transparency and fiscal responsibility in public procurement processes.

Funding totaling \$195,635.00 for this project has already been allocated as part of the fiscal year 2023-24 Capital Improvement Program, underscoring the City's commitment to enhancing recreational opportunities for all residents.

Purchasing through the TIPS purchasing cooperative satisfies competitive bidding requirements under Texas Local Government Code Chapter 271.

### **Capital Improvement Program:**

### **Origination:**

Parks and Recreation Department

### **Financial Consideration:**

The cost of the renovation and resurfacing is \$195,635.00. Funding was approved as part of the fiscal year 2023-2024 Capital Improvement Program.

### **Staff Recommendation:**

It is recommended that staff be authorized to contract with Harp & Associates, Lc dba T.F. Harper & Associates for the renovation and resurfacing of the Fairview Tennis Courts.

**Alternatives:**

As may be directed by the City Council.

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**Attachments:**

1. Resolution No. 7558
2. Signed Construction Agreement with Attachments

**RESOLUTION NO. 7558**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING EXECUTION OF A CONTRACT WITH T.F. HARPER FOR THE RENOVATION AND RESURFACING OF THE FAIRVIEW PARK TENNIS COURTS THROUGH THE TIPS PURCHASING CO-OPERATIVE; 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.** 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 contract with T. F. Harper for the Fairview Park Tennis Courts project, in accordance with all contract documents attached hereto and made a part hereof for all purposes. Funds for this purchase are being committed out of the City of Sherman's fiscal year 2023-2024 Capital Improvement Program.

**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 18<sup>th</sup> day of August 2025.**

**CITY OF SHERMAN, TEXAS**

**ATTEST:**

**BY: \_\_\_\_\_**  
**LEAH ROBERTS,**  
**EXECUTIVE DIR. OF ADMIN,**  
**ACTING CITY CLERK**

**BY: \_\_\_\_\_**  
**SHAWN TEAMANN, MAYOR**

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

**BY: \_\_\_\_\_**  
**RYAN PITTMAN, CITY ATTORNEY**

**CONSTRUCTION AGREEMENT BETWEEN THE CITY OF SHERMAN, TEXAS  
AND T.F. HARPER & ASSOCIATES, LP dba HARPER SMITH & ASSOCIATES.**

The City of SHERMAN, Texas, a home-rule municipality ("SHERMAN"), and T. F. Harper & Associates, LP dba Harper Smith & Associates, a Texas Corporation ("Contractor"), enter into this Construction Agreement ("Agreement") for the renovation and resurfacing of the Fairview Park Tennis Courts. 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 renovation and resurfacing of Fairview Park Tennis Courts under the terms and conditions of this Agreement ("Project");

WHEREAS, Sherman issued a Request for Quote (RFQ) through the TIPS Cooperative Purchasing Program; and

WHEREAS, Contractor timely submitted a response to the RFQ, attached hereto as Exhibit A and incorporated herein for all purposes ("Quote"), seeking to provide such services for City; and

WHEREAS, based on Contractor's representations in response to the RFQ, including those representations set forth in the Quote, City has selected Contractor to provide the services sought in the RFQ 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 Ninety (90) calendar days of the Effective Date of this Agreement (hereinafter defined) and shall complete the Services within One-Hundred Twenty (120) calendar days of the Mobilization Date. 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 One Hundred Ninety-Five Thousand Six Hundred Thirty-Five Dollars (\$195,635.00) 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 30<sup>th</sup> 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 Quote, attached hereto as Exhibit A;
- c. SHERMAN’s Insurance Requirements, attached hereto as Exhibit B;



- d. City of SHERMAN's Standard Construction Details (which is on file in with the City Engineering Department);
- e. The Standard Specifications for Public Works Construction (North Central Texas Third Edition 1998) as amended and supplemented by the City of SHERMAN's Special Provisions to said Standard Specification, as amended (which is on file in the City Engineering Department);
- f. Affidavit of No Prohibited Interested, attached hereto as Exhibit C;
- g. 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, or Exhibit D 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, and Exhibit A 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 one thousand and 00/100 ~~dollars (\$1,000.00)~~ 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.

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LD's

6. Payment Bonds.

Prior to commencing work under this Agreement, Contractor shall furnish to SHERMAN a payment bond, which shall be in an amount equal to one hundred percent (100%) of the total cost of the Project to ensure SHERMAN is indemnified against any claims for nonpayment of any part of the construction or work performed in connection with the Project.

The bonds required by SHERMAN pursuant to this Section 5 must be: (i) good and sufficient bonds; (ii) in the amounts prescribed herein; and (iii) with a reputable and solvent corporate surety in favor of SHERMAN.

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 B 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 B.

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 C 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 D 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 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: T.F. Harper ? Associates LP  
Arnel Smith - SUSAN  
owner / president  
  
Telephone: 512-440-0707  
Email: asmith@tfharper.com

If to SHERMAN, to: City of SHERMAN  
Attn: Dr. Zachary Flores, Acting City Manager  
220 W. Mulberry Street  
Sherman, Texas 75090  
Telephone: (903) 892-7201  
Facsimile: (903) 892-7355  
Email: [zcharyf@cityofsherman.com](mailto:zcharyf@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](mailto: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: \_\_\_\_\_  
Dr. Zachary Flores, Acting City Manager  
Date: \_\_\_\_\_

**ATTEST:**

**APPROVED AS TO FORM:**

\_\_\_\_\_  
City Clerk

\_\_\_\_\_  
Abernathy, Roeder, Boyd & Hullett, PC  
Ryan D. Pittman, City Attorneys

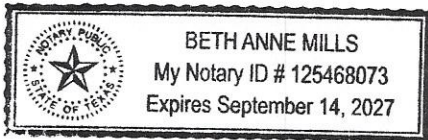
Harper Smith & Associates, LC dba T.F. Harper &  
Associates a Texas Corporation

By: [Signature]  
Printed Name: Ariel Smith-Susan  
Title: Owner / President  
Date: August 6th, 2025

STATE OF TEXAS       §  
                                  §  
COUNTY OF Dallas   §

BEFORE ME, the undersigned authority, on this day personally appeared Ariel Smith-Susan 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 ~~Hunter T.F. Harper Kneppshield of Texas, Inc.~~ T.F. Harper & Associates L.P. and that he executed said instrument for the purposes and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this 6th day of August, 2025.



Beth Anne Mills  
Notary Public in and for the State of Texas  
My Commission Expires: 9-14-27



**Exhibit B**  
**City's Insurance Requirements**

**I. GENERAL INSURANCE REQUIREMENTS –**

- A. All policies shall name the City of Sherman, its officers, agents, representatives and employees as additional insureds as to all applicable coverages with the exception of workers compensation 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 all applicable endorsement(s) evidencing the required insurance shall be submitted prior to commencing work under this Agreement. If the Agreement is renewed or extended by City, a Certificate of Insurance and all applicable 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 is required for this Agreement.

| Coverage Required | Limits |
|-------------------|--------|
|-------------------|--------|

|          |                                                                                                                                                                                                                                                                                                                                                                                                                            |                                                                                                                                              |
|----------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------|
| <u>X</u> | 1. Worker's Compensation & Employer's Liability                                                                                                                                                                                                                                                                                                                                                                            | <ul style="list-style-type: none"><li>▪ Statutory Limits of the State of Texas</li></ul>                                                     |
| <u>X</u> | 2. General Liability                                                                                                                                                                                                                                                                                                                                                                                                       | <ul style="list-style-type: none"><li>▪ Minimum \$1,000,000.00 each occurrence;</li><li>▪ Minimum \$2,000,000.00 in the aggregate.</li></ul> |
| —        | 3. XCU Coverage                                                                                                                                                                                                                                                                                                                                                                                                            | <ul style="list-style-type: none"><li>▪ Minimum \$1,000,000.00 each occurrence;</li><li>▪ Minimum \$2,000,000.00 in the aggregate.</li></ul> |
| —        | 4. Professional Liability                                                                                                                                                                                                                                                                                                                                                                                                  | <ul style="list-style-type: none"><li>▪ Minimum \$1,000,000.00 each claim;</li><li>▪ Minimum \$2,000,000.00 in the aggregate.</li></ul>      |
| —        | 5. Umbrella Coverage or Excess Liability Coverage                                                                                                                                                                                                                                                                                                                                                                          | <ul style="list-style-type: none"><li>▪ An amount of \$ 2,000,000.00.</li></ul>                                                              |
| <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 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 City as an additional insured must be endorsed to read as primary and non-contributory coverage regardless of the application of other insurance. |                                                                                                                                              |

- X 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.
- X 9. Insurance company has a minimum rating of "A" by A.M. Best's Key Rating Guide, or other equivalent rating service(s).
- X 10. The Certificate of Insurance must state the project title.
- \_\_\_ 11. Other Insurance Requirements (State Below):

**Exhibit C**  
**Affidavit of No Prohibited Interest**

THE STATE OF Texas §

THE COUNTY OF Dallas §

I, Amel Smith, 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.

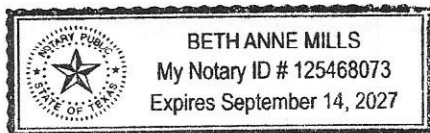
Upon filing this affidavit with the City of Sherman, Texas, I further affirm that no relative of mine, in the first degree by consanguinity or affinity, as defined in Chapter 573, TEX. GOV'T CODE, as amended, is a member of a public body which took action on the agreement.

Signed this 6 day of August, 2025

[Signature]  
Signature of Official/Title

BEFORE ME, the undersigned authority, this day personally appeared Amel Smith-Susan, 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 6th day of August, 2025.



Beth Anne Mills  
Notary Public in and for the State of Texas  
My commission expires: 9-14-27



# 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.

T.F. Harper & Associates LP

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.

Ariel Smith

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

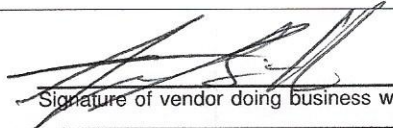
B. Is the vendor receiving or likely to receive taxable income, other than investment income, from or at the direction of the local government officer or a family member of the officer AND the taxable income is not received from the local governmental entity?

☐ 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

Aug 16, 2025  
Date



## **CONFLICT OF INTEREST QUESTIONNAIRE**

### **For vendor doing business with local governmental entity**

A complete copy of Chapter 176 of the Local Government Code may be found at <http://www.statutes.legis.state.tx.us/Docs/LG/htm/LG.176.htm>. For easy reference, below are some of the sections cited on this form.

**Local Government Code § 176.001(1-a):** "Business relationship" means a connection between two or more parties based on commercial activity of one of the parties. The term does not include a connection based on:

- (A) a transaction that is subject to rate or fee regulation by a federal, state, or local governmental entity or an agency of a federal, state, or local governmental entity;
- (B) a transaction conducted at a price and subject to terms available to the public; or
- (C) a purchase or lease of goods or services from a person that is chartered by a state or federal agency and that is subject to regular examination by, and reporting to, that agency.

**Local Government Code § 176.003(a)(2)(A) and (B):**

(a) A local government officer shall file a conflicts disclosure statement with respect to a vendor if:

\*\*\*

(2) the vendor:

(A) has an employment or other business relationship with the local government officer or a family member of the officer that results in the officer or family member receiving taxable income, other than investment income, that exceeds \$2,500 during the 12-month period preceding the date that the officer becomes aware that

(i) a contract between the local governmental entity and vendor has been executed;

or

(ii) the local governmental entity is considering entering into a contract with the vendor;

(B) has given to the local government officer or a family member of the officer one or more gifts that have an aggregate value of more than \$100 in the 12-month period preceding the date the officer becomes aware that:

(i) a contract between the local governmental entity and vendor has been executed; or

(ii) the local governmental entity is considering entering into a contract with the vendor.

**Local Government Code § 176.006(a) and (a-1)**

(a) A vendor shall file a completed conflict of interest questionnaire if the vendor has a business relationship with a local governmental entity and:

(1) has an employment or other business relationship with a local government officer of that local governmental entity, or a family member of the officer, described by Section 176.003(a)(2)(A);

(2) has given a local government officer of that local governmental entity, or a family member of the officer, one or more gifts with the aggregate value specified by Section 176.003(a)(2)(B), excluding any gift described by Section 176.003(a-1); or

(3) has a family relationship with a local government officer of that local governmental entity.

(a-1) The completed conflict of interest questionnaire must be filed with the appropriate records administrator not later than the seventh business day after the later of:

(1) the date that the vendor:

(A) begins discussions or negotiations to enter into a contract with the local governmental entity; or

(B) submits to the local governmental entity an application, response to a request for proposals or bids, correspondence, or another writing related to a potential contract with the local governmental entity; or

(2) the date the vendor becomes aware:

(A) of an employment or other business relationship with a local government officer, or a family member of the officer, described by Subsection (a);

(B) that the vendor has given one or more gifts described by Subsection (a); or

(C) of a family relationship with a local government officer.





BUILD. PLAY. RENOVATE.

A DIVISION OF

**T.F. HARPER**

& ASSOCIATES LP

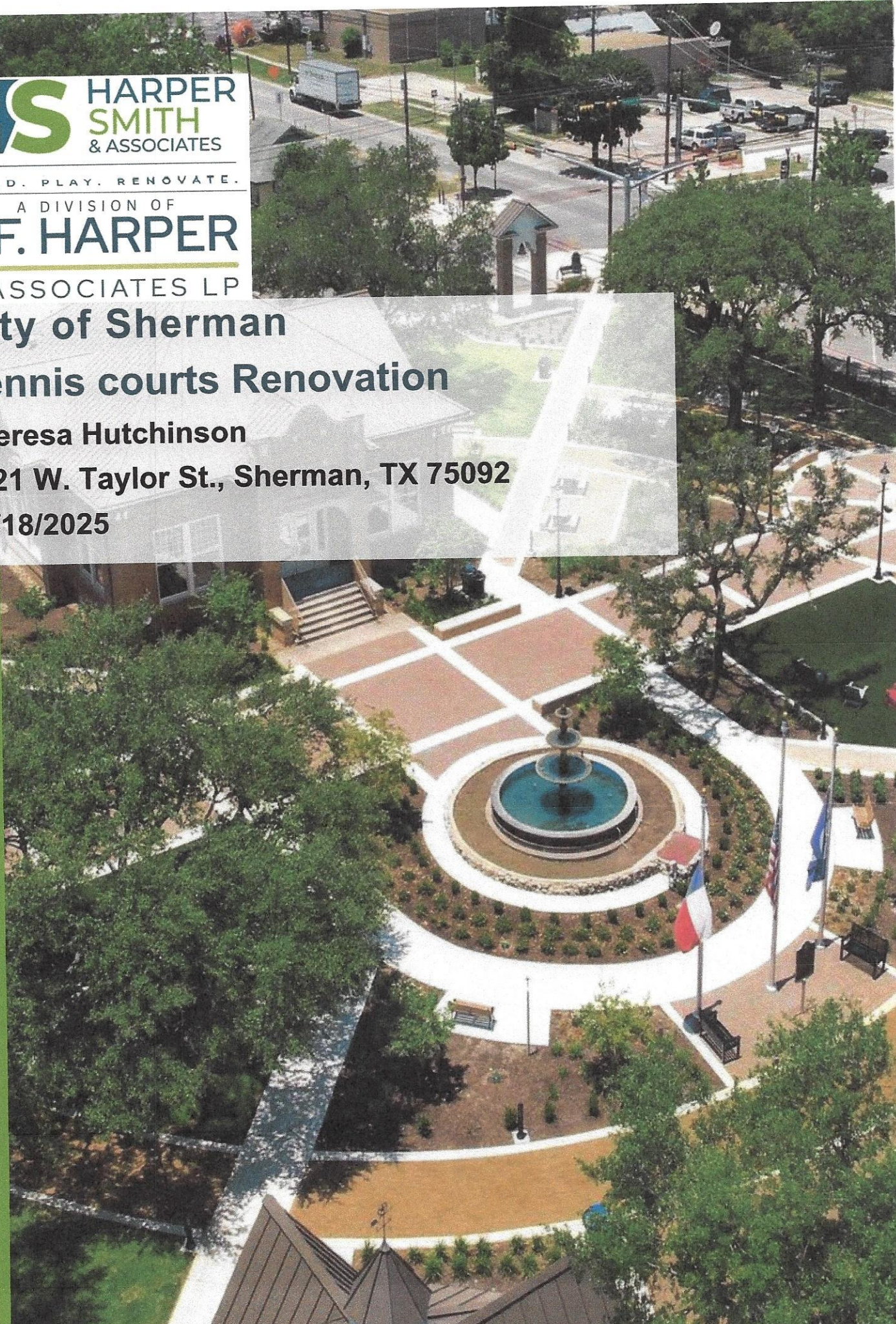
**City of Sherman**

**Tennis courts Renovation**

**Theresa Hutchinson**

**1121 W. Taylor St., Sherman, TX 75092**

**07/18/2025**







1685 S FM 1626 Buda, TX 78610  
4402 Rowlett Rd Rowlett, TX 75088  
ATX (512) 440-0707 | DFW (469) 543-9297

## T.F. Harper & Associates, LP dba Harper Smith & Associates

Founded in 1972

Main Office Location: 1685 S FM 1626 Buda, TX 78610  
(512) 440-0707

Other Office Location(s): 4402 Rowlett Rd Rowlett, TX 75088  
(469) 543-9297

### Ariel Smith

President / Owner

[asmith@tfharper.com](mailto:asmith@tfharper.com)

### Kerry Urbanowicz

VP – Construction

[kurbanowicz@tfharper.com](mailto:kurbanowicz@tfharper.com)

T.F. Harper is a General Contractor with over fifty years' experience working with cities, schools, and municipal districts. We understand how these different communities work and how we can meet their needs while keeping a project moving forward. Whatever your construction or outdoor recreational need, our expert team can help provide the solution on time and on budget.

**Our goal** is always to fulfill our clients' expectations from the start! Developing a good working relationship with the clients, architects, engineers, subcontractors, and our team through detailed management and consistent project updates. We pride ourselves on offering high quality products checked to meet standards and your wants.

**Our mission** is to continue and expand our reputation for integrity, excellence, experience, and leadership as your finest local construction organization.

**Thank you for the opportunity to work together!**





# QUOTE

1685 S FM 1626 Buda, TX 78610  
 4402 Rowlett Rd. Rowlett, TX 75088

To: Tennis Court Updates  
 Attn: Theresa Hutchinson  
 Address: 1002 N. Music Street  
 Install Site: 1121 W. Taylor St., Sherman, TX 75092  
 Phone: (903) 892-7344  
 Email: [theresah@cityofsherman.com](mailto:theresah@cityofsherman.com)

QUOTE #: 06132025-MN-100R  
 DATE: July 18, 2025

1 GPA 14-06DP-10 / TIPS 24070202

Sherman Tennis Court Renovation

| QTY                                                                          | DESCRIPTION OF EQUIPMENT                                                                                                                                                                                                                                                                                                                                                                                          | UNIT COST     | TOTAL COST    |
|------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------|---------------|
| 1                                                                            | Resurfacing existing concrete slab of entire tennis court<br>Paint the entire court GREEN after resurfacing is complete<br>4 sets of full Tennis court striping in WHITE                                                                                                                                                                                                                                          | \$ 43,200.00  | \$ 43,200.00  |
| 1                                                                            | <b>Fencing scope- 9GA SCH 40 black vinyl coated to try and best match existing fencing on site</b><br>Demo out all of the existing perimeter fencing, pour a new concrete curb around the outside and set new posts<br>interior divider fencing- remove all the chain link fabric, repair the existing framework & repaint it black to match, and then<br>replace the mesh with new black vinyl coated chain link | \$ 123,660.00 | \$ 123,660.00 |
| 1                                                                            | Demo and haul off existing wooden light poles                                                                                                                                                                                                                                                                                                                                                                     | \$ 2,927.00   | \$ 2,927.00   |
| 4                                                                            | Light poles- Tennis Court Package - 4 qty 20 foot pole with bullhorn and 8 of the 300 watt Sport lights                                                                                                                                                                                                                                                                                                           | \$ 3,753.00   | \$ 15,012.00  |
| 4                                                                            | Install new LED light poles in place of existing poles- (no wiring included - utility locations unknown)                                                                                                                                                                                                                                                                                                          | \$ 2,709.00   | \$ 10,836.00  |
| Alternate Options not included in sub total                                  |                                                                                                                                                                                                                                                                                                                                                                                                                   |               |               |
| 1                                                                            | *Optional Demo and haul off existing benches                                                                                                                                                                                                                                                                                                                                                                      | \$ 1,238.00   | \$ 1,238.00   |
| 4                                                                            | *Optional Install new bench seating( Mytcoat BPY04-A-33-000)- includes freight, material and installation                                                                                                                                                                                                                                                                                                         | \$ 2,733.00   | \$ 10,932.00  |
| 4                                                                            | *Optional Install new trash receptacle(Mytcoat RRD32-A-00-000) with lid and plastic liner,- includes freight, material and installation                                                                                                                                                                                                                                                                           | \$ 1,458.68   | \$ 5,834.72   |
| 13,200                                                                       | *Optional SF Demo and haul off existing concrete pad- labor mobilization, dumpsters, equipment                                                                                                                                                                                                                                                                                                                    | \$ 2.75       | \$ 36,300.00  |
| 13,200                                                                       | *Optional SF- 121'x110' Install post tension concrete pad to replace existing slab on site                                                                                                                                                                                                                                                                                                                        | \$ 35.00      | \$ 462,000.00 |
| 4                                                                            | *Optional New tennis court nets (existing seem to be in fine condition based off photos)                                                                                                                                                                                                                                                                                                                          | \$ 420.00     | \$ 1,680.00   |
| Notes: Pricing assumes dark green color                                      |                                                                                                                                                                                                                                                                                                                                                                                                                   |               |               |
| Bottom line pricing does not include the *Optional line items                |                                                                                                                                                                                                                                                                                                                                                                                                                   |               |               |
| Electrical wiring and trenching not included (depends on utility locations.) |                                                                                                                                                                                                                                                                                                                                                                                                                   |               |               |
| Existing paint does not need to be removed                                   |                                                                                                                                                                                                                                                                                                                                                                                                                   |               |               |
| Sub-Total                                                                    |                                                                                                                                                                                                                                                                                                                                                                                                                   |               | \$ 195,635.00 |
| Freight                                                                      |                                                                                                                                                                                                                                                                                                                                                                                                                   |               | \$ -          |
| Sales Tax                                                                    |                                                                                                                                                                                                                                                                                                                                                                                                                   |               | EXEMPT        |
| TOTAL                                                                        |                                                                                                                                                                                                                                                                                                                                                                                                                   |               | \$ 195,635.00 |

QUOTE IS VALID FOR 5 CALENDAR DAYS FROM DATE OF QUOTE OR FROM DATE OF REVISION  
 PRICING IS BASED ON FULL ACCESS TO INSTALL AREA BY TRUCK / BOBCAT / SKYTRAK.

July 23, 2025

**NOT INCLUDED:** Permits, Bonds/Fees (if required), Site Work in Excess of Normal Installation (example: site prep - excavation/infill, concrete slab, french drains, excess rock removal, landscaping). Repairs & Revegetation to existing landscape and general grounds.

Any installation charges quoted are based upon a soil work site (not rocky) that is freely accessible by truck, no fencing, tree/landscaping or utility obstacles, etc.), and level (+/- 1-2% max slope). Any site work not expressly described is excluded. All underground utilities must be located and clearly marked before any work can begin. Installation of all products (equipment, borders, ground cover, amenities) are as quoted and approved by acceptance of quote/drawings. The installer is not responsible for any damages or re-work resulting from after-hours events or activities during the work in progress period. The customer is responsible for maintaining the integrity of completed installation work until components have seated and/or cured (concrete footings, etc.). By signing or issuing a PO to this quote, you are hereby agreeing to the attached Utility/ Rock Clause. If underground utilities are unknown and unmarked pricing is subject to an additional \$1,500.00 fee or signed waiver waving financial responsibility in case any underground utilities are damaged during installation.

**Payment Terms:** 50% Deposit due with signed quote or PO (\$97,817.50); balance due upon completion of work and receipt of invoice.

Accepted by: \_\_\_\_\_

## QUOTE

1685 S FM 1626 Buda, TX 78610  
4402 Rowlett Rd. Rowlett, TX 75088

Date: \_\_\_\_\_

P.O. # (if applicable): \_\_\_\_\_

Thank you for giving us the opportunity to quote this equipment.  
Kayla Jefferies

**ROCK CLAUSE**

IN THE EVENT THAT SITE SOIL OR ROCK CONDITIONS ARE SUCH TO PREVENT NORMAL INSTALLATION TIME AND PROCEDURES, THE OWNER/CUSTOMER WILL BE RESPONSIBLE FOR ADDITIONAL EQUIPMENT AND LABOR EXPENSES IN THE AMOUNT OF FOUR HUNDRED AND FIFTY AND NO/100 DOLLARS (\$450.00) PER HOUR IN ORDER TO ACCOMPLISH THE INSTALLATION.

**UNDERGROUND UTILITY CLAUSE**

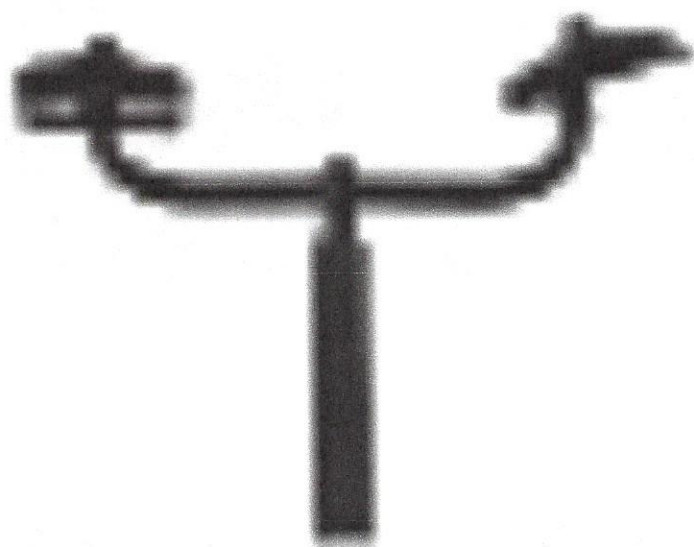
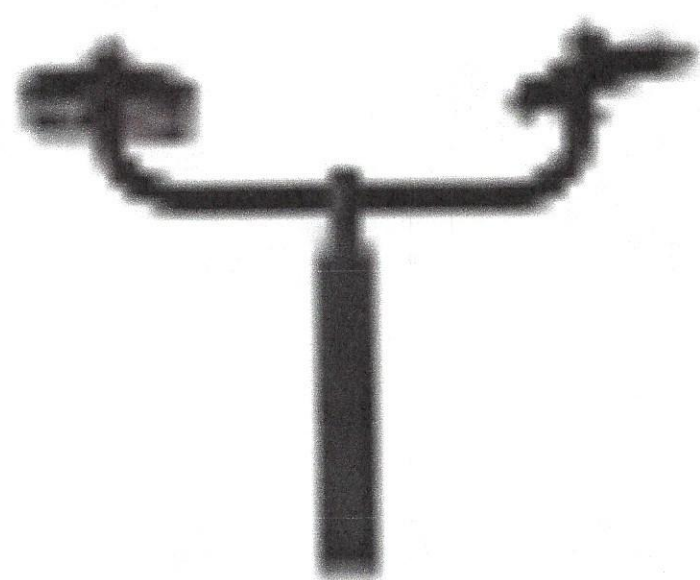
NEITHER T. F. HARPER & ASSOCIATES, ITS EMPLOYEES OR ITS SUB-CONTRACTORS ARE RESPONSIBLE FOR ANY DAMAGE DONE TO ANY TYPE OF UNDERGROUND UTILITIES ON THE SITE CHOSEN BY THE PROPERTY OWNER/MANAGER TO INSTALL THE EQUIPMENT UNLESS THE OWNER/MANAGER HAS THESE LINES ACCURATELY STAKED PRIOR TO INSTALLATION COMMENCEMENT. WITHOUT PROPER AND ACCURATE STAKING OF THESE UNDERGROUND LINES, ANY COSTS INCURRED TO REPAIR DAMAGED LINES OR TO RENDER MEDICAL TREATMENT IN THE EVENT OF INJURY TO A T. F. HARPER & ASSOCIATES EMPLOYEE OR SUB-CONTRACTOR DUE TO CONTACT WITH UNMARKED UNDERGROUND LINES, SHALL BE THE SOLE RESPONSIBILITY OF THE PROPERTY OWNER/MANAGER. T.F. HARPER & ASSOCIATES, ITS EMPLOYEES OR SUB-CONTRACTORS CANNOT PROCEED WITH ANY JOB WHERE UNDERGROUND LINES ARE THOUGHT TO BE PRESENT WITHOUT ACCURATE MARKINGS.

THE TERMS OF THIS PROPOSAL ARE UNDERSTOOD AND AGREED UPON BY THE UNDERSIGNED. THE UNDERSIGNED, AS THE OWNER OR REPRESENTATIVE OF THE OWNER, SWEARS TO BE AUTHORIZED TO SIGN THIS LEGAL AND BINDING AGREEMENT, THEREFORE ACCEPTING LEGAL RESPONSIBILITY AND LIABILITY FOR THE FULFILLMENT OF THE ABOVE TERMS.

Accepted By: \_\_\_\_\_

Date: \_\_\_\_\_

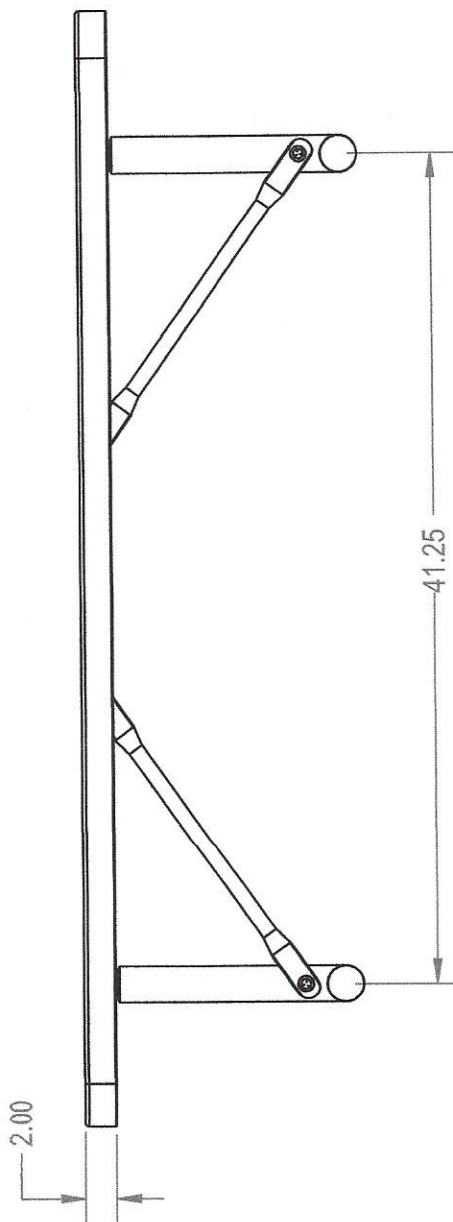
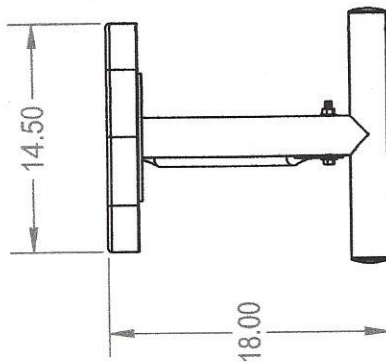
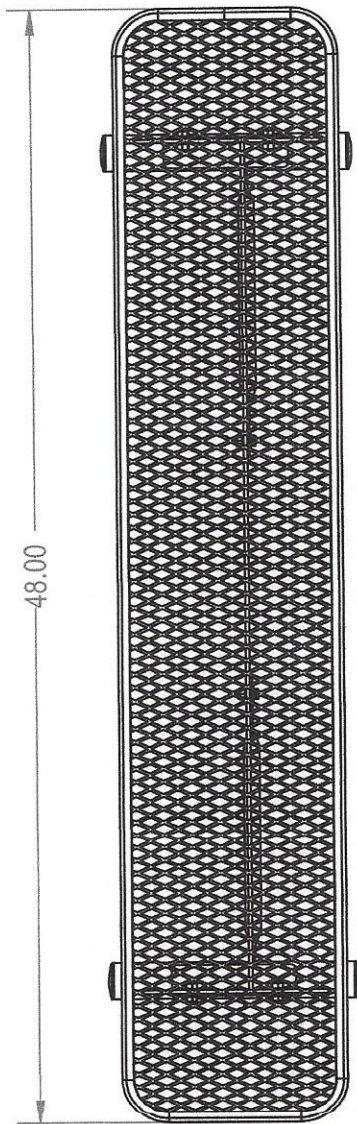




FOR YOUR PROTECTION & L.A.M.I. WITH 200 WATT BULBS  
ON A CHANGING PATTERN MOUNT

LED Light Solutions





Mfg. by Advantage Panels & Fence, Inc.

**MYTcoat**

Commercial Outdoor Furniture

[www.mytcoat.com](http://www.mytcoat.com)

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DRAWING IS THE SOLE PROPERTY OF  
Advantage Panels & Fence, Inc. PO Box  
1790 Whitney, TX. ANY REPRODUCTION  
IN PART OR AS A WHOLE WITHOUT THE  
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Panels & Fence, Inc. PO Box 1790  
Whitney, TX. IS PROHIBITED.

**AA Advantage Panels & Fence, Inc.**

TITLE:

**4ft Players Bench without Back**

**Portable - Expanded Metal**

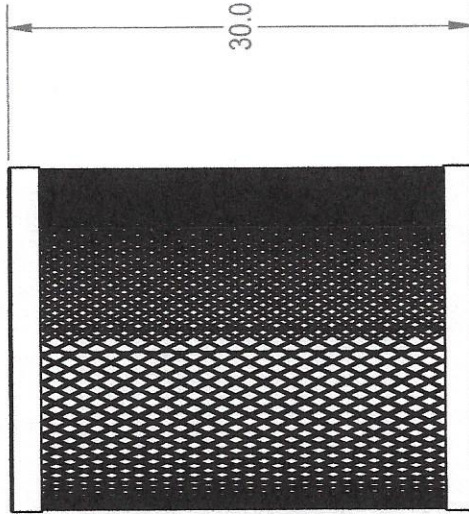
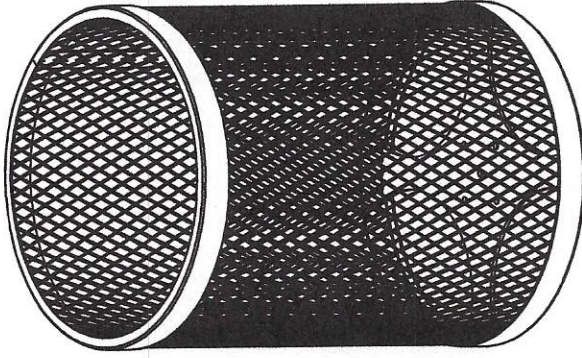
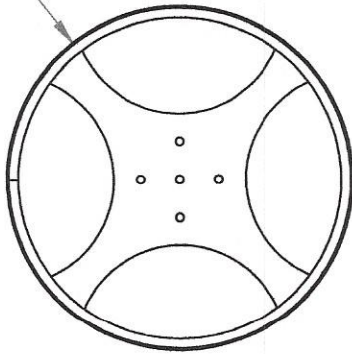
SIZE DWG. NO. REV

**A** **BPY04-A-33-000**

WEIGHT: SHEET 2 OF 3

| DRAWN                      | NAME | DATE     |
|----------------------------|------|----------|
| SALES APPR.                | GM   | 2/1/2016 |
| CLIENT APPR.               |      |          |
| MFG APPR.                  |      |          |
| Q.A.                       |      |          |
| Design By -                |      |          |
| CADWorksPro<br>Chicago, IL |      |          |
| www.cadworkspro.com        |      |          |

Ø 22.5



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|                     |  |             |           |                                            |  |
|---------------------|--|-------------|-----------|--------------------------------------------|--|
| DRAWN               |  | NAME        | DATE      | <b>AAdvantage Panels &amp; Fence, Inc.</b> |  |
| SALES APPR.         |  | GM          | 2/23/2016 | TITLE:                                     |  |
| CLIENT APPR.        |  |             |           | 32 Gallon Trash Receptacle                 |  |
| MFG APPR.           |  |             |           | Expanded Metal Version                     |  |
| Q.A.                |  |             |           | SIZE DWG. NO.                              |  |
| Design By -         |  | CADWorksPro |           | REV                                        |  |
|                     |  | Chicago, IL |           | <b>A</b> RRD32-A-00-000                    |  |
| www.cadworkspro.com |  |             | WEIGHT:   | SHEET 1 OF 4                               |  |





## SHERMAN CITY COUNCIL Agenda Communication Form

### City Council Regular Meeting

Agenda Item No. F.3.

**Meeting Date:** 8/18/2025

**Prepared By:** Wayne Lee, Director of Engineering

**Approved By:**

**Caption:**

**RESOLUTION NO. 7559**

Awarding a Bid to and Authorizing Execution of a Contract with Don Smith Concrete LLC Based on an Invitation to Bid for the Retaining Wall & Sidewalk Improvements 2203 FM 1417

**Issue:**

To consider awarding a bid to and authorizing execution of a contract with Don Smith Concrete LLC of Midlothian, Texas, based on an invitation to bid for the Retaining Wall & Sidewalk Improvements 2203 FM 1417 project.

**Background:**

In-house Engineering staff has assembled a set of construction drawings designed to prevent vehicular impacts to the commercial building located at the northeast corner of the intersection of FM 1417 and Lamberth Road. The plans include a retaining wall with a maximum height of two (2) feet that traverses the radius of the intersection. Additionally, new sidewalk is proposed at the base of the wall and along the southern frontage of the building.

On August 1, 2025, a public bid opening was held. Three (3) bidders responded to the request for bids. The lowest, responsible, responsive bid in the amount of \$80,183.38 was submitted by Don Smith Concrete, LLC of Midlothian, Texas.

A bid tabulation is attached.

**Capital Improvement Program:**

25-083

**Origination:**

Engineering Department

**Financial Consideration:**

Funding needed for this project is \$80,183.38.

**Staff Recommendation:**

It is recommended that the bid be awarded for the Retaining Wall & Sidewalk Improvements 2203 FM 1417 to Don Smith Concrete LLC in the amount of \$80,183.38. It is also recommended that the City Manager be authorized to execute the required contract documents.

**Alternatives:**

As may be directed by City Council

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**Attachments:**

1. Resolution No. 7559
2. Agreement\_Don Smith Concrete LLC\_signed
3. Bid Tabulation
4. Location Map

**RESOLUTION NO. 7559**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AWARDING A BID TO AND AUTHORIZING EXECUTION OF A CONTRACT WITH DON SMITH CONCRETE LLC BASED ON AN INVITATION TO BID FOR THE RETAINING WALL & SIDEWALK IMPROVEMENTS 2203 FM 1417; 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 Don Smith Concrete LLC of Midlothian, Texas, is hereby awarded the bid and the City of Sherman hereby approves the contract with Don Smith Concrete LLC, in the amount of Eighty Thousand One Hundred Eighty-Three Dollars and Thirty-Eight Cents (\$80,183.38) for the Retaining Wall & Sidewalk Improvements 2203 FM 1417; and 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 contract with Don Smith Concrete LLC, for the 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 18<sup>th</sup> day of August 2025.

**CITY OF SHERMAN, TEXAS**

**ATTEST:**

**BY: \_\_\_\_\_**  
**LEAH ROBERTS,**  
**EXECUTIVE DIR. OF ADMIN. /**  
**ACTING CITY CLERK**

**BY: \_\_\_\_\_**  
**SHAWN TEAMANN, MAYOR**

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

**BY: \_\_\_\_\_**  
**NAME: \_\_\_\_\_**  
**CITY ATTORNEY**

## **AGREEMENT**

THIS AGREEMENT is by and between the CITY OF SHERMAN, TEXAS, a home-rule municipality (the "CITY"), and DON SMITH CONCRETE LLC, a corporation (the "CONTRACTOR"). CITY and CONTRACTOR are sometimes referred to collectively as the "parties" or individually as a "party."

CITY and CONTRACTOR, in consideration of the mutual covenants hereinafter set forth and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, agree as follows:

### **Article 1. WORK**

CONTRACTOR shall complete all Work as specified or indicated in the Contract Documents 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 Contract Documents. The Work project is generally described as follows:

#### **Retaining Wall & Sidewalk Improvements 2203 FM 1417**

### **Article 2. ENGINEER**

The Project has been designed by the City of Sherman, who is hereinafter called ENGINEER and who is to act as CITY'S representative, assume all duties and responsibilities and have the rights and authority assigned to ENGINEER in the Contract Documents in connection with completion of the Work in accordance with the Contract Documents.

### **Article 3. CONTRACT TIME**

- 3.1 The Work will be substantially completed and ready for final payment within 45 calendar days from the date when the Contract Time commences to run, as provided in the General Conditions.
- 3.2 Liquidated Damages. CITY and CONTRACTOR recognize that time is of the essence of this Agreement and that CITY will suffer financial loss and actual damages if the Work is not completed within the time specified above, plus any extensions thereof allowed in accordance with the General Conditions. The parties also recognize the delays, expense and difficulties involved in proving in a legal or arbitration proceeding the actual loss and damages suffered by CITY if the Work is not completed on time. The exact amount of such loss and damages will be difficult to ascertain. Accordingly, instead of requiring any such proof, CITY and CONTRACTOR agree that CONTRACTOR shall pay CITY \$ 500.00 for each calendar day in which the Work is not completed, not as a penalty but as liquidated damages for the loss and damages that would be suffered by CITY as a result of delay for each and every calendar day that the CONTRACTOR shall have failed to have completed the Work as required herein

### **Article 4. CONTRACT PRICE**

CITY shall pay CONTRACTOR for completion of the Work in accordance with the Contract Documents in current funds as follows:

At the unit prices shown on the Unit Price Bid Schedule included in the Contract Documents.

#### Article 5. **PAYMENT PROCEDURES**

CONTRACTOR shall submit Applications for Payment in accordance with the General Conditions. Applications for Payment will be processed by ENGINEER, as provided in the Special Provisions.

CONTRACTOR and CITY acknowledge and agree that the continuation of this Agreement after the close of any given fiscal year of CITY, 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 CITY 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.

The CITY shall retain 5% of the amount of each payment until final completion and acceptance of all Work covered by the Contract Documents. When the Work is substantially complete, the retained amount may be reduced to 2%, at the CITY'S discretion.

#### Article 6. **INTEREST**

If the contract amount of this contract is less than \$5,000,000, no interest will be paid to the CONTRACTOR on retained money. When the contract amount exceeds \$5,000,000, no interest will be paid unless required by law.

#### Article 7. **CONTRACTOR'S REPRESENTATIONS**

In order to induce CITY to enter into this Agreement, CONTRACTOR makes the following representations:

- 7.1 CONTRACTOR has familiarized itself with the nature and extent of the Contract Documents, Work, site, locality, and all local conditions and Laws and Regulations that, in any manner, may affect cost, progress, performance or furnishing of the Work.
- 7.2 CONTRACTOR has carefully studied all reports of explorations and tests of subsurface conditions and drawings of physical conditions, if any, which are contained or identified in the Contract Documents, and accepts the determination set forth in the Contract Documents of the extent of the technical data contained in such reports and drawings upon which CONTRACTOR is entitled to rely.
- 7.3 CONTRACTOR has obtained and carefully studied (or assumes responsibility for obtaining and carefully studying) all such examinations, investigations, explorations, tests, reports and studies in addition to, or to supplement, those referred to above, which pertain to the subsurface or physical conditions at or contiguous to the site, or otherwise may affect the cost, progress, performance or furnishing of the Work as CONTRACTOR considers necessary for the performance or furnishing of the Work at the Contract Price, within the Contract Time and in accordance with the other terms and conditions of the Contract Documents, and no additional examinations, investigations, explorations, tests, reports, studies or similar information or data are, or will be, required by CONTRACTOR for

such purposes.

- 7.4 CONTRACTOR has reviewed and checked all information and data shown or indicated on the Contract Documents with respect to existing Underground Facilities at or contiguous to the site and assumes responsibility for the accurate location of all Underground Facilities, whether indicated in the Contract Documents, or not. No additional examinations, investigations, explorations, tests, reports, studies or similar information or data in respect of said Underground Facilities are, or will be, required by CONTRACTOR in order to perform and furnish the Work at the Contract Price, within the Contract Time and in accordance with the other terms and conditions of the Contract Documents.
- 7.5 CONTRACTOR has correlated the results of all such observations, examinations, investigations, explorations, tests, reports and studies with the terms and conditions of the Contract Documents.
- 7.6 CONTRACTOR has given ENGINEER written notice of all conflicts, errors or discrepancies that he has discovered in the Contract Documents and the written resolution thereof by ENGINEER is acceptable to CONTRACTOR.
- 7.7 CONTRACTOR has reviewed and fully agrees to the limitation of liability provisions included in the Special Provisions.
- 7.8 CONTRACTOR certifies that they are eligible to be awarded government contracts. CONTRACTOR also certifies that any agreement entered into with a subcontractor will contain a clause stating that the subcontractor is eligible to be awarded government contracts.

#### Article 8. **CONTRACT DOCUMENTS**

The "Contract Documents," which comprise the entire agreement between CITY and CONTRACTOR concerning the Work, consist of the following:

- 8.1 This Agreement
- 8.2 Advertisement for Bids
- 8.3 Instructions to Respondents
- 8.4 Certifications Required by Texas Law
- 8.5 Suspension and Debarment Certification
- 8.6 Bid Bond and Bid Bond POA
- 8.7 Statement of Respondent's Qualifications
- 8.8 Insurance Requirement Affidavit
- 8.9 Bid Submittal
- 8.10 Resolution of Award
- 8.11 Form 1295, Certificate of Interested Parties
- 8.12 Certificate of Insurance
- 8.13 Performance Bond and POA
- 8.14 Payment Bond and POA
- 8.15 Notice to Proceed
- 8.16 Maintenance Bond and POA
- 8.17 Closeout Documents

- 8.18 Davis-Bacon Wage Determinations
- 8.19 Special Provisions
- 8.20 Technical Specification prepared or issued by City of Sherman dated 07/09/2025
- 8.21 Drawings, consisting of sheets numbered 00 through 12, inclusive with each sheet bearing the following general title: Retaining Wall & Sidewalk Improvements 2203 FM 1417.
- 8.22 Addenda numbers 1 to 1, inclusive.
- 8.23 Documentation submitted by CONTRACTOR prior to Notice of Award, identified as \_\_\_\_\_
- 8.24 The following, which may be delivered or issued after the Effective Date of the Agreement and are not attached hereto:

All written Amendments, change orders, and other documents amending, modifying, or supplementing the Contract Documents pursuant to the Special Provisions. The parties understand and agree that deviations or modifications to the scope of Work described in the Contract Documents, in the form of one or more written Contingency Change Allowance or also change orders, may be authorized from time to time by CITY ("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 City Council's authorization for the City Manager to execute said Change Order. CONTRACTOR agrees that CITY'S project managers are authorized to issue Contingency Allowance Authorization but CITY'S project managers, superintendents and/or inspectors not authorized to issue verbal or written Change Orders.

There are no contract Documents other than those listed above in this Agreement. The Contract Documents may only be amended, modified or supplemented, as outlined in this Contract.

#### Article 9. INDEMNITY

**CONTRACTOR HEREBY RELEASES AND SHALL 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 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 NEGLIGENCE, GROSSLY NEGLIGENCE 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 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 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, CITY SHALL HAVE THE RIGHT TO APPROVE OR SELECT DEFENSE COUNSEL TO BE RETAINED BY CONTRACTOR 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 CONTRACTOR'S OBLIGATION TO DEFEND CITY OR AS A WAIVER OF CONTRACTOR'S OBLIGATION TO INDEMNIFY CITY PURSUANT TO THIS AGREEMENT. CONTRACTOR 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 CONTRACTOR FAILS TO RETAIN COUNSEL WITHIN SUCH TIME PERIOD, CITY SHALL HAVE THE RIGHT TO RETAIN DEFENSE COUNSEL ON ITS OWN BEHALF, AND CONTRACTOR SHALL BE LIABLE FOR ALL COSTS INCURRED BY CITY.

THE RIGHTS AND OBLIGATIONS CREATED BY THIS SECTION SHALL SURVIVE TERMINATION OF THIS AGREEMENT.

#### Article 10. **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. CITY assumes no such responsibility or liability. CITY shall have no such responsibility or liability to either CONTRACTOR or its officers, agents, representatives, employees, subcontractors, licensees, invitees or other persons.

#### Article 11. **TERMINATION**

CITY 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.

CITY is entitled to terminate this Agreement immediately on breach of any term or provision of the Contract 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 Contract Documents or fail to diligently perform the work in an efficient, timely and careful manner and in strict accordance with the provisions of the Contract Documents, then CITY shall have the right to terminate this Agreement. Any such act by CITY shall not be deemed a waiver of any other right or remedy of CITY.

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 12. MISCELLANEOUS

- 12.1 Terms used in the Agreement will have the meanings indicated in the Special Provisions.
- 12.2 No assignment by a party hereto of any rights under or interests in the Contract Documents will be binding on another party hereto without the written consent of the party sought to be bound; and specifically, but without limitation, monies that may become due and monies 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.
- 12.3 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.
- 12.4 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.
- 12.5 The parties acknowledge and agree that, in executing and performing this Agreement, CITY 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.
- 12.6 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.
- 12.7 If either party files any action or brings any proceeding against the other arising from this Agreement, then as between CITY 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.
- 12.8 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 Grayson County, Texas, and the exclusive venue for any action arising out of this Agreement shall be a court of appropriate jurisdiction in Grayson County, Texas.

- 12.9 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 CONTRACTOR covenants and agrees that CONTRACTOR is an independent contractor and not an officer, agent, servant or employee of CITY; 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 CITY 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 CITY and CONTRACTOR.
- 12.11 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.
- 12.12 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.
- 12.13 CITY and CONTRACTOR each binds itself, its partners, successors, assign, and legal representatives to the other party hereto, its partners, successors, assign and legal representatives in respect of all covenants, agreements and obligations contained in the Contract Documents.

#### Article 13. **OTHER PROVISIONS**

None.

IN WITNESS WHEREOF, CITY and CONTRACTOR have signed this Agreement in multiple copies. One counterpart each has been delivered to CITY, CONTRACTOR and ENGINEER. All portions of the Contract Documents have been signed or identified by CITY and CONTRACTOR or by ENGINEER on their behalf. 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 (the "Effective Date").

CITY: CITY OF SHERMAN, TEXAS

CONTRACTOR:

Don Smith Concrete LLC

By: \_\_\_\_\_

By: Don W. Smith

Date: \_\_\_\_\_

Date: 08/05/25

(Corporate Seal)

Attest: \_\_\_\_\_

Attest: \_\_\_\_\_

Address for giving notices:

Address for giving notices:

PO Box 1106

P.O. BOX 1613

Sherman, TX 75090

MIDLOTHIAN TX. 76065

[illegible]









## **City Council Regular Meeting**

Agenda Item No. F.4.

**Meeting Date:** 8/18/2025

**Prepared By:** Travis Overturf, Senior Civil Engineer

**Approved By:**

### **Caption:**

#### **RESOLUTION NO.7560**

Authorizing Execution of a Professional Services Agreement with Burgess & Niple, Inc. for the Downtown Wastewater and Water Main Improvements Phase 2

### **Issue:**

To consider a Professional Services Agreement with Burgess & Niple, Inc. for the Downtown Wastewater and Water Main Improvements Phase 2 project.

### **Background:**

This engineering design contract is for the second phase of the Downtown Wastewater Improvements. This contract will include the design of roughly 2,000 lf of pipe replacement located in the previously studied downtown district.

### **Capital Improvement Program:**

### **Origination:**

Engineering Department

### **Financial Consideration:**

Funding for this contract will be serviced through GTUA in the amount of \$303,480.00.

### **Staff Recommendation:**

It is recommended that this professional services agreement with Burgess & Niple Inc. be approved.

### **Alternatives:**

As may be directed by City Council.

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### **Attachments:**

1. Resolution No. 7560
2. PSA Form - rev 2025-07-08 \_Downtown PH2 Sewer- Signed
3. Project Location Map. with phase 1pdf



**RESOLUTION NO. 7560**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING EXECUTION OF A PROFESSIONAL SERVICES AGREEMENT WITH BURGESS & NIPLE, INC. FOR THE DOWNTOWN WASTEWATER AND WATER MAIN IMPROVEMENTS – PHASE 2 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 a Professional Services Agreement with Burgess & Niple, Inc. for the Downtown Wastewater and Water Main Improvements – Phase 2 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 the 18<sup>th</sup> day of August 2025.**

**CITY OF SHERMAN, TEXAS**

**ATTEST:**

**BY: \_\_\_\_\_**  
**LEAH ROBERTS,**  
**EXECUTIVE DIR. OF ADMIN. /**  
**ACTING CITY CLERK**

**BY: \_\_\_\_\_**  
**SHAWN TEAMANN, MAYOR**

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

**BY: \_\_\_\_\_**  
**NAME: \_\_\_\_\_**  
**CITY ATTORNEY**

**AGREEMENT**  
**BETWEEN**  
**THE CITY OF SHERMAN, TEXAS AND**  
**BURGESS & NIPLE, INC.**  
**FOR**  
**PROFESSIONAL SERVICES**

Made as of the \_\_\_\_\_ day of \_\_\_\_\_, 2025:

Between City:                   **The City of Sherman, Texas**  
220 W. Mulberry Street  
Sherman, Texas 75090  
Telephone: (903) 892-7208

and Consultant:               **Burgess & Niple, Inc.**  
12750 Merit Drive  
Park Central 7, Suite 425  
Dallas, TX 75251  
Telephone: (972) 620-1255

for the following Project:   **Downtown Wastewater and Water Main Improvements - Phase 2**

**THIS AGREEMENT** ("Agreement") is made and entered into by and between the City of Sherman, Texas, a home-rule municipality ("City"), and Burgess & Niple, Inc., an Ohio 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 Downtown Wastewater and Water Main Improvements - Phase 2 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 **One Hundred Eighty Eight Thousand Eight Hundred Thirty Dollars (\$188,830.00)**; and (b) for Special Services, in an amount not to exceed **One Hundred Fourteen Thousand Six Hundred Fifty Dollars (\$114,650.00)** (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.
- 3.1.4 **Substantial Compliance with Architectural Barriers Act** – Should the Project fall within the regulatory requirements of the Texas Architectural Barriers Act, Chapter 68 of the Texas Administrative Code, as it exists or may be amended ("Barriers Act"), as solely determined by City, Consultant shall comply with the Barriers Act. As part of the Scope of Services defined in this Agreement, it is the sole responsibility of Consultant to identify and analyze the requirements of the Barriers Act and to become familiar with the governmental authorities having jurisdiction to approve the design of the Project. Consultant shall consult with such authorities to obtain approval for the Project. As part of the Services provided under Consultant's Fee, Consultant shall obtain the Notice of Substantial Compliance for the Project from the Texas Department of Licensing and Regulation ("TDLR"). Consultant shall, without additional compensation, immediately correct any errors, omissions, or deficiencies in the design services and/or construction documents identified by TDLR and/or a Registered Accessibility Specialist ("RAS") at any phase of the Project, either by review of the Construction Documents or inspection of the Project at the commencement of construction, during the construction of the Project or at the completion of construction.
- 3.1.4.1 **Submission of Construction Documents to TDLR** – Consultant shall mail, ship or hand-deliver the Construction Documents to TDLR not later than five (5) calendar days after Consultant issues the Construction Documents for the Project.

- 3.1.4.2 **Completion of Registration Form to TDLR** – Consultant shall complete an Elimination of Barriers Project Registration Form (“Form”) for each subject building or facility within the Scope of the Project, and submit the registration form(s) along with the applicable fees not later than fourteen (14) calendar days after Consultant completes the submittal of the Construction Documents to TDLR.
- 3.1.4.3 **TDLR Approval of Construction Documents** – After review of the Construction Documents by TDLR, Consultant will be notified in writing of the results; however, it is Consultant’s responsibility to obtain TDLR’s written comments. Consultant shall address all comments that prevent TDLR approval of the Construction Documents, including comments relating to conditional approval that must be addressed in the design and construction of the Project. Consultant shall resubmit Construction Documents to TDLR for review prior to the completion of construction of the Project.
- 3.1.4.4 **TDLR Project Inspection** – Consultant shall request an inspection from TDLR or a TDLR locally approved RAS no later than thirty (30) calendar days after the completion of construction of the Project. Consultant shall advise City in writing of the results of each Project inspection. City reserves the right to verify the written results with TDLR at any time during design, construction, or at the completion of the Project.
- 3.1.4.5 **Corrective Modifications following TDLR Project Inspection** – When corrective modifications to achieve substantial compliance are required, the TDLR inspector or the RAS shall provide Consultant a list of deficiencies and a deadline for completing the modifications. Consultant shall provide City with this list within five (5) calendar days of receipt. It is the sole responsibility of Consultant to completely address the deficiencies by the stated deadline or to obtain a written notice of extension from the TDLR. When the corrective measures have been completed, Consultant shall provide the TDLR (and/or the RAS who completed the inspection) and City with written verification of the corrective measures completed

- 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 in writing.

#### Hourly Billable Rates by Position

| Position               | Hourly Rate   |
|------------------------|---------------|
| Principal              | \$290 - \$330 |
| Senior Project Manager | \$280 - \$320 |
| Project Engineer       | \$160 - \$190 |
| Technician             | \$140 - \$180 |



- 
- 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 (21<sup>st</sup>) 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 (10<sup>th</sup>) 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 \$2,200,000.00 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](mailto: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](mailto:rpittman@abernathy-law.com)

If to Consultant, addressed to:

Lowell D. DeGroot, PE  
Senior Engineer  
Burgess & Niple, Inc.  
12750 Merit Dr.,  
Park Central 7, Suite 425  
Dallas, TX 75154  
Telephone: 972-620-1255  
Email: [dan.degroot@burgessniple.com](mailto:dan.degroot@burgessniple.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. In accordance with Chapter 2252 of the Texas Government Code (to the extent applicable), Consultant hereby certifies that it is not engaged in business with Iran, Sudan or a foreign terrorist organization identified on a list prepared and maintained under Sections 806.051, 807.051 or 2252.153 of the Texas Government Code. 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: \_\_\_\_\_  
Dr. Zachary Flores, CPM, CID, CIC  
City Manager

**CONSULTANT:**

**Burgess & Niple, Inc.**  
an Ohio Corporation

By:  \_\_\_\_\_  
Bernard Dsouza, PE  
Dallas District Director

**APPROVED AS TO FORM:**

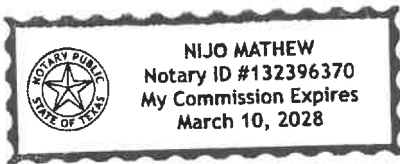
\_\_\_\_\_  
Abernathy, Roeder, Boyd & Hullett, P.C.  
Ryan D. Pittman, City Attorneys



STATE OF TEXAS       §  
                                  §  
COUNTY OF COLLIN   §

BEFORE ME, THE UNDERSIGNED AUTHORITY, ON THIS DAY PERSONALLY APPEARED **BERNARD DSOUZA**, KNOWN TO ME TO BE ONE OF THE PERSONS WHOSE NAMES ARE SUBSCRIBED TO THE FOREGOING INSTRUMENT; HE ACKNOWLEDGED TO ME THAT HE IS A DULY AUTHORIZED REPRESENTATIVE FOR **BURGESS & NIPLE, INC.**, AND THAT HE EXECUTED SAID INSTRUMENT FOR THE PURPOSES AND CONSIDERATION THEREIN EXPRESSED.

GIVEN UNDER MY HAND AND SEAL OF OFFICE THIS 7<sup>TH</sup> DAY OF AUGUST 2025.



A handwritten signature in blue ink, appearing to read "Nijo Mathew", written over a horizontal line.

NOTARY PUBLIC IN AND FOR THE STATE OF TEXAS  
My commission expires: MARCH 10, 2028

## EXHIBIT A SCOPE OF SERVICES

### I. PROJECT DESCRIPTION

The project is for the design and preparation of construction documents for 6-inch, 8-inch and 12-inch wastewater main replacements in the downtown area of the City of Sherman. The project will be broken up into one base bid and five additive alternates as follows:

Replacements within Pecan Street starting near Travis Street proceeding southwest to US75 Frontage Road. Approximate length of wastewater main replacements: 770 LF of 12" and 1,280 LF of 8".

Replacements of 6" waterline and sanitary sewer mains along Elm Street and Mulberry Street from Pecan Street to Crockett Street. Approximate length of water replacements is 920 LF of 6" water pipe and wastewater main replacements: 850 LF of 8".

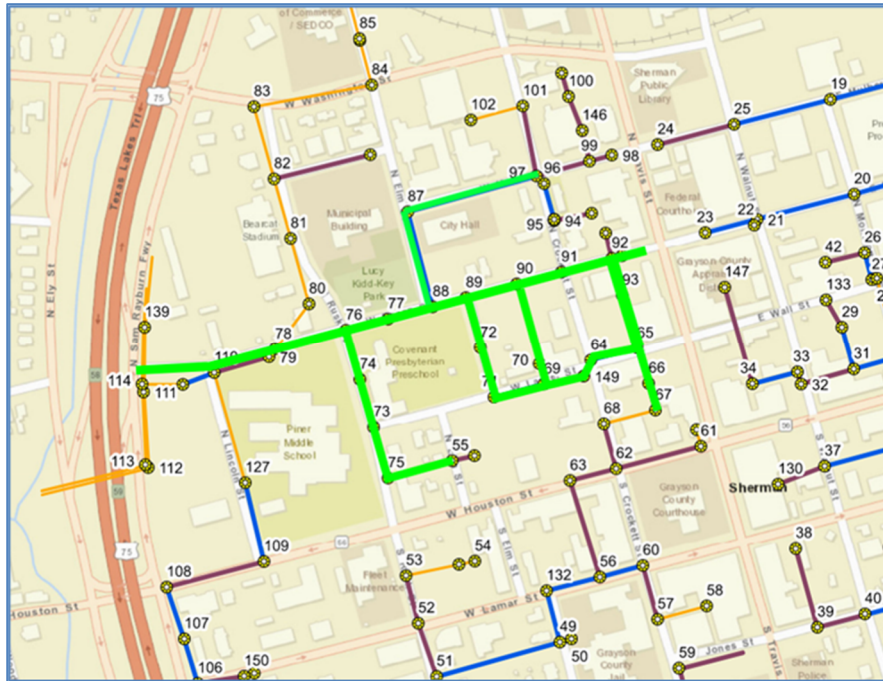
Starting on Wall Street near Travis Street proceeding southwest along Laurel Street to and alley between Crockett Street and Elm Street and then proceeding northwest along the alley to Pecan Street. Approximate length of wastewater main replacements: 1110 LF of 8".

Replacement between Travis Street and Crockett Street proceeding southeast to Wall Street. Approximate length of wastewater main replacements: 200 LF of 8".

Replacement within an alley southwest of Crockett Street between Pecan Street and Laurel Street. Approximate length of wastewater main replacements: 380 LF of 8".

Starting at a manhole in Elm Street proceeding southwest within an alley to Rusk Street and then proceeding northwest with Rusk Street to Pecan Street. Approximate length of wastewater main replacements: 810 LF of 8".

#### REPLACEMENTS LOCATION MAP



## **EXHIBIT A SCOPE OF SERVICES**

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### **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 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 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.

## **EXHIBIT A SCOPE OF SERVICES**

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viii Attend additional project coordination meetings, if needed.

### **III. TASK SUMMARY, BASIC SERVICES**

#### **A. Preliminary Design Phase**

- a. Prepare preliminary engineering review drawings (1"=20' scale, 22"x34" sheets) to include preliminary horizontal and vertical alignments of all proposed improvements with minimal construction-related notes. Cross-sections at least every fifty (50) feet will be required for paving-related or channel-related projects. If necessary, report in sufficient detail to indicate clearly any of the problems involved and provide alternate solutions available to the City. Include preliminary layouts, a right-of-way map, sketches, and cost estimates for the Project and set forth clearly the Consultant's recommendations for any alternate designs.
- b. Water, sanitary sewer, and storm drains will be shown on the plans based on field information and surveys collected by the Consultant and from existing "Record Drawings" provided by the City of Sherman. Other utilities should be shown on the plans based on field information and surveys collected by the Consultant, utility locates requested by the Consultant, and any available "Record Drawings" that the Consultant can obtain from other utilities.
- c. Depending on comments received from the City's review and field investigations, another set of preliminary phase construction drawings may be required.
- d. Upon completion of the Preliminary Design Phase, the Engineer will advise the City of any geotechnical, soil, foundation, or other subsurface investigations or any special surveys, Level B or A SUE, or special testing which, in the opinion of the Consultant, may be required for the proper execution of the project, and assist the City in arranging for the conduct of such investigations and tests. The performance of geotechnical investigations and tests will not be a part of the Consultant's Basic Engineering Services and will not be included unless specifically authorized in writing under "F. Special Services."
- e. Prior to the Preliminary review meeting with the City, the Consultant shall schedule and attend a project site visit with the City Project Manager and Construction personnel to walk the project. The Consultant shall summarize the City's comments from the field visit and submit this information to the City in writing.
- f. The Consultant will consult with the City, public utilities, private utilities and government agencies to determine the approximate location of above and

## **EXHIBIT A SCOPE OF SERVICES**

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underground utilities, and other facilities (current and future) that have an impact or influence on the project. Consultant will design City facilities to avoid or minimize conflicts with existing utilities, and where known and possible, consider potential future utilities in designs.

### **B. Intermediate Design Plans (60%)**

- a. Prepare intermediate engineering review drawings that address all comments from the preliminary engineering review, including detailed construction-related notes. Cross-sections at least every fifty (50) feet will be required for paving-related or channel-related projects. Driveway profiles will be required for paving-related projects. A general notes sheet(s), coordinate control sheet(s), proposed traffic control sheet(s), proposed erosion control plan sheet(s), and detail sheet(s) will be required for all projects. Drainage-related projects will require all pertinent information showing calculations for drainage areas, inlet capacity, spread of flow and depth in street, and hydraulic grade line.
- b. Prepare miscellaneous plan sheets, including cover sheet, index, general notes, project control (1"=100' scale, 22"x34" sheets), and applicable City standard details.
- c. Prepare Preliminary Project Manual, including Bid Form and Special Conditions and technical specifications.

### **C. Final Design/Construction Plans (90%, 100%)**

- a. Prepare final engineering review drawings that address all comments from the intermediate review.
- 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

## **EXHIBIT A SCOPE OF SERVICES**

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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).

### **D. Bid Phase Services**

- a. Prepare bid set drawings and specifications that address all comments from the final design review and additional information provided by utility relocations and right-of-way negotiations.
- b. 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.
- c. Consultant will submit the project plans to the State of Texas for the TAS/ADA review, if required for the Project. Consultant will prepare the application and make the submittal. The City will provide a check for the fee based on the construction cost of pedestrian improvements per the submittal requirements. Consultant will address comments from the review and revise plans if necessary.
- d. Assist the City in the advertisement of the Project for competitive bids.
- e. Assist the City with any Pre-Bidders meetings.
- f. Prepare addenda as appropriate to interpret, clarify, or expand the Bid Documents.
- g. Assist the City in the opening and tabulation of bids for construction of the Project.
- h. Prepare a written summary of the bid tabulation and evaluation together with a letter addressing the award of the construction contract.
- i. Assist in the preparation of formal Construction Contract Documents, provide four (4) copies of contracts to be executed by the contractor, and coordinate

## EXHIBIT A SCOPE OF SERVICES

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their execution by the respective parties.

- j. 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.

### **E. Construction Phase Services**

- a. Conformed Document submittal:
  - i. Update the Bid Documents (plans and Project Manual) to incorporate bid addenda items
  - ii. Print up to ten (10) sets 11"x17" plans and Project Manuals for issuance at the Pre-Construction Conference.
  - iii. Package and submit CAD base files upon request.
- b. Site Visits upon request
- c. *Pre-Construction Meeting*. Attend Pre-Construction Meeting(s) prior to commencement of Work at the Site
- d. *Franchise Utility Coordination*. Assist the City with franchise utility coordination efforts and conflict resolution during construction.
- e. *Requests for information*. Coordinate with Engineer 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.
- f. *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.
- g. *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.
- h. *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.
- i. *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



## EXHIBIT A SCOPE OF SERVICES

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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.

- j. *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.
- k. Consultant shall prepare construction Record Documents based on the information received from Contractor within 30 days of final completion in accordance with the Agreement. Consultant shall submit one full size set and one pdf file of the Record Documents.

### **F. Special Services**

- a. Various services incidental to the project, but not within the scope of the Basic Engineering Services covered by A., B., C., D., and E. preceding, which may be performed or arranged for separately by City, or may be added to the Consultant's responsibilities by mutual agreement and written authorization include but are not necessarily limited to the following:
  - i. Design Surveying - to collect information required for design, including photogrammetry, land surveying, and related office computations and drafting. All surveys and coordinate information shall be based on the NAD 83 CORS Grid Coordinate System utilizing control monuments established within the City of Sherman. This also includes refreshing and re-establishing benchmarks and reference points on NAD 83 CORS Grid Coordinate System for construction of the project, one time only. This does not include construction staking.
  - ii. Furnish descriptive instruments related to the acquisition of easements. The description of these parcels should be rotated to match the bearings of the individual deeds. The payment for these instruments will be made on a per parcel basis unless otherwise indicated.
  - iii. Recover and Refresh Survey Control. Consultant or its surveyor will recover project survey control as necessary and refresh project survey control one time for the project at beginning of construction.
  - iv. Subsurface Utility Engineering that involves Level "A" or "B" identification of a utility.

## **EXHIBIT A SCOPE OF SERVICES**

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- v. Geotechnical Services - If authorized by OWNER, the Geotechnical Engineering Services will include four (4) 15-foot soil borings along Pecan Street for laboratory testing and report preparation. Geotechnical engineering subcontractor will perform the following services. Laboratory testing and report preparation to include:
1. Evaluation and classification soil samples
  2. Evaluate soil samples through a series of laboratory tests to determine engineering properties
  3. Review and analyze the results of the soil testing
  4. Determine engineering properties of the soils
  5. Provide soil bore logs
  6. Provide an electronic copy and two printed copies of engineering report

### **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:

- Right-of-way parcel descriptions.
- Paving/Alley paving plan/profiles
- Drainage plans or drainage design, including drainage area map.
- Detailed construction staking.
- Fulltime construction inspection
- Trench excavation safety plan.
- Review of Contractor's monthly and final payment requests and preparation of monthly pay estimates.
- Structural design
- Public Meetings
- Traffic Control Plans
- Construction Phasing Plans

**EXHIBIT B**  
**PROJECT BUDGET SUMMARY**

**I. Basic Services**

|                                                                                          |                                   |
|------------------------------------------------------------------------------------------|-----------------------------------|
| <b>A. Preliminary Design Plans (30%)<br/>(Expected Completion: 150 Days)</b>             | <b>\$98,900.00</b>                |
| <b>B. Intermediate Design Plans (60%)<br/>(Expected Completion: 45 Days)</b>             | <b>\$47,470.00</b>                |
| <b>C. Final Design/Construction Plans (90%, 100%)<br/>(Expected Completion: 45 Days)</b> | <b>\$23,910.00</b>                |
| <b>D. Bid Phase Services<br/>(Expected Completion: 21 Days)</b>                          | <b>\$8,010.00</b>                 |
| <b>E. <u>Construction Phase Services</u></b>                                             | <b><u>\$10,540.00</u></b>         |
| <b><i>Total Basic Services (Lump Sum)</i></b>                                            | <b><i><u>\$188,830.00</u></i></b> |

**II. Special Services**

|                                                                         |                    |
|-------------------------------------------------------------------------|--------------------|
| Design Surveying (Cost Plus 10%)                                        | \$42,760.00        |
| Descriptive instruments for <u>3</u> parcels at <u>\$2,200.00</u> each: | \$6,600.00         |
| Survey Control Recovery & Refresh                                       | \$3,850.00         |
| Level "A" Subsurface Utility Engineering                                |                    |
| Identification (0' to 4' depth) at <u>\$1,155.00</u> each:              | \$4,620.00         |
| Identification (4' to 8' depth) at <u>\$1,375.00</u> each:              | \$5,500.00         |
| Level "B" Subsurface Utility Engineering (Cost Plus 10%)                | \$37,240.00        |
| <u>Geotechnical Engineering (Cost Plus 10%)</u>                         | <u>\$14,080.00</u> |

***Total Authorized Special Services*** ***\$114,650.00***

***Project Budget, Grand Total (Not-To-Exceed)*** ***\$303,480.00***

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## **EXHIBIT C**

### **GUIDELINES FOR COMPUTER AIDED DESIGN AND DRAFTING (CADD)**

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1. Files shall completed 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**

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- 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**

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**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.

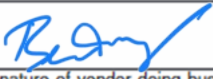
**IV. INSURANCE CHECKLIST –** "X" means that the following coverage(s) is required for this Agreement.

| 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;<br>▪ Minimum \$2,000,000.00 in the aggregate |
| <u>      </u>     | 3. XCU Coverage                                 | ▪ Minimum \$1,000,000.00 each occurrence;<br>▪ Minimum \$2,000,000.00 in the aggregate |

**EXHIBIT E**  
**CONTRACTOR'S INSURANCE GUIDELINES**

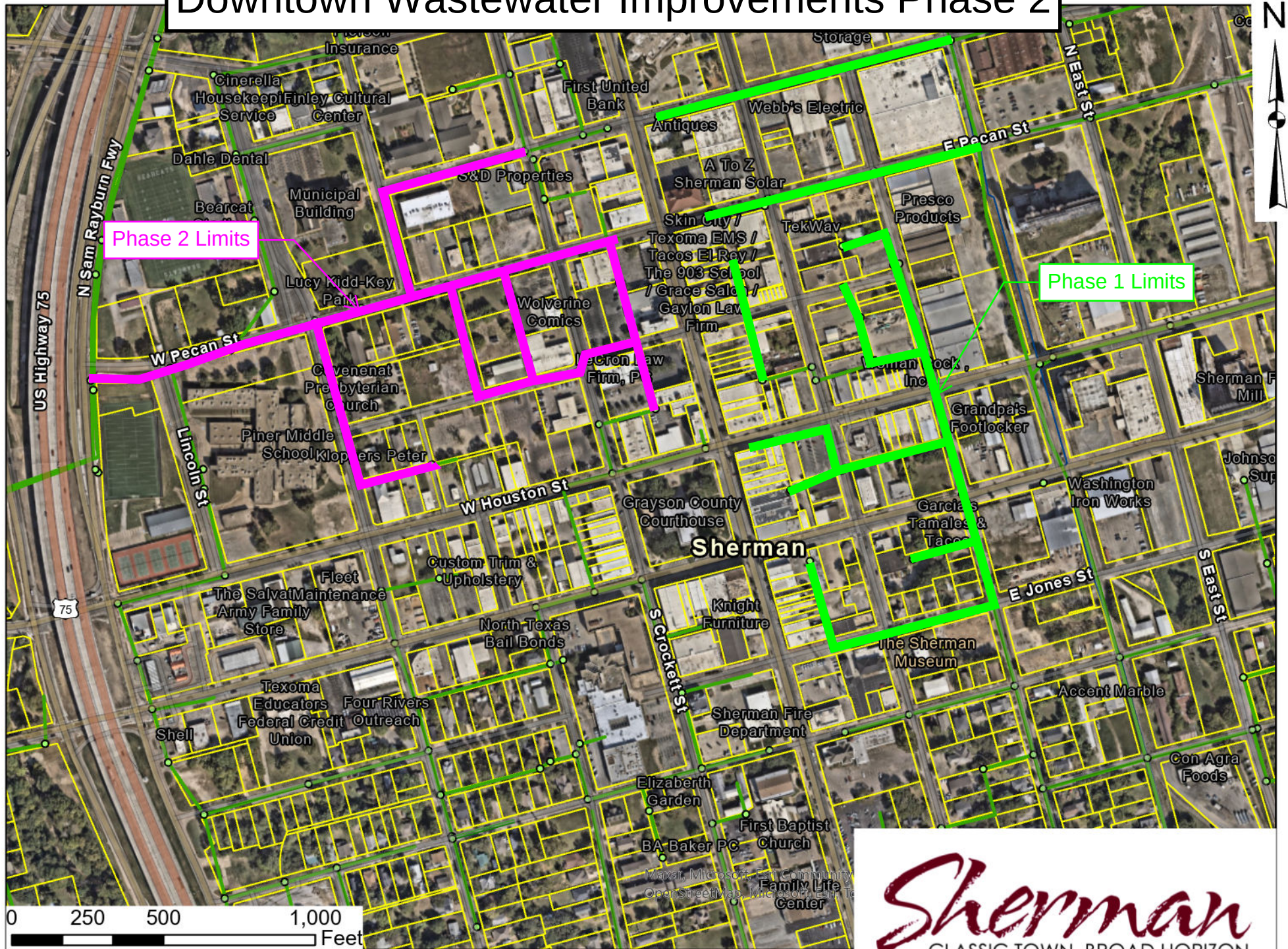
- 
- |               |     |                                                                                                                                                                                                                                                                                                                                                                                                                                 |                                                                                                                                        |
|---------------|-----|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|
| <u>  X  </u>  | 4.  | Professional Liability                                                                                                                                                                                                                                                                                                                                                                                                          | <ul style="list-style-type: none"><li>▪ Minimum \$1,000,000.00 each claim;</li><li>▪ Minimum \$2,000,000.00 in the aggregate</li></ul> |
| <u>  X  </u>  | 5.  | Umbrella Coverage of Excess Liability Coverage                                                                                                                                                                                                                                                                                                                                                                                  | <ul style="list-style-type: none"><li>▪ An amount of \$2,000,000.00</li><li>▪ Minimum \$2,000,000.00 in the aggregate</li></ul>        |
| <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**

| <b>CONFLICT OF INTEREST QUESTIONNAIRE</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |  | <b>FORM CIQ</b>                |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|--------------------------------|
| For vendor doing business with local governmental entity                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |  |                                |
| <p><b>This questionnaire reflects changes made to the law by H.B. 23, 84th Leg., Regular Session.</b></p> <p>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).</p> <p>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.</p> <p>A vendor commits an offense if the vendor knowingly violates Section 176.006, Local Government Code. An offense under this section is a misdemeanor.</p>                                                                                                                                                                                                                                                                            |  | <b>OFFICE USE ONLY</b>         |
| <p><b>1 Name of vendor who has a business relationship with local governmental entity.</b></p> <p style="text-align: center;">BURGESS &amp; NIPLE, INC.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |  | <p>Date Received</p>           |
| <p><b>2</b> <input type="checkbox"/> <b>Check this box if you are filing an update to a previously filed questionnaire.</b> (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.)</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |  |                                |
| <p><b>3 Name of local government officer about whom the information is being disclosed.</b></p> <p style="text-align: center;">Bernard Dsouza, PE</p> <p style="text-align: center;">Name of Officer</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |  |                                |
| <p><b>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.</b></p> <p style="text-align: center;">N/A</p> <p>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?</p> <p style="text-align: center;"><input type="checkbox"/> Yes      <input type="checkbox"/> No      N/A</p> <p>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?</p> <p style="text-align: center;"><input type="checkbox"/> Yes      <input type="checkbox"/> No      N/A</p> |  |                                |
| <p><b>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.</b></p> <p style="text-align: center;">N/A</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |  |                                |
| <p><b>6</b> <input type="checkbox"/> <b>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).</b></p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |  |                                |
| <p><b>7</b></p> <p style="text-align: center;"><br/>Signature of vendor doing business with the governmental entity</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |  | <p>August 7, 2025<br/>Date</p> |



# Downtown Wastewater Improvements Phase 2







## City Council Regular Meeting

Agenda Item No. F.5.

**Meeting Date:** 8/18/2025

**Prepared By:** Nathan Whiddon, Wastewater and Laboratory Manager

**Approved By:**

### **Caption:**

#### **\* RESOLUTION NO. 7561**

Awarding Bids to and Authorizing Execution of Contracts with Multiple Vendors for an Annual Supply of Chemicals for the Sherman Wastewater Treatment Plant and Rejecting Bids for Citric Acid

### **Issue:**

To consider awarding contracts to multiple vendors for an annual supply of chemicals to be used at the Sherman Wastewater Treatment Plant. Additionally, requesting rejection of received bids for citric acid.

### **Background:**

The City advertised for the solicitation of public proposals for various chemicals to be used in wastewater operations. On July 7, 2025, the City received proposals from twelve (12) vendors. In order to gain maximum benefit for the City, each type of chemical is considered separately for awarding purposes. Thus, the staff recommends awarding contracts to four (4) different vendors based on specific evaluation criteria included in the request for proposals.

Additionally, City staff requests that the City Council reject the bids received for citric acid, based on discussions with Kiewit, our construction contractor for the Wastewater Treatment Plant. Kiewit is recommending modifications to the specifications originally published in the Request for Proposals. City staff will request proposals for citric acid at a later date with updated chemical specifications.

### **Capital Improvement Program:**

### **Origination:**

Treatment Services

### **Financial Consideration:**

Funding is included in the Wastewater Treatment budget for fiscal year (FY) 2025-2026 for the purchase of these chemicals.

### **Staff Recommendation:**

It is recommended that the Council award the contracts for chemicals to the vendors identified in the attached summary and reject bids received for citric acid.

### **Alternatives:**

As may be directed by the City Council

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**Attachments:**

1. Resolution No. 7561
2. Wastewater Chemicals RFP
3. Addendum 1 - Wastewater Chemicals
4. Evaluation\_Wastewater Chemicals
5. Supply Contract\_placeholder
6. Signed Contract\_Affinity
7. Signed Contract\_EOSi
8. Signed Contract\_Garrison Minerals
9. Signed Contract\_Polydyne, Inc

**RESOLUTION NO. 7561**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AWARDING A BID TO AND AUTHORIZING EXECUTION OF CONTRACTS WITH MULTIPLE VENDORS FOR THE ANNUAL SUPPLY OF CHEMICALS FOR THE SHERMAN WASTEWATER TREATMENT PLANT & REJECTING BIDS FOR CITRIC ACID; 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 bids are hereby awarded to Affinity Chemical, Polydyne, Inc., Garrison Minerals, and EOSI. for an annual supply of chemicals to be used at the Sherman Wastewater Treatment Plant in accordance with the City's specifications; and that all bids received for citric acid be rejected; and 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 contracts of sale with Affinity Chemical, Polydyne, Inc., Garrison Minerals, and EOSI for said annual supply of chemicals to be used at the Sherman Wastewater Treatment Plant, in accordance with all contract documents attached hereto and made a part hereof for all purposes. 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 18<sup>th</sup> day of August 2025.**

**CITY OF SHERMAN, TEXAS**

**ATTEST:**

**BY: \_\_\_\_\_**  
**LEAH ROBERTS,**  
**ACTING CITY CLERK**

**BY: \_\_\_\_\_**  
**SHAWN TEAMANN, MAYOR**

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

**BY: \_\_\_\_\_**  
**RYAN PITTMAN, CITY ATTORNEY**



**Exhibit A**  
**Request for Proposal**



**City of Sherman**  
**PO Box 1106**  
**Sherman, TX 75091-1106**

**Request for Proposals**

**For**

**WASTEWATER CHEMICALS**  
**RFP No. 2025-19**

**Publication Dates:**    **Saturday June 21, 2025**  
                                      **Saturday June 28, 2025**

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**CITY OF SHERMAN, TEXAS**

**FINANCE DEPARTMENT**

**REQUEST FOR PROPOSAL - BID NO. 2025-19; WASTEWATER CHEMICALS**

The enclosed **REQUEST FOR PROPOSAL** (RFP) and accompanying **SPECIFICATIONS** are for your convenience in bidding the enclosed referenced **WASTEWATER CHEMICALS** for the City of Sherman.

Questions may be addressed to the Finance Department at the address listed below. The bids will be opened at **2:00 p.m. on Monday, July 7, 2025**, at the following address:

**City of Sherman – Human Resources Conference Room (2<sup>nd</sup> floor)**  
**Municipal Building**  
**405 N. Rusk Street**  
**Sherman, TX**  
**903-892-7215**  
[craigl@cityofsherman.com](mailto:craigl@cityofsherman.com)

Bids may be submitted by mail to the following address:

**City of Sherman**  
**Finance Dept. – RFP for WASTEWATER CHEMICALS - No. 2025-19**

**P.O. Box 1106**  
**Sherman, TX 75091-1106**

**OR**

Electronically at [www.publicpurchase.com](http://www.publicpurchase.com)

**OR**

**By delivery at the Municipal Building address listed above.**

## NOTICE TO BIDDERS

Bids will be received by the City of Sherman, Sherman, Texas, at the Finance Department, Attention: Craig Long, Sherman Municipal Building, 405 N. Rusk, Sherman, Texas 75091 until the hour **2:00 PM on the 7th day of July, 2025**, at which time bids duly delivered and submitted will be considered for supplying the following:

### **BID NO. 2025-19 – WASTEWATER CHEMICALS**

The award is intended to be included on the agenda of a regularly scheduled meeting of the City Council at the following address:

**City Council Chambers  
City Hall  
220 W. Mulberry  
Sherman, TX**

Each bid delivered to the City shall be sealed and clearly marked “WASTEWATER CHEMICALS 2025-19” on the exterior of the bid. Electronic submittals may only be made through Public Purchase at <https://www.publicpurchase.com>. No email or faxed bids will be accepted. Each bid shall be **manually signed and dated by a person having the authority to bind the firm in a contract. Bids that are not signed and dated will be rejected.**

Please note that all bids **must be received at the designated location or through Public Purchase by the deadline shown.** Bids received after the deadline will not be considered for the award of the contract, and shall be considered void and unacceptable. The Opening is scheduled for **2:00 p.m., Monday, July 7, 2025**, at which time the sealed bids will be opened.

Any bid received after stated closing time will be returned unopened. If bids are sent by mail to the Finance Department, the bidder shall be responsible for actual delivery of the bid before the advertised date and hour for opening of bids. If the mail is delayed by the postal service, courier service, or an ISP (Internet Service Provider), beyond the date and hour set for the bid opening, bids thus delayed will not be considered.

The City of Sherman will receive sealed bids for: **WASTEWATER CHEMICALS.**

Bidders should carefully examine all terms, conditions, specifications and related documents. Should a bidder find discrepancies in or omissions from the specifications or related documents, or should there be doubt as to their meaning, the City of Sherman Finance Department should be notified immediately for clarification prior to submitting the bid. In the event of any conflict between the terms and conditions of these requirements and the specifications, the specifications shall govern. In the event of any conflict of interpretation of any part of this overall document, the City of Sherman’s interpretation shall govern.

Information concerning the bid specifications or bid process/procedures may be submitted in writing to Craig Long, Budget Analyst at [craigl@cityofsherman.com](mailto:craigl@cityofsherman.com), or via phone at (903) 892-7215.

Until the final awarding by the City of Sherman, said City reserves the right to reject any and/or all bids, to waive technicalities, to re-advertise, and proceed otherwise when the best interests of said City will be realized hereby.

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## **CITY OF SHERMAN GENERAL CONDITIONS**

### **ADDENDA**

**It is the responsibility of the vendor to check for addenda.** Addenda will be posted to: [www.ci.sherman.tx.us](http://www.ci.sherman.tx.us) and to [www.publicpurchase.com](http://www.publicpurchase.com).

### **ANNUAL CONTRACT FUNDING**

The city operates on a fiscal year that ends on September 30th. Because state law mandates that a municipality may not commit funds beyond a fiscal year, this bid is subject to cancellation if funds for this commodity are not approved in the next fiscal year.

### **ASSIGNMENT OF BID/CONTRACT**

The successful bidder may not assign their rights and duties under and award without the written consent of the City. Such consent shall not relieve the assignor of liability in event of default by their assignee.

### **BID CONSIDERATION / TABULATION**

Until final award of the Contract, the city reserves the right to reject any or all bids, to waive technicalities, and to re-advertise for new bids, or proposed to do the work otherwise in the best interests of the City. Please refer to the **EVALUATION CRITERIA** for additional information.

### **BID SUBMISSION**

Bids may be submitted in person, by mail, or electronically at [www.publicpurchase.com](http://www.publicpurchase.com).

- Submit bids via mail to PO Box 1106, Sherman, TX 75091-1106.
- To submit a bid via mail, all documents must be returned and an original signature provided on the proposal to bidders sheet.
- Bids will not be accepted without a signature.
- Bids submitted by email or fax will not be accepted.
- The City is not responsible for mail service. See page 4, paragraph 2 of the Notice to Bidders.

### **BRAND NAMES**

If items for which bids have been called for have been identified by a “brand name or equal” description, such identification is intended to be descriptive, but not restrictive, and is to indicate the quality and characteristics of products that will be satisfactory. Bids offering “equal” products will be considered for award if such products are clearly identified in the bids and are determined by the City to be equal in all material respects to the brand name products referenced. **Unless the bidder clearly indicates in their bid that they are offering an “equal product”, their bid shall be considered as offering a brand name product referenced in the Proposal Schedule.**

## **CHANGES OR ALTERATIONS**

No part of this bid may be changed/alterd in any way. Vendors must submit written requests to change any specifications/conditions with their proposal. ***Changes made without submission of a written request to this bid will result in disqualification.***

## **COMPLETING INFORMATION**

Bidder must fill in all information asked for in the blanks provided under each item. Failure to comply may result in rejection of the Bid at the City's option.

## **CONTRACT CLAUSE**

All bidders understand and agree that the vendor's bid response will become a legally binding contract upon acceptance in writing by the City. This contract may be superseded only if replaced with a more extensive contract that is agreed to by both parties.

## **DEFAULT**

In case of default of the successful bidder, the city of Sherman may procure the articles from other sources and hold the bidder responsible for any excess cost occasioned thereby.

## **DELIVERY**

The City reserves the right to demand bond or penalty to guarantee delivery by the date indicated. If order is given and the Bidder fails to furnish the materials by the guaranteed date, the City reserves the right to cancel the order without liability on its part. All prices are to be F.O.B. Sherman, Texas all freight prepaid.

## **DELIVERY DATE**

Delivery date is an important factor to the City and may be required to be a part of each bid. The city of Sherman considers delivery time to be that period elapsing from the time the individual order is placed until that order or work thereunder is received by the City at the specified delivery location. The delivery date indicates a guaranteed delivery at Sherman, Texas. Failure of the bidder to meet guaranteed delivery dates or service performance could affect future City orders.

Whenever the Contractor encounters any difficulty which is delaying or threatens to delay timely performance (including actual or potential labor disputes), the Contractor shall immediately give notice thereof in writing to the City, stating all relevant information with respect thereto. Such notice shall not in any way constitute a basis for an extension of the delivery or performance schedule or be construed as a waiver by the City of any rights or remedies to which it is entitled by law or pursuant to provisions herein. Failure to give such notice, however, may be grounds for denial of any request for an extension of the delivery or performance schedule because of such delivery.

## **INDEMNIFICATION**

In case any action in court is brought against the Owner, or any officer or agent of the Owner, for the failure, omission, or neglect of the vendor to perform any of the covenants, acts, matters, or things by this contract undertaken; or for injury or damage caused by the alleged negligence of the



vendor or his subcontractors or his or their agents, or in connection with any claim based on lawful demands of subcontractors, workmen, materialmen, or suppliers the vendor shall indemnify and save harmless the Owner and his officers and agents, from all losses, damages, costs, expenses, judgments, or decrees arising out of such action.

### **INSURANCE**

Deductibles, of any type, are the responsibility of the vendor/contractor.

### **MISCELLANEOUS**

Except as to any supplies or components which the specifications provide need not be new, all supplies and components to be provided under this contract shall be new (not used or reconditioned, and not of such age or so deteriorated as to impair their usefulness or safety), of current production and of the most suitable grade for the purpose intended. If at any time during the performance of this contract the Contractor believes that the furnishing of supplies or components which are not new is necessary or desirable, they shall notify the City immediately, in writing, including the reasons therefore and proposing any consideration which will flow to the City if authorization to use supplies or components is granted.

The city of Sherman supports a recycling program. Recycled materials are acceptable and will be considered for award. The City desires to use recycled products when a comparable material/product is available. If your company distributes products made of recycled materials please submit an alternate bid for the items requested. All recycled products should meet the minimum standards established in the bid specifications provided. State any exceptions: costs, warranties and percentage of recycle materials used in the manufacture of the material/product. The City will determine the acceptability of the materials/product bid as an alternate.

Successful bidder(s) agrees to extend prices to all entities that have entered into or will enter into joint purchasing inter-local cooperation agreements with the city of Sherman. As such, the city of Sherman has executed an inter-local agreement with certain other governmental entities authorizing participation in a cooperative purchasing program. The successful vendor may be asked to provide product/services, based upon the bid price, to any other participant in the forum.

The City operates on a fiscal year that ends on September 29th. State law mandates that a municipality may not commit funds beyond a fiscal year; this bid is subject to cancellation if funds for this commodity are not approved in the next fiscal year.

### **PAYMENT TERMS & CONDITIONS**

All bids shall specify terms and conditions of payment, which will be considered as part of, but not control, the award of bid. City review, inspection, and processing procedures ordinarily require thirty (30) days after receipt of invoice, materials or service. Bids which call for payment before 30 days from receipt of invoice, or cash discounts given on such payment, will be considered only if in the opinion of the City the review, inspection and processing procedures can be completed as to the specific purchases within the specified time.

It is the intention of the city of Sherman to make payment on completed orders within thirty (30) days

of receiving invoicing unless unusual circumstances arise. Invoices shall be fully documented as to labor, materials and equipment provided.

### **PROVISIONAL CLAUSES**

The city of Sherman will not enter into any contract where the cost is provisional upon such clauses as are known as “escalator” or “cost-plus” clauses.

### **REJECTION OF BIDS**

The City reserves the right to reject any or all bids or to waive technicalities at its option when in the best interests of said City. Bids will be considered irregular if they show any omissions, alteration of form, additions, or conditions not called for, unauthorized alternate bids or irregularities of any kind. However, the City reserves the right to waive any irregularities and to make the award in the best interests of the City.

The City reserves the right to reject any or all bids, and all bids submitted are subject to this reservation. Bids may be rejected, among other reasons, for any of the following specific reasons:

- Bids received after the time limit for receiving bids as stated in the advertisement.
- Proposal containing any irregularities.
- Bids submitted via fax or email.
- Unbalanced value of any items.

Bidders may be disqualified and their bids not considered, among other reasons, for any of the following specific reasons:

- Reason for believing collusion exists among the Bidders.
- Reasonable grounds for believing that any Bidder is interested in more than one Proposal for the work contemplated.
- The Bidder being interested in any litigation against the City.
- The Bidder being in arrears on any existing contract or having defaulted on a previous contract.
- Lack of competency as revealed by a financial statement, experience and equipment, questionnaires, etc.
- Uncompleted work, which in the judgment of the City will prevent or hinder the prompt completion of additional work if awarded.

### **REQUEST FOR NON-CONSIDERATION**

Bids deposited with the City cannot be withdrawn prior to the time set for opening bids. Request for non-consideration of bids must be made in writing to the Finance Department and received by the City prior to the time set for opening bids. After other bids are opened and publicly read, the Proposal for which non-consideration is properly requested may be returned unopened. The Proposal may not be withdrawn after the bids have been opened, and the Bidder, in submitting the same, warrants and guarantees that this bid has been carefully reviewed and checked and that it is in all things true and accurate and free of mistakes and that such bid will not and cannot be withdrawn because of any mistake committed by the Bidder.

## **SALES TAX**

The total for each bid submitted must include any applicable taxes. Although the City is exempt from most City, State, or Federal taxes, this is not true in all cases. It is suggested that taxes, if any, be separately identified, itemized, and stated on each bid. The City cannot determine for the bidder whether or not the bid is taxable to the City. The bidder through the bidder's attorney or tax consultant must make such determination. Bills submitted for taxes after the bids are awarded will not be honored.

## **PROPOSAL DEFINITIONS:**

**"City"** is the City of Sherman, Texas.

**"Bidder"** is an individual or business submitting a bid or proposal to the City of Sherman.

**"Independent contractor" or "contractor"** is one who contracts to perform work or furnish materials in accordance with a contract.

## **I. PROPOSAL TERMS**

- A. The City of Sherman reserves the right to reject any and all proposals received as a result of this RFP. If a proposal is selected, it will be the most advantageous regarding price, quality of service, the independent contractor's qualifications and capabilities to provide the specified service, and other factors which the City of Sherman may consider. The City does not intend to award a contract fully on the basis of any response made to the proposal: the City reserves the right to consider proposals for modifications at any time before a contract would be awarded; and negotiations would be undertaken with the independent contractor whose proposal is deemed to best meet the City's specifications and needs.
- B. Proposals must be signed by an official authorized to bind the independent contractor to its provisions for a period of at least ninety (90) days. Failure of the successful bidder to accept the obligation of the contract may result in the cancellation of any award.
- C. In the event it becomes necessary to revise any part of the RFP, addenda will be provided. The deadline for submission of proposals may be adjusted to allow for revisions. To be considered, the entire proposal document, with any amendments, should be returned by the specified date, time and method identified on page 2 of this document.
- D. Proposals should be prepared simply and economically providing a straightforward,
- E. concise description of the independent contractor's ability to meet the requirements of the RFP. Proposals shall be written in ink or typewritten. No erasures are permitted. Mistakes may be crossed out and corrected and must be initialed in ink by the person signing the proposal.
- F. The price quotations from the contractor stated in this proposal will not be subject to any price increase from the closing date of this RFP to the mutually agreed to date of contract.
- G. The City of Sherman reserves the right to increase or decrease the amount of janitorial services based upon annual budget constraints with fifteen (15) days'

notice.

- H. The City of Sherman reserves the right to award a separate contract to separate vendors for each item/group or to award one contract for the entire RFP.

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## Technical Specifications

### Table of Contents

| Chemical                   | Section |
|----------------------------|---------|
| <u>Carbon</u>              | 10      |
| <u>Magnesium Hydroxide</u> | 20      |
| <u>Citric Acid</u>         | 30      |
| <u>Sodium Hypochlorite</u> | 40      |
| <u>Aluminum Sulfate</u>    | 300     |
| <u>Polymer</u>             | 400     |

## **Carbon Technical Specifications**

### Section 10

The bid price shall include all costs of manufacturing and delivery to the specified point of unloading, including placement in a specified location. ALL bids are to be quoted in cost per GALLON. Bidders shall be bound by the price listed on the Bid Form for the duration of this agreement period.

#### **10.1 Scope**

This specification covers carbon for use in supplemental biochemical oxygen demand (BOD) in the use of wastewater treatment. The product shall be supplied as a liquid in a suitable volume for bulk storage tanks. There are two tanks each with a volume of approximately 10,600 gallons. Delivery shall be compatible with a 2-inch 316 stainless steel camlock with a female NPT connection. Chemical shall be a non-hazardous, non-flammable, glycerin-based carbon source with a chemical oxygen demand (COD) value of 1,100,000 mg/L. The chemical composition shall be 70-74% glycerin, 22-26% water, 4-6% sodium chloride, and less than 1% methanol. Packaging and shipment shall conform to all applicable Federal, State, and Local laws and regulations.

#### **10.2 Affidavit of Compliance**

The VENDOR shall furnish to the PURCHASER an affidavit of compliance stating that the carbon supplied meets the requirements of this specification.

#### **10.3 Basis for Rejection**

If the carbon does not meet the chemical, physical, or safety requirements of this specification, notice shall be given to the vendor immediately after observing said noncompliance. In this event, VENDOR shall remove the unsuitable product from the premises of the PURCHASER at the latter's request and replace it with a like amount of satisfactory carbon. The VENDOR shall be responsible for all expenses.

#### **10.4 Requirements**

The carbon supplied under this contract shall meet the chemical and physical requirements of the specifications.

#### **10.5 Impurities**

The liquid carbon supplied shall contain no impurities that would result in the chemical properties falling outside of the specified ranges.

#### **10.6 Packaging and Shipment**

Shipments of carbon shall conform to current Federal, State, and Local regulations. The carbon solution shall be delivered in clean tank trucks of approximately 11,000-gallons capacity. The solution shall be made at the manufacturer's or supplier's site. The solution shall be a homogeneous, well-mixed product as

Section 10 - 1 / 2  
Carbon

delivered to the PURCHASER's point of destination.

#### **10.7 Container Labeling**

Shipments shall bear warning labels as specified by the US Department of Transportation (DOT) regulations and other applicable laws and regulations.

**END OF SECTION**



## **Magnesium Hydroxide Technical Specifications**

### **Section 20**

The bid price shall include all costs of manufacturing and delivery to the specified point of unloading, including placement in a specified location. ALL bids are to be quoted in cost per GALLON for bulk and tote deliveries. Bidders shall be bound by the price listed on the Bid Form for the duration of this agreement period.

#### **20.1 Scope**

This specification covers magnesium hydroxide for the use of supplemental alkalinity in wastewater treatment. The product shall be supplied as an aqueous slurry in a suitable volume for bulk storage tanks or totes. There are two bulk tanks each with a volume of approximately 15,600 gallons. Bulk delivery shall be compatible with a 2-inch 316 stainless steel camlock with a female NPT connection. Tote delivery shall include a container suitable for the chemical with integral mixing. Chemical shall be a non-hazardous, magnesium hydroxide-based alkalinity product. The chemical composition shall contain a minimum of 97% magnesium hydroxide on a dry basis and a minimum of 58% magnesium hydroxide in the aqueous slurry. The density shall be a minimum of 12.5 lbs/gal. Product shall be derived from the hydration of magnesium oxide and formed from calcined magnesium carbonate. The freezing point shall be a maximum of 32°F. Packaging and shipment shall conform to all applicable Federal, State, and Local laws and regulations.

#### **20.2 Affidavit of Compliance**

The VENDOR shall furnish to the PURCHASER an affidavit of compliance stating that the magnesium hydroxide supplied meets the requirements of this specification.

#### **20.3 Basis for Rejection**

If the magnesium hydroxide does not meet the chemical, physical, or safety requirements of this specification, notice shall be given to the vendor immediately after observing said noncompliance. In this event, VENDOR shall remove the unsuitable product from the premises of the PURCHASER at the latter's request and replace it with a like amount of satisfactory carbon. The VENDOR shall be responsible for all expenses.

#### **20.4 Requirements**

The magnesium hydroxide supplied under this contract shall meet the chemical and physical requirements of the specifications.

#### **20.5 Impurities**

The liquid magnesium hydroxide supplied shall contain no impurities that would result in the chemical properties falling outside of the specified ranges.

## **20.6 Packaging and Shipment**

Shipments of magnesium hydroxide shall conform to current Federal, State, and Local regulations. The magnesium hydroxide slurry shall be delivered in clean tank trucks with minimum 3,500-gallon capacity for bulk deliveries and minimum 50-gallon containers for tote deliveries. The solution shall be made at the manufacturer's or supplier's site. The solution shall be a homogeneous, well-mixed product as delivered to the PURCHASER's point of destination. VENDOR shall ensure the product is mixed during the transportation process to avoid solidification.

## **20.7 Container Labeling**

Shipments shall bear warning labels as specified by the US Department of Transportation (DOT) regulations and other applicable laws and regulations.

**END OF SECTION**

## **Citric Acid Technical Specification**

Section 30

The bid price shall include all costs of manufacturing and delivery to the specified point of unloading, including placement in a specified location. ALL bids are to be quoted in cost per GALLON. Bidders shall be bound by the price listed on the Bid Form for the duration of this agreement period.

### **30.1 Scope:**

The supplier shall furnish liquid citric acid (50% concentration). Chemical shall be furnished in 275-gallon totes.

### **30.2 Affidavit of Compliance**

The VENDOR shall furnish to the PURCHASER an affidavit of compliance stating that the citric acid supplied meets the requirements of this specification.

### **30.3 Basis for Rejection**

If the citric acid does not meet the chemical, physical, or safety requirements of this specification, notice shall be given to the vendor immediately after observing said noncompliance. In this event, VENDOR shall remove the unsuitable product from the premises of the PURCHASER at the latter's request and replace it with a like amount of satisfactory citric acid. The VENDOR shall be responsible for all expenses.

### **30.4 Requirements**

The citric acid supplied under this contract shall meet the chemical and physical requirements of the specifications.

### **30.5 Impurities**

The liquid citric acid supplied shall contain no impurities that would result in the chemical properties falling below specified concentration.

### **30.6 Packaging and Shipment**

Shipments of citric acid shall conform to current Federal, State, and Local regulations.

### **30.7 Container Labeling**

Shipments shall bear warning labels as specified by the US Department of Transportation (DOT) regulations and other applicable laws and regulations.

**END OF SECTION**

## **Sodium Hypochlorite Technical Specification**

Section 40

The bid price shall include all costs of manufacturing and delivery to the specified point of unloading, including placement in a specified location. ALL bids are to be quoted in cost per GALLON. Bidders shall be bound by the price listed on the Bid Form for the duration of this agreement period.

### **40.1 Scope:**

The supplier shall furnish liquid sodium hypochlorite (10.3% concentration). Chemical shall be furnished in 275-gallon totes.

### **40.2 Affidavit of Compliance**

The VENDOR shall furnish to the PURCHASER an affidavit of compliance stating that the sodium hypochlorite supplied meets the requirements of this specification.

### **40.3 Basis for Rejection**

If the sodium hypochlorite does not meet the chemical, physical, or safety requirements of this specification, notice shall be given to the vendor immediately after observing said noncompliance. In this event, VENDOR shall remove the unsuitable product from the premises of the PURCHASER at the latter's request and replace it with a like amount of satisfactory sodium hypochlorite. The VENDOR shall be responsible for all expenses.

### **40.4 Requirements**

The sodium hypochlorite supplied under this contract shall meet the chemical and physical requirements of the specifications.

### **40.5 Impurities**

The liquid sodium hypochlorite supplied shall contain no impurities that would result in the chemical properties falling below specified concentration.

### **40.6 Packaging and Shipment**

Shipments of sodium hypochlorite shall conform to current Federal, State, and Local regulations.

#### **40.7 Container Labeling**

Shipments shall bear warning labels as specified by the US Department of Transportation (DOT) regulations and other applicable laws and regulations.

**END OF SECTION**

# **Aluminum Sulfate**

## **Technical Specifications**

Section 300

### **300.1 Scope**

This specification covers aluminum sulfate (Alum) for use in the coagulation of suspended particles. The concentration of the alum shall be 48 wt%. Alum shall be delivered in bulk shipments of approximately 5,000 gallons per delivery. Packaging and shipments shall conform to all applicable Federal, State, and Local laws and regulations.

### **300.2 Affidavit of Compliance**

The VENDOR shall furnish to the PURCHASER an affidavit from the manufacturer or VENDOR attesting the aluminum sulfate furnished under this specification meets the requirements of this specification.

### **300.3 Basis for Rejection**

If the Aluminum sulfate does not meet the chemical, physical, or safety requirements of this specification, notice shall be given to the vendor immediately after observing said noncompliance. In this event, VENDOR shall remove the unsuitable product from the premises of the PURCHASER at the latter's request and replace it with a like amount of satisfactory product. The VENDOR shall be responsible for all expenses.

### **300.4 Chemical Requirements**

Liquid aluminum sulfate shall contain water-soluble aluminum of not less than 4.23 percent as Al or 8.0 percent as A12O3, except by agreement between VENDOR and PURCHASER. The concentration of alum shall be 48 wt% and shall not contain more than 0.2 wt% water-insoluble matter.

### **300.5 Impurities**

Aluminum sulfate meeting the requirements of this contract shall contain no soluble material or organic substances in quantities capable of producing deleterious or injurious effects on the health of those consuming water that has been treated properly with the aluminum sulfate. The total water-soluble iron (expressed as Fe<sub>2</sub>O<sub>3</sub>) content of aluminum sulfate shall be no more than 0.35 percent, on a basis of 8 percent A12O3 (4.23 percent as Al).



### **300.6 Packaging and Shipment**

Liquid aluminum sulfate shall be delivered in bulk shipments of approximately 5,000 gallons, in tank trucks suitable for hauling liquid alum, and shall not contain any substances that might affect the use or usefulness of the liquid alum in treating municipal water supplies. Bulk shipments shall be accompanied by weight certificates of certified weighers.

### **300.7 Container Labeling**

Each shipment of alum shall carry with it some means of identification. Identification shall include the net weight of the contents, the name of the manufacturer, the brand name (if any), and other markings as required by applicable laws and regulations and shall comply with the US Department of Transportation (DOT) regulations for labeling.

**END OF SECTION**

## **Polymer Technical Specification**

Section 400

The bid price shall include all costs of manufacturing and delivery to the specified point of unloading, including placement in a specified location. ALL bids are to be quoted in cost per GALLON. Bidders shall be bound by the price listed on the Bid Form for the duration of this agreement period.

### **400.1 Scope:**

The supplier shall furnish a stable liquid emulsion containing high cationic polyacrylamide with a kinematic viscosity no greater than 20.5 mm<sup>2</sup>/s at 40°C or similar organic polymer solution, such as CLARIFLOC C-6265, or-equal as approved by the city, in clean 275 gallon totes.

### **400.2 Affidavit of Compliance**

The VENDOR shall furnish to the PURCHASER an affidavit of compliance stating that the polymer supplied meets the requirements of this specification.

### **400.3 Basis for Rejection**

If the polymer does not meet the chemical, physical, or safety requirements of this specification, notice shall be given to the vendor immediately after observing said noncompliance. In this event, VENDOR shall remove the unsuitable product from the premises of the PURCHASER at the latter's request and replace it with a like amount of satisfactory product. The VENDOR shall be responsible for all expenses.

### **400.4 Requirements**

The polymer supplied under this contract shall meet the chemical and physical requirements of the specifications.

### **400.5 Impurities**

The polymer supplied shall contain no impurities that would result in the chemical properties falling below specified concentration.

### **400.6 Packaging and Shipment**

Shipments of polymer shall conform to current Federal, State, and Local regulations.

#### **400.7 Container Labeling**

Shipments shall bear warning labels as specified by the US Department of Transportation (DOT) regulations and other applicable laws and regulations.

**END OF SECTION**

### BID FORM

| Item | Chemical            | Unit of Measure | Estimated Units | Unit Price | Total Price |
|------|---------------------|-----------------|-----------------|------------|-------------|
| 1    | Carbon              | GAL             | 450,000         | \$         | \$          |
| 2    | Magnesium Hydroxide | GAL             | 500,000         | \$         | \$          |
| 3    | Citric Acid         | GAL             | 1,000           | \$         | \$          |
| 4    | Sodium Hypochlorite | GAL             | 500             | \$         | \$          |
| 5    | Aluminum Sulfate    | GAL             | 10,000          | \$         | \$          |
| 6    | Polymer             | GAL             | 5,500           | \$         | \$          |

**BIDDERS CERTIFICATION:**

I, the undersigned, by signing the following statement agree that I have read and understand all of the terms and conditions, specifications, and requirements contained on each page of this Request for Proposal. I also understand that if this bid is accepted by the City of Sherman that all of the terms and conditions, specifications, and requirements submitted in my bid and any additions, changes, or deletions made during negotiations will be made a part of this bid under a binding contract between my company and the City of Sherman, Texas. I also certify that this bid is made without previous understanding, agreement, or connection with any person, firm, or corporation making a bid for the same materials, and is in all fair and without collusion or fraud:

OUR company is a (Check One):

\_\_\_ Corporation (The bid MUST be signed by an Officer of the company)

\_\_\_ Partnership (The bid MUST be signed by a General Partner)

\_\_\_ Joint Venture (The bid MUST be signed by an Officer of the company)

\_\_\_ Sole Proprietor (The bid MUST be signed by the Owner)

Company Name: \_\_\_\_\_

Address of Principal Place of Business:

\_\_\_\_\_  
\_\_\_\_\_

Mailing Address (if different):

\_\_\_\_\_  
\_\_\_\_\_

Phone: \_\_\_\_\_

Fax: \_\_\_\_\_

Email: \_\_\_\_\_

Authorized Representative: \_\_\_\_\_

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

Acknowledgement of Addenda (if any): #1 \_\_\_\_ #2 \_\_\_\_ #3 \_\_\_\_

## **EVALUATION PROCESS**

All submitted proposals will be reviewed by the City of Sherman for compliance with the specified RFP requirements. The selection committee will decide proposals which meet the RFP requirements and receive further evaluation.

Based on the firms' response to the RFP requirements, the selection committee will determine the top firm(s) capable of meeting the needs of the City for such services. The City may invite the top firm(s) for an interview before considering a contract. Once the firm has been selected, the City will submit an agreement to the City Council for approval. The following evaluation criteria will be considered by the selection committee.

### **BEST VALUE EVALUATION CRITERIA**

- 40% Work History (when applicable, will include past performance of services for the City)
- 40% Pricing
- 20% References

## References

Customer Name: \_\_\_\_\_

Address: \_\_\_\_\_

Contact: \_\_\_\_\_ Telephone #: \_\_\_\_\_

Scope of work performed: \_\_\_\_\_

Length of Service: \_\_\_\_\_

Customer Name: \_\_\_\_\_

Address: \_\_\_\_\_

Contact: \_\_\_\_\_ Telephone #: \_\_\_\_\_

Scope of work performed: \_\_\_\_\_

Length of Service: \_\_\_\_\_

Customer Name: \_\_\_\_\_

Address: \_\_\_\_\_

Contact: \_\_\_\_\_ Telephone #: \_\_\_\_\_

Scope of work performed: \_\_\_\_\_

Length of Service: \_\_\_\_\_



## Exhibit C

### City's Insurance Requirements

#### I. GENERAL INSURANCE REQUIREMENTS –

- A. All policies shall name the City of Sherman, its officers, agents, representatives and employees as additional insureds as to all applicable coverages with the exception of workers compensation 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 all applicable endorsement(s) evidencing the required insurance shall be submitted prior to commencing work under this Agreement. If the Agreement is renewed or extended by City, a Certificate of Insurance and all applicable 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 is required for this Agreement.

|              | Coverage Required                                                                                                                                                                                                                                                                                                                                                                                                          | Limits                                                                                                                                                                                                              |
|--------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <u>  X  </u> | 1. Worker’s Compensation & Employer’s Liability                                                                                                                                                                                                                                                                                                                                                                            | <div style="border-top: 1px solid black; padding-top: 5px;"> <ul style="list-style-type: none"> <li>▪ Statutory Limits of the State of Texas</li> </ul> </div>                                                      |
| <u>  X  </u> | 2. General Liability                                                                                                                                                                                                                                                                                                                                                                                                       | <div style="border-top: 1px solid black; padding-top: 5px;"> <ul style="list-style-type: none"> <li>▪ Minimum \$1,000,000.00 each occurrence;</li> <li>▪ Minimum \$2,000,000.00 in the aggregate.</li> </ul> </div> |
| <u>    </u>  | 3. XCU Coverage                                                                                                                                                                                                                                                                                                                                                                                                            | <div style="border-top: 1px solid black; padding-top: 5px;"> <ul style="list-style-type: none"> <li>▪ Minimum \$1,000,000.00 each occurrence;</li> <li>▪ Minimum \$2,000,000.00 in the aggregate.</li> </ul> </div> |
| <u>    </u>  | 4. Professional Liability                                                                                                                                                                                                                                                                                                                                                                                                  | <div style="border-top: 1px solid black; padding-top: 5px;"> <ul style="list-style-type: none"> <li>▪ Minimum \$1,000,000.00 each claim;</li> <li>▪ Minimum \$2,000,000.00 in the aggregate.</li> </ul> </div>      |
| <u>    </u>  | 5. Umbrella Coverage or Excess Liability Coverage                                                                                                                                                                                                                                                                                                                                                                          | <div style="border-top: 1px solid black; padding-top: 5px;"> <ul style="list-style-type: none"> <li>▪ An amount of \$ 2,000,000.00.</li> </ul> </div>                                                               |
| <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 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 City as an additional insured must be endorsed to read as primary and non-contributory coverage regardless of the application of other insurance. |                                                                                                                                                                                                                     |

- X   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.
- X   9. Insurance company has a minimum rating of "A" by A.M. Best's Key Rating Guide, or other equivalent rating service(s).
- X   10. The Certificate of Insurance must state the project title.
11. Other Insurance Requirements (State Below):

**Exhibit D**  
**Affidavit of No Prohibited Interest**

THE STATE OF \_\_\_\_\_ §

THE COUNTY OF \_\_\_\_\_ §

I, \_\_\_\_\_, 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 \_\_\_\_ day of \_\_\_\_\_, 202\_\_.

\_\_\_\_\_  
Signature of Official/Title

BEFORE ME, the undersigned authority, this day personally appeared \_\_\_\_\_, 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 \_\_\_\_\_ day of \_\_\_\_\_, 202\_\_.

\_\_\_\_\_  
Notary Public in and for the State of \_\_\_\_\_  
My commission expires: \_\_\_\_\_

**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.**

**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

## **CONFLICT OF INTEREST QUESTIONNAIRE**

### **For vendor doing business with local governmental entity**

A complete copy of Chapter 176 of the Local Government Code may be found at <http://www.statutes.legis.state.tx.us/Docs/LG/htm/LG.176.htm>. For easy reference, below are some of the sections cited on this form.

**Local Government Code § 176.001(1-a):** "Business relationship" means a connection between two or more parties based on commercial activity of one of the parties. The term does not include a connection based on:

- (A) a transaction that is subject to rate or fee regulation by a federal, state, or local governmental entity or an agency of a federal, state, or local governmental entity;
- (B) a transaction conducted at a price and subject to terms available to the public; or
- (C) a purchase or lease of goods or services from a person that is chartered by a state or federal agency and that is subject to regular examination by, and reporting to, that agency.

**Local Government Code § 176.003(a)(2)(A) and (B):**

- (a) A local government officer shall file a conflicts disclosure statement with respect to a vendor if:

\*\*\*

- (2) the vendor:

(A) has an employment or other business relationship with the local government officer or a family member of the officer that results in the officer or family member receiving taxable income, other than investment income, that exceeds \$2,500 during the 12-month period preceding the date that the officer becomes aware that

(i) a contract between the local governmental entity and vendor has been executed;  
or

(ii) the local governmental entity is considering entering into a contract with the vendor;

(B) has given to the local government officer or a family member of the officer one or more gifts that have an aggregate value of more than \$100 in the 12-month period preceding the date the officer becomes aware that:

- (i) a contract between the local governmental entity and vendor has been executed; or
- (ii) the local governmental entity is considering entering into a contract with the vendor.

**Local Government Code § 176.006(a) and (a-1)**

- (a) A vendor shall file a completed conflict of interest questionnaire if the vendor has a business relationship with a local governmental entity and:

(1) has an employment or other business relationship with a local government officer of that local governmental entity, or a family member of the officer, described by Section 176.003(a)(2)(A);

(2) has given a local government officer of that local governmental entity, or a family member of the officer, one or more gifts with the aggregate value specified by Section 176.003(a)(2)(B), excluding any gift described by Section 176.003(a-1); or

(3) has a family relationship with a local government officer of that local governmental entity.

- (a-1) The completed conflict of interest questionnaire must be filed with the appropriate records administrator not later than the seventh business day after the later of:

- (1) the date that the vendor:

(A) begins discussions or negotiations to enter into a contract with the local governmental entity; or

(B) submits to the local governmental entity an application, response to a request for proposals or bids, correspondence, or another writing related to a potential contract with the local governmental entity; or

- (2) the date the vendor becomes aware:

(A) of an employment or other business relationship with a local government officer, or a family member of the officer, described by Subsection (a);

(B) that the vendor has given one or more gifts described by Subsection (a); or

(C) of a family relationship with a local government officer.

## **TEXAS ETHICS FORM 1295 & VERIFICATION FORM 2270**

**NOTE: TEC Form 1295 will not be required for all submitting contractors, but, will be required from the recommended contractor prior to award. Verification Form 2270 is required with all proposal submittals. See next page for forms.**

## INSTRUCTIONS for State Law Mandated Certificate of Interested Parties Form (Form 1295)

1. Pursuant to House Bill 1295 passed by the 84<sup>th</sup> 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>  
  
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: **2025-19**  
  
Description of Goods and Services to be provided: **Wastewater Chemicals**
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.



**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:** \_\_\_\_\_

**Print Name & Title:** \_\_\_\_\_

**Firm Name:** \_\_\_\_\_

**Date Signed:** \_\_\_\_\_

## NOTARIZATION

THE STATE OF \_\_\_\_\_ )

COUNTY OF \_\_\_\_\_ )

BEFORE ME, the undersigned notary public on this day personally appeared \_\_\_\_\_, on behalf of \_\_\_\_\_ (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 \_\_\_\_\_ day of \_\_\_\_\_, 201\_\_.

NOTARY PUBLIC IN AND  
FOR THE STATE OF \_\_\_\_\_

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.**

SUPPLY CONTRACT

THE STATE OF TEXAS §  
COUNTY OF GRAYSON §

KNOW ALL MEN BY THESE PRESENTS:

THIS AGREEMENT, made and entered into by and between the CITY OF SHERMAN, a municipal corporation of the State of Texas, hereinafter called "CITY", and \_\_\_\_\_, hereinafter called "SUPPLIER",

WITNESSETH:

SUPPLIER agrees to sell and will deliver to CITY, and CITY agrees to purchase from SUPPLIER, on an as-needed basis, chemicals specified as \_\_\_\_\_ for use at the Sherman Wastewater Treatment Plant as described in the Request for Proposals and incorporated herein for all purposes. As consideration for this contract, SUPPLIER agrees to sell and deliver such chemicals at the prices specified therein in the Request for Proposals during the contract period beginning on July 21, 2025, and ending on July 20, 2026.

Reference is hereby made to the specifications and requirements of the Request for Proposals prepared by CITY and the Bid Proposal submitted by SUPPLIER on July 7, 2025, in answer to CITY's Request for Proposals. All of the specifications and requirements of CITY's Request for Proposals, are incorporated herein by reference and are part of this contract for all purposes.

SUPPLIER hereby agrees to deliver ordered chemicals to CITY at the Sherman Wastewater Treatment Plant located at 1800 E. F.M. 1417, Sherman, Texas, within four (4) business days from the date of order placement. CITY reserves the right on or before initiation of order to reasonably restrict days and hours for delivery. CITY will pay SUPPLIER for chemicals delivered within thirty (30) days from the date of the receipt of invoice.

CITY retains the right to reject without restriction all or any chemicals delivered by SUPPLIER which fails to comply with the specifications as set forth in the Request for Proposals and the Bid Proposal submitted by SUPPLIER. Upon written notice by City to Supplier of non-conforming delivered chemicals which fail to comply with specifications, SUPPLIER shall have three (3) business days from notice of rejection to replace the non-conforming chemicals. CITY shall on notice receive credit for all charges related to non-conforming chemicals delivered. Supplier shall have twenty (20) days from notice of CITY's rejection of non-conforming chemicals to remove non-conforming chemicals from the Sherman Wastewater Treatment Plant at SUPPLIER's expense in default of which, CITY may, at its election, return to SUPPLIER non-conforming chemicals delivered to the CITY thirty (30) days from notice to the SUPPLIER. In the event of CITY's return of non-conforming chemicals, CITY shall be entitled to recover all costs and expense relating to reloading, removal and return of rejected non-conforming chemicals from SUPPLIER. CITY is expressly authorized to contract for return in default of SUPPLIER's removal of non-conforming chemical

supply pursuant to this agreement. City assumes no liability for loss or damage to non-conforming items delivered to CITY under this provision and SUPPLIER agrees to release and hold harmless CITY from any claim or liability relating to SUPPLIER's delivery of non-conforming items pursuant to this contract.

**Payment of Monies Owed to the City of Sherman.** CITY may, in its discretion, apply any monies owed to SUPPLIER, the contracting party under this agreement, in partial or complete satisfaction of any property taxes due or other monies owed the City of Sherman, which are or become delinquent during the term of this contract.

**Amendment of Contract.** This agreement may not be changed, varied or altered except by an instrument in writing, duly executed on behalf of CITY and by SUPPLIER.

**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 be assigned without such consent (except to the extent that the effect 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 this Contract.

**Severability.** Any provision or part of this Contract that is 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 the CITY and SUPPLIER, who agree that the Contract 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.

**Headings.** Section or other headings contained in this Contract are for reference purposes only and shall not affect in any way the meaning or interpretation of this Contract.

**Conflicts.** If there are any conflicts between the Contract and the Request for Proposals, the provisions in the Contract prevail over the provisions in the Request for Proposals.

**Supplier's Warranty.** SUPPLIER expressly represents and warrants its compliance with all applicable laws, ordinances and regulations in its operations and material delivered under this Agreement including, but not limited to AWWA standards and NSF60 requirements. SUPPLIER further expressly represents and warrants its compliance with all applicable regulation of hazardous substances as may be present in, used, manufactured, handled, created, stored or delivered to CITY incidental to this Agreement. CITY has no duty to inspect or examine material furnished by SUPPLIER under this Agreement. CITY is entitled to fully rely on material as represented by and specified of SUPPLIER under this Agreement.

**Supplier's Indemnity of City.** SUPPLIER agrees to indemnify, defend and hold harmless CITY against all claims, damages and liabilities of whatever nature, foreseen or unforeseen under any environmental, hazardous substance law or other law including, but not limited to the following:

- a) All fees incurred in defending any action or proceeding brought by any individual, public or private entity arising from materials furnished or incidental to this Agreement. SUPPLIER's liability for fees shall include, but not be limited to legal fees, environmental consultants, engineers, surveyors and expert witnesses.

- b) Any diminution in property value attributable to:
- i.) breach of warranty under this Agreement or,
  - ii.) any cleanup, detoxification, remediation or other response action taken or incidental to any material the subject of this Agreement as may be imposed by Federal, State, local government or Court order.

Notices under this. Agreement. All notices under this Agreement require written notice delivered to CITY or SUPPLIER at the address indicated on this agreement or as otherwise noticed by the party in writing.

Applicable Laws and Venue. This agreement shall be construed in accordance with the laws of the State of Texas, shall be deemed performable and enforceable in the State of Texas, with venue in Grayson County, Texas.

IN WITNESS WHEREOF, this instrument, in duplicate originals of equal force, has been executed on behalf of SUPPLIER and on behalf of CITY, City of Sherman, by its City Manager and attested by its City Clerk, effective the \_\_\_\_\_ day of \_\_\_\_\_ 2025.

SUPPLIER:

\_\_\_\_\_

CITY:

CITY OF SHERMAN, TEXAS

BY: \_\_\_\_\_

NAME: \_\_\_\_\_

TITLE: \_\_\_\_\_

ADDRESS: \_\_\_\_\_

\_\_\_\_\_

BY: \_\_\_\_\_

DR. ZACHARY FLORES,

CITY MANAGER

220 W. MULBERRY

SHERMAN, TEXAS, 75090

ATTEST:

ATTEST:

BY: \_\_\_\_\_

NAME: \_\_\_\_\_

TITLE: \_\_\_\_\_

\_\_\_\_\_

BY: \_\_\_\_\_

CITY CLERK'S OFFICE

APPROVED:

\_\_\_\_\_  
ABERNATHY,  
ROEDER, BOYD &  
HULLETT, P.C.  
CITY ATTORNEY



## **Addendum #1**

### **Wastewater Chemicals Bid No. 2025-19**

The questions below were submitted by potential bidders. Additionally, modifications to some specifications are also provided in this addendum. All information in this addendum has been posted publicly and made available for all potential bidders.

#### **\*\*Answer to questions from vendor inquiries\*\***

1. Does the City currently own the two 15,600-gallon tanks mentioned in the spec? **Yes**
  - If so, will the City be responsible for maintaining those tanks? **Yes**
  - Do the existing tanks have integrate mixers? **Yes**
  - Are the tanks readily accessible for bulk delivery trucks? **Yes**
2. What is the expected start date for deliveries under this contract?  
**The bid is scheduled to be awarded at the July 21<sup>st</sup> City Council meeting. Deliveries would be expected as soon as possible after contract documents are executed by all parties.**
3. Are there any specific delivery site requirements or restrictions (e.g. time-of-day limitations, access constraints)? **8AM – 2PM is the preferred time frame. There is a gated entry and you will need buzzed into the site.**
4. Could the City please confirm its product specification requirements for magnesium hydroxide? **Refer to page 15, section 20 of the RFP.**
5. Are there any requirements for a performance guarantee in terms of solids variation? **All requirements are listed in section 20 of the RFP.**

6. Does the city have intention to test the stability of the produce and the reactivity of the product, since not all products are created equally and therefore cannot be compared simply on a per gallon cost vs. gallon cost basis? The City is aware that, while multiple candidates may meet the technical requirements listed in the RFP, there may be differences in performance. While the City may perform stability and reactivity testing as a means of comparison now and in future quality control, it is not obliged to perform this testing as part of the selection process.

**\*\*Clarifications/Amendments to the RFP\*\***

- Clarification on Page 13, Carbon Technical Specifications, Section 10.1  
Scope: "Chemical shall...(have)...a **chemical oxygen demand (COD) value of 1,1000,00 mg/L, at minimum.**"
- Amendment to Page 17, Citric Acid Technical Specification, Section 30.1  
Scope: ~~"Chemical shall be furnished in 275-gallon totes"~~ should be changed to **"Chemical shall be furnished in mini-bulk deliveries, not exceeding 330 gallons and pumped into the top of the City's mounted tote."**
- Amendment to Page 19, Sodium Hypochlorite Technical Specification, Section 40.1  
Scope: ~~"Chemical shall be furnished in 275-gallon totes"~~ should be changed to **"Chemical shall be furnished in mini-bulk deliveries, not exceeding 330 gallons and pumped into the top of the City's mounted tote."**





**City of Sherman**  
**Wastewater Treatment Plant Chemicals RFP Evaluation**

| Evaluation Criteria                 | Affinity Chemical | Premier Magnesia, LLC | Inland Environmental Resources | <del>Water Tech, Inc.</del> | Univar Solutions USA (Alum) | Univar Solutions USA (Polymer) | <del>Shannon Chemical Corporation</del> | Polydyne, Inc. | Momar, Inc. | Garrison Minerals   | EOSI   | Chemtrade Chemicals US, LLC |
|-------------------------------------|-------------------|-----------------------|--------------------------------|-----------------------------|-----------------------------|--------------------------------|-----------------------------------------|----------------|-------------|---------------------|--------|-----------------------------|
| Work History (40)                   | 40.0              | 20.0                  | 25.0                           | -                           | 38.0                        | 38.0                           | -                                       | 40.0           | 20.0        | 30.0                | 30.0   | 33.0                        |
| Pricing (40%)                       | 33.4              | 25.6                  | 40.0                           | —                           | 34.3                        | -                              | —                                       | 40.0           | 39.8        | 38.9                | 40.0   | 40.0                        |
| References (20%)                    | 20.0              | 16.0                  | 19.5                           | <del>NA</del>               | -                           | -                              | NA                                      | -              | 20.0        | 19.0                | 15.0   | 20.0                        |
| Evaluation Score                    | 93.4              | 61.6                  | 84.5                           | —                           | 72.3                        | 38.0                           | —                                       | 80.0           | 79.8        | 87.9                | 85.0   | 93.0                        |
| Chemical(s) priced in bid submittal | Aluminum Sulfate  | Magnesium Hydroxide   | Magnesium Hydroxide            | <del>Citric Acid</del>      | Aluminum Sulfate            | Polymer                        | <del>Citric Acid</del>                  | Polymer        | Carbon      | Magnesium Hydroxide | Carbon | Aluminum Sulfate            |
| Chemical(s) Awarded                 | Aluminum Sulfate  |                       |                                |                             |                             |                                |                                         | Polymer        |             | Magnesium Hydroxide | Carbon |                             |

Catalynt  
Solutions

|      |
|------|
| 20.0 |
| 38.7 |
| 19.0 |
| 77.7 |

Aluminum  
Sulfate

SUPPLY CONTRACT

THE STATE OF TEXAS §  
COUNTY OF GRAYSON §

KNOW ALL MEN BY THESE PRESENTS:

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Reference is hereby made to the specifications and requirements of the Request for Proposals prepared by CITY and the Bid Proposal submitted by SUPPLIER on July 7, 2025, in answer to CITY's Request for Proposals. All of the specifications and requirements of CITY's Request for Proposals, are incorporated herein by reference and are part of this contract for all purposes.

SUPPLIER hereby agrees to deliver ordered chemicals to CITY at the Sherman Wastewater Treatment Plant located at 1800 E. F.M. 1417, Sherman, Texas, within four (4) business days from the date of order placement. CITY reserves the right on or before initiation of order to reasonably restrict days and hours for delivery. CITY will pay SUPPLIER for chemicals delivered within thirty (30) days from the date of the receipt of invoice.

CITY retains the right to reject without restriction all or any chemicals delivered by SUPPLIER which fails to comply with the specifications as set forth in the Request for Proposals and the Bid Proposal submitted by SUPPLIER. Upon written notice by City to Supplier of non-conforming delivered chemicals which fail to comply with specifications, SUPPLIER shall have three (3) business days from notice of rejection to replace the non-conforming chemicals. CITY shall on notice receive credit for all charges related to non-conforming chemicals delivered. Supplier shall have twenty (20) days from notice of CITY's rejection of non-conforming chemicals to remove non-conforming chemicals from the Sherman Wastewater Treatment Plant at SUPPLIER's expense in default of which, CITY may, at its election, return to SUPPLIER non-conforming chemicals delivered to the CITY thirty (30) days from notice to the SUPPLIER. In the event of CITY's return of non-conforming chemicals, CITY shall be entitled to recover all costs and expense relating to reloading, removal and return of rejected non-conforming chemicals from SUPPLIER. CITY is expressly authorized to contract for return in default of SUPPLIER's removal of non-conforming chemical

supply pursuant to this agreement. City assumes no liability for loss or damage to non-conforming items delivered to CITY under this provision and SUPPLIER agrees to release and hold harmless CITY from any claim or liability relating to SUPPLIER's delivery of non-conforming items pursuant to this contract.

**Payment of Monies Owed to the City of Sherman.** CITY may, in its discretion, apply any monies owed to SUPPLIER, the contracting party under this agreement, in partial or complete satisfaction of any property taxes due or other monies owed the City of Sherman, which are or become delinquent during the term of this contract.

**Amendment of Contract.** This agreement may not be changed, varied or altered except by an instrument in writing, duly executed on behalf of CITY and by SUPPLIER.

**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 be assigned without such consent (except to the extent that the effect 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 this Contract.

**Severability.** Any provision or part of this Contract that is 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 the CITY and SUPPLIER, who agree that the Contract 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.

**Headings.** Section or other headings contained in this Contract are for reference purposes only and shall not affect in any way the meaning or interpretation of this Contract.

**Conflicts.** If there are any conflicts between the Contract and the Request for Proposals, the provisions in the Contract prevail over the provisions in the Request for Proposals.

**Supplier's Warranty.** SUPPLIER expressly represents and warrants its compliance with all applicable laws, ordinances and regulations in its operations and material delivered under this Agreement including, but not limited to AWWA standards and NSF60 requirements. SUPPLIER further expressly represents and warrants its compliance with all applicable regulation of hazardous substances as may be present in, used, manufactured, handled, created, stored or delivered to CITY incidental to this Agreement. CITY has no duty to inspect or examine material furnished by SUPPLIER under this Agreement. CITY is entitled to fully rely on material as represented by and specified of SUPPLIER under this Agreement. Additionally, the provided chemicals shall not have any adverse effects on the wastewater treatment process that cause pass through pollutants to be discharged or inhibition of the biological processes of the plant.

**Supplier's Indemnity of City.** SUPPLIER agrees to indemnify, defend and hold harmless CITY against all claims, damages and liabilities of whatever nature, foreseen or unforeseen under any environmental, hazardous substance law or other law including, but not limited to the following:

- a) All fees incurred in defending any action or proceeding brought by any individual, public or private entity arising from materials furnished or incidental to this Agreement. SUPPLIER's liability for fees shall include, but not be limited to legal fees, environmental consultants, engineers, surveyors and expert witnesses.
- b) Any diminution in property value attributable to:
- i.) breach of warranty under this Agreement or,
  - ii.) any cleanup, detoxification, remediation or other response action taken or incidental to any material the subject of this Agreement as may be imposed by Federal, State, local government or Court order.

Notices under this. Agreement. All notices under this Agreement require written notice delivered to CITY or SUPPLIER at the address indicated on this agreement or as otherwise noticed by the party in writing.

Applicable Laws and Venue. This agreement shall be construed in accordance with the laws of the State of Texas, shall be deemed performable and enforceable in the State of Texas, with venue in Grayson County, Texas.

IN WITNESS WHEREOF, this instrument, in duplicate originals of equal force, has been executed on behalf of SUPPLIER and on behalf of CITY, City of Sherman, by its City Manager and attested by its City Clerk, effective the \_\_\_\_\_ day of \_\_\_\_\_ 2025.

SUPPLIER: \_\_\_\_\_

CITY:  
CITY OF SHERMAN, TEXAS

BY: \_\_\_\_\_

NAME: \_\_\_\_\_

TITLE: \_\_\_\_\_

ADDRESS: \_\_\_\_\_

\_\_\_\_\_

BY: \_\_\_\_\_

DR. ZACHARY FLORES,

CITY MANAGER

220 W. MULBERRY

SHERMAN, TEXAS, 75090

ATTEST:

ATTEST:

BY: \_\_\_\_\_

NAME: \_\_\_\_\_

TITLE: \_\_\_\_\_

BY: \_\_\_\_\_

LEAH ROBERTS,

ACTING CITY CLERK

APPROVED:

---

ABERNATHY,  
ROEDER, BOYD &  
HULLETT, P.C.  
CITY ATTORNEY

SUPPLY CONTRACT

THE STATE OF TEXAS §  
COUNTY OF GRAYSON §

KNOW ALL MEN BY THESE PRESENTS:

THIS AGREEMENT, made and entered into by and between the CITY OF SHERMAN, a municipal corporation of the State of Texas, hereinafter called "CITY", and Affinity Chemical LLC, hereinafter called "SUPPLIER",

WITNESSETH:

SUPPLIER agrees to sell and will deliver to CITY, and CITY agrees to purchase from SUPPLIER, on an as-needed basis, chemicals specified as Liquid Aluminum Sulfate for use at the Sherman Wastewater Treatment Plant as described in the Request for Proposals and incorporated herein for all purposes. As consideration for this contract, SUPPLIER agrees to sell and deliver such chemicals at the prices specified therein in the Request for Proposals during the contract period beginning on July 21, 2025, and ending on July 20, 2026.

Reference is hereby made to the specifications and requirements of the Request for Proposals prepared by CITY and the Bid Proposal submitted by SUPPLIER on July 7, 2025, in answer to CITY's Request for Proposals. All of the specifications and requirements of CITY's Request for Proposals, are incorporated herein by reference and are part of this contract for all purposes.

SUPPLIER hereby agrees to deliver ordered chemicals to CITY at the Sherman Wastewater Treatment Plant located at 1800 E. F.M. 1417, Sherman, Texas, within four (4) business days from the date of order placement. CITY reserves the right on or before initiation of order to reasonably restrict days and hours for delivery. CITY will pay SUPPLIER for chemicals delivered within thirty (30) days from the date of the receipt of invoice.

CITY retains the right to reject without restriction all or any chemicals delivered by SUPPLIER which fails to comply with the specifications as set forth in the Request for Proposals and the Bid Proposal submitted by SUPPLIER. Upon written notice by City to Supplier of non-conforming delivered chemicals which fail to comply with specifications, SUPPLIER shall have three (3) business days from notice of rejection to replace the non-conforming chemicals. CITY shall on notice receive credit for all charges related to non-conforming chemicals delivered. Supplier shall have twenty (20) days from notice of CITY's rejection of non-conforming chemicals to remove non-conforming chemicals from the Sherman Wastewater Treatment Plant at SUPPLIER's expense in default of which, CITY may, at its election, return to SUPPLIER non-conforming chemicals delivered to the CITY thirty (30) days from notice to the SUPPLIER. In the event of CITY's return of non-conforming chemicals, CITY shall be entitled to recover all costs and expense relating to reloading, removal and return of rejected non-conforming chemicals from SUPPLIER. CITY is expressly authorized to contract for return in default of SUPPLIER's removal of non-conforming chemical



supply pursuant to this agreement. City assumes no liability for loss or damage to non-conforming items delivered to CITY under this provision and SUPPLIER agrees to release and hold harmless CITY from any claim or liability relating to SUPPLIER's delivery of non-conforming items pursuant to this contract.

**Payment of Monies Owed to the City of Sherman.** CITY may, in its discretion, apply any monies owed to SUPPLIER, the contracting party under this agreement, in partial or complete satisfaction of any property taxes due or other monies owed the City of Sherman, which are or become delinquent during the term of this contract.

**Amendment of Contract.** This agreement may not be changed, varied or altered except by an instrument in writing, duly executed on behalf of CITY and by SUPPLIER.

**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 be assigned without such consent (except to the extent that the effect 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 this Contract.

**Severability.** Any provision or part of this Contract that is 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 the CITY and SUPPLIER, who agree that the Contract 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.

**Headings.** Section or other headings contained in this Contract are for reference purposes only and shall not affect in any way the meaning or interpretation of this Contract.

**Conflicts.** If there are any conflicts between the Contract and the Request for Proposals, the provisions in the Contract prevail over the provisions in the Request for Proposals.

**Supplier's Warranty.** SUPPLIER expressly represents and warrants its compliance with all applicable laws, ordinances and regulations in its operations and material delivered under this Agreement including, but not limited to AWWA standards and NSF60 requirements. SUPPLIER further expressly represents and warrants its compliance with all applicable regulation of hazardous substances as may be present in, used, manufactured, handled, created, stored or delivered to CITY incidental to this Agreement. CITY has no duty to inspect or examine material furnished by SUPPLIER under this Agreement. CITY is entitled to fully rely on material as represented by and specified of SUPPLIER under this Agreement. Additionally, the provided chemicals shall not have any adverse effects on the wastewater treatment process that cause pass through pollutants to be discharged or inhibition of the biological processes of the plant.

**Supplier's Indemnity of City.** SUPPLIER agrees to indemnify, defend and hold harmless CITY against all claims, damages and liabilities of whatever nature, foreseen or unforeseen under any environmental, hazardous substance law or other law including, but not limited to the following:

- a) All fees incurred in defending any action or proceeding brought by any individual, public or private entity arising from materials furnished or incidental to this Agreement. SUPPLIER's liability for fees shall include, but not be limited to legal fees, environmental consultants, engineers, surveyors and expert witnesses.
- b) Any diminution in property value attributable to:
- i.) breach of warranty under this Agreement or,
  - ii.) any cleanup, detoxification, remediation or other response action taken or incidental to any material the subject of this Agreement as may be imposed by Federal, State, local government or Court order.

Notices under this. Agreement. All notices under this Agreement require written notice delivered to CITY or SUPPLIER at the address indicated on this agreement or as otherwise noticed by the party in writing.

Applicable Laws and Venue. This agreement shall be construed in accordance with the laws of the State of Texas, shall be deemed performable and enforceable in the State of Texas, with venue in Grayson County, Texas.

IN WITNESS WHEREOF, this instrument, in duplicate originals of equal force, has been executed on behalf of SUPPLIER and on behalf of CITY, City of Sherman, by its City Manager and attested by its City Clerk, effective the \_\_\_\_\_ day of \_\_\_\_\_ 2025.

SUPPLIER: Affinity Chemical LLC

CITY:  
CITY OF SHERMAN, TEXAS

BY: Affinity Chemical LLC

NAME: Catherine Johnson

TITLE: Business Manager

ADDRESS: P0 Box 601298 Dallas, TX 75360

BY: \_\_\_\_\_

DR. ZACHARY FLORES,  
CITY MANAGER

220 W. MULBERRY  
SHERMAN, TEXAS, 75090

ATTEST:

ATTEST:

BY: Affinity Chemical, LLC

NAME: Thomas Jacobs

TITLE: Bid Manager

BY:

LEAH ROBERTS,  
ACTING CITY CLERK

APPROVED:

\_\_\_\_\_  
ABERNATHY,  
ROEDER, BOYD &  
HULLETT, P.C.  
CITY ATTORNEY

SUPPLY CONTRACT

THE STATE OF TEXAS §  
COUNTY OF GRAYSON §

KNOW ALL MEN BY THESE PRESENTS:

THIS AGREEMENT, made and entered into by and between the CITY OF SHERMAN, a municipal corporation of the State of Texas, hereinafter called "CITY", and Environmental Quality Solutions, Inc., hereinafter called "SUPPLIER",

WITNESSETH:

SUPPLIER agrees to sell and will deliver to CITY, and CITY agrees to purchase from SUPPLIER, on an as-needed basis, chemicals specified as Carbon for use at the Sherman Wastewater Treatment Plant as described in the Request for Proposals and incorporated herein for all purposes. As consideration for this contract, SUPPLIER agrees to sell and deliver such chemicals at the prices specified therein in the Request for Proposals during the contract period beginning on July 21, 2025, and ending on July 20, 2026.

Reference is hereby made to the specifications and requirements of the Request for Proposals prepared by CITY and the Bid Proposal submitted by SUPPLIER on July 7, 2025, in answer to CITY's Request for Proposals. All of the specifications and requirements of CITY's Request for Proposals, are incorporated herein by reference and are part of this contract for all purposes.

SUPPLIER hereby agrees to deliver ordered chemicals to CITY at the Sherman Wastewater Treatment Plant located at 1800 E. F.M. 1417, Sherman, Texas, within four (4) business days from the date of order placement. CITY reserves the right on or before initiation of order to reasonably restrict days and hours for delivery. CITY will pay SUPPLIER for chemicals delivered within thirty (30) days from the date of the receipt of invoice.

CITY retains the right to reject without restriction all or any chemicals delivered by SUPPLIER which fails to comply with the specifications as set forth in the Request for Proposals and the Bid Proposal submitted by SUPPLIER. Upon written notice by City to Supplier of non-conforming delivered chemicals which fail to comply with specifications, SUPPLIER shall have three (3) business days from notice of rejection to replace the non-conforming chemicals. CITY shall on notice receive credit for all charges related to non-conforming chemicals delivered. Supplier shall have twenty (20) days from notice of CITY's rejection of non-conforming chemicals to remove non-conforming chemicals from the Sherman Wastewater Treatment Plant at SUPPLIER's expense in default of which, CITY may, at its election, return to SUPPLIER non-conforming chemicals delivered to the CITY thirty (30) days from notice to the SUPPLIER. In the event of CITY's return of non-conforming chemicals, CITY shall be entitled to recover all costs and expense relating to reloading, removal and return of rejected non-conforming chemicals from SUPPLIER. CITY is expressly authorized to contract for return in default of SUPPLIER's removal of non-conforming chemical

supply pursuant to this agreement. City assumes no liability for loss or damage to non-conforming items delivered to CITY under this provision and SUPPLIER agrees to release and hold harmless CITY from any claim or liability relating to SUPPLIER's delivery of non-conforming items pursuant to this contract.

**Payment of Monies Owed to the City of Sherman.** CITY may, in its discretion, apply any monies owed to SUPPLIER, the contracting party under this agreement, in partial or complete satisfaction of any property taxes due or other monies owed the City of Sherman, which are or become delinquent during the term of this contract.

**Amendment of Contract.** This agreement may not be changed, varied or altered except by an instrument in writing, duly executed on behalf of CITY and by SUPPLIER.

**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 be assigned without such consent (except to the extent that the effect 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 this Contract.

**Severability.** Any provision or part of this Contract that is 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 the CITY and SUPPLIER, who agree that the Contract 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.

**Headings.** Section or other headings contained in this Contract are for reference purposes only and shall not affect in any way the meaning or interpretation of this Contract.

**Conflicts.** If there are any conflicts between the Contract and the Request for Proposals, the provisions in the Contract prevail over the provisions in the Request for Proposals.

**Supplier's Warranty.** SUPPLIER expressly represents and warrants its compliance with all applicable laws, ordinances and regulations in its operations and material delivered under this Agreement including, but not limited to AWWA standards and NSF60 requirements. SUPPLIER further expressly represents and warrants its compliance with all applicable regulation of hazardous substances as may be present in, used, manufactured, handled, created, stored or delivered to CITY incidental to this Agreement. CITY has no duty to inspect or examine material furnished by SUPPLIER under this Agreement. CITY is entitled to fully rely on material as represented by and specified of SUPPLIER under this Agreement. Additionally, the provided chemicals shall not have any adverse effects on the wastewater treatment process that cause pass through pollutants to be discharged or inhibition of the biological processes of the plant.

**Supplier's Indemnity of City.** SUPPLIER agrees to indemnify, defend and hold harmless CITY against all claims, damages and liabilities of whatever nature, foreseen or unforeseen under any environmental, hazardous substance law or other law including, but not limited to the following:

- a) All fees incurred in defending any action or proceeding brought by any individual, public or private entity arising from materials furnished or incidental to this Agreement. SUPPLIER's liability for fees shall include, but not be limited to legal fees, environmental consultants, engineers, surveyors and expert witnesses.
- b) Any diminution in property value attributable to:
- i.) breach of warranty under this Agreement or,
  - ii.) any cleanup, detoxification, remediation or other response action taken or incidental to any material the subject of this Agreement as may be imposed by Federal, State, local government or Court order.

Notices under this Agreement. All notices under this Agreement require written notice delivered to CITY or SUPPLIER at the address indicated on this agreement or as otherwise noticed by the party in writing.

Applicable Laws and Venue. This agreement shall be construed in accordance with the laws of the State of Texas, shall be deemed performable and enforceable in the State of Texas, with venue in Grayson County, Texas.

IN WITNESS WHEREOF, this instrument, in duplicate originals of equal force, has been executed on behalf of SUPPLIER and on behalf of CITY, City of Sherman, by its City Manager and attested by its City Clerk, effective the \_\_\_\_\_ day of \_\_\_\_\_ 2025.

SUPPLIER: Environmental Operating Solutions, Inc. CITY: CITY OF SHERMAN, TEXAS

BY: [Signature]  
 NAME: Samuel Lechwell  
 TITLE: President  
 ADDRESS: 53 Riverside Drive  
Peaslee MA 02557

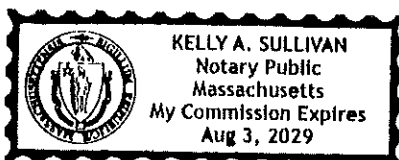
BY: \_\_\_\_\_  
 DR. ZACHARY FLORES,  
 CITY MANAGER  
 220 W. MULBERRY  
 SHERMAN, TEXAS, 75090

ATTEST:

ATTEST:

BY: [Signature]  
 NAME: Kelly Sullivan  
 TITLE: HR Manager

BY: \_\_\_\_\_  
 LEAH ROBERTS,  
 ACTING CITY CLERK



APPROVED:

---

ABERNATHY,  
ROEDER, BOYD &  
HULLETT, P.C.  
CITY ATTORNEY

SUPPLY CONTRACT

THE STATE OF TEXAS §  
COUNTY OF GRAYSON §

KNOW ALL MEN BY THESE PRESENTS:

THIS AGREEMENT, made and entered into by and between the CITY OF SHERMAN, a municipal corporation of the State of Texas, hereinafter called "CITY", and Garrison Minerals, hereinafter called "SUPPLIER",

WITNESSETH:

SUPPLIER agrees to sell and will deliver to CITY, and CITY agrees to purchase from SUPPLIER, on an as-needed basis, chemicals specified as Magnesium Hydroxide for use at the Sherman Wastewater Treatment Plant as described in the Request for Proposals and incorporated herein for all purposes. As consideration for this contract, SUPPLIER agrees to sell and deliver such chemicals at the prices specified therein in the Request for Proposals during the contract period beginning on July 21, 2025, and ending on July 20, 2026.

Reference is hereby made to the specifications and requirements of the Request for Proposals prepared by CITY and the Bid Proposal submitted by SUPPLIER on July 7, 2025, in answer to CITY's Request for Proposals. All of the specifications and requirements of CITY's Request for Proposals, are incorporated herein by reference and are part of this contract for all purposes.

SUPPLIER hereby agrees to deliver ordered chemicals to CITY at the Sherman Wastewater Treatment Plant located at 1800 E. F.M. 1417, Sherman, Texas, within four (4) business days from the date of order placement. CITY reserves the right on or before initiation of order to reasonably restrict days and hours for delivery. CITY will pay SUPPLIER for chemicals delivered within thirty (30) days from the date of the receipt of invoice.

CITY retains the right to reject without restriction all or any chemicals delivered by SUPPLIER which fails to comply with the specifications as set forth in the Request for Proposals and the Bid Proposal submitted by SUPPLIER. Upon written notice by City to Supplier of non-conforming delivered chemicals which fail to comply with specifications, SUPPLIER shall have three (3) business days from notice of rejection to replace the non-conforming chemicals. CITY shall on notice receive credit for all charges related to non-conforming chemicals delivered. Supplier shall have twenty (20) days from notice of CITY's rejection of non-conforming chemicals to remove non-conforming chemicals from the Sherman Wastewater Treatment Plant at SUPPLIER's expense in default of which, CITY may, at its election, return to SUPPLIER non-conforming chemicals delivered to the CITY thirty (30) days from notice to the SUPPLIER. In the event of CITY's return of non-conforming chemicals, CITY shall be entitled to recover all costs and expense relating to reloading, removal and return of rejected non-conforming chemicals from SUPPLIER. CITY is expressly authorized to contract for return in default of SUPPLIER's removal of non-conforming chemical



supply pursuant to this agreement. City assumes no liability for loss or damage to non-conforming items delivered to CITY under this provision and SUPPLIER agrees to release and hold harmless CITY from any claim or liability relating to SUPPLIER's delivery of non-conforming items pursuant to this contract.

**Payment of Monies Owed to the City of Sherman.** CITY may, in its discretion, apply any monies owed to SUPPLIER, the contracting party under this agreement, in partial or complete satisfaction of any property taxes due or other monies owed the City of Sherman, which are or become delinquent during the term of this contract.

**Amendment of Contract.** This agreement may not be changed, varied or altered except by an instrument in writing, duly executed on behalf of CITY and by SUPPLIER.

**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 be assigned without such consent (except to the extent that the effect 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 this Contract.

**Severability.** Any provision or part of this Contract that is 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 the CITY and SUPPLIER, who agree that the Contract 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.

**Headings.** Section or other headings contained in this Contract are for reference purposes only and shall not affect in any way the meaning or interpretation of this Contract.

**Conflicts.** If there are any conflicts between the Contract and the Request for Proposals, the provisions in the Contract prevail over the provisions in the Request for Proposals.

**Supplier's Warranty.** SUPPLIER expressly represents and warrants its compliance with all applicable laws, ordinances and regulations in its operations and material delivered under this Agreement including, but not limited to AWWA standards and NSF60 requirements. SUPPLIER further expressly represents and warrants its compliance with all applicable regulation of hazardous substances as may be present in, used, manufactured, handled, created, stored or delivered to CITY incidental to this Agreement. CITY has no duty to inspect or examine material furnished by SUPPLIER under this Agreement. CITY is entitled to fully rely on material as represented by and specified of SUPPLIER under this Agreement. Additionally, the provided chemicals shall not have any adverse effects on the wastewater treatment process that cause pass through pollutants to be discharged or inhibition of the biological processes of the plant.

**Supplier's Indemnity of City.** SUPPLIER agrees to indemnify, defend and hold harmless CITY against all claims, damages and liabilities of whatever nature, foreseen or unforeseen under any environmental, hazardous substance law or other law including, but not limited to the following:

- a) All fees incurred in defending any action or proceeding brought by any individual, public or private entity arising from materials furnished or incidental to this Agreement. SUPPLIER's liability for fees shall include, but not be limited to legal fees, environmental consultants, engineers, surveyors and expert witnesses.
- b) Any diminution in property value attributable to:
  - i.) breach of warranty under this Agreement or,
  - ii.) any cleanup, detoxification, remediation or other response action taken or incidental to any material the subject of this Agreement as may be imposed by Federal, State, local government or Court order.

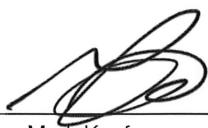
Notices under this. Agreement. All notices under this Agreement require written notice delivered to CITY or SUPPLIER at the address indicated on this agreement or as otherwise noticed by the party in writing.

Applicable Laws and Venue. This agreement shall be construed in accordance with the laws of the State of Texas, shall be deemed performable and enforceable in the State of Texas, with venue in Grayson County, Texas.

IN WITNESS WHEREOF, this instrument, in duplicate originals of equal force, has been executed on behalf of SUPPLIER and on behalf of CITY, City of Sherman, by its City Manager and attested by its City Clerk, effective the \_\_\_\_\_ day of \_\_\_\_\_ 2025.

SUPPLIER: Garrison Minerals

CITY:  
CITY OF SHERMAN, TEXAS

BY:   
 NAME: Mark Kupfer  
 TITLE: Director of Sales  
 ADDRESS: 6121 Tundra Dr.  
Cheyenne WY 82007

BY: \_\_\_\_\_  
 DR. ZACHARY FLORES,  
 CITY MANAGER  
 220 W. MULBERRY  
 SHERMAN, TEXAS, 75090

ATTEST:

Christopher Vinton

Digitally signed by Christopher Vinton  
 Date: 2025.08.11 12:51:16 -06'00'

BY: \_\_\_\_\_  
 NAME: Christopher Vinton  
 TITLE: Controller

ATTEST:

BY: \_\_\_\_\_  
 LEAH ROBERTS,  
 ACTING CITY CLERK

APPROVED:

\_\_\_\_\_  
 ABERNATHY,  
 ROEDER, BOYD &  
 HULLETT, P.C.  
 CITY ATTORNEY

SUPPLY CONTRACT

THE STATE OF TEXAS §  
COUNTY OF GRAYSON §

KNOW ALL MEN BY THESE PRESENTS:

THIS AGREEMENT, made and entered into by and between the CITY OF SHERMAN, a municipal corporation of the State of Texas, hereinafter called "CITY", and Polydyne, Inc., hereinafter called "SUPPLIER",

WITNESSETH:

SUPPLIER agrees to sell and will deliver to CITY, and CITY agrees to purchase from SUPPLIER, on an as-needed basis, chemicals specified as Polymer for use at the Sherman Wastewater Treatment Plant as described in the Request for Proposals and incorporated herein for all purposes. As consideration for this contract, SUPPLIER agrees to sell and deliver such chemicals at the prices specified therein in the Request for Proposals during the contract period beginning on July 21, 2025, and ending on July 20, 2026.

Reference is hereby made to the specifications and requirements of the Request for Proposals prepared by CITY and the Bid Proposal submitted by SUPPLIER on July 7, 2025, in answer to CITY's Request for Proposals. All of the specifications and requirements of CITY's Request for Proposals, are incorporated herein by reference and are part of this contract for all purposes.

SUPPLIER hereby agrees to deliver ordered chemicals to CITY at the Sherman Wastewater Treatment Plant located at 1800 E. F.M. 1417, Sherman, Texas, within four (4) business days from the date of order placement. CITY reserves the right on or before initiation of order to reasonably restrict days and hours for delivery. CITY will pay SUPPLIER for chemicals delivered within thirty (30) days from the date of the receipt of invoice.

CITY retains the right to reject without restriction all or any chemicals delivered by SUPPLIER which fails to comply with the specifications as set forth in the Request for Proposals and the Bid Proposal submitted by SUPPLIER. Upon written notice by City to Supplier of non-conforming delivered chemicals which fail to comply with specifications, SUPPLIER shall have three (3) business days from notice of rejection to replace the non-conforming chemicals. CITY shall on notice receive credit for all charges related to non-conforming chemicals delivered. Supplier shall have twenty (20) days from notice of CITY's rejection of non-conforming chemicals to remove non-conforming chemicals from the Sherman Wastewater Treatment Plant at SUPPLIER's expense in default of which, CITY may, at its election, return to SUPPLIER non-conforming chemicals delivered to the CITY thirty (30) days from notice to the SUPPLIER. In the event of CITY's return of non-conforming chemicals, CITY shall be entitled to recover all costs and expense relating to reloading, removal and return of rejected non-conforming chemicals from SUPPLIER. CITY is expressly authorized to contract for return in default of SUPPLIER's removal of non-conforming chemical

supply pursuant to this agreement. City assumes no liability for loss or damage to non-conforming items delivered to CITY under this provision and SUPPLIER agrees to release and hold harmless CITY from any claim or liability relating to SUPPLIER's delivery of non-conforming items pursuant to this contract.

**Payment of Monies Owed to the City of Sherman.** CITY may, in its discretion, apply any monies owed to SUPPLIER, the contracting party under this agreement, in partial or complete satisfaction of any property taxes due or other monies owed the City of Sherman, which are or become delinquent during the term of this contract.

**Amendment of Contract.** This agreement may not be changed, varied or altered except by an instrument in writing, duly executed on behalf of CITY and by SUPPLIER.

**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 be assigned without such consent (except to the extent that the effect 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 this Contract.

**Severability.** Any provision or part of this Contract that is 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 the CITY and SUPPLIER, who agree that the Contract 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.

**Headings.** Section or other headings contained in this Contract are for reference purposes only and shall not affect in any way the meaning or interpretation of this Contract.

**Conflicts.** If there are any conflicts between the Contract and the Request for Proposals, the provisions in the Contract prevail over the provisions in the Request for Proposals.

**Supplier's Warranty.** SUPPLIER expressly represents and warrants its compliance with all applicable laws, ordinances and regulations in its operations and material delivered under this Agreement including, but not limited to AWWA standards and NSF60 requirements. SUPPLIER further expressly represents and warrants its compliance with all applicable regulation of hazardous substances as may be present in, used, manufactured, handled, created, stored or delivered to CITY incidental to this Agreement. CITY has no duty to inspect or examine material furnished by SUPPLIER under this Agreement. CITY is entitled to fully rely on material as represented by and specified of SUPPLIER under this Agreement. Additionally, the provided chemicals shall not have any adverse effects on the wastewater treatment process that cause pass through pollutants to be discharged or inhibition of the biological processes of the plant.

**Supplier's Indemnity of City.** SUPPLIER agrees to indemnify, defend and hold harmless CITY against all claims, damages and liabilities of whatever nature, foreseen or unforeseen under any environmental, hazardous substance law or other law including, but not limited to the following:

- a) All fees incurred in defending any action or proceeding brought by any individual, public or private entity arising from materials furnished or incidental to this Agreement. SUPPLIER's liability for fees shall include, but not be limited to legal fees, environmental consultants, engineers, surveyors and expert witnesses.
- b) Any diminution in property value attributable to:
- i.) breach of warranty under this Agreement or,
  - ii.) any cleanup, detoxification, remediation or other response action taken or incidental to any material the subject of this Agreement as may be imposed by Federal, State, local government or Court order.

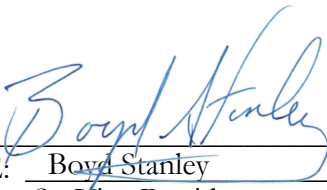
Notices under this. Agreement. All notices under this Agreement require written notice delivered to CITY or SUPPLIER at the address indicated on this agreement or as otherwise noticed by the party in writing.

Applicable Laws and Venue. This agreement shall be construed in accordance with the laws of the State of Texas, shall be deemed performable and enforceable in the State of Texas, with venue in Grayson County, Texas.

IN WITNESS WHEREOF, this instrument, in duplicate originals of equal force, has been executed on behalf of SUPPLIER and on behalf of CITY, City of Sherman, by its City Manager and attested by its City Clerk, effective the \_\_\_\_\_ day of \_\_\_\_\_ 2025.

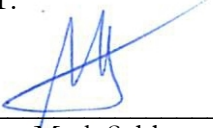
SUPPLIER: POLYDYNE INC.

CITY:  
CITY OF SHERMAN, TEXAS

BY:   
NAME: Boyd Stanley  
TITLE: Sr. Vice-President  
ADDRESS: One Chemical Plant Road  
Riceboro. GA 31323

BY: \_\_\_\_\_  
DR. ZACHARY FLORES,  
CITY MANAGER  
220 W. MULBERRY  
SHERMAN, TEXAS, 75090

ATTEST:

BY:   
NAME: Mark Schlag  
TITLE: Asst.-Secretary



ATTEST:

BY: \_\_\_\_\_  
LEAH ROBERTS,  
ACTING CITY CLERK

APPROVED:

\_\_\_\_\_  
ABERNATHY,  
ROEDER, BOYD &  
HULLETT, P.C.  
CITY ATTORNEY



## SHERMAN CITY COUNCIL Agenda Communication Form

### City Council Regular Meeting

Agenda Item No. F.6.

**Meeting Date:** 8/18/2025

**Prepared By:** Eric Sandberg, Quality Services Manager

**Approved By:** Zachary Flores, Acting City Manager

**Caption:**

**\* RESOLUTION NO. 7561**

Awarding a Bid and Execution of a Contract with Atlas Utility Supply Company for an Annual Supply of the Water Meters for Utilities Field Services Department

**Issue:**

To consider the award of bid to Atlas Utility Supply Company for the annual purchase of water meters

**Background:**

A request for proposals was publicly advertised. Six (6) bids were received and opened on April 29, 2025, two of which were deemed nonresponsive. Atlas Utility Supply Company, of Haltom City, Texas, scored the highest valuation based upon specific criteria listed in the Request for Proposals.

**Capital Improvement Program:**

**Origination:**

Utilities Field Services

**Financial Consideration:**

Funds are budgeted each fiscal year for the purchase of water meters.

**Staff Recommendation:**

City staff recommends that the City Council award the bid to Atlas Utility Supply Company of Haltom, Texas for the annual supply of water meters.

**Alternatives:**

As may be directed by the City Council

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**Attachments:**

1. Resolution No. 7562
2. Exhibit A\_Water Meters RFP
3. Addendum 1 - Water Meters RFP
4. Exhibit B\_Atlas Utility
5. Exhibits C, D & E\_Water Meters\_Atlas
6. Evaluation\_Water Meters

7. Agreement\_Atlas\_signed



**RESOLUTION NO. 7562**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AWARDING A BID TO AND AUTHORIZING EXECUTION OF A CONTRACT WITH ATLAS UTILITY SUPPLY COMPANY FOR AN ANNUAL SUPPLY OF WATER METERS FOR THE UTILITIES FIELD SERVICES 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 Atlas Utility Supply Company is hereby awarded the City of Sherman's contract for an annual supply of water meters for the Utilities Field Services department, in accordance with all bid documentation attached hereto and incorporated herein for all purpose.

**SECTION 2.** That the City Manager is hereby authorized and directed, subject to all contract documents being completed and approved as to form and content by the City Attorney, to execute a contract with Atlas Utility Supply Company for an annual supply of water meters for the Utilities Field Services department, in the same or substantially same form as the contract documents attached hereto and incorporated herein for all purposes.

**SECTION 3.** 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 18<sup>th</sup> day of August 2025.**

**CITY OF SHERMAN, TEXAS**

**ATTEST:**

**BY: \_\_\_\_\_**  
**LEAH ROBERTS**  
**EXECUTIVE DIR. OF ADMIN.**  
**ACTING CITY CLERK**

**BY: \_\_\_\_\_**  
**SHAWN C. TEAMANN, MAYOR**

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

**BY: \_\_\_\_\_**  
**RYAN D. PITTMAN, CITY ATTORNEY**

**Exhibit A**  
**Request for Proposal**



**City of Sherman**  
**PO Box 1106**  
**Sherman, TX 75091-1106**

**Request for Proposals**

**For**

**WATER METERS**  
**RFP No. 2025-13**

**Publication Dates:**    **Sunday April 13, 2025**  
                                     **Sunday April 20, 2025**

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**CITY OF SHERMAN, TEXAS**

**FINANCE DEPARTMENT**

**REQUEST FOR PROPOSAL - BID NO. 2025-13; WATER METERS**

The enclosed **REQUEST FOR PROPOSAL** (RFP) and accompanying **SPECIFICATIONS** are for your convenience in bidding the enclosed referenced **WATER METERS** for the City of Sherman.

Questions may be addressed to the Finance Department at the address listed below. The bids will be opened at **2:00 p.m. on Tuesday, April 29, 2025**, at the following address:

**City of Sherman – Human Resources Conference Room (2<sup>nd</sup> floor)**  
**Municipal Building**  
**405 N. Rusk Street**  
**Sherman, TX**  
**903-892-7215**  
[craigl@cityofsherman.com](mailto:craigl@cityofsherman.com)

Bids may be submitted by mail to the following address:

**City of Sherman**  
**Finance Dept. – RFP for WATER METERS - No. 2025-13**

**P.O. Box 1106**  
**Sherman, TX 75091-1106**

**OR**

Electronically at [www.publicpurchase.com](http://www.publicpurchase.com)

**OR**

**By delivery at the Municipal Building address listed above.**

## NOTICE TO BIDDERS

Bids will be received by the City of Sherman, Sherman, Texas, at the Finance Department, Attention: Craig Long, Sherman Municipal Building, 405 N. Rusk, Sherman, Texas 75091 until the hour **2:00 PM on the 29th day of April, 2025**, at which time bids duly delivered and submitted will be considered for supplying the following:

### **BID NO. 2025-13 – WATER METERS**

The award is intended to be included on the agenda of a regularly scheduled meeting of the City Council at the following address:

**City Council Chambers  
City Hall  
220 W. Mulberry  
Sherman, TX**

Each bid delivered to the City shall be sealed and clearly marked “WATER METERS 2025-13” on the exterior of the bid. Electronic submittals may only be made through Public Purchase at <https://www.publicpurchase.com>. No email or faxed bids will be accepted. Each bid shall be **manually signed and dated by a person having the authority to bind the firm in a contract. Bids that are not signed and dated will be rejected.**

Please note that all bids **must be received at the designated location or through Public Purchase by the deadline shown.** Bids received after the deadline will not be considered for the award of the contract, and shall be considered void and unacceptable. The Opening is scheduled for **2:00 p.m., Tuesday, April 29, 2025**, at which time the sealed bids will be opened.

Any bid received after stated closing time will be returned unopened. If bids are sent by mail to the Finance Department, the bidder shall be responsible for actual delivery of the bid before the advertised date and hour for opening of bids. If the mail is delayed by the postal service, courier service, or an ISP (Internet Service Provider), beyond the date and hour set for the bid opening, bids thus delayed will not be considered.

The City of Sherman will receive sealed bids for: **WATER METERS.**

Bidders should carefully examine all terms, conditions, specifications and related documents. Should a bidder find discrepancies in or omissions from the specifications or related documents, or should there be doubt as to their meaning, the City of Sherman Finance Department should be notified immediately for clarification prior to submitting the bid. In the event of any conflict between the terms and conditions of these requirements and the specifications, the specifications shall govern. In the event of any conflict of interpretation of any part of this overall document, the City of Sherman’s interpretation shall govern.

Information concerning the bid specifications or bid process/procedures may be submitted in writing to Craig Long, Budget Analyst at [craigl@cityofsherman.com](mailto:craigl@cityofsherman.com), or via phone at (903) 892-7215.

Until the final awarding by the City of Sherman, said City reserves the right to reject any and/or all bids, to waive technicalities, to re-advertise, and proceed otherwise when the best interests of said City will be realized hereby.

**[Rest of Page Intentionally Left Blank]**

## **CITY OF SHERMAN GENERAL CONDITIONS**

### **ADDENDA**

**It is the responsibility of the vendor to check for addenda.** Addenda will be posted to: [www.ci.sherman.tx.us](http://www.ci.sherman.tx.us) and to [www.publicpurchase.com](http://www.publicpurchase.com).

### **ANNUAL CONTRACT FUNDING**

The city operates on a fiscal year that ends on September 30th. Because state law mandates that a municipality may not commit funds beyond a fiscal year, this bid is subject to cancellation if funds for this commodity are not approved in the next fiscal year.

### **ASSIGNMENT OF BID/CONTRACT**

The successful bidder may not assign their rights and duties under and award without the written consent of the City. Such consent shall not relieve the assignor of liability in event of default by their assignee.

### **BID CONSIDERATION / TABULATION**

Until final award of the Contract, the city reserves the right to reject any or all bids, to waive technicalities, and to re-advertise for new bids, or proposed to do the work otherwise in the best interests of the City. Please refer to the **EVALUATION CRITERIA** for additional information.

### **BID SUBMISSION**

Bids may be submitted in person, by mail, or electronically at [www.publicpurchase.com](http://www.publicpurchase.com).

- Submit bids via mail to PO Box 1106, Sherman, TX 75091-1106.
- To submit a bid via mail, all documents must be returned and an original signature provided on the proposal to bidders sheet.
- Bids will not be accepted without a signature.
- Bids submitted by email or fax will not be accepted.
- The City is not responsible for mail service. See page 4, paragraph 2 of the Notice to Bidders.

### **BRAND NAMES**

If items for which bids have been called for have been identified by a “brand name or equal” description, such identification is intended to be descriptive, but not restrictive, and is to indicate the quality and characteristics of products that will be satisfactory. Bids offering “equal” products will be considered for award if such products are clearly identified in the bids and are determined by the City to be equal in all material respects to the brand name products referenced. **Unless the bidder clearly indicates in their bid that they are offering an “equal product”, their bid shall be considered as offering a brand name product referenced in the Proposal Schedule.**



## **CHANGES OR ALTERATIONS**

No part of this bid may be changed/alterd in any way. Vendors must submit written requests to change any specifications/conditions with their proposal. ***Changes made without submission of a written request to this bid will result in disqualification.***

## **COMPLETING INFORMATION**

Bidder must fill in all information asked for in the blanks provided under each item. Failure to comply may result in rejection of the Bid at the City's option.

## **CONTRACT CLAUSE**

All bidders understand and agree that the vendor's bid response will become a legally binding contract upon acceptance in writing by the City. This contract may be superseded only if replaced with a more extensive contract that is agreed to by both parties.

## **DEFAULT**

In case of default of the successful bidder, the city of Sherman may procure the articles from other sources and hold the bidder responsible for any excess cost occasioned thereby.

## **DELIVERY**

The City reserves the right to demand bond or penalty to guarantee delivery by the date indicated. If order is given and the Bidder fails to furnish the materials by the guaranteed date, the City reserves the right to cancel the order without liability on its part. All prices are to be F.O.B. Sherman, Texas all freight prepaid.

## **DELIVERY DATE**

Delivery date is an important factor to the City and may be required to be a part of each bid. The city of Sherman considers delivery time to be that period elapsing from the time the individual order is placed until that order or work thereunder is received by the City at the specified delivery location. The delivery date indicates a guaranteed delivery at Sherman, Texas. Failure of the bidder to meet guaranteed delivery dates or service performance could affect future City orders.

Whenever the Contractor encounters any difficulty which is delaying or threatens to delay timely performance (including actual or potential labor disputes), the Contractor shall immediately give notice thereof in writing to the City, stating all relevant information with respect thereto. Such notice shall not in any way constitute a basis for an extension of the delivery or performance schedule or be construed as a waiver by the City of any rights or remedies to which it is entitled by law or pursuant to provisions herein. Failure to give such notice, however, may be grounds for denial of any request for an extension of the delivery or performance schedule because of such delivery.

## **INDEMNIFICATION**

In case any action in court is brought against the Owner, or any officer or agent of the Owner, for the failure, omission, or neglect of the vendor to perform any of the covenants, acts, matters, or things by this contract undertaken; or for injury or damage caused by the alleged negligence of the

vendor or his subcontractors or his or their agents, or in connection with any claim based on lawful demands of subcontractors, workmen, materialmen, or suppliers the vendor shall indemnify and save harmless the Owner and his officers and agents, from all losses, damages, costs, expenses, judgments, or decrees arising out of such action.

### **INSURANCE**

Deductibles, of any type, are the responsibility of the vendor/contractor.

### **MISCELLANEOUS**

Except as to any supplies or components which the specifications provide need not be new, all supplies and components to be provided under this contract shall be new (not used or reconditioned, and not of such age or so deteriorated as to impair their usefulness or safety), of current production and of the most suitable grade for the purpose intended. If at any time during the performance of this contract the Contractor believes that the furnishing of supplies or components which are not new is necessary or desirable, they shall notify the City immediately, in writing, including the reasons therefore and proposing any consideration which will flow to the City if authorization to use supplies or components is granted.

The city of Sherman supports a recycling program. Recycled materials are acceptable and will be considered for award. The City desires to use recycled products when a comparable material/product is available. If your company distributes products made of recycled materials please submit an alternate bid for the items requested. All recycled products should meet the minimum standards established in the bid specifications provided. State any exceptions: costs, warranties and percentage of recycle materials used in the manufacture of the material/product. The City will determine the acceptability of the materials/product bid as an alternate.

Successful bidder(s) agrees to extend prices to all entities that have entered into or will enter into joint purchasing inter-local cooperation agreements with the city of Sherman. As such, the city of Sherman has executed an inter-local agreement with certain other governmental entities authorizing participation in a cooperative purchasing program. The successful vendor may be asked to provide product/services, based upon the bid price, to any other participant in the forum.

The City operates on a fiscal year that ends on September 29th. State law mandates that a municipality may not commit funds beyond a fiscal year; this bid is subject to cancellation if funds for this commodity are not approved in the next fiscal year.

### **PAYMENT TERMS & CONDITIONS**

All bids shall specify terms and conditions of payment, which will be considered as part of, but not control, the award of bid. City review, inspection, and processing procedures ordinarily require thirty (30) days after receipt of invoice, materials or service. Bids which call for payment before 30 days from receipt of invoice, or cash discounts given on such payment, will be considered only if in the opinion of the City the review, inspection and processing procedures can be completed as to the specific purchases within the specified time.

It is the intention of the city of Sherman to make payment on completed orders within thirty (30) days

of receiving invoicing unless unusual circumstances arise. Invoices shall be fully documented as to labor, materials and equipment provided.

### **PROVISIONAL CLAUSES**

The city of Sherman will not enter into any contract where the cost is provisional upon such clauses as are known as “escalator” or “cost-plus” clauses.

### **REJECTION OF BIDS**

The City reserves the right to reject any or all bids or to waive technicalities at its option when in the best interests of said City. Bids will be considered irregular if they show any omissions, alteration of form, additions, or conditions not called for, unauthorized alternate bids or irregularities of any kind. However, the City reserves the right to waive any irregularities and to make the award in the best interests of the City.

The City reserves the right to reject any or all bids, and all bids submitted are subject to this reservation. Bids may be rejected, among other reasons, for any of the following specific reasons:

- Bids received after the time limit for receiving bids as stated in the advertisement.
- Proposal containing any irregularities.
- Bids submitted via fax or email.
- Unbalanced value of any items.

Bidders may be disqualified and their bids not considered, among other reasons, for any of the following specific reasons:

- Reason for believing collusion exists among the Bidders.
- Reasonable grounds for believing that any Bidder is interested in more than one Proposal for the work contemplated.
- The Bidder being interested in any litigation against the City.
- The Bidder being in arrears on any existing contract or having defaulted on a previous contract.
- Lack of competency as revealed by a financial statement, experience and equipment, questionnaires, etc.
- Uncompleted work, which in the judgment of the City will prevent or hinder the prompt completion of additional work if awarded.

### **REQUEST FOR NON-CONSIDERATION**

Bids deposited with the City cannot be withdrawn prior to the time set for opening bids. Request for non-consideration of bids must be made in writing to the Finance Department and received by the City prior to the time set for opening bids. After other bids are opened and publicly read, the Proposal for which non-consideration is properly requested may be returned unopened. The Proposal may not be withdrawn after the bids have been opened, and the Bidder, in submitting the same, warrants and guarantees that this bid has been carefully reviewed and checked and that it is in all things true and accurate and free of mistakes and that such bid will not and cannot be withdrawn because of any mistake committed by the Bidder.

## **SALES TAX**

The total for each bid submitted must include any applicable taxes. Although the City is exempt from most City, State, or Federal taxes, this is not true in all cases. It is suggested that taxes, if any, be separately identified, itemized, and stated on each bid. The City cannot determine for the bidder whether or not the bid is taxable to the City. The bidder through the bidder's attorney or tax consultant must make such determination. Bills submitted for taxes after the bids are awarded will not be honored.

## **PROPOSAL DEFINITIONS:**

**"City"** is the City of Sherman, Texas.

**"Bidder"** is an individual or business submitting a bid or proposal to the City of Sherman.

**"Independent contractor" or "contractor"** is one who contracts to perform work or furnish materials in accordance with a contract.

## **I. PROPOSAL TERMS**

- A. The City of Sherman reserves the right to reject any and all proposals received as a result of this RFP. If a proposal is selected, it will be the most advantageous regarding price, quality of service, the independent contractor's qualifications and capabilities to provide the specified service, and other factors which the City of Sherman may consider. The City does not intend to award a contract fully on the basis of any response made to the proposal: the City reserves the right to consider proposals for modifications at any time before a contract would be awarded; and negotiations would be undertaken with the independent contractor whose proposal is deemed to best meet the City's specifications and needs.
- B. Proposals must be signed by an official authorized to bind the independent contractor to its provisions for a period of at least ninety (90) days. Failure of the successful bidder to accept the obligation of the contract may result in the cancellation of any award.
- C. In the event it becomes necessary to revise any part of the RFP, addenda will be provided. The deadline for submission of proposals may be adjusted to allow for revisions. To be considered, the entire proposal document, with any amendments, should be returned by the specified date, time and method identified on page 2 of this document.
- D. Proposals should be prepared simply and economically providing a straightforward,
- E. concise description of the independent contractor's ability to meet the requirements of the RFP. Proposals shall be written in ink or typewritten. No erasures are permitted. Mistakes may be crossed out and corrected and must be initialed in ink by the person signing the proposal.
- F. The price quotations from the contractor stated in this proposal will not be subject to any price increase from the closing date of this RFP to the mutually agreed to date of contract.
- G. The City of Sherman reserves the right to increase or decrease the amount of janitorial services based upon annual budget constraints with fifteen (15) days'

notice.

- H. The City of Sherman reserves the right to award a separate contract to separate vendors for each item/group or to award one contract for the entire RFP.

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## **SPECIFICATION FOR POTABLE WATER METERS**

The City of Sherman is seeking bids to purchase potable water meters on an annual contract. The size and quantity of the meters will be listed on the bid sheet and are based on previous use, which may vary.

The existing City of Sherman automated metering systems include ITRON Automated Meter Reading (AMR) and Automated Metering Infrastructure (AMI) fixed network systems. All meters must be compatible with ITRON AMR and AMI systems. Manual/visual meter readings and electronic/transmitted meter readings must match with no discrepancies.

All meters shall be of an absolute encoder register type with an ITRON waterproof in-line connector factory potted.

Bidders must bid on each item listed, no partial bids will be considered.

All meters must be new meters, no used or refurbished meters will be accepted.

All meters and parts must meet low lead requirements, as described in the amendment to the Federal Safe Drinking Water Act.

No Zenner meters will be accepted.

For the possibility of moving away from ITRON, bidder must have an AMI software compatible with multiple brands. City would need a list of meters and their software.

Deliver of Meters: 4 – 6 weeks

# **SPECIFICATION FOR WATER METERS**

## **SCOPE**

To obtain an agreement for the purchase of water meters with encoder registers and Itron waterproof in-line factory potted connectors for use with the 100w ITRON Automated Meter Reading Electronic Radio Transmitter (ERT), utilized by the City of Sherman Utility Billing Department in the metering and recording of water usage.

## **INTENT**

It is the intent of this specification to provide water meters for distribution, metering and recording of usage of water.

## **EQUIPMENT MANUFACTURERS**

All water meter bids shall be type and/or model specified or City approved equal. The City of Sherman shall have the sole responsibility of determining City approved equals. If bidding a meter not listed, it must be approved by the Utility Billing Manager prior to submitting the bid. Consideration of a meter not listed must be submitted to the City by noon on April 22, 2025 for pre-approval; requests, including detail information of your proposed meter, should be emailed to [craigl@cityofsherman.com](mailto:craigl@cityofsherman.com). Only meters assembled and tested in the United States shall be accepted.

Water meters must have an encoder register, be compatible with the ITRON 100W endpoints to interface with the existing ITRON automated systems of MVRS and Automated Metering Infrastructure (AMI), and to communicate with existing ITRON automated meter reading handheld and mobile collections systems. Manual/visual meter readings and electronic/transmitted meter readings must match, with no discrepancies.

## **COLD WATER METERS**

### **GENERAL**

#### **Classification and Scope**

Classification: This specification covers a contract for cold-water meters ranging in sizes 5/8" x 1/2" to 2". All water meter registers will be an absolute encoder design and have glass lens and copper or stainless steel case, capable of providing electronically encoded meter information to meet the City's current and future water meter data needs. Except as otherwise modified or supplemented herein, the latest revision of AWWA Standard C700 "AWWA Standard for Cold Water Meters - Displacement Type" and AWWA Manual M6 shall govern the materials, design, construction, manufacture and testing of all meters furnished under this specification. Standard flows apply.

Included herein are minimum requirements which are intended to govern in general the size and type required. There will be a bid for each size meter.

It is the intent of the City of Sherman to minimize the repair of any meters furnished and maximize the reliability of automated meter reading performance. All meters and electronics furnished shall be new, first line quality, for cold water service. Except as otherwise modified or supplemented herein, meters that will be considered acceptable under this specification are **Turbine, Multi-Jet, and Ultra-Sonic Meters.**



### **Applicable Specifications and Requirements**

All meters shall meet or exceed AWWA Standard C700 and C701 latest revision and the minimum specifications herein. All meters must be ANSI/NSF61 certified. All meters must be low lead, complying with the rule as specified in the amendment to the Safe Drinking Water Act (SB 3874).

All meters must have absolute encoder registers. Encoder register shall provide value added flow data including leak, tamper and back flow detection when connected to a compatible radio frequency transmitter.

All meters shall have the ability to mount and connect to a radio frequency transmitter providing a communication link for the transmission of information from the register.

All meters shall be certified by ITRON, Inc as compatible with ITRON'S water ERT module. All meters must utilize the ITRON in-line connector.

Each meter shall include a stainless steel strainer or a strainer of a suitable non-corrosive material. It shall fit snugly to the casing and shall be rigid, easy to remove and have an effective straining area at least two times that of the main case inlet.

All external nuts, bolts and washers shall be bronze or other non-corrosive material. The

overall length of meters, face-to-face spuds and flanges, shall be as follows:

|                   |                             |
|-------------------|-----------------------------|
| 5/8" x 1/2"       | 7 1/2" external screw ends  |
| 5/8" x 3/4"       | 7 1/2" external screw ends  |
| 3/4" x 3/4" Short | 7 1/2" external screw ends  |
| 3/4" x 3/4" Long  | 9" external screw ends      |
| 1"                | 10 3/4" external screw ends |
| 1 1/2"            | 13" face to face of flange  |
| 2"                | 17" face to face of flange  |

Manufacturer's meter serial number shall be individual and shall not be duplicated.

### **Additional Requirements for 1 1/2" and 2" Meters**

Main case connections shall be flanges of the oval type. Gaskets (2) shall be SBR (red rubber) drop-in gaskets with matte or cloth faced finish. Flange bolts (4) and nuts (4) are to be zinc. Meters shall be supplied with oval flanges; alternate pricing is requested for the meter without the flange. Pricing to include meters with and without a test port as defined on the Pricing Specification sheet.

### **Additional Requirements for 1 1/2" and 2" Turbines**

This specification covers cold-water class II turbine type NSF 61. Class II meters are the in-line, horizontal axis, high-velocity type turbines characterized by lower head loss and a wider normal operating flow range than class I models. Except as otherwise modified or supplemented herein, the latest revision of AWWA C701 "Cold-water meters-turbine type, for Customer Service" shall govern the materials, design, construction, manufacturer and testing of all meters furnished under this specification. Standard flows shall apply. Direction of flow and meter size shall be cast in raised letters on main case. Pricing for 1 1/2" meters to include integral strainer. Pricing for 2" meters to include with and without integral strainers.

## **Main Case**

The main case shall be NSF/ANSI approved. The meter housing and housing bottom plate shall be made of high quality lead-free bronze material. The main case will withstand a working pressure of one hundred fifty (150) pounds per square inch without seeping or distortion affecting the free operation of the measuring unit. A suitable gasket or NSF/ANSI approved O-ring must be provided between the main case and the bottom portion to prevent leakage under working pressure. All 2" meters must be furnished with test ports. The size, model and direction of flow through the meter shall be cast in raised characters on the outer case.

## **Register**

Register must conform to the latest revision of AWWA Standard C700 and C701. Register shall be encoder-type and must conform with AWWA encoder type register standards. As used in these specifications, the term "Sealed Register" shall mean a register that is tamper proof, factory sealed, non-shop repairable, permanently hermetically sealed against fogging, moisture and corrosion, and mechanically disconnected from the measuring components. Shall read in gallons and have a test or sweep hand, and shall be equipped with a low flow indicator.

At minimum, register shall include:

- Hermetically sealed register;
- Lens of a high-strength, heat-tempered or impact resistant glass.
- Magnetic drive design to prevent dirt and moisture contamination, tampering and lens fogging problems;
- Accumulate and register consumption without connecting to a receptacle or transmitter.
- Straight-reading, odometer-type totalization display; with output preference of 1/10 gallon resolution;
- A leak flow detector;
- Self-lubricating gears for long life and minimum friction.
- Shall provide easy installation and be field replaceable / interchangeable.
- ITRON waterproof in-line connector, factory potted for connection to ITRON ERT modules. All small meter registers (5/8" - 1 1/2") will have a 5' factory potted pigtail with inline connector. All 2" meter registers will have a 5' to 25' factory potted pigtail with inline connector and cap, as requested by the City of Sherman Utility Billing Department.
- Meter size shall be stamped on the face of the register.

## **Strainers**

Each meter shall include a stainless steel strainer or a strainer of a suitable non-corrosive material. It shall fit snugly to the casing and shall be rigid, easy to remove and have an effective straining area at least two times that of the main case inlet. If not integral with the main casing, all connecting hardware shall be provided.

## **Test Requirements**

The manufacturer shall supply the test results of each meter purchased.

The City reserves the right to test all meters in accordance with AWWA Standard C700 and C701 (latest revision). Any meter that fails this test will be returned to the manufacturer freight

collect, and the manufacturer shall replace the defective meter with new a new meter, freight prepaid. If more than 5% of any lot of meters tested fails to meet specifications, the City reserves the right to terminate the contract.

**Bidders shall provide for consideration their proposed prices and their guarantees, as follows:**

- a. Unit price of these meters (including AMR absolute encoder register pre-programmed to the meter and waterproof factory potted in-line connector for an ITRON ERT) under these specifications and executed written agreement signed by the officer of the company providing guarantees as outlined herein, or any additional features being offered in connection with guarantees.
- b. For all meter sizes, unit price for meter, delivered with a weather seal at the connector.
- c. For 1 ½" and 2" meters, an alternate pricing for units delivered without flanges (base bid includes one flange)
- d. For 1 ½" meters, alternate pricing for meters with a test port.
- e. For 2" meters, all pricing to include meters with a test port; and alternate pricing for meters with internal strainers.

The meters will be accepted when accompanied by a certificate furnished by the manufacturer attesting the meters supplied meets these specifications.

**Any failure to specify exceptions will be basis for disqualification.**

**WARRANTY**

All equipment shall include manufacturer's warranty. A summary of warranty must be attached to the bid sheet. The manufacturer shall guarantee that all new meters furnished under this contract will meet the required new meter accuracy standards established by AWWA Standard for Cold Water Type meters C700 and C701, latest revision. In addition, successful bidder shall unconditionally assume full responsibility for timely handling and processing of all warranty replacements, at no cost to the City. If a meter or meter components become defective within the manufacturer warranty period, the bidder shall repair or replace the defective meter with a meter that meets specifications. Standard manufacturer's warranty should include the following, and shall meet or exceed AWWA repaired meter accuracy standards.

|                                     |                                                  |
|-------------------------------------|--------------------------------------------------|
| New Meter Accuracy                  | Five (5) years from date of shipment             |
| Repair Meter Accuracy<br>registered | Fifteen (15) years from date of shipment or 1 MG |

**APPROXIMATE USAGE**

Estimated annual quantities may be provided for water meters. Approximate usage does not constitute an order, but only implies the probable quantity the city may use. The City reserves the right to increase or decrease the quantities listed as deemed to be in the best interest of the City at no additional cost to the City. Orders will be placed on an as-needed basis.

## **PRICING SPECIFICATIONS**

- City departments will place orders on an “as-needed” basis.
- The City of Sherman is EXEMPT from all taxes allowed by local, state, or federal law.
- The City is under no obligation to purchase a minimum amount of any item awarded.
- All items should be quoted FOB destination, City of Sherman, 2212 N Alexander St, Sherman, TX 75091.
- **Bidder must guarantee a maximum of forty-five (45) days delivery after receipt of an order.**

Can you comply?    Yes ☐    No ☐

If delivery time is exceeded, \$50.00 per calendar day may be assessed as liquidated damages unless a waiver of this requirement is approved by the City of Sherman.

**ALL METERS AND PARTS MUST MEET LOW LEAD REQUIREMENTS, AS DESCRIBED IN THE AMENDMENT TO THE FEDERAL SAFE DRINKING WATER ACT (SB 3874).**

**To be included in all meter descriptions listed below – meters must have absolute encoder registers and factory potted Itron in-line connectors.**

**\*\*See Next Page for Bid Items\*\***

## BID FORM

| Item                    | Description      | Estimated Quantity | Meter Type* | Unit Price | Total Price |
|-------------------------|------------------|--------------------|-------------|------------|-------------|
| <b>New Construction</b> |                  |                    |             |            |             |
| 1                       | 3/4" Long Meters | 1,000              |             | \$         | \$          |
| 2                       | 1" Meters        | 500                |             | \$         | \$          |
| 3                       | 1 1/2" Meters    | 300                |             | \$         | \$          |
|                         | Total            | 1,800              |             |            | \$          |

|                             |               |       |  |    |    |
|-----------------------------|---------------|-------|--|----|----|
| <b>Meter Change Program</b> |               |       |  |    |    |
| 1                           | 5/8" Meters   | 1,346 |  | \$ | \$ |
| 2                           | 3/4" Meters   | 1,054 |  | \$ | \$ |
| 3                           | S-3/4" Meters | 100   |  | \$ | \$ |
| 4                           | 1" Meters     | 123   |  | \$ | \$ |
| 5                           | 1 1/2" Meters | 57    |  | \$ | \$ |
|                             | Total         | 2,680 |  |    | \$ |

**\*Turbine, Multi-Jet, and Ultrasonic Meters only**

**Total Bid Price for New Construction Meters**                      \$\_\_\_\_\_

**Total Bid Price for Meter Change Program**                      \$\_\_\_\_\_

**Total Bid Price for Proposal**              \$\_\_\_\_\_

## **EVALUATION PROCESS**

All submitted proposals will be reviewed by the City of Sherman for compliance with the specified RFP requirements. The selection committee will decide proposals which meet the RFP requirements and receive further evaluation.

Based on the firms' response to the RFP requirements, the selection committee will determine the top firm(s) capable of meeting the needs of the City for such services. The City may invite the top firm(s) for an interview before considering a contract. Once the firm has been selected, the City will submit an agreement to the City Council for approval. The following evaluation criteria will be considered by the selection committee.

### **BEST VALUE EVALUATION CRITERIA**

- 40% Qualifications (when applicable, will include past performance of services for the City)
- 40% Pricing
- 20% References

## References

Customer Name: \_\_\_\_\_

Address: \_\_\_\_\_

Contact: \_\_\_\_\_ Telephone #: \_\_\_\_\_

Scope of work performed: \_\_\_\_\_

Length of Service: \_\_\_\_\_

Customer Name: \_\_\_\_\_

Address: \_\_\_\_\_

Contact: \_\_\_\_\_ Telephone #: \_\_\_\_\_

Scope of work performed: \_\_\_\_\_

Length of Service: \_\_\_\_\_

Customer Name: \_\_\_\_\_

Address: \_\_\_\_\_

Contact: \_\_\_\_\_ Telephone #: \_\_\_\_\_

Scope of work performed: \_\_\_\_\_

Length of Service: \_\_\_\_\_



## Exhibit C

### City's Insurance Requirements

#### I. GENERAL INSURANCE REQUIREMENTS –

- A. All policies shall name the City of Sherman, its officers, agents, representatives and employees as additional insureds as to all applicable coverages with the exception of workers compensation 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 all applicable endorsement(s) evidencing the required insurance shall be submitted prior to commencing work under this Agreement. If the Agreement is renewed or extended by City, a Certificate of Insurance and all applicable 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 is required for this Agreement.

|          | Coverage Required                                                                                                                                                                                                                                                                                                                                                                                                          | Limits                                                                                                                                                                                                              |
|----------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <u>X</u> | 1. Worker’s Compensation & Employer’s Liability                                                                                                                                                                                                                                                                                                                                                                            | <div style="border-top: 1px solid black; padding-top: 5px;"> <ul style="list-style-type: none"> <li>▪ Statutory Limits of the State of Texas</li> </ul> </div>                                                      |
| <u>X</u> | 2. General Liability                                                                                                                                                                                                                                                                                                                                                                                                       | <div style="border-top: 1px solid black; padding-top: 5px;"> <ul style="list-style-type: none"> <li>▪ Minimum \$1,000,000.00 each occurrence;</li> <li>▪ Minimum \$2,000,000.00 in the aggregate.</li> </ul> </div> |
| —        | 3. XCU Coverage                                                                                                                                                                                                                                                                                                                                                                                                            | <div style="border-top: 1px solid black; padding-top: 5px;"> <ul style="list-style-type: none"> <li>▪ Minimum \$1,000,000.00 each occurrence;</li> <li>▪ Minimum \$2,000,000.00 in the aggregate.</li> </ul> </div> |
| —        | 4. Professional Liability                                                                                                                                                                                                                                                                                                                                                                                                  | <div style="border-top: 1px solid black; padding-top: 5px;"> <ul style="list-style-type: none"> <li>▪ Minimum \$1,000,000.00 each claim;</li> <li>▪ Minimum \$2,000,000.00 in the aggregate.</li> </ul> </div>      |
| —        | 5. Umbrella Coverage or Excess Liability Coverage                                                                                                                                                                                                                                                                                                                                                                          | <div style="border-top: 1px solid black; padding-top: 5px;"> <ul style="list-style-type: none"> <li>▪ An amount of \$ 2,000,000.00.</li> </ul> </div>                                                               |
| <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 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 City as an additional insured must be endorsed to read as primary and non-contributory coverage regardless of the application of other insurance. |                                                                                                                                                                                                                     |

- X   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.
- X   9. Insurance company has a minimum rating of "A" by A.M. Best's Key Rating Guide, or other equivalent rating service(s).
- X   10. The Certificate of Insurance must state the project title.
11. Other Insurance Requirements (State Below):

**Exhibit D**  
**Affidavit of No Prohibited Interest**

THE STATE OF \_\_\_\_\_ §

THE COUNTY OF \_\_\_\_\_ §

I, \_\_\_\_\_, 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 \_\_\_\_ day of \_\_\_\_\_, 202\_\_.

\_\_\_\_\_  
Signature of Official/Title

BEFORE ME, the undersigned authority, this day personally appeared \_\_\_\_\_, 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 \_\_\_\_\_ day of \_\_\_\_\_, 202\_\_.

\_\_\_\_\_  
Notary Public in and for the State of \_\_\_\_\_  
My commission expires: \_\_\_\_\_

**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.**

**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

## **CONFLICT OF INTEREST QUESTIONNAIRE**

### **For vendor doing business with local governmental entity**

A complete copy of Chapter 176 of the Local Government Code may be found at <http://www.statutes.legis.state.tx.us/Docs/LG/htm/LG.176.htm>. For easy reference, below are some of the sections cited on this form.

**Local Government Code § 176.001(1-a):** "Business relationship" means a connection between two or more parties based on commercial activity of one of the parties. The term does not include a connection based on:

- (A) a transaction that is subject to rate or fee regulation by a federal, state, or local governmental entity or an agency of a federal, state, or local governmental entity;
- (B) a transaction conducted at a price and subject to terms available to the public; or
- (C) a purchase or lease of goods or services from a person that is chartered by a state or federal agency and that is subject to regular examination by, and reporting to, that agency.

**Local Government Code § 176.003(a)(2)(A) and (B):**

- (a) A local government officer shall file a conflicts disclosure statement with respect to a vendor if:

\*\*\*

- (2) the vendor:

(A) has an employment or other business relationship with the local government officer or a family member of the officer that results in the officer or family member receiving taxable income, other than investment income, that exceeds \$2,500 during the 12-month period preceding the date that the officer becomes aware that

(i) a contract between the local governmental entity and vendor has been executed;  
or

(ii) the local governmental entity is considering entering into a contract with the vendor;

(B) has given to the local government officer or a family member of the officer one or more gifts that have an aggregate value of more than \$100 in the 12-month period preceding the date the officer becomes aware that:

- (i) a contract between the local governmental entity and vendor has been executed; or
- (ii) the local governmental entity is considering entering into a contract with the vendor.

**Local Government Code § 176.006(a) and (a-1)**

- (a) A vendor shall file a completed conflict of interest questionnaire if the vendor has a business relationship with a local governmental entity and:

(1) has an employment or other business relationship with a local government officer of that local governmental entity, or a family member of the officer, described by Section 176.003(a)(2)(A);

(2) has given a local government officer of that local governmental entity, or a family member of the officer, one or more gifts with the aggregate value specified by Section 176.003(a)(2)(B), excluding any gift described by Section 176.003(a-1); or

(3) has a family relationship with a local government officer of that local governmental entity.

- (a-1) The completed conflict of interest questionnaire must be filed with the appropriate records administrator not later than the seventh business day after the later of:

- (1) the date that the vendor:

(A) begins discussions or negotiations to enter into a contract with the local governmental entity; or

(B) submits to the local governmental entity an application, response to a request for proposals or bids, correspondence, or another writing related to a potential contract with the local governmental entity; or

- (2) the date the vendor becomes aware:

(A) of an employment or other business relationship with a local government officer, or a family member of the officer, described by Subsection (a);

(B) that the vendor has given one or more gifts described by Subsection (a); or

(C) of a family relationship with a local government officer.

## **TEXAS ETHICS FORM 1295 & VERIFICATION FORM 2270**

**NOTE: TEC Form 1295 will not be required for all submitting contractors, but, will be required from the recommended contractor prior to award. Verification Form 2270 is required with all proposal submittals. See next page for forms.**

## INSTRUCTIONS for State Law Mandated Certificate of Interested Parties Form (Form 1295)

1. Pursuant to House Bill 1295 passed by the 84<sup>th</sup> 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%20info%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: **2025-13**  
  
Description of Goods and Services to be provided: **Water Meters**
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.

**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:** \_\_\_\_\_

**Print Name & Title:** \_\_\_\_\_

**Firm Name:** \_\_\_\_\_

**Date Signed:** \_\_\_\_\_

**NOTARIZATION**

THE STATE OF \_\_\_\_\_ )

\_\_\_\_\_ )

COUNTY OF \_\_\_\_\_ )

BEFORE ME, the undersigned notary public on this day personally appeared \_\_\_\_\_, on behalf of \_\_\_\_\_ (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 \_\_\_\_\_ day of \_\_\_\_\_, 202\_\_.

\_\_\_\_\_  
NOTARY PUBLIC IN AND  
FOR THE STATE OF \_\_\_\_\_

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.**



## AGREEMENT FOR WATER METERS

The **City of Sherman, Texas**, a home-rule municipality (“City”), and \_\_\_\_\_, a \_\_\_\_\_ company (“Contractor”), hereby enter into this Agreement for the purchase of water meters (“Agreement”). City and Contractor are sometimes referred to collectively as the “parties” or individually as a “party.”

WHEREAS, Sherman issued Request for Proposal No. 2025-13, attached hereto as Exhibit A and incorporated herein for all purposes (“Request for Proposal”), seeking competitive sealed proposals for water meters for the City; and

WHEREAS, Contractor timely submitted a response to the Request for Proposal, attached hereto as Exhibit B and incorporated herein for all purposes (“Submittal”), seeking to provide such services; and

WHEREAS, based on Contractor’s representations in response to the Request for Proposal, including those representations set forth in the Submittal, Sherman has selected Contractor to provide the services sought in the Request for Proposal under the terms and conditions of this Agreement (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, equipment, supplies and deliverables that are described in the Request for Proposal on the terms and conditions set forth in the Agreement Documents (as defined below), 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”).

2. Term.

The initial term of the Agreement shall be for a period of one (1) year, commencing on the Effective Date (hereinafter defined) of this Agreement. City shall have the option to extend this Agreement for four (4) additional terms of one (1) year each on the same terms and conditions of this Agreement by giving Contractor written notice of its intent to extend prior to the expiration of the then-current one (1) year term.

3. Compensation.

In exchange for Contractor’s performance of the Services in accordance with the Agreement Documents, City agrees to pay Contractor on the basis defined by and in the amounts set forth in the Submittal (“Contractor’s Fee”).

City shall pay Contractor within thirty (30) days of receipt of each invoice, unless supporting receipts or other supporting documentation have been requested by City, in

which case City shall pay the invoice as soon after receiving the supporting receipts or documentation as is reasonable; or unless a dispute arises as to any charge(s) contained in the invoice, in which case City shall pay the undisputed amount of the invoice within thirty (30) days of receipt and shall pay the remaining amount, if any, of the invoice after resolution of the dispute as soon after resolution as is reasonable. Notwithstanding anything to the contrary in the Agreement Documents, City shall not be required to pay any invoice submitted by Contractor if Contractor is in breach of this Agreement.

The parties agree that the continuation of this Agreement after the close of any given fiscal year of City, which closes on September 30<sup>th</sup> of each calendar year, shall be subject to City Council approval. In the event that the 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 City 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 Request for Proposal, attached hereto as Exhibit A;
- C. The Submittal, attached hereto as Exhibit B
- D. City’s Insurance Requirements, attached hereto as Exhibit C;
- E. Affidavit of No Prohibited Interested, attached hereto as Exhibit D; and
- F. Conflict of Interest Questionnaire, attached hereto as Exhibit E.

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, or Exhibit E 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, Exhibit E, and Exhibit B shall prevail in that order. Should disputes arise as to responsibilities and obligations set forth in the Agreement Documents, City’s interpretation and/or decision shall be final and binding.

5. 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.

6. 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 City'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 City. Contractor also shall comply with all other requirements set forth in Exhibit C.

7. 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 City Charter. Contractor shall execute and deliver to City 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 City 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.

8. Indemnity.

**CONTRACTOR HEREBY RELEASES AND SHALL 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 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 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 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, CITY SHALL HAVE THE RIGHT TO APPROVE OR SELECT DEFENSE COUNSEL TO BE RETAINED BY CONTRACTOR 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 CONTRACTOR'S OBLIGATION TO DEFEND CITY OR AS A WAIVER OF CONTRACTOR'S OBLIGATION TO INDEMNIFY CITY PURSUANT TO THIS AGREEMENT. CONTRACTOR 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 CONTRACTOR FAILS TO RETAIN COUNSEL WITHIN SUCH TIME PERIOD, CITY SHALL HAVE THE RIGHT TO RETAIN DEFENSE COUNSEL ON ITS OWN BEHALF, AND CONTRACTOR SHALL BE LIABLE FOR ALL COSTS INCURRED BY CITY.

THE RIGHTS AND OBLIGATIONS CREATED BY THIS SECTION SHALL SURVIVE TERMINATION OF THIS AGREEMENT.

9. 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. City assumes no such responsibility or liability. City shall have no such responsibility or liability to either Contractor or its officers, agents, representatives, employees, subcontractors, licensees, invitees or other persons.

10. 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 City 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.

11. Termination.

City 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.

City 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 City 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 City shall not be deemed a waiver of any other right or remedy of City.

If after exercising any remedy provided herein, the cost to City of the performance of the balance of the work under this Agreement 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 City for such excess, without waiver of any other right or remedy of City.

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.

12. 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.

13. 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 City. 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 City 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.

14. No Waiver of Immunity.  
The parties acknowledge and agree that, in executing and performing this Agreement, City 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.
15. 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.
16. Consideration.  
This Agreement is executed by the parties without coercion or duress and for substantial consideration, the sufficiency of which is forever confessed.
17. Attorneys' Fees.  
If either party files any action or brings any proceeding against the other arising from this Agreement, then as between City 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 the TEX. LOC. GOV'T CODE § 271.153, as it exists or may be amended, if applicable.
18. 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 Grayson County, Texas, and the exclusive venue for any action arising out of this Agreement shall be a court of appropriate jurisdiction in Grayson County, Texas.
19. 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.
20. 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.
21. 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.

22. Indemnity.

The parties agree that the indemnity provision set forth herein is conspicuous and the parties have read and understood the same.

23. 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: \_\_\_\_\_  
Attn: \_\_\_\_\_  
\_\_\_\_\_, \_\_\_\_  
Telephone: \_\_\_\_\_  
Email: \_\_\_\_\_

If to City, to: City of Sherman  
Attn: Dr. Zachary Flores  
220 W. Mulberry Street  
Sherman, Texas 75090  
Telephone: 903-892-7201  
Email: [zacharyf@cityofsherman.com](mailto:zacharyf@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  
Email: [rpittman@abernathy-law.com](mailto:rpittman@abernathy-law.com)

24. 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.

25. Independent Contractor.

Contractor covenants and agrees that Contractor is an independent contractor and not an officer, agent, servant or employee of City; 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 City 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 City and Contractor.

26. 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 City and the authorized representative of Contractor.

27. 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.

28. Reference to City.

When referring to “City” herein, 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.

29. 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.

30. 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 have the meanings ascribed to them in the referenced statutes if defined therein.



31. 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.

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: \_\_\_\_\_  
Dr. Zachary Flores, City Manager  
Date: \_\_\_\_\_

**ATTEST:**

**APPROVED AS TO FORM:**

\_\_\_\_\_  
Linda Ashby, City Clerk

\_\_\_\_\_  
Ryan D. Pittman, City Attorney

\_\_\_\_\_  
Seller

By: \_\_\_\_\_  
Printed Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

STATE OF TEXAS           §  
                                     §  
COUNTY OF GRAYSON   §

BEFORE ME, the undersigned authority, on this day personally appeared **Dr. Zachary Flores**, known to me to be one of the persons whose names are subscribed to the foregoing instrument; he acknowledged to me he is the City Manager and duly authorized representative for the **City of Sherman, Texas** and he executed said instrument for the purposes and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this \_\_\_\_ day of \_\_\_\_\_, 202\_.

\_\_\_\_\_  
Notary Public in and for the State of Texas  
My Commission Expires:\_\_\_\_\_

STATE OF TEXAS           §  
                                     §  
COUNTY OF \_\_\_\_\_ §

BEFORE ME, the undersigned authority, on this day personally appeared \_\_\_\_\_, known to me to be one of the persons whose names are subscribed to the foregoing instrument; he/she acknowledged to me he/she is the \_\_\_\_\_ (title) and duly authorized representative for \_\_\_\_\_, a Texas corporation, and that he/she executed said instrument for the purposes and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this \_\_\_\_ day of \_\_\_\_\_, 202\_.

\_\_\_\_\_  
Notary Public in and for the State of Texas  
My Commission Expires:\_\_\_\_\_



## **Addendum #1**

### **Request for Proposals – Water Meters -- Bid No. 2025-13**

**Below is the updated SPECIFICATIONS section of the bid document. All brands are encouraged to submit a proposal, providing all requested information, etc.:**

### **SPECIFICATION FOR POTABLE WATER METERS**

The City of Sherman is seeking bids to purchase potable water meters on an annual contract. The size and quantity of the meters will be listed on the bid sheet and are based on previous use, which may vary.

The existing City of Sherman automated metering systems include ITRON Automated Meter Reading (AMR) and Automated Metering Infrastructure (AMI) fixed network systems. All meters must be compatible with ITRON AMR and AMI systems. Manual/visual meter readings and electronic/transmitted meter readings must match with no discrepancies.

All meters shall be of an absolute encoder register type with an ITRON waterproof in-line connector factory potted.

Bidders must bid on each item listed, no partial bids will be considered.

All meters must be new meters, no used or refurbished meters will be accepted.

All meters and parts must meet low lead requirements, as described in the amendment to the Federal Safe Drinking Water Act.

For the possibility of moving away from ITRON, bidder must have an AMI software compatible with multiple brands. City would need a list of meters and their software.

Deliver of Meters: 4 – 6 weeks

Exhibit A  
Request for Proposal



City of Sherman  
PO Box 1106  
Sherman, TX 75091-1106

**Request for Proposals**

For

**WATER METERS**  
RFP No. 2025-13

Publication Dates:    Sunday April 13, 2025  
                                 Sunday April 20, 2025

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**CITY OF SHERMAN, TEXAS**

**FINANCE DEPARTMENT**

**REQUEST FOR PROPOSAL - BID NO. 2025-13; WATER METERS**

The enclosed **REQUEST FOR PROPOSAL** (RFP) and accompanying **SPECIFICATIONS** are for your convenience in bidding the enclosed referenced **WATER METERS** for the City of Sherman.

Questions may be addressed to the Finance Department at the address listed below. The bids will be opened at **2:00 p.m. on Tuesday, April 29, 2025**, at the following address:

**City of Sherman – Human Resources Conference Room (2<sup>nd</sup> floor)**  
**Municipal Building**  
**405 N. Rusk Street**  
**Sherman, TX**  
**903-892-7215**  
**[craigl@cityofsherman.com](mailto:craigl@cityofsherman.com)**

Bids may be submitted by mail to the following address:

**City of Sherman**  
**Finance Dept. – RFP for WATER METERS - No. 2025-13**

**P.O. Box 1106**  
**Sherman, TX 75091-1106**

**OR**

**Electronically at [www.publicpurchase.com](http://www.publicpurchase.com)**

**OR**

**By delivery at the Municipal Building address listed above.**

## NOTICE TO BIDDERS

Bids will be received by the City of Sherman, Sherman, Texas, at the Finance Department, Attention: Craig Long, Sherman Municipal Building, 405 N. Rusk, Sherman, Texas 75091 until the hour **2:00 PM on the 29th day of April, 2025**, at which time bids duly delivered and submitted will be considered for supplying the following:

### **BID NO. 2025-13 – WATER METERS**

The award is intended to be included on the agenda of a regularly scheduled meeting of the City Council at the following address:

**City Council Chambers  
City Hall  
220 W. Mulberry  
Sherman, TX**

Each bid delivered to the City shall be sealed and clearly marked "WATER METERS 2025-13" on the exterior of the bid. Electronic submittals may only be made through Public Purchase at <https://www.publicpurchase.com>. No email or faxed bids will be accepted. Each bid shall be **manually signed and dated by a person having the authority to bind the firm in a contract. Bids that are not signed and dated will be rejected.**

Please note that all bids **must be received at the designated location or through Public Purchase by the deadline shown.** Bids received after the deadline will not be considered for the award of the contract, and shall be considered void and unacceptable. The Opening is scheduled for **2:00 p.m., Tuesday, April 29, 2025**, at which time the sealed bids will be opened.

Any bid received after stated closing time will be returned unopened. If bids are sent by mail to the Finance Department, the bidder shall be responsible for actual delivery of the bid before the advertised date and hour for opening of bids. If the mail is delayed by the postal service, courier service, or an ISP (Internet Service Provider), beyond the date and hour set for the bid opening, bids thus delayed will not be considered.

The City of Sherman will receive sealed bids for: **WATER METERS.**

Bidders should carefully examine all terms, conditions, specifications and related documents. Should a bidder find discrepancies in or omissions from the specifications or related documents, or should there be doubt as to their meaning, the City of Sherman Finance Department should be notified immediately for clarification prior to submitting the bid. In the event of any conflict between the terms and conditions of these requirements and the specifications, the specifications shall govern. In the event of any conflict of interpretation of any part of this overall document, the City of Sherman's interpretation shall govern.

**Information concerning the bid specifications or bid process/procedures may be submitted in writing to Craig Long, Budget Analyst at [craigl@cityofsherman.com](mailto:craigl@cityofsherman.com), or via phone at (903) 892-7215.**

Until the final awarding by the City of Sherman, said City reserves the right to reject any and/or all bids, to waive technicalities, to re-advertise, and proceed otherwise when the best interests of said City will be realized hereby.

**[Rest of Page Intentionally Left Blank]**



## **CITY OF SHERMAN GENERAL CONDITIONS**

### **ADDENDA**

**It is the responsibility of the vendor to check for addenda.** Addenda will be posted to: [www.ci.sherman.tx.us](http://www.ci.sherman.tx.us) and to [www.publicpurchase.com](http://www.publicpurchase.com).

### **ANNUAL CONTRACT FUNDING**

The city operates on a fiscal year that ends on September 30th. Because state law mandates that a municipality may not commit funds beyond a fiscal year, this bid is subject to cancellation if funds for this commodity are not approved in the next fiscal year.

### **ASSIGNMENT OF BID/CONTRACT**

The successful bidder may not assign their rights and duties under and award without the written consent of the City. Such consent shall not relieve the assignor of liability in event of default by their assignee.

### **BID CONSIDERATION / TABULATION**

Until final award of the Contract, the city reserves the right to reject any or all bids, to waive technicalities, and to re-advertise for new bids, or proposed to do the work otherwise in the best interests of the City. Please refer to the **EVALUATION CRITERIA** for additional information.

### **BID SUBMISSION**

Bids may be submitted in person, by mail, or electronically at [www.publicpurchase.com](http://www.publicpurchase.com).

- Submit bids via mail to PO Box 1106, Sherman, TX 75091-1106.
- To submit a bid via mail, all documents must be returned and an original signature provided on the proposal to bidders sheet.
- Bids will not be accepted without a signature.
- Bids submitted by email or fax will not be accepted.
- The City is not responsible for mail service. See page 4, paragraph 2 of the Notice to Bidders.

### **BRAND NAMES**

If items for which bids have been called for have been identified by a "brand name or equal" description, such identification is intended to be descriptive, but not restrictive, and is to indicate the quality and characteristics of products that will be satisfactory. Bids offering "equal" products will be considered for award if such products are clearly identified in the bids and are determined by the City to be equal in all material respects to the brand name products referenced. **Unless the bidder clearly indicates in their bid that they are offering an "equal product", their bid shall be considered as offering a brand name product referenced in the Proposal Schedule.**

### **CHANGES OR ALTERATIONS**

No part of this bid may be changed/alterd in any way. Vendors must submit written requests to change any specifications/conditions with their proposal. ***Changes made without submission of a written request to this bid will result in disqualification.***

### **COMPLETING INFORMATION**

Bidder must fill in all information asked for in the blanks provided under each item. Failure to comply may result in rejection of the Bid at the City's option.

### **CONTRACT CLAUSE**

All bidders understand and agree that the vendor's bid response will become a legally binding contract upon acceptance in writing by the City. This contract may be superseded only if replaced with a more extensive contract that is agreed to by both parties.

### **DEFAULT**

In case of default of the successful bidder, the city of Sherman may procure the articles from other sources and hold the bidder responsible for any excess cost occasioned thereby.

### **DELIVERY**

The City reserves the right to demand bond or penalty to guarantee delivery by the date indicated. If order is given and the Bidder fails to furnish the materials by the guaranteed date, the City reserves the right to cancel the order without liability on its part. All prices are to be F.O.B. Sherman, Texas all freight prepaid.

### **DELIVERY DATE**

Delivery date is an important factor to the City and may be required to be a part of each bid. The city of Sherman considers delivery time to be that period elapsing from the time the individual order is placed until that order or work thereunder is received by the City at the specified delivery location. The delivery date indicates a guaranteed delivery at Sherman, Texas. Failure of the bidder to meet guaranteed delivery dates or service performance could affect future City orders.

Whenever the Contractor encounters any difficulty which is delaying or threatens to delay timely performance (including actual or potential labor disputes), the Contractor shall immediately give notice thereof in writing to the City, stating all relevant information with respect thereto. Such notice shall not in any way constitute a basis for an extension of the delivery or performance schedule or be construed as a waiver by the City of any rights or remedies to which it is entitled by law or pursuant to provisions herein. Failure to give such notice, however, may be grounds for denial of any request for an extension of the delivery or performance schedule because of such delivery.

### **INDEMNIFICATION**

In case any action in court is brought against the Owner, or any officer or agent of the Owner, for the failure, omission, or neglect of the vendor to perform any of the covenants, acts, matters, or things by this contract undertaken; or for injury or damage caused by the alleged negligence of the

vendor or his subcontractors or his or their agents, or in connection with any claim based on lawful demands of subcontractors, workmen, materialmen, or suppliers the vendor shall indemnify and save harmless the Owner and his officers and agents, from all losses, damages, costs, expenses, judgments, or decrees arising out of such action.

### **INSURANCE**

Deductibles, of any type, are the responsibility of the vendor/contractor.

### **MISCELLANEOUS**

Except as to any supplies or components which the specifications provide need not be new, all supplies and components to be provided under this contract shall be new (not used or reconditioned, and not of such age or so deteriorated as to impair their usefulness or safety), of current production and of the most suitable grade for the purpose intended. If at any time during the performance of this contract the Contractor believes that the furnishing of supplies or components which are not new is necessary or desirable, they shall notify the City immediately, in writing, including the reasons therefore and proposing any consideration which will flow to the City if authorization to use supplies or components is granted.

The city of Sherman supports a recycling program. Recycled materials are acceptable and will be considered for award. The City desires to use recycled products when a comparable material/product is available. If your company distributes products made of recycled materials please submit an alternate bid for the items requested. All recycled products should meet the minimum standards established in the bid specifications provided. State any exceptions: costs, warranties and percentage of recycle materials used in the manufacture of the material/product. The City will determine the acceptability of the materials/product bid as an alternate.

Successful bidder(s) agrees to extend prices to all entities that have entered into or will enter into joint purchasing inter-local cooperation agreements with the city of Sherman. As such, the city of Sherman has executed an inter-local agreement with certain other governmental entities authorizing participation in a cooperative purchasing program. The successful vendor may be asked to provide product/services, based upon the bid price, to any other participant in the forum.

The City operates on a fiscal year that ends on September 29th. State law mandates that a municipality may not commit funds beyond a fiscal year; this bid is subject to cancellation if funds for this commodity are not approved in the next fiscal year.

### **PAYMENT TERMS & CONDITIONS**

All bids shall specify terms and conditions of payment, which will be considered as part of, but not control, the award of bid. City review, inspection, and processing procedures ordinarily require thirty (30) days after receipt of invoice, materials or service. Bids which call for payment before 30 days from receipt of invoice, or cash discounts given on such payment, will be considered only if in the opinion of the City the review, inspection and processing procedures can be completed as to the specific purchases within the specified time.

It is the intention of the city of Sherman to make payment on completed orders within thirty (30) days

of receiving invoicing unless unusual circumstances arise. Invoices shall be fully documented as to labor, materials and equipment provided.

### **PROVISIONAL CLAUSES**

The city of Sherman will not enter into any contract where the cost is provisional upon such clauses as are known as "escalator" or "cost-plus" clauses.

### **REJECTION OF BIDS**

The City reserves the right to reject any or all bids or to waive technicalities at its option when in the best interests of said City. Bids will be considered irregular if they show any omissions, alteration of form, additions, or conditions not called for, unauthorized alternate bids or irregularities of any kind. However, the City reserves the right to waive any irregularities and to make the award in the best interests of the City.

The City reserves the right to reject any or all bids, and all bids submitted are subject to this reservation. Bids may be rejected, among other reasons, for any of the following specific reasons:

- Bids received after the time limit for receiving bids as stated in the advertisement.
- Proposal containing any irregularities.
- Bids submitted via fax or email.
- Unbalanced value of any items.

Bidders may be disqualified and their bids not considered, among other reasons, for any of the following specific reasons:

- Reason for believing collusion exists among the Bidders.
- Reasonable grounds for believing that any Bidder is interested in more than one Proposal for the work contemplated.
- The Bidder being interested in any litigation against the City.
- The Bidder being in arrears on any existing contract or having defaulted on a previous contract.
- Lack of competency as revealed by a financial statement, experience and equipment, questionnaires, etc.
- Uncompleted work, which in the judgment of the City will prevent or hinder the prompt completion of additional work if awarded.

### **REQUEST FOR NON-CONSIDERATION**

Bids deposited with the City cannot be withdrawn prior to the time set for opening bids. Request for non-consideration of bids must be made in writing to the Finance Department and received by the City prior to the time set for opening bids. After other bids are opened and publicly read, the Proposal for which non-consideration is properly requested may be returned unopened. The Proposal may not be withdrawn after the bids have been opened, and the Bidder, in submitting the same, warrants and guarantees that this bid has been carefully reviewed and checked and that it is in all things true and accurate and free of mistakes and that such bid will not and cannot be withdrawn because of any mistake committed by the Bidder.

## **SALES TAX**

The total for each bid submitted must include any applicable taxes. Although the City is exempt from

most City, State, or Federal taxes, this is not true in all cases. It is suggested that taxes, if any, be separately identified, itemized, and stated on each bid. The City cannot determine for the bidder whether or not the bid is taxable to the City. The bidder through the bidder's attorney or tax consultant must make such determination. Bills submitted for taxes after the bids are awarded will not be honored.

## **PROPOSAL DEFINITIONS:**

"City" is the City of Sherman, Texas.

"Bidder" is an individual or business submitting a bid or proposal to the City of Sherman.

"Independent contractor" or "contractor" is one who contracts to perform work or furnish materials in accordance with a contract.

## **I. PROPOSAL TERMS**

- A. The City of Sherman reserves the right to reject any and all proposals received as a result of this RFP. If a proposal is selected, it will be the most advantageous regarding price, quality of service, the independent contractor's qualifications and capabilities to provide the specified service, and other factors which the City of Sherman may consider. The City does not intend to award a contract fully on the basis of any response made to the proposal: the City reserves the right to consider proposals for modifications at any time before a contract would be awarded; and negotiations would be undertaken with the independent contractor whose proposal is deemed to best meet the City's specifications and needs.
- B. Proposals must be signed by an official authorized to bind the independent contractor to its provisions for a period of at least ninety (90) days. Failure of the successful bidder to accept the obligation of the contract may result in the cancellation of any award.
- C. In the event it becomes necessary to revise any part of the RFP, addenda will be provided. The deadline for submission of proposals may be adjusted to allow for revisions. To be considered, the entire proposal document, with any amendments, should be returned by the specified date, time and method identified on page 2 of this document.
- D. Proposals should be prepared simply and economically providing a straightforward,
- E. concise description of the independent contractor's ability to meet the requirements of the RFP. Proposals shall be written in ink or typewritten. No erasures are permitted. Mistakes may be crossed out and corrected and must be initialed in ink by the person signing the proposal.
- F. The price quotations from the contractor stated in this proposal will not be subject to any price increase from the closing date of this RFP to the mutually agreed to date of contract.
- G. The City of Sherman reserves the right to increase or decrease the amount of janitorial services based upon annual budget constraints with fifteen (15) days'

notice.

- H. The City of Sherman reserves the right to award a separate contract to separate vendors for each item/group or to award one contract for the entire RFP.

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## **SPECIFICATION FOR POTABLE WATER METERS**

The City of Sherman is seeking bids to purchase potable water meters on an annual contract. The size and quantity of the meters will be listed on the bid sheet and are based on previous use, which may vary.

The existing City of Sherman automated metering systems include ITRON Automated Meter Reading (AMR) and Automated Metering Infrastructure (AMI) fixed network systems. All meters must be compatible with ITRON AMR and AMI systems. Manual/visual meter readings and electronic/transmitted meter readings must match with no discrepancies.

All meters shall be of an absolute encoder register type with an ITRON waterproof in-line connector factory potted.

Bidders must bid on each item listed, no partial bids will be considered.

All meters must be new meters, no used or refurbished meters will be accepted.

All meters and parts must meet low lead requirements, as described in the amendment to the Federal Safe Drinking Water Act.

No Zenner meters will be accepted.

For the possibility of moving away from ITRON, bidder must have an AMI software compatible with multiple brands. City would need a list of meters and their software.

Deliver of Meters: 4 – 6 weeks

## **SPECIFICATION FOR WATER METERS**

### **SCOPE**

To obtain an agreement for the purchase of water meters with encoder registers and Itron waterproof in-line factory potted connectors for use with the 100w ITRON Automated Meter Reading Electronic Radio Transmitter (ERT), utilized by the City of Sherman Utility Billing Department in the metering and recording of water usage.

### **INTENT**

It is the intent of this specification to provide water meters for distribution, metering and recording of usage of water.

### **EQUIPMENT MANUFACTURERS**

All water meter bids shall be type and/or model specified or City approved equal. The City of Sherman shall have the sole responsibility of determining City approved equals. If bidding a meter not listed, it must be approved by the Utility Billing Manager prior to submitting the bid. Consideration of a meter not listed must be submitted to the City by noon on April 22, 2025 for pre-approval; requests, including detail information of your proposed meter, should be emailed to [craigl@cityofsherman.com](mailto:craigl@cityofsherman.com). Only meters assembled and tested in the United States shall be accepted.

Water meters must have an encoder register, be compatible with the ITRON 100W endpoints to interface with the existing ITRON automated systems of MVRs and Automated Metering Infrastructure (AMI), and to communicate with existing ITRON automated meter reading handheld and mobile collections systems. Manual/visual meter readings and electronic/transmitted meter readings must match, with no discrepancies.

## **COLD WATER METERS**

### **GENERAL**

#### **Classification and Scope**

Classification: This specification covers a contract for cold-water meters ranging in sizes 5/8" x 1/2" to 2". All water meter registers will be an absolute encoder design and have glass lens and copper or stainless steel case, capable of providing electronically encoded meter information to meet the City's current and future water meter data needs. Except as otherwise modified or supplemented herein, the latest revision of AWWA Standard C700 "AWWA Standard for Cold Water Meters - Displacement Type" and AWWA Manual M6 shall govern the materials, design, construction, manufacture and testing of all meters furnished under this specification. Standard flows apply.

Included herein are minimum requirements which are intended to govern in general the size and type required. There will be a bid for each size meter.

It is the intent of the City of Sherman to minimize the repair of any meters furnished and maximize the reliability of automated meter reading performance. All meters and electronics furnished shall be new, first line quality, for cold water service. Except as otherwise modified or supplemented herein, meters that will be considered acceptable under this specification are **Turbine, Multi-Jet, and Ultra-Sonic Meters.**



### **Applicable Specifications and Requirements**

All meters shall meet or exceed AWWA Standard C700 and C701 latest revision and the minimum specifications herein. All meters must be ANSI/NSF61 certified. All meters must be low lead, complying with the rule as specified in the amendment to the Safe Drinking Water Act (SB 3874).

All meters must have absolute encoder registers. Encoder register shall provide value added flow data including leak, tamper and back flow detection when connected to a compatible radio frequency transmitter.

All meters shall have the ability to mount and connect to a radio frequency transmitter providing a communication link for the transmission of information from the register.

All meters shall be certified by ITRON, Inc as compatible with ITRON'S water ERT module. All meters must utilize the ITRON in-line connector.

Each meter shall include a stainless steel strainer or a strainer of a suitable non-corrosive material. It shall fit snugly to the casing and shall be rigid, easy to remove and have an effective straining area at least two times that of the main case inlet.

All external nuts, bolts and washers shall be bronze or other non-corrosive material. The

overall length of meters, face-to-face spuds and flanges, shall be as follows:

|                   |                             |
|-------------------|-----------------------------|
| 5/8" x 1/2"       | 7 1/2" external screw ends  |
| 5/8" x 3/4"       | 7 1/2" external screw ends  |
| 3/4" x 3/4" Short | 7 1/2" external screw ends  |
| 3/4" x 3/4" Long  | 9" external screw ends      |
| 1"                | 10 3/4" external screw ends |
| 1 1/2"            | 13" face to face of flange  |
| 2"                | 17" face to face of flange  |

Manufacturer's meter serial number shall be individual and shall not be duplicated.

### **Additional Requirements for 1 1/2" and 2" Meters**

Main case connections shall be flanges of the oval type. Gaskets (2) shall be SBR (red rubber) drop-in gaskets with matte or cloth faced finish. Flange bolts (4) and nuts (4) are to be zinc. Meters shall be supplied with oval flanges; alternate pricing is requested for the meter without the flange. Pricing to include meters with and without a test port as defined on the Pricing Specification sheet.

### **Additional Requirements for 1 1/2" and 2" Turbines**

This specification covers cold-water class II turbine type NSF 61. Class II meters are the in-line, horizontal axis, high-velocity type turbines characterized by lower head loss and a wider normal operating flow range than class I models. Except as otherwise modified or supplemented herein, the latest revision of AWWA C701 "Cold-water meters-turbine type, for Customer Service" shall govern the materials, design, construction, manufacturer and testing of all meters furnished under this specification. Standard flows shall apply. Direction of flow and meter size shall be cast in raised letters on main case. Pricing for 1 1/2" meters to include integral strainer. Pricing for 2" meters to include with and without integral strainers.

**Main Case**

The main case shall be NSF/ANSI approved. The meter housing and housing bottom plate shall be made of high quality lead-free bronze material. The main case will withstand a working pressure of one hundred fifty (150) pounds per square inch without seeping or distortion affecting the free operation of the measuring unit. A suitable gasket or NSF/ANSI approved O-ring must be provided between the main case and the bottom portion to prevent leakage under working pressure. All 2" meters must be furnished with test ports. The size, model and direction of flow through the meter shall be cast in raised characters on the outer case.

**Register**

Register must conform to the latest revision of AWWA Standard C700 and C701. Register shall be encoder-type and must conform with AWWA encoder type register standards. As used in these specifications, the term "Sealed Register" shall mean a register that is tamper proof, factory sealed, non-shop repairable, permanently hermetically sealed against fogging, moisture and corrosion, and mechanically disconnected from the measuring components.

Shall read in gallons and have a test or sweep hand, and shall be equipped with a low flow indicator.

At minimum, register shall include:

- Hermetically sealed register;
- Lens of a high-strength, heat-tempered or impact resistant glass.
- Magnetic drive design to prevent dirt and moisture contamination, tampering and lens fogging problems;
- Accumulate and register consumption without connecting to a receptacle or transmitter.
- Straight-reading, odometer-type totalization display; with output preference of 1/10 gallon resolution;
- A leak flow detector;
- Self-lubricating gears for long life and minimum friction.
- Shall provide easy installation and be field replaceable / interchangeable.
- ITRON waterproof in-line connector, factory potted for connection to ITRON ERT modules. All small meter registers (5/8" - 1 1/2") will have a 5' factory potted pigtail with inline connector. All 2" meter registers will have a 5' to 25' factory potted pigtail with inline connector and cap, as requested by the City of Sherman Utility Billing Department.
- Meter size shall be stamped on the face of the register.

**Strainers**

Each meter shall include a stainless steel strainer or a strainer of a suitable non-corrosive material. It shall fit snugly to the casing and shall be rigid, easy to remove and have an effective straining area at least two times that of the main case inlet. If not integral with the main casing, all connecting hardware shall be provided.

**Test Requirements**

The manufacturer shall supply the test results of each meter purchased.

The City reserves the right to test all meters in accordance with AWWA Standard C700 and C701 (latest revision). Any meter that fails this test will be returned to the manufacturer freight

collect, and the manufacturer shall replace the defective meter with new a new meter, freight prepaid. If more than 5% of any lot of meters tested fails to meet specifications, the City reserves the right to terminate the contract.

**Bidders shall provide for consideration their proposed prices and their guarantees, as follows:**

- a. Unit price of these meters (including AMR absolute encoder register pre-programmed to the meter and waterproof factory potted in-line connector for an ITRON ERT) under these specifications and executed written agreement signed by the officer of the company providing guarantees as outlined herein, or any additional features being offered in connection with guarantees.
- b. For all meter sizes, unit price for meter, delivered with a weather seal at the connector.
- c. For 1 ½" and 2" meters, an alternate pricing for units delivered without flanges (base bid includes one flange)
- d. For 1 ½" meters, alternate pricing for meters with a test port.
- e. For 2" meters, all pricing to include meters with a test port; and alternate pricing for meters with internal strainers.

The meters will be accepted when accompanied by a certificate furnished by the manufacturer attesting the meters supplied meets these specifications.

**Any failure to specify exceptions will be basis for disqualification.**

**WARRANTY**

All equipment shall include manufacturer's warranty. A summary of warranty must be attached to the bid sheet. The manufacturer shall guarantee that all new meters furnished under this contract will meet the required new meter accuracy standards established by AWWA Standard for Cold Water Type meters C700 and C701, latest revision. In addition, successful bidder shall unconditionally assume full responsibility for timely handling and processing of all warranty replacements, at no cost to the City. If a meter or meter components become defective within the manufacturer warranty period, the bidder shall repair or replace the defective meter with a meter that meets specifications. Standard manufacturer's warranty should include the following, and shall meet or exceed AWWA repaired meter accuracy standards.

|                       |                                                             |
|-----------------------|-------------------------------------------------------------|
| New Meter Accuracy    | Five (5) years from date of shipment                        |
| Repair Meter Accuracy | Fifteen (15) years from date of shipment or 1 MG registered |

**APPROXIMATE USAGE**

Estimated annual quantities may be provided for water meters. Approximate usage does not constitute an order, but only implies the probable quantity the city may use. The City reserves the right to increase or decrease the quantities listed as deemed to be in the best interest of the City at no additional cost to the City. Orders will be placed on an as-needed basis.

## **PRICING SPECIFICATIONS**

- City departments will place orders on an “as-needed” basis.
- The City of Sherman is EXEMPT from all taxes allowed by local, state, or federal law.
- The City is under no obligation to purchase a minimum amount of any item awarded.
- All items should be quoted FOB destination, City of Sherman, 2212 N Alexander St, Sherman, TX 75091.
- **Bidder must guarantee a maximum of forty-five (45) days delivery after receipt of an order.**

Can you comply?    Yes ☒    No ☐

**If delivery time is exceeded, \$50.00 per calendar day may be assessed as liquidated damages unless a waiver of this requirement is approved by the City of Sherman.**

**ALL METERS AND PARTS MUST MEET LOW LEAD REQUIREMENTS, AS DESCRIBED IN THE AMENDMENT TO THE FEDERAL SAFE DRINKING WATER ACT (SB 3874).**

To be included in all meter descriptions listed below – meters must have absolute encoder registers and factory potted Itron in-line connectors.

**\*\*See Next Page for Bid Items\*\***

**BID FORM**  
**ULTRASONIC METERS**

| Item                    | Description      | Estimated Quantity | Meter Type*                                              | Unit Price | Total Price         |
|-------------------------|------------------|--------------------|----------------------------------------------------------|------------|---------------------|
| <b>New Construction</b> |                  |                    |                                                          |            |                     |
| 1                       | 3/4" Long Meters | 1,000              | E-Series G2 (3/4" x 9") Ultrasonic w/5' cable & Iron ILC | \$186.00   | \$186,000.00        |
| 2                       | 1" Meters        | 500                | E-Series G2 Ultrasonic w/5' cable & Iron ILC             | \$204.00   | \$102,000.00        |
| 3                       | 1 1/2" Meters    | 300                | E-Series Ultrasonic w/5' cable & Iron ILC                | \$499.00   | \$149,700.00        |
|                         | <b>Total</b>     | <b>1,800</b>       |                                                          |            | <b>\$437,700.00</b> |

|                             |               |              |                                                              |          |                     |
|-----------------------------|---------------|--------------|--------------------------------------------------------------|----------|---------------------|
| <b>Meter Change Program</b> |               |              |                                                              |          |                     |
| 1                           | 5/8" Meters   | 1,346        | E-Series 5/8" x 1/2" SS Ultrasonic w/5' cable & Iron ILC     | \$160.00 | \$215,360.00        |
| 2                           | 3/4" Meters   | 1,054        | E-Series G2 (3/4" x 9") Ultrasonic w/5' cable & Iron ILC     | \$186.00 | \$196,044.00        |
| 3                           | S-3/4" Meters | 100          | E-Series G2 (3/4" x 7-1/2") Ultrasonic w/5' cable & Iron ILC | \$175.75 | \$17,575.00         |
| 4                           | 1" Meters     | 123          | E-Series G2 Ultrasonic w/5' cable & Iron ILC                 | \$204.00 | \$25,092.00         |
| 5                           | 1 1/2" Meters | 57           | E-Series G2 Ultrasonic w/5' cable & Iron ILC                 | \$499.00 | \$28,443.00         |
|                             | <b>Total</b>  | <b>2,680</b> |                                                              |          | <b>\$482,514.00</b> |

**Clarification**

5/8" through 1" water meters proposed are cast and machined in the United States, with assembly and testing performed at Badger Meter's Nogales, MX facility.

1-1/2" water meters proposed are cast, machined, assembled and tested in the United States at Badger Meter's Milwaukee, WI facility.

*\*Turbine, Multi-Jet, and Ultrasonic Meters only*  
Total Bid Price for New Construction  
Meters

\$437,700.00

Total Bid Price for Meter Change Program

\$482,514.00

Total Bid Price for Proposal

\$920,214.00

**BID FORM**  
**MECHANICAL METERS**

| Item                    | Description      | Estimated Quantity | Meter Type*                                         | Unit Price | Total Price         |
|-------------------------|------------------|--------------------|-----------------------------------------------------|------------|---------------------|
| <b>New Construction</b> |                  |                    |                                                     |            |                     |
| 1                       | 3/4" Long Meters | 1,000              | M35 Long (9") Disc w/HRE & 5' Iron ILC              | \$158.00   | \$158,000.00        |
| 2                       | 1" Meters        | 500                | M55 Disc w/HRE & 5' Iron ILC                        | \$218.75   | \$109,375.00        |
| 3                       | 1 1/2" Meters    | 300                | T160 Turbine w/Integral Strainer, HRE & 5' Iron ILC | \$894.00   | \$268,200.00        |
|                         | <b>Total</b>     | <b>1,800</b>       |                                                     |            | <b>\$535,575.00</b> |

|                             |               |              |                                                     |          |                     |
|-----------------------------|---------------|--------------|-----------------------------------------------------|----------|---------------------|
| <b>Meter Change Program</b> |               |              |                                                     |          |                     |
| 1                           | 5/8" Meters   | 1,346        | M25 5/8" x 1 1/2" Disc w/HRE & 5' Iron ILC          | \$129.50 | \$174,307.00        |
| 2                           | 3/4" Meters   | 1,054        | M35 Long (9") Disc w/HRE & 5' Iron ILC              | \$158.00 | \$166,532.00        |
| 3                           | S-3/4" Meters | 100          | M35 Short (7.5") Disc w/HRE & 5' Iron ILC           | \$154.00 | \$15,400.00         |
| 4                           | 1" Meters     | 123          | M55 Disc w/HRE & 5' Iron ILC                        | \$218.75 | \$26,906.25         |
| 5                           | 1 1/2" Meters | 57           | T160 Turbine w/Integral Strainer, HRE & 5' Iron ILC | \$894.00 | \$50,958.00         |
|                             | <b>Total</b>  | <b>2,680</b> |                                                     |          | <b>\$434,103.25</b> |

**Clarification**

5/8" through 1" water meters proposed are cast and machined in the United States, with assembly and testing performed at Badger Meter's Nogales, MX facility.

1-1/2" water meters proposed are cast, machined, assembled and tested in the United States at Badger Meter's Milwaukee, WI facility.

*\*Turbine, Multi-Jet, and Ultrasonic Meters only*

Total Bid Price for New Construction  
Meters \$535,575.00

Total Bid Price for Meter Change Program \$434,103.25

Total Bid Price for Proposal \$969,678.25



# ATLAS UTILITY SUPPLY COMPANY

2301 CARSON STREET  
FORT WORTH, TEXAS 76117-5212  
817/831-4275 FAX 817/831-1014

sales@atlasutility.com

City of Sherman

## RFP Alternate

| QUANTITY | DESCRIPTION                                                                                   | PRICE    | EXTENDED     |
|----------|-----------------------------------------------------------------------------------------------|----------|--------------|
| 1,054    | 5/8" X 3/4" Badger G2 Bronze body E Series meter, with HR-E LCD Encoder, with Itron connector | \$159.80 | \$168,429.20 |
| TOTAL    |                                                                                               |          | \$168,429.20 |
| 1,054    | M25 5/8" X 3/4" Disc meter, with HR-E Encoder, with Itron connector                           | \$127.75 | \$134,648.50 |
| TOTAL    |                                                                                               |          | \$134,648.50 |

## **EVALUATION PROCESS**

All submitted proposals will be reviewed by the City of Sherman for compliance with the specified RFP requirements. The selection committee will decide proposals which meet the RFP requirements and receive further evaluation.

Based on the firms' response to the RFP requirements, the selection committee will determine the top firm(s) capable of meeting the needs of the City for such services. The City may invite the top firm(s) for an interview before considering a contract. Once the firm has been selected, the City will submit an agreement to the City Council for approval. The following evaluation criteria will be considered by the selection committee.

### **BEST VALUE EVALUATION CRITERIA**

- 40% Qualifications (when applicable, will include past performance of services for the City)
- 40% Pricing
- 20% References



### References

Customer Name: MUSTANG SUD  
Address: 7985 FM 2931 AUBREY TX 76227  
Contact: Chris Bond Telephone #: 940.448.9686  
Scope of work performed: AMR/AMI MERR SYSTEM  
Length of Service: SINCE 1997

Customer Name: ROCKETT SUD  
Address: 120 ALTON ADAMS DRIVE RED OAK TX  
Contact: KAN PHILLIPS Telephone #: 214.617.3524  
Scope of work performed: AMI SYSTEM  
Length of Service: SINCE 2014

Customer Name: CITY OF AUBREY  
Address: 1075 MAIN ST  
Contact: STEPHEN DAVIS Telephone #: 940.977.6477  
LEAH WILSON  
Scope of work performed: AMI SYSTEM  
Length of Service: 2015

**Exhibit C**  
**City's Insurance Requirements**

I. GENERAL INSURANCE REQUIREMENTS –

- A. All policies shall name the City of Sherman, its officers, agents, representatives and employees as additional insureds as to all applicable coverages with the exception of workers compensation 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 all applicable endorsement(s) evidencing the required insurance shall be submitted prior to commencing work under this Agreement. If the Agreement is renewed or extended by City, a Certificate of Insurance and all applicable 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 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;<br>▪ Minimum \$2,000,000.00 in the aggregate. |
| <u>  </u> | 3. XCU Coverage                                                                                                                                                                                                                                                                                                                                                                                                            | ▪ Minimum \$1,000,000.00 each occurrence;<br>▪ Minimum \$2,000,000.00 in the aggregate. |
| <u>  </u> | 4. Professional Liability                                                                                                                                                                                                                                                                                                                                                                                                  | ▪ Minimum \$1,000,000.00 each claim;<br>▪ Minimum \$2,000,000.00 in the aggregate.      |
| <u>  </u> | 5. Umbrella Coverage or Excess Liability Coverage                                                                                                                                                                                                                                                                                                                                                                          | ▪ An amount of \$ 2,000,000.00.                                                         |
| <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 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 City as an additional insured must be endorsed to read as primary and non-contributory coverage regardless of the application of other insurance. |                                                                                         |

- X   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.
- X   9. Insurance company has a minimum rating of "A" by A.M. Best's Key Rating Guide, or other equivalent rating service(s).
- X   10. The Certificate of Insurance must state the project title.
11. Other Insurance Requirements (State Below):

**Exhibit D**  
**Affidavit of No Prohibited Interest**

THE STATE OF TX §

THE COUNTY OF TARRANT §

I, Mike McKinnie, 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.

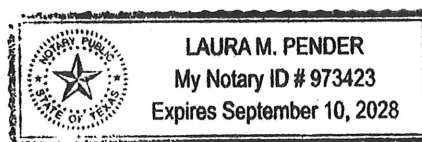
Upon filing this affidavit with the City of Sherman, Texas, I further affirm that no relative of mine, in the first degree by consanguinity or affinity, as defined in Chapter 573, TEX. GOV'T CODE, as amended, is a member of a public body which took action on the agreement.

Signed this 28 day of April, 2025  
Mike McKinnie  
Signature of Official/Title

BEFORE ME, the undersigned authority, this day personally appeared Mike McKinnie, 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 28 day of April, 2025

Laura M Pender  
Notary Public in and for the State of Texas  
My commission expires: 9/10/2028



**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.**

**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]*  
Signature of vendor doing business with the governmental entity

4.28.2025  
Date

## **CONFLICT OF INTEREST QUESTIONNAIRE**

### **For vendor doing business with local governmental entity**

A complete copy of Chapter 176 of the Local Government Code may be found at <http://www.statutes.legis.state.tx.us/Docs/LG/htm/LG.176.htm>. For easy reference, below are some of the sections cited on this form.

**Local Government Code § 176.001(1-a):** "Business relationship" means a connection between two or more parties based on commercial activity of one of the parties. The term does not include a connection based on:

- (A) a transaction that is subject to rate or fee regulation by a federal, state, or local governmental entity or an agency of a federal, state, or local governmental entity;
- (B) a transaction conducted at a price and subject to terms available to the public; or
- (C) a purchase or lease of goods or services from a person that is chartered by a state or federal agency and that is subject to regular examination by, and reporting to, that agency.

**Local Government Code § 176.003(a)(2)(A) and (B):**

- (a) A local government officer shall file a conflicts disclosure statement with respect to a vendor if:

\*\*\*

- (2) the vendor:

(A) has an employment or other business relationship with the local government officer or a family member of the officer that results in the officer or family member receiving taxable income, other than investment income, that exceeds \$2,500 during the 12-month period preceding the date that the officer becomes aware that

(i) a contract between the local governmental entity and vendor has been executed; or

(ii) the local governmental entity is considering entering into a contract with the vendor;

(B) has given to the local government officer or a family member of the officer one or more gifts that have an aggregate value of more than \$100 in the 12-month period preceding the date the officer becomes aware that:

- (i) a contract between the local governmental entity and vendor has been executed; or
- (ii) the local governmental entity is considering entering into a contract with the vendor.

**Local Government Code § 176.006(a) and (a-1)**

- (a) A vendor shall file a completed conflict of interest questionnaire if the vendor has a business relationship with a local governmental entity and:

(1) has an employment or other business relationship with a local government officer of that local governmental entity, or a family member of the officer, described by Section 176.003(a)(2)(A);

(2) has given a local government officer of that local governmental entity, or a family member of the officer, one or more gifts with the aggregate value specified by Section 176.003(a)(2)(B), excluding any gift described by Section 176.003(a-1); or

(3) has a family relationship with a local government officer of that local governmental entity.

- (a-1) The completed conflict of interest questionnaire must be filed with the appropriate records administrator not later than the seventh business day after the later of:

- (1) the date that the vendor:

(A) begins discussions or negotiations to enter into a contract with the local governmental entity; or

(B) submits to the local governmental entity an application, response to a request for proposals or bids, correspondence, or another writing related to a potential contract with the local governmental entity; or

- (2) the date the vendor becomes aware:

(A) of an employment or other business relationship with a local government officer, or a family member of the officer, described by Subsection (a);

(B) that the vendor has given one or more gifts described by Subsection (a); or

(C) of a family relationship with a local government officer.

## **TEXAS ETHICS FORM 1295 & VERIFICATION FORM 2270**

**NOTE: TEC Form 1295 will not be required for all submitting contractors, but, will be required from the recommended contractor prior to award. Verification Form 2270 is required with all proposal submittals. See next page for forms.**

## INSTRUCTIONS for State Law Mandated Certificate of Interested Parties Form (Form 1295)

1. Pursuant to House Bill 1295 passed by the 84<sup>th</sup> 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/elfinfoform1295.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: **2025-13**

Description of Goods and Services to be provided: **Water Meters**

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.



**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:**

Mike McKinnis

**Print Name & Title:**

Mike McKinnis

**Firm Name:**

ATLAS UTILITY Supply Co

**Date Signed:**

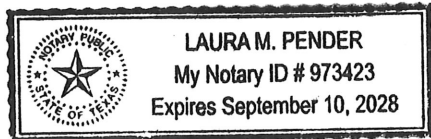
4.28.2025

**NOTARIZATION**

THE STATE OF Texas )  
 )  
COUNTY OF Tarrant )

BEFORE ME, the undersigned notary public on this day personally appeared Mike McKinnis, on behalf of Atlas Utility Supply Co (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 28 day of April, 2025.



Laura M Pender  
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.**

## AGREEMENT FOR WATER METERS

The City of Sherman, Texas, a home-rule municipality ("City"), and ATLAS UTILITY, a SUPPLY company ("Contractor"), hereby enter into this Agreement for the purchase of water meters ("Agreement"). City and Contractor are sometimes referred to collectively as the "parties" or individually as a "party."

WHEREAS, Sherman issued Request for Proposal No. 2025-13, attached hereto as Exhibit A and incorporated herein for all purposes ("Request for Proposal"), seeking competitive sealed proposals for water meters for the City; and

WHEREAS, Contractor timely submitted a response to the Request for Proposal, attached hereto as Exhibit B and incorporated herein for all purposes ("Submittal"), seeking to provide such services; and

WHEREAS, based on Contractor's representations in response to the Request for Proposal, including those representations set forth in the Submittal, Sherman has selected Contractor to provide the services sought in the Request for Proposal under the terms and conditions of this Agreement (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, equipment, supplies and deliverables that are described in the Request for Proposal on the terms and conditions set forth in the Agreement Documents (as defined below), 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").

2. Term.

The initial term of the Agreement shall be for a period of one (1) year, commencing on the Effective Date (hereinafter defined) of this Agreement. City shall have the option to extend this Agreement for four (4) additional terms of one (1) year each on the same terms and conditions of this Agreement by giving Contractor written notice of its intent to extend prior to the expiration of the then-current one (1) year term.

3. Compensation.

In exchange for Contractor's performance of the Services in accordance with the Agreement Documents, City agrees to pay Contractor on the basis defined by and in the amounts set forth in the Submittal ("Contractor's Fee").

City shall pay Contractor within thirty (30) days of receipt of each invoice, unless supporting receipts or other supporting documentation have been requested by City, in

which case City shall pay the invoice as soon after receiving the supporting receipts or documentation as is reasonable; or unless a dispute arises as to any charge(s) contained in the invoice, in which case City shall pay the undisputed amount of the invoice within thirty (30) days of receipt and shall pay the remaining amount, if any, of the invoice after resolution of the dispute as soon after resolution as is reasonable. Notwithstanding anything to the contrary in the Agreement Documents, City shall not be required to pay any invoice submitted by Contractor if Contractor is in breach of this Agreement.

The parties agree that the continuation of this Agreement after the close of any given fiscal year of City, which closes on September 30<sup>th</sup> of each calendar year, shall be subject to City Council approval. In the event that the 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 City 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 Request for Proposal, attached hereto as Exhibit A;
- C. The Submittal, attached hereto as Exhibit B
- D. City’s Insurance Requirements, attached hereto as Exhibit C;
- E. Affidavit of No Prohibited Interested, attached hereto as Exhibit D; and
- F. Conflict of Interest Questionnaire, attached hereto as Exhibit E.

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, or Exhibit E 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, Exhibit E, and Exhibit B shall prevail in that order. Should disputes arise as to responsibilities and obligations set forth in the Agreement Documents, City’s interpretation and/or decision shall be final and binding.

5. 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.

6. 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 City'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 City. Contractor also shall comply with all other requirements set forth in Exhibit C.

7. 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 City Charter. Contractor shall execute and deliver to City 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 City 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.

8. Indemnity.

CONTRACTOR HEREBY RELEASES AND SHALL 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 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 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 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, CITY SHALL HAVE THE RIGHT TO APPROVE OR SELECT DEFENSE COUNSEL TO BE RETAINED BY CONTRACTOR 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 CONTRACTOR'S OBLIGATION TO DEFEND CITY OR AS A WAIVER OF CONTRACTOR'S OBLIGATION TO INDEMNIFY CITY PURSUANT TO THIS AGREEMENT. CONTRACTOR 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 CONTRACTOR FAILS TO RETAIN COUNSEL WITHIN SUCH TIME PERIOD, CITY SHALL HAVE THE RIGHT TO RETAIN DEFENSE COUNSEL ON ITS OWN BEHALF, AND CONTRACTOR SHALL BE LIABLE FOR ALL COSTS INCURRED BY CITY.

THE RIGHTS AND OBLIGATIONS CREATED BY THIS SECTION SHALL SURVIVE TERMINATION OF THIS AGREEMENT.

9. 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. City assumes no such responsibility or liability. City shall have no such responsibility or liability to either Contractor or its officers, agents, representatives, employees, subcontractors, licensees, invitees or other persons.

10. 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 City 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.

11. Termination.

City 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.

City 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 City 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 City shall not be deemed a waiver of any other right or remedy of City.

If after exercising any remedy provided herein, the cost to City of the performance of the balance of the work under this Agreement 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 City for such excess, without waiver of any other right or remedy of City.

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.

12. 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.

13. 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 City. 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 City 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.

14. No Waiver of Immunity.  
The parties acknowledge and agree that, in executing and performing this Agreement, City 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.
15. 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.
16. Consideration.  
This Agreement is executed by the parties without coercion or duress and for substantial consideration, the sufficiency of which is forever confessed.
17. Attorneys' Fees.  
If either party files any action or brings any proceeding against the other arising from this Agreement, then as between City 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 the TEX. LOC. GOV'T CODE § 271.153, as it exists or may be amended, if applicable.
18. 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 Grayson County, Texas, and the exclusive venue for any action arising out of this Agreement shall be a court of appropriate jurisdiction in Grayson County, Texas.
19. 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.
20. 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.
21. 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.

22. Indemnity.

The parties agree that the indemnity provision set forth herein is conspicuous and the parties have read and understood the same.

23. 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 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:

AQUAS UTILITY SUPPLY CO

Attn:

MIKE MCKINNEY

Telephone: 817.229.5752

Email: \_\_\_\_\_

If to City, to:

City of Sherman

Attn: Dr. Zachary Flores

220 W. Mulberry Street

Sherman, Texas 75090

Telephone: 903-892-7201

Email: [zacharyf@cityofsherman.com](mailto:zacharyf@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

Email: [rpittman@abernathy-law.com](mailto:rpittman@abernathy-law.com)

24. 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.

25. Independent Contractor.



Contractor covenants and agrees that Contractor is an independent contractor and not an officer, agent, servant or employee of City; 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 City 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 City and Contractor.

26. 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 City and the authorized representative of Contractor.

27. 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.

28. Reference to City.

When referring to "City" herein, 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.

29. 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.

30. 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 have the meanings ascribed to them in the referenced statutes if defined therein.

31. 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.

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: \_\_\_\_\_  
Dr. Zachary Flores, City Manager  
Date: \_\_\_\_\_

**ATTEST:**

**APPROVED AS TO FORM:**

\_\_\_\_\_  
Linda Ashby, City Clerk

\_\_\_\_\_  
Ryan D. Pittman, City Attorney

\_\_\_\_\_  
Seller

By: \_\_\_\_\_  
Printed Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

STATE OF TEXAS           §  
                                     §  
COUNTY OF GRAYSON   §

BEFORE ME, the undersigned authority, on this day personally appeared **Dr. Zachary Flores**, known to me to be one of the persons whose names are subscribed to the foregoing instrument; he acknowledged to me he is the City Manager and duly authorized representative for the **City of Sherman, Texas** and he executed said instrument for the purposes and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this \_\_\_\_ day of \_\_\_\_\_, 202\_.

\_\_\_\_\_  
Notary Public in and for the State of Texas  
My Commission Expires: \_\_\_\_\_

STATE OF TEXAS           §  
                                     §  
COUNTY OF \_\_\_\_\_ §

BEFORE ME, the undersigned authority, on this day personally appeared \_\_\_\_\_, known to me to be one of the persons whose names are subscribed to the foregoing instrument; he/she acknowledged to me he/she is the \_\_\_\_\_ (title) and duly authorized representative for \_\_\_\_\_, a Texas corporation, and that he/she executed said instrument for the purposes and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this \_\_\_\_ day of \_\_\_\_\_, 202\_.

\_\_\_\_\_  
Notary Public in and for the State of Texas  
My Commission Expires: \_\_\_\_\_

**Exhibit C**  
**City's Insurance Requirements**

I. GENERAL INSURANCE REQUIREMENTS –

- A. All policies shall name the City of Sherman, its officers, agents, representatives and employees as additional insureds as to all applicable coverages with the exception of workers compensation 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 all applicable endorsement(s) evidencing the required insurance shall be submitted prior to commencing work under this Agreement. If the Agreement is renewed or extended by City, a Certificate of Insurance and all applicable 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 is required for this Agreement.

|              | Coverage Required                                                                                                                                                                                                                                                                                                                                                                                                          | Limits                                                                                                     |
|--------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------|
| <u>  X  </u> | 1. Worker’s Compensation & Employer’s Liability                                                                                                                                                                                                                                                                                                                                                                            | <div>▪ Statutory Limits of the State of Texas</div>                                                        |
| <u>  X  </u> | 2. General Liability                                                                                                                                                                                                                                                                                                                                                                                                       | <div>▪ Minimum \$1,000,000.00 each occurrence;</div> <div>▪ Minimum \$2,000,000.00 in the aggregate.</div> |
| <u>    </u>  | 3. XCU Coverage                                                                                                                                                                                                                                                                                                                                                                                                            | <div>▪ Minimum \$1,000,000.00 each occurrence;</div> <div>▪ Minimum \$2,000,000.00 in the aggregate.</div> |
| <u>    </u>  | 4. Professional Liability                                                                                                                                                                                                                                                                                                                                                                                                  | <div>▪ Minimum \$1,000,000.00 each claim;</div> <div>▪ Minimum \$2,000,000.00 in the aggregate.</div>      |
| <u>    </u>  | 5. Umbrella Coverage or Excess Liability Coverage                                                                                                                                                                                                                                                                                                                                                                          | <div>▪ An amount of \$ 2,000,000.00.</div>                                                                 |
| <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 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 City as an additional insured must be endorsed to read as primary and non-contributory coverage regardless of the application of other insurance. |                                                                                                            |

- X   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.
- X   9. Insurance company has a minimum rating of "A" by A.M. Best's Key Rating Guide, or other equivalent rating service(s).
- X   10. The Certificate of Insurance must state the project title.
11. Other Insurance Requirements (State Below):

**Exhibit D**  
**Affidavit of No Prohibited Interest**

THE STATE OF TX §

THE COUNTY OF TARRANT §

I, Mike McKinnie, 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.

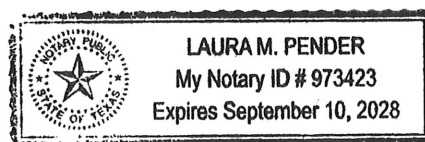
Upon filing this affidavit with the City of Sherman, Texas, I further affirm that no relative of mine, in the first degree by consanguinity or affinity, as defined in Chapter 573, TEX. GOV'T CODE, as amended, is a member of a public body which took action on the agreement.

Signed this 28 day of April, 2025  
Mike McKinnie  
Signature of Official/Title

BEFORE ME, the undersigned authority, this day personally appeared Mike McKinnie, 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 28 day of April, 2025

Laura M. Pender  
Notary Public in and for the State of Texas  
My commission expires: 9/10/2028



**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.**

**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

4.28.2025  
Date

## **CONFLICT OF INTEREST QUESTIONNAIRE**

### **For vendor doing business with local governmental entity**

A complete copy of Chapter 176 of the Local Government Code may be found at <http://www.statutes.legis.state.tx.us/Docs/LG/htm/LG.176.htm>. For easy reference, below are some of the sections cited on this form.

**Local Government Code § 176.001(1-a):** "Business relationship" means a connection between two or more parties based on commercial activity of one of the parties. The term does not include a connection based on:

- (A) a transaction that is subject to rate or fee regulation by a federal, state, or local governmental entity or an agency of a federal, state, or local governmental entity;
- (B) a transaction conducted at a price and subject to terms available to the public; or
- (C) a purchase or lease of goods or services from a person that is chartered by a state or federal agency and that is subject to regular examination by, and reporting to, that agency.

**Local Government Code § 176.003(a)(2)(A) and (B):**

(a) A local government officer shall file a conflicts disclosure statement with respect to a vendor if:

\*\*\*

(2) the vendor:

(A) has an employment or other business relationship with the local government officer or a family member of the officer that results in the officer or family member receiving taxable income, other than investment income, that exceeds \$2,500 during the 12-month period preceding the date that the officer becomes aware that

(i) a contract between the local governmental entity and vendor has been executed; or

(ii) the local governmental entity is considering entering into a contract with the vendor;

(B) has given to the local government officer or a family member of the officer one or more gifts that have an aggregate value of more than \$100 in the 12-month period preceding the date the officer becomes aware that:

- (i) a contract between the local governmental entity and vendor has been executed; or
- (ii) the local governmental entity is considering entering into a contract with the vendor.

**Local Government Code § 176.006(a) and (a-1)**

(a) A vendor shall file a completed conflict of interest questionnaire if the vendor has a business relationship with a local governmental entity and:

(1) has an employment or other business relationship with a local government officer of that local governmental entity, or a family member of the officer, described by Section 176.003(a)(2)(A);

(2) has given a local government officer of that local governmental entity, or a family member of the officer, one or more gifts with the aggregate value specified by Section 176.003(a)(2)(B), excluding any gift described by Section 176.003(a-1); or

(3) has a family relationship with a local government officer of that local governmental entity.

(a-1) The completed conflict of interest questionnaire must be filed with the appropriate records administrator not later than the seventh business day after the later of:

(1) the date that the vendor:

(A) begins discussions or negotiations to enter into a contract with the local governmental entity; or

(B) submits to the local governmental entity an application, response to a request for proposals or bids, correspondence, or another writing related to a potential contract with the local governmental entity; or

(2) the date the vendor becomes aware:

(A) of an employment or other business relationship with a local government officer, or a family member of the officer, described by Subsection (a);

(B) that the vendor has given one or more gifts described by Subsection (a); or

(C) of a family relationship with a local government officer.



## RFP Evaluation - Water

| Evaluation Criteria  | Atlas Utility Supply Co. | Zenner USA | Core & Main | Republic Meters, Inc. | Water Works Metrology, LLC | HydroPro Solutions |
|----------------------|--------------------------|------------|-------------|-----------------------|----------------------------|--------------------|
| Qualifications (40%) | 35.33                    | 35.67      | 36.00       | 21.67                 | 19.33                      | 40.00              |
| Pricing (40%)        | 32.67                    | 40.00      | 31.93       | 36.40                 | 30.33                      | 28.37              |
| References (20%)     | 18.33                    | 10.00      | 15.00       | 10.00                 | 9.33                       | 20.00              |
| Evaluation Score     | 86.33                    | 85.67      | 82.93       | 68.07                 | 59.00                      | 88.37              |

## AGREEMENT FOR WATER METERS

The **City of Sherman, Texas**, a home-rule municipality (“City”), and Atlas Utility Supply Company a Corporation company (“Contractor”), hereby enter into this Agreement for the purchase of water meters (“Agreement”). City and Contractor are sometimes referred to collectively as the “parties” or individually as a “party.”

WHEREAS, Sherman issued Request for Proposal No. 2025-13, attached hereto as Exhibit A and incorporated herein for all purposes (“Request for Proposal”), seeking competitive sealed proposals for water meters for the City; and

WHEREAS, Contractor timely submitted a response to the Request for Proposal, attached hereto as Exhibit B and incorporated herein for all purposes (“Submittal”), seeking to provide such services; and

WHEREAS, based on Contractor’s representations in response to the Request for Proposal, including those representations set forth in the Submittal, Sherman has selected Contractor to provide the services sought in the Request for Proposal under the terms and conditions of this Agreement (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, equipment, supplies and deliverables that are described in the Request for Proposal on the terms and conditions set forth in the Agreement Documents (as defined below), 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”).

2. Term.

The initial term of the Agreement shall be for a period of one (1) year, commencing on the Effective Date (hereinafter defined) of this Agreement. City shall have the option to extend this Agreement for four (4) additional terms of one (1) year each on the same terms and conditions of this Agreement by giving Contractor written notice of its intent to extend prior to the expiration of the then-current one (1) year term.

3. Compensation.

In exchange for Contractor’s performance of the Services in accordance with the Agreement Documents, City agrees to pay Contractor on the basis defined by and in the amounts set forth in the Submittal (“Contractor’s Fee”).

City shall pay Contractor within thirty (30) days of receipt of each invoice, unless supporting receipts or other supporting documentation have been requested by City, in

which case City shall pay the invoice as soon after receiving the supporting receipts or documentation as is reasonable; or unless a dispute arises as to any charge(s) contained in the invoice, in which case City shall pay the undisputed amount of the invoice within thirty (30) days of receipt and shall pay the remaining amount, if any, of the invoice after resolution of the dispute as soon after resolution as is reasonable. Notwithstanding anything to the contrary in the Agreement Documents, City shall not be required to pay any invoice submitted by Contractor if Contractor is in breach of this Agreement.

The parties agree that the continuation of this Agreement after the close of any given fiscal year of City, which closes on September 30<sup>th</sup> of each calendar year, shall be subject to City Council approval. In the event that the 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 City 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 Request for Proposal, attached hereto as Exhibit A;
- C. The Submittal, attached hereto as Exhibit B
- D. City’s Insurance Requirements, attached hereto as Exhibit C;
- E. Affidavit of No Prohibited Interested, attached hereto as Exhibit D; and
- F. Conflict of Interest Questionnaire, attached hereto as Exhibit E.

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, or Exhibit E 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, Exhibit E, and Exhibit B shall prevail in that order. Should disputes arise as to responsibilities and obligations set forth in the Agreement Documents, City’s interpretation and/or decision shall be final and binding.

5. 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.

6. 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 City'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 City. Contractor also shall comply with all other requirements set forth in Exhibit C.

7. 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 City Charter. Contractor shall execute and deliver to City 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 City 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.

8. Indemnity.

**CONTRACTOR HEREBY RELEASES AND SHALL 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 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 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 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, CITY SHALL HAVE THE RIGHT TO APPROVE OR SELECT DEFENSE COUNSEL TO BE RETAINED BY CONTRACTOR 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 CONTRACTOR'S OBLIGATION TO DEFEND CITY OR AS A WAIVER OF CONTRACTOR'S OBLIGATION TO INDEMNIFY CITY PURSUANT TO THIS AGREEMENT. CONTRACTOR 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 CONTRACTOR FAILS TO RETAIN COUNSEL WITHIN SUCH TIME PERIOD, CITY SHALL HAVE THE RIGHT TO RETAIN DEFENSE COUNSEL ON ITS OWN BEHALF, AND CONTRACTOR SHALL BE LIABLE FOR ALL COSTS INCURRED BY CITY.

THE RIGHTS AND OBLIGATIONS CREATED BY THIS SECTION SHALL SURVIVE TERMINATION OF THIS AGREEMENT.

9. 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. City assumes no such responsibility or liability. City shall have no such responsibility or liability to either Contractor or its officers, agents, representatives, employees, subcontractors, licensees, invitees or other persons.

10. 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 City 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.

11. Termination.

City 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.

City 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 City 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 City shall not be deemed a waiver of any other right or remedy of City.

If after exercising any remedy provided herein, the cost to City of the performance of the balance of the work under this Agreement 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 City for such excess, without waiver of any other right or remedy of City.

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.

12. 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.

13. 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 City. 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 City 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.

14. No Waiver of Immunity.  
The parties acknowledge and agree that, in executing and performing this Agreement, City 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.
15. 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.
16. Consideration.  
This Agreement is executed by the parties without coercion or duress and for substantial consideration, the sufficiency of which is forever confessed.
17. Attorneys' Fees.  
If either party files any action or brings any proceeding against the other arising from this Agreement, then as between City 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 the TEX. LOC. GOV'T CODE § 271.153, as it exists or may be amended, if applicable.
18. 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 Grayson County, Texas, and the exclusive venue for any action arising out of this Agreement shall be a court of appropriate jurisdiction in Grayson County, Texas.
19. 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.
20. 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.
21. 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.

22. Indemnity.

The parties agree that the indemnity provision set forth herein is conspicuous and the parties have read and understood the same.

23. 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: Atlas Utility Supply Company  
Attn: Brad  
2301 Carson St  
Fort Worth, TX 76117  
Telephone: 817-831-4275  
Email: [accounting@atlasutility.com](mailto:accounting@atlasutility.com)

If to City, to: City of Sherman  
Attn: Dr. Zachary Flores  
220 W. Mulberry Street  
Sherman, Texas 75090  
Telephone: 903-892-7201  
Email: [zacharyf@cityofsherman.com](mailto:zacharyf@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  
Email: [rpittman@abernathy-law.com](mailto:rpittman@abernathy-law.com)

24. 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.

25. Independent Contractor.



Contractor covenants and agrees that Contractor is an independent contractor and not an officer, agent, servant or employee of City; 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 City 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 City and Contractor.

26. 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 City and the authorized representative of Contractor.

27. 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.

28. Reference to City.

When referring to “City” herein, 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.

29. 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.

30. 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 have the meanings ascribed to them in the referenced statutes if defined therein.

31. 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.

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: \_\_\_\_\_  
Dr. Zachary Flores, City Manager  
Date: \_\_\_\_\_

**ATTEST:**

**APPROVED AS TO FORM:**

\_\_\_\_\_  
Linda Ashby, City Clerk

\_\_\_\_\_  
Ryan D. Pittman, City Attorney

\_\_\_\_\_  
Atlas Utility Supply Company

Seller

By: \_\_\_\_\_  
Printed Name: Brad Johnson  
Title: Vice President  
Date: August 12, 2025

STATE OF TEXAS       §  
                                  §  
COUNTY OF GRAYSON   §

BEFORE ME, the undersigned authority, on this day personally appeared **Dr. Zachary Flores**, known to me to be one of the persons whose names are subscribed to the foregoing instrument; he acknowledged to me he is the City Manager and duly authorized representative for the **City of Sherman, Texas** and he executed said instrument for the purposes and consideration therein expressed.

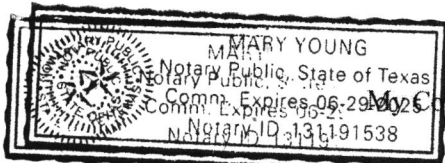
GIVEN UNDER MY HAND AND SEAL OF OFFICE this \_\_\_\_\_ day of \_\_\_\_\_, 202\_.

\_\_\_\_\_  
Notary Public in and for the State of Texas  
My Commission Expires: \_\_\_\_\_

STATE OF TEXAS       §  
                                  §  
COUNTY OF Tarrant   §

BEFORE ME, the undersigned authority, on this day personally appeared Brad Johnson, known to me to be one of the persons whose names are subscribed to the foregoing instrument; he/she acknowledged to me he/she is the Vice President (title) and duly authorized representative for Atlas Utility Supply Company, a Texas corporation, and that he/she executed said instrument for the purposes and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this 12th day of August, 2025.



Mary Young  
\_\_\_\_\_  
Notary Public in and for the State of Texas  
My Commission Expires: 8-8-29



## City Council Regular Meeting

Agenda Item No. F.7.

**Meeting Date:** 8/18/2025

**Prepared By:** Jana Walker, Controller

**Approved By:** Zachary Flores, Acting City Manager

### **Caption:**

#### **\*RESOLUTION NO. 7563**

Authorizing The City Manager To Execute An Agreement With U.S. Bank For Commercial Charge Card Services Through The State Of Texas Contract

### **Issue:**

Provision of commercial charge card services for the City of Sherman

### **Background:**

The City of Sherman utilizes commercial purchasing cards to streamline procurement, reduce administrative costs, and strengthen internal purchasing controls. The Finance Department was recently notified by the City's current provider, Citibank, that they will be discontinuing their government purchasing card program as a result of losing the State of Texas commercial charge card contract.

To ensure continuity of purchasing operations, the Finance Department evaluated alternative providers under the current State of Texas cooperative purchasing contract. U.S. Bank was awarded the new statewide contract (Contract ID: 946M4-3292) and offers a comprehensive commercial charge card solution tailored to the needs of public sector entities.

Utilizing this competitively awarded contract allows the City to adopt a new program with no disruption in service, while benefiting from improved reporting tools, enhanced security features, and potential rebate incentives based on annual spending levels.

### **Capital Improvement Program:**

### **Origination:**

Mary Lawrence, CFO

### **Financial Consideration:**

There is no direct cost to the City to participate in the U.S. Bank commercial card program. The City may qualify for annual rebate incentives based on overall card usage and compliance with program requirements. Use of the card will remain subject to all City purchasing policies and internal controls.

### **Staff Recommendation:**

Staff recommends approval of this item to authorize the City Manager to execute an agreement with U.S. Bank under the State of Texas Contract ID 946M4-3292, and to implement the City's updated commercial charge card

program in preparation for the discontinuation of Citibank services.

**Alternatives:**

As may be directed by City Council.

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**Attachments:**

1. Resolution No. 7563
2. US Bank Award Binder\_PCard SIGNED
3. U.S. Bank Cooperative Purchasing Member Addendum
4. U.S. Bank Required Information Collection Form

**RESOLUTION NO. 7563**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, APPOINTING AND AUTHORIZING THE CITY MANAGER TO EXECUTE AN AGREEMENT WITH U.S. BANK FOR COMMERCIAL CHARGE CARD SERVICES UNDER THE STATE OF TEXAS CONTRACT (CONTRACT ID: 946M4-3292); 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 execute an agreement with U.S. Bank for the provision of commercial charge card services under State of Texas Contract ID 946M4-3292.

**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 18<sup>th</sup> day of August 2025.**

**CITY OF SHERMAN, TEXAS**

**ATTEST:**

**BY: \_\_\_\_\_  
LEAH ROBERTS  
EXECUTIVE DIR. OF ADMIN.  
ACTING CITY CLERK**

**BY: \_\_\_\_\_  
SHAWN TEAMANN, MAYOR**

**APPROVED AS TO FORM  
AND CONTENT:  
ABERNATHY, ROEDER, BOYD, & HULLET P.C.**

**BY: \_\_\_\_\_  
RYAN D. PITTMAN, CITY ATTORNEY**



**GLENN HEGAR** TEXAS COMPTROLLER OF PUBLIC ACCOUNTS

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**NOTICE OF AWARD**

U.S. Bank National Association  
Mark A. Hess, Account Manager  
800 Nicollet Mall  
Minneapolis, MN 55402

Re: Contract Category: 946-M4 Charge Cards: Commercial Charge Card Services  
Contract ID No.: 946M4-3292  
RFP No.: 304T-24-946M4  
Term of Contract: Date of Deputy Comptroller's signature on this Notice of Award,  
through March 31, 2027

Your company, U.S. Bank National Association, submitted a Response to the Comptroller of Public Accounts (CPA) in response to the above-referenced Request for Proposal (RFP). This letter is to inform you that the Comptroller accepts your Proposal for the item(s) listed in the attached Contract Item List.

The Contract consists of the documents stated in Section B.3.2 of the RFP; however, products or services in your Response for which you sought an award that are not included in the attached Contract Item List are not part of the Contract.

Only those assumptions and exceptions specifically noted in Exhibit A are accepted by CPA and are part of this Notice of Award. All other assumptions and exceptions in your Response, if any, are specifically denied. Any oral discussions, representations, or accommodations regarding assumptions or exceptions are specifically disclaimed.

As stated in the RFP, no minimum compensation under the Contract is guaranteed. You must not process or make delivery for any products or services until receipt of a purchase order by a Customer pursuant to the terms of the Contract.

Any payment due under this Contract will be applied towards any debt, including but not limited to delinquent taxes and child support, which is owed to the state of Texas.

The terms and conditions of this Contract may be modified only through a written amendment executed by an authorized representative of the CPA. Customers may not modify the terms and conditions nor amend the Contract.

Texas Comptroller of Public Accounts

DocuSigned by:

*Lisa Craven*

Lisa Craven

Deputy Comptroller

5/15/2025 | 5:22 PM CDT

Date

**Exhibit A**  
**Mutually Agreed Exceptions**  
**Charge Cards – Line 1**  
**Commercial Charge Card Services**  
**Contract ID No. 946M4-3292**

**The parties agree to amend the Contract terms and conditions as set forth below. Except as expressly stated herein, all other terms of the Contract remain unchanged and are in full force and effect.**

1. RFP, Part A, Section A.4. Pricing is amended to remove paragraph three and four and replace with the following language:

“Respondent must complete and return the Mandatory Price Sheet, including the proposed rebate schedule(s). These proposed rebates, and all discounts and incentives, may only be adjusted in accordance with this Section.

Contractor may increase the rebate rate at any time, for any reason. For rebate decreases, Contractor may, up to twice per calendar year, submit a rebate adjustment request to CPA. CPA shall evaluate the request that shows the Contract rebate is impacted by changes in (1) credit card interchange programs or (2) law. No other basis for rebate decrease is permitted. CPA at its sole discretion may accept, reject, or negotiate any proposed rebate adjustment. If U.S. Bank does not concur with the decision of CPA with regard to a rebate decrease, U.S. Bank may terminate the agreement upon giving 180 days of notice of the CPA decision. U.S. Bank will extend the program beyond 180 days, with no rebate, until a new provider is onboarded.”

2. RFP, Part A, Section A.5. Insurance is deleted in its entirety and replace with the following language.

“The Response must include a statement that Respondent intends to maintain for the term of the Contract (and any renewal periods or additional extensions) the minimum insurance coverage specified in the table below. The Response should also describe other insurance coverage maintained by Respondent in the ordinary course of business and provide proof of same in its Response. If Respondent’s normal and customary insurance coverage exceeds the minimum required amounts in this Solicitation, the Contract will require those normal and customary types and amounts of coverage. Proof of insurance may be provided in the form of current certificates of insurance.

Respondent may propose alternate insurance amounts or coverages in the form of an exception. See Section A.17.8. If CPA rejects the exception, the Respondent shall obtain the minimum coverage listed.

Any subcontractor performing work under this Contract must meet the same minimum insurance requirements. Contractor shall ensure its subcontractors’ compliance with all requirements.



| <b>Minimum Required Amounts of Insurance Coverage</b>                                                                                                                                                                                                                 |                                                                                                                                                                                                                                   |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Type of Insurance</b>                                                                                                                                                                                                                                              | <b>Each Occurrence/Aggregate</b>                                                                                                                                                                                                  |
| Commercial General Liability<br>(Occurrence based)<br>Required types of coverage: Blanket,<br>Broad Form Property Damage, Premises<br>and Operations Hazards, Products and<br>Completed Operations Hazards,<br>Independent Contractor's, and Contractual<br>Liability | Bodily Injury and Property Damage<br>\$2,000,000 Each Occurrence Limit<br>\$2,000,000 Aggregate Limit<br>\$2,000,000 Products/Completed Operations<br>Aggregate Limit<br>\$1,000,000 Personal Injury and Advertising<br>Liability |
| Automobile Liability<br>All Owned, Hired and Non-Owned<br>Vehicles<br>(Required if the Contractor owns vehicles<br>or uses vehicles to perform the Contract)                                                                                                          | \$500,000 Combined Single Limit<br>(for each accident)                                                                                                                                                                            |
| Workers' Compensation<br>(Required if the Contractor has one or<br>more employees)                                                                                                                                                                                    | Statutory Limits                                                                                                                                                                                                                  |
| Employer's Liability<br>Bodily Injury by Accident<br>Bodily Injury by Disease<br>Bodily Injury by Disease                                                                                                                                                             | \$1,000,000 Each Accident<br>\$1,000,000 Each Employee<br>\$1,000,000 Policy Limit                                                                                                                                                |
| Umbrella or Excess Liability                                                                                                                                                                                                                                          | \$10,000,000 of additional coverage (either<br>Umbrella or Excess Liability) for all liability<br>policies required for this Contract (excluding<br>Workers' Compensation insurance)                                              |
| Cyber and Privacy Insurance                                                                                                                                                                                                                                           | \$20,000,000 Aggregate Limit (If Respondent<br>normal and customary insurance, primary and<br>excess coverage, exceeds the minimum<br>required, Respondent is required to maintain<br>such additional coverage)                   |
| Crime Insurance                                                                                                                                                                                                                                                       | \$ 10,000,000 Aggregate Limit                                                                                                                                                                                                     |

|                      |                                                                                                                                                                                                                      |
|----------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Additional Insurance | Additional insurance and related provisions may be required by Customer depending on Customer's particular circumstances. Customer will identify any additional insurance requirements when placing a purchase order |
|----------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

All required insurance policies must be issued from a company or companies with a Financial Strength Rating of "A-" or better and a Financial Size Category of VIII or larger from AM Best. CPA may consider other sources of information and reserves the right to determine whether an insurer is acceptable in its sole discretion.

All insurance policies must be issued by companies authorized to do business under the laws of the State of Texas and in a form satisfactory to CPA. Except as specified below, all insurance policies must:

- (1) The required General Liability and Automobile Liability policies shall be written on a primary and non-contributory basis.
- (2) name the state of Texas as a certificate holder on all certificates of insurance;
- (3) name the state of Texas, its officers and employees as additional insureds on the required General Liability and Automobile Liability policies; and
- (4) the required General Liability, Automobile Liability, and worker's compensation policies shall include a waiver of subrogation in favor of the state of Texas, its officers and employees for bodily injury (including death), property damage or any other loss arising from the Contract or any purchase order.

Within five business days of receiving the Notice of Award, Contractor shall submit current certificates of insurance to CPA. Notices will be sent to [spd.cmo@cpa.texas.gov](mailto:spd.cmo@cpa.texas.gov). Failure to submit acceptable proof of insurance may result in termination. Contractor shall maintain the required insurance throughout the Contract.

Contractor must disclose on its insurance certificate whether any of the coverage required under the Contract is being satisfied with a Self-Insured Retention (SIR) and list the amount of the SIR. Contractor must obtain CPA's prior approval of an SIR in excess of \$10,000, and provide any documentation requested by SPD.

Contractor shall:

- (1) provide written documentation to Statewide Contract Management (SCM) by email at [spd.cmo@cpa.texas.gov](mailto:spd.cmo@cpa.texas.gov) at least 30 calendar days prior to any cancellation, non-renewal, or material change of a required policy; and
- (2) ensure all insurance policies and certificates of insurance for required coverage are written to include all products, services, and locations related to Contractor's performance under the Contract; and

(3) deliver proof of all renewal policies prior to any expiration of a required policy to SCM by email at [spd.cmo@cpa.texas.gov](mailto:spd.cmo@cpa.texas.gov). All renewal policies and corresponding certificates of insurance must meet all terms set forth in the Contract.

Contractor must ensure that all provisions of the Contract concerning liability, duty, and standard of care, together with the indemnification provision, are underwritten by contractual liability coverage sufficient to include such Contractor's obligations under the Contract."

3. RFP, Part A, Section A.9.1. Billing is amended to remove paragraph three and replace with the following paragraph:

"The State of Texas requires that all fees to the state be waived including, but not limited to, account establishment, monthly percentage, late payment, transaction, reporting, training, auditing and methodology assessment fees that apply. No fees shall be assessed regardless of activity on the account. Late payment interest will be assessed as determined in the Prompt Payment Act."

4. RFP, Part A, Section A.9.1. Billing is amended to remove the last paragraph and replace it with the following language:

"The State of Texas or Customer may withhold payment for defective goods or services in accordance with the Prompt Payment Act. IBAs will be assessed against the requirements of the Fair Credit Billing Act."

5. RFP, Attachment A, Section 22. No Felony Criminal Convictions is amended to remove Section 22 in its entirety and replace with the following:

"Respondent represents and warrants that, to the best of its knowledge and without independent review, Respondent has not and Respondent's employees have not been convicted of a felony criminal offense, or that, if such a conviction has occurred, Respondent has fully advised CPA as to the facts and circumstances surrounding the conviction. If awarded the Contract, Contractor has continuing duty to amend, supplement, or correct this representation and warranty not later than ten days after discovering additional information relating to felony criminal convictions of Contractor or any of its employees. Contractor will not allow any employee convicted of a felony criminal offense to perform tasks related to the contract without such disclosure and express permission from CPA."

6. RFP, Attachment E, Section E.1. Rebate Calculation is amended to remove Subsection E.1(C) and replace with the following:

"The Rebate period shall be calculated on a 6-month basis with cycle close dates at the end of August (August 31) and at the end of February (February 28 or 29) of each such fiscal year."

7. RFP, Attachment E, Section E.2.1. Technical and Reporting Requirements is amended to remove Subsection E.2.1(E) and replace with the following:

“Program System shall have 24 hours/7 days/week availability with scheduled downtimes only for upgrades and maintenance. All such upgrades must be announced in writing at least 10 working days prior to implementation of any change and limited to early morning hours (12:00 am – 6:30 am Central Time) or evening hours (7:00 pm - 11:59 pm Central Time) and/or non-business days when feasible, not to exceed two hours during any 24 hour period Monday through Friday (excluding Federal and State holidays). Program System downtime in excess of two hours during any 24 hour period during Monday through Friday (excluding Federal and State holidays), during the contract term, may result in the assessment of liquidated damages as set forth in Attachment G - Schedule of Liquidated Damages. This provision does not apply to nightly batch process which allows for account creation and maintenance. Batch Processing runs from 7:00 pm Central Time (CT) through approximately 10:00 pm CT seven days a week. There are no outages during this time as all system functions are available. Scheduled maintenance affecting the Access Online portal availability would be from 2:00 AM CT to 7:00 AM CT Sunday mornings. This will not affect Access Online Authorization as Base24, Contractor’s fault tolerant system, will stand in for any maintenance outage on the Mainframe. The Access Online portal would be affected with scheduled maintenance on a quarterly basis, for which Contractor shall provide the required advance notice.”

8. RFP, Attachment E, Section E.2.1 Technical and Reporting Requirements is amended to remove Subsection E.2.1(J)(1) and replace with the following:

1. “Notify CPA promptly, but no later than two (2) hours;”

9. RFP, Attachment E, Section E.2.2. Security Requirements is amended to remove Subsection E.2.2(G) Independent Information Security Assessment and replace with the following:

“G. Independent Information Security Assessment: If Contractor has access to a Customer Information System or receives, processes, transmits or stores Customer Data, then Contractor shall provide CPA the opportunity to review the most recent information security assessment conducted by an independent third-party (e.g., SSAE-18 SOC 2 Type II, ISO 27002) upon contract award and annually thereafter. CPA, in its sole discretion may conduct a security assessment of any information system holding Customer Data or connected to a Customer Information System. CPA’s security assessment may consist of a review of the following: (i) independent third-party assessment(s) contracted by Contractor (e.g., SSAE 18 SOC 2 Type II, ISO 27002) and (ii) Contractor’s System Security Plan. Contractor as a Federally-chartered financial institution with the highest level of security can only share the report in a live meeting (web conference preferred) setting. U.S. Bank is not obligated to provide such third-party assessments but will allow CPA to perform a supervised review if the requested assessment results are available to U.S. Bank.”

10. RFP, Attachment E, Section E.2.2. Security Requirements is amended to remove Subsection E.2.2(H) Media Sanitization and replace with the following:

“H. Media Sanitization: Contractor shall sanitize information system media, both digital and non-digital, in a manner consistent with the guidelines in with NIST Special Publication 800-88 (Guidelines for Media Sanitization) when Customer Data in the custody of Contractor is no longer required to be retained by the contract with CPA. Contractor must retain a record documenting each sanitization procedure that, at a minimum, includes the following information: (i) date sanitization completed, (ii) description of the item(s), serial number(s), inventory control number(s), if applicable, and (iii) sanitization method used. No later than sixty (60) calendar days from contract expiration or termination or as otherwise specified in the contract with CPA, Contractor must either (i) complete the sanitization and submit via email to the CPA Contract Manager all sanitization documentation or (ii) submit a written statement via email to the CPA Contract Manager explaining the reason that destruction of Customer Data by Contractor is technically impossible or impractical. Contractor’s obligations set forth in the clause survive the termination or expiration of the contract as long as Contractor retains Customer Data.”

11. RFP, Attachment E, Section E.2.2. Security Requirements is amended to remove Subsection E.2.2(K) Security Incident Notification and replace with the following:

“K. Security Incident Notification: Contractor shall have policies and procedures for the effective management of Security Incidents that shall be made available to CPA upon written request. Within 24 hours of Contractor’s discovery or reasonable belief and Contractor’s relationship manager knowledge that there has been an event that results in the accidental or deliberate unauthorized access, loss, disclosure, modification, disruption or destruction of confidential Customer information (“Security Incident”), Contractor shall provide notice to CPA by calling 800-531-5441 EXT 34357. Until the investigation is complete, Contractor shall submit daily, or as otherwise agreed by CPA, a written report via encrypted email to [security.alerts@cpa.texas.gov](mailto:security.alerts@cpa.texas.gov) that includes all event details Contractor is permitted by law or Contractor’s internal policies to be shared with CPA. Subject to review and approval of CPA, Contractor shall provide notice at its own cost that satisfies the requirements of applicable law to individuals whose information was compromised or likely compromised as a result of the Security Incident. If CPA, in its sole discretion, elects to send its own separate notice, then all costs associated with preparing and providing the notice shall be reimbursed to CPA by Contractor. If Contractor does not reimburse such costs within 30 days of CPA’s written request, then CPA shall have the right to collect such costs.”

12. RFP, Attachment E, Section E.2.3 Card Security Control and Restrictions is amended to remove Subsection E.2.3(L) System Security Reviews and Audits and replace with the following:

“L. System Security Reviews and Audits: The Program System will be subject to security reviews, as required by CPA, before and throughout the period of performance. The Contractor shall provide complete information and access to CPA, as required, to facilitate these reviews. Reviews include, but are not limited to the following:

1. SSAE 16 SOC 2 Type II Audit: CPA requires Contractor to obtain SSAE 16 SOC 2 Type II annual audits of their internal controls and provide the report to SPD Statewide Contract Management (SCM).
2. Penetration Tests: CPA requires Contractor to obtain annual penetration tests and provide to SPD Statewide Contract Management (SCM) or appropriate CPA Information Security personnel the ability to participate in a supervised review, via a live meeting (web conference preferred) setting, a summary of the results, including a plan of actions and milestones (POAMs) for remediation.
3. System Audits: To test, verify, and continuously monitor security compliance, CPA reserves the right to perform audits of management, operational and technical controls of Contractor's systems annually, or as required via information security questionnaires.
4. Contractor shall comply with changes to security control review, audit and authorization requirements as they are updated.

Contractor as a Federally-chartered financial institution with the highest level of security can only share the report in a live meeting (web conference preferred) setting. Contractor is not obligated to provide such third-party assessments but will allow CPA to perform a supervised review if the requested assessment results are available to U.S. Bank.”

13. RFP, Attachment E, Section E.2.3 Card Security Control and Restrictions is amended to remove Subsection E.2.3(P)(3) and replace with the following:

“3. represent and warrant that, to the best of its knowledge and without independent review, Contractor has not and Contractor’s employees have not been convicted of a felony criminal offense, or that, if such a conviction has occurred, Contractor has fully advised CPA as to the facts and circumstances surrounding the conviction. If awarded the contract, Contractor has a continuing duty to amend, supplement or correct this representation and warranty not later than ten days after discovering additional information relating to felony criminal convictions of Contractor or any of its employees. Contractor will not allow any employee convicted of a felony criminal offense to perform tasks related to the contract without such disclosure and express permission from CPA.”

14. RFP, Attachment E, Section E.2.3. Card Security Control and Restrictions is amended to remove Subsection E.2.3(Q)(2) and replace with the following:

“2. To the extent required to carry out a program of inspection to safeguard against threats and hazards to the security, integrity and confidentiality of Customer data, Contractor shall comply with reasonable requests for CPA to access Contractor’s technical capabilities, operations, documentation, records and databases, if such access is possible without exposing Confidential Information; and”

15. RFP, Attachment E, Section E.3.1. Customer Service. U.S. Bank confirms compliance with the Solicitation’s requirement in Subsection E.3.1(A)(1).

16. RFP, Attachment E, Section E.3.1. Customer Service is amended to remove Subsection E.3.1(A)(4) and replace with the following:

“B. Contractor shall notify CPA, in writing, at least 15 calendar days prior to any change of a Dedicated Account Manager. Failure to provide notice at least 15 calendar days may result in the assessment of liquidated damages as set forth in Attachment G – Schedule of Liquidated Damages. This provision only applies if the Contractor has the 15 days’ notice and does not apply to short notice or sudden termination. In instances of short notice or sudden termination, notice must be provided as promptly as possible or by no later than the close of business upon day of actual notice.”

17. RFP, Attachment E, Section E.3.1. Customer Service is amended to remove Subsection E.3.1(B)(7) and replace with the following paragraph.

“7. Contractor shall notify CPA, in writing, at least 10 calendar days prior to any change of a Dedicated or Designated CSR. Failure to provide notice at least 10 calendar days may result in the assessment of liquidated damages as set forth in Attachment G – Schedule of Liquidated Damages. This provision only applies if the Contractor has the 10 days’ notice and does not apply to short notice or sudden termination. In instances of short notice or sudden termination, notice must be provided as promptly as possible or by no later than the close of business upon the day of actual notice.”

18. RFP, Attachment E, Section E.3.1. Customer Service is amended to remove Subsection E.3.1(C)(4) and replace with the following paragraph.

“Contractor shall notify CPA, in writing, at least 10 calendar days prior to any change of a Dedicated Technical Help Desk Member, Failure to provide notice at least 10 calendar days may result in the assessment of liquidated damages as set forth in Attachment G – Schedule of Liquidated Damages. This provision only applies if the Contractor has the 10 days’ notice and does not apply to short notice or sudden termination. In instances of short notice or sudden termination, notice must be provided as promptly as possible or by no later than the close of business upon day of actual notice.”

19. RFP, Attachment G, Table, Row 1 is amended to remove the language in the Requirement column and replace with the following:

“Contractor shall provide a Program System with 24 hours/7 days/week availability without downtime in excess of 2 hours during any 24-hour period Monday through Friday (excluding federal and state holidays), during the contract term, except for scheduled maintenance for which CPA has received 10 days’ advance notice. This provision does not apply to nightly batch process which allows for account creation and maintenance. Batch Processing runs from 7:00 pm Central Time (CT) through approximately 10:00 pm CT seven days a week. There are no outages during this time as

all system functions are available. Scheduled maintenance affecting the Access Online portal availability would be from 2:00 am CT to 7:00 am CT Sunday mornings. This will not affect Access Online Authorization as Base24, Contractor's fault tolerant system, will stand in for any maintenance outage on the Mainframe. Access Online portal would be affected with maintenance on a quarterly basis, for which Contractor shall provide the required advance notice."

20. RFP, Attachment G, Table, Row 2 is amended to remove the language in the Requirement column and replace with the following:

"In the event that Contractor fails or is unable to restore full Program System functionality within 2 hours during Monday through Friday (excluding Federal and State holidays), Contractor shall:

- notify CPA promptly, but no later than two (2) hours; and
- use commercially reasonable efforts to develop in a timely fashion, procedures or routines, for use by Customers, which, when employed in the regular operation of, or access to, the Program System, will avoid or substantially diminish the practical adverse effects of the loss of major functionality to the Program System."

21. RFP, Attachment G, Table, Row 2C, is amended to remove the language in the Requirement column and replace with the following:

"Contractor shall notify CPA, in writing, at least 15 calendar days prior to any change of an Account Manager. This provision only applies if the Contractor has the 15 days' notice and does not apply to short notice or sudden termination. In instances of short notice or sudden termination, notice must be provided as promptly as possible or by no later than the close of business upon day of actual notice."

22. RFP, Attachment G, Table, Row 3F, is amended to remove the language in the Requirement column and replace with the following:

"Notify CPA in writing, at least 10 calendar days prior to any change of a Dedicated or Designated CSR. This provision only applies if the Contractor has the 10 days' notice and does not apply to short notice or sudden termination. In instances of short notice or sudden termination, notice must be provided as promptly as possible or by no later than the close of business upon day of actual notice."

23. RFP, Attachment G, Table, Row 4C, is amended to remove the language in the Requirement column and replace with the following:

"Notify CPA, in writing, at least 10 calendar days prior to any change of a Dedicated Technical Help Desk Member. This provision only applies if the Contractor has the 10 days' notice and does not apply to short notice or sudden termination. In instances of short notice or sudden termination, notice must be provided as promptly as possible or by no later than the close of business upon day of actual notice."



24. U.S. Bank, Proposed Solutions, Access to complete contract data upon termination or expiration, p. 6-7. U.S. Bank confirms compliance with the Solicitation's requirement in Part B, Section B.7.1 and Gov't Code §441.1855.

25. U.S. Bank, Proposed Solutions, Program Management APIs, p. 6-2. U.S. Bank and CPA agree to add Subsection FF in Section E.2.1. Technical and Reporting Requirements with the following language:

“Contractor will offer APIs to provide a real-time connection between a Customer system and Contractor for efficient card account setup and maintenance. Customer may require Contractor to provide Application Programming Interface (API) for its card program. When requested, Contractor shall provide API upon receiving the appropriate and required information from Customer, and work with Customer to ensure API compatibility and integration with Customer's system. Additional terms and conditions applicable to API shall be negotiated between Contractor and each Customer.”

26. U.S. Bank, Proposed Solutions, Card Specifications, customized pre-printed cards, p. 6-17. U.S. Bank agrees to provide to state agencies customized cards at no charge and following the requirements under Section E.3.2(B)(6). U.S. Bank agrees to provide to local governments and institutions of higher education: (a) custom logo cards with a minimum of four colors with 4<sup>th</sup> line embossing of tax exemption information at no charge; (b) fully customized card will be scoped and invoiced but no greater than \$5,000.00 per 1,000 cards (c) with first order production timeline of 20 to 24 weeks.

27. U.S. Bank, Proposed Solutions, Card Issuance, p. 6-17, Implementation and Transition, p. 6-24. U.S. Bank confirms compliance with Solicitation's Sections E.3.3 and E.6.

28. U.S. Bank, Response - Exhibit 1, Commercial Charge Card Financial Proposal. U.S. Bank confirms compliance with Solicitation's requirement that rebates period will be semi-annual without a minimum requirement to qualify for rebate incentive payment.

29. U.S. Bank. Response - Exhibit 1, Commercial Charge Card Financial Proposal – Disclosures. U.S. Bank confirms its commitment to the full contract term as referenced in Part A, Section A.3. Additionally, U.S. Bank clarified state agencies and institutions of higher education are qualified for credit and will not be required to qualify for credit prior to Contract participation, and provided the following explanation regarding Customers credit-qualification:

“As a Federally regulated financial institution, U.S. Bank is required to assess the credit position of all customers, as each account is liable to repay U.S. Bank for the commercial charge card purchases made by authorized cardholders. The establishment of commercial charge card and other banking relationships within the United States also requires compliance with various applicable laws, regulations and requirements of those agencies that are charged with ultimate enforcement of those laws, some of which overlap with the credit qualification process.

U.S. Bank will maintain credit for the State of Texas, to include state agencies and institutes of higher education, based on our analysis of the State’s access to capital. Access will be determined at the discretion of U.S. Bank, based on publicly accessible information such as the State’s approved budget and appropriations, as well as third-party bond ratings. The collection of required information used to ensure protections and establish credit relationships (known as KYC) allows U.S. Bank to evidence that we fully know our customers and appropriately conduct sanctions filtering of the cardholder and company information at the time of account opening and on a regular basis to fulfill our legal and regulatory obligations, since OFAC prohibits U.S. companies from conducting business with certain foreign countries or entities that it considers to be fostering terrorist or other illegal activities.”

30. U.S. Bank, Proposed Solutions and Exhibits, Security Requirements. CPA accepts the following attachments included in U.S. Bank’s Response: (a) online security; (b) privacy; (c) Organizational Security Overview; and (d) Enterprise Reliability Plan. U.S. Bank may not unilaterally change any of the included attachments. Any terms or conditions unilaterally revised subsequent to award shall not be enforceable against CPA and its Customers, and CPA and Customers shall not be deemed to have consented to them. Changes in terms and conditions of any attachment may be made only by written agreement of both parties.

AGREEMENT

CPA will indicate its agreement by issuing a notice of award signed by the Deputy Comptroller.

By the signature of its authorized representative below, the Contractor shows its agreement and acknowledges that as the result of negotiation only those exceptions and modifications specifically noted in this exhibit are agreed between the parties:

|                                                                  |              |
|------------------------------------------------------------------|--------------|
| <div>E-SIGNED by Ryan Potts<br/>on 2025-05-14 22:19:51 GMT</div> | Ryan Potts   |
| Signature of Authorized Representative                           | Printed Name |
| Senior Vice President                                            |              |
| Authorized Representative Title                                  |              |
| US Bank                                                          |              |
| Legal Company Name                                               |              |
| May 14, 2025                                                     |              |
| Signature Date                                                   |              |

Contract Item List  
Contract Category 946M4 Charge Cards, Commercial Charge Card Services  
Contract ID No. 946M4-3292  
RFP No. 304T-24-946M4

U.S. Bank National Association

General

- Credit losses are deducted from the rebate.
- Fraud losses are absorbed by U.S. Bank National Association.
- Rebates will be paid semi-annually regardless of the amount of the rebate earned.

Rebate Structure

A rebate is paid to the Customer when the file turn average is 45 days or less. File turn days are the average number of days between a charge posting and payment for that charge posting. Mathematically, file turn = sum of daily balances for the rebate period divided by the total spend for the rebate period.

- Large Ticket volume rebate: 0.80%.
- The standard volume based rebate for all other transactions, based on net charge volume for the entire program (including large ticket volume), per the chart below.

| Rebate Schedule                |           | Average Transaction Size |       |       |       |       |       |       |       |       |       |       |       |       |       |         |
|--------------------------------|-----------|--------------------------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|---------|
|                                |           | \$0-\$99                 | \$100 | \$150 | \$200 | \$250 | \$300 | \$350 | \$400 | \$450 | \$500 | \$550 | \$600 | \$650 | \$700 | \$750 + |
| Semi-Annual Spend (\$ Million) | \$0-\$399 | 1.51%                    | 1.51% | 1.51% | 1.51% | 1.51% | 1.51% | 1.51% | 1.51% | 1.51% | 1.51% | 1.51% | 1.51% | 1.51% | 1.51% | 1.51%   |
|                                | \$400     | 1.66%                    | 1.66% | 1.66% | 1.66% | 1.66% | 1.66% | 1.66% | 1.66% | 1.66% | 1.66% | 1.66% | 1.66% | 1.66% | 1.66% | 1.66%   |
|                                | \$450     | 1.67%                    | 1.67% | 1.67% | 1.67% | 1.67% | 1.67% | 1.67% | 1.67% | 1.67% | 1.67% | 1.67% | 1.67% | 1.67% | 1.67% | 1.67%   |
|                                | \$500     | 1.68%                    | 1.68% | 1.68% | 1.68% | 1.68% | 1.68% | 1.68% | 1.68% | 1.68% | 1.68% | 1.68% | 1.68% | 1.68% | 1.68% | 1.68%   |
|                                | \$550     | 1.69%                    | 1.69% | 1.69% | 1.69% | 1.69% | 1.69% | 1.69% | 1.69% | 1.69% | 1.69% | 1.69% | 1.69% | 1.69% | 1.69% | 1.69%   |
|                                | \$600     | 1.70%                    | 1.70% | 1.70% | 1.70% | 1.70% | 1.70% | 1.70% | 1.70% | 1.70% | 1.70% | 1.70% | 1.70% | 1.70% | 1.70% | 1.70%   |
|                                | \$650     | 1.71%                    | 1.71% | 1.71% | 1.71% | 1.71% | 1.71% | 1.71% | 1.71% | 1.71% | 1.71% | 1.71% | 1.71% | 1.71% | 1.71% | 1.71%   |
|                                | \$700     | 1.72%                    | 1.72% | 1.72% | 1.72% | 1.72% | 1.72% | 1.72% | 1.72% | 1.72% | 1.72% | 1.72% | 1.72% | 1.72% | 1.72% | 1.72%   |
|                                | \$750     | 1.73%                    | 1.73% | 1.73% | 1.73% | 1.73% | 1.73% | 1.73% | 1.73% | 1.73% | 1.73% | 1.73% | 1.73% | 1.73% | 1.73% | 1.73%   |
|                                | \$800     | 1.74%                    | 1.74% | 1.74% | 1.74% | 1.74% | 1.74% | 1.74% | 1.74% | 1.74% | 1.74% | 1.74% | 1.74% | 1.74% | 1.74% | 1.74%   |
|                                | \$850     | 1.75%                    | 1.75% | 1.75% | 1.75% | 1.75% | 1.75% | 1.75% | 1.75% | 1.75% | 1.75% | 1.75% | 1.75% | 1.75% | 1.75% | 1.75%   |
|                                | \$900     | 1.76%                    | 1.76% | 1.76% | 1.76% | 1.76% | 1.76% | 1.76% | 1.76% | 1.76% | 1.76% | 1.76% | 1.76% | 1.76% | 1.76% | 1.76%   |
|                                | \$950     | 1.77%                    | 1.77% | 1.77% | 1.77% | 1.77% | 1.77% | 1.77% | 1.77% | 1.77% | 1.77% | 1.77% | 1.77% | 1.77% | 1.77% | 1.77%   |
|                                | \$1,000   | 1.78%                    | 1.78% | 1.78% | 1.78% | 1.78% | 1.78% | 1.78% | 1.78% | 1.78% | 1.78% | 1.78% | 1.78% | 1.78% | 1.78% | 1.78%   |
|                                | \$1,100   | 1.79%                    | 1.79% | 1.79% | 1.79% | 1.79% | 1.79% | 1.79% | 1.79% | 1.79% | 1.79% | 1.79% | 1.79% | 1.79% | 1.79% | 1.79%   |
|                                | \$1,200   | 1.80%                    | 1.80% | 1.80% | 1.80% | 1.80% | 1.80% | 1.80% | 1.80% | 1.80% | 1.80% | 1.80% | 1.80% | 1.80% | 1.80% | 1.80%   |
|                                | \$1,300   | 1.81%                    | 1.81% | 1.81% | 1.81% | 1.81% | 1.81% | 1.81% | 1.81% | 1.81% | 1.81% | 1.81% | 1.81% | 1.81% | 1.81% | 1.81%   |
| \$1,400                        | 1.82%     | 1.82%                    | 1.82% | 1.82% | 1.82% | 1.82% | 1.82% | 1.82% | 1.82% | 1.82% | 1.82% | 1.82% | 1.82% | 1.82% | 1.82% |         |
| \$1,500 +                      | 1.83%     | 1.83%                    | 1.83% | 1.83% | 1.83% | 1.83% | 1.83% | 1.83% | 1.83% | 1.83% | 1.83% | 1.83% | 1.83% | 1.83% | 1.83% |         |

Additional Incentives and Enhancements

Speed of Payment: An additional 0.01% rebate for each day gained to be added to the volume rebate incentives, assumes payment within 45 file turn days or less.

- 45 file turn days: 0.00%
- 44 file turn days: 0.01%
- 43 file turn days: 0.02%
- And so on.

## Fees

- Late payment:
  - Texas Prompt Payment Act determines the late payment interest that can be charged under this Contract to governmental entities and state agencies as defined in Government Code, Chapter 2251.
  - Delinquency Fee (Individual Bill Accounts only): 2.5% (minimum \$2.00). Fees are not assessed until payment is 60 days past due.
- Foreign exchange fee: 1%
- Non-sufficient funds fee: \$15.00
- Cash Advance Fee (for local government entities only): 2.5% (minimum \$2.00)
- Convenience checks (for local government entities only):
  - Transaction fee: 2.5% (minimum \$2.00)
  - Stop payment fee: \$15.00
  - Check copy fee: \$2.00
  - Returned convenience check fee: \$15.00
- Fully customized plastic (for local government and higher education entities): scoped and invoiced but no greater than \$5,000.00 per 1,000 cards (fees waived for custom logo cards with a minimum of 4 colors with 4<sup>th</sup> line embossing of tax exemption information). Production timeline for first order only: 20 to 24 weeks.
- No other fees.



**COOPERATIVE PURCHASING MEMBER ADDENDUM  
(Commercial Charge Card Services)**

This Cooperative Purchasing Member Addendum (Commercial Charge Card Services) (“**Addendum**”) is entered into by City of Sherman, organized under the laws of the State of Texas (“**Participant**”), and U.S. Bank. This Addendum shall become effective upon signing by both parties.

**RECITALS**

- A.** The State of Texas (“**Customer**”) and U.S. Bank entered into the Commercial Account Agreement 946M4 for Commercial Charge Card Services dated May 15, 2025 (as the same may be modified, amended or amended and restated from time to time, the “**Agreement**”);
- B.** Participant desires to participate as a “Participant” under the Program and Agreement, with sole liability its own obligations it may incur under the Program and Agreement; and
- C.** U.S. Bank has agreed to allow Participant to be bound under the Agreement and participate in the Program as a “Participant”.

Now, therefore, for and in consideration of the mutual promises contained in this Addendum and other good and valuable consideration, the receipt and sufficiency of which is acknowledged, Participant and U.S. Bank agree as follows:

**1. Product Selection.**

| Please select one or more products                                                                                                                                                                         |                                                                                          |                                                                                                                                                                                                            |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <input type="checkbox"/> <b>Corporate Travel &amp; Expense Accounts</b>                                                                                                                                    | <input type="checkbox"/> <b>Purchasing Accounts</b>                                      | <input checked="" type="checkbox"/> <b>One Card Accounts</b>                                                                                                                                               |
| <input type="checkbox"/> Corporate Liability<br><input type="checkbox"/> Joint and Several Liability                                                                                                       | Only Corporate Liability                                                                 | Only Corporate Liability                                                                                                                                                                                   |
| <b>Benefits*</b>                                                                                                                                                                                           | <b>Benefits*</b>                                                                         | <b>Benefits*</b>                                                                                                                                                                                           |
| Card Network benefits plus U.S. Bank supplemental common carrier travel accident benefits <ul style="list-style-type: none"><li>\$500,000 Standard Account</li><li>\$1,000,000 Executive Account</li></ul> | Card Network benefits                                                                    | Card Network benefits plus U.S. Bank supplemental common carrier travel accident benefits <ul style="list-style-type: none"><li>\$250,000 Standard Account</li><li>\$1,000,000 Executive Account</li></ul> |
| <b>Optional Enhancements</b>                                                                                                                                                                               | <b>Optional Enhancements</b>                                                             | <b>Optional Enhancements</b>                                                                                                                                                                               |
| Virtual Pay<br>Event Planner account**<br>Managed Spend account**<br>Executive account<br>Executive Platinum account<br>FlexPerks rewards account<br>Central Billing account**                             | Virtual Pay<br>Event Planner account<br>Managed Spend account<br>Central Billing account | Virtual Pay<br>Event Planner account<br>Managed Spend account<br>Executive account<br>Executive Platinum account<br>FlexPerks rewards account<br>Central Billing account                                   |

\* Benefits and protections offered by the Card Networks are established by the Card Networks outside of the control of U.S. Bank and may be changed from time to time. U.S. Bank's additional benefits may be changed from time to time. The details of such programs are outlined in brochures separately provided to Account holders.

\*\*Available only for Corporate Liability.

**2. DEFINITIONS.** Unless otherwise stated in this Addendum, all capitalized terms shall have the same meaning as set forth in the Agreement.

**3. DESIGNATION.** Participant is hereby designated as a "Participant" under the Agreement, and upon U.S. Bank's execution of this Addendum (after completing its necessary due diligence) Participant shall be deemed a "Participant" thereunder. U.S. Bank will take direction from such Participant in the issuing of Accounts (or the suspension of Accounts issued at Participant's direction). This Addendum shall be considered a "Participant Agreement" for purposes of the Agreement.

**4. PARTICIPANT REPRESENTATIONS, WARRANTIES AND COVENANTS.** Participant

- 4.1.** Represents and warrants that it has received a copy of the Agreement;
- 4.2.** Represents that it is a valid Cooperative Purchasing Member as defined by the State of Texas;
- 4.3.** Represents and warrants that as of the date hereof that each of the representations and warranties made by Customer in the Agreement to U.S. Bank can be made by Participant without breach on the date hereof;
- 4.4.** Represents and warrants that all financial and other information provided to U.S. Bank by or about Participant is true and correct;
- 4.5.** Agrees to comply with and be bound by the terms and conditions of the Agreement, including any future amendment regardless of whether Participant has received notice of such amendment;
- 4.6.** Agrees it is liable for its own performance of the terms and conditions of the Agreement (including as it may be amended from time to time) as if Participant signed the Agreement, including for all obligations incurred by it or by any party issued an Account at its direction, but shall not be liable for any obligations incurred by Customer or any other participants; and
- 4.7.** Agrees that it may not assign or transfer its rights under this Addendum or the Agreement without the express consent of U.S. Bank.

**5. LIABILITY FOR PARTICIPANT'S PERFORMANCE AND OBLIGATIONS.** Participant agrees that it shall be solely liable for its performance of the terms and conditions of the Agreement and this Addendum. Customer shall have no liability for any obligations incurred under the Program by Participant and any Account holder designated by such Participant.

**6. NOTICES.** The notice address for Participant is:  
Participant:

City of Sherman

PO Box 1106

Sherman, TX 75091

Attn: Finance Dept

- 7. CHANGE OF CONTROL.** Participant shall immediately notify U.S. Bank in writing of the occurrence of any event concerning Participant that (i) would prevent Participant from making the representations and warranties contained in section 3 at such time or (ii) results in a change of the legal name of such Participant. Participant shall promptly provide such additional details as reasonably requested by U.S. Bank regarding such event. At the election of U.S. Bank, the rights of Participant to be designated a "Participant" under the Agreement may be revoked based upon the notification provided by pursuant to section 6(i) and this Addendum shall terminate.
- 8. REBATE PAYMENT REGISTRATION.** Customer shall register to receive rebate payments in the manner prescribed by Bank. Bank will not make any rebate payments until Customer has registered to receive payment. If Customer fails to register by the completion of a Rebate Period, Customer forfeits any payment for that Rebate Period. Customer designates the following                      person                      to                      register                      Customer:

| Rebate Payment Registration          |                         |
|--------------------------------------|-------------------------|
| a) Authorized Person's Name          | Jana Walker             |
| b) Authorized Person's Email Address | janaw@cityofsherman.com |

- 9. BINDING AGREEMENT.** The representations, warranties and covenants of Participant in this Addendum constitute valid, binding and enforceable agreements of Participant. The execution of this Addendum and the performance of the obligations hereunder are within the power of Participant, have been authorized by all necessary action and do not constitute a breach of any agreement to which Participant is a party or is bound. Participant represents and warrants that this transaction is within the scope of the normal course of business and does not require further authorization for Participant to be duly bound by this Addendum.
- 10. BREACH; CONTINUATION.** Any breach by Participant of the terms of this Addendum or of the terms of the Agreement shall be a default under this Addendum permitting U.S. Bank to (i) exercise against Participant all rights and remedies available under the Agreement based upon such default and (ii) terminate this Addendum. The expiration or termination of the Agreement as to Customer or any other participant shall not terminate the Agreement as incorporated into this Addendum and such Agreement shall continue as to Participant for all purposes. However, upon such expiration or termination of the Agreement as to Customer, either U.S. Bank or Participant may at any time terminate this Addendum upon thirty (30) days' prior written notice to the other party.
- 11. RATIFICATION; AMENDMENT.** Participant acknowledges that U.S. Bank and Customer may from time to time enter into amendments of the Agreement. No such amendments shall require the consent of Participant and Participant shall be bound by the terms contained in any such amendments. Customer, and not U.S. Bank, shall have the sole responsibility of informing Participant of any such amendments. The failure of Customer to so inform Participant of any amendment shall not provide a defense to Participant against U.S. Bank's enforcement of the Agreement (as amended) or this Addendum against Participant.

**12. AUTHORIZATION AND EXECUTION.** This Addendum may be executed in several counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same document. This Addendum may be executed and delivered by the parties electronically, and fully executed electronic versions of this Addendum, or reproductions thereof, will be deemed to be original counterparts.

Each signatory represents and warrants that (i) such signer is authorized by an applicable authority to enter into all transactions contemplated by this Addendum, and (ii) the signatures appearing on all supporting documents of authority are authentic.

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**PARTICIPANT**

**U.S. BANK**

DATE: \_\_\_\_\_

DATE: \_\_\_\_\_

**City of Sherman**

U.S. Bank National Association

Legal Name of Participant

\_\_\_\_\_  
(Signature of Authorized Individual)

**Dr. Zachary Flores**

\_\_\_\_\_  
(Printed Name of Authorized Individual)

**City Manager**

\_\_\_\_\_  
(Printed Title of Authorized Individual)

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# Know Your Customer Required Information Collection Form

To help the United States government fight the funding of terrorism and prevent money laundering activities, U.S. Federal law requires all financial institutions to obtain, verify, and record information that identifies each person (individual, corporation, partnership, trust, estate, or any other entity recognized as a legal person) who opens an account. U.S. Bank will ask for the legal name, address, tax identification number, and other identifying information that will assist us in completing the review of your contract/application. We may also ask for copies of certified articles of incorporation, an unexpired government-issued business license, a partnership agreement, or other documents that indicate the existence and standing of the entity. U.S. Federal law also requires financial institutions to conduct ongoing customer due diligence, verify the identity of beneficial owners of certain legal entities, and comply with U.S. Economic Sanctions. U.S. Bank may require identification information on Customer, its Affiliates, Related Parties, or Cardholders, if applicable, to allow U.S. Bank to remain in compliance with U.S. Federal law or U.S. Bank policy. Customer agrees to promptly provide such identification information to U.S. Bank, and Customer shall cause its Affiliates, Related Parties or Cardholders, if applicable, to provide identification information to U.S. Bank.

## How to complete this form:

Answer all questions completely and thoroughly, reviewing the requirements of each section. Missing information will cause delays in processing. Abbreviations or acronyms are not acceptable. **Post Office Boxes or Personal Mailboxes are not acceptable**, please provide physical address for any addresses provided. You must notify U.S. Bank if any information in the form changes.

## Section A: Customer Information

- Provide the full legal name of the customer as it is captured on formation documents. This does not include Doing Business As (DBA) or Trade names.

| Company Information                                                                               |                                                                     |
|---------------------------------------------------------------------------------------------------|---------------------------------------------------------------------|
| Company Name:                                                                                     | City of Sherman                                                     |
| Identification Number:<br>• (TIN, EIN, SSN, ITIN)                                                 | 75-600669                                                           |
| Is the above Identification Number shared with another entity?                                    | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |
| If Yes, provide all entities that share the Identification Number:                                |                                                                     |
| Legal Physical Address:<br>(Where the business is located. Do not provide a mailing address)      | 220 W. Mulberry<br>Sherman, TX 75090                                |
| Does the company have Trade or Doing Business As (DBA) name(s)?                                   | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |
| If Yes, provide only the Trade or DBA(s) that are applicable to your relationship with U.S. Bank: |                                                                     |
| Provide the DBA address(es) if is different than the company address:                             |                                                                     |

## Section B: Exempt Entities – Do any of the below business types apply to your business?

- Please select the business type that applies to the business captured in Section A.

If the company is a subsidiary of a Public Body or Publicly Traded Entity and has its own financials, complete the entire form, supply formation documents and the most recent organization chart.

- ☐ Is your business a U.S. Department or Agency, including Indian Tribal Government, or was it formed under in interstate compact between two or more states?
- ☒ U.S. Political Subdivision (Local Government Entity)
- ☐ Financial institution that is regulated by a Federal or State Regulator:
- ☐ Any entity established under an interstate compact, including Indian Tribal Governmental Entities
- ☐ An entity that is listed on the New York, NYSE Market LLC, or NASDAQ stock exchanges – this only applies to U.S. operations
- ☐ Subsidiary of a Publicly Traded parent listed on NYSE, NYSE MKT LLC, or NASDAQ stock exchanges\*. This only applies to U.S. operations and U.S. entities where equity of 51% or more is held by a U.S. listed entity. \*Excludes subsidiaries and entities listed under NASDAQ Capital Market (Nasdaq-CM) Companies

Name of Exchange: \_\_\_\_\_ Ticker Symbol: \_\_\_\_\_

### Section C: Standard Due Diligence Questions

|   |                                                                                                                                                                                              |                                                                     |
|---|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------|
| 1 | What is the nature of your business?<br>(What products or services do you supply?)<br>• Include NAICS if known                                                                               | Local Government (Municipality)                                     |
| 2 | Does your business operate in the hemp industry?<br>(If yes supply USDA License, or State/Tribal Government License along with this form)                                                    | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |
| 3 | What is the legal structure of your business?<br>(e.g., Corporation, Limited Partnership/LLP, Not-for-Profit Organization, LLC, Single Member LLC, Partnership, Sole Proprietor, Government) | Government                                                          |
| 4 | What is the company's country of formation?                                                                                                                                                  | United States of America                                            |
| 5 | What is the country of primary business operations for the company?                                                                                                                          | United States of America                                            |
| 6 | Does the company provide any of the following services to your customers? If Yes, which service?                                                                                             |                                                                     |
|   | • check cashing services                                                                                                                                                                     | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |
|   | • issue or cash travelers checks or money orders                                                                                                                                             | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |
|   | • provide money transmission or foreign exchange services                                                                                                                                    | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |
|   | • offer prepaid cards                                                                                                                                                                        | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |
| 7 | What is the company's estimated or projected annual revenue/budget (USD)?<br>(If none, please indicate with \$0. None and N/A are not allowed.)                                              | \$ 217,000,000                                                      |

### Section D: Authorized Signer

- One individual is required, additional individuals are optional.

| Full Legal Name |                                         | Provide <u>one</u> of the following sets of items:<br>Date of Birth (mm/dd/yyyy),<br>OR<br>Physical Residential Address (preferred) OR Business Address<br>OR<br>SSN/ITIN/Foreign ID<br>(A copy of the non-expired foreign ID is required along with this form) |
|-----------------|-----------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1               | Dr. Zachary Flores                      | 220 W Mulberry St<br>Sherman, TX 75090                                                                                                                                                                                                                          |
|                 | <input type="checkbox"/> No middle name |                                                                                                                                                                                                                                                                 |
| 2               |                                         |                                                                                                                                                                                                                                                                 |
|                 | <input type="checkbox"/> No middle name |                                                                                                                                                                                                                                                                 |

### Section E: Control of Public Funds (Government Entities Only)

- Applicable law requires U.S. Bank to retain information regarding the individual, full legal name, and title who has control over public funds, which in this case includes credit balances on the card accounts. Control of public funds includes possession of, as well as authority to establish, accounts for such funds in a bank and to make deposits, withdrawals, and disbursements or to direct these activities.
- Individuals listed in Section D can also be listed in Section E if applicable

|                                                   |                                                                   |                                                                                                                                                                                                                                                                                                                                                                                  |
|---------------------------------------------------|-------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| What is the authority type over the public funds? |                                                                   | <input type="checkbox"/> Independent Authority (Requires action or consent of only one official custodian)<br>- One individual is required to be listed below; additional individuals are optional)<br><br><input type="checkbox"/> Dependent Authority (Requires action or consent of two or more official custodians.)<br>- At least two individuals are required to be listed |
| Full Legal Name<br>(First, Middle, Last)          |                                                                   | Title – acceptable titles include Chairman, CEO, CFO, City Manager, Comptroller, Director of Administration & Finance, Director of Fiscal Services, District Superintendent, Executive Director, Finance Director, General Manager, Governing Board President, Mayor, President, Superintendent, Treasurer                                                                       |
| 1                                                 | Dr. Zachary Flores<br><br><input type="checkbox"/> No middle name | City Manager                                                                                                                                                                                                                                                                                                                                                                     |
| 2                                                 | <br><br><input type="checkbox"/> No middle name                   |                                                                                                                                                                                                                                                                                                                                                                                  |

### Section F: Certification by Authorized Signer

This section must be completed by an appropriate individual with the authorization of the Customer provided in Section A at the top of this form. e.g., the secretary or other officer, a member or manager of an LLC, partner of a partnership, business owner, Chief Executive Officer (CEO), controller, Chief Operating Officer (COO), Chief Financial Officer (CFO).

I, an Authorized Officer of the company name listed in Section A above, hereby attest that all information supplied on this form and/or any documentation supplied as requested in this form is true and accurate to the best of my knowledge.

|                                                                    |                            |
|--------------------------------------------------------------------|----------------------------|
| Printed Full Legal Name<br><input type="checkbox"/> No middle name | Dr. Zachary Flores         |
| Title:                                                             | City Manager               |
| Date:                                                              |                            |
| E-mail Address                                                     | zacharyf@cityofsherman.com |
| Signature:                                                         |                            |





## City Council Regular Meeting

Agenda Item No. F.8.

**Meeting Date:** 8/18/2025

**Prepared By:** Jana Walker, Controller

**Approved By:** Zachary Flores, Acting City Manager

### **Caption:**

#### **\*RESOLUTION NO. 7564**

Appointing and Authorizing the City Manager to Negotiate an Agreement with Weaver and Tidwell, L.L.P. to Perform the Fiscal Year 2025 Audit.

### **Issue:**

Independent audit services for fiscal year (FY) 2025

### **Background:**

By Charter, we are required to annually appoint an independent auditor to perform a financial audit for the City. Weaver and Tidwell, L.L.P., a certified public accounting firm in Dallas, performed the annual audit for the City and SEDCO last fiscal year and the staff was pleased with their performance. Four optional renewal periods remain available at the consent of both parties.

### **Capital Improvement Program:**

### **Origination:**

Council Audit Committee  
Mary Lawrence, CFO

### **Financial Consideration:**

The fee estimate for these services is \$72,100 for the audits of the City, SEDCO, federal programs, and the Texas Commission on Environmental Quality (TCEQ) compliance report. Funds have been allocated in the FY2026 budget for this expenditure.

### **Staff Recommendation:**

The staff recommends the City Council accept the recommendation of the Council Audit Committee to appoint Weaver and direct the City Manager to negotiate an Agreement to perform the annual audit for the fiscal year ending September 30, 2025.

### **Alternatives:**

As may be directed by City Council.

---

### **Attachments:**

1. Resolution No. 7564



**RESOLUTION NO. 7564**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, APPOINTING AND AUTHORIZING THE EXECUTION OF AN AGREEMENT WITH WEAVER AND TIDWELL, L.L.P. TO PERFORM THE FISCAL YEAR 2025 AUDIT; 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 Council hereby appoints Weaver and Tidwell, L.L.P. to perform the annual audit for the City of Sherman for fiscal year ending September 30, 2025.

**SECTION 2.** That the City Manager be and is hereby authorized and directed, subject to all agreement documents being properly completed and approved as to form and content by the City Attorney, to execute a contract with Weaver and Tidwell, L.L.P. to perform the annual audit for the City of Sherman for the fiscal year ending September 30, 2025.

**SECTION 3.** 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 18<sup>th</sup> day of August 2025.**

**CITY OF SHERMAN, TEXAS**

**ATTEST:**

**BY: \_\_\_\_\_  
LEAH ROBERTS,  
EXECUTIVE DIR. OF ADMINISTRATION,  
ACTING CITY CLERK**

**BY: \_\_\_\_\_  
SHAWN TEAMANN, MAYOR**

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

**BY: \_\_\_\_\_  
RYAN PITTMAN, CITY ATTORNEY**



## City Council Regular Meeting

Agenda Item No. F.9.

**Meeting Date:** 8/18/2025

**Prepared By:** Mary Lawrence, Chief Financial Officer

**Approved By:** Zachary Flores, Acting City Manager

### **Caption:**

#### **\* RESOLUTION NO. 7565**

Authorizing Execution of a Law Enforcement Officer Interlocal Agreement Between the City of Sherman, Texas, and Sherman Independent School District

### **Issue:**

Consideration of an Interlocal Agreement with Sherman Independent School District to provide law enforcement services to Zachry Construction under an agreement with the City of Sherman

### **Background:**

Zachry Construction ("Zachry") has contracted with the Texas Department of Transportation for construction of Highway 75 improvements. Zachry has requested officer assistance with traffic control that is beyond the City's capacity to provide. Sherman Independent School District ("SISD") has agreed to provide additional officers through the City of Sherman's agreement with Zachry. SISD, and other participating agencies will submit time sheets to the City, who will invoice Zachry on behalf of SISD for the personnel used. Upon receipt of reimbursement from Zachry, the City will distribute payment to the agencies. This Interlocal Agreement permits the City to enter into this arrangement with SISD.

### **Capital Improvement Program:**

N/A

### **Origination:**

Finance Department

### **Financial Consideration:**

There is no cost to the City as all payments to SISD are a pass-through from Zachry Construction.

### **Staff Recommendation:**

Staff recommends approval of the Interlocal Agreement with SISD.

### **Alternatives:**

As may be directed by the City Council.

---

### **Attachments:**

1. Resolution No. 7565
2. Interlocal SISD





**RESOLUTION NO. 7565**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING EXECUTION OF A LAW ENFORCEMENT OFFICER INTERLOCAL AGREEMENT BETWEEN THE CITY OF SHERMAN, TEXAS, AND SHERMAN INDEPENDENT SCHOOL DISTRICT; 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 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 Interlocal Agreement with Sherman Independent School District (“SISD”), for SISD to provide officers for services under a contract between the City of Sherman and Zachry Construction, in accordance with the terms and provisions of 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 18<sup>th</sup> day of August 2025.

**CITY OF SHERMAN, TEXAS**

**ATTEST:**

**BY: \_\_\_\_\_**  
**LEAH ROBERTS**  
**EXECUTIVE DIR. OF ADMIN.**  
**ACTING CITY COUNCIL**

**BY: \_\_\_\_\_**  
**SHAWN TEAMANN, MAYOR**

**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

§  
§  
§  
§

COUNTY OF GRAYSON

### **LAW ENFORCEMENT OFFICER INTERLOCAL AGREEMENT**

This interlocal agreement (“Agreement”) is entered into this \_\_\_\_ day of \_\_\_\_, 20\_\_ between the City of Sherman, a home rule municipality in Grayson County, Texas (“Sherman”) and the Sherman Independent School District, (“SISD”). Together Sherman and SISD shall be referred to as the “parties”.

**WHEREAS**, the Interlocal Cooperation Act, Chapter 791 of the Texas Government Code (the “Act”), provides the authority to political subdivisions for contracts by and between each other to facilitate the governmental functions and services of said political subdivisions under the terms of the Act, and

**WHEREAS**, Sherman and SISD have the authority to enter into this Agreement under the Interlocal Cooperation Act (Chapter 791 of the Texas Government Code); and

**WHEREAS**, it is mutually beneficial for the parties to enter into an agreement which establishes the duties, assignment, responsibilities and obligations of Sherman and SISD.

**NOW, THEREFORE**, for and in consideration of the payments and mutual covenants contained herein, and for other good and valuable considerations, the parties agree as follows:

### **TERMS AND CONDITIONS**

#### **I. SISD RESPONSIBILITY**

SISD will provide Law Enforcement Officers upon request of the City of Sherman for traffic control and related duties to Zachry Construction during, and for Highway 75 construction, as described in the contract between the City and Zachry Construction. SISD does not have an obligation to provide all officers requested by the City. SISD will provide the City with the names, dates, and work duty start and end times by the tenth of each month for the previous month.

Any SISD officer that desires to perform the duties described in this agreement will be required to sign up through the City of Sherman’s off duty management platform, RollKall. RollKall will be the scheduling platform that the City of Sherman uses to determine availability of needs from the City of Sherman and Zachry.

#### **II. CITY OF SHERMAN RESPONSIBILITY**

Sherman will invoice Zachry Construction for the hours submitted each month on behalf of SISD. After receiving payment from Zachry Construction, Sherman will remit the SISD’s portion within two weeks.

The amount invoiced for a law enforcement vehicle provided by the SISD will be the current per hour FEMA rate for Cost Code 8073 – Automobile, Police, Stationary with engine running. This rate is \$22.91 as of the date of this contract and will be updated with subsequent FEMA rate changes. The amount invoiced for a Law Enforcement Officer will be \$90.70 per hour initially, indexed to the

increase in compensation for City of Sherman Law Enforcement Officers occurring annually on October 1st .

### **III. TIME PERIOD**

The term of this Agreement shall commence immediately and will automatically renew from year to year, unless earlier terminated as provided herein.

### **IV. TERMINATION**

The Agreement will terminate when the contract between Zachry Construction and the City terminates.

Should either party (Sherman or SISD) decide to stop participating in the program at any time, with or without cause, a thirty (30) day notice will be provided to the other party.

No termination will relieve the obligation of the City of Sherman of any amounts due and payable for services performed hereunder prior to termination. This Agreement may be terminated by any party upon no less than thirty (30) days written notice to the other party should the other party fail substantially to perform in accordance with the terms of this Agreement.

### **V. MUTUAL HOLD HARMLESS**

To the extent allowed by law, the SISD does hereby agree to waive all claims against, release, and hold harmless Sherman and all of its officials, officers, agents, employees, in both their public and private capacities, from any and all liability, claims, suits, demands, losses, damages, attorneys' fees, including all expenses of litigation or settlement, or causes of action which may arise by reason of injury to or death of any person or for loss of, damage to, or loss of use of any property arising out of or in connection with this Agreement.

To the extent allowed by law, Sherman does hereby agree to waive all claims against, release and hold harmless SISD and all of its officials, officers, agents, employees, in both their public and private capacities, from any and all liability, claims, suits, demands, losses, damages, attorneys' fees, including all expenses of litigation or settlement, or causes of action which may arise by reason of injury to or death of any person or for loss of, damage to, or loss of use of any property arising out of or in connection with this Agreement.

It is the intention of both parties that this mutual hold harmless clause shall be interpreted to mean each party shall be responsible for the actions of each party's own employees, officials, officers, and agents. The parties hereby agree that they have not waived their sovereign and/or governmental immunity by entering into and performing its obligations under this agreement. No joint enterprise is created and no third-party beneficiaries are intended or created.

### **VI. MISCELLANEOUS**

- A. SISD shall be wholly responsible for the manner in which it determines which officer is assigned to the duties under this agreement and the way SISD performs the services required by the terms of this Agreement. Nothing herein shall be construed as creating the relationship of employer and employee, or principal and agent, between SISD and Sherman or any of Sherman's agents or employees, or between Sherman and members of the SISD's Police Department. SISD assumes exclusive responsibility for the acts of its employees as they relate to the services provided during

the course and scope of their employment. SISD, its agents and employees, including those performing services under the contract with Zachry Construction and this agreement, shall not be entitled to any rights or privileges of City employees and shall not be considered in any manner to be a Sherman employee.

- B. Insurance: SISD shall maintain, during the term of this Agreement, workers' compensation insurance, general liability coverage, and auto liability coverage for its employees engaged in work under this Agreement.
- C. Waiver of Subrogation: Sherman and SISD each waives any and all rights of recovery against the other, and the employees, agents and representatives of the other, for loss of or damage to property or injury to person to the extent such damage or injury is covered by proceeds received under any insurance policy carried by Sherman or SISD and in force at the time of such loss or damage.
- D. Assignment: Neither party shall assign, transfer, or subcontract any of its rights, burdens, duties or obligations under this Agreement without the prior written permission of the other party to this Agreement. This Agreement inures to the benefit of and obligates only the parties executing this Agreement. No term or provision of this Agreement is intended to benefit any benefit.
- E. Waiver: No waiver of a breach or any provision of the Agreement by either party shall constitute a waiver of any subsequent breach of such provision. Failure of either party to enforce at any time, or from time to time, any provision of this Agreement shall not be construed as a waive thereof.
- F. Choice of Law and Venue: All obligations of each party shall be performed in Grayson County, Texas. The laws of the State of Texas shall govern the interpretation, validity, performance, and enforcement of this Agreement and the exclusive venue for any legal proceedings involving this Agreement shall be Grayson County, Texas.
- G. Notices: Notices to SISD shall be deemed given when delivered in person to the Superintendent or on the next business day after the mailing of said notice addressed to SISD by United States mail, certified or registered mail, return receipt requested, to 2701 N. Loy Lake Road, Sherman, TX 75090.

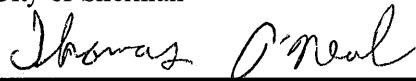
Notices to City shall be deemed given when delivered in person to the City Manager or on the next business day after mailing of said notice addressed to said City by United States mail, certified or registered mail, return receipt requested, to 220 W Mulberry St, Sherman, TX, 75090.

The place for mailing notices for a party may be changed only upon written notice given to the other in the manner herein prescribed for notices sent to the last effective place of mailing for the notifying party.

- H. Legal Construction, Entire Agreement: If any provision of this Agreement is held to be illegal, invalid, or unenforceable under present or future laws, (1) such provision shall be fully severable, (2) this Agreement shall be construed and enforced as if such illegal, invalid or unenforceable provision had never been a part of this Agreement, and (3) the remaining provisions of this Agreement shall remain in full force and effect and shall not be affected by the illegal, invalid or unenforceable provision or by its severance from this Agreement. This Agreement is the entire agreement between SISD and Sherman as to the subject matter thereof, and is the sole and only

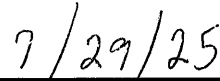
agreement of the parties and supersedes any prior understanding or written or oral agreement relative to the subject matter hereof. This Agreement may be amended only by written instrument duly approved and executed by both parties.

\_\_\_\_\_  
Zachary Flores, City Manager  
City of Sherman



\_\_\_\_\_  
Thomas O'Neal, Superintendent  
Sherman ISD

\_\_\_\_\_  
Date



\_\_\_\_\_  
Date



## **City Council Regular Meeting**

Agenda Item No. G.1.

**Meeting Date:** 8/18/2025

**Prepared By:** Mary Lawrence, Chief Financial Officer

**Approved By:** Zachary Flores, Acting City Manager

### **Caption:**

#### **Other Business**

Discuss Tax Rates and Vote to Propose a Tax Rate for the Newspaper Notice

### **Issue:**

To submit the Notice About Tax Rates as required by Tax Code Chapter 26, discuss tax rates and take a record vote to propose a tax rate for the newspaper notice.

### **Background:**

The Tax Code requires the designated officer of the City to submit tax rates to the governing body and post the rates on the City's website along with certain other information. A record vote of the governing body is also required to propose the tax rate for the newspaper notice. The Notice About Tax Rates includes the proposed tax rates. The Notice is in the form prescribed by the State Comptroller.

### **Capital Improvement Program:**

### **Origination:**

Mary Lawrence, CFO and Designated Officer

### **Financial Consideration:**

There is no cost to submitting the tax form or voting to include the proposed rates in the newspaper notice.

### **Staff Recommendation:**

No action is needed.

### **Alternatives:**

No alternatives as this item is prescribed by law.

---

### **Attachments:**

1. Notice About Tax Rates 2026 (26.04(e))

# Notice About 2025 Tax Rates

## Property Tax Rates in the City of Sherman

This notice concerns the 2025 property tax rates for the City of Sherman.

This notice provides information about two tax rates used in adopting the current tax year's tax rate. The no-new-revenue tax rate would impose the same amount of taxes as last year if you compare properties taxed in both years. In most cases, the voter-approval tax rate is the highest tax rate a taxing unit can adopt without holding an election. In each case, these rates are calculated by dividing the total amount of taxes by the current taxable value with adjustments as required by state law. The rates are given per \$100 of property value.

**This year's no-new-revenue tax rate.....\$0.616404/\$100**

**This year's voter-approval tax rate.....\$0.656778/\$100**

To see the full calculations, please visit [www.ci.sherman.tx.us](http://www.ci.sherman.tx.us) for a copy of the Tax Rate Calculation Worksheet.

---

### Unencumbered Fund Balances

The following estimated balances will be left in the taxing unit's accounts at the end of the fiscal year. These balances are not encumbered by corresponding debt obligation.

| Type of Fund | Balance       |
|--------------|---------------|
| Debt Service | \$ 576,458    |
| General      | \$ 22,731,800 |

### Current Year Debt Service

The following amounts are for long-term debts that are secured by property taxes. These amounts will be paid from upcoming property tax revenues or additional sales tax revenues.

| Description of Debt            | Principal or Contract<br>Payment to be Paid<br>From Property Taxes | Interest to be Paid<br>From Property<br>Taxes | Other Amounts<br>to be Paid | Total Payment |
|--------------------------------|--------------------------------------------------------------------|-----------------------------------------------|-----------------------------|---------------|
| 2016 Certificate of Obligation | \$ 360,000                                                         | \$ 108,813                                    | \$ 1,187                    | \$ 470,000    |
| 2017 Refunding Bond            | \$ 795,200                                                         | \$ 112,800                                    | \$ -                        | \$ 908,000    |
| 2017 Certificate of Obligation | \$ 425,665                                                         | \$ 221,666                                    | \$ 1,669                    | \$ 649,000    |
| 2018 Certificate of Obligation | \$ 630,000                                                         | \$ 564,256                                    | \$ 744                      | \$ 1,195,000  |
| 2019 Certificate of Obligation | \$ 585,000                                                         | \$ 579,863                                    | \$ 137                      | \$ 1,165,000  |
| 2021 Tax Notes                 | \$ 350,000                                                         | \$ 14,000                                     | \$ -                        | \$ 364,000    |
| 2021 Certificate of Obligation | \$ 695,000                                                         | \$ 667,469                                    | \$ 531                      | \$ 1,363,000  |
| 2022 Tax Notes                 | \$ 360,000                                                         | \$ 37,000                                     | \$ -                        | \$ 397,000    |
| 2023 Certificate of Obligation | \$ 1,215,000                                                       | \$ 3,551,250                                  | \$ 750                      | \$ 4,767,000  |
| 2023 Tax Notes                 | \$ 515,000                                                         | \$ 81,500                                     | \$ 500                      | \$ 597,000    |
| 2024 Tax Notes                 | \$ 590,000                                                         | \$ 127,250                                    | \$ 750                      | \$ 718,000    |
| 2024 Certificate of Obligation | \$ 325,000                                                         | \$ 802,188                                    | \$ 812                      | \$ 1,128,000  |
| 2025 Tax Notes                 | \$ 980,520                                                         | \$ 271,071                                    | \$ 409                      | \$ 1,252,000  |
| 2025 Certificate of Obligation | \$ 375,000                                                         | \$ 1,225,188                                  | \$ 812                      | \$ 1,601,000  |
| 2026 Tax Notes                 | \$ 765,000                                                         | \$ 202,204                                    | \$ 796                      | \$ 968,000    |

|                                                                         |               |
|-------------------------------------------------------------------------|---------------|
| Total required for 2025 debt service                                    | \$ 17,542,000 |
| - Amount paid from funds listed in unencumbered funds                   | \$ 500,000    |
| - Amount paid from other resources                                      | \$ -          |
| - Excess collections last year                                          | \$ -          |
| = Total to be paid from taxes in 2025                                   | \$ 17,042,000 |
| ' + Amount added in anticipation that the taxing unit will collect only |               |
| 97.37% of its taxes in 2025                                             | 97.37%        |
| = Total Debt Levy                                                       | \$ 17,502,311 |

This notice contains a summary of the no-new-revenue and voter-approval calculations as certified by

Mary Lawrence,  
Chief Financial Officer

August 4, 2025





## City Council Regular Meeting

Agenda Item No. G.2.

**Meeting Date:** 8/18/2025

**Prepared By:** Mary Lawrence, Chief Financial Officer

**Approved By:** Zachary Flores, Acting City Manager

### **Caption:**

#### **\* OTHER BUSINESS**

Review of the Draft Capital Improvement Program (CIP) 2025-2030 and Set a Public Hearing for Tuesday, September 2, 2025

### **Issue:**

To review the draft CIP 2025-2030 and set the public hearing on such for Tuesday, September 2, 2025

### **Background:**

Article V, Section 10 of the City Charter requires that the City Council, by resolution, adopt a capital program. As required, before consideration of the resolution, the City will publish a summary of the program on the City of Sherman website. Prior to public notice, the City Council is given an opportunity to review the draft of the CIP. The public hearing is on the agenda for the regularly scheduled City Council meeting of September 2, 2025.

This CIP is merely a planning tool. This part of our budgeting process identifies projects and priorities to be considered in the near-to-intermediate term for capital spending. This is not a process that actually authorizes moving forward with the projects. Further, only the projects reflected as FY2026 projects are being considered for funding; and the approval for funding is contained in the separate FY2026 budget, not in this CIP. Finally, the budget process only authorizes appropriating the funds for these first year (FY2026) projects. The Council will approve the actual spending of budgeted funds as contracts for each project are brought to the Council for their consideration.

City Staff discussed this CIP in detail with the Council during the budget process. This CIP summarizes the projects discussed during that meeting, the Budget Workshop, and subsequent Council meetings.

### **Capital Improvement Program:**

### **Origination:**

Finance Department

### **Financial Consideration:**

There are no financial considerations for setting a public hearing or reviewing the Capital Improvement Program.

### **Staff Recommendation:**

It is recommended that the City Council review the City's 2025-2030 Capital Improvement Program and set the public hearing on such for the September 2nd City Council meeting.

**Alternatives:**

The Council may amend the program.

---

**Attachments:**

1. Resolution No. \_\_\_\_\_
2. FY 2026-2030 CIP--DRAFT

**RESOLUTION NO.**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, APPROVING AND ADOPTING A FIVE-YEAR CAPITAL IMPROVEMENT PROGRAM FOR 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.**

**WHEREAS**, the City Council is charged with providing a five-year capital improvement program for the City of Sherman, pursuant to Article V of the Charter of said City; and

**WHEREAS**, the City Manager has provided to the City Council such a program in a timely fashion; and

**WHEREAS**, the City Council met to review said plan on the 18<sup>th</sup> day of August, 2025, at a regular City Council meeting;

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

**SECTION 1.** That the Five-Year Capital Improvement Program, attached hereto as Exhibit "A" and incorporated herein for all intents and purposes, be and the same is hereby in all things approved and adopted as the Capital Improvement Program of the City of Sherman, Texas.

**SECTION 2.** That the effective date of this resolution shall be the 2<sup>nd</sup> day of September, 2025.

**SECTION 3.** 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 \_\_\_\_ day of \_\_\_\_\_, 2025.

**CITY OF SHERMAN, TEXAS**

**BY: \_\_\_\_\_**  
**SHAWN TEAMANN, MAYOR**

**ATTEST:**

**BY: \_\_\_\_\_**  
**LEAH ROBERTS, ACTING CITY CLERK**

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

**BY: \_\_\_\_\_**  
**RYAN D. PITTMAN, CITY ATTORNEY**

# Capital Improvement Plan of the City of Sherman

October 1, 2025 - September 30, 2030



Shawn Teamann, Mayor  
Juston Dobbs, Deputy Mayor

## Council Members

Daron Holland  
Josh Stevenson  
Pamela Howeth  
Henry Marroquin  
Clay Barnett

# **CAPITAL IMPROVEMENT PROGRAM OF THE CITY OF SHERMAN**

OCTOBER 1, 2025 - SEPTEMBER 30, 2030

## **CITY COUNCIL**

*Shawn Teamann, Mayor*  
*Juston Dobbs, Deputy Mayor*

## **Council Members**

*Pamela L. Howeth*  
*Daron Holland*  
*Josh Stevenson*  
*Clay Barnett*  
*Henry Marroquin*



Dr. Zachary Flores, City Manager

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City of Sherman, Texas

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**The Honorable Shawn Teamann, Mayor, and Members of the City Council**

Subject: 2025-2026/2029-2030 Five-Year Capital Improvement Program

The Capital Improvement Program for the City of Sherman is submitted to you in compliance with Article V, Section IX of our Charter. This Five-Year Capital Improvement Program covers the planning period beginning October 1, 2025 through September 30, 2030.

Our community continues to experience growth and potential for growth and, in order to meet the needs of the future, we must plan. The Capital Improvement Program forecasts our major capital improvement needs on a yearly priority basis. The plan requires annual revision in order to ensure that it meets the public safety, health and welfare needs of the citizens of Sherman, as well as our ability to finance those needs.

The Capital Improvement Program provides you with a comprehensive planning forecast of Capital Improvement needs. It outlines the recommended projects by fiscal year and estimates cost and funding sources. Each project is described by a brief narrative. The process of reviewing and approving this document requires that you concentrate on the priorities of the projects, due to funding limitations.

The Capital Improvement Program is separated into two functions, that of governmental and of proprietary. The governmental function is accounted for in General Fund services and Stormwater Fund services; and the Capital Improvement Projects under this section are associated with general government and financed by taxation, grants and other General Fund sources. Stormwater Fund capital improvement projects are supported and serviced by the Stormwater Fee. These projects are in the nature of streets, parks, drainage, flood control, refuse, and public safety improvements. The proprietary function is accounted for in the Utility Services section. Projects under this section are primarily for water and sewer improvements. Summaries by fiscal year for General Services, Utility Services, and Stormwater Services are for years one through five.

This Capital Improvement Program has been reviewed and is hereby respectfully submitted for your consideration.

Very truly yours,



Dr. Zachary Flores  
City Manager



## GENERAL SERVICES

| PROJECT                                                                       | FY 2026<br>Budgeted | FY 2027<br>Proposed | FY 2028<br>Proposed | FY 2029<br>Proposed | FY 2030<br>Proposed  |
|-------------------------------------------------------------------------------|---------------------|---------------------|---------------------|---------------------|----------------------|
| <b>BUILDING MAINTENANCE</b>                                                   |                     |                     |                     |                     |                      |
| Construct New Service Center Facility                                         | \$ 9,000,000        | \$ -                | \$ -                | \$ -                | \$ -                 |
| Remodel Community Services Building                                           | \$ -                | \$ 1,000,000        | \$ 1,000,000        | \$ 1,000,000        | \$ 1,000,000         |
| Construct Fire Station No. 5                                                  | \$ -                | \$ -                | \$ -                | \$ -                | \$ 4,970,481         |
| <b>Total Building Maintenance Services</b>                                    | <b>\$ 9,000,000</b> | <b>\$ 1,000,000</b> | <b>\$ 1,000,000</b> | <b>\$ 1,000,000</b> | <b>\$ 5,970,481</b>  |
| <b>DOWNTOWN</b>                                                               |                     |                     |                     |                     |                      |
| Laurel Street Parking Lot Improvements                                        | \$ 1,600,000        | \$ -                | \$ -                | \$ -                | \$ -                 |
| Construct Elm Street Linear Park - City Hall to Laurel Street                 | \$ 1,500,000        | \$ -                | \$ -                | \$ -                | \$ -                 |
| Purchase Texas Laundry Building for Future Parking Lot                        | \$ 500,000          | \$ -                | \$ -                | \$ -                | \$ -                 |
| Downtown Master Plan Implementation                                           | \$ -                | \$ 1,000,000        | \$ 1,000,000        | \$ 1,000,000        | \$ 1,000,000         |
| <b>Total Downtown Projects</b>                                                | <b>\$ 3,600,000</b> | <b>\$ 1,000,000</b> | <b>\$ 1,000,000</b> | <b>\$ 1,000,000</b> | <b>\$ 1,000,000</b>  |
| <b>ENGINEERING SERVICES</b>                                                   |                     |                     |                     |                     |                      |
| Phased Design & Construction of Lamberth Road - Shady Oaks to Friendship Road | \$ 2,000,000        | \$ -                | \$ -                | \$ -                | \$ -                 |
| Construct Two Lanes - Bel Air Boulevard & Seguin                              | \$ 2,000,000        | \$ -                | \$ -                | \$ -                | \$ -                 |
| Design & Construct Friendship Road Four-Lane Minor Arterial                   | \$ -                | \$ 1,000,000        | \$ 4,533,334        | \$ 4,533,333        | \$ 4,533,333         |
| Construct Heritage Ranch Trail - Phase II                                     | \$ -                | \$ 5,900,000        | \$ -                | \$ -                | \$ -                 |
| Install Traffic Signal - Luella Road and FM 1417                              | \$ -                | \$ 400,000          | \$ -                | \$ -                | \$ -                 |
| Design & Construct Railroad Crossing on East Shepherd Drive                   | \$ -                | \$ -                | \$ 150,000          | \$ 1,500,000        | \$ -                 |
| Engineer & Construct McGee Street Bridge Across Sand Creek                    | \$ -                | \$ -                | \$ 600,000          | \$ -                | \$ 4,000,000         |
| Construct Shepherd Drive - US 75 East to Railroad                             | \$ -                | \$ -                | \$ 1,500,000        | \$ -                | \$ -                 |
| Phased Design & Construction of Friendship Road - SH 56 to Lamberth Road      | \$ -                | \$ -                | \$ -                | \$ 2,200,000        | \$ 3,000,000         |
| <b>Total Engineering Services Department</b>                                  | <b>\$ 4,000,000</b> | <b>\$ 7,300,000</b> | <b>\$ 6,783,334</b> | <b>\$ 8,233,333</b> | <b>\$ 11,533,333</b> |
| <b>PARKS AND RECREATION</b>                                                   |                     |                     |                     |                     |                      |
| Trails Master Plan Implementation                                             | \$ 1,000,000        | \$ 1,000,000        | \$ 1,000,000        | \$ 1,000,000        | \$ 1,000,000         |
| Annual Park Improvements                                                      | \$ 1,000,000        | \$ 1,000,000        | \$ 1,000,000        | \$ 1,000,000        | \$ 1,000,000         |
| <b>Total Parks and Recreation Department</b>                                  | <b>\$ 2,000,000</b> | <b>\$ 2,000,000</b> | <b>\$ 2,000,000</b> | <b>\$ 2,000,000</b> | <b>\$ 2,000,000</b>  |

## GENERAL SERVICES

| PROJECT                                                               | FY 2026<br>Budgeted | FY 2027<br>Proposed | FY 2028<br>Proposed | FY 2029<br>Proposed | FY 2030<br>Proposed |
|-----------------------------------------------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| <b>SHERMAN ECONOMIC DEVELOPMENT</b>                                   |                     |                     |                     |                     |                     |
| Phased Construction of Interurban Parkway - FM 1417 to Progress Drive | \$ 8,700,000        | \$ -                | \$ -                | \$ -                | \$ -                |
| Construct Tortilla Way                                                | \$ 1,000,000        | \$ -                | \$ -                | \$ -                | \$ -                |
| <b>Total Sherman Economic Development Department</b>                  | <b>\$ 9,700,000</b> | <b>\$ -</b>         | <b>\$ -</b>         | <b>\$ -</b>         | <b>\$ -</b>         |
| <b>STREET MAINTENANCE</b>                                             |                     |                     |                     |                     |                     |
| Cherry Street Repairs - US 75 Service Road (Including Curb & Gutter)  | \$ 1,216,146        | \$ -                | \$ -                | \$ -                | \$ -                |
| Repair N. Travis Street - US 75 Service Road to Houston Street        | \$ 844,165          | \$ -                | \$ -                | \$ -                | \$ -                |
| Repair Taylor Street - FM 1417 to Texoma Parkway                      | \$ -                | \$ 2,675,098        | \$ -                | \$ -                | \$ -                |
| Repair Lamberth Road - FM 1417 to Loy Lake Road                       | \$ -                | \$ -                | \$ 2,579,350        | \$ -                | \$ -                |
| Repair Woods Street - Belden to Lamar Street                          | \$ -                | \$ -                | \$ 1,688,170        | \$ -                | \$ -                |
| Repair Fallon Drive - US 75 Service Road East to Texoma Parkway       | \$ -                | \$ -                | \$ 1,527,900        | \$ -                | \$ -                |
| Repair Friendship Road - SH 56 to OB Groner                           | \$ -                | \$ -                | \$ -                | \$ 736,010          | \$ -                |
| Repair OB Groner - FM 1417 to Choctaw Creek/City Limits               | \$ -                | \$ -                | \$ -                | \$ 562,870          | \$ -                |
| <b>Total Street Maintenance Department</b>                            | <b>\$ 2,060,311</b> | <b>\$ 2,675,098</b> | <b>\$ 5,795,420</b> | <b>\$ 1,298,880</b> | <b>\$ -</b>         |
| <b>Total General Services</b>                                         | <b>\$30,360,311</b> | <b>\$13,975,098</b> | <b>\$16,578,754</b> | <b>\$13,532,213</b> | <b>\$20,503,814</b> |

# UTILITY

# SERVICES

| PROJECT                                                                                        | FY 2026<br>Budgeted  | FY 2027<br>Proposed  | FY 2028<br>Proposed   | FY 2029<br>Proposed  | FY 2030<br>Proposed  |
|------------------------------------------------------------------------------------------------|----------------------|----------------------|-----------------------|----------------------|----------------------|
| Oversizing Costs for Annual Water & Sewer Projects                                             | \$ 300,000           | \$ 300,000           | \$ 300,000            | \$ 500,000           | \$ -                 |
| Upgrade WWTP From 10 MGD (ADF) to 14 MGD (ADF)                                                 | \$ 8,000,000         | \$ 33,500,000        | \$ 70,000,000         | \$ -                 | \$ -                 |
| Continue High Country Estates Water System Upgrades                                            | \$ 75,000            | \$ 70,000            | \$ 75,000             | \$ -                 | \$ -                 |
| Construct 84-Inch Water Line From Lake Texoma to WTP                                           | \$ 14,000,000        | \$ 28,000,000        | \$ -                  | \$ -                 | \$ -                 |
| Rehab Equalization Basin Blower & Rehab/Replace Sludge Digester Complex at WWTP                | \$ 7,300,000         | \$ 5,560,000         | \$ -                  | \$ -                 | \$ -                 |
| Procure Materials for Lake Texoma Pump Station Generator & Switchgear Upgrades                 | \$ 2,600,000         | \$ 1,740,000         | \$ -                  | \$ -                 | \$ -                 |
| Add 8-Inch Water Line Across US 75 to Stabilize Elevated Tank Levels                           | \$ 78,200            | \$ 521,000           | \$ -                  | \$ -                 | \$ -                 |
| USACE Water Storage                                                                            | \$ 10,106,467        | \$ -                 | \$ -                  | \$ -                 | \$ -                 |
| Reroute 24-Inch Wastewater Line From New South WWTP to North WWTP                              | \$ 5,860,000         | \$ -                 | \$ -                  | \$ -                 | \$ -                 |
| Construct Phase II of Sewer Line Replacements in Downtown Sherman                              | \$ 2,000,000         | \$ -                 | \$ -                  | \$ -                 | \$ -                 |
| Rehabilitation of WTP Backwash Tank                                                            | \$ 2,350,000         | \$ -                 | \$ -                  | \$ -                 | \$ -                 |
| Increase Existing 6-Inch Water Line Across SH 289 to 12-Inch PVC Line                          | \$ 1,900,000         | \$ -                 | \$ -                  | \$ -                 | \$ -                 |
| Abandon Old 18-Inch & 24-Inch South Industrial Sewer Line                                      | \$ 1,750,000         | \$ -                 | \$ -                  | \$ -                 | \$ -                 |
| Taylor Street Water Line - Texoma Parkway to Loy Lake                                          | \$ 440,000           | \$ -                 | \$ -                  | \$ -                 | \$ -                 |
| Replace Various Existing Sanitary Sewer Lines Along Post Oak Creek                             | \$ -                 | \$ 7,332,000         | \$ 9,400,000          | \$ 3,800,000         | \$ -                 |
| Upsize 21-Inch Sanitary Sewer Line to 30-Inch Line to Address Flow From The Village            | \$ -                 | \$ 1,000,000         | \$ 7,000,000          | \$ -                 | \$ -                 |
| Upsize 21-Inch Sanitary Sewer Line to 36-Inch Line - Progress Park                             | \$ -                 | \$ 1,000,000         | \$ 6,600,000          | \$ -                 | \$ -                 |
| Replace Failing Clay Tile Sewer Line On Texoma Parkway Near Proposed Peyton Street Development | \$ -                 | \$ 841,900           | \$ 3,000,000          | \$ -                 | \$ -                 |
| Upsize 15-Inch Sanitary Sewer Line to 24-Inch Line - Shepherd Drive                            | \$ -                 | \$ 600,000           | \$ 3,750,000          | \$ -                 | \$ -                 |
| Rehabilitation & Safety Improvements to Decant Lift Station at WWTP                            | \$ -                 | \$ 50,000            | \$ 430,000            | \$ -                 | \$ -                 |
| Add Filters and Relift Pump for Full 16 MGD Capacity at WWTP                                   | \$ -                 | \$ 3,300,000         | \$ -                  | \$ -                 | \$ -                 |
| Clarifier #3 Rehabilitation & NFPA Upgrades to Grit Building at WWTP                           | \$ -                 | \$ 2,510,000         | \$ -                  | \$ -                 | \$ -                 |
| Bel Air Construction - Phase III - 20-Inch Surface Water Line                                  | \$ -                 | \$ 1,200,000         | \$ -                  | \$ -                 | \$ -                 |
| Major Rehabilitation or Replacement of WWTP Bar Screens                                        | \$ -                 | \$ -                 | \$ 200,000            | \$ 1,750,000         | \$ -                 |
| Design-Build Permanent Staff Office Facility at WWTP                                           | \$ -                 | \$ -                 | \$ -                  | \$ 1,500,000         | \$ 6,000,000         |
| Design & Construct New 18-Inch Wastewater Line Along Choctaw Creek                             | \$ -                 | \$ -                 | \$ -                  | \$ 2,500,000         | \$ 20,000,000        |
| <b>Total Utility Services</b>                                                                  | <b>\$ 56,759,667</b> | <b>\$ 87,524,900</b> | <b>\$ 100,755,000</b> | <b>\$ 10,050,000</b> | <b>\$ 26,000,000</b> |

## STORMWATER SERVICES

| PROJECT                                                                      | FY 2026<br>Budgeted | FY 2027<br>Proposed | FY 2028<br>Proposed | FY 2029<br>Proposed | FY 2030<br>Proposed |
|------------------------------------------------------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| Hillcrest/Woods Bridges - Erosion Repair & Deck Overlay                      | \$ -                | \$ 550,000          | \$ -                | \$ -                | \$ -                |
| Taylor/Washington Bridges - Erosion Repair & Deck Overlay                    | \$ -                | \$ 550,000          | \$ -                | \$ -                | \$ -                |
| Increase Culvert Capacity Under Gribble Street                               | \$ -                | \$ -                | \$ 400,000          | \$ -                | \$ -                |
| Pecan/Ricketts/Centennial/Blue Flame Bridges - Erosion Repair & Deck Overlay | \$ -                | \$ -                | \$ 275,000          | \$ -                | \$ -                |
| <b>Total Stormwater Services</b>                                             | \$ -                | \$ 1,100,000        | \$ 675,000          | \$ -                | \$ -                |

**RESOLUTION NO.**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, APPROVING AND ADOPTING A FIVE-YEAR CAPITAL IMPROVEMENT PROGRAM FOR 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.**

**WHEREAS,** the City Council is charged with providing a five-year capital improvement program for the City of Sherman, pursuant to Article V of the Charter of said City; and

**WHEREAS,** the City Manager has provided to the City Council such a program in a timely fashion; and

**WHEREAS,** the City Council met to review said plan on the 18<sup>th</sup> day of August, 2025, at a regular City Council meeting;

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

**SECTION 1.** That the Five-Year Capital Improvement Program, attached hereto as Exhibit "A" and incorporated herein for all intents and purposes, be and the same is hereby in all things approved and adopted as the Capital Improvement Program of the City of Sherman, Texas.

**SECTION 2.** That the effective date of this resolution shall be the 2<sup>nd</sup> day of September, 2025.

**SECTION 3.** 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 \_\_\_\_ day of \_\_\_\_\_, 2025.

**CITY OF SHERMAN, TEXAS**

**BY: \_\_\_\_\_  
SHAWN TEAMANN, MAYOR**

**ATTEST:**

**BY: \_\_\_\_\_**  
**LEAH ROBERTS, ACTING CITY CLERK**

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

**BY: \_\_\_\_\_**  
**RYAN D. PITTMAN, CITY ATTORNEY**

# **CAPITAL BUDGET**

## **2025 - 2030**

## **GENERAL SERVICES 2025 - 2030**



## **GENERAL SERVICES**

### **CAPITAL BUDGET: 2025-2030**

Within the Five-year Capital Improvement Program, the first year is considered the Capital Budget. The appropriation ordinance will give initial authorization for the staff to prepare and execute all projects listed for the coming year. City Council will consider the projects in subsequent years for approval and funding during the budget process for each year. These projects listed are for information and planning purposes and do not obligate the Council to approve or fund beyond the current approved appropriations ordinance.

## GENERAL FUND

### CONSTRUCT NEW SERVICE CENTER FACILITY

#### EXPENDITURES:

| FY 2026     | FY 2027 | FY 2028 | FY 2029 | FY 2030 | TOTAL       |
|-------------|---------|---------|---------|---------|-------------|
| \$9,000,000 | \$0     | \$0     | \$0     | \$0     | \$9,000,000 |

**DESCRIPTION:** Construct a new service center facility.

**PROPOSED FINANCING:** Certificates of Obligation

**PROJECT NECESSITY:** City growth is rapidly expanding City fleet service needs and the current facility has reached capacity.

**DEPARTMENT/  
PROJECT MANAGER:** Building Maintenance, Eric Sandberg

### REMODEL COMMUNITY SERVICES FACILITY

#### EXPENDITURES:

| FY 2026 | FY 2027     | FY 2028     | FY 2029     | FY 2030     | TOTAL       |
|---------|-------------|-------------|-------------|-------------|-------------|
| \$0     | \$1,000,000 | \$1,000,000 | \$1,000,000 | \$1,000,000 | \$4,000,000 |

**DESCRIPTION:** Remodel the community services facility.

**PROPOSED FINANCING:** Certificates of Obligation

**PROJECT NECESSITY:** Expanded use of the existing facility requires interior improvements, in order to extend useful life. Remodeling will be phased out over multiple years.

**DEPARTMENT/  
PROJECT MANAGER:** Building Maintenance, Eric Sandberg

## GENERAL FUND

### CONSTRUCT FIRE STATION NO. 5

#### EXPENDITURES:

| FY 2026 | FY 2027 | FY 2028 | FY 2029 | FY 2030     | TOTAL       |
|---------|---------|---------|---------|-------------|-------------|
| \$0     | \$0     | \$0     | \$0     | \$4,970,481 | \$4,970,481 |

**DESCRIPTION:** Construct a new Fire Station No. 5.

**PROPOSED FINANCING:** Certificates of Obligation

**PROJECT NECESSITY:** A new station No. 5 will replace an aged, undersized, and inefficiently located fire station. It will also incorporate a permanent location for Fire administrative offices.

**DEPARTMENT/  
PROJECT MANAGER:** Building Maintenance, Eric Sandberg

### LAUREL STREET PARKING LOT IMPROVEMENTS

#### EXPENDITURES:

| FY 2026     | FY 2027 | FY 2028 | FY 2029 | FY 2030 | TOTAL       |
|-------------|---------|---------|---------|---------|-------------|
| \$1,600,000 | \$0     | \$0     | \$0     | \$0     | \$1,600,000 |

**DESCRIPTION:** Construct Laurel Street parking lot.

**PROPOSED FINANCING:** Certificates of Obligation

**PROJECT NECESSITY:** Parking lot will address increased usage in Downtown programming area.

**DEPARTMENT/  
PROJECT MANAGER:** Management Services, Leah Roberts

## GENERAL FUND

### CONSTRUCT ELM STREET LINEAR PARK - CITY HALL TO LAUREL STREET

#### EXPENDITURES:

| FY 2026     | FY 2027 | FY 2028 | FY 2029 | FY 2030 | TOTAL       |
|-------------|---------|---------|---------|---------|-------------|
| \$1,500,000 | \$0     | \$0     | \$0     | \$0     | \$1,500,000 |

**DESCRIPTION:** Construct a linear park on Elm Street, with potential food truck access.

**PROPOSED FINANCING:** Certificates of Obligation

**PROJECT NECESSITY:** Project will convert Elm Street, from City Hall to Laurel Street, into pedestrian access only.

**DEPARTMENT/  
PROJECT MANAGER:** Management Services, Leah Roberts

### PURCHASE TEXAS LAUNDRY BUILDING FOR FUTURE PARKING LOT

#### EXPENDITURES:

| FY 2026   | FY 2027 | FY 2028 | FY 2029 | FY 2030 | TOTAL     |
|-----------|---------|---------|---------|---------|-----------|
| \$500,000 | \$0     | \$0     | \$0     | \$0     | \$500,000 |

**DESCRIPTION:** Purchase the Texas Laundry Building, located at 112 S. Walnut Street for future use as a parking lot.

**PROPOSED FINANCING:** Certificates of Obligation

**PROJECT NECESSITY:** Project is necessary to address increasing patronage of downtown Sherman businesses and amenities.

**DEPARTMENT/  
PROJECT MANAGER:** Management Services, Leah Roberts

## GENERAL FUND

### DOWNTOWN MASTER PLAN IMPLEMENTATION

#### EXPENDITURES:

| FY 2026 | FY 2027     | FY 2028     | FY 2029     | FY 2030     | TOTAL       |
|---------|-------------|-------------|-------------|-------------|-------------|
| \$0     | \$1,000,000 | \$1,000,000 | \$1,000,000 | \$1,000,000 | \$4,000,000 |

**DESCRIPTION:** Plan implementation includes Laurel Street parking lot reconstruction, updating wayfinding signage, historical Texas Theatre sign, and design Elm Street pedestrian path.

**PROPOSED FINANCING:** Certificates of Obligation

**PROJECT NECESSITY:** Expanding downtown parking, along with wayfinding signage, follows the Downtown Strategic Plan. Additionally, a downtown pedestrian only path will connect Downtown to our Trails Master Plan.

**DEPARTMENT/  
PROJECT MANAGER:** Management Services, Leah Roberts

### PHASED CONSTRUCTION OF INTERURBAN PARKWAY - FM 1417 TO PROGRESS DRIVE

#### EXPENDITURES:

| FY 2026     | FY 2027 | FY 2028 | FY 2029 | FY 2030 | TOTAL       |
|-------------|---------|---------|---------|---------|-------------|
| \$8,700,000 | \$0     | \$0     | \$0     | \$0     | \$8,700,000 |

**DESCRIPTION:** Project to continue the phased construction of the Interurban Parkway, connecting FM 1417 to Progress Drive.

**PROPOSED FINANCING:** SEDCO

**PROJECT NECESSITY:** The 2020 Grayson County Thoroughfare Plan recommended a minor thoroughfare connecting FM 1417 to Progress Drive.

**DEPARTMENT/  
PROJECT MANAGER:** Engineering Services, Wayne Lee

## GENERAL FUND

### PHASED DESIGN & CONSTRUCTION OF LAMBERTH ROAD - SHADY OAKS TO FRIENDSHIP ROAD

#### EXPENDITURES:

| FY 2026     | FY 2027 | FY 2028 | FY 2029 | FY 2030 | TOTAL       |
|-------------|---------|---------|---------|---------|-------------|
| \$2,000,000 | \$0     | \$0     | \$0     | \$0     | \$2,000,000 |

**DESCRIPTION:** Continuing the phased design & construction of Lamberth Road, east of Shady Oaks to just west of proposed 5-lane road section; Shady Oak Lane south of Lambert intersection to just north of Shady Oaks Circle Intersection.

**PROPOSED FINANCING:** Certificates of Obligation / Impact Fees

**PROJECT NECESSITY:** The minor thoroughfare is necessary to meet current City design standards.

**DEPARTMENT/  
PROJECT MANAGER:** Engineering Services, Wayne Lee

### CONSTRUCT TWO LANES - BEL AIR BOULEVARD & SEGUIN

#### EXPENDITURES:

| FY 2026     | FY 2027 | FY 2028 | FY 2029 | FY 2030 | TOTAL       |
|-------------|---------|---------|---------|---------|-------------|
| \$2,000,000 | \$0     | \$0     | \$0     | \$0     | \$2,000,000 |

**DESCRIPTION:** Construct two lanes of a four-lane road from FM 1417 to Bel Air Boulevard and from Seguin to South Travis Street.

**PROPOSED FINANCING:** Certificates of Obligation / Impact Fees

**PROJECT NECESSITY:** Necessary to provide access to Travis Heights subdivision. Developer will construct the other two lanes.

**DEPARTMENT/  
PROJECT MANAGER:** Engineering Services, Wayne Lee

## GENERAL FUND

### CONSTRUCT TORTILLA WAY

#### EXPENDITURES:

| FY 2026     | FY 2027 | FY 2028 | FY 2029 | FY 2030 | TOTAL       |
|-------------|---------|---------|---------|---------|-------------|
| \$1,000,000 | \$0     | \$0     | \$0     | \$0     | \$1,000,000 |

**DESCRIPTION:** Construct a thirty-seven foot wide commercial street, approximately 1,000 linear feet.

**PROPOSED FINANCING:** SEDCO

**PROJECT NECESSITY:** The new roadway is necessary to provide access to manufacturing business areas.

**DEPARTMENT/  
PROJECT MANAGER:** Engineering Services, Wayne Lee

### INSTALL TRAFFIC SIGNAL - LUELLA ROAD AND FM 1417

#### EXPENDITURES:

| FY 2026 | FY 2027   | FY 2028 | FY 2029 | FY 2030 | TOTAL     |
|---------|-----------|---------|---------|---------|-----------|
| \$0     | \$400,000 | \$0     | \$0     | \$0     | \$400,000 |

**DESCRIPTION:** Installation of a traffic signal at the intersection of Luella Road and FM 1417.

**PROPOSED FINANCING:** Certificates of Obligation / Impact Fees

**PROJECT NECESSITY:** The traffic impact study identified this intersection requires a traffic signal to address increased traffic flow.

**DEPARTMENT/  
PROJECT MANAGER:** Engineering Services, Wayne Lee

## GENERAL FUND

### DESIGN & CONSTRUCT FRIENDSHIP ROAD FOUR-LANE MINOR ARTERIAL

#### EXPENDITURES:

| FY 2026 | FY 2027     | FY 2028     | FY 2029     | FY 2030     | TOTAL        |
|---------|-------------|-------------|-------------|-------------|--------------|
| \$0     | \$1,000,000 | \$4,533,334 | \$4,533,333 | \$4,533,333 | \$14,600,000 |

**DESCRIPTION:** Design and construction to improve Friendship Road into a four-lane divided minor arterial.

**PROPOSED FINANCING:** Certificates of Obligation / Impact Fees

**PROJECT NECESSITY:** Depending on the outcome of the 2026 traffic study, design and construction of a minor arterial may be a necessary improvement for the Hickory Hill planned development.

**DEPARTMENT/  
PROJECT MANAGER:** Engineering Services, Wayne Lee

### CONSTRUCT HERITAGE RANCH TRAIL - PHASE II

#### EXPENDITURES:

| FY 2026 | FY 2027     | FY 2028 | FY 2029 | FY 2030 | TOTAL       |
|---------|-------------|---------|---------|---------|-------------|
| \$0     | \$5,900,000 | \$0     | \$0     | \$0     | \$5,900,000 |

**DESCRIPTION:** Phase II includes construction from the intersection of FM 1417 to new elementary school.

**PROPOSED FINANCING:** Certificates of Obligation / Impact Fees

**PROJECT NECESSITY:** Project required to better address increased flow of traffic in the Heritage Ranch area.

**DEPARTMENT/  
PROJECT MANAGER:** Engineering Services, Wayne Lee



## GENERAL FUND

### DESIGN & CONSTRUCT RAILROAD CROSSING ON EAST SHEPHERD DRIVE

#### EXPENDITURES:

| FY 2026 | FY 2027 | FY 2028   | FY 2029     | FY 2030 | TOTAL       |
|---------|---------|-----------|-------------|---------|-------------|
| \$0     | \$0     | \$150,000 | \$1,500,000 | \$0     | \$1,650,000 |

**DESCRIPTION:** Design and construct a railroad crossing on East Shepherd Drive.

**PROPOSED FINANCING:** Certificates of Obligation / Impact Fees

**PROJECT NECESSITY:** Construction of this street improvement will connect separate street developments east and west of railroad crossing, which will be provided by developers.

**DEPARTMENT/  
PROJECT MANAGER:** Engineering Services, Wayne Lee

### ENGINEER & CONSTRUCT MCGEE STREET BRIDGE ACROSS SAND CREEK

#### EXPENDITURES:

| FY 2026 | FY 2027 | FY 2028   | FY 2029 | FY 2030     | TOTAL       |
|---------|---------|-----------|---------|-------------|-------------|
| \$0     | \$0     | \$600,000 | \$0     | \$4,000,000 | \$4,600,000 |

**DESCRIPTION:** Engineer and construct McGee Street Bridge across Sand Creek.

**PROPOSED FINANCING:** Certificates of Obligation / Impact Fees

**PROJECT NECESSITY:** This bridge design will assist in areas of development in West Sherman. The bridge is included in the major thoroughfare design recommended by the 2020 Grayson County Thoroughfare Plan between FM 1417 and SH 289.

**DEPARTMENT/  
PROJECT MANAGER:** Engineering Services, Wayne Lee

## GENERAL FUND

### CONSTRUCT SHEPHERD DRIVE - US 75 EAST TO RAILROAD

#### EXPENDITURES:

| FY 2026 | FY 2027 | FY 2028     | FY 2029 | FY 2030 | TOTAL       |
|---------|---------|-------------|---------|---------|-------------|
| \$0     | \$0     | \$1,500,000 | \$0     | \$0     | \$1,500,000 |

**DESCRIPTION:** Construct Shepherd Drive from US 75 east to railroad.

**PROPOSED FINANCING:** Certificates of Obligation / Impact Fees

**PROJECT NECESSITY:** Roadway extension will connect proposed development on south side of Shepherd.

**DEPARTMENT/  
PROJECT MANAGER:** Engineering Services, Wayne Lee

### PHASED DESIGN & CONSTRUCTION OF FRIENDSHIP ROAD - SH 56 TO LAMBERTH ROAD

#### EXPENDITURES:

| FY 2026 | FY 2027 | FY 2028 | FY 2029     | FY 2030     | TOTAL       |
|---------|---------|---------|-------------|-------------|-------------|
| \$0     | \$0     | \$0     | \$2,200,000 | \$3,000,000 | \$5,200,000 |

**DESCRIPTION:** Phased design and construction of Friendship Road, connecting State Highway 56 to Lamberth Road.

**PROPOSED FINANCING:** Certificates of Obligation / Impact Fees

**PROJECT NECESSITY:** Project is included in the Master Thoroughfare Plan. Additional improvements may be needed as Hickory Hill planned development builds out.

**DEPARTMENT/  
PROJECT MANAGER:** Engineering Services, Wayne Lee

## GENERAL FUND

### TRAILS MASTER PLAN IMPLEMENTATION

#### EXPENDITURES:

| FY 2026     | FY 2027     | FY 2028     | FY 2029     | FY 2030     | TOTAL       |
|-------------|-------------|-------------|-------------|-------------|-------------|
| \$1,000,000 | \$1,000,000 | \$1,000,000 | \$1,000,000 | \$1,000,000 | \$5,000,000 |

**DESCRIPTION:** Implement projects related to the Trails Master Plan.

**PROPOSED FINANCING:** Certificates of Obligation

**PROJECT NECESSITY:** Annual improvements, per directive of the Trails Master Plan, to address increasing demands for City amenities.

**DEPARTMENT/  
PROJECT MANAGER:** Parks and Recreation, Justin Eastwood

### ANNUAL PARK IMPROVEMENTS

#### EXPENDITURES:

| FY 2026     | FY 2027     | FY 2028     | FY 2029     | FY 2030     | TOTAL       |
|-------------|-------------|-------------|-------------|-------------|-------------|
| \$1,000,000 | \$1,000,000 | \$1,000,000 | \$1,000,000 | \$1,000,000 | \$5,000,000 |

**DESCRIPTION:** Annual projects to address various park improvement needs.

**PROPOSED FINANCING:** Certificates of Obligation

**PROJECT NECESSITY:** Projects necessary to meet increasing demands tied to City growth. The projects will be consistent with the Comprehensive Master Plan.

**DEPARTMENT/  
PROJECT MANAGER:** Parks and Recreation, Justin Eastwood

## GENERAL FUND

### CHERRY STREET REPAIRS - US 75 SERVICE ROAD

#### EXPENDITURES:

| FY 2026     | FY 2027 | FY 2028 | FY 2029 | FY 2030 | TOTAL       |
|-------------|---------|---------|---------|---------|-------------|
| \$1,216,146 | \$0     | \$0     | \$0     | \$0     | \$1,216,146 |

**DESCRIPTION:** Continue repairs to Cherry Street, southeast to the US 75 service road, including curb and gutters.

**PROPOSED FINANCING:** Certificates of Obligation / Impact Fees

**PROJECT NECESSITY:** The current overlay has reached the end of its useful life and requires rebuilding.

**DEPARTMENT/  
PROJECT MANAGER:** Street Maintenance, Eric Sandberg

### REPAIR N. TRAVIS STREET - US 75 SERVICE ROAD TO HOUSTON STREET

#### EXPENDITURES:

| FY 2026   | FY 2027 | FY 2028 | FY 2029 | FY 2030 | TOTAL     |
|-----------|---------|---------|---------|---------|-----------|
| \$844,165 | \$0     | \$0     | \$0     | \$0     | \$844,165 |

**DESCRIPTION:** Repair North Travis Street from US 75 service road east to Houston Street.

**PROPOSED FINANCING:** Certificates of Obligation / Impact Fees

**PROJECT NECESSITY:** The current overlay has reached the end of its useful life and requires rebuilding.

**DEPARTMENT/  
PROJECT MANAGER:** Street Maintenance, Eric Sandberg

## GENERAL FUND

### REPAIR TAYLOR STREET - FM 1417 TO TEXOMA PARKWAY

#### EXPENDITURES:

| FY 2026 | FY 2027     | FY 2028 | FY 2029 | FY 2030 | TOTAL       |
|---------|-------------|---------|---------|---------|-------------|
| \$0     | \$2,675,098 | \$0     | \$0     | \$0     | \$2,675,098 |

**DESCRIPTION:** Repair Taylor Street from FM 1417 to Texoma Parkway.

**PROPOSED FINANCING:** Certificates of Obligation / Impact Fees

**PROJECT NECESSITY:** The current overlay has reached the end of its useful life and requires rebuilding.

**DEPARTMENT/  
PROJECT MANAGER:** Street Maintenance, Eric Sandberg

### REPAIR LAMBERTH ROAD - FM 1417 TO LOY LAKE ROAD

#### EXPENDITURES:

| FY 2026 | FY 2027 | FY 2028     | FY 2029 | FY 2030 | TOTAL       |
|---------|---------|-------------|---------|---------|-------------|
| \$0     | \$0     | \$2,579,350 | \$0     | \$0     | \$2,579,350 |

**DESCRIPTION:** Repair Lamberth Road from FM 1417 to Loy Lake Road.

**PROPOSED FINANCING:** Certificates of Obligation / Impact Fees

**PROJECT NECESSITY:** The current overlay has reached the end of its useful life and requires rebuilding.

**DEPARTMENT/  
PROJECT MANAGER:** Street Maintenance, Eric Sandberg

## GENERAL FUND

### REPAIR WOODS STREET - BELDEN TO LAMAR STREET

#### EXPENDITURES:

| FY 2026 | FY 2027 | FY 2028     | FY 2029 | FY 2030 | TOTAL       |
|---------|---------|-------------|---------|---------|-------------|
| \$0     | \$0     | \$1,688,170 | \$0     | \$0     | \$1,688,170 |

**DESCRIPTION:** Repair Woods Street from Belden to Lamar Street.

**PROPOSED FINANCING:** Certificates of Obligation / Impact Fees

**PROJECT NECESSITY:** The current overlay has reached the end of its useful life and requires rebuilding.

**DEPARTMENT/  
PROJECT MANAGER:** Street Maintenance, Eric Sandberg

### REPAIR FALLON DRIVE - US 75 SERVICE ROAD EAST TO TEXOMA PARKWAY

#### EXPENDITURES:

| FY 2026 | FY 2027 | FY 2028     | FY 2029 | FY 2030 | TOTAL       |
|---------|---------|-------------|---------|---------|-------------|
| \$0     | \$0     | \$1,527,900 | \$0     | \$0     | \$1,527,900 |

**DESCRIPTION:** Repair Fallon Drive from US 75 service road east to Texoma Parkway.

**PROPOSED FINANCING:** Certificates of Obligation / Impact Fees

**PROJECT NECESSITY:** The current overlay has reached the end of its useful life and requires rebuilding.

**DEPARTMENT/  
PROJECT MANAGER:** Street Maintenance, Eric Sandberg

## GENERAL FUND

### REPAIR FRIENDSHIP ROAD - SH 56 TO OB GRONER

#### EXPENDITURES:

| FY 2026 | FY 2027 | FY 2028 | FY 2029   | FY 2030 | TOTAL     |
|---------|---------|---------|-----------|---------|-----------|
| \$0     | \$0     | \$0     | \$736,010 | \$0     | \$736,010 |

|                                 |                                                                                     |
|---------------------------------|-------------------------------------------------------------------------------------|
| DESCRIPTION:                    | Repair Friendship Road from State Highway 56 to OB Groner Road.                     |
| PROPOSED FINANCING:             | Certificates of Obligation / Impact Fees                                            |
| PROJECT NECESSITY:              | The current overlay has reached the end of its useful life and requires rebuilding. |
| DEPARTMENT/<br>PROJECT MANAGER: | Street Maintenance, Eric Sandberg                                                   |

### REPAIR OB GRONER - FM 1417 TO CHOCTAW CREEK/CITY LIMITS

#### EXPENDITURES:

| FY 2026 | FY 2027 | FY 2028 | FY 2029   | FY 2030 | TOTAL     |
|---------|---------|---------|-----------|---------|-----------|
| \$0     | \$0     | \$0     | \$562,870 | \$0     | \$562,870 |

|                                 |                                                                                     |
|---------------------------------|-------------------------------------------------------------------------------------|
| DESCRIPTION:                    | Repair OB Groner Road from FM 1417 to Choctaw Creek and the City limits.            |
| PROPOSED FINANCING:             | Certificates of Obligation / Impact Fees                                            |
| PROJECT NECESSITY:              | The current overlay has reached the end of its useful life and requires rebuilding. |
| DEPARTMENT/<br>PROJECT MANAGER: | Street Maintenance, Eric Sandberg                                                   |

## **UTILITY SERVICES 2025 - 2030**



## **UTILITY SERVICES**

### **CAPITAL BUDGET: 2025-2030**

Within the Five-year Capital Improvement Program, the first year is considered the Capital Budget. The appropriation ordinance will give initial authorization for the staff to prepare and execute all projects listed for the coming year. City Council will consider the projects in subsequent years for approval and funding during the budget process for each year. These projects listed are for information and planning purposes and do not obligate the Council to approve or fund beyond the current approved appropriations ordinance.

These are Utility Services Projects, being specifically related to the operation of a Water and Sewer System and having certain types of financing requirements different from those typically used for General Services.

## UTILITY SERVICES

### OVERSIZING COSTS FOR ANNUAL WATER & SEWER PROJECTS

**EXPENDITURES:**

| FY 2026   | FY 2027   | FY 2028   | FY 2029   | FY 2030 | TOTAL       |
|-----------|-----------|-----------|-----------|---------|-------------|
| \$300,000 | \$300,000 | \$300,000 | \$500,000 | \$0     | \$1,400,000 |

**DESCRIPTION:** Includes oversizing for annual water and sewer projects, as well as line replacements

**PROPOSED FINANCING:** Utility Improvement Fund

**PROJECT NECESSITY:** In order to address annual wear and tear & development demands, updates related to oversizing and line replacements are required.

**DEPARTMENT/  
PROJECT MANAGER:** Utilities Engineer P.E., Tom Pruitt

### UPGRADE WWTP FROM 10 MGD (ADF) TO 14 MGD (ADF)

**EXPENDITURES:**

| FY 2026     | FY 2027      | FY 2028      | FY 2029 | FY 2030 | TOTAL         |
|-------------|--------------|--------------|---------|---------|---------------|
| \$8,000,000 | \$33,500,000 | \$70,000,000 | \$0     | \$0     | \$111,500,000 |

**DESCRIPTION:** Upgrade the daily treatment capacity at the Wastewater Treatment Plant (WWTP) from 10 MGD (ADF) to 14 MGD (ADF).

**PROPOSED FINANCING:** GTUA

**PROJECT NECESSITY:** Critical upgrade required to meet current wastewater treatment demands.

**DEPARTMENT/  
PROJECT MANAGER:** Utilities Engineer P.E., Tom Pruitt

## UTILITY SERVICES

### CONTINUE HIGH COUNTRY ESTATES WATER SYSTEM UPGRADES

**EXPENDITURES:**

| FY 2026  | FY 2027  | FY 2028  | FY 2029 | FY 2030 | TOTAL     |
|----------|----------|----------|---------|---------|-----------|
| \$75,000 | \$70,000 | \$75,000 | \$0     | \$0     | \$220,000 |

**DESCRIPTION:** Continue to upgrade the water system at the High Country Estates subdivision, approximately 9,000 linear feet, annually, over a four-year period.

**PROPOSED FINANCING:** Utility Improvement Fund

**PROJECT NECESSITY:** The annexation of High Country Estates has necessitated upgrades to bring to City water system standards.

**DEPARTMENT/  
PROJECT MANAGER:** Utilities Engineer P.E., Tom Pruitt

### CONSTRUCT 84-INCH WATER LINE FROM LAKE TEXOMA TO WTP

**EXPENDITURES:**

| FY 2026      | FY 2027      | FY 2028 | FY 2029 | FY 2030 | TOTAL        |
|--------------|--------------|---------|---------|---------|--------------|
| \$14,000,000 | \$28,000,000 | \$0     | \$0     | \$0     | \$42,000,000 |

**DESCRIPTION:** Construction of a new 84-inch raw water line, parallel to existing 72-inch line, from Lake Texoma to the Water Treatment Plant (WTP).

**PROPOSED FINANCING:** GTUA

**PROJECT NECESSITY:** Required City contribution by the North Texas Municipal Water District (NTMWD) for an additional raw water pipeline from the Lake Texoma Pump Station to the Water Treatment Plant.

**DEPARTMENT/  
PROJECT MANAGER:** Utilities Engineer P.E., Tom Pruitt

## UTILITY SERVICES

### REHAB EQUALIZATION BASIN BLOWER & REHAB/REPLACE SLUDGE DIGESTER COMPLEX

#### EXPENDITURES:

| FY 2026     | FY 2027     | FY 2028 | FY 2029 | FY 2030 | TOTAL        |
|-------------|-------------|---------|---------|---------|--------------|
| \$7,300,000 | \$5,560,000 | \$0     | \$0     | \$0     | \$12,860,000 |

**DESCRIPTION:** Rehabilitation of EQ blower, blower building, and electrical feeds supplying the equalization basin blowers. Additionally, rehab/replace components of the sludge digester at WWTP.

**PROPOSED FINANCING:** GTUA

**PROJECT NECESSITY:** Due to age and corrosion, it is necessary to rehabilitate or replace worn components to prevent equipment failure and safety hazards at the Wastewater Treatment Plant (WWTP).

**DEPARTMENT/  
PROJECT MANAGER:** Utilities Engineer P.E., Tom Pruitt

### PROCURE MATERIALS FOR LAKE TEXOMA PUMP STATION GENERATOR & SWITCHGEAR UPDATES

#### EXPENDITURES:

| FY 2026     | FY 2027     | FY 2028 | FY 2029 | FY 2030 | TOTAL       |
|-------------|-------------|---------|---------|---------|-------------|
| \$2,600,000 | \$1,740,000 | \$0     | \$0     | \$0     | \$4,340,000 |

**DESCRIPTION:** Procure materials for installation of a backup generator and switchgear at the Lake Texoma Pump Station (LTPS).

**PROPOSED FINANCING:** GTUA

**PROJECT NECESSITY:** In an effort to mitigate delays for lead time issues, material procurement is recommended for the generator and switchgear.

**DEPARTMENT/  
PROJECT MANAGER:** Utilities Engineer P.E., Tom Pruitt

## UTILITY SERVICES

### ADD 8-INCH WATER LINE ACROSS US 75 TO STABILIZE ELEVATED TANK LEVELS

#### EXPENDITURES:

| FY 2026  | FY 2027   | FY 2028 | FY 2029 | FY 2030 | TOTAL     |
|----------|-----------|---------|---------|---------|-----------|
| \$78,200 | \$521,000 | \$0     | \$0     | \$0     | \$599,200 |

**DESCRIPTION:** Design and installation of an 8-inch water line across US 75 for the Fairview and Harrison elevated tanks.

**PROPOSED FINANCING:** GTUA

**PROJECT NECESSITY:** The addition of the water line will help to stabilize these elevated storage tanks and is included in the Water Master Plan.

**DEPARTMENT/  
PROJECT MANAGER:** Utilities Engineer P.E., Tom Pruitt

### USACE WATER STORAGE

#### EXPENDITURES:

| FY 2026      | FY 2027 | FY 2028 | FY 2029 | FY 2030 | TOTAL        |
|--------------|---------|---------|---------|---------|--------------|
| \$10,106,467 | \$0     | \$0     | \$0     | \$0     | \$10,106,467 |

**DESCRIPTION:** Agreement with the U.S. Army Corps of Engineers, for the right to increased water storage within Lake Texoma, allowing the City to obtain additional water rights.

**PROPOSED FINANCING:** GTUA

**PROJECT NECESSITY:** Sherman is continuing to look for additional water rights to handle future development and water demands.

**DEPARTMENT/  
PROJECT MANAGER:** Utilities Engineer P.E., Tom Pruitt

## UTILITY SERVICES

### REROUTE 24-INCH WASTEWATER LINE FROM NEW SOUTH WWTP TO NORTH WWTP

**EXPENDITURES:**

| FY 2026     | FY 2027 | FY 2028 | FY 2029 | FY 2030 | TOTAL       |
|-------------|---------|---------|---------|---------|-------------|
| \$5,860,000 | \$0     | \$0     | \$0     | \$0     | \$5,860,000 |

**DESCRIPTION:** This project will reroute 3,000 linear feet of 24-inch wastewater line from the new south Wastewater Treatment Plant (WWTP) to the north WWTP.

**PROPOSED FINANCING:** GTUA

**PROJECT NECESSITY:** Rerouting the wastewater line is necessary for treatment of Texas Instruments wastewater.

**DEPARTMENT/  
PROJECT MANAGER:** Utilities Engineer P.E., Tom Pruitt

### CONSTRUCT PHASE II OF SEWER LINE REPLACEMENTS IN DOWNTOWN SHERMAN

**EXPENDITURES:**

| FY 2026     | FY 2027 | FY 2028 | FY 2029 | FY 2030 | TOTAL       |
|-------------|---------|---------|---------|---------|-------------|
| \$2,000,000 | \$0     | \$0     | \$0     | \$0     | \$2,000,000 |

**DESCRIPTION:** Construct phase II for a multi-phase replacement of sewer lines in downtown Sherman

**PROPOSED FINANCING:** GTUA - paid by the Downtown Tax Increment Reinvestment Zone

**PROJECT NECESSITY:** The downtown sewer line system is deteriorating and reaching the end of its useful life.

**DEPARTMENT/  
PROJECT MANAGER:** Utilities Engineer P.E., Tom Pruitt

## UTILITY SERVICES

### REHABILITATION OF WTP BACKWASH TANK

**EXPENDITURES:**

| FY 2026     | FY 2027 | FY 2028 | FY 2029 | FY 2030 | TOTAL       |
|-------------|---------|---------|---------|---------|-------------|
| \$2,350,000 | \$0     | \$0     | \$0     | \$0     | \$2,350,000 |

**DESCRIPTION:** Rehabilitate the Water Treatment Plant (WTP) backwash tank, including all hatches and accesses, ladders, lighting, paint/coat tank and associated equipment

**PROPOSED FINANCING:** GTUA

**PROJECT NECESSITY:** Necessary to extend tank life and meet TCEQ/EPA code.

**DEPARTMENT/  
PROJECT MANAGER:** Utilities Engineer P.E., Tom Pruitt

### INCREASE EXISTING 6-INCH WATER LINE ACROSS SH 289 TO 12-INCH PVC LINE

**EXPENDITURES:**

| FY 2026     | FY 2027 | FY 2028 | FY 2029 | FY 2030 | TOTAL       |
|-------------|---------|---------|---------|---------|-------------|
| \$1,900,000 | \$0     | \$0     | \$0     | \$0     | \$1,900,000 |

**DESCRIPTION:** Increase water line across SH 289 from a 6-inch line to a 12-inch PVC line.

**PROPOSED FINANCING:** GTUA

**PROJECT NECESSITY:** Increasing the size of the water line is necessary to address increased growth and usage in surrounding areas.

**DEPARTMENT/  
PROJECT MANAGER:** Utilities Engineer P.E., Tom Pruitt

## UTILITY SERVICES

### ABANDON OLD 18-INCH & 24-INCH SOUTH INDUSTRIAL SEWER LINE

#### EXPENDITURES:

| FY 2026     | FY 2027 | FY 2028 | FY 2029 | FY 2030 | TOTAL       |
|-------------|---------|---------|---------|---------|-------------|
| \$1,750,000 | \$0     | \$0     | \$0     | \$0     | \$1,750,000 |

**DESCRIPTION:** Abandon the old 18-inch and 24-inch south industrial sewer line, approximately 1,900 linear feet from new line to the Wastewater Treatment Plant (WWTP).

**PROPOSED FINANCING:** GTUA

**PROJECT NECESSITY:** With the addition of the new line, the old south industrial sewer line is obsolete and no longer required.

**DEPARTMENT/  
PROJECT MANAGER:** Utilities Engineer P.E., Tom Pruitt

### TAYLOR STREET WATER LINE - TEXOMA PARKWAY TO LOY LAKE

#### EXPENDITURES:

| FY 2026   | FY 2027 | FY 2028 | FY 2029 | FY 2030 | TOTAL     |
|-----------|---------|---------|---------|---------|-----------|
| \$440,000 | \$0     | \$0     | \$0     | \$0     | \$440,000 |

**DESCRIPTION:** Relocate the Taylor Street water line from Texoma Parkway to Loy Lake Road.

**PROPOSED FINANCING:** GTUA

**PROJECT NECESSITY:** TxDOT is realigning the Taylor Street bridge, requiring the City to relocate the adjacent water line.

**DEPARTMENT/  
PROJECT MANAGER:** Utilities Engineer P.E., Tom Pruitt



## UTILITY SERVICES

### REPLACE VARIOUS EXISTING SANITARY SEWER LINES ALONG POST OAK CREEK

#### EXPENDITURES:

| FY 2026 | FY 2027     | FY 2028     | FY 2029     | FY 2030 | TOTAL        |
|---------|-------------|-------------|-------------|---------|--------------|
| \$0     | \$7,332,000 | \$9,400,000 | \$3,800,000 | \$0     | \$20,532,000 |

**DESCRIPTION:** Install new 48-inch, 60-inch and 72-inch sanitary sewer lines to replace existing 27-inch, 39-inch and 42-inch lines going to the Wastewater Treatment Plant (WWTP) along Post Oak Creek.

**PROPOSED FINANCING:** GTUA

**PROJECT NECESSITY:** Increasing size of creek sewer lines running to the WWTP is necessary to accommodate increasing sewer demands tied to recent and future growth.

**DEPARTMENT/  
PROJECT MANAGER:** Utilities Engineer P.E., Tom Pruitt

### UPSIZE 21-INCH SANITARY SEWER LINE TO 30-INCH LINE - THE VILLAGE

#### EXPENDITURES:

| FY 2026 | FY 2027     | FY 2028     | FY 2029 | FY 2030 | TOTAL       |
|---------|-------------|-------------|---------|---------|-------------|
| \$0     | \$1,000,000 | \$7,000,000 | \$0     | \$0     | \$8,000,000 |

**DESCRIPTION:** Upsize the Choctaw sanitary sewer line from a 21-inch line to a 30-inch line to address flow from The Village planned development, south of Sherman High School.

**PROPOSED FINANCING:** GTUA

**PROJECT NECESSITY:** Recent City growth requires increasing the size of the sanitary sewer system, in order to effectively meet wastewater collection and treatment demands.

**DEPARTMENT/  
PROJECT MANAGER:** Utilities Engineer P.E., Tom Pruitt

## UTILITY SERVICES

### UPSIZE 21-INCH SANITARY SEWER LINE TO 36-INCH LINE - PROGRESS PARK

**EXPENDITURES:**

| FY 2026 | FY 2027     | FY 2028     | FY 2029 | FY 2030 | TOTAL       |
|---------|-------------|-------------|---------|---------|-------------|
| \$0     | \$1,000,000 | \$6,600,000 | \$0     | \$0     | \$7,600,000 |

**DESCRIPTION:** Upsize the 21-inch sanitary sewer line servicing Progress Park to a 36-inch sanitary sewer line.

**PROPOSED FINANCING:** GTUA

**PROJECT NECESSITY:** Recent City growth requires increasing the size of the sanitary sewer system, in order to effectively meet wastewater collection and treatment demands.

**DEPARTMENT/  
PROJECT MANAGER:** Utilities Engineer P.E., Tom Pruitt

### REPLACE FAILING CLAY TILE SEWER LINE ON TEXOMA PARKWAY

**EXPENDITURES:**

| FY 2026 | FY 2027   | FY 2028     | FY 2029 | FY 2030 | TOTAL       |
|---------|-----------|-------------|---------|---------|-------------|
| \$0     | \$841,900 | \$3,000,000 | \$0     | \$0     | \$3,841,900 |

**DESCRIPTION:** Replace failing clay tile sewer line on Texoma Parkway, near proposed Peyton Street development.

**PROPOSED FINANCING:** GTUA

**PROJECT NECESSITY:** Evaluation of the proposed development off Peyton Street revealed a failure along a clay tile sewer line, which is reaching the end of its useful life.

**DEPARTMENT/  
PROJECT MANAGER:** Utilities Engineer P.E., Tom Pruitt

## UTILITY SERVICES

### UPSIZE 15-INCH SANITARY SEWER LINE TO 24-INCH LINE - SHEPHERD DRIVE

#### EXPENDITURES:

| FY 2026 | FY 2027   | FY 2028     | FY 2029 | FY 2030 | TOTAL       |
|---------|-----------|-------------|---------|---------|-------------|
| \$0     | \$600,000 | \$3,750,000 | \$0     | \$0     | \$4,350,000 |

**DESCRIPTION:** Upsize the 15-inch sanitary sewer line along Shepherd Drive to a 24-inch line to address flow.

**PROPOSED FINANCING:** GTUA

**PROJECT NECESSITY:** Recent City growth requires increasing the size of the sanitary sewer system, in order to effectively meet wastewater collection and treatment demands.

**DEPARTMENT/  
PROJECT MANAGER:** Utilities Engineer P.E., Tom Pruitt

### REHABILITATION & SAFETY IMPROVEMENTS TO DECANT LIFT STATION

#### EXPENDITURES:

| FY 2026 | FY 2027  | FY 2028   | FY 2029 | FY 2030 | TOTAL     |
|---------|----------|-----------|---------|---------|-----------|
| \$0     | \$50,000 | \$430,000 | \$0     | \$0     | \$480,000 |

**DESCRIPTION:** Rehabilitate and implement safety improvements to the decant lift station at the Wastewater Treatment Plant (WWTP).

**PROPOSED FINANCING:** GTUA

**PROJECT NECESSITY:** The decant lift station allows pumping out of the sludge holding ponds. The Condition Assessment determined the station is in need of rehabilitation and missing various safety measures.

**DEPARTMENT/  
PROJECT MANAGER:** Utilities Engineer P.E., Tom Pruitt

## UTILITY SERVICES

### ADD FILTERS AND RELIFT PUMP FOR FULL 16 MGD CAPACITY AT WWTP

#### EXPENDITURES:

| FY 2026 | FY 2027     | FY 2028 | FY 2029 | FY 2030 | TOTAL       |
|---------|-------------|---------|---------|---------|-------------|
| \$0     | \$3,300,000 | \$0     | \$0     | \$0     | \$3,300,000 |

**DESCRIPTION:** Add filters and re-lift pump for full 16 MGD capacity at the Wastewater Treatment Plant (WWTP).

**PROPOSED FINANCING:** GTUA

**PROJECT NECESSITY:** Additional filters and re-lift pump are necessary to expand the capacity of existing filters to meet full 16 MGD capacity.

**DEPARTMENT/  
PROJECT MANAGER:** Utilities Engineer P.E., Tom Pruitt

### CLARIFIER #3 REHABILITATION & NFPA UPGRADES TO GRIT BUILDING

#### EXPENDITURES:

| FY 2026 | FY 2027     | FY 2028 | FY 2029 | FY 2030 | TOTAL       |
|---------|-------------|---------|---------|---------|-------------|
| \$0     | \$2,510,000 | \$0     | \$0     | \$0     | \$2,510,000 |

**DESCRIPTION:** Rehabilitate clarifier #3 and perform NFPA upgrades to the grit building at the Wastewater Treatment Plant (WWTP).

**PROPOSED FINANCING:** GTUA

**PROJECT NECESSITY:** Clarifier #3 is aging and in need of rehab to remain in service. Additionally, NFPA upgrades are needed to ensure grit building operator safety and continued operation, as recommended by the WWTP Condition Assessment.

**DEPARTMENT/  
PROJECT MANAGER:** Utilities Engineer P.E., Tom Pruitt

## UTILITY SERVICES

### BEL AIR CONSTRUCTION - PHASE III - 20-INCH SURFACE WATER LINE

**EXPENDITURES:**

| FY 2026 | FY 2027     | FY 2028 | FY 2029 | FY 2030 | TOTAL       |
|---------|-------------|---------|---------|---------|-------------|
| \$0     | \$1,200,000 | \$0     | \$0     | \$0     | \$1,200,000 |

**DESCRIPTION:** Construct 20-inch surface water line from creek crossing to end of Phase I line. Includes relocating existing groundwater line to follow creek, as well as constructing a new pressure vault at FM 1417. Phase III extends from Legacy Boulevard to west side of US 75.

**PROPOSED FINANCING:** GTUA

**PROJECT NECESSITY:** Necessary infrastructure to service Bel Air development and tie into the new Legacy water line.

**DEPARTMENT/  
PROJECT MANAGER:** Utilities Engineer P.E., Tom Pruitt

### MAJOR REHABILITATION OR REPLACEMENT OF WWTP BAR SCREENS

**EXPENDITURES:**

| FY 2026 | FY 2027 | FY 2028   | FY 2029     | FY 2030 | TOTAL       |
|---------|---------|-----------|-------------|---------|-------------|
| \$0     | \$0     | \$200,000 | \$1,750,000 | \$0     | \$1,950,000 |

**DESCRIPTION:** Rehabilitate or replace bar screens at the Wastewater Treatment Plant (WWTP).

**PROPOSED FINANCING:** GTUA

**PROJECT NECESSITY:** The bar screens are nearing the end of their useful life and will require rehabilitation or replacement.

**DEPARTMENT/  
PROJECT MANAGER:** Utilities Engineer P.E., Tom Pruitt

## UTILITY SERVICES

### DESIGN-BUILD PERMANENT STAFF OFFICE FACILITY AT WWTP

**EXPENDITURES:**

| FY 2026 | FY 2027 | FY 2028 | FY 2029     | FY 2030     | TOTAL       |
|---------|---------|---------|-------------|-------------|-------------|
| \$0     | \$0     | \$0     | \$1,500,000 | \$6,000,000 | \$7,500,000 |

|                                         |                                                                                                                                                                                                                         |
|-----------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>DESCRIPTION:</b>                     | Design-build a permanent office facility for staff at the Wastewater Treatment Plant (WWTP).                                                                                                                            |
| <b>PROPOSED FINANCING:</b>              | GTUA                                                                                                                                                                                                                    |
| <b>PROJECT NECESSITY:</b>               | Currently, WWTP staff are utilizing a combination of existing permanent office space and a temporary building. In order to accommodate new staff, increasing permanent office space with a conference room is required. |
| <b>DEPARTMENT/<br/>PROJECT MANAGER:</b> | Utilities Engineer P.E., Tom Pruitt                                                                                                                                                                                     |

### DESIGN & CONSTRUCT NEW 18-INCH WASTEWATER LINE ALONG CHOCTAW CREEK

**EXPENDITURES:**

| FY 2026 | FY 2027 | FY 2028 | FY 2029     | FY 2030      | TOTAL        |
|---------|---------|---------|-------------|--------------|--------------|
| \$0     | \$0     | \$0     | \$2,500,000 | \$20,000,000 | \$22,500,000 |

|                                         |                                                                             |
|-----------------------------------------|-----------------------------------------------------------------------------|
| <b>DESCRIPTION:</b>                     | Design and construct a new 18-inch wastewater line along Choctaw Creek.     |
| <b>PROPOSED FINANCING:</b>              | GTUA                                                                        |
| <b>PROJECT NECESSITY:</b>               | The project will address increased development demand in southwest Sherman. |
| <b>DEPARTMENT/<br/>PROJECT MANAGER:</b> | Utilities Engineer P.E., Tom Pruitt                                         |

# **STORMWATER SERVICES**

## **2025 - 2030**

## **STORMWATER SERVICES**

### **CAPITAL BUDGET: 2025-2030**

Within the Five-year Capital Improvement Program, the first year is considered the Capital Budget. The appropriation ordinance will give initial authorization for the staff to prepare and execute all projects listed for the coming year. City Council will consider the projects in subsequent years for approval and funding during the budget process for each year. These projects listed are for information and planning purposes and do not obligate the Council to approve or fund beyond the current approved appropriations ordinance.

These are Stormwater Services Projects, being specifically related to the operation of the Municipal Drainage Utility System and having certain types of financing requirements different from those typically used for General Services.



## STORMWATER SERVICES

### HILLCREST/WOODS BRIDGES - EROSION REPAIR & DECK OVERLAY

**EXPENDITURES:**

| FY 2026 | FY 2027   | FY 2028 | FY 2029 | FY 2030 | TOTAL     |
|---------|-----------|---------|---------|---------|-----------|
| \$0     | \$550,000 | \$0     | \$0     | \$0     | \$550,000 |

**DESCRIPTION:** Repair erosion damage and overlay the bridge deck on the Hillcrest Street bridge and North Woods bridge at Post Oak Creek.

**PROPOSED FINANCING:** Stormwater Fund

**PROJECT NECESSITY:** These bridges were identified in the 2016 Bridge Inventory, Inspection, and Appraisal Program as in need of repair.

**DEPARTMENT/  
PROJECT MANAGER:** Director of Engineering, Wayne Lee

### TAYLOR/WASHINGTON BRIDGES - EROSION REPAIR & DECK OVERLAY

**EXPENDITURES:**

| FY 2026 | FY 2027   | FY 2028 | FY 2029 | FY 2030 | TOTAL     |
|---------|-----------|---------|---------|---------|-----------|
| \$0     | \$550,000 | \$0     | \$0     | \$0     | \$550,000 |

**DESCRIPTION:** Repair erosion damage and overlay the bridge deck on the Taylor Street bridge and Washington Street bridge at Post Oak Creek.

**PROPOSED FINANCING:** Stormwater Fund

**PROJECT NECESSITY:** These bridges were identified in the 2016 Bridge Inventory, Inspection, and Appraisal Program as in need of repair.

**DEPARTMENT/  
PROJECT MANAGER:** Director of Engineering, Wayne Lee

## STORMWATER SERVICES

### INCREASE CULVERT CAPACITY UNDER GRIBBLE STREET

**EXPENDITURES:**

| FY 2026 | FY 2027 | FY 2028   | FY 2029 | FY 2030 | TOTAL     |
|---------|---------|-----------|---------|---------|-----------|
| \$0     | \$0     | \$400,000 | \$0     | \$0     | \$400,000 |

|                                         |                                                                                                                                                                 |
|-----------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>DESCRIPTION:</b>                     | Increase the capacity of the Stream G box culvert under Gribble Street.                                                                                         |
| <b>PROPOSED FINANCING:</b>              | Stormwater Fund                                                                                                                                                 |
| <b>PROJECT NECESSITY:</b>               | This project is identified in the Post Oak Creek Flood Protection Plan as necessary to mitigate flood damage and decrease road closures during 100-year storms. |
| <b>DEPARTMENT/<br/>PROJECT MANAGER:</b> | Director of Engineering, Wayne Lee                                                                                                                              |

### PECAN/RICKETTS/CENTENNIAL/BLUE FLAME BRIDGES - EROSION REPAIR & DECK OVERLAY

**EXPENDITURES:**

| FY 2026 | FY 2027 | FY 2028   | FY 2029 | FY 2030 | TOTAL     |
|---------|---------|-----------|---------|---------|-----------|
| \$0     | \$0     | \$275,000 | \$0     | \$0     | \$275,000 |

|                                         |                                                                                                                                                    |
|-----------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>DESCRIPTION:</b>                     | Repair erosion damage and overlay the bridge deck on the West Pecan Street, North Ricketts Street, Centennial Street, and Blue Flame Road bridges. |
| <b>PROPOSED FINANCING:</b>              | Stormwater Fund                                                                                                                                    |
| <b>PROJECT NECESSITY:</b>               | These bridges were identified in the 2016 Bridge Inventory, Inspection, and Appraisal Program as in need of repair.                                |
| <b>DEPARTMENT/<br/>PROJECT MANAGER:</b> | Director of Engineering, Wayne Lee                                                                                                                 |



## City Council Regular Meeting

Agenda Item No. G.3.

**Meeting Date:** 8/18/2025

**Prepared By:** Mary Lawrence, Chief Financial Officer

**Approved By:** Zachary Flores, Acting City Manager

### **Caption:**

#### **\*OTHER BUSINESS**

Approve the Investment Report for the Quarter Ended June 30, 2025

### **Issue:**

To approve the Investment Report for the quarter ended June 30, 2025

### **Background:**

The total operating portfolio book value of about \$59.6 million decreased by \$2.7 million from the previous quarter due to a withdrawal from a Local Government Investment Pool, maturities of U.S. Agency securities and State of Texas political subdivision obligations, and a purchase of a U.S. Agency Security. The underlying investments were adequately diversified among five different types of securities. The portfolio's weighted-average maturity of 387 days decreased from 419 days last quarter. The portfolio yield of 4.24% was 28 basis points above our benchmark 1-year Constant Maturity Treasury Index of 3.96%. Book value approximated market value.

The debt proceeds portfolio balance of \$91.3 million increased by \$20.8 million due to the deposit of the 2025 Certificate of Obligation proceeds of \$25.1 million and withdrawals for payments on capital projects. The portfolio includes a Local Government Investment Pool and a U.S. Agency. The portfolio's weighted-average maturity of 8 days increased from 1 day from the previous quarter. The portfolio yield of 4.31% was 3 basis points below the benchmark yield for this portfolio, the 4-week Constant Maturity Index of 4.28%. Book value approximated market value.

### **Capital Improvement Program:**

### **Origination:**

Finance Department

### **Financial Consideration:**

None

### **Staff Recommendation:**

Staff recommends the Council accept the Investment Report as presented

### **Alternatives:**

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

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**Attachments:**

1. 2025-06-30 Investment Report w\_Memo



## memorandum

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**DATE:** July 15, 2025

**TO:** The City of Sherman Investment Committee  
Councilman Juston Dobbs  
Deputy Mayor Pam Howeth  
Zachary Flores, City Manager

**FROM:** Mary Lawrence, Chief Financial Officer *ml*

**SUBJECT:** Investment Reports for the Quarter Ended June 30, 2025.

Enclosed is a copy of the quarterly investment reports for June 30, 2025. As of that date, the City followed all applicable state laws and internal policies for the portfolio.

The total operating portfolio book value of about \$59.6 million decreased by \$2.7 million from the previous quarter due to a withdrawal from a Local Government Investment Pool, maturities of U.S. Agency securities and State of Texas political subdivision obligations, and a purchase of a U.S. Agency Security. The underlying investments were adequately diversified among five different types of securities. The portfolio's weighted-average maturity of 387 days decreased from 419 days last quarter. The portfolio yield of 4.24% was 28 basis points above our benchmark 1-year Constant Maturity Treasury Index of 3.96%. Book value approximated market value.

The debt proceeds portfolio balance of \$91.3 million increased by \$20.8 million due to the deposit of the 2025 Certificate of Obligation proceeds of \$25.1 million and withdrawals for payments on capital projects. The portfolio includes a Local Government Investment Pool and a U.S. Agency. The portfolio's weighted-average maturity of 8 days increased from 1 day from the previous quarter. The portfolio yield of 4.31% was 3 basis points below the benchmark yield for this portfolio, the 4-week Constant Maturity Index of 4.28%. Book value approximated market value.

The investment reports will be on the August 4, 2025, City Council agenda for their review and approval. Please call me if you have any questions about this item.

attachment (as stated above)



CITY OF SHERMAN, TEXAS  
INVESTMENT PORTFOLIO SUMMARY  
For the Quarter Ending June 30, 2025

| Total Portfolio Summary          |                              |                            |                              |
|----------------------------------|------------------------------|----------------------------|------------------------------|
|                                  | Current Quarter<br>6/30/2025 | Prior Quarter<br>3/31/2025 | Change From<br>Prior Quarter |
| Book Value                       | \$ 59,619,996                | \$ 62,342,694              | \$ (2,722,698)               |
| Market Value                     | \$ 59,687,415                | \$ 62,359,217              | \$ (2,671,802)               |
| Weighted Average Maturity - Days | 387                          | 419                        | (31)                         |
| Weighted Average Yield           | 4.24%                        | 4.30%                      | -0.06%                       |
| Earned Income                    | \$ 643,374                   | \$ 548,371                 | \$ 95,003                    |
| Earned Income - Year-to-Date     | \$ 1,561,602                 | \$ 918,228                 | \$ 643,374                   |

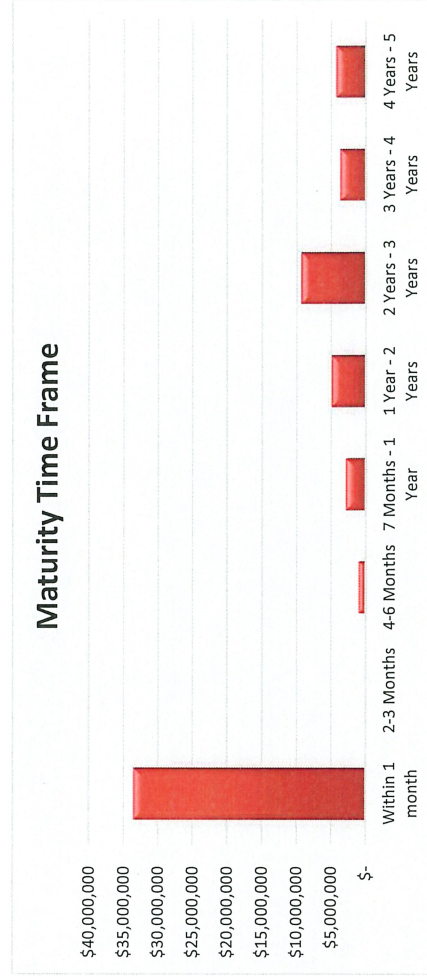
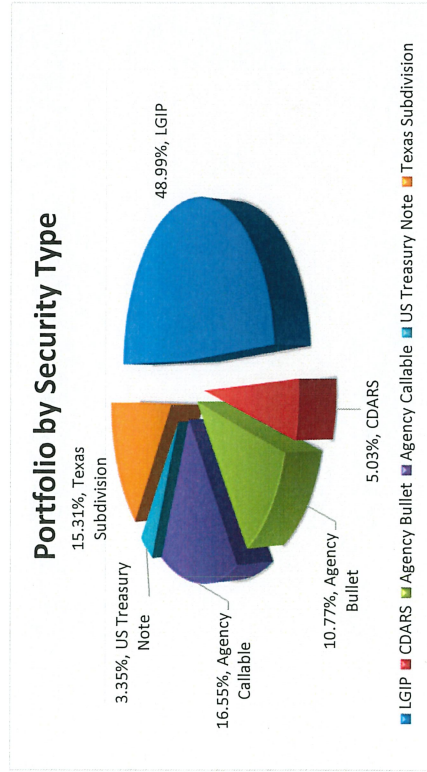
This report complies with the requirements of the public funds investment law and covers all the funds of the City of Sherman that are subject to that law.

As of June 30, 2025, the City's portfolio had a book value of \$59.6 million and a market value of \$59.7 million. Of this amount, approximately \$29.2 million was held in Local Government Investment Pools (LGIP), \$3 million was held in Certificates of Deposit (CD), \$16.3 million was held in U.S. Agency Securities, \$2.0 million was held in U.S. Treasury Notes and \$9.1 million was held in State of Texas political subdivision obligations.

The portfolio value decreased by \$2.7 million from the previous quarter due to a withdrawal of \$1 million from Local Government Investment Pools, calls and maturities of U.S. Agency Securities of \$2.5 million and maturities of State of Texas political subdivision obligations of \$0.6 million, offset by a purchase of \$1 million of U.S. Agency Securities.

The weighted average yield of the portfolio was 4.24%, which is 28 basis points more than the 1-year Constant Maturity Treasury Index of 3.96%, and 6 basis points less than the previous quarter.

The weighted average maturity of the portfolio decreased from 419 days at March 31, 2025, to 387 days at June 30, 2025.



Mary Lawrence

Mary Lawrence, Chief Financial Officer and City of Sherman Investment Officer

Jana Walker

Jana Walker, Controller and City of Sherman Investment Officer



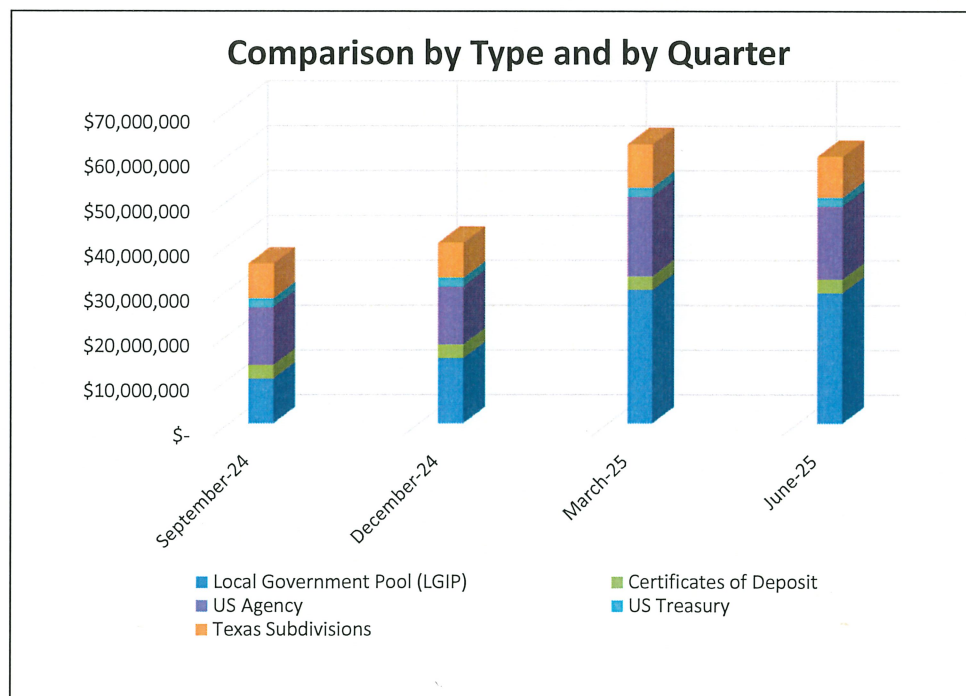
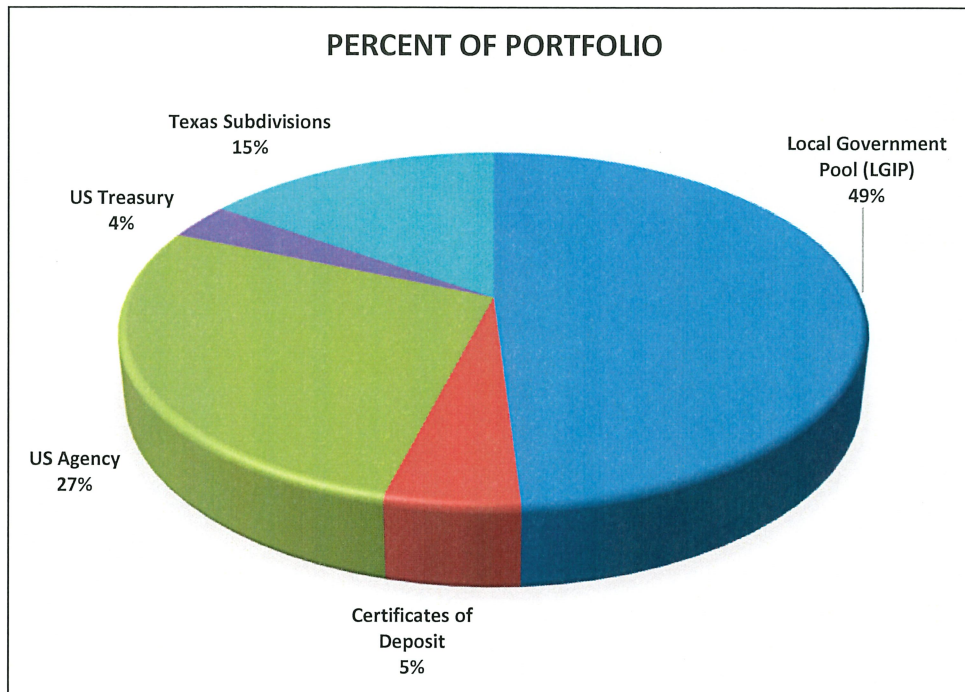
| CUSIP            | Settlement |  | Security Type              | Security Description                | CPN<br>Rate | Maturity<br>Date | Credit<br>Rating | Par Value     | Purchase<br>Price | Original Cost | Book Value    | Market<br>Price | Market Value | Days to<br>Maturity | YTM   |
|------------------|------------|--|----------------------------|-------------------------------------|-------------|------------------|------------------|---------------|-------------------|---------------|---------------|-----------------|--------------|---------------------|-------|
| TexPool          |            |  | LGIP                       | TexPool                             |             | 7/1/2025         | AAAm             | \$ 16,662,050 | 100.00            | \$ 16,662,050 | \$ 16,662,050 | 100.00          | 16,662,050   | 1                   | 4.31% |
| TexStar          |            |  | LGIP                       | TexSTAR                             |             | 7/1/2025         | AAAm             | 10,586,019    | 100.00            | 10,586,019    | 10,586,019    | 100.00          | 10,586,019   | 1                   | 4.30% |
| TexPool ARPA     |            |  | LGIP                       | TexPool ARPA                        |             | 7/1/2025         | AAAm             | 1,957,543     | 100.00            | 1,957,543     | 1,957,543     | 100.00          | 1,957,543    | 1                   | 4.31% |
| CDARS 1028340563 |            |  | 01/04/24 CDARS             | Bank of Texas                       | 4.40%       | 1/2/2026         |                  | 1,000,000     | 100.00            | 1,000,000     | 1,000,000     | 100.00          | 1,000,000    | 186                 | 4.50% |
| CDARS 1029294042 |            |  | 07/05/24 CDARS             | Bank of Texas                       | 5.21%       | 7/3/2025         |                  | 2,000,000     | 100.00            | 2,000,000     | 2,000,000     | 100.00          | 2,000,000    | 3                   | 5.34% |
| CEY3             |            |  | 91/23/23 US Treasury Note  | US Treasury                         | 3.00%       | 7/15/2025        | AA               | 977,431       | 97.740            | 977,431       | 1,000,000     | 99.95           | 999,470      | 15                  | 3.97% |
| 57W2             |            |  | 02/07/23 Texas Subdivision | Denton Cnty TX                      | 0.77%       | 7/15/2025        | AA               | 1,335,000     | 92.332            | 1,233,264     | 1,333,601     | 99.87           | 1,333,251    | 15                  | 4.11% |
| QQW2             |            |  | 03/24/23 Texas Subdivision | Tarrant Cnty TX Cult Hosp Rev       | 1.35%       | 9/1/2025         | AA               | 100,000       | 93.750            | 93,854        | 99,537        | 99.50           | 99,502       | 63                  | 4.12% |
| RCN9             |            |  | 03/29/22 Agency Bullet     | FHLB                                | 2.00%       | 9/29/2025        | AA+              | 1,000,000     | 100.00            | 1,000,000     | 1,000,000     | 99.39           | 993,930      | 91                  | 2.00% |
| GFC2             |            |  | 04/13/22 Texas Subdivision | San Antonio Tx Elec & Gas TXBI      | 3.15%       | 2/1/2026         | AA+              | 350,000       | 100.00            | 350,000       | 350,000       | 99.32           | 347,617      | 216                 | 3.15% |
| 9JW0             |            |  | 09/02/22 Texas Subdivision | Cypress-Fairbanks TX Ind Sch        | 5.00%       | 2/15/2026        | AA+              | 500,000       | 104.770           | 523,031       | 504,317       | 100.57          | 502,830      | 230                 | 3.52% |
| MMJ8             |            |  | 06/06/21 Agency Callable   | FHLB                                | 1.50%       | 6/9/2026         | AA+              | 1,000,000     | 100.00            | 1,000,000     | 1,000,000     | 97.82           | 978,240      | 344                 | 0.40% |
| 62Z1             |            |  | 01/19/24 Texas Subdivision | Little Elm TX ISD                   | 0.00%       | 8/15/2026        | AA+              | 480,000       | 89.228            | 428,294       | 457,386       | 95.26           | 457,224      | 411                 | 4.50% |
| 8DY4             |            |  | 01/24/23 Texas Subdivision | Tarrant Tx Regl Water Dist          | 0.75%       | 9/1/2026         | AA               | 400,000       | 89.195            | 356,780       | 386,038       | 96.33           | 385,316      | 428                 | 4.00% |
| 78E5             |            |  | 02/07/23 Texas Subdivision | Irving Tx Table                     | 1.47%       | 9/15/2026        | AA               | 600,000       | 91.000            | 549,467       | 591,778       | 97.07           | 582,444      | 442                 | 4.18% |
| RP96             |            |  | 12/24/24 Agency Bullet     | FFCB                                | 4.25%       | 9/24/2026        | AA+              | 1,000,000     | 99.954            | 999,540       | 999,676       | 100.31          | 1,003,100    | 451                 | 4.28% |
| 4AN1             |            |  | 12/23/24 Agency Callable   | FHLB                                | 4.35%       | 12/18/2026       | AA+              | 1,500,000     | 100.00            | 1,500,000     | 1,500,000     | 99.75           | 1,496,235    | 536                 | 4.35% |
| CJT9             |            |  | 02/02/24 US Treasury Note  | US Treasury                         | 4.00%       | 1/15/2027        | AA+              | 1,000,000     | 99.585            | 995,703       | 997,748       | 100.24          | 1,002,380    | 564                 | 4.16% |
| 5MK6             |            |  | 03/26/25 Texas Subdivision | San Marcos TX                       | 1.24%       | 8/15/2027        | AA               | 500,000       | 93.580            | 467,910       | 471,422       | 94.65           | 473,255      | 776                 | 4.09% |
| 53A0             |            |  | 01/24/24 Texas Subdivision | Brownsville TXD USR                 | 1.48%       | 9/1/2027         | AA+              | 1,210,000     | 90.040            | 1,089,484     | 1,137,430     | 94.77           | 1,146,705    | 793                 | 4.50% |
| NUM0             |            |  | 03/26/25 Agency Callable   | FHLB                                | 1.55%       | 9/15/2027        | AA+              | 1,500,000     | 94.250            | 1,413,717     | 1,422,840     | 95.21           | 1,428,165    | 807                 | 4.02% |
| 4B42             |            |  | 12/23/24 Agency Callable   | FHLB                                | 4.63%       | 12/23/2027       | AA+              | 1,500,000     | 100.00            | 1,500,000     | 1,500,000     | 99.89           | 1,498,395    | 906                 | 4.63% |
| 4QJ2             |            |  | 02/06/25 Texas Subdivision | Austin Texas Community College Dist | 1.58%       | 2/1/2028         | AA+              | 800,000       | 92.453            | 739,624       | 747,712       | 93.92           | 751,344      | 946                 | 4.30% |
| WSY9             |            |  | 01/03/25 Agency Bullet     | FAMCA                               | 4.36%       | 3/3/2028         | AA+              | 1,000,000     | 100.00            | 1,000,000     | 1,000,000     | 101.34          | 1,013,380    | 977                 | 4.36% |
| ADV8             |            |  | 03/25/25 Agency Callable   | FNMA                                | 4.55%       | 3/24/2028        | AA+              | 1,000,000     | 100.00            | 1,000,000     | 1,000,000     | 99.95           | 999,530      | 998                 | 4.55% |
| TBA4             |            |  | 03/27/25 Agency Bullet     | FFCB                                | 3.88%       | 3/27/2028        | AA+              | 1,000,000     | 99.870            | 998,738       | 998,847       | 100.15          | 1,001,450    | 1,001               | 3.92% |
| 6L38             |            |  | 05/30/25 Agency Callable   | FHLB                                | 4.60%       | 5/24/2028        | AA+              | 1,000,000     | 100.00            | 1,000,000     | 1,000,000     | 99.96           | 999,630      | 1,059               | 4.60% |
| 5XT3             |            |  | 07/10/24 Texas Subdivision | Denison TX ISD                      | 2.02%       | 8/1/2028         | AA+              | 975,000       | 91.204            | 889,239       | 909,901       | 94.51           | 921,502      | 1,128               | 4.41% |
| BDW8             |            |  | 03/27/25 Agency Callable   | FHLMC                               | 4.30%       | 9/27/2028        | AA+              | 1,370,000     | 99.900            | 1,368,630     | 1,368,731     | 99.92           | 1,368,836    | 1,185               | 4.33% |
| 68C7             |            |  | 02/06/25 Texas Subdivision | DFW TX Intl Apt Rev                 | 1.93%       | 11/1/2028        | A1               | 430,000       | 91.660            | 394,138       | 397,978       | 93.29           | 401,134      | 1,220               | 4.48% |
| 04R7             |            |  | 02/22/24 Agency Callable   | FHLB                                | 4.65%       | 2/16/2029        | AA+              | 1,000,000     | 100.00            | 1,000,000     | 1,000,000     | 100.73          | 1,007,260    | 1,327               | 4.65% |
| 9AV0             |            |  | 02/06/25 Texas Subdivision | Downtown Dallas TA                  | 0.00%       | 8/15/2029        | A+               | 2,100,000     | 81.690            | 1,715,448     | 1,749,442     | 83.85           | 1,760,934    | 1,507               | 4.52% |
| RR29             |            |  | 01/02/25 Agency Bullet     | FFCB                                | 4.38%       | 1/2/2030         | AA+              | 1,000,000     | 100.00            | 1,000,000     | 1,000,000     | 101.76          | 1,017,630    | 1,647               | 4.38% |
| 3130B4WP2        |            |  | 02/07/25 Agency Callable   | FHLB                                | 4.50%       | 2/7/2030         | AA+              | 1,500,000     | 100.00            | 1,500,000     | 1,500,000     | 100.74          | 1,511,115    | 1,683               | 4.50% |
| Total            |            |  |                            |                                     |             |                  |                  |               |                   | \$ 59,289,904 | \$ 59,619,996 | \$ 59,687,415   |              |                     |       |

| CUSIP            | Settle Date | Security Description                | Maturity Date | Market Value<br>3/31/2025 | Change in<br>Market Value | Market Value<br>6/30/2025 |
|------------------|-------------|-------------------------------------|---------------|---------------------------|---------------------------|---------------------------|
| TexPool          |             | TexPool                             |               | \$ 17,475,684             | \$ (813,634)              | \$ 16,662,050             |
| TexStar          |             | TexStar                             |               | 10,473,270                | 112,749                   | 10,586,019                |
| TexPool ARPA     |             | TexPool ARPA                        |               | 1,936,642                 | 20,901                    | 1,957,543                 |
| CDARS 1028340563 |             | Bank of Texas                       | 1/2/2026      | 1,000,000                 | -                         | 1,000,000                 |
| CDARS 1029294042 |             | CDARS                               | 7/3/2025      | 2,000,000                 | -                         | 2,000,000                 |
| 3130AJHU6        | 4/30/2024   | FHLB                                | 4/14/2025     | 1,497,990                 | (1,497,990)               | -                         |
| 88213AKC8        | 1/24/2023   | Texas St. A&M Univ R                | 5/15/2025     | 509,011                   | (509,011)                 | -                         |
| 88213ABW4        | 3/24/2023   | Texas St A&M Univ R                 | 5/15/2025     | 114,803                   | (114,803)                 | -                         |
| 91282CEY3        | 1/23/2023   | US Treasury                         | 7/15/2025     | 996,220                   | 3,250                     | 999,470                   |
| 2487757W2        | 2/7/2023    | Denton Cnty TX                      | 7/15/2025     | 1,321,850                 | 11,401                    | 1,333,251                 |
| 87638QQW2        | 3/24/2023   | Tarrant Cnty TX Cult Hosp Rev       | 9/1/2025      | 98,731                    | 771                       | 99,502                    |
| 3130ARCN9        | 3/29/2022   | FHLB                                | 9/29/2025     | 988,940                   | 4,990                     | 993,930                   |
| 79625GFC2        | 4/13/2022   | San Antonio Tx Elec & Gas TXBI      | 2/1/2026      | 346,994                   | 623                       | 347,617                   |
| 232769JW0        | 9/2/2022    | Cypress-Fairbanks TX Ind Sch        | 2/15/2026     | 503,580                   | (750)                     | 502,830                   |
| 3130AMMJ8        | 6/6/2021    | FHLB                                | 6/9/2026      | 970,500                   | 7,740                     | 978,240                   |
| 876448DY4        | 1/24/2023   | Tarrant Tx Regl Water Dist          | 9/1/2026      | 381,808                   | 3,508                     | 385,316                   |
| 4637778E5        | 2/7/2023    | Irving Tx Table                     | 9/15/2026     | 578,424                   | 4,020                     | 582,444                   |
| 5370962Z1        | 1/19/2024   | Little Elm TX ISD                   | 8/15/2026     | 451,728                   | 5,496                     | 457,224                   |
| 3133ERP96        | 12/24/2024  | FFCB                                | 9/24/2026     | 1,003,700                 | (600)                     | 1,003,100                 |
| 3130B4AN1        | 12/23/2024  | FHLB                                | 12/18/2026    | 1,499,850                 | (3,615)                   | 1,496,235                 |
| 91282CJT9        | 2/2/2024    | US Treasury                         | 1/15/2027     | 1,001,060                 | 1,320                     | 1,002,380                 |
| 798765MK6        | 3/26/2025   | San Marcos TX                       | 8/15/2027     | 468,010                   | 5,245                     | 473,255                   |
| 1164753A0        | 1/24/2024   | Brownsville TXD USR                 | 9/1/2027      | 1,134,762                 | 11,943                    | 1,146,705                 |
| 3130ANUM0        | 3/26/2025   | FHLB                                | 9/15/2027     | 1,417,815                 | 10,350                    | 1,428,165                 |
| 3130B4B42        | 12/23/2024  | FHLB                                | 12/23/2027    | 1,501,965                 | (3,570)                   | 1,498,395                 |
| 052404QJ2        | 2/6/2025    | Austin Texas Community College Dist | 2/1/2028      | 742,512                   | 8,832                     | 751,344                   |
| 31424WSY9        | 1/3/2025    | FAMCA                               | 3/3/2028      | 1,010,960                 | 2,420                     | 1,013,380                 |
| 3136GADV8        | 3/25/2025   | FNMA                                | 3/24/2028     | 1,000,620                 | (1,090)                   | 999,530                   |
| 3133ETBA4        | 3/27/2025   | FFCB                                | 3/27/2028     | 998,770                   | 2,680                     | 1,001,450                 |
| 3130B6L38        | 5/30/2025   | FHLB                                | 5/24/2028     | -                         | 999,630                   | 999,630                   |
| 248415XT3        | 7/10/2024   | Denison TX ISD                      | 8/1/2028      | 910,250                   | 11,252                    | 921,502                   |
| 3134HBDW8        | 3/27/2025   | FHLMC                               | 9/27/2028     | 1,367,657                 | 1,178                     | 1,368,836                 |
| 2350368C7        | 2/6/2025    | DFW TX Intl Arpt Rev                | 11/1/2028     | 397,428                   | 3,707                     | 401,134                   |
| 31424WFF4        | 1/24/2024   | FAMCA                               | 1/29/2029     | 999,360                   | (999,360)                 | -                         |
| 3130B04R7        | 2/22/2024   | FHLB                                | 2/16/2029     | 1,006,670                 | 590                       | 1,007,260                 |
| 261149AV0        | 2/6/2025    | Downtown Dallas TA                  | 8/15/2029     | 1,725,528                 | 35,406                    | 1,760,934                 |
| 3133ERR29        | 1/2/2025    | FFCB                                | 1/2/2030      | 1,013,060                 | 4,570                     | 1,017,630                 |
| 3130B4WP2        | 2/7/2025    | FHLB                                | 2/7/2030      | 1,513,065                 | (1,950)                   | 1,511,115                 |
| <b>Total</b>     |             |                                     |               | <b>\$ 62,359,217</b>      | <b>\$ (2,671,802)</b>     | <b>\$ 59,687,415</b>      |



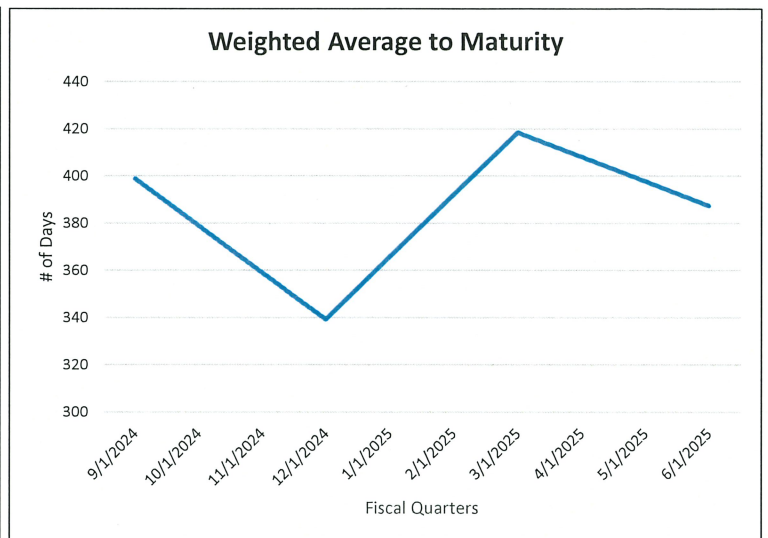
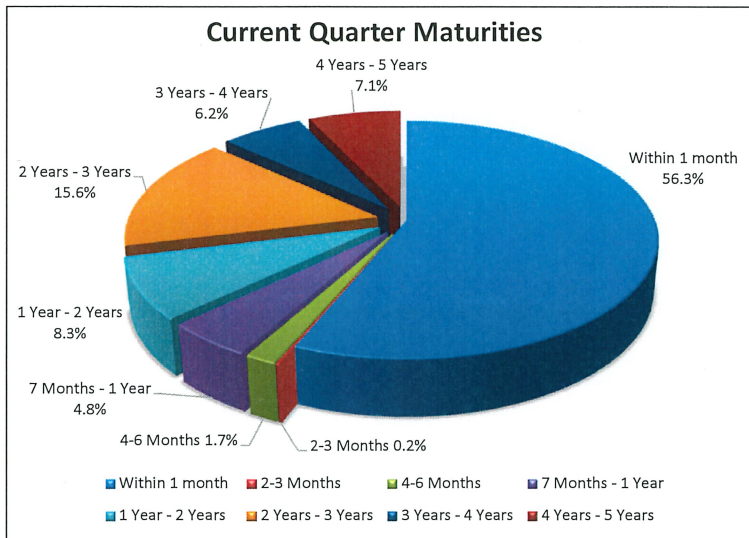
\$ 461,192

| Cash/Investment Type         | Balance<br>9/30/2024 | Balance<br>12/31/2024 | Balance<br>3/31/2025 | Balance<br>6/30/2025 | Percent of<br>Portfolio | Portfolio<br>Cap |
|------------------------------|----------------------|-----------------------|----------------------|----------------------|-------------------------|------------------|
| Local Government Pool (LGIP) | \$ 10,054,824        | \$ 14,623,112         | \$ 29,885,596        | \$ 29,205,612        | 49%                     | 50.00%           |
| Certificates of Deposit      | 3,000,000            | 3,000,000             | 3,000,000            | 3,000,000            | 5%                      | 50.00%           |
| US Agency                    | 12,964,646           | 12,980,290            | 17,778,429           | 16,290,094           | 27%                     | 50.00%           |
| US Treasury                  | 1,989,826            | 1,992,467             | 1,995,108            | 1,997,748            | 3%                      | 50.00%           |
| Texas Subdivisions           | 7,720,336            | 7,756,579             | 9,683,561            | 9,126,542            | 15%                     | 50.00%           |
| <b>Total</b>                 | <b>\$ 35,729,632</b> | <b>\$ 40,352,448</b>  | <b>\$ 62,342,694</b> | <b>\$ 59,619,996</b> | <b>100.00%</b>          |                  |



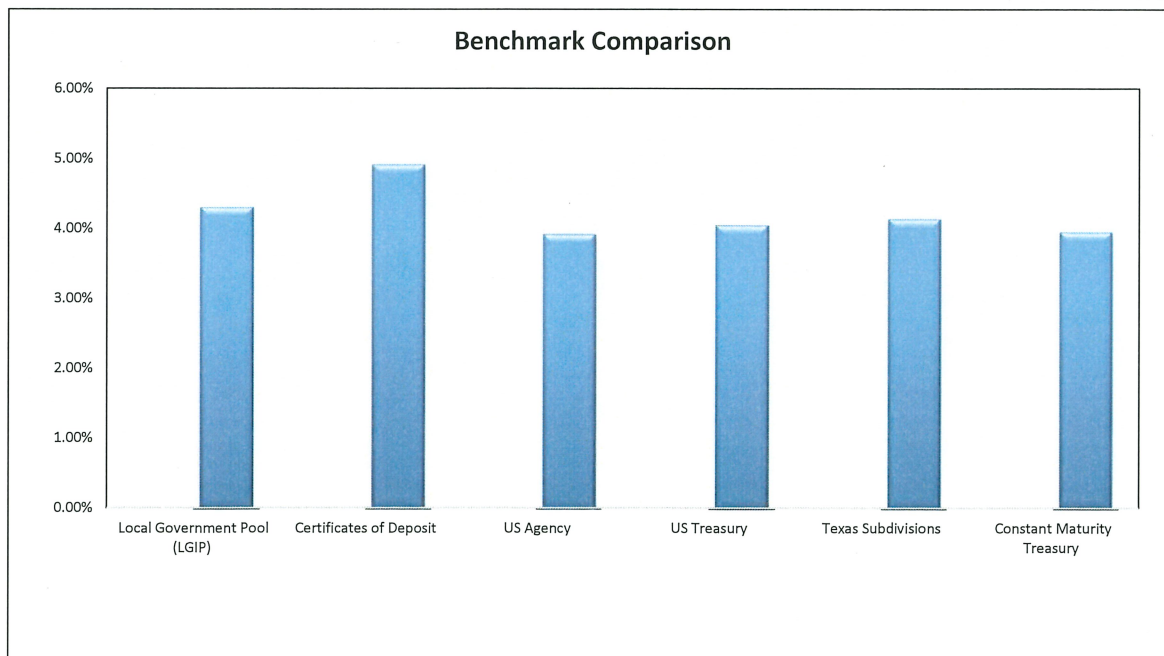
| Maturity Time Frame | Balance<br>9/30/2024 | Balance<br>12/31/2024 | Balance<br>3/31/2025 | Balance<br>6/30/2025 | Percent of<br>Portfolio |
|---------------------|----------------------|-----------------------|----------------------|----------------------|-------------------------|
| Within 1 month      | \$ 10,054,824        | \$ 14,933,112         | \$ 31,382,936        | \$ 33,539,213        | 56.3%                   |
| 2-3 Months          | 1,000,000            | 3,135,417             | 623,905              | 99,537               | 0.2%                    |
| 4-6 Months          | 3,445,849            | 2,101,907             | 4,419,726            | 1,000,000            | 1.7%                    |
| 7 Months - 1 Year   | 7,475,131            | 5,405,972             | 2,856,044            | 2,854,317            | 4.8%                    |
| 1 Year - 2 Years    | 7,749,393            | 8,258,979             | 5,910,428            | 4,922,626            | 8.3%                    |
| 2 Years - 3 Years   | 3,110,441            | 3,617,726             | 8,252,630            | 9,278,251            | 15.6%                   |
| 3 Years - 4 Years   | 893,994              | 899,335               | 4,668,829            | 3,676,610            | 6.2%                    |
| 4 Years - 5 Years   | 2,000,000            | 2,000,000             | 4,228,196            | 4,249,442            | 7.1%                    |
|                     | <b>\$ 35,729,632</b> | <b>\$ 40,352,448</b>  | <b>\$ 62,342,694</b> | <b>\$ 59,619,996</b> | <b>100.00%</b>          |

| Liquidity Indicator       | Maximum Allowable |        |        |        |        |
|---------------------------|-------------------|--------|--------|--------|--------|
| Weighted Average Maturity | 398.88            | 339.29 | 418.57 | 387.49 | 500.00 |





| Date                   | Interest         | Accrued                           |        |       |                        |                           |               |
|------------------------|------------------|-----------------------------------|--------|-------|------------------------|---------------------------|---------------|
| Received/<br>Purchased | CUSIP            | Security Description              | Coupon | YTM   | Purchased/<br>Received | Interest/<br>Amortization | Income Earned |
| 6/30/2025              | TexPool          | TexPool                           |        | 4.31% | \$ 186,365             | \$ -                      | \$ 186,365    |
| 6/30/2025              | TexStar          | TexSTAR                           |        | 4.30% | 112,748                | -                         | 112,748       |
| 6/30/2025              | TexPool ARPA     | TexPool ARPA                      |        | 4.31% | 20,900                 | -                         | 20,900        |
| 6/30/2025              | CDARS 1028340563 | Bank of Texas                     | 4.40%  | 4.50% | 11,034                 | -                         | 11,034        |
| 6/30/2025              | CDARS 1029294042 | Bank of Texas                     | 5.21%  | 5.34% | 25,997                 | -                         | 25,997        |
| 6/23/2025              | 3130B4B42        | FHLB                              | 4.63%  | 4.63% | 34,687                 | (17,343)                  | 17,344        |
| 6/18/2025              | 3130B4AN1        | FHLB                              | 4.35%  | 4.35% | 32,625                 | (16,312)                  | 16,313        |
| 4/30/2025              | 31424WFF4        | FAMCA                             | 5.17%  | 5.17% | 12,925                 | (8,617)                   | 4,308         |
| 6/9/2025               | 3130AMMJ8        | FHLB                              | 1.50%  | 0.40% | 7,500                  | (3,750)                   | 3,750         |
| 5/15/2025              | 88213AKC8        | Texas St. A&M Univ R              | 2.69%  | 4.30% | 6,849                  | (4,190)                   | 2,659         |
| 5/1/2025               | 2350368C7        | DFW TX Intl Arpt Rev              | 1.93%  | 4.48% | 4,154                  | 323                       | 4,477         |
| 5/15/2025              | 88213ABW4        | Texas St A&M Univ R               | 2.88%  | 3.98% | 1,658                  | (1,094)                   | 564           |
| 6/30/2025              | 31424WSY9        | FAMCA                             | 4.36%  | 4.36% | -                      | 10,900                    | 10,900        |
| 6/30/2025              | 3130B04R7        | FHLB                              | 4.65%  | 4.65% | -                      | 11,625                    | 11,625        |
| 6/30/2025              | 91282CEY3        | US Treasury                       | 3.00%  | 3.97% | -                      | 9,777                     | 9,777         |
| 6/30/2025              | 2487757W2        | Denton Cnty TX                    | 0.77%  | 4.11% | -                      | 13,077                    | 13,077        |
| 6/30/2025              | 91282CJT9        | US Treasury                       | 4.00%  | 4.16% | -                      | 10,363                    | 10,363        |
| 6/30/2025              | 79625GFC2        | San Antonio Tx Elec & Gas TXBI    | 3.15%  | 3.15% | -                      | 2,752                     | 2,752         |
| 6/30/2025              | 248415XT3        | Denison TX ISD                    | 2.02%  | 4.41% | -                      | 10,202                    | 10,202        |
| 6/30/2025              | 232769JW0        | Cypress-Fairbanks TX Ind Sch      | 5.00%  | 3.52% | -                      | 4,523                     | 4,523         |
| 6/30/2025              | 87638QQW2        | Tarrant Cnty TX Cult Hosp Rev     | 1.39%  | 4.12% | -                      | 988                       | 988           |
| 6/30/2025              | 876448DY4        | Tarrant Tx Regl Water Dist        | 0.75%  | 4.00% | -                      | 3,749                     | 3,749         |
| 6/30/2025              | 1164753A0        | Brownsville TXD USR               | 1.48%  | 4.50% | -                      | 12,831                    | 12,831        |
| 6/30/2025              | 4637778E5        | Irving Tx Table                   | 1.47%  | 4.18% | -                      | 5,942                     | 5,942         |
| 6/30/2025              | 3133ERP96        | FFCB                              | 4.25%  | 4.28% | -                      | 10,691                    | 10,691        |
| 6/30/2025              | 3130ARCN9        | FHLB                              | 2.00%  | 2.00% | -                      | 5,000                     | 5,000         |
| 6/30/2025              | 3130AJHU6        | FHLB                              | 0.50%  | 5.22% | 3,750                  | (840)                     | 2,910         |
| 6/30/2025              | 5370962Z1        | Little Elm TX ISD                 | 0.00%  | 4.50% | -                      | 5,025                     | 5,025         |
| 6/30/2025              | 798765MK6        | San Marcos TX                     | 1.24%  | 4.09% | -                      | 4,912                     | 4,912         |
| 6/30/2025              | 3130ANUM0        | FHLB                              | 1.55%  | 4.02% | -                      | 14,548                    | 14,548        |
| 6/30/2025              | 052404QJ2        | Austin Texas Community College Di | 1.58%  | 4.30% | -                      | 8,215                     | 8,215         |
| 6/30/2025              | 3136GADV8        | FNMA                              | 4.55%  | 4.55% | -                      | 11,375                    | 11,375        |
| 6/30/2025              | 3133ETBA4        | FFCB                              | 3.88%  | 3.92% | -                      | 9,793                     | 9,793         |
| 6/30/2025              | 3134HBDW8        | FHLMC                             | 4.30%  | 4.33% | -                      | 14,825                    | 14,825        |
| 6/30/2025              | 261149AV0        | Downtown Dallas TA                | 0.00%  | 4.52% | -                      | 21,246                    | 21,246        |
| 6/30/2025              | 3133ERR29        | FFCB                              | 4.38%  | 4.38% | -                      | 10,938                    | 10,938        |
| 6/30/2025              | 3130B4WP2        | FHLB                              | 4.50%  | 4.50% | -                      | 16,875                    | 16,875        |
| 6/30/2025              | 3130B6L38        | FHLB                              | 4.60%  | 4.60% | -                      | 3,833                     | 3,833         |
|                        |                  |                                   |        |       | \$ 461,192             | \$ 182,182                | \$ 643,374    |





CITY OF SHERMAN, TEXAS  
DEBT PROCEEDS PORTFOLIO SUMMARY  
For the Quarter Ending June 30, 2025

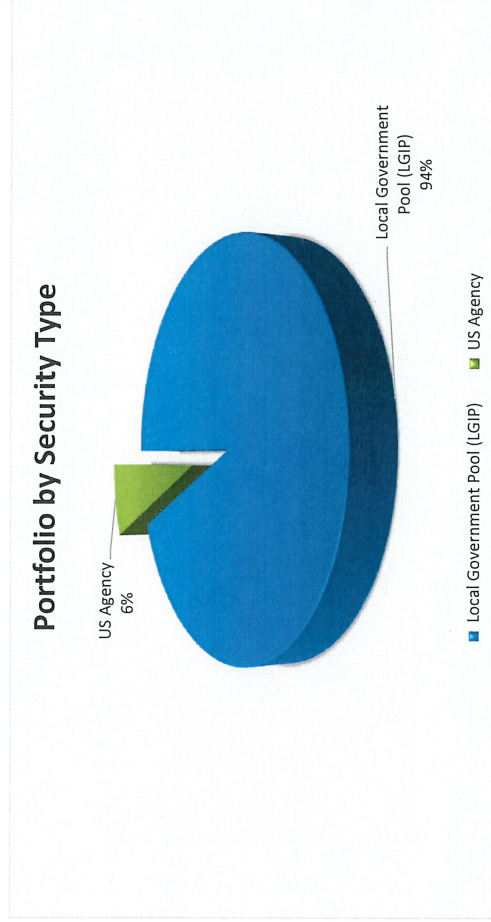
| Total Portfolio Summary          |                              |                            |                              |
|----------------------------------|------------------------------|----------------------------|------------------------------|
|                                  | Current Quarter<br>6/30/2025 | Prior Quarter<br>3/31/2025 | Change From<br>Prior Quarter |
| Book Value                       | \$ 91,349,058                | \$ 70,555,608              | \$ 20,793,450                |
| Market Value                     | \$ 91,350,471                | \$ 70,555,608              | \$ 20,794,863                |
| Weighted Average Maturity - Days | 8                            | 1                          | 7                            |
| Weighted Average Yield           | 4.31%                        | 4.36%                      | -0.05%                       |
| Earned Income                    | \$ 872,602                   | \$ 816,973                 | \$ 55,629                    |
| Earned Income - Year-to-Date     | \$ 2,547,614                 | \$ 1,675,012               | \$ 872,602                   |

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

As of June 30, 2025, the City of Sherman's debt proceeds portfolio had a book value of about \$91.3 million, which approximates the market value. Of this amount, \$85.4 million was held in Local Government Investment Pools (LGIP) and \$5.9 million was held in U.S. Agency Securities.

The portfolio value increased by \$20.7 million from the previous quarter due to a deposit of \$25.1 million in 2025 CO proceeds, offset by draws for project payments.

The weighted average yield on the portfolio was 4.31%, 3 basis points above the 4-week Constant Maturity Treasury Index of 4.28%, and 5 basis points below the previous quarter.



Mary Lawrence

Mary Lawrence, Chief Financial Officer and City of Sherman Investment Officer

Jana Walker

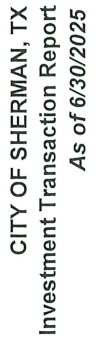
Jana Walker, Controller and City of Sherman Investment Officer

| Name/CUSIP | Debt Issuance                   | Settlement<br>Date | Security Type | Security<br>Description | Maturity Date | Par Value     | Purchase<br>Price | Original Cost | Book Value    | Market<br>Price | Market Value  | Days to<br>Maturity | YTM   |
|------------|---------------------------------|--------------------|---------------|-------------------------|---------------|---------------|-------------------|---------------|---------------|-----------------|---------------|---------------------|-------|
| TexPool    | 2023 Certificates of Obligation |                    | LGIP          | TexPool                 | 7/1/2025      | \$ 33,298,738 | 100.00            | \$ 33,298,738 | \$ 33,298,738 | 100.00          | \$ 33,298,738 | 1                   | 4.31% |
| TexPool    | 2024 Tax Notes                  |                    | LGIP          | TexPool                 | 7/1/2025      | 779,249       | 100.00            | 779,249       | 779,249       | 100.00          | 779,249       | 1                   | 4.31% |
| TexPool    | 2024 Certificates of Obligation |                    | LGIP          | TexPool                 | 7/1/2025      | 20,595,191    | 100.00            | 20,595,191    | 20,595,191    | 100.00          | 20,595,191    | 1                   | 4.31% |
| TexPool    | 2025 Tax Notes                  |                    | LGIP          | TexPool                 | 7/1/2025      | 5,762,118     | 100.00            | 5,762,118     | 5,762,118     | 100.00          | 5,762,118     | 1                   | 4.31% |
| TexPool    | 2025 Certificates of Obligation |                    | LGIP          | TexPool                 | 7/1/2025      | 24,985,195    | 100.00            | 24,985,195    | 24,985,195    | 100.00          | 24,985,195    | 1                   | 4.31% |
| 313385MU7  | 2023 Certificates of Obligation | 5/29/25            | US Agency     | FHLB                    | 10/10/2025    | 6,000,000     | 98.44             | 5,906,423     | 5,928,567     | 98.83           | 5,929,980     | 102                 | 4.32% |
| Total      |                                 |                    |               |                         |               | \$ 91,420,491 |                   | \$ 91,326,914 | \$ 91,349,058 |                 | \$ 91,350,471 |                     |       |



| CUSIP                    | Security Type /<br>Description | Maturity<br>Date | Market Value<br>3/31/2025 | Change in<br>Market Value | Market Value<br>6/30/2025 |
|--------------------------|--------------------------------|------------------|---------------------------|---------------------------|---------------------------|
| TexPool 2023 CO          | LGIP                           |                  | \$ 43,708,792             | \$ (10,410,054)           | \$ 33,298,738             |
| TexPool 2024 Tax Notes   | LGIP                           |                  | 770,929                   | 8,320                     | 779,249                   |
| TexPool 2024 CO          | LGIP                           |                  | 20,375,293                | 219,898                   | 20,595,191                |
| TexPool 2025 Tax notes   | LGIP                           |                  | 5,700,594                 | 61,524                    | 5,762,118                 |
| TexPool 2025 CO          | LGIP                           |                  | -                         | 24,985,195                | 24,985,195                |
| 313385MU7 - FHLB 2023 CO | US Agency                      | 10/10/2025       | -                         | 5,929,980                 | 5,929,980                 |
| Total                    |                                |                  | \$ 70,555,608             | \$ 20,794,863             | \$ 91,350,471             |





|       |    |         |
|-------|----|---------|
| Total | \$ | 850,458 |
|-------|----|---------|





CITY OF SHERMAN, TX  
Comparison by Type  
As of 6/30/2025

| Cash / Investment Type       | Balance<br>9/30/2024 | Balance<br>12/31/2024 | Balance<br>3/31/2025 | Balance<br>6/30/2025 | Percent of<br>Portfolio | Portfolio<br>Cap |
|------------------------------|----------------------|-----------------------|----------------------|----------------------|-------------------------|------------------|
| Local Government Pool (LGIP) | \$ 43,466,351        | \$ 54,679,348         | \$ 70,555,608        | \$ 85,420,491        | 93.51%                  | 100.00%          |
| US Agency                    | 10,870,655           | 9,994,496             | 0                    | 5,928,567            | 6.49%                   | 100.00%          |
| US Treasury                  | 7,583,321            | 7,646,964             | -                    | -                    | 0.00%                   | 100.00%          |
| <b>Total</b>                 | <b>\$ 61,920,328</b> | <b>\$ 72,320,808</b>  | <b>\$ 70,555,608</b> | <b>\$ 91,349,058</b> | <b>100.00%</b>          |                  |



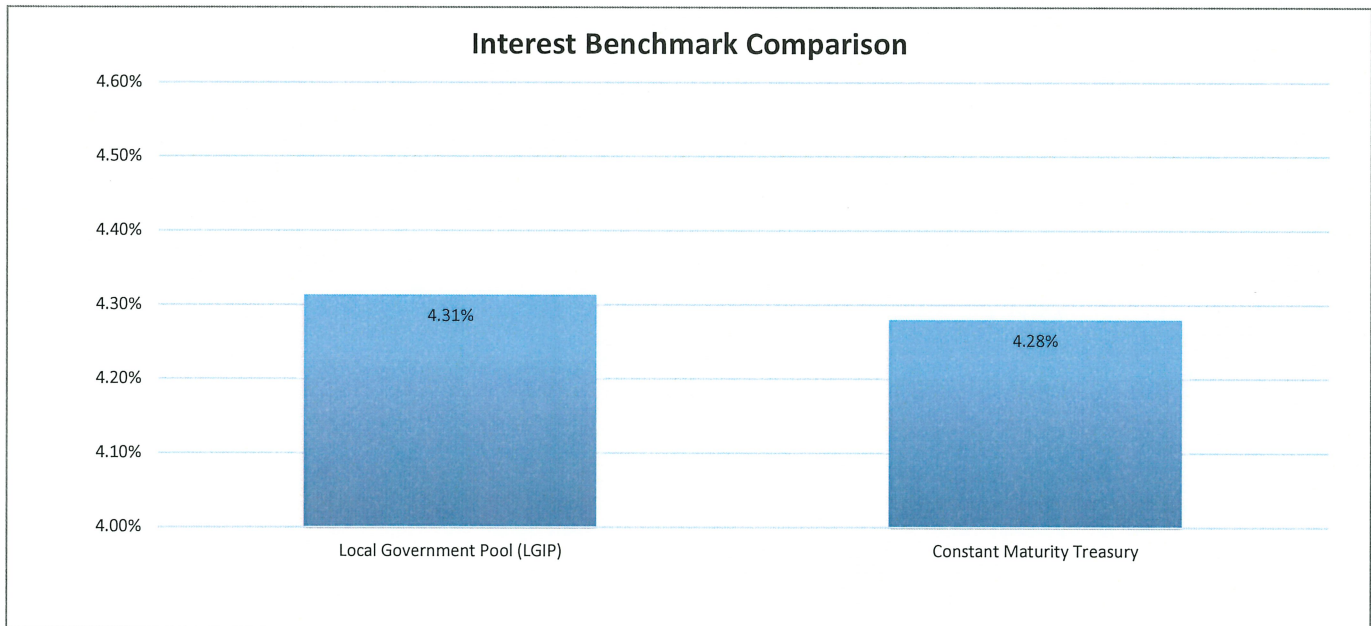
CITY OF SHERMAN, TX  
Portfolio by Maturity  
As of 6/30/2025

| Maturity Time Frame | Balance<br>9/30/2024 | Balance<br>12/31/2024 | Balance<br>3/31/2025 | Balance<br>6/30/2025 | Percent of<br>Portfolio | Maximum<br>Allowable |
|---------------------|----------------------|-----------------------|----------------------|----------------------|-------------------------|----------------------|
| Within 1 month      | \$ 43,466,351        | \$ 64,673,844         | \$ 70,555,608        | \$ 85,420,491        | 93.5%                   | 100%                 |
| 2 months - 1 year   | 18,453,977           | 7,646,964             | -                    | 5,928,567            | 6.5%                    |                      |
| 1 year - 2 years    | -                    | -                     | -                    | -                    | 0.0%                    |                      |
| 2 years - 3 years   | -                    | -                     | -                    | -                    | 0.0%                    |                      |
| 3 years - 4 years   | -                    | -                     | -                    | -                    | 0.0%                    |                      |
|                     | \$ 61,920,328        | \$ 72,320,808         | \$ 70,555,608        | \$ 91,349,058        |                         |                      |

Liquidity Indicator

|                           |       |       |      |      |
|---------------------------|-------|-------|------|------|
| Weighted Average Maturity | 39.84 | 16.77 | 1.00 | 7.55 |
|---------------------------|-------|-------|------|------|

| Date<br>Received/<br>Purchased | Name                     | Security Description | Coupon | YTM   | Interest<br>Purchased/<br>Received | Accrued<br>Interest/<br>Amortization | Income<br>Earned  |
|--------------------------------|--------------------------|----------------------|--------|-------|------------------------------------|--------------------------------------|-------------------|
| 4/30/2025                      | Texpool 2023 CO          | LGIP                 |        | 4.34% | \$ 155,753                         | \$ -                                 | \$ 155,753        |
| 4/30/2025                      | TexPool 2024 Tax Notes   | LGIP                 |        | 4.34% | 2,747                              | -                                    | 2,747             |
| 4/30/2025                      | Texpool 2024 CO          | LGIP                 |        | 4.34% | 72,606                             | -                                    | 72,606            |
| 4/30/2025                      | TexPool 2025 Tax Notes   | LGIP                 |        | 4.34% | 20,314                             | -                                    | 20,314            |
| 5/31/2025                      | Texpool 2023 CO          | LGIP                 |        | 4.31% | 148,870                            | -                                    | 148,870           |
| 5/31/2025                      | TexPool 2024 Tax Notes   | LGIP                 |        | 4.31% | 2,831                              | -                                    | 2,831             |
| 5/31/2025                      | Texpool 2024 CO          | LGIP                 |        | 4.31% | 74,810                             | -                                    | 74,810            |
| 5/31/2025                      | TexPool 2025 Tax Notes   | LGIP                 |        | 4.31% | 20,930                             | -                                    | 20,930            |
| 5/31/2025                      | TexPool 2025 CO          | LGIP                 |        | 4.31% | 50,281                             | -                                    | 50,281            |
| 6/30/2025                      | Texpool 2023 CO          | LGIP                 |        | 4.30% | 117,790                            | -                                    | 117,790           |
| 6/30/2025                      | TexPool 2024 Tax Notes   | LGIP                 |        | 4.30% | 2,742                              | -                                    | 2,742             |
| 6/30/2025                      | Texpool 2024 CO          | LGIP                 |        | 4.30% | 72,482                             | -                                    | 72,482            |
| 6/30/2025                      | TexPool 2025 Tax Notes   | LGIP                 |        | 4.30% | 20,279                             | -                                    | 20,279            |
| 6/30/2025                      | TexPool 2025 CO          | LGIP                 |        | 4.30% | 88,023                             | -                                    | 88,023            |
| 6/30/2025                      | 313385MU7 - FHLB 2023 CO | US Agency            |        | 4.32% | -                                  | 22,144                               | 22,144            |
|                                |                          |                      |        |       | <b>\$ 850,458</b>                  | <b>\$ 22,144</b>                     | <b>\$ 872,602</b> |





**City Council Regular Meeting**

Agenda Item No. I.6.a.

**Meeting Date:** 8/18/2025

**Prepared By:**

**Approved By:**

**Caption:**

Hospital Project

**Issue:**

**Background:**

**Capital Improvement Program:**

**Origination:**

**Financial Consideration:**

**Staff Recommendation:**

**Alternatives:**

---

**Attachments:**

None

## 2025

# Council Calendar

| January |    |    |    |    |    |    |
|---------|----|----|----|----|----|----|
| Su      | Mo | Tu | We | Th | Fr | Sa |
|         |    |    | 1  | 2  | 3  | 4  |
| 5       | 6  | 7  | 8  | 9  | 10 | 11 |
| 12      | 13 | 14 | 15 | 16 | 17 | 18 |
| 19      | 20 | 21 | 22 | 23 | 24 | 25 |
| 26      | 27 | 28 | 29 | 30 | 31 |    |
|         |    |    |    |    |    |    |

| February |    |    |    |    |    |    |
|----------|----|----|----|----|----|----|
| Su       | Mo | Tu | We | Th | Fr | Sa |
|          |    |    |    |    |    | 1  |
| 2        | 3  | 4  | 5  | 6  | 7  | 8  |
| 9        | 10 | 11 | 12 | 13 | 14 | 15 |
| 16       | 17 | 18 | 19 | 20 | 21 | 22 |
| 23       | 24 | 25 | 26 | 27 | 28 |    |
|          |    |    |    |    |    |    |

| March |    |    |    |    |    |    |
|-------|----|----|----|----|----|----|
| Su    | Mo | Tu | We | Th | Fr | Sa |
|       |    |    |    |    |    | 1  |
| 2     | 3  | 4  | 5  | 6  | 7  | 8  |
| 9     | 10 | 11 | 12 | 13 | 14 | 15 |
| 16    | 17 | 18 | 19 | 20 | 21 | 22 |
| 23    | 24 | 25 | 26 | 27 | 28 | 29 |
| 30    | 31 |    |    |    |    |    |

| April |    |    |    |    |    |    |
|-------|----|----|----|----|----|----|
| Su    | Mo | Tu | We | Th | Fr | Sa |
|       |    | 1  | 2  | 3  | 4  | 5  |
| 6     | 7  | 8  | 9  | 10 | 11 | 12 |
| 13    | 14 | 15 | 16 | 17 | 18 | 19 |
| 20    | 21 | 22 | 23 | 24 | 25 | 26 |
| 27    | 28 | 29 | 30 |    |    |    |
|       |    |    |    |    |    |    |

| May |    |    |    |    |    |    |
|-----|----|----|----|----|----|----|
| Su  | Mo | Tu | We | Th | Fr | Sa |
|     |    |    |    | 1  | 2  | 3  |
| 4   | 5  | 6  | 7  | 8  | 9  | 10 |
| 11  | 12 | 13 | 14 | 15 | 16 | 17 |
| 18  | 19 | 20 | 21 | 22 | 23 | 24 |
| 25  | 26 | 27 | 28 | 29 | 30 | 31 |
|     |    |    |    |    |    |    |

| June |    |    |    |    |    |    |
|------|----|----|----|----|----|----|
| Su   | Mo | Tu | We | Th | Fr | Sa |
| 1    | 2  | 3  | 4  | 5  | 6  | 7  |
| 8    | 9  | 6  | 7  | 12 | 13 | 14 |
| 15   | 16 | 17 | 18 | 19 | 20 | 21 |
| 22   | 23 | 24 | 25 | 26 | 27 | 28 |
| 29   | 30 |    |    |    |    |    |
|      |    |    |    |    |    |    |

| July |    |    |    |    |    |    |
|------|----|----|----|----|----|----|
| Su   | Mo | Tu | We | Th | Fr | Sa |
|      |    | 1  | 2  | 3  | 4  | 5  |
| 6    | 7  | 8  | 9  | 10 | 11 | 12 |
| 13   | 14 | 15 | 16 | 17 | 18 | 19 |
| 20   | 21 | 22 | 23 | 24 | 25 | 26 |
| 27   | 28 | 29 | 30 | 31 |    |    |
|      |    |    |    |    |    |    |

| August |    |    |    |    |    |    |
|--------|----|----|----|----|----|----|
| Su     | Mo | Tu | We | Th | Fr | Sa |
|        |    |    |    |    | 1  | 2  |
| 3      | 4  | 5  | 6  | 7  | 8  | 9  |
| 10     | 11 | 12 | 13 | 14 | 15 | 16 |
| 17     | 18 | 19 | 20 | 21 | 22 | 23 |
| 24     | 25 | 26 | 27 | 28 | 29 | 30 |
| 31     |    |    |    |    |    |    |

| September |    |    |    |    |    |    |
|-----------|----|----|----|----|----|----|
| Su        | Mo | Tu | We | Th | Fr | Sa |
|           | 1  | 2  | 3  | 4  | 5  | 6  |
| 7         | 8  | 9  | 10 | 11 | 12 | 13 |
| 14        | 15 | 16 | 17 | 18 | 19 | 20 |
| 21        | 22 | 23 | 24 | 25 | 26 | 27 |
| 28        | 29 | 30 |    |    |    |    |
|           |    |    |    |    |    |    |

| October |    |    |    |    |    |    |
|---------|----|----|----|----|----|----|
| Su      | Mo | Tu | We | Th | Fr | Sa |
|         |    |    | 1  | 2  | 3  | 4  |
| 5       | 6  | 7  | 8  | 9  | 10 | 11 |
| 12      | 13 | 14 | 15 | 16 | 17 | 18 |
| 19      | 20 | 21 | 22 | 23 | 24 | 25 |
| 26      | 27 | 28 | 29 | 30 | 31 |    |
|         |    |    |    |    |    |    |

| November |    |    |    |    |    |    |
|----------|----|----|----|----|----|----|
| Su       | Mo | Tu | We | Th | Fr | Sa |
|          |    |    |    |    |    | 1  |
| 2        | 3  | 4  | 5  | 6  | 7  | 8  |
| 9        | 10 | 11 | 12 | 13 | 14 | 15 |
| 16       | 17 | 18 | 19 | 20 | 21 | 22 |
| 23       | 24 | 25 | 26 | 27 | 28 | 29 |
| 30       |    |    |    |    |    |    |

| December |    |    |    |    |    |    |
|----------|----|----|----|----|----|----|
| Su       | Mo | Tu | We | Th | Fr | Sa |
|          | 1  | 2  | 3  | 4  | 5  | 6  |
| 7        | 8  | 9  | 10 | 11 | 12 | 13 |
| 14       | 15 | 16 | 17 | 18 | 19 | 20 |
| 21       | 22 | 23 | 24 | 25 | 26 | 27 |
| 28       | 29 | 30 | 31 |    |    |    |
|          |    |    |    |    |    |    |

|  |                                      |
|--|--------------------------------------|
|  | Holiday                              |
|  | Holiday for Firefighters/Police Only |
|  | City Council Regular Meeting         |
|  | Special Called Meeting               |
|  | Budget Workshop                      |
|  | Cancelled City Council Meeting       |

[illegible]