CITY OF SHERMAN
CITY COUNCIL REGULAR MEETING AGENDA
COUNCIL CHAMBERS OF THE CITY HALL
220 WEST MULBERRY STREET
SHERMAN, TEXAS
MONDAY, MARCH 16, 2026
5:00 PM

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

A.2. PLEDGE OF ALLEGIANCE AND INVOCATION LED BY MAYOR SHAWN TEAMANN

A.3. APPROVE MINUTES OF THE REGULAR CITY COUNCIL MEETING OF MARCH 2, 2026.

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

Proclamations

D.1. PROCLAMATION

"America 250!" - 2026

D.2. PROCLAMATION

"American Red Cross Month" - March 2026

D.3. PROCLAMATION

"Autism Awareness Month" -- April 2026

D.4. PROCLAMATION

Profound Autism Day - March 17, 2026

Special Presentation

E.1. SPECIAL PRESENTATION

Special Presentation from Mayor Shawn Teamann

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

Public Hearing

F.1. **INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 6927**
Closing and Abandoning a Portion of a Platted Alley in the City of Sherman, Grayson County, Texas, being more Particularly Described in the Exhibit "A" attached hereto and Made a Part of Hereof for all Purposes, said Alley being Established in Volume 58, Page 245 of Deed Records of Grayson County, Texas

F.2. **INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 6928**
Amending Chapter 13 Of The Code Of Ordinances, Entitled (Utilities), Article 13.08, Entitled (Utility Billing), at Sections 13.08.005 and Section 13.08.006, To Revise Rates For Water and Sewer Services; Providing A Savings/Repealing Clause, Severability Clause And An Effective Date; Providing For The Publication Of the Caption Hereof.

F.3. **INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 6929**
Amending Sherman's Zoning Ordinance/Code Of Ordinances Chapter 14, To Rezone A Tract Of Land Consisting Of 0.441 Acres Being Lot 2, Block 4, Turtle Creek North Addition, City Of Sherman, Grayson County, Texas, Located At 2507 Shoreline Drive, Heretofore Zoned R-6 (Single Family Residential) District; Rezoning And Placing The Tract In The R-12 (Single Family Residential) District Zoning Classification, Keith And Janet Armstrong (Owner), Helvey-Wagner Surveying, Inc. (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

Close Public Hearing and Consider Adoption of Ordinances

G.1. **CLOSE PUBLIC HEARING**
Consider Adoption of Ordinances 6927, 6928 and 6929.

Resolutions

H.1. **RESOLUTION NO. 7630**
Awarding Bid to and Authorizing Execution of a Contract with HBA Design Build, LLC based on an Invitation to Bid for the Progress Drive Extension and Tortilla Way.

H.2. **** RESOLUTION NO. 7631***
Authorizing Execution of a Professional Services Agreement with Wade Trim, Inc. for the Taylor Street, Grand Avenue, Travis Street, Cherry Street, OB Groner Road, Woods Street, Friendship Road, and Fallon Drive Street Maintenance Project

H.3. ****RESOLUTION NO 7632***
Authorizing the Purchase of a 74 (Seventy-four) Toray Ultrafiltration Membrane Model HFU-2020AN and Associated Couplings from H2O Innovation USA Inc.

Request to Advertise

I.1. **** REQUEST TO ADVERTISE***
Requesting Authorization to Advertise for Public Bids for a Construction Manager at Risk (CMAR) for Sherman Public Works Fleet Services Facility.

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

Change Orders

J.1. **** CHANGE ORDERS***

Authorize Execution of a Change Order with Anderson Fence & Custom Welding LLC for the Animal Services Security Fence and Access Control Project

Other Business

K.1. **OTHER BUSINESS**

Receive Semi-Annual Report on the Sherman Cultural District

K.2. **** OTHER BUSINESS***

Accept Annual Audit Report for the Year Ended September 30, 2025, from Weaver and Tidwell, L.L.P.

K.3. **** OTHER BUSINESS***

Consider the Request for the 2nd Annual "Sherman Showdown" Food Truck Competition on May 9, 2026

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:

M.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.

M.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.

M.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.

M.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

M.5. **TEX. GOV'T CODE § 551.076**

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

M.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.

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

M.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

Tax Payer Impact Statement

P.1. **FY 2026 TAX PAYER IMPACT STATEMENT**

HB 1522, effective as of September 1, 2025, requires that a notice of a meeting discussing or adopting a budget must include a taxpayer impact statement showing, for the median-valued homestead property, a comparison of the property tax bill in dollars pertaining to the property for the current fiscal year to an estimate of the property tax bill in dollars for the same property for the upcoming fiscal year if the proposed budget is adopted.

Taxpayer Impact Statement	FY2026 (Upcoming Fiscal Year	FY2026 No-New Revenue
Total tax rate (per $100 of value	$0.508000/$100	$0.619404/$100
Median homestead taxable value	$231,004	$251,138
Tax on median-valued homestead	$1,174	$1,556

COUNCIL CALENDAR

Q.1. 2026 Council Calendar

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

CERTIFICATION

I, the undersigned authority, do hereby certify that the above Notice of Regular Meeting of the City Council of the City of Sherman is a true and correct copy of said Notice and that I posted a true and correct copy of said Notice on the bulletin board at City Hall of said City of Sherman, Texas, a place convenient to the public, and said notice was posted on Tuesday, March 10, 2026 at or before 11:59 p.m., and said time of posting was three business days before said meeting was convened or called to order.

Dated this 10th day of March 2026. City of Sherman, Texas

Teri Fine, 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	Deputy Mayor	Council Members	
Shawn C. Teamann	Henry Marroquin	Henry Marroquin, Council-At-Large, PL #1	Josh Stevenson, Council – District #2
		Juston Dobbs, Council-At-Large, PL #2	Pamela L. Howeth, Council – District #3
		Clay Barnett, Council – District #1	Daron Holland, Council – District #4

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

People - Quality - Image

ACTION MINUTES

The City Council of the City of Sherman held a regular meeting on Monday, March 2, 2026 at 5:00 P.M. in the Council Chambers at 220 W. 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 00:06:16

Mayor Teamann called the meeting to order at 5:01pm

Council Member Present:
Mayor Shawn Teamann
Deputy Mayor Henry Marroquin
Council Member Juston Dobbs
Council Member Pam Howeth
Council Member Daron Holland
Council Member Clay Barnett
Council Member Josh Stevenson

Council Members Absent:
None

A.2. PLEDGE OF ALLEGIANCE AND INVOCATION LED BY DEPUTY MAYOR HENRY MARROQUIN.

Bookmarked at 00:06:24

A.3. APPROVE MINUTES OF THE REGULAR CITY COUNCIL MEETING OF FEBRUARY 16, 2026.

Bookmarked at 00:07:42

The City Council reviewed the minutes of Regular City Council Meeting of February 16, 2026. Motion by Council Member Holland to approve the Minutes. Second by Council Member Barnett. All present voted AYE.

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.

Bookmarked at 00:07:54

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
Bookmarked at 00:08:08

Council Member Barnett made a motion to approve items G. 3 and G. 4. Second made by Council Member Holland.

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

VOTING NAY: NONE.

MOTION CARRIED.

Proclamations

D.1. PROCLAMATION

"Library of Excellence Award" – 2025
Bookmarked at 00:08:42

Public Hearing

E.1. PUBLIC HEARING

Public Hearing and action on the Reauthorization for the Industrial and Commercial Tax Abatement Program to Promote Development/Redevelopment in Certain Areas of the City
Reading - Bookmarked at 00:12:12
Introduction – Bookmarked at 00:12:38

E.2. INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 6921

Amending Sherman's Zoning Ordinance/Code Of Ordinances Chapter 14, To Rezone A Tract Of Land Consisting Of 1.369 Acres Being A Replat Of Lot 1R, Block 4 Chaffin's First Addition, And Lots 8-12, Block 4 Chaffin's First Addition, City Of Sherman, Grayson County, Texas, Located At 609 East Pecan Street, Heretofore Zoned M-2 (Heavy Manufacturing) District; Rezoning And Placing The Tract In The C-2 (General Commercial) District Zoning Classification, Commissary Express (Owner), And Copley Land Surveying (Surveyor) Providing For A Penalty Not To Exceed $2,000.00; Providing A Repealing/Savings Clause, Severability Clause And An Effective Date
Reading - Bookmarked at 00:13:08
Introduction – Bookmarked at 00:13:13

E.3. INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 6922

Amending Sherman's Zoning Ordinance/Code Of Ordinances Chapter 14, To Rezone A Tract Of Land Consisting Of 0.51 Acres Being Lot 8R, Replat Lots 1 And 8, Sherman Commons Addition, City Of Sherman, Grayson County, Texas, Located At 3806 North Loy Lake Road, Heretofore Zoned C-1 (Retail Business) District/75 & 82 Overlay District; Rezoning And Placing The Tract In The C-2 (General Commercial) District/75 & 82 Overlay District Zoning Classification, Kobalt TRC LLC (Owner), Take 5 Properties SPV LLC (Applicant) And CDS Commercial Due Diligence Services (Surveyor) Providing For A Penalty Not To Exceed $2,000.00; Providing A Repealing/Savings Clause, Severability Clause And An Effective Date
Reading - Bookmarked at 00:13:54
Introduction – Bookmarked at 00:14:07

E.4. INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 6923

Amending Sherman's Zoning Ordinance/Code Of Ordinances Chapter 14 And Granting A Specific Use Permit To Allow An Automobile Repair, Body Work, Or Painting, On A Tract Of Land Zoned C-2 (General Commercial) District/75 & 82 Overlay District Located At 3806 North Loy Lake Road, Lot 8R, Block C, Replat Lots 1 And 8, Block 8, Sherman Commons Addition, City Of Sherman, Grayson County, Texas; Kobalt

TRC LLC (Owner), Take 5 Properties SPV LLC (Applicant), And CDS Commercial Due Diligence Services (Surveyor); Prescribing Conditions To The Specific Use Permit; Providing A Penalty Not To Exceed $2,000.00
Reading - Bookmarked at 00:14:35
Introduction (1) – Bookmarked at 00:14:07
Introduction (2) – Bookmarked at 00:14:53

E.5. **INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 6924**

Amending Sherman's Zoning Ordinance/Code Of Ordinances Chapter 14, Repealing Ordinance 6806 And Granting A Specific Use Permit To Allow A Hotel Or Motel In A C-1 (Retail Business) District Located At 1831 Texoma Parkway, Consisting Of 2.820 Acres, Being In The J.B. Mcanair Survey, Abstract No 763, City Of Sherman, Grayson County, Texas Matcha Residence Group (Owner), And Blue Star Surveying (Surveyor) Prescribing Conditions To The Specific Use Permit; Providing A Penalty Not To Exceed $2,000.00; Providing A Repealing/Savings Clause, Severability Clause And An Effective Date
Reading - Bookmarked at 00:15:28
Introduction – Bookmarked at 00:15:40

E.6. **INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 6925**

Amending Sherman's Zoning Ordinance/Code Of Ordinances Chapter 14 And Granting A Specific Use Permit To Allow A Massage Establishment, On A Tract Of Land Zoned C-1 (Retail Business) District Located At 1800 Teague Drive Suite 220, Being In The J.B. Mcanair Survey, Abstract No. 763, And In The Smith Mcglothin Survey, Abstract No. 808 City Of Sherman, Grayson County, Texas One Grand Centre, LLC (Owner), Julie Carelock (Applicant), And Underwood Drafting & Surveying (Surveyor) Prescribing Conditions To The Specific Use Permit; Providing A Penalty Not To Exceed $2,000.00
Reading - Bookmarked at 00:16:26
Introduction – Bookmarked at 00:16:38

E.7. **INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 6926**

Amending The Code Of Ordinances Of The City Of Sherman, Texas, Chapter 1 (General Provisions), Article 1.13 (Unclaimed And Surplus Property); Modifying Certain Existing Regulations And Establishing New Regulations On Surplus, Abandoned, Seized Or Recovered Property; Providing A Penalty Clause With A Maximum Fine Of $500, Savings/Repealing Clause, Severability Clause And An Effective Date; Providing For The Publication Of The Caption Hereof
Reading - Bookmarked at 00:17:08
Introduction – Bookmarked at 00:17:22

Close Public Hearing and Consider Adoption of Ordinances

F.1. **CLOSE PUBLIC HEARING**

Consider Adoption of Ordinances 6921, 6922, 6923, 6924, 6925 & 6926
Bookmarked at 00:18:04

E. 3. Ordinance 6922 & E. 4. Ordinance 6923
Discussion and Vote - Bookmarked at 00:18:41

Council Member Stevenson made a motion to approve Ordinances 6922 & 6923. Second made by Council Member Holland.

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

VOTING NAY: NONE.
MOTION CARRIED.

E. 7. Ordinance 6926
Discussion and Vote - Bookmarked at 00:22:07

Council Member Stevenson made a motion to approve Ordinance 6926. Second made by Council Member Howeth.

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

VOTING NAY: NONE.
MOTION CARRIED.

E. 5. Ordinance 6924
Discussion and Vote - Bookmarked at 00:25:51

Council Member Barnett made a motion to approve Ordinance 6924. Second made by Council Member Dobbs.

VOTING AYE: TEAMANN, HOWETH, MARROQUIN, DOBBS AND BARNETT

VOTING NAY: STEVENSON AND HOLLAND

MOTION CARRIED.

E. 6. Ordinance 6925
Vote - Bookmarked at 00:34:26

Council Member Howeth made a motion to approve Ordinance 6925. Second made by Council Member Holland.

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

VOTING NAY: NONE.
MOTION CARRIED.

E. 2. Ordinance 6921
Vote - Bookmarked at 00:34:42

Council Member Stevenson made a motion to approve Ordinances 6922 & 6923. Second made by Council Member Holland.

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

VOTING NAY: NONE.
MOTION CARRIED.

Resolutions

G.1. **RESOLUTION NO. 7626**

Reauthorizing Guidelines and Criteria for the City of Sherman's Industrial and Commercial Tax Abatement Program to Promote Development/Redevelopment in Certain Areas of the City

Bookmarked at 00:35:24

Council Member Stevenson made a motion to approve Resolution 7626. Second made by Council Member Dobbs.

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

VOTING NAY: NONE.
MOTION CARRIED.

G.2. **RESOLUTION NO. 7627**

Approving Execution of an Agreement for Fire and Ambulance Services with Grayson County for the Period of October 1, 2025, through September 20, 2026.

Bookmarked at 00:35:51

Council Member Stevenson made a motion to approve Resolution 7627. Second made by Council Member Dobbs.

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

VOTING NAY: NONE.
MOTION CARRIED.

G.3. **** RESOLUTION NO. 7628***

Authorizing Execution of an Agreement with Clairiss Jenkins for the Abatement of AD Valorem Property Taxes for the Construction of a New Single-Family Residence at 208 North Harrison Avenue within the City of Sherman Reinvestment Zone, Number 10 (#10)

Bookmarked at 00:08:08

Council Member Barnett made a motion to approve items G. 3 and G. 4. Second made by Council Member Holland.

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

VOTING NAY: NONE.

MOTION CARRIED.

G.4. **** RESOLUTION NO. 7629***

Authorizing The Purchase And Installation Of Filters And Main Drain At The Splash Family Aquatics Center From Mountjoy Aquatics, LLC Through The Purchasing Cooperative Buy Board.

Bookmarked at 00:08:08

Council Member Barnett made a motion to approve items G. 3 and G. 4. Second made by Council Member Holland.

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

VOTING NAY: NONE.

MOTION CARRIED.

COUNCIL COMMENTS

Bookmarked at 00:45:10

EXECUTIVE SESSION

Bookmarked at 00:47:33

Mayor Teamann adjourned to Executive session at 5:42PM.

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:

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 the Sherman Housing Authority

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

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.

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

Bookmarked at 01:25:29

Mayor Teamann reconvened into General Session at 6:20pm

Adjournment

Bookmarked at 01:25:42

Council Member Stevenson made a motion to adjourn the meeting. Second made by Council Member Holland.

VOTING AYE: TEAMANN, HOLLAND, HOWETH, MARROQUIN, DOBBS AND BARNETT

VOTING NAY: NONE.

MOTION CARRIED.

Mayor Teamann adjourned the meeting at 6:20pm.

COUNCIL CALENDAR

_____

MAYOR

_____

CITY CLERK OR DESIGNEE

SHERMAN CITY COUNCIL
Agenda Communication Form

City Council Regular Meeting Agenda Item No. C.1.

Meeting Date: 3/16/2026

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:

H. 2. **** RESOLUTION NO. 7631***
Authorizing Execution of a Professional Services Agreement with Wade Trim, Inc. for the Taylor Street, Grand Avenue, Travis Street, Cherry Street, OB Groner Road, Woods Street, Friendship Road, and Fallon Drive Street Maintenance Project

H. 3. **** RESOLUTION NO 7632***
Authorizing the Purchase of a 74 (Seventy-four) Toray Ultrafiltration Membrane Model HFU-2020AN and Associated Couplings from H2O Innovation USA Inc.

I. 1. **** REQUEST TO ADVERTISE***
Requesting Authorization to Advertise for Public Bids for a Construction Manager at Risk (CMAR) for Sherman Public Works Fleet Services Facility

J. 1. **** CHANGE ORDERS***
Authorize Execution of a Change Order with Anderson Fence & Custom Welding LLC for the Animal Services Security Fence and Access Control Project

K. 2. **** OTHER BUSINESS***
Accept Annual Audit Report for the Year Ended September 30, 2025, from Weaver and Tidwell, L.L.P.

K. 3. **** OTHER BUSINESS***
Consider the Request for the 2nd Annual "Sherman Showdown" Food Truck Competition on May 9, 2026

Background:

Capital Improvement Program:

Origination:

Financial Consideration:

Staff Recommendation:

Alternatives:

Attachments:
None

SHERMAN CITY COUNCIL
Agenda Communication Form

City Council Regular Meeting Agenda Item No. D.1.

Meeting Date: 3/16/2026

Prepared By: Teri Fine, Assistant to the City Manager

Approved By:

Caption:
PROCLAMATION
"America 250!" - 2026

Issue:
Proclamation to celebrate the Country's 250th birthday.

Background:
On July 4, 2026 our nation will commemorate the semiquincentennial anniversary of the signing of the Declaration of Independence.

Capital Improvement Program:

Origination:
The request originated from the Preston Trail Chapter of the National Society Daughters of the American Revolution

Financial Consideration:
There is no financial consideration to the City.

Staff Recommendation:
It is the staff recommendation that the Council present this proclamation

Alternatives:
The Council could choose not to present the proclamation.

Attachments:
1. America 250!

Sherman
CLASSIC TOWN. BROAD HORIZON

Proclamation

WHEREAS; on July 4, 2026, our nation will commemorate the semiquincentennial anniversary of the signing of the Declaration of Independence; and

WHEREAS; the journey toward this historic milestone is an opportunity to reflect on our nation's past, honor the contributions of all Americans, and look ahead to the future generations who will carry forward the ideals of democracy and individuals' liberty that make the United States a unique nation in the world community; and

WHEREAS; the great state of Texas was shaped by the Revolutionary War generation and their children who carried the ideals of 1776 westward across the continent – beliefs in liberty, self-government, and the rights of a free people that took root on the Texas frontier; and by the Tejanos and settlers who, inspired by these same principles, forged the Republic of Texas in 1836 and later entered the Union as a proud and distinct state; and

WHEREAS; the National Society Daughters of the American Revolution (DAR) is a nonpolitical women's service organization, established in 1890, whose members are lineally descended from Patriots of the American Revolution; and

WHEREAS; through the President General's leadership, all Daughters are spending the next three years Illuminating our Legacy by celebration our nation's rich history and diversity, promoting belonging through membership and dedicated service to God, Home, and Country and by completing projects in unique, local and impactful ways; and

WHEREAS; From the 250th anniversary of the Boston Tea Party in 2023 until the 250th anniversary of the signing of the Treaty of Paris in 2033, Daughters are celebrating our nation's rich history and diversity of experience by honoring all men and women who achieved American Independence. These Patriots believing in the noble cause of Liberty fought valiantly to establish a new nation.

NOW THEREFORE, I, Shawn Teamann, Mayor of the City of Sherman, Texas, by the authority vested in me, do proclaim the next three years to celebrate

AMERICA 250!

And commend this commemoration to all our city residents.

GIVEN under my hand and the Official Seal of the City of Sherman, Texas, this sixteenth day of March 2026.

_____
Mayor

SHERMAN CITY COUNCIL
Agenda Communication Form

City Council Regular Meeting Agenda Item No. D.2.

Meeting Date: 3/16/2026

Prepared By:

Approved By: Zachary Flores, City Manager

Caption:
PROCLAMATION
"American Red Cross Month" - March 2026

Issue:
To present a proclamation recognizing American Red Cross Month.

Background:
In 1943, President Franklin D. Roosevelt issued the first Red Cross Month proclamation. Each year, since that time, the American Red Cross recognizes the compassion of people nationwide and celebrates their commitment to care for one another in times of crisis.

Capital Improvement Program:

Origination:
The request originated with the Regional Communications Manger of the American Red Cross North Texas Region.

Financial Consideration:
There is no financial consideration.

Staff Recommendation:
It is the staff recommendation to present a proclamation recognizing American Red Cross Month.

Alternatives:
The Council could choose not to present the proclamation.

Attachments:
1. American Red Cross

Sherman
CLASSIC TOWN. BROAD HORIZON

Proclamation

WHEREAS; March has been celebrated as Red Cross Month for more than 80 years, honoring the neighbors who make its humanitarian mission possible in Sherman. Every day, their acts of kindness change lives, bringing relief, comfort and hope when help can't wait. This tradition reminds us that the strength of our community lies in our shared commitment to one another, just as it has since President Franklin D. Roosevelt first proclaimed March as Red Cross Month in 1943; and

WHEREAS; each day dedicated Sherman residents put on their Red Cross vest, offering hope to neighbors in need; and

WHEREAS; the Red Cross carries out disaster relief operations serving the Sherman community, delivering shelter, food, and comfort to neighbors facing unexpected emergencies; and

WHEREAS; the Red Cross proudly provides critical services to Sherman military members and their families, helping them navigate the challenges of service; and

WHEREAS; Sherman residents enroll in Red Cross first aid, CPR, and AED training courses, making this community more prepared and resilient in emergencies.

NOW THEREFORE, I, Shawn Teamann, Mayor of the City of Sherman, Texas, by the authority vested in me, do hereby proclaim March 2026

AMERICAN RED CROSS MONTH

in the City of Sherman and encourage all citizens to reach out and support its humanitarian mission.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the seal of the City of Sherman to be affixed to this the 16th day of March 2026.

_____
Mayor

ATTEST:

SHERMAN CITY COUNCIL
Agenda Communication Form

City Council Regular Meeting Agenda Item No. D.3.

Meeting Date: 3/16/2026

Prepared By: Teri Fine, Assistant to the City Manager

Approved By: Zachary Flores, City Manager

Caption:
PROCLAMATION
"Autism Awareness Month" -- April 2026

Issue:
To present a proclamation recognizing Autism awareness among children and adults.

Background:
Autism spectrum disorder is a developmental disability that is estimated to affect about one in 36 children and approximately 2.21% of adults. Autism affects the way a person experiences the world and can result in significant challenges in social communication and interaction, as well as repetitive behaviors and unusual or intense interests.

Capital Improvement Program:

Origination:
The Owen Foundation was founded by Brina Dutton, a parent of a child with Autism, and is an active community organization in Grayson and Bryan Counties. The Foundation provides resources and events that support and create opportunities for children with Autism and their parents.

Financial Consideration:
There is no financial consideration.

Staff Recommendation:
It is the recommendation of the staff that the City Council present a proclamation for "Autism Awareness Month."

Alternatives:
The Council could choose not to present the proclamation.

Attachments:
1. Autism Awareness Month 2026

Sherman
CLASSIC TOWN. BROAD HORIZON

Proclamation

WHEREAS; autism spectrum disorder is a complex neurological and developmental condition that affects individuals across all races, ages, and socioeconomic backgrounds, influencing communication, behavior, learning, and social interaction; and

WHEREAS; autism is a lifelong condition, and individuals on the autism spectrum possess unique strengths, abilities, and perspectives, while many also require varying levels of support to thrive within their families, schools, workplaces, and communities; and

WHEREAS; increased public awareness and understanding of autism are essential to fostering acceptance, reducing stigma, and ensuring that individuals on the autism spectrum are treated with dignity, respect, and inclusion; and

WHEREAS; families of individuals with autism often face significant emotional, educational, and financial challenges, and benefit greatly from access to resources, early intervention, community programs, and informed public support; and

WHEREAS; The Owen Foundation, serving the Texoma region since its founding, is dedicated to enriching the lives of children and families affected by autism by providing education, inclusive events, safety initiatives, and community awareness, while advocating for meaningful inclusion and opportunity for individuals across the autism spectrum; and

WHEREAS; the month of April is nationally recognized as Autism Awareness Month, a time to promote understanding, encourage acceptance, and highlight the importance of resources, services, and community support for individuals with autism and their families; and

WHEREAS; the City of Sherman, Texas, is honored to take part in the annual observance of Autism Awareness Month to address the diverse needs of individuals and families affected by autism.

NOW THEREFORE, I, Shawn Teamann, Mayor of the City of Sherman, Texas, by the authority vested in me, do hereby proclaim April 2026

AUTISM AWARENESS MONTH

in the City of Sherman and encourage all citizens to increase understanding and acceptance of people with autism spectrum disorder.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the seal of the City of Sherman, Texas to be affixed this the 16th day of March 2026.

_____
Mayor

SHERMAN CITY COUNCIL
Agenda Communication Form

City Council Regular Meeting Agenda Item No. D.4.

Meeting Date: 3/16/2026

Prepared By: Teri Fine, Assistant to the City Manager

Approved By: Zachary Flores, City Manager

Caption:
PROCLAMATION
Profound Autism Day - March 17, 2026

Issue:
To present a proclamation recognizing Autism awareness among children and adults.

Background:
Profound autism is characterized by severe communication challenges, intellectual disability, and a need for lifelong support.

Capital Improvement Program:

Origination:
The Owen Foundation was founded by Brina Dutton, a parent of a child with Autism, and is an active community organization in Grayson and Bryan Counties. The Foundation provides resources and events that support and create opportunities for children with Autism and their parents.

March 17th has been nationally recognized as Profound Autism Day, a day dedicated to increasing awareness, honoring lived experiences, and promoting understanding, dignity, and meaningful support for individuals with profound autism and their families.

Financial Consideration:
There is no financial consideration.

Staff Recommendation:
It is the recommendation of the staff that the City Council present a proclamation for "Profound Autism Day"

Alternatives:
The Council could choose not to present the proclamation.

Attachments:
1. Profound Autism Day

Sherman
CLASSIC TOWN. BROAD HORIZON

Proclamation

WHEREAS; autism is a complex neurological and developmental disability that affects individuals in diverse ways, and a significant portion of the autism community lives with profound autism, characterized by severe communication challenges, intellectual disability, and a need for lifelong support; and

WHEREAS; individuals with profound autism are often nonverbal or minimally verbal, may require round-the-clock care, and face heightened risks related to safety, health, and independence; and

WHEREAS; despite representing a large and often underserved segment of the autism community, individuals with profound autism and their families are frequently underrepresented in public awareness efforts, policy discussions, and resource allocation; and

WHEREAS; families and caregivers of individuals with profound autism demonstrate extraordinary dedication, resilience, and advocacy while navigating significant emotional, financial, and societal challenges; and

WHEREAS; The Owen Foundation, serving the Texoma region since its founding, is dedicated to enriching the lives of children and families affected by autism by providing education, inclusive events, safety initiatives, and community awareness with a commitment to ensuring that all individuals on the autism spectrum—including those with profound support needs—are seen, valued, and protected; and

WHEREAS; March 17 has been nationally recognized as Profound Autism Day, a day dedicated to increasing awareness, honoring lived experiences, and promoting understanding, dignity, and meaningful support for individuals with profound autism and their families; and

WHEREAS; the City of Sherman, Texas, is honored to take part in the observance of Profound Autism Day to address the diverse needs of individuals and families affected by autism.

NOW THEREFORE, I, Shawn Teamann, Mayor of the City of Sherman, Texas, by the authority vested in me, do hereby proclaim March 17, 2026

PROFOUND AUTISM DAY

in the City of Sherman and encourage all citizens to increase understanding and acceptance of people with autism spectrum disorder.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the seal of the City of Sherman, Texas to be affixed this the 16th day of March 2026.

_____
Mayor

SHERMAN CITY COUNCIL
Agenda Communication Form

City Council Regular Meeting Agenda Item No. F.1.

Meeting Date: 3/16/2026

Prepared By: Amber Doan, Engineering Coordinator

Approved By: Zachary Flores, City Manager

Caption:

INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 6927

Closing and Abandoning a Portion of a Platted Alley in the City of Sherman, Grayson County, Texas, being more Particularly Described in the Exhibit "A" attached hereto and Made a Part of Hereof for all Purposes, said Alley being Established in Volume 58, Page 245 of Deed Records of Grayson County, Texas

Issue:

To consider approving the closure and abandonment of a portion of a platted alley, original alley being established in Volume 58, Page 245, Deed Records, Grayson County, Texas

Background:

This Ordinance will perform the necessary action to officially close and a portion of a platted alley. The purpose of this abandonment is to allow the adjacent property owner to utilize the property and incorporate into their own for development purposes.

Capital Improvement Program:

N/A

Origination:

JDH Grimsley Properties, LLC, Property Owner/Developer

Financial Consideration:

None.

Staff Recommendation:

Staff Recommends that the City Council approve the Ordinance closing and abandoning the alley.

Alternatives:

As may be directed by City Council.

Attachments:

1. Ordinance No. 6927
2. Partially Signed Release of Claims
3. Request Letter
4. Location Map

ORDINANCE NO. 6927

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, CLOSING AND ABANDONING A PORTION OF A PLATTED ALLEY IN THE CITY OF SHERMAN, GRAYSON COUNTY, TEXAS, BEING MORE PARTICULARLY DESCRIBED IN THE EXHIBIT "A" ATTACHED HERETO AND MADE A PART HEREOF FOR ALL PURPOSES, SAID ALLEY BEING ESTABLISHED IN VOLUME 58, PAGE 245 OF DEED 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 portion of an alley, being more particularly described in the Exhibit "A" attached hereto and made a part hereof for all purposes; and

WHEREAS, the alley was established in Volume 58, Page 245 of the Deed 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 finds that all persons who own property adjacent to the alley concur and agree with the proposed abandonment; and

WHEREAS, the City Council finds that the portion of the alley to be abandoned is 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 portion of the alley described herein, 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 portion of the platted alley in the City of Sherman, Grayson County, Texas, being more particularly described in the Exhibit "A" attached hereto and made a part hereof for all purposes, is hereby closed and abandoned.

SECTION 2. That 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 alley 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 alley without first reaching an agreement with a utility having lines or facilities in the subject easement does so at his own risk. After the date of this Ordinance, no utility may add new lines or facilities in the subject alley based on a claim that the subject alley 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 alley, nor does this Ordinance create new rights.

SECTION 3. 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 4. That it is hereby officially found and determined that the meeting at which this ordinance was introduced and passed was open to the public and that public notice of the time, place, and purpose of said meeting was given all as required by law.

SECTION 5. That 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 6. 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 7. That 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 16th day of March 2026.

ADOPTED on this the 16th day of March 2026.

EFFECTIVE DATE on this the 16th day of March 2026.

CITY OF SHERMAN, TEXAS

BY: _____

SHAWN TEAMANN, MAYOR

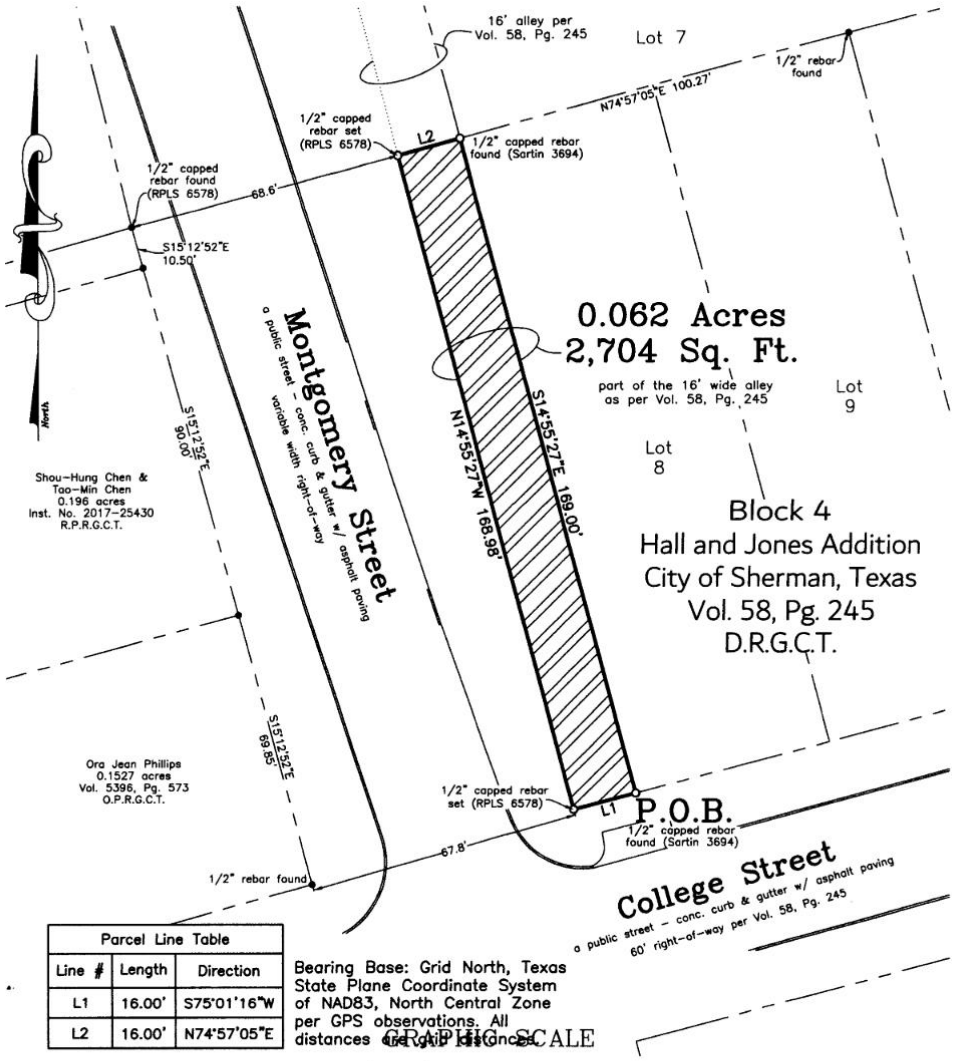
ATTEST:

BY: _____
TERI FINE, CITY CLERK

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

BY: _____
RYAN D. PITTMAN, CITY ATTORNEY

Exhibit A



Parcel Line Table		
Line #	Length	Direction
L1	16.00'	S75°01'16"W
L2	16.00'	N74°57'05"E

Bearing Base: Grid North, Texas State Plane Coordinate System of NAD83, North Central Zone per GPS observations. All distances are grid distances.

16 Ft. Alley Abandonment for: City of Sherman, Texas

I, Kate A. Wagner, Registered Professional Land Surveyor, do hereby certify that a survey was performed on the ground of the property shown hereinabove and is a true and correct representation of the property shown hereon. Field Notes attached hereto.

STATE OF TEXAS
REGISTERED
KATE A. WAGNER
6578
PROFESSIONAL
LAND SURVEYOR

Job No. AGS390126

Helvey-Wagner Surveying, Inc.
222 W. Main St., Denison, Texas 75020
Phone (903) 463-6191
Email: kate@helveywagnersurvey.net
TBPELS Firm Registration No. 10088100

Kate A. Wagner, R. P. L. S. No. 6578
Copyright Date: January 23, 2026

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Helvey-Wagner Surveying, Inc.

222 West Main Street · Denison, Texas 75020
Ph: (903) 463-6191 · Email: kate@helveywagnersurvey.net
Texas Board of Engineers and Land Surveyors Firm Registration No. 10088100
Billy F. Helvey, RPLS No. 4488 – Kate A. Wagner, RPLS No. 6578 – Adam Stephens, RPLS No. 6363

ALLEY ABANDONMENT
0.062 Acres/2,704 Sq. Ft.

SITUATED in the City of Sherman, County of Grayson, being a part of the J.B. McAnair Survey, Abstract No. 763 and being that portion of a 16 ft. alley lying West of and adjacent to Lot 8, Block 4, of Hall and Jones Addition to the City of Sherman, Texas, as per plat of record in Volume 58, Page 245, Deed Records, Grayson County, Texas, being more particularly described by metes and bounds as follows, to-wit:

BEGINNING at a 1/2 inch capped rebar found (Sartin 3694) in the North right-of-way line of College Street, a generally East-West street, being the Southwest corner of said Lot 8, Block 4 and the Southeast corner of both said alley and the herein described tract;

THENCE South 75 deg. 01 min. 16 sec. West, with the North right-of-way line of said College Street and the South line of said alley, a distance of 16.00 ft. to a ½ inch capped rebar set, stamped "RPLS 6578" in the East right-of-way line of Montgomery Street, a public street, at the Southwest corner of both said alley and the herein described tract;

THENCE North 14 deg. 55 min. 27 sec. West, with the East line of said Montgomery Street and the West line of said 16 ft. wide alley, a distance of 168.98 ft. to a ½ inch capped rebar set, stamped "RPLS 6578" at the Northwest corner of the herein described tract;

THENCE North 74 deg. 57 min. 05 sec. East, over and across said alley, a distance of 16.00 ft. to a 1/2 inch capped rebar found (Sartin 3694) at the Northwest corner of said Lot 8, the Southwest corner of Lot 7, said Block 4 and the Northeast corner of the herein described tract;

THENCE South 14 deg. 55 min. 27 sec. East, with the West line of said Lot 8 and the East line of said alley, a distance of 169.00 ft. to the **PLACE OF BEGINNING** and containing **0.062 ACRES and/or 2,704 SQUARE FEET** of land.

Kate A. Wagner, R.P.L.S. No. 6578
January 23, 2026

RELEASE OF CLAIMS
(Right-of-Way Abandonment)

JDH GRIMSLEY PROPERTIES, LLC 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, JDH GRIMSLEY PROPERTIES, LLC 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. GRIMSLEY 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 JDH GRIMSLEY PROPERTIES, LLC as the legal, valid and binding act and deed of JDH GRIMSLEY PROPERTIES, LLC. JDH GRIMSLEY PROPERTIES, LLC represents and warrants that the Released Claims are currently owned solely by JDH GRIMSLEY PROPERTIES, LLC, free and clear of all liens, encumbrances, pledges, assignments, claims and security interests of any kind or nature. JDH GRIMSLEY PROPERTIES, LLC 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 JDH GRIMSLEY PROPERTIES, LLC which relate in any way to the Existing Right-of-Way.

JDH GRIMSLEY PROPERTIES, LLC **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 11 day of Febraury, 2026.

JDH GRIMSLEY PROPERTIES, LLC

By: _____

Name: John D. Grimsley

Title: Manager

ACKNOWLEDGMENT

STATE OF TEXAS §
§
COUNTY OF Grayson §

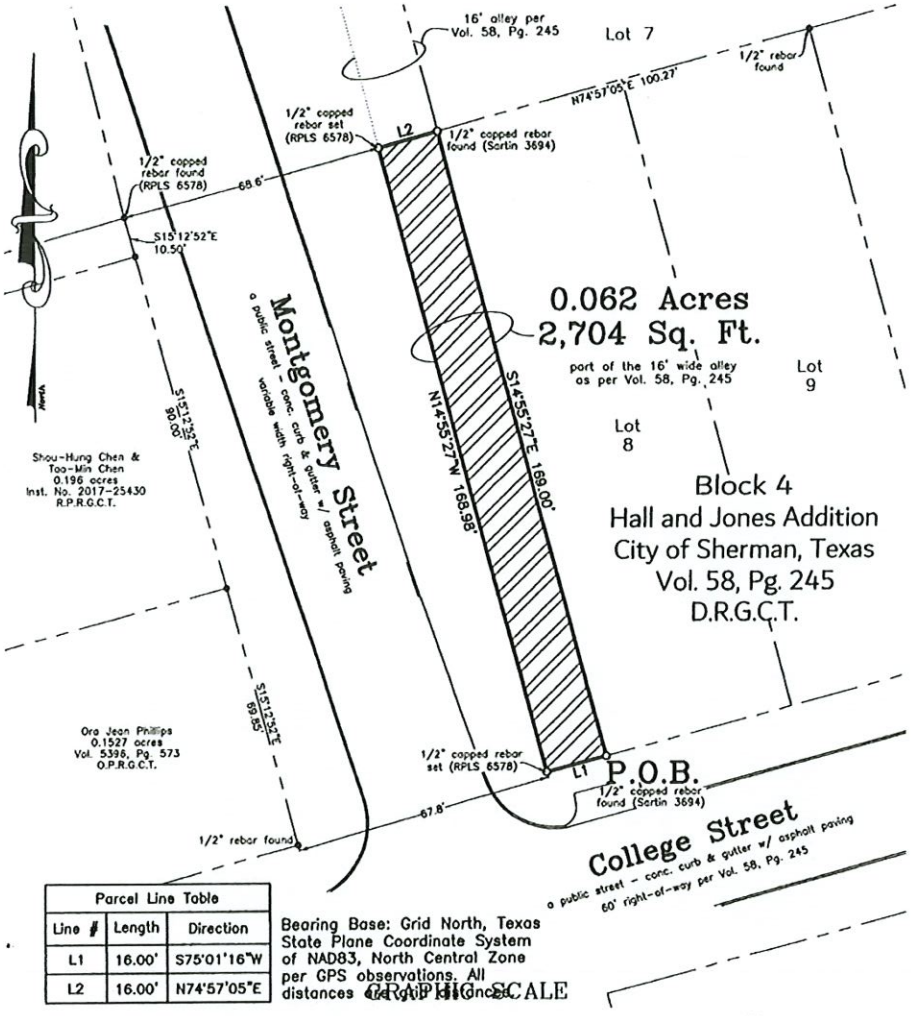
Before me, the undersigned authority, on this day personally appeared JOHN D. GRIMSLEY, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed is the Manager and duly authorized representative of JDH GRIMSLEY PROPERTIES, LLC, and that he executed said instrument for the purposes and consideration therein expressed as a binding act and deed of JDH GRIMSLEY PROPERTIES, LLC.

Given under my hand and seal of office on this the 11th day of February, 2026.

NOTARY PUBLIC STATE OF TEXAS
AMBER DOAN
NOTARY PUBLIC
STATE OF TEXAS
ID # 124678376
My Comm. Expires 09-12-2028

_____
Notary Public, State of Texas
My Commission Expires: 09/12/2028

EXHIBIT"A"



Parcel Line Table		
Line #	Length	Direction
L1	16.00'	S75°01'16"W
L2	16.00'	N74°57'05"E

Bearing Base: Grid North, Texas State Plane Coordinate System of NAD83, North Central Zone per GPS observations. All distances are grid distances.

GRAPHIC SCALE

30 0 15 30 60 120

(IN FEET)
1 inch = 30 ft.

16 Ft. Alley Abandonment for: City of Sherman, Texas

I, Kate A. Wagner, Registered Professional Land Surveyor, do hereby certify that a survey was performed on the ground of the property shown hereinabove and is a true and correct representation of the property shown hereon. Field Notes attached hereto.

Job No. AGS390126

Helvey-Wagner Surveying, Inc.
222 W. Main St., Denison, Texas 75020
Phone (903) 463-6191
Email: kate@helveywagnersurvey.net
TBPELS Firm Registration No. 10088100

STATE OF TEXAS
REGISTERED
KATE A. WAGNER
6578
PROFESSIONAL
LAND SURVEYOR

Kate A. Wagner, R. P. L. S. No. 6578
Copyright Date: January 23, 2026

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Helvey-Wagner Surveying, Inc.

222 West Main Street · Denison, Texas 75020
Ph: (903) 463-6191 · Email: kate@helveywagnersurvey.net
Texas Board of Engineers and Land Surveyors Firm Registration No. 10088100
Billy F. Helvey, RPLS No. 4488 – Kate A. Wagner, RPLS No. 6578 – Adam Stephens, RPLS No. 6363

ALLEY ABANDONMENT
0.062 Acres/2,704 Sq. Ft.

SITUATED in the City of Sherman, County of Grayson, being a part of the J.B. McAnair Survey, Abstract No. 763 and being that portion of a 16 ft. alley lying West of and adjacent to Lot 8, Block 4, of Hall and Jones Addition to the City of Sherman, Texas, as per plat of record in Volume 58, Page 245, Deed Records, Grayson County, Texas, being more particularly described by metes and bounds as follows, to-wit:

BEGINNING at a 1/2 inch capped rebar found (Sartin 3694) in the North right-of-way line of College Street, a generally East-West street, being the Southwest corner of said Lot 8, Block 4 and the Southeast corner of both said alley and the herein described tract;

THENCE South 75 deg. 01 min. 16 sec. West, with the North right-of-way line of said College Street and the South line of said alley, a distance of 16.00 ft. to a ½ inch capped rebar set, stamped "RPLS 6578" in the East right-of-way line of Montgomery Street, a public street, at the Southwest corner of both said alley and the herein described tract;

THENCE North 14 deg. 55 min. 27 sec. West, with the East line of said Montgomery Street and the West line of said 16 ft. wide alley, a distance of 168.98 ft. to a ½ inch capped rebar set, stamped "RPLS 6578" at the Northwest corner of the herein described tract;

THENCE North 74 deg. 57 min. 05 sec. East, over and across said alley, a distance of 16.00 ft. to a 1/2 inch capped rebar found (Sartin 3694) at the Northwest corner of said Lot 8, the Southwest corner of Lot 7, said Block 4 and the Northeast corner of the herein described tract;

THENCE South 14 deg. 55 min. 27 sec. East, with the West line of said Lot 8 and the East line of said alley, a distance of 169.00 ft. to the **PLACE OF BEGINNING** and containing **0.062 ACRES and/or 2,704 SQUARE FEET** of land.

Kate A. Wagner, R.P.L.S. No. 6578
January 23, 2026

16' Alley Abandonment Request – Hall & Jones Addition

Subject alley is a platted 16' wide alley established in the Hall & Jones Addition, Volume 58, Page 245, Deed Records, Grayson County, Texas, located between Montgomery Street right of way and Lot 8, Block 4, Hall & Jones Addition, locally known as 301 E. College, Sherman, TX

Record Property Owner(s): JDH Grimsley Properties, LLC

Attn: John D. Grimsley, Manager

7612 Queens Garden Drive

Dallas, TX 75248

(214) 629-1877

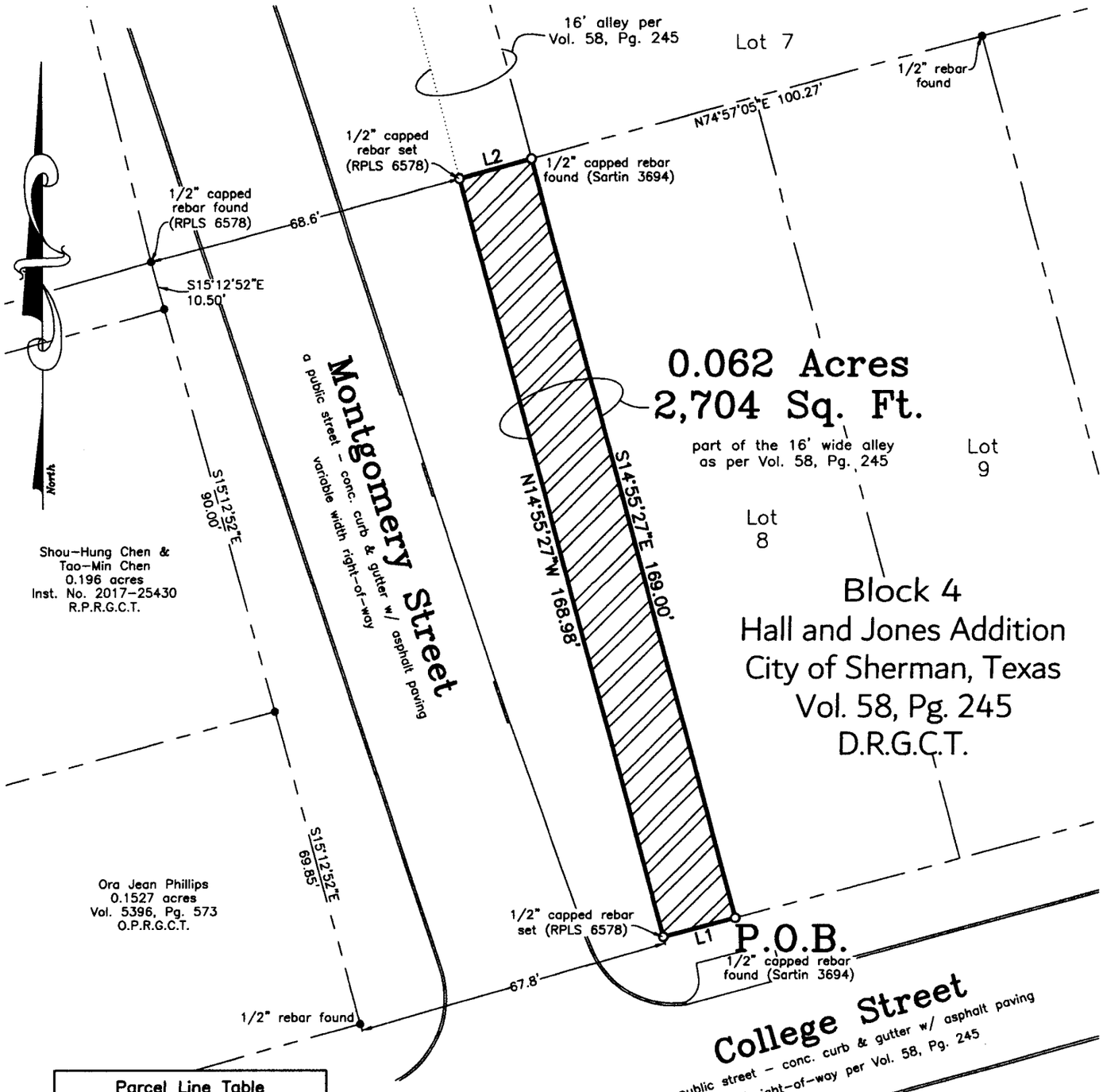
Email: Grimsley5@gmail.com

Purpose for abandonment request: The owner proposes to replat Lots 8 and 9 into four (4) 40-foot-wide R-4 lots running east to west, with the home frontages facing Montgomery St. (west). Additional frontage is needed to accommodate longer, narrower homes while maintaining adequate backyard space and improving overall aesthetics, as the existing alley forces the homes to be set too deep into the lots. Abandoning the 16-foot alley would allow the owner to incorporate that area into the property, creating more functional and buildable lots. This alley is located between Owner's property and City right of way, no adjacent owners are to be contacted for this request.

Owner: _____

Title: Manager JDH Grimsley Properties LLC

Date: 2/9/2026



Parcel Line Table		
Line #	Length	Direction
L1	16.00'	S75°01'16"W
L2	16.00'	N74°57'05"E

Bearing Base: Grid North, Texas State Plane Coordinate System of NAD83, North Central Zone per GPS observations. All distances are grid distances.

GRAPHIC SCALE

30 0 15 30 60 120

(IN FEET)
1 inch = 30 ft.

16 Ft. Alley Abandonment for: City of Sherman, Texas

I, Kate A. Wagner, Registered Professional Land Surveyor, do hereby certify that a survey was performed on the ground of the property shown hereinabove and is a true and correct representation of the property shown hereon. Field Notes attached hereto.

STATE OF TEXAS
REGISTERED
KATE A. WAGNER
6578
PROFESSIONAL
LAND SURVEYOR

Job No. AGS390126

Helvey-Wagner Surveying, Inc.
222 W. Main St., Denison, Texas 75020
Phone (903) 463-6191
Email: kate@helveywagnersurvey.net
TBPELS Firm Registration No. 10088100

Kate A. Wagner, R. P. L. S. No. 6578
Copyright Date: January 23, 2026

Helvey-Wagner Surveying, Inc.

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Ph: (903) 463-6191 · Email: kate@helveywagnersurvey.net
Texas Board of Engineers and Land Surveyors Firm Registration No. 10088100
Billy F. Helvey, RPLS No. 4488 – Kate A. Wagner, RPLS No. 6578 – Adam Stephens, RPLS No. 6363

ALLEY ABANDONMENT
0.062 Acres/2,704 Sq. Ft.

SITUATED in the City of Sherman, County of Grayson, being a part of the J.B. McAnair Survey, Abstract No. 763 and being that portion of a 16 ft. alley lying West of and adjacent to Lot 8, Block 4, of Hall and Jones Addition to the City of Sherman, Texas, as per plat of record in Volume 58, Page 245, Deed Records, Grayson County, Texas, being more particularly described by metes and bounds as follows, to-wit:

BEGINNING at a 1/2 inch capped rebar found (Sartin 3694) in the North right-of-way line of College Street, a generally East-West street, being the Southwest corner of said Lot 8, Block 4 and the Southeast corner of both said alley and the herein described tract;

THENCE South 75 deg. 01 min. 16 sec. West, with the North right-of-way line of said College Street and the South line of said alley, a distance of 16.00 ft. to a ½ inch capped rebar set, stamped "RPLS 6578" in the East right-of-way line of Montgomery Street, a public street, at the Southwest corner of both said alley and the herein described tract;

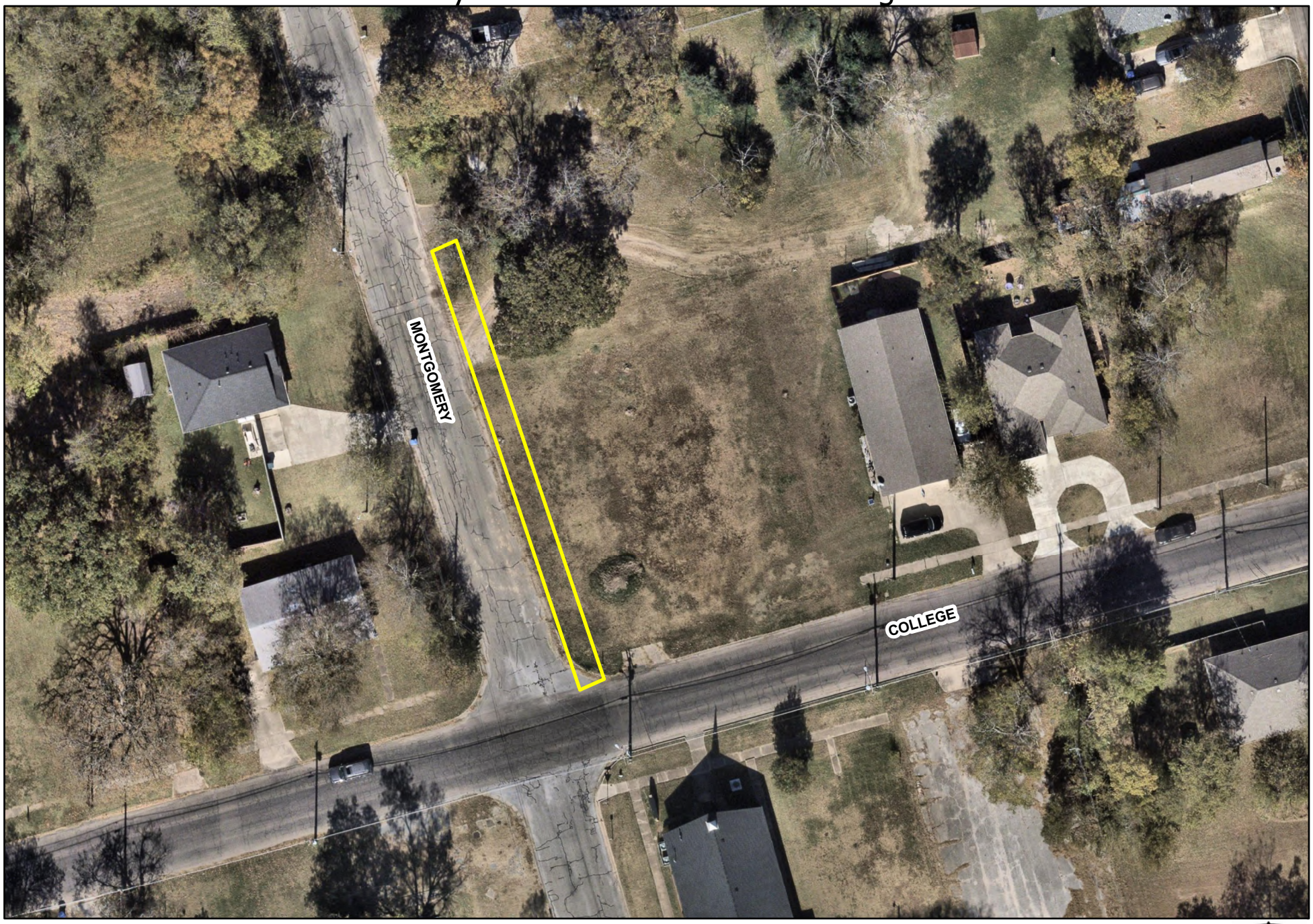
THENCE North 14 deg. 55 min. 27 sec. West, with the East line of said Montgomery Street and the West line of said 16 ft. wide alley, a distance of 168.98 ft. to a ½ inch capped rebar set, stamped "RPLS 6578" at the Northwest corner of the herein described tract;

THENCE North 74 deg. 57 min. 05 sec. East, over and across said alley, a distance of 16.00 ft. to a 1/2 inch capped rebar found (Sartin 3694) at the Northwest corner of said Lot 8, the Southwest corner of Lot 7, said Block 4 and the Northeast corner of the herein described tract;

THENCE South 14 deg. 55 min. 27 sec. East, with the West line of said Lot 8 and the East line of said alley, a distance of 169.00 ft. to the **PLACE OF BEGINNING** and containing **0.062 ACRES and/or 2,704 SQUARE FEET** of land.

Kate A. Wagner, R.P.L.S. No. 6578
January 23, 2026

Alley Abandonment - 301 E. College



SHERMAN CITY COUNCIL
Agenda Communication Form

City Council Regular Meeting Agenda Item No. F.2.

Meeting Date: 3/16/2026

Prepared By: Mary Lawrence, Chief Financial Officer

Approved By:

Caption:

INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 6928

Amending Chapter 13 Of The Code Of Ordinances, Entitled (Utilities), Article 13.08, Entitled (Utility Billing), at Sections 13.08.005 and Section 13.08.006, To Revise Rates For Water and Sewer Services; Providing A Savings/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, Entitled (Utilities), Article 13.08, Entitled (Utility Billing), at Sections 13.08.005 and Section 13.08.006, To Revise Rates For Water and Sewer Services; Providing A Savings/Repealing Clause, Severability Clause And An Effective Date; Providing For The Publication Of the Caption Hereof.

Background:

The City has completed several water and sewer expansion and improvement projects to meet increased demand, primarily from industrial users. Actual water and sewer usage by these users has been lower than originally projected. As a result, Willdan Financial Services, the city's utility rate consultant, has prepared an updated rate study to adjust superuser rates to ensure adequate funding for debt service on these projects in FY 2026. Although many of the projects benefit the broader customer base, this mid-year rate adjustment will apply only to superusers. The rate study will be comprehensively updated for FY 2027 and the subsequent four years at the June budget workshop, at which time rates for all customer classes will be evaluated.

Capital Improvement Program:

Origination:

Finance Department

Financial Consideration:

Revenue generated by this rate increase is expected to be sufficient to cover operating expenses and debt service for FY2026.

Staff Recommendation:

Staff recommends adoption of the rates as presented effective March 1, 2026.

Alternatives:

No viable alternatives exist as the rate change is necessary to maintain adequate debt service coverage.

Attachments:

1. Ordinance No. 6928 - Amending Chapter 13 Section 13.08.005 to 13.08.006

ORDINANCE NO. 6928

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AMENDING CHAPTER 13 OF THE CODE OF ORDINANCES, ENTITLED "UTILITIES", ARTICLE 13.08, ENTITLED "UTILITY BILLING", AT SECTIONS 13.08.005 AND 13.08.006, REVISING RATES FOR WATER SERVICE, AND SEWER SERVICES; PROVIDING FOR INCLUSION IN THE CODE OF ORDINANCES; PROVIDING FOR SEVERABILITY; PROVIDING FOR A REPEALER; FINDING AND DETERMINING THAT THE MEETING AT WHICH THIS ORDINANCE IS PASSED WAS NOTICED AND IS OPEN TO THE PUBLIC AS REQUIRED BY LAW.

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

SECTION 1. That Chapter 13, Article 13.08, Section 13.08.005 of the Code of Ordinances of the City of Sherman, Texas, be and is hereby amended so that such section shall read as follows:

Sec. 13.08.005 Water rates

(a) Water furnished by the city to a customer, other than any customer who dwells or resides in a multiunit dwelling within the city limits shall be charged at the following rates effective ~~on the commencement of the City's fiscal year beginning~~ ***April 1, 2026*** ~~October 1, 2025~~, for the first fifteen hundred (1,500) gallons of water used according to meter size and unit of measurement of the meter register:

(b)

Meter Sizes (in inches)	**Minimum Monthly Amount** ~~**Oct 1, 2025**~~ ***April 1, 2026***
5/8 or 3/4	$26.91
1	$53.10
1-1/2	$106.69
2	$181.78
3	$396.29
4	$696.57
6	$1,554.59
8	$3,767.73
10	$7,535.46
12 and larger	

~~$15,070.91~~ ***$560,000.00***

For purposes of Section 13.08.005(a), if a customer has multiple meters in excess of 6 inches at the same property location, the multiple meters will be aggregated for purposes of determining the Meter Size and the Minimum Monthly Amount

(b) Volume charge. Except as noted below, the charge for all water consumed in excess of the minimum fifteen hundred (1,500) gallons shall be billed at a rate as follows:

Beginning ~~October 1, 2025~~ ***April 1, 2026***

Gallons	Rate per 1,000 Gallons
1,500 – 20,000 gallons	$ 3.86
20,001 – 100,000 gallons	$ 5.11
100,001 – 500,000 gallons	$ 6.36
500,001 – 15,000,000 gallons	$ 7.61
15,000,001 – Above	$ 9.36

For purposes of Section 13.08.006(b), if a customer has multiple water meters in excess of 6 inches at the same property location, the number of gallons consumed at the multiple meters will be aggregated for purposes of determining the total number of Gallons and the Rate per 1,000 Gallons.

Water meters utilized for lawn sprinkling systems shall be charged according to meter size plus the consumption volume charge listed above per one thousand (1,000) gallons of water used in excess of the minimum fifteen hundred (1,500) gallons during months of July through October, beginning ~~October 1, 2025~~ ***April 1, 2026.*** During the billing months of November through June of any fiscal year, such water sprinkler meters shall be billed a minimum monthly charge as would be billed to a 5/8-inch or 3/4-inch meter.

(c) All multiunit dwellings within the city shall be charged for water consumption and availability utilizing the following formula:

Gallons Calculation Beginning ~~October 1, 2025:~~ ***April 1, 2026:***

(Number of units X $26.91) +

$$\frac{\text{(Gallons of water used) - (number of units X 1,500 gallons)}}{1{,}000} \times \text{Volume Charge}$$

Meters and meter reading equipment at the service address are the responsibility of the account holder. Lost, damaged, or stolen meters and meter reading equipment will be billed to account holder at current replacement cost. Normal wear is excluded.

(e) Bulk water sales. Upon the approval of the City of Sherman Utility Billing Department, commercial customers may purchase bulk water from a designated meter or hydrant. Bulk water sales will be metered by the City and purchased in advance. Water sales will be calculated using outside the city rates. Bulk water sales will be for one-time purchases. Customers needing water for multiple occurrences or days must establish a Fire Hydrant Meter account, following the required procedures to establish such account, set forth in Section 13.08.003 of this Code.

SECTION 4. That Chapter 13, Article 13.08, Section 13.08.006 of the Code of Ordinances of the City of Sherman, Texas, be and is hereby amended so that such section shall read as follows:

Sec. 13.08.006 Sewer charges

(a) All persons using the sanitary sewer system and lines of the city shall be charged as follows:

(1) Sewage charges. The sewage charge will be based upon the amount of water used ***and the size of the water meter(s).*** Each sanitary sewer system customer, except multiunit dwelling complexes, shall be charged: a minimum monthly amount~~charge~~:

Meter Size	**Minimum *Monthly Amount*~~Charge~~, whether 1,500 Gallons of Water are Used ~~Oct 1, 2025~~** **Amount**
~~First 1,500 gallons of water used~~ W***ater meters smaller than 12”***	$10.73
Water Meters 12” and larger	***$400,000.00***

For purposes of Section 13.08.006(a), if a customer has multiple meters in excess of 6 inches at the same property location, the multiple meters will be aggregated for purposes of determining the Meter Size and the Minimum Monthly Amount

(2) Volume charge. For commercial customers, except for multiunit dwelling complexes, the charge for sewer is based on all water consumed in excess of the minimum fifteen hundred (1,500) gallons and shall be billed at a rate as follows (beginning ***April 1, 2026***~~October 1, 2025~~):

Residential

Gallons	Rate per 1,000 Gallons
1,500 – 9,000 gallons	$ $ 4.56

Commercial

Gallons	Rate per 1,000 Gallons
1,500 – 100,000 gallons	$ 4.56
100,001 – 500,000 gallons	$ 5.81
500,001 – 10,000,000 gallons	$ 7.06
10,000,001 – Above	$ 12.00

For residential living units, the maximum sewer charge will be forty-four dollars and ninety-three cents (44.93) per residential living unit for fiscal year beginning ~~October 1, 2025~~ ***April 1, 2026***.

For purposes of Section 13.08.006(b), if a customer has multiple meters in excess of 6 inches at the same property location, the number of gallons consumed at the multiple meters will be aggregated for purposes of determining the total number of Gallons and the Rate per 1,000 Gallons.

(b) For multiunit dwelling complexes, the total sewage charge will be based on the amount of water used and will be the lower figure calculated from either of the two (2) following formulas:

Gallons Calculation Beginning ~~October 1, 2025~~ ***April 1, 2026***.

$$\text{(number of dwelling units x \$10.73)} + \frac{\text{(gallons of water used) - (number of units x 1,500 gallons)}}{1{,}000} \times \$4.56$$

or

number of dwelling units X $44.93

SECTION 5. That it is the intention of the City Council of the City of Sherman, Texas, that the provisions of this ordinance shall become a part of the Code of Ordinances of the City of Sherman, Texas, and that sections of this ordinance may be renumbered or re-lettered to accomplish such intention.

SECTION 6. That the provisions of this ordinance are severable and the invalidity of any word, phrase or part of this ordinance shall not affect the validity of effectiveness of the remainder of the ordinance.

SECTION 7. That all ordinances or parts of ordinances in conflict with the provisions of this ordinance are hereby repealed.

SECTION 8. 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.

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

INTRODUCED on this the 16th day of March 2026.

ADOPTED on this the 16th day of March 2026.

EFFECTIVE DATE on this the 16th day of March 2026.

CITY OF SHERMAN, TEXAS

BY: _____
SHAWN TEAMANN, MAYOR

ATTEST:

BY: _____
TER FINE, CITY CLERK

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

BY: _____
RYAN D. PITTMAN, CITY ATTORNEY

SHERMAN CITY COUNCIL
Agenda Communication Form

City Council Regular Meeting Agenda Item No. F.3.

Meeting Date: 3/16/2026

Prepared By: Rob Rae, Developmental Services Director

Approved By:

Caption:

INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 6929

Amending Sherman's Zoning Ordinance/Code Of Ordinances Chapter 14, To Rezone A Tract Of Land Consisting Of 0.441 Acres Being Lot 2, Block 4, Turtle Creek North Addition, City Of Sherman, Grayson County, Texas, Located At 2507 Shoreline Drive, Heretofore Zoned R-6 (Single Family Residential) District; Rezoning And Placing The Tract In The R-12 (Single Family Residential) District Zoning Classification, Keith And Janet Armstrong (Owner), Helvey-Wagner Surveying, Inc. (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

Issue:

Consideration of a Zone Change for 0.441 acres of land located at 2507 Shoreline Drive from R-6 (Single Family Residential) District to R-12 (Single Family Residential) District.

Background:

The property is located at 2507 Shoreline Drive. The property owner is requesting a Zone Change from a R-6 (Single Family) Residential District to a R-12 (Single Family Residential) District.

Capital Improvement Program:

N/A

Origination:

Keith And Janet Armstrong (Owner) and Helvey-Wagner Surveying, Inc. (Surveyor)

Financial Consideration:

None

Staff Recommendation:

At the February 17, 2026, regular meeting, the Planning and Zoning Commission voted 7/0 to recommend to City Council that the Zone Change be approved. **The proposed use is compatible with the City of Sherman Comprehensive Plan.**

Alternatives:

The City Council could deny the request.

Attachments:

1. Ordinance No. 6929
2. EXHIBIT A
3. Location Map
4. Zoning Map
5. Future Landuse Map
6. Property Notification Sign
7. Project Narrative

ORDINANCE NO. 6929

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 0.441 ACRES BEING LOT 2, BLOCK 4, TURTLE CREEK NORTH ADDITION, CITY OF SHERMAN, GRAYSON COUNTY, TEXAS, LOCATED AT 2507 SHORELINE DRIVE, HERETOFORE ZONED R-6 (SINGLE FAMILY RESIDENTIAL) DISTRICT; REZONING AND PLACING THE TRACT IN THE R-12 (SINGLE FAMILY RESIDENTIAL) DISTRICT ZONING CLASSIFICATION, KEITH AND JANET ARMSTRONG (OWNER), HELVEY-WAGNER SURVEYING, INC. (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 2507 Shoreline Drive all streets, roads and alleyways contiguous and/or adjacent thereto, shall be rezoned and placed in the R-12 (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 16th day of March 2026.

ADOPTED on this the 16th day of March 2026.

EFFECTIVE DATE on this the 16th day of March 2026.

CITY OF SHERMAN, TEXAS

BY: _____
SHAWN TEAMANN, MAYOR

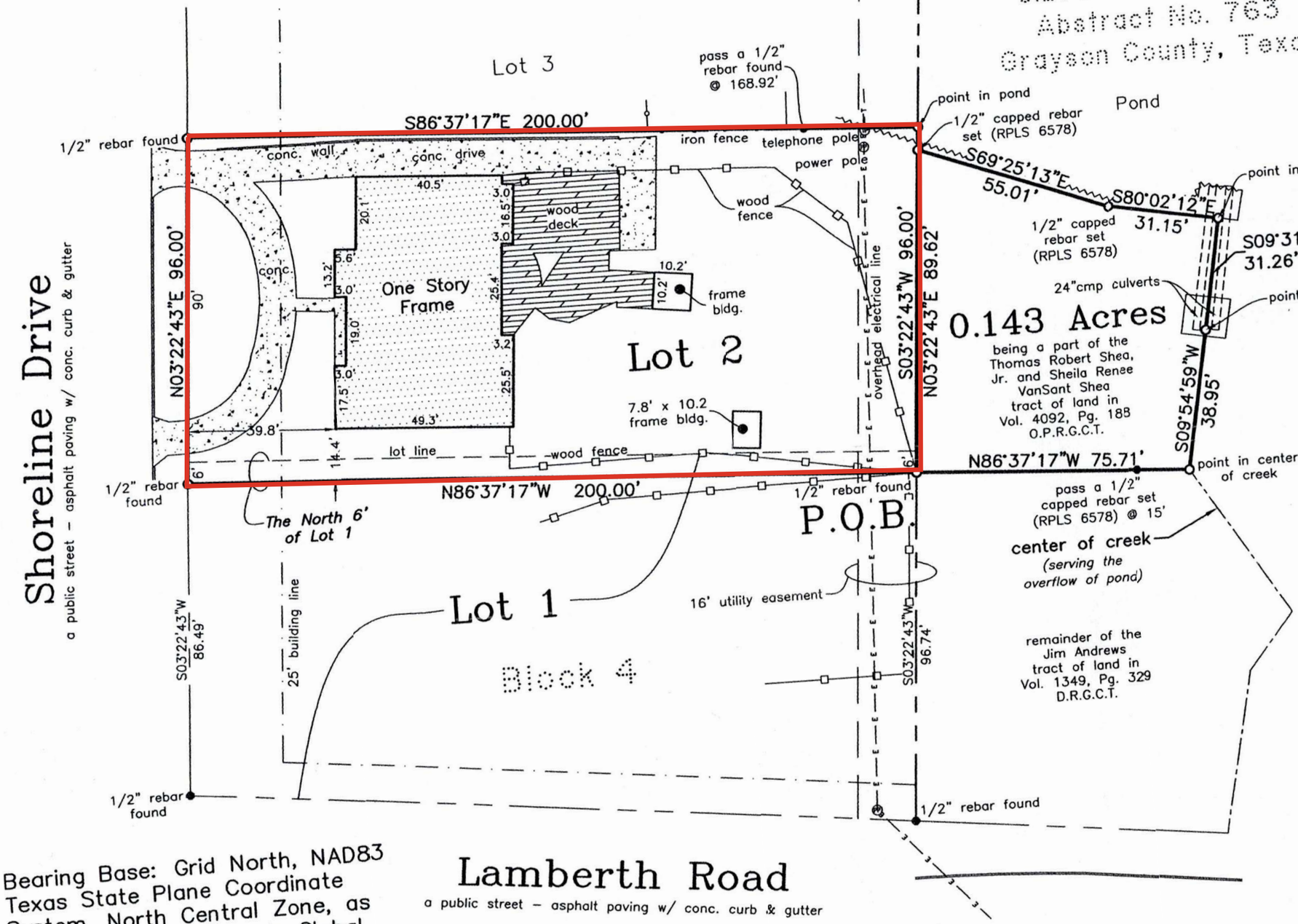
ATTEST:

BY: _____
TERI FINE, CITY CLERK

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

BY: _____
RYAN PITTMAN, CITY ATTORNEY

EXHIBIT A



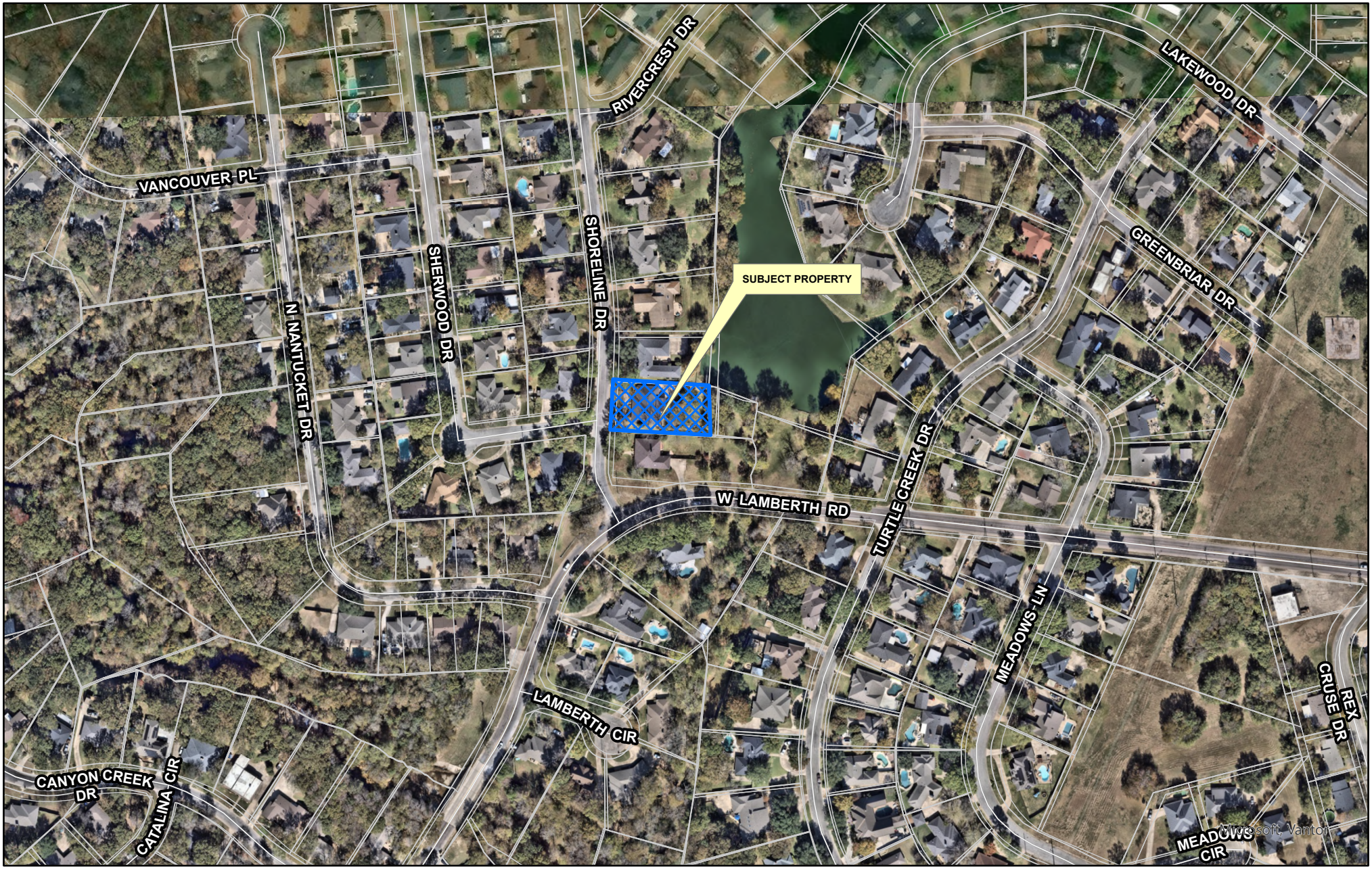
Bearing Base: Grid North, NAD83 Texas State Plane Coordinate System, North Central Zone, as derived by survey-grade Global Positioning System.

Job No. BGS230521

Helvey-Wagner Surveying, Inc.
222 W. Main St., Denison, Texas 75020
Phone (903) 463-6191
Email: kate@helveywagnersurvey.net
TBPELS Firm Registration No. 10088100

The subject property shown hereon does not lie within the limits of any designated 100-year Flood Hazard Areas, as shown on the "FEMA" Flood Insurance Rate Map for Grayson County, Texas, Map No. 48181C0270 F, Revised Date: September 29, 2010.

Kate



Sherman
CLASSIC TOWN. BROAD HORIZON.

Development Services Department

CITY OF SHERMAN
LOCATION MAP
2507 SHORELINE DR

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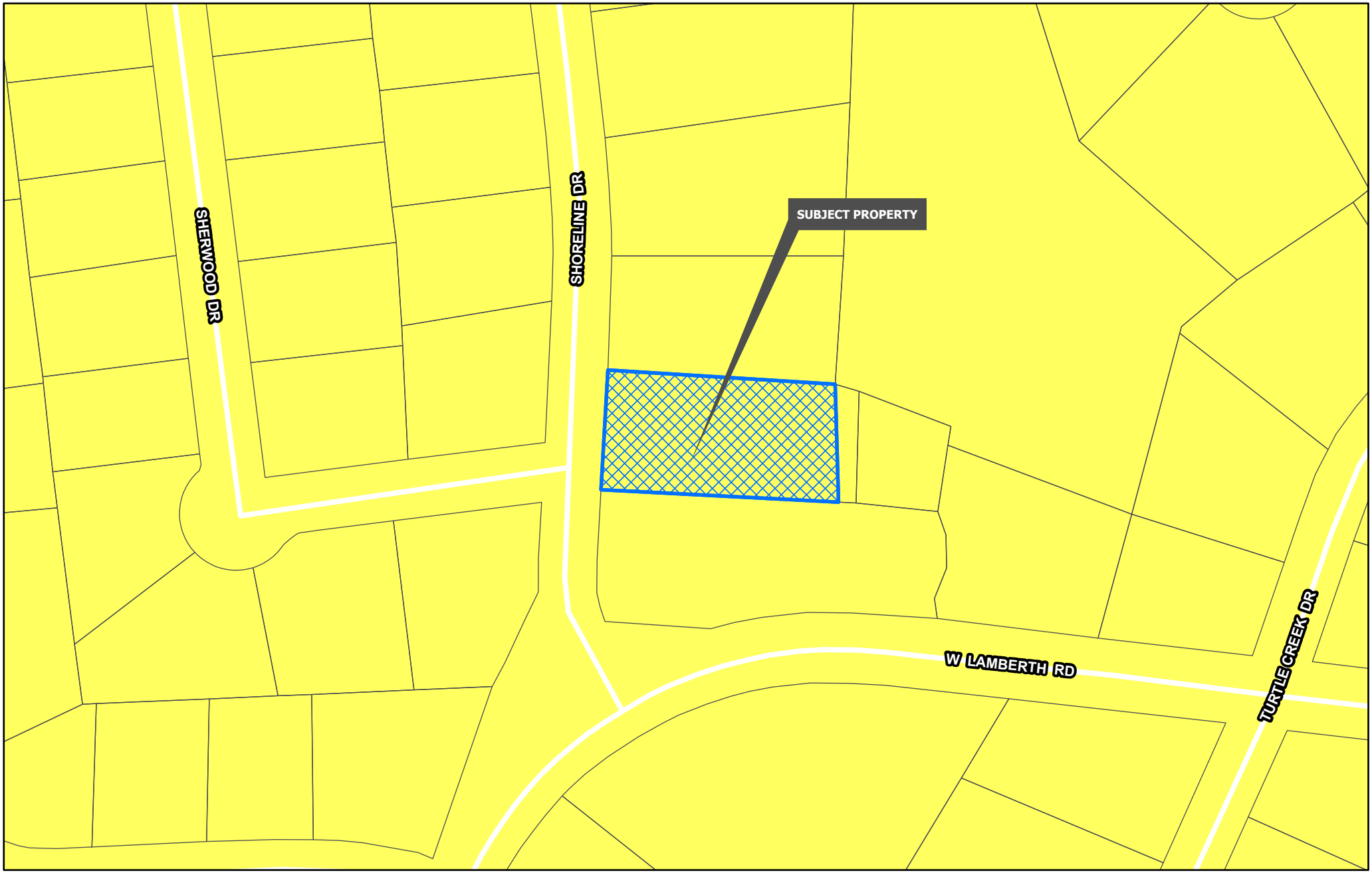

Sherman
CLASSIC TOWN. BROAD HORIZON.
Development Services Department

- 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
2507 SHORELINE DR

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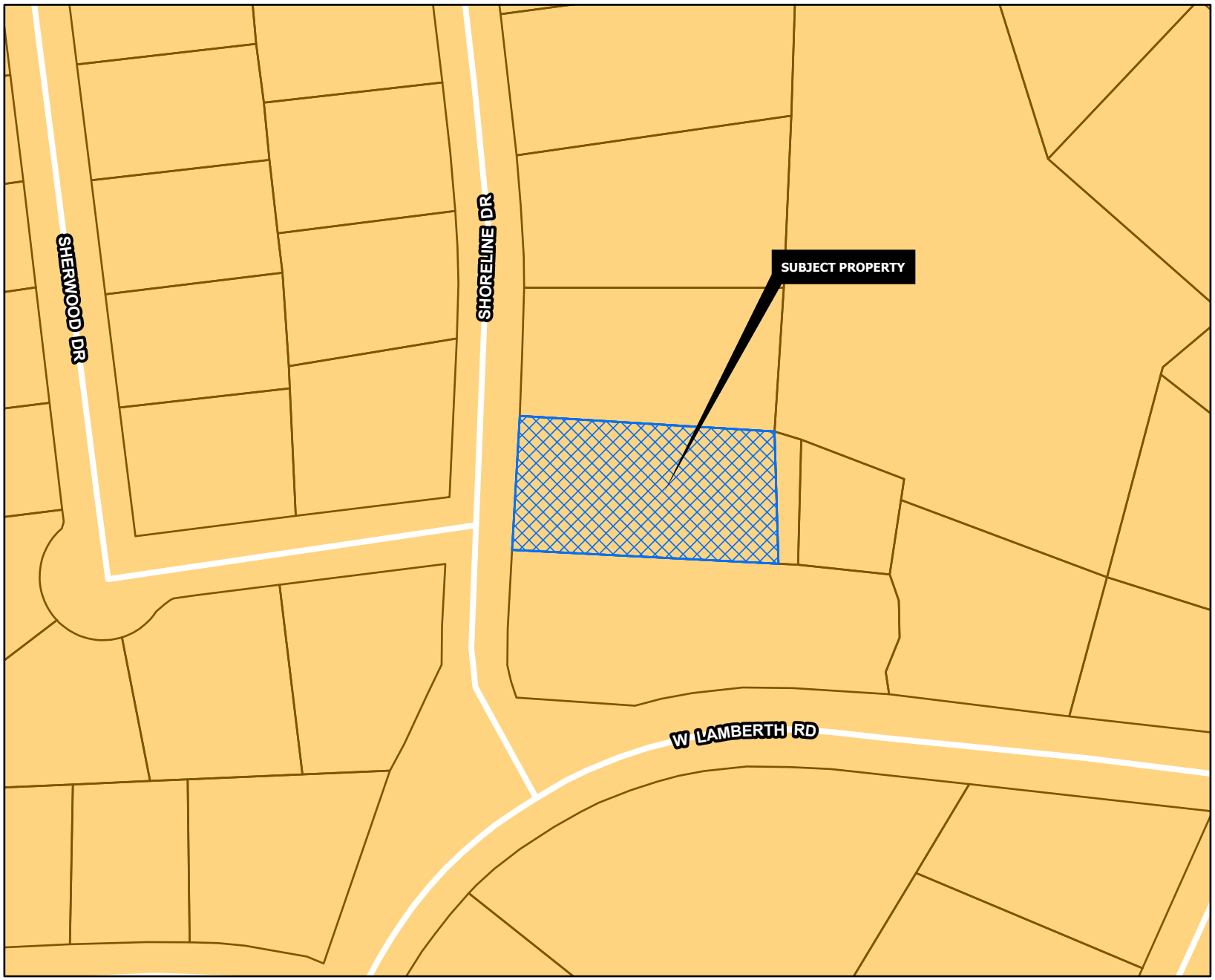

CORE NEIGHBORHOOD

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.

Sherman
CLASSIC TOWN. BROAD HORIZON.
Development Services Department

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

CITY OF SHERMAN
FUTURE LANDUSE MAP
2507 SHORELINE DR

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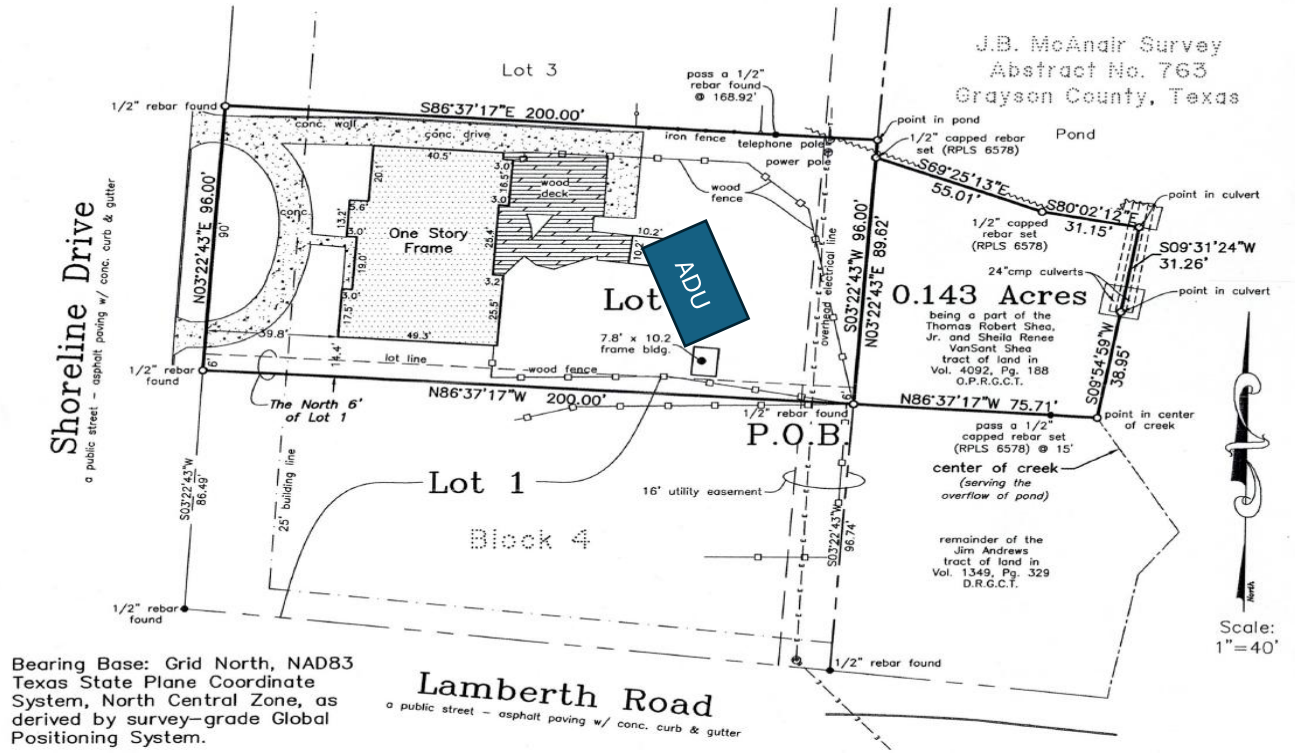
NOTICE OF
PROPOSED ZONING
CHANGE

Project Narrative

The objective of this project is to build a Auxilliary Dwelling Unit in the backyard of my home at 2507 Shoreline Dr, Sherman Texas.

The ADU shall be placed in the backyard as shown in Figure 1. It shall replace the two detached storage sheds and include both dwelling and garden storage area.



SHERMAN CITY COUNCIL
Agenda Communication Form

City Council Regular Meeting Agenda Item No. G.1.

Meeting Date: 3/16/2026

Prepared By:

Approved By:

Caption:
Close Public Hearing
Consider Adoption of Ordinances 6927, 6928 and 6929.

Issue:

F. 1. **INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 6927**
Closing and Abandoning a Portion of a Platted Alley in the City of Sherman, Grayson County, Texas, being more Particularly Described in the Exhibit "A" attached hereto and Made a Part of Hereof for all Purposes, said Alley being Established in Volume 58, Page 245 of Deed Records of Grayson County, Texas

F. 2. **INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 6928**
Amending Chapter 13 Of The Code Of Ordinances, Entitled (Utilities), Article 13.08, Entitled (Utility Billing), at Sections 13.08.005 and Section 13.08.006, To Revise Rates For Water and Sewer Services; Providing A Savings/Repealing Clause, Severability Clause And An Effective Date; Providing For The Publication Of the Caption Hereof.

F. 3. **INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 6929**
Amending Sherman's Zoning Ordinance/Code Of Ordinances Chapter 14, To Rezone A Tract Of Land Consisting Of 0.441 Acres Being Lot 2, Block 4, Turtle Creek North Addition, City Of Sherman, Grayson County, Texas, Located At 2507 Shoreline Drive, Heretofore Zoned R-6 (Single Family Residential) District; Rezoning And Placing The Tract In The R-12 (Single Family Residential) District Zoning Classification, Keith And Janet Armstrong (Owner), Helvey-Wagner Surveying, Inc. (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

Background:

Capital Improvement Program:

Origination:

Financial Consideration:

Staff Recommendation:

Alternatives:

Attachments:
None

SHERMAN CITY COUNCIL
Agenda Communication Form

City Council Regular Meeting Agenda Item No. H.1.

Meeting Date: 3/16/2026

Prepared By: Travis Overturf, Senior Civil Engineer

Approved By: Teri Fine, Assistant to the City Manager

Caption:
RESOLUTION NO. 7630
Awarding Bid to and Authorizing Execution of a Contract with HBA Design Build, LLC based on an Invitation to Bid for the Progress Drive Extension and Tortilla Way.

Issue:
To consider awarding a bid to and authorizing execution of a contract with HBA Design Build, LLC of Celina, Texas, based on an invitation to bid for the Progress Drive Extension and Tortilla Way project.

Background:
This project will provide additional connectivity within the Progress Park Industrial area. A best value scoring system was implemented on the bidding process on this project where project cost was the highest valued component at 60%, followed by construction time (15%), contractor qualifications (15%), and safety record (10%).

This project consists of approximately 3,500LF of concrete roadway extensions as well as the necessary storm drain and water line extensions to serve this area.

Seven (7) responsive and responsible bids were received on Friday, February 27, 2026. Scoring was undertaken by city staff and the Tortilla Way Design Firm on March 3, 2026. Results are included with the attachments. It is recommended to award this contract to HBA Design Build, LLC, who had the highest average point score. The contractor has informed staff that they will begin immediately following the Notice to Proceed.

Capital Improvement Program:
23-028

Origination:
Engineering Department

Financial Consideration:
Funding in the amount of $4,968,032.54 is required and will be provided from certificates of obligation in the General Improvement Fund.

Staff Recommendation:
It is recommended that the best value bid be awarded for the Progress Drive Extension and Tortilla Way project to HBA Design Build, LLC, for providing, in the opinion of City staff, the highest ranking score. It is also recommended that the City Manager be authorized to execute the required contract documents.

Alternatives:
As may be directed by City Council

Attachments:
1. Resolution No. 7630
2. AGREEMENT-Signed
3. Bid Tabulation
4. Bid Proposal Evaluation Results
5. Location Map

RESOLUTION NO. 7630

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AWARDING A BID TO AND AUTHORIZING EXECUTION OF A CONTRACT WITH HBA DESIGN BUILD, LLC BASED ON AN INVITATION TO BID FOR THE PROGRESS DRIVE EXTENSION AND TORTILLA WAY; 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 HBA Design Build, LLC of Celina, Texas, is hereby awarded the bid and the City of Sherman hereby approves the contract with HBA Design Build, LLC, in the amount of Four Million Nine Hundred Sixty-Eight Thousand Thirty-Two Dollars and Fifty-Four Cents ($4,968,032.54) for the Progress Drive Extension and Tortilla Way; 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 HBA Design Build, 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 16th day of March 2026.

CITY OF SHERMAN, TEXAS

ATTEST:

BY: _____ **BY:** _____
TERI FINE, CITY CLERK **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

AGREEMENT

THIS AGREEMENT is by and between the CITY OF SHERMAN, TEXAS, a home-rule municipality (the "CITY"), and HBA Design Build, 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 (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 Contract Documents (collectively, the "Work"). The Work is generally described as follows:

Progress Drive Extension and Tortilla Way

Article 2. **ENGINEER**

The Project has been designed by Brockette/Davis/Drake, Inc. and BGE, Inc., 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 must be substantially completed and ready for final payment within the number of calendar days indicated in the Bid Submittal 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 $ 1,200.00 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 an Application 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.

Article 6. **INTEREST**

If the contract amount of this Agreement 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 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.

7.3 CONTRACTOR has reviewed and fully agrees to the limitation of liability provisions included in the Special Provisions.

7.4 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 Solicitation 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 Closeout Documents
8.17 Special Provisions
8.18 Technical Specification prepared and issued by the City of Sherman dated 02/06/2026.
8.19a Drawings, consisting of sheets numbered 01 through 42, inclusive with each sheet bearing the following general title: **Progress Drive Extension to Flanary Rd**.
8.19b Drawings, consisting of sheets numbered 01 through 24, inclusive with each sheet bearing the following general title: **Tortilla Way**.
8.20 Addenda numbers 1 to 1, inclusive.
8.22 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. The Contract Documents may only be amended, modified or supplemented, as outlined in this Agreement.

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 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.

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 or the City of Sherman 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: HBA Design Build, LLC
_____	MIKE/ARKIE
By: _____	By: Mike Lucc
Date: _____	Date: 03/06/2026
	(Corporate Seal)
Attest: _____	Attest:
Address for giving notices:	Address for giving notices:
_____	222 W. Walnut Ste, Suite 200
_____	Celina, TX 75009

Bid Tabulation

Project: **Progress Drive Extension and Tortilla Way**

Owner: City of Sherman

Project #3059 and Bid Number 2026-09

Date: 2/27/2026

Item	Description	Quantity	Unit	HBA Design Build		Lynn Vessels Construction, LLC		SYB Construction		Iron T Construction, Inc.	
				Unit Price	Total Price	Unit Price	Total Price	Unit Price	Total Price	Unit Price	Total Price
Base Bid-General Conditions											
G1	Mobilization, Bonds & Insurance @ Maximum 5% of Total Bid	1	LS	38,563.90	$38,563.90	151,182.96	$151,182.96	159,830.60	$159,830.60	250,000.00	$250,000.00
G2	Contingency Allowance	1	LS	500,000.00	$500,000.00	500,000.00	$500,000.00	500,000.00	$500,000.00	500,000.00	$500,000.00
G3	Storm Water Pollution Prevention Plan (SWPPP)	1	LS	2,896.95	$2,896.95	2,301.00	$2,301.00	18,880.00	$18,880.00	10,000.00	$10,000.00
Base Bid-Progress Drive (A)											
A1	Right-of-Way Preparation	23.5	STA	5,499.29	$129,233.32	4,966.24	$116,706.64	6,087.80	$143,063.30	6,300.00	$148,050.00
A2	Excavation (Roadway and Ditch)	9,750	CY	10.00	$97,500.00	5.88	$57,330.00	5.86	$57,135.00	15.00	$146,250.00
A3	Embankment (Import)	21,100.00	CY	2.42	$51,062.00	9.35	$197,285.00	14.01	$295,611.00	12.00	$253,200.00
A3b	Embankment (Borrow from Onsite Stockpile)	2,000.00	CY	2.42	$4,840.00	6.49	$12,980.00	6.68	$13,360.00	5.00	$10,000.00
A4	Remove Concrete Pavement	590.00	SY	8.38	$4,944.20	23.77	$14,024.30	12.42	$7,327.80	10.00	$5,900.00
A5	7” Reinforced Concrete Pavement w/ #4 @ 18” OCEW	12,835.00	SY	63.79	$818,744.65	68.37	$877,528.95	63.28	$812,198.80	95.00	$1,219,325.00
A6	Lime Treated Subgrade	13,350	SY	5.19	$69,286.50	4.66	$62,211.00	4.52	$60,342.00	5.00	$66,750.00
A7	Lime @ 48 #/SY	320	TON	366.70	$117,344.00	355.68	$113,817.60	375.00	$120,000.00	350.00	$112,000.00
A8	Asphalt Transition	100	TON	404.21	$40,421.00	264.48	$26,448.00	108.01	$10,801.00	50.00	$5,000.00
A9	Reinforced Concrete Street Header	287	LF	36.67	$10,524.29	33.00	$9,471.00	14.80	$4,247.60	100.00	$28,700.00
A10	Furnish & Install 18” Class III RCP	319	LF	80.67	$25,733.73	84.04	$26,808.76	152.01	$48,491.19	100.00	$31,900.00
A11	Furnish & Install 24” Class III RCP	587	LF	104.25	$61,194.75	106.48	$62,503.76	122.68	$72,013.16	100.00	$58,700.00
A12	Furnish & Install 27” Class III RCP	271	LF	125.20	$33,929.20	125.80	$34,091.80	162.39	$44,007.69	120.00	$32,520.00
A13	Furnish & Install 30” Class III RCP	156	LF	145.11	$22,637.16	137.41	$21,435.96	188.37	$29,385.72	150.00	$23,400.00
A14	Furnish & Install 36” Class III RCP	241	LF	182.83	$44,062.03	173.61	$41,840.01	228.42	$55,049.22	175.00	$42,175.00
A15	Furnish & Install 3 - 8’x8’ RCB	171	LF	2,429.18	$415,389.78	2,415.78	$413,098.38	2,304.07	$393,995.97	750.00	$128,250.00
A16	Furnish & Install 10’ Recessed Curb Inlet	6.00	EA	5,685.99	$34,115.94	7,715.06	$46,290.36	6,500.00	$39,000.00	8,000.00	$48,000.00
A17	Furnish & Install 15’ Recessed Inlet	6.00	EA	10,285.49	$61,712.94	9,928.77	$59,572.62	9,500.00	$57,000.00	12,000.00	$72,000.00
A18	Furnish & Install Type “A” Storm Sewer Manhole	3	EA	7,884.11	$23,652.33	6,801.52	$20,404.56	6,500.00	$19,500.00	15,000.00	$45,000.00
A19	Furnish & Install Type “B” Storm Sewer Manhole	2.00	EA	8,196.33	$16,392.66	8,092.44	$16,184.88	8,569.30	$17,138.60	21,000.00	$42,000.00
A20	Furnish & Install 27” 3:1 Sloping End Headwall	4	EA	4,976.68	$19,906.72	2,493.70	$9,974.80	2,726.49	$10,905.96	3,000.00	$12,000.00
A21	Furnish & Install Parallel Wingwall (3 – 8’x8’ RCB)	2	EA	43,527.63	$87,055.26	78,636.80	$157,273.60	125,111.14	$250,222.28	40,000.00	$80,000.00
A22	Furnish & Install Energy Dissipators (3 – 8’x8’ RCB)	1	LS	3,771.80	$3,771.80	6,034.28	$6,034.28	2,788.39	$2,788.39	15,000.00	$15,000.00
A23	Furnish & Install Concrete Rip Rap	780	SY	314.32	$245,169.60	129.24	$100,807.20	87.22	$68,031.60	70.00	$54,600.00
A24	Furnish & Install Grouted Rock Rubble Rip Rap	912	SY	235.74	$214,994.88	126.38	$115,258.56	111.84	$101,998.08	150.00	$136,800.00
A25	Furnish & Install Metal Beam Guard Fence	725	LF	51.86	$37,598.50	30.80	$22,330.00	43.91	$31,834.75	20.00	$14,500.00
A26	Furnish & Install Guardrail End Treatment	4	EA	5,500.54	$22,002.16	4,537.20	$18,148.80	4,646.93	$18,587.72	5,000.00	$20,000.00
A27	Furnish & Install 4” Type I Yellow Solid Thermo	4,420	LF	2.10	$9,282.00	1.71	$7,558.20	1.79	$7,911.80	2.00	$8,840.00
A28	Furnish & Install 12” Type I Yellow Solid Thermo	400	LF	4.71	$1,884.00	5.70	$2,280.00	12.32	$4,928.00	9.00	$3,600.00
A29	Furnish & Install 24” White Stop Bar	85	LF	6.80	$578.00	11.40	$969.00	16.80	$1,428.00	17.00	$1,445.00
A30	Furnish & Install Type II-A-A RPM	55	EA	5.24	$288.20	7.98	$438.90	10.08	$554.40	7.00	$385.00
A31	Furnish & Install 30 MPH Sign (W2-1)	2	EA	398.13	$796.26	461.70	$923.40	778.40	$1,556.80	500.00	$1,000.00
A32	Furnish & Install Keep Left Sign (R4-8b)	1	EA	398.13	$398.13	444.66	$444.66	946.40	$946.40	500.00	$500.00
A33	Furnish & Install Stop Sign with Name Blade (R1-1)	1	EA	445.28	$445.28	798.00	$798.00	968.80	$968.80	600.00	$600.00
A34	Furnish & Install Double Arrow Sign (W1-7T)	1	EA	398.13	$398.13	1,054.50	$1,054.50	778.40	$778.40	1,000.00	$1,000.00
A35	Furnish & Install Type III Barricade (Permanent)	2	EA	691.50	$1,383.00	2,280.00	$4,560.00	2,458.40	$4,916.80	3,000.00	$6,000.00
A36	Furnish & Install Railroad Thermo Marker	2	LS	235.74	$471.48	1,083.00	$2,166.00	2,632.00	$5,264.00	1,250.00	$2,500.00
A37	Furnish & Install Railroad Sign W10-1	2	EA	497.67	$995.34	484.50	$969.00	778.40	$1,556.80	600.00	$1,200.00
A38	Furnish & Install “Do Not Stop on Track” Sign R8-8	2	EA	497.67	$995.34	421.80	$843.60	778.40	$1,556.80	500.00	$1,000.00
A39	Furnish & Install Railroad Sign R15-1	2	EA	497.67	$995.34	638.40	$1,276.80	778.40	$1,556.80	500.00	$1,000.00
A40	Furnish & Install End Marker (OM-3R)	4	EA	497.67	$1,990.68	393.30	$1,573.20	677.60	$2,710.40	500.00	$2,000.00
A41	Revegetation	27,400	SY	7.58	$207,692.00	6.32	$173,168.00	6.24	$170,976.00	4.00	$109,600.00
A42	Silt Fence (Install/Maintain/ Remove)	3,000	LF	1.62	$4,860.00	2.24	$6,720.00	2.95	$8,850.00	2.00	$6,000.00
A43	Inlet Protection (Install/Maintain/ Remove)	12	EA	83.82	$1,005.84	145.32	$1,743.84	94.40	$1,132.80	200.00	$2,400.00

A44	Rock Check Dam (Install/Maintain/ Remove)	5	EA	1,508.30	$7,541.50	944.00	$4,720.00	2,025.87	$10,129.35	500.00	$2,500.00
WATER											
A45	Furnish & Install 6" PVC C900 DR18 Pipe	15	LF	80.67	$1,210.05	38.78	$581.70	718.16	$10,772.40	250.00	$3,750.00
A46	Furnish & Install 8" PVC C900 DR18 Pipe	208	LF	88.01	$18,306.08	78.19	$16,263.52	88.54	$18,416.32	50.00	$10,400.00
A47	Furnish & Install 18" PVC C900 DR18 Pipe	318	LF	231.55	$73,632.90	194.95	$61,994.10	209.70	$66,684.60	200.00	$63,600.00
A48	Furnish & Install 6" Valve with Blocking	2	EA	2,367.85	$4,735.70	1,682.99	$3,365.98	1,935.64	$3,871.28	5,000.00	$10,000.00
A49	Furnish & Install 8" Valve with Blocking	1	EA	3,101.26	$3,101.26	2,459.12	$2,459.12	2,774.40	$2,774.40	6,000.00	$6,000.00
A50	Furnish & Install 18" Valve with Blocking	3	EA	12,677.44	$38,032.32	15,332.20	$45,996.60	12,349.95	$37,049.85	15,000.00	$45,000.00
A51	Furnish & Install Fire Hydrant Assembly, Complete in Place	1	EA	8,696.10	$8,696.10	7,176.76	$7,176.76	6,312.55	$6,312.55	7,000.00	$7,000.00
A52	Connect to Existing 6" Waterline	1	EA	1,634.45	$1,634.45	1,603.10	$1,603.10	962.10	$962.10	12,000.00	$12,000.00
A53	Connect to Existing 8" Waterline	1	EA	1,749.70	$1,749.70	2,312.80	$2,312.80	1,109.60	$1,109.60	15,000.00	$15,000.00
A54	Connect to Existing 18" Waterline	2	EA	1,749.70	$3,499.40	8,739.08	$17,478.16	7,984.37	$15,968.74	15,000.00	$30,000.00
A55	Remove Fire Hydrant	1	EA	2,515.58	$2,515.58	590.00	$590.00	108.95	$108.95	1,000.00	$1,000.00
A56	Hydrostatic Testing and Disinfection	1	LS	6,640.47	$6,640.47	3,540.00	$3,540.00	4,838.11	$4,838.11	5,000.00	$5,000.00
A57	Trench Safety (Progress Drive Items)	2,286	LF	2.10	$4,800.60	1.18	$2,697.48	2.12	$4,846.32	2.00	$4,572.00
Base Bid-Tortilla Way (B)											
B1	Right-of-Way Preparation	12.4	STA	1,781.13	$22,086.01	3,084.75	$38,250.90	7,632.75	$94,646.10	12,100.00	$150,040.00
B2	Excavation (Roadway and Ditch)	5850	CY	8.17	$47,794.50	5.88	$34,398.00	5.95	$34,807.50	15.00	$87,750.00
B3	Embankment (Import)	14,700	CY	11.52	$169,344.00	9.35	$137,445.00	3.61	$53,067.00	12.00	$176,400.00
B3b	Embankment (Borrow from Onsite Stockpile)	1,500	CY	24.62	$36,930.00	6.49	$9,735.00	6.68	$10,020.00	10.00	$15,000.00
B4	7" Reinforced Concrete Pavement w/ #4 @ 18" OCEW	5,449	SY	67.13	$365,791.37	68.37	$372,548.13	69.29	$377,561.21	95.00	$517,655.00
B5	Lime Treated Subgrade	6,029	SY	5.19	$31,290.51	4.66	$28,095.14	4.99	$30,084.71	5.00	$30,145.00
B6	Lime @ 48 #/SY	145	TON	366.70	$53,171.50	355.68	$51,573.60	375.00	$54,375.00	350.00	$50,750.00
B7	Reinforced Concrete Street Header	236	LF	36.67	$8,654.12	33.00	$7,788.00	14.79	$3,490.44	100.00	$23,600.00
B8	Furnish & Install 18" Class III RCP	60	LF	52.91	$3,174.60	84.04	$5,042.40	151.94	$9,116.40	100.00	$6,000.00
B9	Furnish & Install 21" Class III RCP	115	LF	99.53	$11,445.95	93.01	$10,696.15	137.41	$15,802.15	100.00	$11,500.00
B10	Furnish & Install 24" Class III RCP	10	LF	264.03	$2,640.30	106.48	$1,064.80	122.48	$1,224.80	100.00	$1,000.00
B11	Furnish & Install 3'x3' RCB	191	LF	281.84	$53,831.44	284.08	$54,259.28	287.41	$54,895.31	300.00	$57,300.00
B12	Furnish & Install 4'x2' RCB	78	LF	295.98	$23,086.44	300.92	$23,471.76	341.63	$26,647.14	315.00	$24,570.00
B13	Furnish & Install 4'x3' RCB	96	LF	463.62	$44,507.52	327.79	$31,467.84	367.06	$35,237.76	330.00	$31,680.00
B14	Furnish & Install 4'x4' RCB	95	LF	342.08	$32,497.60	352.75	$33,511.25	386.40	$36,708.00	360.00	$34,200.00
B15	Furnish & Install 10' Standard Curb Inlet	5	EA	5,762.47	$28,812.35	7,569.74	$37,848.70	8,733.32	$43,666.60	10,000.00	$50,000.00
B16	Furnish & Install 5'x5' Wye Inlet	1	EA	8,067.46	$8,067.46	6,287.04	$6,287.04	6,762.11	$6,762.11	10,000.00	$10,000.00
B17	Furnish & Install 5' Drop Inlet	1	EA	7,474.45	$7,474.45	9,688.51	$9,688.51	4,954.89	$4,954.89	12,000.00	$12,000.00
B18	Furnish & Install 5'x5' Junction Box	1	EA	8,107.80	$8,107.80	7,820.80	$7,820.80	8,569.30	$8,569.30	13,000.00	$13,000.00
B19	Furnish & Install Type 3'x3' TxDOT SETB-PD	1	EA	7,543.60	$7,543.60	6,645.72	$6,645.72	8,394.66	$8,394.66	15,000.00	$15,000.00
B20	Furnish & Install 4'x4' TxDOT SETB-FW-S (30-degree SKEW)	1	EA	9,953.36	$9,953.36	9,655.29	$9,655.29	9,239.54	$9,239.54	20,000.00	$20,000.00
B21	Furnish & Install 4'x3' TxDOT SETB-SW-0	1	EA	9,134.04	$9,134.04	5,085.09	$5,085.09	8,991.74	$8,991.74	20,000.00	$20,000.00
B22	Furnish & Install Grouted Rock Rubble Rip Rap	65	SY	235.74	$15,323.10	126.38	$8,214.70	209.35	$13,607.75	150.00	$9,750.00
B23	Furnish & Install 24" White Stop Bar	20	LF	6.81	$136.20	11.80	$236.00	56.00	$1,120.00	17.00	$340.00
B24	Furnish & Install Stop Sign with Name Blade (R1-1)	1	EA	445.28	$445.28	826.00	$826.00	968.80	$968.80	600.00	$600.00
B25	Construction Entrance (Install/Maintain/ Remove)	1	EA	5,238.61	$5,238.61	2,360.00	$2,360.00	9,440.00	$9,440.00	3,000.00	$3,000.00
B26	Silt Fence (Install/Maintain/ Remove)	2415	LF	1.81	$4,371.15	2.24	$5,409.60	2.95	$7,124.25	2.00	$4,830.00
B29	Concrete Washout(Install/Maintain/ Remove)	1	EA	4,190.89	$4,190.89	1,534.00	$1,534.00	5,900.00	$5,900.00	2,000.00	$2,000.00
B30	10' Inlet Protection Barriers (Install/Maintain/ Remove)	5	EA	83.82	$419.10	120.48	$602.40	94.40	$472.00	2.00	$10.00
B31	5'x5' Inlet Protection Barrier (Install/Maintain/ Remove)	2	EA	89.06	$178.12	135.70	$271.40	94.40	$188.80	500.00	$1,000.00
B32	Gravity Rock Retaining Wall	1420	Face-	31.28	$44,417.60	44.00	$62,480.00	84.86	$120,501.20	30.00	$42,600.00
WATER											
B33	Furnish & Install 12" PVC C900 DR18 Pipe	1423	LF	79.63	$113,313.49	85.80	$122,093.40	111.30	$158,379.90	80.00	$113,840.00
B34	Furnish & Install 10" PVC C900 DR18 Pipe	15	LF	248.83	$3,732.45	154.61	$2,319.15	497.09	$7,456.35	500.00	$7,500.00
B35	Furnish & Install 10" Valve with Blocking	3	EA	4,075.64	$12,226.92	3,661.15	$10,983.45	3,983.90	$11,951.70	7,000.00	$21,000.00
B36	Furnish & Install 12" Valve with Blocking	6	EA	5,416.20	$32,497.20	4,395.50	$26,373.00	4,697.80	$28,186.80	10,000.00	$60,000.00
B37	Furnish & Install Fire Hydrant Assembly, Complete in Place	4	EA	11,210.63	$44,842.52	7,998.94	$31,995.76	6,311.85	$25,247.40	7,000.00	$28,000.00
B38	Connect to Existing 18" Waterline	1	EA	25,145.34	$25,145.34	7,118.94	$7,118.94	20,180.81	$20,180.81	30,000.00	$30,000.00
B39	Hydrostatic Testing and Disinfection	1	LS	5,918.58	$5,918.58	3,540.00	$3,540.00	4,838.11	$4,838.11	5,000.00	$5,000.00
B40	Trench Safety (Tortilla Way Items)	2,083	LF	2.43	$5,061.69	1.18	$2,457.94	2.32	$4,832.56	2.00	$4,166.00
		TOTAL BASE BID			$4,968,032.54		$4,902,805.34		$5,212,843.79		$5,668,138.00

Bid Tabulation
Project: **Progress Drive Extension and Tortilla Way**
Owner: City of Sherman
Project #3059 and Bid Number 2026-09
Date: 2/27/2026

				McMahon Contracting, LP		J&L Construction, LLC		MH Civil Constructors, Inc.			
Item	**Description**	**Quantity**	**Unit**	**Unit Price**	**Total Price**	**Unit Price**	**Total Price**	**Unit Price**	**Total Price**	**Unit Price**	**Total Price**
Base Bid-General Conditions											
G1	Mobilization, Bonds & Insurance @ Maximum 5% of Total Bid	1	LS	239,848.09	$239,848.09	133,343.49	$133,343.49	386,584.00	$386,584.00		
G2	Contingency Allowance	1	LS	500,000.00	$500,000.00	500,000.00	$500,000.00	500,000.00	$500,000.00		
G3	Storm Water Pollution Prevention Plan (SWPPP)	1	LS	1,263.82	$1,263.82	2,087.21	$2,087.21	11,000.00	$11,000.00		
Base Bid-Progress Drive (A)											
A1	Right-of-Way Preparation	23.5	STA	1,821.30	$42,800.55	3,240.15	$76,143.53	5,000.00	$117,500.00		
A2	Excavation (Roadway and Ditch)	9,750	CY	11.05	$107,737.50	11.06	$107,835.00	30.00	$292,500.00		
A3	Embankment (Import)	21,100.00	CY	29.42	$620,762.00	26.79	$565,269.00	30.00	$633,000.00		
A3b	Embankment (Borrow from Onsite Stockpile)	2,000.00	CY	21.85	$43,700.00	6.47	$12,940.00	30.00	$60,000.00		
A4	Remove Concrete Pavement	590.00	SY	14.55	$8,584.50	4.89	$2,885.10	43.00	$25,370.00		
A5	7” Reinforced Concrete Pavement w/ #4 @ 18” OCEW	12,835.00	SY	56.39	$723,765.65	69.35	$890,107.25	150.00	$1,925,250.00		
A6	Lime Treated Subgrade	13,350	SY	4.45	$59,407.50	5.11	$68,218.50	13.00	$173,550.00		
A7	Lime @ 48 #/SY	320	TON	361.93	$115,817.60	379.91	$121,571.20	240.00	$76,800.00		
A8	Asphalt Transition	100	TON	233.50	$23,350.00	459.26	$45,926.00	220.00	$22,000.00		
A9	Reinforced Concrete Street Header	287	LF	22.49	$6,454.63	55.54	$15,939.98	50.00	$14,350.00		
A10	Furnish & Install 18” Class III RCP	319	LF	85.81	$27,373.39	127.07	$40,535.33	140.00	$44,660.00		
A11	Furnish & Install 24” Class III RCP	587	LF	116.17	$68,191.79	352.06	$206,659.22	280.00	$164,360.00		
A12	Furnish & Install 27” Class III RCP	271	LF	135.43	$36,701.53	197.46	$53,511.66	300.00	$81,300.00		
A13	Furnish & Install 30” Class III RCP	156	LF	161.12	$25,134.72	209.95	$32,752.20	550.00	$85,800.00		
A14	Furnish & Install 36” Class III RCP	241	LF	211.49	$50,969.09	269.65	$64,985.65	600.00	$144,600.00		
A15	Furnish & Install 3 - 8’x8’ RCB	171	LF	2,235.53	$382,275.63	3,312.43	$566,425.53	1,500.00	$256,500.00		
A16	Furnish & Install 10’ Recessed Curb Inlet	6.00	EA	7,752.20	$46,513.20	8,874.03	$53,244.18	20,000.00	$120,000.00		
A17	Furnish & Install 15’ Recessed Inlet	6.00	EA	12,959.25	$77,755.50	11,423.59	$68,541.54	20,000.00	$120,000.00		
A18	Furnish & Install Type “A” Storm Sewer Manhole	3	EA	9,340.00	$28,020.00	10,015.53	$30,046.59	9,000.00	$27,000.00		
A19	Furnish & Install Type “B” Storm Sewer Manhole	2.00	EA	14,050.87	$28,101.74	7,212.46	$14,424.92	9,000.00	$18,000.00		
A20	Furnish & Install 27” 3:1 Sloping End Headwall	4	EA	3,204.79	$12,819.16	7,005.78	$28,023.12	20,000.00	$80,000.00		
A21	Furnish & Install Parallel Wingwall (3 – 8’x8’ RCB)	2	EA	61,784.57	$123,569.14	112,973.51	$225,947.02	24,000.00	$48,000.00		
A22	Furnish & Install Energy Dissipators (3 – 8’x8’ RCB)	1	LS	9,077.94	$9,077.94	52,699.38	$52,699.38	98,000.00	$98,000.00		
A23	Furnish & Install Concrete Rip Rap	780	SY	223.58	$174,392.40	104.06	$81,166.80	100.00	$78,000.00		
A24	Furnish & Install Grouted Rock Rubble Rip Rap	912	SY	150.84	$137,566.08	38.31	$34,938.72	90.00	$82,080.00		
A25	Furnish & Install Metal Beam Guard Fence	725	LF	32.69	$23,700.25	119.31	$86,499.75	130.00	$94,250.00		
A26	Furnish & Install Guardrail End Treatment	4	EA	4,646.65	$18,586.60	5,709.69	$22,838.76	4,000.00	$16,000.00		
A27	Furnish & Install 4” Type I Yellow Solid Thermo	4,420	LF	1.52	$6,718.40	1.93	$8,530.60	3.00	$13,260.00		
A28	Furnish & Install 12” Type I Yellow Solid Thermo	400	LF	5.25	$2,100.00	10.89	$4,356.00	16.00	$6,400.00		
A29	Furnish & Install 24” White Stop Bar	85	LF	9.34	$793.90	26.12	$2,220.20	20.00	$1,700.00		
A30	Furnish & Install Type II-A-A RPM	55	EA	9.34	$513.70	20.03	$1,101.65	100.00	$5,500.00		
A31	Furnish & Install 30 MPH Sign (W2-1)	2	EA	694.67	$1,389.34	889.34	$1,778.68	1,200.00	$2,400.00		
A32	Furnish & Install Keep Left Sign (R4-8b)	1	EA	694.66	$694.66	1,249.03	$1,249.03	1,200.00	$1,200.00		
A33	Furnish & Install Stop Sign with Name Blade (R1-1)	1	EA	928.16	$928.16	1,356.03	$1,356.03	1,200.00	$1,200.00		
A34	Furnish & Install Double Arrow Sign (W1-7T)	1	EA	694.66	$694.66	1,762.63	$1,762.63	1,200.00	$1,200.00		
A35	Furnish & Install Type III Barricade (Permanent)	2	EA	1,751.25	$3,502.50	3,569.69	$7,139.38	2,300.00	$4,600.00		
A36	Furnish & Install Railroad Thermo Marker	2	LS	875.63	$1,751.26	1,697.19	$3,394.38	1,100.00	$2,200.00		
A37	Furnish & Install Railroad Sign W10-1	2	EA	694.67	$1,389.34	996.34	$1,992.68	2,400.00	$4,800.00		
A38	Furnish & Install “Do Not Stop on Track” Sign R8-8	2	EA	694.67	$1,389.34	889.34	$1,778.68	2,400.00	$4,800.00		
A39	Furnish & Install Railroad Sign R15-1	2	EA	694.67	$1,389.34	889.34	$1,778.68	3,400.00	$6,800.00		
A40	Furnish & Install End Marker (OM-3R)	4	EA	694.66	$2,778.64	709.49	$2,837.96	2,400.00	$9,600.00		
A41	Revegetation	27,400	SY	8.03	$220,022.00	13.70	$375,380.00	10.00	$274,000.00		
A42	Silt Fence (Install/Maintain/ Remove)	3,000	LF	2.02	$6,060.00	4.82	$14,460.00	4.00	$12,000.00		
A43	Inlet Protection (Install/Maintain/ Remove)	12	EA	101.11	$1,213.32	861.68	$10,340.16	400.00	$4,800.00		

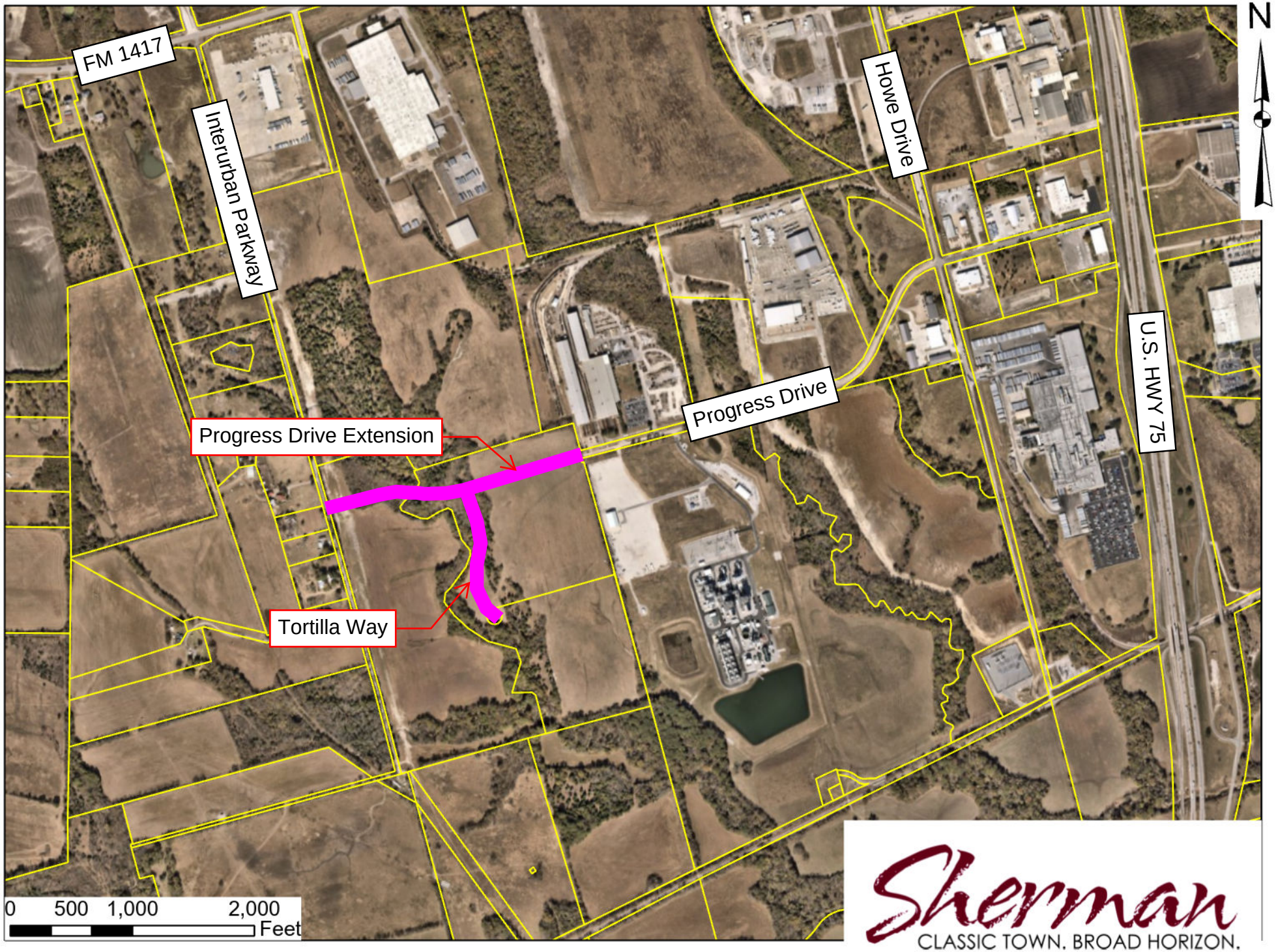
A44	Rock Check Dam (Install/Maintain/ Remove)	5	EA	1,895.73	$9,478.65	1,862.60	$9,313.00	400.00	$2,000.00		
WATER											
A45	Furnish & Install 6" PVC C900 DR18 Pipe	15	LF	58.38	$875.70	70.02	$1,050.30	30.00	$450.00		
A46	Furnish & Install 8" PVC C900 DR18 Pipe	208	LF	85.81	$17,848.48	68.89	$14,329.12	45.00	$9,360.00		
A47	Furnish & Install 18" PVC C900 DR18 Pipe	318	LF	214.82	$68,312.76	208.49	$66,299.82	110.00	$34,980.00		
A48	Furnish & Install 6" Valve with Blocking	2	EA	2,198.41	$4,396.82	2,740.51	$5,481.02	3,400.00	$6,800.00		
A49	Furnish & Install 8" Valve with Blocking	1	EA	3,138.24	$3,138.24	3,938.57	$3,938.57	5,400.00	$5,400.00		
A50	Furnish & Install 18" Valve with Blocking	3	EA	11,582.77	$34,748.31	19,751.71	$59,255.13	17,000.00	$51,000.00		
A51	Furnish & Install Fire Hydrant Assembly, Complete in Place	1	EA	8,961.73	$8,961.73	17,327.69	$17,327.69	7,000.00	$7,000.00		
A52	Connect to Existing 6" Waterline	1	EA	2,743.63	$2,743.63	4,630.18	$4,630.18	3,000.00	$3,000.00		
A53	Connect to Existing 8" Waterline	1	EA	3,385.75	$3,385.75	4,773.89	$4,773.89	3,000.00	$3,000.00		
A54	Connect to Existing 18" Waterline	2	EA	7,355.25	$14,710.50	7,391.41	$14,782.82	11,000.00	$22,000.00		
A55	Remove Fire Hydrant	1	EA	1,202.53	$1,202.53	15,248.10	$15,248.10	1,000.00	$1,000.00		
A56	Hydrostatic Testing and Disinfection	1	LS	4,086.25	$4,086.25	10,301.53	$10,301.53	5,000.00	$5,000.00		
A57	Trench Safety (Progress Drive Items)	2,286	LF	2.34	$5,349.24	4.51	$10,309.86	1.00	$2,286.00		
Base Bid-Tortilla Way (B)											
B1	Right-of-Way Preparation	12.4	STA	1,821.30	$22,584.12	8,227.14	$102,016.54	10,000.00	$124,000.00		
B2	Excavation (Roadway and Ditch)	5850	CY	11.05	$64,642.50	11.82	$69,147.00	30.00	$175,500.00		
B3	Embankment (Import)	14,700	CY	29.42	$432,474.00	31.09	$457,023.00	30.00	$441,000.00		
B3b	Embankment (Borrow from Onsite Stockpile)	1,500	CY	21.86	$32,790.00	7.61	$11,415.00	30.00	$45,000.00		
B4	7" Reinforced Concrete Pavement w/ #4 @ 18" OCEW	5,449	SY	61.68	$336,094.32	64.20	$349,825.80	150.00	$817,350.00		
B5	Lime Treated Subgrade	6,029	SY	4.45	$26,829.05	4.29	$25,864.41	13.00	$78,377.00		
B6	Lime @ 48 #/SY	145	TON	361.93	$52,479.85	372.68	$54,038.60	240.00	$34,800.00		
B7	Reinforced Concrete Street Header	236	LF	22.49	$5,307.64	17.44	$4,115.84	50.00	$11,800.00		
B8	Furnish & Install 18" Class III RCP	60	LF	85.81	$5,148.60	215.72	$12,943.20	140.00	$8,400.00		
B9	Furnish & Install 21" Class III RCP	115	LF	107.64	$12,378.60	157.21	$18,079.15	170.00	$19,550.00		
B10	Furnish & Install 24" Class III RCP	10	LF	149.09	$1,490.90	322.04	$3,220.40	220.00	$2,200.00		
B11	Furnish & Install 3'x3' RCB	191	LF	361.93	$69,128.63	393.39	$75,137.49	270.00	$51,570.00		
B12	Furnish & Install 4'x2' RCB	78	LF	357.84	$27,911.52	414.04	$32,295.12	30.00	$2,340.00		
B13	Furnish & Install 4'x3' RCB	96	LF	377.10	$36,201.60	445.30	$42,748.80	350.00	$33,600.00		
B14	Furnish & Install 4'x4' RCB	95	LF	412.13	$39,152.35	916.75	$87,091.25	380.00	$36,100.00		
B15	Furnish & Install 10' Standard Curb Inlet	5	EA	7,755.70	$38,778.50	8,895.08	$44,475.40	11,000.00	$55,000.00		
B16	Furnish & Install 5'x5' Wye Inlet	1	EA	7,705.50	$7,705.50	9,276.18	$9,276.18	11,000.00	$11,000.00		
B17	Furnish & Install 5' Drop Inlet	1	EA	13,303.66	$13,303.66	9,276.18	$9,276.18	15,000.00	$15,000.00		
B18	Furnish & Install 5'x5' Junction Box	1	EA	2,959.61	$2,959.61	9,046.13	$9,046.13	6,000.00	$6,000.00		
B19	Furnish & Install Type 3'x3' TxDOT SETB-PD	1	EA	12,531.95	$12,531.95	9,193.40	$9,193.40	6,000.00	$6,000.00		
B20	Furnish & Install 4'x4' TxDOT SETB-FW-S (30-degree SKEW)	1	EA	19,095.63	$19,095.63	18,247.92	$18,247.92	6,000.00	$6,000.00		
B21	Furnish & Install 4'x3' TxDOT SETB-SW-0	1	EA	13,875.75	$13,875.75	10,800.54	$10,800.54	6,000.00	$6,000.00		
B22	Furnish & Install Grouted Rock Rubble Rip Rap	65	SY	151.78	$9,865.70	425.31	$27,645.15	90.00	$5,850.00		
B23	Furnish & Install 24" White Stop Bar	20	LF	9.34	$186.80	53.50	$1,070.00	60.00	$1,200.00		
B24	Furnish & Install Stop Sign with Name Blade (R1-1)	1	EA	928.16	$928.16	925.55	$925.55	2,300.00	$2,300.00		
B25	Construction Entrance (Install/Maintain/ Remove)	1	EA	2,400.00	$2,400.00	4,965.73	$4,965.73	4,000.00	$4,000.00		
B26	Silt Fence (Install/Maintain/ Remove)	2415	LF	2.02	$4,878.30	2.11	$5,095.65	4.00	$9,660.00		
B29	Concrete Washout(Install/Maintain/ Remove)	1	EA	3,159.55	$3,159.55	2,780.11	$2,780.11	600.00	$600.00		
B30	10' Inlet Protection Barriers (Install/Maintain/ Remove)	5	EA	101.10	$505.50	265.76	$1,328.80	400.00	$2,000.00		
B31	5'x5' Inlet Protection Barrier (Install/Maintain/ Remove)	2	EA	107.43	$214.86	541.35	$1,082.70	400.00	$800.00		
B32	Gravity Rock Retaining Wall	1420	Face-	42.61	$60,506.20	86.06	$122,205.20	40.00	$56,800.00		
WATER											
B33	Furnish & Install 12" PVC C900 DR18 Pipe	1423	LF	105.08	$149,528.84	106.81	$151,990.63	90.00	$128,070.00		
B34	Furnish & Install 10" PVC C900 DR18 Pipe	15	LF	267.36	$4,010.40	204.38	$3,065.70	80.00	$1,200.00		
B35	Furnish & Install 10" Valve with Blocking	3	EA	4,670.00	$14,010.00	5,732.44	$17,197.32	9,000.00	$27,000.00		
B36	Furnish & Install 12" Valve with Blocking	6	EA	5,522.28	$33,133.68	6,175.06	$37,050.36	14,000.00	$84,000.00		
B37	Furnish & Install Fire Hydrant Assembly, Complete in Place	4	EA	8,808.79	$35,235.16	11,338.31	$45,353.24	6,000.00	$24,000.00		
B38	Connect to Existing 18" Waterline	1	EA	6,864.90	$6,864.90	14,537.03	$14,537.03	11,000.00	$11,000.00		
B39	Hydrostatic Testing and Disinfection	1	LS	3,210.63	$3,210.63	8,181.71	$8,181.71	5,000.00	$5,000.00		
B40	Trench Safety (Tortilla Way Items)	2,083	LF	2.34	$4,874.22	3.93	$8,186.19	1.00	$2,083.00		
		TOTAL BASE BID			$5,803,184.33		$6,791,942.81		$8,658,340.00		

Progress Drive Extension and Tortilla Way

Average Weighted Score								
Selection Criteria	McMahon Contracting	J&L Construction	Lynn Vessels Construction	Iron T Construction	SYB Construction	MH Civil	HBA Design Build	**Max Point Value**
Price	50.69	43.31	60.00	51.90	56.43	33.98	59.21	**60**
Contractor Qualifications	13.75	7.25	13.50	7.75	15.00	6.00	14.00	**15**
Safety Record Questionnaire	9.75	0.00	9.88	9.50	9.95	0.00	9.35	**10**
Construction Time	13.30	6.83	14.03	7.61	11.23	4.82	15.00	**15**
Total Weighted Score	**87.49**	**57.39**	**97.42**	**76.76**	**92.61**	**44.79**	**97.56**	**100**

Individual Prices and Construction Times							
	McMahon Contracting	J&L Construction	Lynn Vessels Construction	Iron T Construction	SYB Construction	MH Civil	HBA Design Build
Price	$5,803,184.33	$6,791,942.81	$4,902,805.34	$5,668,138.00	$5,212,843.79	$8,658,340.00	$4,968,032.54
	-	-	-	-	-	-	-
Substantial Completion	180	340	170	300	210	510	149
Final Completion	200	400	190	365	240	540	189

indicates low price or time


FM 1417
Interurban Parkway
Howe Drive
U.S. HWY 75
Progress Drive
Progress Drive Extension
Tortilla Way
N
0 500 1,000 2,000
Feet
Sherman
CLASSIC TOWN. BROAD HORIZON.

SHERMAN CITY COUNCIL
Agenda Communication Form

City Council Regular Meeting Agenda Item No. H.2.

Meeting Date: 3/16/2026

Prepared By: Wayne Lee, Director of Engineering

Approved By: Teri Fine, Assistant to the City Manager

Caption:

**** RESOLUTION NO. 7631***

Authorizing Execution of a Professional Services Agreement with Wade Trim, Inc. for the Taylor Street, Grand Avenue, Travis Street, Cherry Street, OB Groner Road, Woods Street, Friendship Road, and Fallon Drive Street Maintenance Project

Issue:

To consider a Professional Services Agreement with Wade Trim, Inc. for engineering design services for the Taylor Street, Grand Avenue, Travis Street, Cherry Street, OB Groner Road, Woods Street, Friendship Road, and Fallon Drive Street Maintenance Project.

Background:

The City of Sherman Public Works Department previously engaged an engineering firm to rate the pavement condition of the streets within the City limits. Through the findings of the pavement study, the Public Works Department was provided the tools necessary to rank streets for repair. The result is the following eight street sections as the highest priority to be designed for milling and overlay maintenance over the next three to four years:

- 0.78 miles of Travis Street from US 75 to Lamar Street
- 0.65 miles of Cherry Street from US 75 to East Street
- 1.55 miles of Grand Avenue from Texoma Parkway to Lamar
- 1.86 miles of O.B. Groner Road from Choctaw Creek Bridge to FM 1417
- 2.21 miles of Friendship Road from Houston Street to O.B. Groner Road
- 2.26 miles of Taylor Street from Little Lane to Texoma Parkway
- 0.98 miles of Woods Street from Belden Street to Houston Street
- 1.87 miles of Fallon Drive from US 75 to End of Street

Capital Improvement Program:

Origination:

Engineering Department

Financial Consideration:

Funding needed for this contract is $655,730.00 and is funded by Certificates of Obligation.

Staff Recommendation:

Wade Trim, Inc. is fully qualified to perform this design, and it is recommended that the professional services agreement with Wade Trim, Inc. be approved.

Alternatives:
As may be directed by City Council.

Attachments:
1. Resolution No. 7631
2. PSA_ShermanStreetMaintenance
3. Location Map

RESOLUTION NO. 7631

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING EXECUTION OF A PROFESSIONAL SERVICES AGREEMENT WITH WADE TRIM, INC. FOR THE TAYLOR STREET, GRAND AVENUE, TRAVIS STREET, CHERRY STREET, OB GRONER ROAD, WOODS STREET, FRIENDSHIP ROAD AND FALLON DRIVE STREET MAINTENANCE 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 Wade Trim, Inc. for the Taylor Street, Grand Avenue, Travis Street, Cherry Street, OB Groner Road, Woods Street, Friendship Road and Fallon Drive Street Maintenance 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 16th day of March 2026.

CITY OF SHERMAN, TEXAS

ATTEST:

BY: _____ **BY:** _____
TERI FINE, CITY CLERK **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

AGREEMENT

BETWEEN

THE CITY OF SHERMAN, TEXAS AND

WADE TRIM, INC.

FOR

PROFESSIONAL SERVICES

Made as of the_____day of_____, 2026:

Between City: **The City of Sherman, Texas**
220 W. Mulberry Street
Sherman, Texas 75090
Telephone: (903) 892-7208

and Consultant: **Wade Trim, Inc.**
301 Commerce Street, Suite 2210
Fort Worth, TX 76102
Telephone: (682) 237-7718

for the following Project: **Taylor Street, Grand Avenue, Travis Street, Cherry Street, OB Groner Road, Woods Street, Friendship Road, and Fallon Drive Street Maintenance Project**

THIS AGREEMENT ("Agreement") is made and entered into by and between the City of Sherman, Texas, a home-rule municipality ("City"), and Wade Trim, Inc., a Michigan 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 Taylor Street, Grand Avenue, Travis Street, Cherry Street, OB Groner Road, Woods Street, Friendship Road, and Fallon Drive Street Maintenance 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 or Hourly (time and materials) basis, as identified in **Exhibit B**, in an amount not to exceed **five hundred eighteen thousand one hundred seventy Dollars ($518,170.00)**; and (b) for Special Services, on a Lump Sum basis in an amount not to exceed **one hundred thirty seven thousand five hundred sixty Dollars ($137,560.00)** (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 final 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

recommendation as whether or not to certify that sufficient cause exists for City to declare Contractor in violation 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 an Additional Service as defined under paragraph 3.3 of this Agreement.

3.1.3 **Consultation and Approval by Governmental Authorities and Franchised Utilities** – Consultant shall be solely responsible for identifying and analyzing the requirements of governmental agencies and all franchise utilities involved with the Project, and for consulting with such agencies and utilities to obtain all necessary approvals and/or permissions. Consultant shall be responsible for preparation and timely submittal of documents required for review, approval and/or recording by such agencies and/or utilities. Consultant shall be solely responsible for making such changes in the construction documents ("Construction Documents") as may be required by existing written standards promulgated by such agencies and/or utilities at no additional charge to City.

3.2 **Direct Expenses** – Direct Expenses ("Direct Expenses") are included in Consultant's Fee as described in Article 3.1 of this Agreement and include actual reasonable and necessary expenditures made by Consultant and Consultant's employees and subcontractors in the interest of the Project. All submitted Direct Expenses are to be within the amounts as stated in the Project Engineering Budget Summary set forth in **Exhibit B**, and consistent with **Exhibit D**, Guidelines for Direct Expenses; General and Administrative Markup; Travel and Subsistence Expenses, which is attached hereto and incorporated herein by reference for all purposes. Consultant shall be solely responsible for the auditing and accuracy of all Direct Expenses, including those of its subcontractors, prior to submitting to City for reimbursement. Any over-payment by City for errors in submittals for reimbursement may be deducted from Consultant's subsequent payment for Services; provided, however, that this shall not be City's sole and exclusive remedy for said over-payment.

3.3 **Additional Services** – Consultant shall provide the Services as described in the Scope of Services set forth in **Exhibit A** of this Agreement. If authorized in writing by City, Consultant shall provide additional services, to be compensated as provided in an Amendment to this Agreement on a cost not to exceed sum or hourly basis in accordance with this paragraph ("Additional Services") and a mutually agreed estimate of man-hours and expenses. These services may include, but are not limited to:

3.3.1 Additional meetings, hearings, work-sessions, or other similar presentations which are not provided for or contemplated in the Scope of Services described in **Exhibit A**.

3.3.2 Additional drafts and revisions to the Project which are not provided for or contemplated in the Scope of Services as described in **Exhibit A**.

3.3.3 Additional copies of final reports and construction plans which are not provided for or contemplated in the Scope of Services as described in **Exhibit A**.

3.3.4 Photography, professional massing models which are not provided for or contemplated in the Scope of Services as described in **Exhibit A**.

3.3.5 Compensation for Additional Services authorized by City shall be in addition to Consultant's Fee and shall be based on direct billable labor rates and expenses.

3.3.6 Compensation for Additional Services authorized by City shall be in addition to Consultant's Fee and shall be based on an hourly basis according to the following personnel rates. The rates set forth in this chart are subject to reasonable change provided prior written notice of said change is given to and approved by City.

Hourly Billable Rates by Position

Position	Hourly Rate
Senior Principal	$325
Senior Project Manager	$255
Project Engineer	$180
Technician	$150
Admin	$135

3.4 **Invoices** – No payment to Consultant shall be made until Consultant tenders an invoice to City. Consultant shall submit monthly invoices for Services rendered, based upon the actual percentage of work complete at the time the invoice is prepared, or shall submit invoices to City immediately upon completion of each individual task listed in **Exhibit B**. On all submitted invoices for Services rendered, Consultant shall include appropriate background materials to support the submitted charges on said invoice. Upon request, such background material may include, but is not limited to, employee timesheets, invoices for work obtained from other parties, and receipts and/or log information relating to Direct Expenses. All invoices shall provide a summary methodology for administrative markup and/or overhead charges.

3.5 **Timing of Payment** – City shall make payment to Consultant for said invoices within thirty (30) days following receipt and acceptance thereof. The parties agree that payment by City to Consultant is considered to be complete upon mailing of payment by City. Furthermore, the parties agree that the payment is considered to be mailed on the date that the payment is postmarked.

3.6 **Disputed Payment Procedures** – In the event of a disputed or contested billing by City, only that portion so contested may be withheld from payment, and the undisputed portion will be paid. City shall notify Consultant of a disputed invoice, or portion of an invoice, in writing by the twenty-first (21st) calendar day after the date City receives the invoice. City shall provide Consultant an opportunity to cure the basis of the dispute. If a dispute is resolved in favor of Consultant, City shall proceed to process said invoice, or the disputed portion of the invoice, within the provisions of Article 3.5 of this Agreement. If a dispute is resolved in favor of City, Consultant shall submit to City a corrected invoice, reflecting any and all payment(s) of the undisputed amounts, documenting the credited amounts, and identifying outstanding amounts on said invoice to aid City in processing payment for the remaining balance. Such revised invoice shall have a new invoice number, clearly referencing the previous submitted invoice. City agrees to exercise reasonableness in contesting any billing or portion thereof that has background materials supporting the submitted charges.

3.7 **Failure to Pay** – Failure of City to pay an invoice, for a reason other than on written notification as stated in the provisions of Article 3.6 of this Agreement, to Consultant within sixty (60) days from the date of the invoice shall grant Consultant the right, in addition to any and all other rights provided, to, upon written notice to City, suspend performance under this Agreement, and such act or acts shall not be deemed a breach of this Agreement. However, Consultant shall not suspend performance under this Agreement prior to the tenth (10th) calendar day after written notice of suspension was provided to City, in accordance with Chapter 2251, Subchapter "D" of the TEX. GOV'T CODE. City shall not be required to pay any invoice submitted by Consultant if Consultant breached any provision(s) herein.

3.8 **Adjusted Compensation** – If the Scope of the Project ("Scope of the Project") or if the Services are materially changed due to no error by Consultant in the performance of Services under this Agreement, the amounts of Consultant's compensation shall be equitably adjusted as approved by City in its sole discretion. Any additional amounts paid to Consultant as a result of any material change to the Scope of the Project shall be authorized by written Change Order duly executed by both parties before the Services are performed.

3.9 **Project Suspension** – If the Project is suspended or abandoned in whole or in part for more than three (3) months, Consultant shall be entitled to compensation for any and all work completed to the satisfaction of City in accordance with the provisions of this Agreement prior to suspension or abandonment. In the event of such suspension or abandonment, Consultant shall deliver to City all finished or

unfinished documents, data, studies, drawings, maps, models, reports, photographs, and/or any other items prepared by Consultant in connection with this Agreement prior to Consultant receiving final payment. If the Project is resumed after being suspended for more than three (3) months, Consultant's compensation shall be equitably adjusted as approved by City. Any additional amounts paid to Consultant after the Project is resumed shall be agreed upon in writing by both parties before the services are performed

3.10 **Fixed Budget Limit for Construction Cost** – If a fixed budget limit for the Construction Cost has been established, the Consultant shall be permitted to make reasonable adjustments in the scope of the Project and to include alternate bid items in the Bid Proposal to adjust the Construction Cost to the fixed limit. However, this paragraph shall not operate to increase the fixed budget limit of the Construction Cost established in this Agreement. All adjustments in the Scope of the Project shall be approved by the City and documented in writing. Should the lowest bona fide bid for construction of the Project be in excess of 130% of $(N/A) 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. Consultant is not responsible and is hereby released from responsibility for use of documents for any purpose other than for the Project.

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, 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, 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, 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, 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, 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, or ordinance, or otherwise.

ARTICLE 9
DISPUTE RESOLUTION/MEDIATION

In addition to all remedies at law, the parties may agree to attempt to resolve any controversy, claim or dispute arising out of or relating to the interpretation or performance of this Agreement, or breach thereof, by voluntary mediation to be conducted by a mutually acceptable mediator. However, if both parties do not agree to voluntarily mediate any such controversy, claim or dispute, mediation shall not be required.

ARTICLE 10
INDEMNITY

CONSULTANT SHALL RELEASE, DEFEND, INDEMNIFY AND HOLD HARMLESS CITY AND ITS CITY COUNCIL MEMBERS, OFFICERS, AGENTS, REPRESENTATIVES AND EMPLOYEES (COLLECTIVELY REFERRED TO AS "CITY" FOR PURPOSES OF THIS ARTICLE 10) FROM AND AGAINST ALL DAMAGES, INJURIES (WHETHER IN CONTRACT OR IN TORT, INCLUDING PERSONAL INJURY AND DEATH), CLAIMS, PROPERTY DAMAGES (INCLUDING LOSS OF USE), LOSSES, DEMANDS (REGARDLESS OF WHETHER THE ALLEGATIONS ARE FALSE, FRAUDULENT OR GROUNDLESS), SUITS, ACTIONS, JUDGMENTS, LIENS, COSTS AND EXPENSES, INCLUDING REASONABLE ATTORNEY'S FEES AND EXPENSES (INCLUDING ATTORNEY'S FEES AND EXPENSES INCURRED IN ENFORCING THIS ARTICLE 10), THAT IN WHOLE OR IN PART ARISE OUT OF OR ARE CONNECTED WITH, OR THAT ARE ALLEGED TO HAVE ARISEN OUT OF OR CONNECTED WITH, GOODS AND/OR SERVICES PROVIDED BY CONSULTANT, ITS OFFICERS, AGENTS, REPRESENTATIVES, EMPLOYEES, SUBCONTRACTORS, LICENSEES, INVITEES OR ANY OTHER THIRD PARTIES FOR WHOM CONSULTANT IS LEGALLY RESPONSIBLE (COLLECTIVELY REFERRED TO AS "CONSULTANT" FOR PURPOSES OF THIS ARTICLE 10) PURSUANT TO THIS AGREEMENT AND/OR THE NEGLIGENT, GROSSLY NEGLIGENT AND/OR INTENTIONAL WRONGFUL ACT AND/OR OMISSION OF CONSULTANT IN ITS/THEIR PERFORMANCE OF THIS AGREEMENT, REGARDLESS OF THE JOINT OR CONCURRENT NEGLIGENCE OR STRICT LIABILITY OF THE CITY (COLLECTIVELY, "CLAIMS"). THIS INDEMNIFICATION PROVISION AND THE USE OF THE TERM "CLAIMS" IS ALSO SPECIFICALLY INTENDED TO APPLY TO, BUT IS NOT LIMITED TO, ANY AND ALL CLAIMS, WHETHER CIVIL OR CRIMINAL, BROUGHT AGAINST CITY BY ANY GOVERNMENT AUTHORITY OR AGENCY RELATED TO ANY PERSON PROVIDING SERVICES UNDER THIS AGREEMENT THAT ARE BASED ON ANY FEDERAL IMMIGRATION LAW AND ANY AND ALL CLAIMS, DEMANDS, DAMAGES, ACTIONS AND CAUSES OF ACTION OF EVERY KIND AND NATURE, KNOWN AND

UNKNOWN, EXISTING OR CLAIMED TO EXIST, RELATING TO OR ARISING OUT OF ANY EMPLOYMENT RELATIONSHIP BETWEEN CONSULTANT AND ITS EMPLOYEES OR SUBCONTRACTORS AS A RESULT OF THAT SUBCONTRACTOR'S OR EMPLOYEE'S EMPLOYMENT AND/OR SEPARATION FROM EMPLOYMENT WITH THE CONSULTANT, INCLUDING BUT NOT LIMITED TO ANY DISCRIMINATION CLAIM BASED ON SEX, SEXUAL ORIENTATION OR PREFERENCE, RACE, RELIGION, COLOR, NATIONAL ORIGIN, AGE OR DISABILITY UNDER FEDERAL, STATE OR LOCAL LAW, RULE OR REGULATION, AND/OR ANY CLAIM FOR WRONGFUL TERMINATION, BACK PAY, FUTURE WAGE LOSS, OVERTIME PAY, EMPLOYEE BENEFITS, INJURY SUBJECT TO RELIEF UNDER THE WORKERS' COMPENSATION ACT OR WOULD BE SUBJECT TO RELIEF UNDER ANY POLICY FOR WORKERS COMPENSATION INSURANCE, AND ANY OTHER CLAIM, WHETHER IN TORT, CONTRACT OR OTHERWISE. CONSULTANT IS EXPRESSLY REQUIRED TO DEFEND CITY AGAINST ALL SUCH CLAIMS; PROVIDED, HOWEVER, THAT IF A COURT OF COMPETENT JURISDICTION SIGNS A JUDGMENT THAT BECOMES FINAL AND NON-APPEALABLE, DETERMINING THAT THE CITY (WITHOUT WAIVING ANY GOVERNMENTAL IMMUNITY) HAS JOINT, CONCURRENT OR SOLE NEGLIGENCE FOR THE CLAIMS IN ACCORDANCE WITH THE LAWS OF THE STATE OF TEXAS ("JUDGMENT"), THEN CONSULTANT IS NOT REQUIRED TO INDEMNIFY OR DEFEND CITY TO THE EXTENT OF THE NEGLIGENCE APPORTIONED TO CITY FOR EACH CAUSE(S) OF ACTION IDENTIFIED IN THE JUDGMENT. IN THE EVENT THE JUDGMENT PROVIDES THAT CITY IS JOINTLY, CONCURRENTLY OR SOLELY NEGLIGENT FOR THE CLAIMS REFERRED TO THEREIN, CITY AGREES TO REIMBURSE CONSULTANT FOR ALL REASONABLE AND NECESSARY COSTS INCURRED AND PAID BY CONSULTANT THAT ARE ATTRIBUTABLE TO CITY'S PERCENTAGE OF JOINT, CONCURRENT OR SOLE NEGLIGENCE, AS SET FORTH IN THE JUDGMENT, INCLUDING REASONABLE AND NECESSARY ATTORNEY'S FEES AND EXPENSES, WITHIN SIXTY (60) DAYS OF THE DATE THE JUDGMENT BECOMES FINAL AND NON-APPEALABLE. IF THIS AGREEMENT IS A CONTRACT FOR ENGINEERING OR ARCHITECTURAL SERVICES, THEN CONSULTANT'S INDEMNITY AND DEFENSE OBLIGATIONS UNDER THIS ARTICLE 10 ARE LIMITED BY, AND TO BE READ AS COMPLYING WITH, SECTION 271.904 OF THE TEXAS LOCAL GOVERNMENT CODE.

IN ITS SOLE DISCRETION, CITY SHALL HAVE THE RIGHT TO APPROVE OR SELECT DEFENSE COUNSEL TO BE RETAINED BY CONSULTANT IN FULFILLING ITS OBLIGATION HEREUNDER TO DEFEND AND INDEMNIFY CITY, UNLESS SUCH RIGHT IS

EXPRESSLY WAIVED BY CITY IN WRITING. CITY RESERVES THE RIGHT TO PROVIDE A PORTION OR ALL OF ITS OWN DEFENSE; HOWEVER, CITY IS UNDER NO OBLIGATION TO DO SO. ANY SUCH ACTION BY CITY IS NOT TO BE CONSTRUED AS A WAIVER OF CONSULTANT'S OBLIGATION TO DEFEND CITY OR AS A WAIVER OF CONSULTANT'S OBLIGATION TO INDEMNIFY CITY PURSUANT TO THIS AGREEMENT. CONSULTANT SHALL RETAIN CITY-APPROVED DEFENSE COUNSEL WITHIN SEVEN (7) BUSINESS DAYS OF CITY'S WRITTEN NOTICE THAT CITY IS INVOKING ITS RIGHT TO DEFENSE OR INDEMNIFICATION UNDER THIS AGREEMENT. IF CONSULTANT FAILS TO RETAIN COUNSEL WITHIN SUCH TIME PERIOD, CITY SHALL HAVE THE RIGHT TO RETAIN DEFENSE COUNSEL ON ITS OWN BEHALF, AND CONSULTANT SHALL BE LIABLE FOR ALL COSTS INCURRED BY CITY. THE RIGHTS AND OBLIGATIONS CREATED BY THIS ARTICLE SHALL SURVIVE TERMINATION OF THIS AGREEMENT.

ARTICLE 11
NOTICES

Any notice provided or permitted to be given under this Agreement must be in writing and may be served by depositing the same in the United States Mail, addressed to the party to be notified, postage pre-paid and registered or certified with return receipt requested; by facsimile; by electronic mail, with documentation evidencing the addressee's receipt thereof; or by delivering the same in person to such party a via hand-delivery service, or any courier service that provides a return receipt showing the date of actual delivery of same to the addressee thereof. Notice given in accordance herewith shall be effective upon receipt at the address of the addressee. For purposes of notification, the addresses of the parties shall be as follows:

If to City, addressed to:

Wayne E. Lee, P.E., CFM
Director of Engineering
City of Sherman
220 W Mulberry St.
Sherman, TX 75091
Telephone: (903) 892-7327
Email: waynel@cityofsherman.com

With a copy to:

Abernathy, Roeder, Boyd & Hullett, P.C.
Attention: Ryan D. Pittman
1700 Redbud Blvd., Suite 300
McKinney, Texas 75069
Telephone: (214) 544-4000
Facsimile: (214) 544-4054
Email: rpittman@abernathy-law.com

If to Consultant, addressed to:

Shawn W. Keough
Senior Vice President
Wade Trim, Inc.
301 Commerce Street, Suite 2210
Fort Worth, TX 76102
Telephone: (682) 237-7718
Email: skeough@wadetrim.com

With a copy to:

Jennifer Chilson, General Counsel
25251 Northline Road
Taylor, MI 48180
Email: jchilson@wadetrim.com

ARTICLE 12
MISCELLANEOUS

12.1 **Complete Agreement** – This Agreement, including the exhibits hereto labeled "A" through "F," all of which are incorporated herein for all purposes, constitute the entire Agreement by and between the parties regarding the subject matter hereof and supersedes all prior and/or contemporaneous written and/or oral understandings. This Agreement may not be amended, supplemented, and/or modified except by written agreement duly executed by both parties. The following exhibits are attached below and made a part of this Agreement:

12.1.1 **Exhibit A**, Scope of Services.

12.1.2 **Exhibit B**, Project Engineering Budget Summary.

12.1.3 **Exhibit C**, Guidelines for Computer Aided Design and Drafting (CADD).

12.1.4 **Exhibit D**, Guidelines for Direct Expenses; General and Administrative Markup; Travel and Subsistence Expenses.

12.1.5 **Exhibit E**, Contractor Insurance Guidelines.

12.1.6 **Exhibit F**, Conflict of Interest Questionnaire, Form CIQ.

To the extent that **Exhibit A**, **Exhibit B**, **Exhibit C**, **Exhibit D**, **Exhibit E**, or **Exhibit F** are in conflict with provisions of this Agreement or each other, the provisions of this Agreement, then the provisions of **Exhibit B**, **Exhibit C**, **Exhibit D**, **Exhibit E**, **Exhibit F** or **Exhibit A** shall prevail in that order.

12.2 **Assignment and Subletting** – Consultant agrees that neither this Agreement nor the work to be performed hereunder will be assigned or sublet without the prior written consent of City. Consultant further agrees that the assignment or subletting of any portion or feature of the work or materials required in the performance of this Agreement shall not relieve Consultant of its full obligations to City as provided by this Agreement. All such approved work performed by assignment or subletting shall be billed through Consultant, and there shall be no third-party billing.

12.3 **Attorney's Fees** – If either party files any action or brings any proceeding against the other arising from this Agreement, then as between City and Consultant, the prevailing party shall be entitled to recover as an element of its costs of suit, and not as damages, reasonable and necessary attorneys' fees and litigation expenses both at trial and on appeal, subject to the limitations set forth in TEX. LOC. GOV'T CODE § 271.153, as it exists or may be amended, if applicable.

12.4 **Successors and Assigns** – City and Consultant, and their respective partners, assigns, successors, subcontractors, executors, officers, agents, employees, representatives, and administrators are hereby bound to the terms and conditions of this Agreement.

12.5 **Savings/Severability** – In the event of a term, condition, or provision of this Agreement is determined to be invalid, illegal, void, unenforceable, or unlawful by a court of competent jurisdiction, then that term, condition, or provision, shall be deleted and the remainder of the Agreement shall remain in full force and effect as if such invalid, illegal, void, unenforceable or unlawful provision had never been contained in this Agreement.

12.6 **Governing Law/Venue** – This Agreement shall be governed by and construed in accordance with the laws of the State of Texas, without regard to conflict of law principles. The exclusive venue for any action arising out of this Agreement shall be a court of appropriate jurisdiction in Grayson County, Texas.

12.7 **Execution/Consideration** – This Agreement is executed by the parties hereto without coercion or duress for any substantial consideration, the sufficiency of which is forever confessed.

12.8 **Authority** – The individuals executing this Agreement on behalf of the respective parties below represent to each other that all appropriate and necessary action has been taken to authorize the individual who is executing this Agreement to do so for and on behalf of the party for which his or her signature appears, that there are no other parties or entities required to execute this Agreement in order for the same to be an authorized and binding agreement on the other party for whom the individual is signing this Agreement and that each individual affixing his or her signature hereto is authorized to do so, and such authorization is valid and effective on the date hereof.

12.9 **Waiver** – Waiver by either party of any breach of this Agreement, or the failure of either party to enforce any of the provisions of this Agreement, at any time, shall not in any way affect, limit, or waive such party's right thereafter to enforce and compel strict compliance.

12.10 **Headings** – The headings of the various sections of this Agreement are included solely for convenience of reference and are not to be full or accurate descriptions of the content thereof.

12.11 **Multiple Counterparts** – This Agreement may be executed in a number of identical counterparts, each of which shall be deemed an original for all purposes. An electronic mail and/or facsimile signature will also be deemed to constitute an original if properly executed and delivered to the other party.

12.12 **Immunity** – It is expressly understood and agreed that, in the execution and performance of this Agreement, City has not waived, nor shall be deemed to have waived, any immunity, governmental, sovereign and/or official, or defense that is available to it against claims arising in the exercise of governmental powers and functions. By entering into this Agreement, the parties do not create any obligations, express or implied, other than those set forth in this Agreement.

12.13 **Incorporation of Recitals** – The representations, covenants and recitations set forth in the foregoing recitals of this Agreement are true and correct and are incorporated into the body of this Agreement and adopted as findings of City and the authorized representative of Consultant.

12.14 **Additional Representations** – Each signatory represents this Agreement has been read by the party for which this Agreement is executed and that such party has had the opportunity to confer with its counsel.

12.15 **Miscellaneous Drafting Provisions** – This Agreement shall be deemed drafted equally by all parties hereto. The language of all parts of this Agreement shall be construed as a whole according to its fair meaning, and any presumption or principle that the language herein is to be construed against any party shall not apply.

12.16 **No Third-Party Beneficiaries** – Nothing in this Agreement shall be construed to create any right in any third party not a signatory to this Agreement, and the parties do not intend to create any third-party beneficiaries by entering into this Agreement.

12.17 **Indemnity** – The parties agree that the Indemnity provision set forth in Article 10 of this Agreement is conspicuous and the parties have read and understood the same.

12.18 **Representations** – All representations and covenants made by one party to the other in this Agreement or in any certificate or other instrument delivered by one party to the other under this Agreement shall be considered to have been relied upon by the other party and will survive the satisfaction of any fees under this Agreement, regardless of any investigation made by either party.

12.19 **Independent Contractor** – In performing this Agreement, Consultant shall act as an independent contractor with respect to City. In no event shall this Agreement be construed as establishing a partnership, joint venture or similar relationship between the parties and nothing herein shall authorize either party to act as agent for the other. Consultant shall be liable for its own debts, obligations, acts and omissions, including the payment of all required withholding, social security and other taxes and benefits with respect to all of Consultant's officers, directors, partners, employees and representatives, who shall not be considered City

employees and shall not be eligible for any employee benefit plan offered by City.

12.20 **Debarment/Suspension** – City is prohibited from making any award or permitting any award at any tier to any party which is debarred or suspended or otherwise excluded from or ineligible for participation in federal assistance programs under Executive Order 12549, Debarment and Suspension. City, Consultant and Consultant's subcontractors shall comply with federal and state regulations regarding debarment and suspension. Consultant shall include a statement of compliance with federal and state debarment and suspension regulations in all third-party agreements for work on the Project.

12.21 **Restrictions on Lobbying** – City and Consultant are prohibited from using funds awarded under the Agreement for lobbying purposes. Consultant shall include a statement of compliance with this provision in applicable procurement solicitations and third-Party agreements for work on the Project.

12.22 **Appropriation of Funds** – Funds are not presently budgeted for City's performance under this Agreement beyond the end of City's current fiscal year. City will give Consultant sixty (60) days' notice if funds for City's performance are not budgeted to continue beyond that time. City shall have no liability for payment of any money for services performed after the end of City's current fiscal year unless and until such funds are budgeted.

12.23 **Certifications Required by Texas Law** – In accordance with Chapter 2270 of the Texas Government Code (to the extent applicable), Consultant hereby certifies that Consultant does not boycott Israel and will not boycott Israel during the term of any contract with City, including during the term of this Agreement. In accordance with Chapter 809 of the Texas Government Code (to the extent applicable), Consultant hereby certifies that Consultant does not boycott energy companies and will not boycott energy companies during the term of any contract with City, including during the term of this Agreement. In accordance with Chapter 2274 of the Texas Government Code (to the extent applicable), Consultant hereby certifies that Consultant does not have a practice, policy, guidance or directive that discriminates against a firearm entity or firearm trade association and will not discriminate against a firearm entity or firearm trade association during the term of any contract with City, including during the term of this Agreement. The foregoing terms have the meanings ascribed to them in the referenced statutes if defined therein.

12.24 **Reference to Consultant** – When referring to "Consultant," this Agreement shall refer to and be binding upon Consultant, and its officers, directors, partners, employees, representatives, contractors, subcontractors, licensees, invitees, agents, successors, assignees (as authorized herein), vendors, grantees, trustees, legal representatives and/or any other third parties for whom Consultant is legally responsible.

12.25 **Reference to City** – When referring to "City," this Agreement shall refer to and be binding upon City, its Council members, officers, agents, representatives, employees and/or any other authorized third parties for whom City is legally responsible.

IN WITNESS WHEREOF, the parties have executed this Agreement and caused this Agreement to be effective on the date set forth in the introductory clause of this Agreement.

CITY:	**CONSULTANT:**
City of Sherman, Texas, a Texas home-rule municipality	**Wade Trim, Inc.** a Michigan corporation
By: _____ Dr. Zachary Flores, City Manager	By: _____ Type text here Shawn W. Keough Senior Vice President

APPROVED AS TO FORM:

_____

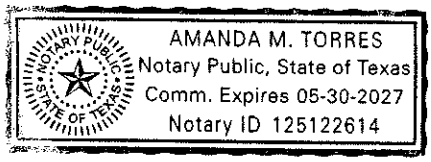
Abernathy, Roeder, Boyd & Hullett, P.C.
Ryan D. Pittman, City Attorneys

STATE OF TEXAS §
§
COUNTY OF Tarrant §

BEFORE ME, THE UNDERSIGNED AUTHORITY, ON THIS DAY PERSONALLY APPEARED **SHAWN W. KEOUGH**, KNOWN TO ME TO BE ONE OF THE PERSONS WHOSE NAMES ARE SUBSCRIBED TO THE FOREGOING INSTRUMENT; HE ACKNOWLEDGED TO ME THAT HE IS THE PRESIDENT AND DULY AUTHORIZED REPRESENTATIVE FOR **WADE TRIM, INC.**, AND THAT HE EXECUTED SAID INSTRUMENT FOR THE PURPOSES AND CONSIDERATION THEREIN EXPRESSED.

GIVEN UNDER MY HAND AND SEAL OF OFFICE THIS 20 DAY OF January 2026.

Amanda M. Torres
NOTARY PUBLIC IN AND FOR THE STATE OF TEXAS
My commission expires: May 30, 2027



I. PROJECT DESCRIPTION

The City of Sherman has established an Annual Street Maintenance Program which consists of asphalt street rehabilitation which were selected using a pavement management system. Streets are assigned a Pavement Condition Index (PCI) using many variables and are priority-based to maximize available funding. The City has provided the Consultant with a list of eight streets sections totaling approximately 64,250 linear feet (see Table 1 below). Phase 1 will consist of Travis Street, Cherry Street, Grand Avenue and OB Groner Road, totaling approximately 25,580 linear feet of pavement rehabilitation. Phase 2 includes Friendship Road, Taylor Street, and Woods Street, totaling approximately 28,790 linear feet of pavement rehabilitation. Phase 3 includes Fallon Drive, totaling approximately 9,880 linear feet of pavement rehabilitation.

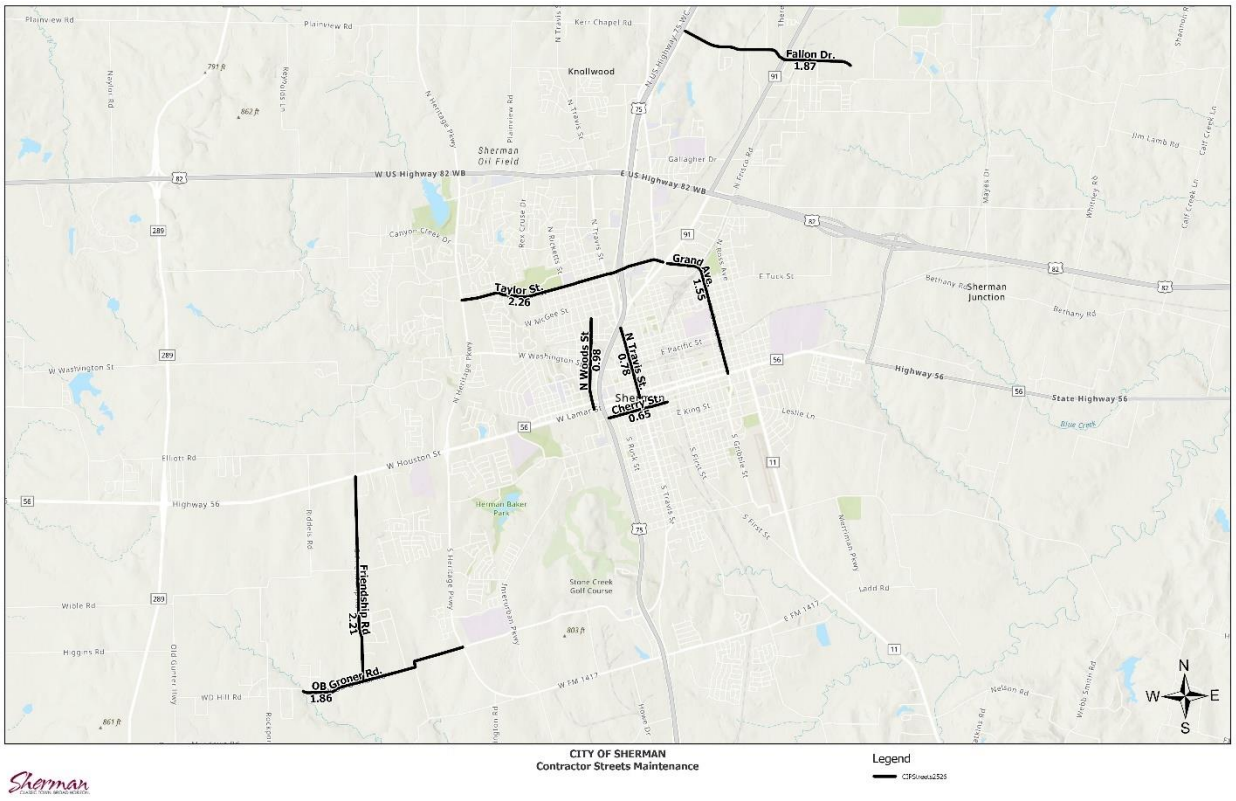


Figure 1: Project limits

The maintenance method for the street sections is anticipated to be three-inch mill and overlay or full-depth reconstruction (geotechnical cores will verify depth), as well as limited curb, curb and gutter replacement, driveway replacement, barrier free ramp replacement, and restriping. Additionally, the City will provide the Consultant with GIS shapefiles of public utilities (water, sanitary sewer, and storm water), geolocational aerial(s), shapefile(s) with property boundaries, shapefile(s) with the limits of all proposed replacements and available record drawings.

Table 1: Project phases and street limits

Phase	Fiscal Year	Street Name	From	To	Length (ft) Approx.
1	2026-26	Travis Street	US 75	Lamar Street	4,120
1	2026-26	Cherry Street	US 75	S. East Street	3,440
1	2026-26	Grand Avenue	Texoma Parkway	E. Lamar Street	8,190
1	2026-26	OB Groner Road	Creek/bridge	FM 1417	9,830
2	2026-27	Friendship Road	Houston Street (TX-56)	OB Groner Road	11,670
2	2026-27	Taylor Street	Little Lane	Texoma Parkway	11,940
2	2026-27	Woods Street	W. Belden Street	Houston Street (TX-56)	5,180
3	2027-28	Fallon Drive	US 75	Dead end	9,880

For Phase 1, the Consultant will prepare design drawings utilizing the City's GIS data and the GIS data collected by the City for proposed replacements. Technical Specifications will be prepared by the Consultant. Construction documents for Phase 1 are anticipated to be released for Bid in fiscal year 2026-2026.

Table 2: Phase 1 list of streets and general roadway characteristics.

Street Name	Street Width (ft) (BOC to BOC)	Roadway Characteristics			
		North/East Roadside Conditions	South/West Roadside Conditions	On-Street Parking (YES/NO)	Pavement Markings (YES/NO)
Travis Street	Varies	Curb/Gutter	Curb/Gutter	YES	YES
Cherry Street	Varies	Curb/Gutter	Curb/Gutter	YES	NO
Grand Avenue	Varies	Curb/Gutter Divided	Curb/Gutter Divided	NO	YES
OB Groner Road	24	Roadside Ditches	Roadside Ditches	NO	YES

Table 3: Phase 1 roadway maintenance method and design needs.

Street Name	Anticipated Rehabilitation/Maintenance		Pre-Design Topographic Survey Needed (YES/NO)*	Geotechnical Needed
Travis Street	2R	Mill/Overlay	NO	Pavement Core(s)
Cherry Street	3R	Mill/Overlay	NO	Pavement Core(s)
Grand Avenue	2R	Full-Depth Reconstruction	YES	10' Bores every 400'
OB Groner Road	1R	Mill/Overlay	NO	Pavement Core(s)

For Phase 2, the Consultant will prepare design drawings utilizing the City's GIS data and the GIS data collected by the City for proposed replacements. Technical Specifications will be prepared by the Consultant. Construction documents for Phase 2 are anticipated to be released for Bid in fiscal year 2026-2027.

Table 4: Phase 2 list of streets and general roadway characteristics.

Street Name	Street Width (ft) (BOC to BOC)	Roadway Characteristics			
		North/East Roadside Conditions	South/West Roadside Conditions	On-Street Parking (YES/NO)	Pavement Markings (YES/NO)
Friendship Road	24	Roadside Ditches	Roadside Ditches	NO	YES
Taylor Street	Varies	Curb/Gutter	Curb/Gutter	NO	YES
Woods Street	26	Curb/Gutter	Curb/Gutter	NO	YES

Table 5: Phase 2 roadway maintenance method and design needs.

Street Name	Anticipated Rehabilitation/Maintenance		Pre-Design Topographic Survey Needed (YES/NO)*	Geotechnical Needed
Friendship Road	1R	Mill/Overlay	NO	Pavement Core(s)
Taylor Street	2R	Mill/Overlay	NO	Pavement Core(s)
Woods Street	3R	Full-Depth Reconstruction	YES	10’ Bores every 400’

For Phase 3, the Consultant will prepare design drawings utilizing the City’s GIS data and the GIS data collected by the City for proposed replacements. Technical Specifications will be prepared by the Consultant. Construction documents for Phase 3 are anticipated to be released for Bid in fiscal year 2027-2028.

Table 6: Phase 3 list of streets and general roadway characteristics.

Street Name	Street Width (ft) (BOC to BOC)	Roadway Characteristics			
		North/East Roadside Conditions	South/West Roadside Conditions	On-Street Parking (YES/NO)	Pavement Markings (YES/NO)
Fallon Drive	Varies	Shoulders with Roadside Ditches Curb/Gutter	Shoulders with Roadside Ditches Curb/Gutter	NO	YES

Table 7: Phase 3 roadway maintenance method and design needs.

Street Name	Anticipated Rehabilitation/Maintenance		Pre-Design Topographic Survey Needed (YES/NO)*	Geotechnical Needed
Fallon Drive	2R	Mill/Overlay	NO	Pavement Core(s)

In support of this program, the Consultant proposes to provide design services, preparation of construction drawings, technical specifications, limited bid phase assistance, and limited construction management assistance for each of the phase

separately. Boundary survey and subsurface utility engineering will not be required. Topographic survey will only be required on Cherry Street and Woods Streets.

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 utility companies, franchise utilities, City of Sherman, and pipeline companies, 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. 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 a 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 Attend up to two (2) additional project coordination meetings, if needed.

III. TASK SUMMARY, BASIC SERVICES

A. Project Management (All Phases)

a. This task includes project management functions including preparing for project meetings with the City and internal meetings with the design team, invoicing, scheduling, communication, subconsultant coordination, and monthly reporting (as stated in the General Requirements section).

b. Collect and review of existing data such as record drawings, utility GIS data, and other information provided by the City, Subconsultants and franchise utility companies.

c. This task includes printing and reproduction expenses and direct expenses such as travel milage for site visits and project meetings.

d. The Consultant will coordinate with franchise utility companies for assets located in the project area. The franchise utilities will be directly contacted by the project team through the design phase to determine approximate horizontal location of utilities.

   i. The Consultant will conduct up to two (2) in-person or virtual meetings with the franchise utilities (anticipate telephone/fiber and gas companies).

B. Phase 1 – Travis Street, Cherry Street, Grand Avenue, and OB Groner Road (FY 25-26)

a. **Phase 1 – Preliminary Design (30% Submittal)**

   i. Prepare preliminary engineering review drawings (1”=40’ scale, 11”x17" sheets) to include preliminary horizontal alignments of all proposed improvements collected by the City with minimal construction-related notes for Phase 1. If necessary, report in sufficient detail to indicate clearly any of the problems involved and provide alternate solutions available to the City. Include aerials, preliminary layouts, approximate right-of-way, and approximate property boundaries (based on the City’s GIS shapefiles), and cost estimates for the Project and set forth clearly the Consultant’s recommendations for any alternate designs.

      a. The City should provide the Consultant with high-quality, georeferenced aerial imagery (.tiff) for each street.

   ii. Replacement data for Travis Street, Grand Avenue, and OB Groner Road will be collected by the City.

      a. Data should be provided to the Consultant in Shapefile(.shp) format.

   iii. Included in the Special Services, the Consultant proposed to complete pre-design topographic survey on Cherry Street.

   iv. Preliminary design package will include:

      a. Cover Sheet (including location map) (1 Sheet)
      b. General Notes (2 Sheets)
      c. Quantity Summary (1 Sheet)
      d. Existing, Milled (or reconstructed), and Proposed Typical Sections

for each street (4 Sheets)

e. Project Overview (4 Sheets)
f. Preliminary Travis Street, Grand Avenue, and OB Groner Road Paving Plan Sheets (57 Sheets)
   - Indicating pavement limits, full-depth repairs, driveway replacement, curb and gutter replacement, barrier free ramp replacement, as necessary for each street. This information will be collected by the City and provided to the Consultant.
   - Final grade adjustments for surface features such as water valves, storm manholes, sanitary sewer manholes, sanitary sewer clean outs and gas valves will be called out
   - Quantities for station limits on each sheet
g. Cherry Street Removal Plan (9 Sheets)
   - Show the removal limits for the full-depth reconstruction.
h. Preliminary Cherry Street Plan & Profile (9 Sheets)
   - Utilize the pre-design topographic survey (See Special Services) to design the full-depth reconstruction of Cherry Street to revise curb lines and restore proper drainage.
i. Cherry Street Drainage Area Map (1 Sheet)
j. Cherry Street Drainage Calculations (1 Sheet)
k. Cherry Street Stormwater Plan & Profile (9 Sheets)
   - Utilize the pre-design topographic survey (See Special Services) to determine additional inlet locations and closed system stormwater pipe needed for Cherry Street reconstruction.
l. Preliminary Pavement Marking Plan Sheets (66 Sheets)
m. Applicable City Standard Construction Details
n. Applicable TxDOT Traffic Control Details
   - A detailed traffic control plan will not be provided
o. Applicable TxDOT Erosion Control Details
   - A detailed erosion control plan will not be provided

v. Prepare technical specifications for Phase 1.
vi. The Consultant will perform an internal Quality Assurance/Quality Control (QA/QC) review prior to submitting documents to the City. The review will be completed utilizing the Consultant's QA/QC plan and checklist.
vii. Prepare Opinion of Probable Construction Cost for Phase 1.
viii. Water, sanitary sewer, and storm drains will be shown on the plans based on the City's GIS information provided to 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. Utility locates requested by the Consultant, and any available "Record Drawings" that the Consultant can obtain from other utilities.
ix. Provide the City with one (1) copy and a PDF of the plans, technical specifications, and Opinion of Probable Construction Cost for their review.
   a. Hard copies will be provided as stated in the General Requirements.

x. Prior to the preliminary review meeting with the City, the Consultant will 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.

b. **Phase 1 – Final Design (100% Submittals)**

i. Prepare final engineering review drawings that address the comments from the preliminary review for Phase 1.

ii. The Final Design and Construction Plans packages will include:

a. Cover Sheet (including location map) (1 Sheet)
b. General Notes (2 Sheets)
c. Quantity Summary (1 Sheet)
d. Existing, Milled (or reconstructed), and Proposed Typical Sections for each street (4 Sheets)
e. Project Overview (4 Sheets)
f. Travis Street, Grand Avenue, and OB Groner Road Paving Plan Sheets (57 Sheets)
   - Indicating pavement limits, full-depth repairs, driveway replacement, curb and gutter replacement, barrier free ramp replacement, as necessary for each street. This information will be collected by the City and provided to the Consultant.
   - Final grade adjustments for surface features such as water valves, storm manholes, sanitary sewer manholes, sanitary sewer clean outs and gas valves will be called out
   - Quantities for station limits on each sheet
g. Cherry Street Removal Plan (9 Sheets)
   - Show the removal limits for the full-depth reconstruction.
h. Cherry Street Plan & Profile (9 Sheets)
   - Utilize the pre-design topographic survey (See Special Services) to design the full-depth reconstruction of Cherry Street to revise curb lines and restore proper drainage.
i. Cherry Street Drainage Area Map (1 Sheet)
j. Cherry Street Drainage Calculations (1 Sheet)
k. Cherry Street Stormwater Plan & Profile (9 Sheets)
   - Utilize the pre-design topographic survey (See Special Services) to determine additional inlet locations and closed system stormwater pipe needed for Cherry Street reconstruction.
l. Pavement Marking Plan Sheets (66 Sheets)
m. Applicable City Standard Construction Details
n. Applicable TxDOT Traffic Control Details
   - A detailed traffic control plan will not be provided
o. Applicable TxDOT Erosion Control Details
   - A detailed erosion control plan will not be provided

iii. Prepare limited portion of the Project Manual, including Bid Proposal (City to provide a template to Consultant) and technical specifications for Phase 1.
iv. The Consultant will perform an internal Quality Assurance/Quality Control (QA/QC) review prior to each submittal to the City. The reviews will be completed utilizing the Consultant's QA/QC plan and checklist. Prior to submitting the Final Design plans a constructability review will be conducted internally as well.
v. Update the Opinion of Probable Construction Cost for Phase 1.
vi. Provide the City with one (1) copy and a PDF of the plans, technical specifications, and Opinion of Probable Construction Cost for their Final Design review.
    a. Hard copies will be provided as stated in the General Requirements.

c. **Phase 1 – Bid Phase Services**
i. Prepare bid set drawings and technical specifications that address the comments from the final design review for ONLY Phase 1).
ii. Furnish to the City up to eight (8) copies of approved Construction Contract Documents needed for competitive bidding (plans, technical specifications, and bid proposals). The sets of Construction Contract Documents in excess of eight (8) copies are to be paid for separately as provided hereinafter.
iii. Assist the City in the advertisement for the Project for competitive bids.
iv. Assist the City with the Pre-Bidders meetings.
v. Prepare up to two (2) addenda as appropriate to interpret, clarify, or expand the Bid Documents.
vi. Assist the City in the opening and tabulation of bids for construction of the Project.
vii. Prepare a written summary of the bid tabulation and evaluation together with a letter addressing the award of the construction contract.
viii. Assist in the preparation of formal Construction Contract Documents, provide four (4) copies of contracts to be executed by the contractor, and coordinate their execution by the respective parties.

d. **Phase 1 – Construction Phase Services**
i. Conformed Document submittal for Phase 1:
    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
ii. Up to two (2) Site Visits upon request.
iii. *Pre-Construction Meeting.* Attend Pre-Construction Meeting prior to commencement of Work at the Site.
iv. *Franchise Utility Coordination*. Assist the City with franchise utility coordination efforts and conflict resolution during construction.

v. *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.

vi. *Change Orders*. Review and make recommendations for up to two (2) Change Orders submitted or proposed by the Contractor. Task includes preparing plan sheet revisions.

vii. *Shop Drawings, Samples, and Submittals.* Review and approve or take other appropriate action for up to two (2) 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.

viii. *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.

ix. *Disagreements between City and Contractor.* As necessary, render written decisions on claims of the City and Contractor relating to the acceptability of the Contractor's work or the interpretation of the requirements of the Contract Documents pertaining to the progress of Contractor's work. In rendering such decisions, Consultant shall be fair and not show partiality to City or Contractor and shall not be liable in connection with any decision rendered in good faith in such capacity.

x. *Limitation of Responsibilities.* The 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.

xi. Consultant shall prepare construction Record Documents based on the information received from Contractor within 30 days of final completion in accordance with the Agreement.

a. The Consultant shall submit one (1) half size set and one (1) PDF file of the Record Documents.

C. Phase 2 – Friendship Road, Taylor Street, and Woods Street (FY26-27)

a. **Phase 2 – Preliminary Design (30% Submittal)**

i. Prepare preliminary engineering review drawings (1"=40' scale, 11"x17" sheets) to include preliminary horizontal alignments of all proposed

improvements collected by the City with minimal construction-related notes for Phase 2. If necessary, report in sufficient detail to indicate clearly any of the problems involved and provide alternate solutions available to the City. Include aerials, preliminary layouts, approximate right-of-way, and approximate property boundaries (based on the City's GIS shapefiles), and cost estimates for the Project and set forth clearly the Consultant's recommendations for any alternate designs.

a. The City should provide the Consultant with high-quality, georeferenced aerial imagery (.tiff) for each street.

ii. The replacement data for Friendship Road and Taylor Street will be collected by the City.

a. Data should be provided to the Consultant in Shapefile(.shp) format.

iii. Included in the Special Services, the Consultant proposed to complete pre-design topographic survey on Woods Street.

iv. Preliminary design package will include:

a. Cover Sheet (including location map) (1 Sheet)
b. General Notes (2 Sheets)
c. Quantity Summary (1 Sheet)
d. Existing, Milled (or reconstructed), and Proposed Typical Sections for each street (3 Sheets)
e. Project Overview (3 Sheets)
f. Preliminary Friendship Road and Taylor Street Paving Plan Sheets (60 Sheets)
   - Indicating pavement limits, full-depth repairs, driveway replacement, curb and gutter replacement, barrier free ramp replacement, as necessary for each street. This information will be collected by the City and provided to the Consultant.
   - Final grade adjustments for surface features such as water valves, storm manholes, sanitary sewer manholes, sanitary sewer clean outs and gas valves will be called out
   - Quantities for station limits on each sheet
g. Preliminary Woods Street Removal Plan (13 Sheets)
   - Show the removal limits for the full-depth reconstruction.
h. Preliminary Woods Street Plan & Profile (13 Sheets)
   - Utilize the pre-design topographic survey (See Special Services) to design the full-depth reconstruction of Woods Street.
i. Preliminary Pavement Marking Plan Sheets (73 Sheets)
j. Applicable City Standard Construction Details
k. Applicable TxDOT Traffic Control Details
   - A detailed traffic control plan will not be provided
l. Applicable TxDOT Erosion Control Details
   - A detailed erosion control plan will not be provided

v. Prepare technical specifications for Phase 2.

vi. The Consultant will perform an internal Quality Assurance/Quality Control

(QA/QC) review prior to submitting documents to the City. The review will be completed utilizing the Consultant's QA/QC plan and checklist.

vii. Prepare Opinion of Probable Construction Cost for Phase 2.

viii. Water, sanitary sewer, and storm drains will be shown on the plans based on the City's GIS information provided to 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. Utility locates requested by the Consultant, and any available "Record Drawings" that the Consultant can obtain from other utilities.

ix. Provide the City with one (1) copy and a PDF of the plans, technical specifications, and Opinion of Probable Construction Cost for their review.
   a. Hard copies will be provided as stated in the General Requirements.

x. Prior to the preliminary review meeting with the City, the Consultant will 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.

b. **Phase 2 – Final Design (100% Submittals)**

i. Prepare final engineering drawings that address the comments from the preliminary review for Phase 2.

ii. The Final Design and Construction Plans packages will include:
   a. Cover Sheet (including location map) (1 Sheet)
   b. General Notes (2 Sheets)
   c. Quantity Summary (1 Sheet)
   d. Existing, Milled (or reconstructed), and Proposed Typical Sections for each street (3 Sheets)
   e. Project Overview (3 Sheets)
   f. Friendship Road and Taylor Street Paving Plan Sheets (60 Sheets)
      - Indicating pavement limits, full-depth repairs, driveway replacement, curb and gutter replacement, barrier free ramp replacement, as necessary for each street. This information will be collected by the City and provided to the Consultant.
      - Final grade adjustments for surface features such as water valves, storm manholes, sanitary sewer manholes, sanitary sewer clean outs and gas valves will be called out
      - Quantities for station limits on each sheet
   g. Woods Street Plan & Profile (13 Sheets)
      - Utilize the pre-design topographic survey (See Special Services) to design the full-depth reconstruction of Woods Street.
   h. Pavement Marking Plan Sheets (73 Sheets)
   i. Applicable City Standard Construction Details
   j. Applicable TxDOT Traffic Control Details
      - A detailed traffic control plan will not be provided

k. Applicable TxDOT Erosion Control Details
- A detailed erosion control plan will not be provided

iii. Prepare limited portion of the Project Manual, including Bid Proposal (City to provide a template to Consultant) and technical specifications for Phase 2.

iv. The Consultant will perform an internal Quality Assurance/Quality Control (QA/QC) review prior to each submittal to the City. The reviews will be completed utilizing the Consultant's QA/QC plan and checklist. Prior to submitting the Final Design plans a constructability review will be conducted internally as well.

v. Update the Opinion of Probable Construction Cost for Phase 2.

vi. Provide the City with one (1) copy and a PDF of the plans, technical specifications, and Opinion of Probable Construction Cost for their Final Design review.
a. Hard copies will be provided as stated in the General Requirements.

c. **Phase 2 – Bid Phase Services**

i. Prepare bid set drawings and technical specifications that address the comments from the final design review for ONLY Phase 2).

ii. Furnish to the City up to eight (8) copies of approved Construction Contract Documents needed for competitive bidding (plans, technical specifications, and bid proposals). The sets of Construction Contract Documents in excess of eight (8) copies are to be paid for separately as provided hereinafter.

iii. Assist the City in the advertisement for the Project for competitive bids.

iv. Assist the City with the Pre-Bidders meetings.

v. Prepare up to two (2) addenda as appropriate to interpret, clarify, or expand the Bid Documents.

vi. Assist the City in the opening and tabulation of bids for construction of the Project.

vii. Prepare a written summary of the bid tabulation and evaluation together with a letter addressing the award of the construction contract.

viii. Assist in the preparation of formal Construction Contract Documents, provide four (4) copies of contracts to be executed by the contractor, and coordinate their execution by the respective parties.

d. **Phase 2 – Construction Phase Services**

i. Conformed Document submittal for Phase 2:
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

ii. Up to two (2) Site Visits upon request.

iii. *Pre-Construction Meeting.* Attend Pre-Construction Meeting prior to

commencement of Work at the Site.

iv. *Franchise Utility Coordination*. Assist the City with franchise utility coordination efforts and conflict resolution during construction.

v. *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.

vi. *Change Orders*. Review and make recommendations for up to two (2) Change Orders submitted or proposed by the Contractor. Task includes preparing plan sheet revisions.

vii. *Shop Drawings, Samples, and Submittals.* Review and approve or take other appropriate action for up to two (2) 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.

viii. *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.

ix. *Disagreements between City and Contractor.* As necessary, render written decisions on claims of the City and Contractor relating to the acceptability of the Contractor's work or the interpretation of the requirements of the Contract Documents pertaining to the progress of Contractor's work. In rendering such decisions, Consultant shall be fair and not show partiality to City or Contractor and shall not be liable in connection with any decision rendered in good faith in such capacity.

x. *Limitation of Responsibilities.* The 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.

xi. Consultant shall prepare construction Record Documents based on the information received from Contractor within 30 days of final completion in accordance with the Agreement.

a. The Consultant shall submit one (1) half size set and one (1) PDF file of the Record Documents.

D. Phase 3 – Fallon Drive (FY27-28)

a. **Phase 3 – Preliminary Design (30% Submittal)**

i. Prepare preliminary engineering review drawings (1”=40’ scale, 11”x17" sheets) to include preliminary horizontal alignments of all proposed improvements collected by the City with minimal construction-related notes for Phase 3. If necessary, report in sufficient detail to indicate clearly any of the problems involved and provide alternate solutions available to the City. Include aerials, preliminary layouts, approximate right-of-way, and approximate property boundaries (based on the City’s GIS shapefiles), and cost estimates for the Project and set forth clearly the Consultant’s recommendations for any alternate designs.

a. The City should provide the Consultant with high-quality, georeferenced aerial imagery (.tiff) for each street.

ii. The replacement data for Fallon Street will be collected by the City.

a. Data should be provided to the Consultant in Shapefile(.shp) format.

iii. Preliminary design package will include:

a. Cover Sheet (including location map) (1 Sheet)
b. General Notes (2 Sheets)
c. Quantity Summary (1 Sheet)
d. Existing, Milled (or reconstructed), and Proposed Typical Sections (1 Sheet)
e. Project Overview (1 Sheet)
f. Preliminary Fallon Street Paving Plan Sheets (25 Sheets)
   - Indicating pavement limits, full-depth repairs, driveway replacement, curb and gutter replacement, barrier free ramp replacement, as necessary for each street. This information will be collected by the City and provided to the Consultant.
   - Final grade adjustments for surface features such as water valves, storm manholes, sanitary sewer manholes, sanitary sewer clean outs and gas valves will be called out
   - Quantities for station limits on each sheet
g. Preliminary Pavement Marking Plan Sheets (25 Sheets)
h. Applicable City Standard Construction Details
i. Applicable TxDOT Traffic Control Details
   - A detailed traffic control plan will not be provided
j. Applicable TxDOT Erosion Control Details
   - A detailed erosion control plan will not be provided

iv. Prepare technical specifications for Phase 3.

v. The Consultant will perform an internal Quality Assurance/Quality Control (QA/QC) review prior to submitting documents to the City. The review will be completed utilizing the Consultant’s QA/QC plan and checklist.

vi. Prepare Opinion of Probable Construction Cost for Phase 3.

vii. Water, sanitary sewer, and storm drains will be shown on the plans based on the City’s GIS information provided to 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. Utility locates requested by the Consultant, and any available "Record Drawings" that the Consultant can obtain from other utilities.

viii. Provide the City with one (1) copy and a PDF of the plans, technical specifications, and Opinion of Probable Construction Cost for their review.
   a. Hard copies will be provided as stated in the General Requirements.

ix. Prior to the preliminary review meeting with the City, the Consultant will 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.

b. **Phase 3 – Final Design (100% Submittals)**

i. Prepare final engineering drawings that address the comments from the preliminary review for Phase 3.

ii. The Final Design and Construction Plans packages will include:
   a. Cover Sheet (including location map) (1 Sheet)
   b. General Notes (2 Sheets)
   c. Quantity Summary (1 Sheet)
   d. Existing, Milled (or reconstructed), and Proposed Typical Sections (1 Sheet)
   e. Project Overview (1 Sheets)
   f. Fallon Street Paving Plan Sheets (25 Sheets)
      - Indicating pavement limits, full-depth repairs, driveway replacement, curb and gutter replacement, barrier free ramp replacement, as necessary for each street. This information will be collected by the City and provided to the Consultant.
      - Final grade adjustments for surface features such as water valves, storm manholes, sanitary sewer manholes, sanitary sewer clean outs and gas valves will be called out
      - Quantities for station limits on each sheet
   g. Pavement Marking Plan Sheets (25 Sheets)
   h. Applicable City Standard Construction Details
   i. Applicable TxDOT Traffic Control Details
      - A detailed traffic control plan will not be provided
   j. Applicable TxDOT Erosion Control Details
      - A detailed erosion control plan will not be provided

iii. Prepare limited portion of the Project Manual, including Bid Proposal (City to provide a template to Consultant) and technical specifications for Phase 3.

iv. The Consultant will perform an internal Quality Assurance/Quality Control (QA/QC) review prior to each submittal to the City. The reviews will be completed utilizing the Consultant's QA/QC plan and checklist. Prior to submitting the Final Design plans a constructability review will be conducted

internally as well.

v. Update the Opinion of Probable Construction Cost for Phase 3.

vi. Provide the City with one (1) copy and a PDF of the plans, technical specifications, and Opinion of Probable Construction Cost for their Final Design review.

a. Hard copies will be provided as stated in the General Requirements.

c. **Phase 3 – Bid Phase Services**

i. Prepare bid set drawings and technical specifications that address the comments from the final design review for ONLY Phase 3).

ii. Furnish to the City up to eight (8) copies of approved Construction Contract Documents needed for competitive bidding (plans, technical specifications, and bid proposals). The sets of Construction Contract Documents in excess of eight (8) copies are to be paid for separately as provided hereinafter.

iii. Assist the City in the advertisement for the Project for competitive bids.

iv. Assist the City with the Pre-Bidders meetings.

v. Prepare up to two (2) addenda as appropriate to interpret, clarify, or expand the Bid Documents.

vi. Assist the City in the opening and tabulation of bids for construction of the Project.

vii. Prepare a written summary of the bid tabulation and evaluation together with a letter addressing the award of the construction contract.

viii. Assist in the preparation of formal Construction Contract Documents, provide four (4) copies of contracts to be executed by the contractor, and coordinate their execution by the respective parties.

d. **Phase 3 – Construction Phase Services**

i. Conformed Document submittal for Phase 3:

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

ii. Up to two (2) Site Visits upon request.

iii. *Pre-Construction Meeting.* Attend Pre-Construction Meeting prior to commencement of Work at the Site.

iv. *Franchise Utility Coordination*. Assist the City with franchise utility coordination efforts and conflict resolution during construction.

v. *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.

vi. *Change Orders*. Review and make recommendations for up to two (2) Change Orders submitted or proposed by the Contractor. Task includes preparing plan sheet revisions.

vii. *Shop Drawings, Samples, and Submittals.* Review and approve or take other appropriate action for up to two (2) 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.

viii. *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.

ix. *Disagreements between City and Contractor.* As necessary, render written decisions on claims of the City and Contractor relating to the acceptability of the Contractor's work or the interpretation of the requirements of the Contract Documents pertaining to the progress of Contractor's work. In rendering such decisions, Consultant shall be fair and not show partiality to City or Contractor and shall not be liable in connection with any decision rendered in good faith in such capacity.

x. *Limitation of Responsibilities.* The 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.

xi. Consultant shall prepare construction Record Documents based on the information received from Contractor within 30 days of final completion in accordance with the Agreement.

a. The Consultant shall submit one (1) half size set and one (1) PDF file of the Record Documents.

E. 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. Phase 1 – Cherry Street Pre-Design Topographic Survey

a. The following services will be completed by a Subconsultant.

b. Identify, produce, and obtain written Rights of Entry (ROE) from

current landowners, private and public, where necessary. Approximately eight properties have been identified.

c. Research existing public records: Obtain all subject and adjacent easements, right of ways, subdivision plats, boundary surveys, deeds, and other similar documents from public records.
d. Boundary/Right-of-way sketch: Prepare boundary sketch in AutoCAD 2020 or later, of record information obtained by research of public records. Label parcel, easements, and public rights-of-way with appropriate ownership and record of ownership. The sketch will be suitable for civil design. Not a boundary survey.
e. Horizontal and vertical control: Establish horizontal and vertical control per City of Sherman Standards. Horizontal project data will be based upon the Texas State Plane Coordinate System, North Central Zone, North American Datum of 1983 (NAD 83), unless otherwise specified by the City. Vertical data will be based upon the North American Vertical Datum of 1988 (NAVD88), unless otherwise specified by the City. Horizontal coordinates will be represented as surface coordinates with a surface to grid combined scale factor. Establish a minimum of (3) control points.
f. Benchmarks: Establish benchmarks within 200 feet of the beginning and end of the project. Establish additional benchmarks along the alignment, but outside of anticipated potential construction limits, at intervals that do not exceed 1,000 feet. Benchmarks shall be semi-permanent in nature, intended to last until construction, will be documented and retraceable (i.e., nails in trees are not acceptable).
g. Contact Texas 811: Call and coordinate with Texas 811 to locate and mark all private utilities in the project area. Sketch utilities in AutoCAD 2020 or later, of franchise and public utilities within project area. The Consultant is not responsible for Texas 811 response times or completeness of markings.
h. Topographic features: Provide horizontal and vertical locations of topographic features up to 10 feet outside the apparent right-of-way on Cherry Street from US 75 to East Street. The topographic features that shall be located include but are not limited to:
    - 50’ intervals to provide one (1) foot contours.
    - Other significant grade breaks (walls, ramps, ground slope changes, etc.)
    - Fire hydrants, water meters, valves, and blow offs (Provide rim elevations and top nut measure downs for valves).
    - Gas meters and valves.
    - Power poles, overhead electric lines, telephone, and electrical pedestals.
    - Storm Sewer inlets, manholes, and junction boxes with flow-line elevations, rim elevations, size, depth, and type.

- Wastewater manholes with flow-line elevations, cleanouts, rim elevations, size, depth, and type.
- Identify drainage channels, ditches, and swales. Identify culvert sizes and flow lines.
- Show channel/ditch/creek features, including top of bank, high bank, side slopes, berms, center line of creek and back-slope interceptors. Show limits of riprap and slope paving.
- Identify brush or tree lines and tree types and sizes. Comply with local agency requirements for sizes of trees that must be identified. Identify size, specie and location of individual specimen trees and perimeter location of heavy brush areas.
- Locate visible indications of utilities (gas mains, electric, telephone, cable TV, communication fiber optics, etc.). Locate right-of-way markers and pipeline markers (provide information from pipeline marker sign).
- Roadway features: driveway/ground, back of sidewalk, front of sidewalk, back of curb, gutter, edge of concrete, edge of asphalt, crown of street, mailboxes, signs, and landscaping.
- Intersecting streets will be surveyed to the radius return/tangent point of the side street curb or 30’ back along an intersecting street with no curb or radius.
- Locate/verify existing property monuments to establish right-of-way and property lines suitable for engineering design (not a boundary survey)

ii. Phase 2 – Woods Street Pre-Design Topographic Survey

a. The following services will be completed by a Subconsultant.
b. Identify, produce, and obtain written Rights of Entry (ROE) from current landowners, private and public, where necessary. Approximately eight properties have been identified.
c. Research existing public records: Obtain all subject and adjacent easements, right of ways, subdivision plats, boundary surveys, deeds, and other similar documents from public records.
d. Boundary/Right-of-way sketch: Prepare boundary sketch in AutoCAD 2020 or later, of record information obtained by research of public records. Label parcel, easements, and public rights-of-way with appropriate ownership and record of ownership. The sketch will be suitable for civil design. Not a boundary survey.
e. Horizontal and vertical control: Establish horizontal and vertical control per City of Sherman Standards. Horizontal project data will be based upon the Texas State Plane Coordinate System, North Central Zone, North American Datum of 1983 (NAD 83), unless otherwise specified by the City. Vertical data will be based upon the North American Vertical Datum of 1988 (NAVD88), unless otherwise specified by the City. Horizontal coordinates will be

represented as surface coordinates with a surface to grid combined scale factor. Establish a minimum of (3) control points.

f. Benchmarks: Establish benchmarks within 200 feet of the beginning and end of the project. Establish additional benchmarks along the alignment, but outside of anticipated potential construction limits, at intervals that do not exceed 1,000 feet. Benchmarks shall be semi-permanent in nature, intended to last until construction, will be documented and retraceable (i.e., nails in trees are not acceptable).
g. Contact Texas 811: Call and coordinate with Texas 811 to locate and mark all private utilities in the project area. Sketch utilities in AutoCAD 2020 or later, of franchise and public utilities within project area. The Consultant is not responsible for Texas 811 response times or completeness of markings.
h. Topographic features: Provide horizontal and vertical locations of topographic features up to 10 feet outside the apparent right-of-way on N. Woods Street between TX 56/Lamar Street and Belden Street. The topographic features that shall be located include but are not limited to:
    - 50’ intervals to provide one (1) foot contours.
    - Other significant grade breaks (walls, ramps, ground slope changes, etc.)
    - Fire hydrants, water meters, valves, and blow offs (Provide rim elevations and top nut measure downs for valves).
    - Gas meters and valves.
    - Power poles, overhead electric lines, telephone, and electrical pedestals.
    - Storm Sewer inlets, manholes, and junction boxes with flow-line elevations, rim elevations, size, depth, and type.
    - Wastewater manholes with flow-line elevations, cleanouts, rim elevations, size, depth, and type.
    - Identify drainage channels, ditches, and swales. Identify culvert sizes and flow lines.
    - Show channel/ditch/creek features, including top of bank, high bank, side slopes, berms, center line of creek and back-slope interceptors. Show limits of riprap and slope paving.
    - Identify brush or tree lines and tree types and sizes. Comply with local agency requirements for sizes of trees that must be identified. Identify size, specie and location of individual specimen trees and perimeter location of heavy brush areas.
    - Locate visible indications of utilities (gas mains, electric, telephone, cable TV, communication fiber optics, etc.). Locate right-of-way markers and pipeline markers (provide information from pipeline marker sign).
    - Roadway features: driveway/ground, back of sidewalk, front of

sidewalk, back of curb, gutter, edge of concrete, edge of asphalt, crown of street, mailboxes, signs, and landscaping.
- Intersecting streets will be surveyed to the radius return/tangent point of the side street curb or 30' back along an intersecting street with no curb or radius.
- Locate/verify existing property monuments to establish right-of-way and property lines suitable for engineering design (not a boundary survey)

iii. Geotechnical Investigation & Report (All Phases)
   a. The following services will be completed by a Subconsultant.
   b. It is assumed that mobilization for borings and pavement cores for all phases will be completed at the same time.
   c. A total of 23 borings and 18 pavement cores will be drilled across the project areas, as follows
      - Nine (9) borings will be cored then subsequently drilled through the pavement of Cherry Street, spaced at approximately 400-foot intervals.
      - Fourteen (14) borings will be cored then subsequently drilled through the pavement on Woods Street, spaced at approximately 400-foot intervals.
      - Three (3) pavement cores will be drilled through the main lanes—at the termini and middle of—of the following six roadways (amounting to 18 pavement cores):
        - Travis Street
        - Grand Avenue
        - OB Groner Road
        - Friendship Road
        - Taylor Street
        - Fallon Drive
   d. The objective of this geotechnical investigation will be to obtain subsurface data and develop pavement, pavement subgrade, and earthwork recommendations along Cherry and Woods Street, and identify asphalt thickness within the 18 pavement cores. All services will be performed in accordance with, and limited to, the generally accepted engineering standards prevailing at the time and in the area where the work is conducted.
   e. Field Services
      - All borings will be advanced using a truck-mounted drilling rig. Subsurface materials will be sampled using conventional tube or split-barrel samplers (Standard Penetration Test) as appropriate for the soil conditions encountered. If bedrock is encountered, in-place strength characteristics will be evaluated using the Texas Cone Penetration Test.
      - Recovered samples will be properly preserved and labeled in the

field according to boring number and depth. These samples will subsequently be examined and described in greater detail in the laboratory by a staff geologist or engineer. Groundwater conditions will be recorded, if observed, both during drilling and upon completion of each boring.

- It should be noted that backfilled boreholes may experience settlement over time and should be monitored accordingly. The Consultant will not be responsible for future backfilling or for any damage or injury that may result from settlement of the boreholes after the initial backfill process.
- All pavement cores will be repaired with cold-patch asphalt material.

f. Laboratory Services
   - Selected laboratory testing of the recovered samples will be performed to evaluate soil index, volume change, and strength properties of the subsurface materials, and to provide data for analysis. These tests may include but may not be limited to the following:
     - Moisture content
     - Atterberg limits
     - Percent passing No. 200 mesh sieve
     - Overburden swell
     - Soluble sulfates

g. Engineering Analysis & Reporting
   - Data obtained from the field investigation and laboratory tests will be presented in a geotechnical data report. Information to be provided includes the following:
     - A plan sheet indicating the approximate location of each boring.
     - A log of each boring with the boring number, depth of each stratum, material description, soil classification with laboratory test results, and groundwater information.
     - A discussion of subsurface soil and groundwater conditions.
     - A brief discussion of site geology.
     - Estimates of soil movement related to settlement and expansive soils (if present).
     - Outline of the engineering properties of the natural soils present, and any existing fill, if encountered.
     - Summary of existing pavement thickness for roadways that are cored with no borings.
     - Earthwork recommendations, including material type(s), compaction, and backfill requirements.
     - Pavement and pavement subgrade recommendations.
     - Electronic copy of the 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:

1. Changes in Project Scope
2. Traffic impact and/or signalization studies
3. Value engineering revisions unless input is received during design, plan changes requested after obtaining permits, or during construction
4. Hydraulic modeling or water flow test of existing water systems
5. Environmental assessments and permitting
6. Preparation of permits and applications
7. Effort and expenses required to change, adjust, or modify the construction documents after receipt of approval of the preliminary plan
8. Effort and expenses related to drafting legal descriptions, drawings, or exhibits required to modify existing or create new easements
9. Design of sanitary sewer or potable water
10. Vertical roadway design and major horizontal roadway changes, unless otherwise specified in the Basic Services section
11. Drainage improvements or H&H (hydrology and hydraulic) modeling and design, unless otherwise specified in the Basic Services section
12. Landscape, irrigation, and/or lighting designs and/or modifications
13. Preparation of renderings or exhibits, other than what was stated in the Basic Services section Design or development of traffic control plans
14. Design or development of erosion control plans

EXHIBIT B
PROJECT BUDGET SUMMARY

I. Basic Services

A. Project Management (All Phases) $53,800.00 (LS)

B. Phase 1 – Travis Street, Cherry Street, Grand Avenue, and OB Groner Road (FY 25-26)

Preliminary Design (30% Submittal) (Expected Completion: January 2026)	$94,860.00 (LS)
Final Design (100% Submittal) (Expected Completion: April 2026)	$69,720.00 (LS)
Bid Phase Services (Expected Completion: May 2026)	$9,150.00 (T&M)
Construction Phase Services (Expected Completion: Summer 2027)	$9,190.00 (T&M)
Phase 1 Anticipated Total	**$182,920.00**

C. Phase 2 – Friendship Road, Taylor Street, and Woods Street (FY26-27)

Preliminary Design (30% Submittal) (Expected Completion: October 2026)	$103,880.00 (LS)
Final Design (100% Submittal) (Expected Completion: January 2027)	$78,740.00 (LS)
Bid Phase Services (Expected Completion: April 2027)	$9,510.00 (T&M)
Construction Phase Services (Expected Completion: Summer 2028)	$9,720.00 (T&M)
Phase 2 Anticipated Total	**$201,850.00**

D. Phase 3 – Fallon Drive (FY27-28)

Preliminary Design (30% Submittal) (Expected Completion: June 2027)	$33,530.00 (LS)
Final Design (100% Submittal) (Expected Completion: August 2027)	$26,200.00 (LS)

Bid Phase Services (Expected Completion: September 2027)	$9,880.00 (T&M)
Construction Phase Services (Expected Completion: Summer 2028)	$9,990.00 (T&M)
Phase 3 Anticipated Total	**$79,600.00**

Anticipated Total Basic Services ***$518,170.00***

II. Special Services

Phase 1 – Cherry Street Pre-Design Topographic Survey	$33,750.00 (LS)
Phase 2 – Woods Street Pre-Design Topographic Survey	$48,700.00 (LS)
Geotechnical Investigation & Report:	$55,110.00 (LS)

Total Authorized Special Services ***$137,560.00***

Project Budget, Grand Total (Not-To-Exceed) ***$655,730.00***

1. Files shall be done in DWG/DXF format.

2. Files shall be georeferenced in the State Plane, Texas North Central FIPS 4202 (feet) coordinate system, using a datum of NAD 83 Grid.

3. If a surface adjustment factor is applied to the data, any surface adjustment factors used should be clearly documented on the drawing.

4. If submissions for the Project relate to a plat, the file submitted must match exactly the plat that is submitted for recording.

5. The file shall contain the required features for the project type as detailed below:

    a. Pre-Construction/As-Built Plans and/or Record Documents:
        i. Layers from Final Plat Requirements as Applicable to Project Type.
        ii. Water Utility Features.
        iii. Sanitary Sewer Features.
        iv. Storm Sewer Features.

6. Each required feature group should be provided as a separate layer within the file.

7. Layer names should be representative of the information contained in the layer.

8. Line work should be done per accepted industry norms.

Text should not be smaller than 0.08” on a full-size sheet, and should be a font such at Simplex, Calibri, or Arial.

EXHIBIT D
CONSULTANT'S GUIDELINES FOR DIRECT EXPENSES; GENERAL AND ADMINISTRATIVE MARKUP; TRAVEL AND SUBSISTENCE EXPENSES

I. CONSULTANT'S RESPONSIBILITY. Consultant shall be solely responsible for the auditing and accuracy of all Direct Expenses, approved markup (general and/or administrative), and approved travel and/or subsistence charges, including those of its subcontractors, prior to submitting to City for reimbursement. Any over-payment by City for errors in submittals for reimbursement may be deducted from Consultant's subsequent payment(s) for services; however, this shall not be City's sole and exclusive remedy for said over-payment.

II. GUIDELINES FOR DIRECT EXPENSES.

A. **Local Transportation** – Transportation in connection with the Project, when such transportation is not a function of routine performance of the duties of Consultant in connection with the Project, and when such transportation exceeds beyond fifty (50) miles from the Project site, shall be reimbursed at a standard mileage rate consistent with that as issued, and periodically revised, by the United States Internal Revenue Service (IRS). Under no circumstances shall City reimburse Consultant at a higher standard mileage rate or pay additional markup on charges for local transportation. Completion of City's Standard Mileage Log is required for submittal of these charges for reimbursement, including justification for each submitted expense.

Under no circumstances are charges associated with rental cars for local transportation eligible for reimbursement by City. Toll road subscriptions or toll plaza receipts are not reimbursable. Consultant agrees to place these standards in all subcontracts for work on the Project.

B. **Supplies, Material, Equipment** – City shall reimburse the actual cost of other similar direct Project-related expenses, which are duly presented in advance and approved by City's Project Manager in writing.

C. **Commercial Reproduction** – City shall reimburse the actual cost of reproductions, specifically limited to progress prints prepared for presentation to City at each phase of progress, and final Construction Documents prepared for distribution at bidding phase, provided that Consultant has duly obtained at least three (3) quotations from commercial firms and has chosen the best value for City. Consultant shall provide such documentation to City for review prior to submitting these expenses for reimbursement. Consultant agrees to place these standards in all subcontracts for work on the Project.

D. **In-House Reproduction** – Consultant shall make arrangements with City for prior approval of in-house reproduction rates prior to submitting these expenses for reimbursement. City shall provide Consultant with a standard format for documenting these charges. Completion of City's reproduction log is required as

a prerequisite for payment, including the number or reproductions, the date, time, description, the approved standard rate, and a justification for each submitted expense for reimbursement. Consultant agrees to place these standards in all subcontracts for work on the Project.

E. **Commercial Plotting** – City shall reimburse the actual cost of plots, specifically limited to final documents, provided Consultant has duly obtained at least three (3) quotations from commercial firms and has chosen the best value for City. Consultant shall provide such documentation to City for review prior to submitting these expenses for reimbursement. Consultant agrees to place these standards in all subcontracts for work on the Project.

F. **In-House Plotting** – Consultant shall make arrangements with City for prior written approval of in-house plotting rates prior to submitting these charges for reimbursement. City shall provide Consultant with a standard format for documenting these charges. Completion of City's reproduction log is required as a prerequisite for payment, including the number of plots, the date, time, description, the approved standard rate, and a justification for each submitted charge for reimbursement.

G. **Communications** – Reimbursement for expenses relating to electronic communications shall be limited to long-distance telephone or fax toll charges specifically required in the discharge of professional responsibilities related to the Project. Telephone service charges including office or cellular phones, WATTS, or Metro line services or similar charges are not reimbursable.

H. **Postage, Mail, and Delivery Service** – City shall reimburse the actual cost of postage and delivery of Instruments of Service, provided Consultant duly considers all circumstances (including available time for assured delivery) of the required delivery and selects the best value for City, which may require comparison of delivery costs offered by three (3) or more sources or methods of delivery, which at a minimum shall include U.S. Mail. Courier service is acceptable only in circumstances requiring deadline-sensitive deliveries and not for the convenience of Consultant and/or Consultant's employees. Consultant agrees to place these standards in all subcontracts for work on the Project.

I. **Meals and Other Related Charges** – Meals or any other related expenses are not reimbursable unless incurred outside a fifty (50) mile radius of the Project, and then only reimbursable for the actual cost subject to compliance with City's currently adopted policy. Non-allowable costs include, but are not limited to, charges for entertainment, alcoholic beverages, and gratuities.

III. GUIDELINES FOR GENERAL AND ADMINISTRATIVE MARKUP.

A. **Requirement of Prior Approval** – Consultant may be allowed to charge a General and/or Administrative Markup on work completed if Consultant can clearly define to City specifically what costs are included in the markup calculation. To apply General and/or Administrative Markup, Consultant must also document to City what costs would be considered direct costs. City shall issue approval in writing to allow Consultant to charge General and/or Administrative Markup. City reserves the right to reject any and all requests for General and/or Administrative Markup.

IV. GUIDELINES FOR TRAVEL AND SUBSISTENCE EXPENSES.

A. **Requirement of Prior Approval** – City shall reimburse the actual cost of travel and/or subsistence expenses upon prior written approval by City's Project Manager.

B. **Adherence to Currently Adopted City Travel Policy** – Reimbursements shall be governed by the same travel policies provided for City employees according to current adopted policy. Prior to the event, Consultant shall request, and City's Project Manager shall provide the provisions and the restrictions that apply to out-of-town reimbursements.

EXHIBIT E
CONTRACTOR'S INSURANCE GUIDELINES

I. GENERAL INSURANCE REQUIREMENTS –

A. All policies shall name the City of Sherman, its officers, 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, 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
_X_	1.	Worker's Compensation & Employer's Liability	▪ Statutory Limits of the State of Texas
_X_	2.	General Liability	▪ Minimum $1,000,000.00 each occurrence ▪ Minimum $2,000,000.00 in the aggregate
___	3.	XCU Coverage	▪ Minimum $1,000,000.00 each occurrence ▪ Minimum $2,000,000.00 in the aggregate

_X_	4.	Professional Liability	▪ Minimum $1,000,000.00 each claim. ▪ Minimum $2,000,000.00 in the aggregate
_X_	5.	Umbrella Coverage of Excess Liability Coverage	▪ An amount of $2,000,000.00 ▪ Minimum $2,000,000.00 in the aggregate

_X_ 6. City and its officers, and employees named as additional insured on General Liability Policy, as provided above. This coverage is primary to all other coverage City may possess.

_X_ 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.

_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 and bid number.

___ 11. Other Insurance Requirements (State Below):

EXHIBIT F
CONFLICT OF INTEREST QUESTIONNAIRE, FORM CIQ

CONFLICT OF INTEREST QUESTIONNAIRE — FORM CIQ

For vendor doing business with local governmental entity

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.**

Not Applicable

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.**

Not Applicable

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.**

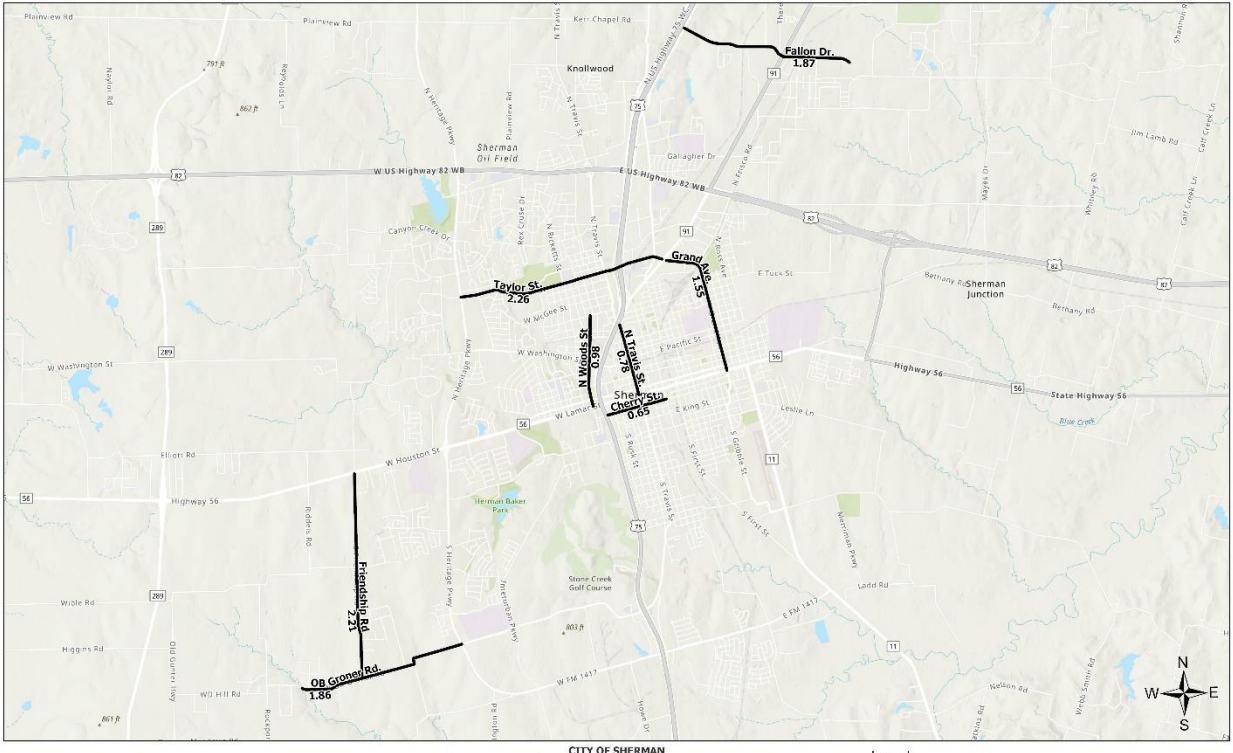
6 ☐ Check this box if the vendor has given the local government officer or a family member of the officer one or more gifts as described in Section 176.003(a)(2)(B), excluding gifts described in Section 176.003(a-1).

7

Signature of vendor doing business with the governmental entity

01.20.2026
Date

Form provided by Texas Ethics Commission www.ethics.state.tx.us Revised 1/1/2021



CITY OF SHERMAN
Contractor Streets Maintenance

Legend
CIPStreets2525

SHERMAN CITY COUNCIL
Agenda Communication Form

City Council Regular Meeting Agenda Item No. H.3.

Meeting Date: 3/16/2026

Prepared By: Jim Cross, Water Systems Manager

Approved By: Zachary Flores, City Manager

Caption:
Resolution No 7632
Authorizing the Purchase of a 74 (Seventy-four) Toray Ultrafiltration Membrane Model HFU-2020AN and Associated Couplings from H2O Innovation USA Inc.

Issue:
Ultrafiltration (UF) Unit 4 membranes have reached useful life and require replacement.

Background:
The membrane modules on UF Unit 4 at the Water Treatment Plant began operation in the year 2020 and have reached their useful life and are in need of replacement. This Resolution supports the purchase of 74 (seventy-four) Toray HFU-2020AN membrane modules and associated couplings in order to return Unit 4 to the optimum filtration treatment capacity of drinking water for the City of Sherman.
H2O Innovation USA manufactured the existing hardware and couplings to contain the UF modules within the unit. The modules and couplings have been approved by TCEQ.
Due to the unique design of the couplings and hardware that attach to the existing modules, H20 Innovation USA is the sole source provider.

Capital Improvement Program:

Origination:
Water Production

Financial Consideration:
The cost of 74 new Toray UF Modules and couplings is $259,795.50. Funding is available in the current FY2026 Water Production maintenance budget.

Staff Recommendation:
Staff recommends approval.

Alternatives:

Attachments:

1. Resolution No. 7632
2. Sole Source Confirmation letter
3. QUOTE# W53931 - Toray Modules & Piedmont Couplings for City of Sherman

RESOLUTION NO. 7632

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING THE PURCHASE OF A 74 (SEVENTY-FOUR) TORAY ULTRAFILTRATION MEMBRANE MODEL HFU-2020AN AND ASSOCIATED COUPLINGS FROM H2O INNOVATION USA INC. ; 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 H2O Innovation USA Inc, is hereby awarded the purchase of a 74 (Seventy-Four) Toray Ultrafiltration Membrane Model HFU-2020AN and Associated Couplings in the amount of Two Hundred Fifty-Nine Thousand Seven Hundred Ninety-Five Dollars and Fifty Cents ($259,795.50)**;** 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.

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 16th day of March 2026

CITY OF SHERMAN, TEXAS

BY: _____
SHAWN TEAMANN, MAYOR

ATTEST:

BY: _____
TERI FINE, CITY CLERK

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

BY: _____
RYAN D. PITTMAN, CITY ATTORNEY

SOLE SOURCE CONFIRMATION LETTER

To City of Sherman, TX

I, undersigned, Marc Blanchet, Chief Financial Officer of H_2O Innovation Inc., hereby confirm that **Piedmont Pacific Corporation** is an ultimately owned subsidiary **of H_2O Innovation Inc.**, as more fully detailed in the corporate organizational chart attached hereto.

The design, specifications, and proprietary polymer formulation used in our P-style couplings are confidential and constitute trade secrets of H_2O Innovation Inc and as such this information is not publicly disclosed. In particular, the engineered plastic utilized in these products is based on a proprietary polymer formulation developed by our company, which is not offered by other vendors.

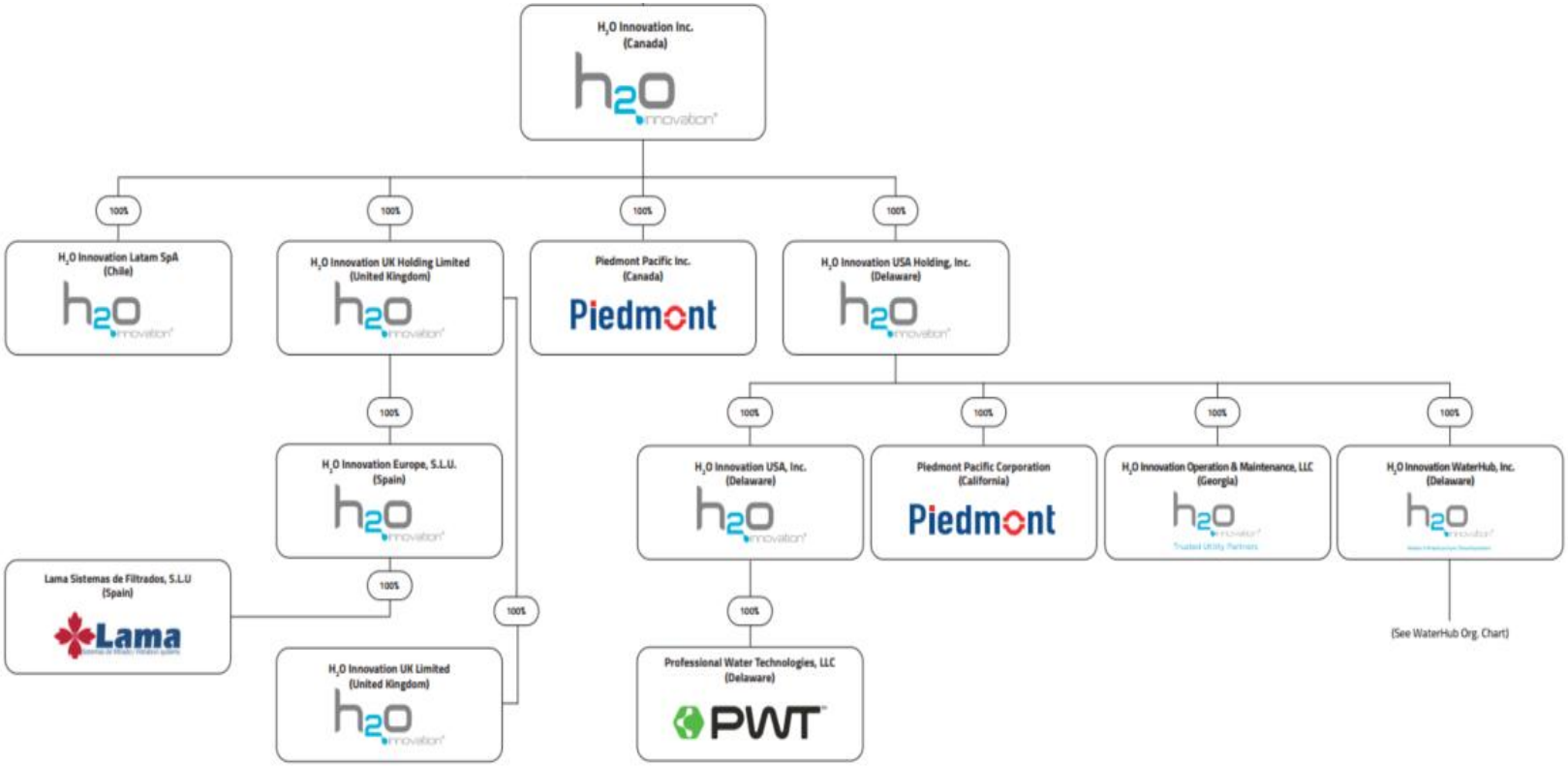
That said, we would be pleased to provide any technical data sheets, performance specifications, or compliance documentation you may require.

Signed in Quebec City, Province of Quebec, Canada, on March 3, 2026.

Marc Blanchet
Chief Financial Officer

Attach. Organization chart

Organization chart



Quotation

H2O Innovation USA Inc.
8227 Bunker Lake Blvd, Suite 500
Ramsey, MN, USA
55303
Phone: 763-566-8961
Fax: 763-566-8972

Quotation Date:	Mar 2, 2026
Quotation Number:	W53931
Revision No:	1
Expiration Date:	Apr 2, 2026

Delivery Address: SHER004
City of Sherman WTP - TX
243 La Cima Drive
ATTN: Lori Sanders (903)-892-2222
Sherman - TX
75090
US

Document Address: SHER004
City of Sherman
PO Box 1106
Sherman - TX
75091
US

Salesperson:	Ship Via:	Terms of Delivery:	Payment Terms:
Michael Pineda	Bestway	Free Carrier	Net 30 days

Quotation Notes:

"Any tax amount is subject to change based on applicable laws, tariffs and regulations. This quote does not include duties, tariffs, or any other fees or levies applicable at the moment of delivery. Quoted price and related invoices shall be adjusted accordingly"

Freight is not included in the price below

Estimated lead time for the Toray membranes is 2-3 weeks ARO

Estimated lead time for the Piedmont couplings is 3-5 business days ARO

Pos	Part No	Description	Sale Qty	Price Qty	Unit	Price	Disc. %	Discount Price	Net Amount
1	TORHFU-2020AN	Toray UF module HFU-2020AN	74	74	EA	3,437.50	0.00		254,375.00
2	P0200-C-BTD-D-D	Coupling Style P 2" , G0200, BTM8-50-D, NM8-D, WM8-D	74	74	EA	73.25	0.00		5,420.50

Sub Total:		259,795.50
TOTAL:		259,795.50
Tax Total		0.00
Gross Total	USD	259,795.50

Visit us at www.h2oinnovation.com

This quote is valid for 30 days after the quotation date.

Terms & Conditions : www.h2oinnovation.com/terms-conditions/

Bank information :

Bank name :	HSBC Bank USA NA
Bank Address :	66 Hudson Blvd New York NY 10001 USA
Swift code :	MRMDUS33
Ach routing Number:	022000020
Account :	724004971

SHERMAN CITY COUNCIL
Agenda Communication Form

City Council Regular Meeting Agenda Item No. I.1.

Meeting Date: 3/16/2026

Prepared By: Carla Hommel, Purchasing Agent

Approved By: Zachary Flores, City Manager

Caption:
**** REQUEST TO ADVERTISE***
Requesting Authorization to Advertise for Public Bids for a Construction Manager at Risk (CMAR) for Sherman Public Works Fleet Services Facility.

Issue:
Request to Advertise
CMAR for Public Works and Fleet Services Facility

Background:
The City of Sherman has engaged with an architectural and engineering team to design a new Fleet Services and Public Works Facility. The project will consist of a new structure to provide fleet services repair and maintenance bays, a wash bay, tire storage and associated parts and office areas. The City desires to advertise for a Construction Manager at Risk to assist in bringing the estimated construction cost of the Project within the Construction Budget through value engineering.

Capital Improvement Program:

Origination:
Financial Services

Financial Consideration:
The cost of advertising is approximately $200.00.

Staff Recommendation:
Staff recommends approval to advertise for public bids for a Construction Manager at Risk (CMAR).

Alternatives:
As may be directed by the City Council

Attachments:
None

SHERMAN CITY COUNCIL
Agenda Communication Form

City Council Regular Meeting Agenda Item No. J.1.

Meeting Date: 3/16/2026

Prepared By: Nic Emmons, Assistant Police Chief

Approved By: Zachary Flores, City Manager

Caption:

**** Change Orders***

Authorize Execution of a Change Order with Anderson Fence & Custom Welding LLC for the Animal Services Security Fence and Access Control Project

Issue:

To consider awarding and authorizing execution of a contract with Anderson Fence & Custom Welding LLC of Wills Point, Texas, based upon a revised quote using governmental cooperative pricing, Buyboard. Buyboard satisfies governmental rules for financial procurement.

Background:

Sherman Animal Services is requesting permission for Anderson Fence and Custom Welding to construct additional wrought iron fencing beyond the original scope. The project also replaces the old damaged chainlink fence around three dog pens with new black coated chainlink.

Capital Improvement Program:

Origination:

Animal Services

Financial Consideration:

The total proposed additional cost is approximately $38,550 and is funded in the 2025-2026 budget. The change order does not exceed the original budgeted amount for the capital improvement project.

Staff Recommendation:

Staff recommends that the City Council award the contract to Anderson Fencing & Custom Welding of Wills Point, Texas

Alternatives:

As may be directed by the City Council

Attachments:

1. Anderson Fencing And Custom Welding 757-24

2. Anderson Fencing And Custom Welding 703-23
3. Estimate_1129_from_Anderson_Fence_And_Custom_Welding_LLC
4. Estimate_1131_from_Anderson_Fence_And_Custom_Welding_LLC

P.O. Box 400, Austin, Texas 78767
800.695.2919 • info@buyboard.com • buyboard.com

Electronic Delivery

Tanner Anderson
Anderson Fencing and Custom Welding
1107 Goodnight Blvd
Wills Point, TX 75169

Welcome to BuyBoard!

Re: *Notice of The Local Government Purchasing Cooperative Contract Award;* Proposal Invitation No. 757-24, Building/Facility Maintenance Equipment and Services

Congratulations, The Local Government Purchasing Cooperative (Cooperative) has awarded your company a BuyBoard® contract based on the above-referenced Proposal Invitation. The contract is effective for an initial one-year term of December 1, 2024, through November 30, 2025, and may be subject to two possible one-year renewals. Please refer to the Proposal Invitation for the contract documents, including the General Terms and Conditions of the Contract.

To review the items your company has been awarded, please review Proposal Tabulation No. 757-24 at: www.buyboard.com/vendor. Only items marked as awarded to your company are included in this contract award, and only those awarded items may be sold through the BuyBoard contract. All sales must comply with the contract terms and must be at or below the awarded pricing as set forth in the General Terms and Conditions.

The contract will be posted on the BuyBoard website as an online electronic catalog(s). **You are reminded that, in accordance with the General Terms and Conditions, all purchase orders must be processed through the BuyBoard**. Except as expressly authorized in writing by the Cooperative's administrator, you are not authorized to process a purchase order received directly from a Cooperative member that has not been processed through the BuyBoard or provided to the Cooperative. If you receive a purchase order directly from a Cooperative member that you have reason to believe has not been received by the Cooperative or processed through the BuyBoard, you must promptly forward a copy of the purchase order by email to info@buyboard.com.

A list of Cooperative members is available on the buyboard.com website. Once the contract is active, the BuyBoard vendor relations staff will be contacting you to assist with the resources available and to provide any support you may need as an awarded BuyBoard vendor.

On behalf of the Cooperative, we appreciate your interest in the Cooperative and we are looking forward to your participation in the program. If you have any questions, feel free contact me at bids@buyboard.com.

Sincerely,

Leigh Clover, Bid Analyst
Texas Association of School Boards, Inc.,
Administrator for The Local Government Purchasing Cooperative

Endorsed by:

Electronic Delivery

Tanner Anderson
Anderson Fencing and Custom Welding
1107 Goodnight Blvd
Wills Point, TX 75169

Welcome to BuyBoard!

Re: *Notice of National Purchasing Cooperative Award;* Proposal Invitation No. 757-24, Building/Facility Maintenance Equipment and Services

Congratulations, The National Purchasing Cooperative (National Cooperative) has awarded your company a BuyBoard® contract based on the above-referenced Proposal Invitation. The contract is effective for an initial one-year term of December 1, 2024, through November 30, 2025, and may be subject to two possible one-year renewals. Please refer to the Proposal Invitation for the contract documents, including the National Purchasing Cooperative Vendor Award Agreement and General Terms and Conditions of the Contract.

To review the items your company has been awarded, please review Proposal Tabulation No. 757-24 at www.buyboard.com/vendor. Only items marked as awarded to your company are included in this contract award, and only those awarded items may be sold through the BuyBoard contract. All sales must comply with the contract terms and must be at or below the awarded pricing as set forth in the General Terms and Conditions.

The contract will be posted on the BuyBoard website as an online electronic catalog(s). **You are reminded that, in accordance with the General Terms and Conditions, all purchase orders from National Cooperative members must be processed through the BuyBoard**. Except as expressly authorized in writing by the Cooperative's administrator, you are not authorized to process a purchase order received directly from a National Cooperative member that has not been processed through the BuyBoard or provided to the Cooperative. If you receive a purchase order directly from a National Cooperative member that you have reason to believe has not been received by the National Cooperative or processed through the BuyBoard, you must promptly forward a copy of the purchase order by e-mail to info@buyboard.com

A list of National Cooperative members is available on the buyboard.com website. Once the contract is active, the BuyBoard vendor relations staff will be contacting you to assist with resources available and provide any support you may need as an awarded BuyBoard vendor.

On behalf of the National Cooperative, we are looking forward to your participation in the program. If you have any questions, feel free to contact me at bids@buyboard.com.

Sincerely,

Leigh A Clover

Leigh Clover, Bid Analyst
Texas Association of School Boards, Inc.,
Procurement Administrator for the National Purchasing Cooperative

v.02.01.2021

P.O. Box 400, Austin, Texas 78767
800.695.2919 • bids@buyboard.com • buyboard.com

PROPOSER'S ACCEPTANCE AND AGREEMENT

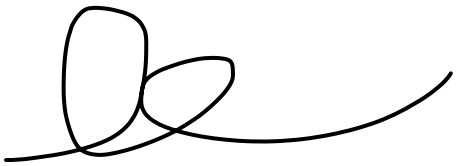
Proposal Invitation Name Building Maintenance, Repair, and Operations Products and Supplies	**Proposal Due Date/Opening Date and Time** July 18, 2024, at 4:00 PM
Proposal Invitation Number 756-24	**Location of Proposal Opening** Texas Association of School Boards, Inc. BuyBoard Department 12007 Research Blvd. Austin, TX 78759
Contract Term December 1, 2024, through November 30, 2025, with two possible one-year renewals.	**Anticipated Cooperative Board Meeting Date** October 2024

By signature below, the undersigned acknowledges and agrees that you are authorized to submit this Proposal, including making all acknowledgements, consents, and certifications herein, on behalf of Proposer and, to the best of your knowledge, the information provided is true, accurate, and complete.

Anderson Fencing and Custom Welding
Name of Proposing Company

7/22/24
Date

1107 Goodnight Blvd
Street Address


Signature of Authorized Company Official

Wills Point, TX 75169
City, State, Zip

Tanner Anderson
Printed Name of Authorized Company Official

469-474-1172
Telephone Number of Authorized Company Official

Owner
Position or Title of Authorized Company Official

N/A
Fax Number of Authorized Company Official

82-4170037
Federal ID Number

PROPOSAL FORMS PART 1: COMPLIANCE FORMS

INSTRUCTIONS:

Proposer must review and complete all forms in this Proposal Forms Part 1:

- Proposal Acknowledgements
- Felony Conviction Disclosure
- Resident/Nonresident Certification
- Debarment Certification
- Vendor Employment Certification
- No Boycott Verification
- No Excluded Nation or Foreign Terrorist Organization Certification
- Historically Underutilized Business Certification
- Acknowledgement of BuyBoard Technical Requirements
- Construction-Related Goods and Services Affirmation
- Deviation and Compliance
- Vendor Consent for Name Brand Use
- Confidential/Proprietary Information
- EDGAR Vendor Certification
- Compliance Forms Signature Page

An authorized representative of Proposer ***must initial in the bottom right corner of each page*** **where indicated and complete and sign the Compliance Forms Signature Page. Proposer's failure to fully complete, initial, and sign forms as required may result in your Proposal being rejected as non-responsive.**

PROPOSAL ACKNOWLEDGEMENTS

The proposing company ("you" or "your") hereby acknowledges and agrees as follows:

1. You have carefully examined and understand all information and documentation associated with this Proposal Invitation, including the Instructions to Proposers, General Information, General Terms and Conditions, attachments/forms, appendices, item specifications, and line items (collectively "Requirements");
2. By your response ("Proposal") to this Proposal Invitation, you propose to supply the products or services submitted at the pricing quoted in your Proposal and in strict compliance with the Requirements, unless specific deviations or exceptions are noted in the Proposal;
3. By your Proposal, you acknowledge and certify all items set forth in the General Terms and Conditions, Section B.12 (Certifications), including all non-collusion certifications and certifications regarding legal, ethical, and other matters set forth therein.
4. Any and all deviations and exceptions to the Requirements have been noted in your Proposal on the required form and no others will be claimed;

Initial: TA

5. If the Cooperative accepts any part of your Proposal and awards you a Contract, you will furnish all awarded products or services at the pricing quoted and in strict compliance with the Requirements (unless specific deviations or exceptions are noted on the required form and accepted by the Cooperative), including without limitation the Requirements related to:
   a. conducting business with Cooperative members, including offering pricing to members that is the best you offer compared to similarly situated customers in similar circumstances;
   b. payment of a service fee in the amount specified and as provided for in this Proposal Invitation;
   c. the **possible** award of a piggy-back contract by the National Purchasing Cooperative or nonprofit entity, in which event you will offer the awarded products and services in accordance with the Requirements; and
   d. submitting price sheets or catalogs in the proper format as required by the Cooperative as a prerequisite to activation of your Contract;
6. You have clearly identified on the included form any information in your Proposal that you believe to be confidential or proprietary or that you do not consider to be public information subject to public disclosure under the Texas Public Information Act or similar public information law;
7. The individual submitting this Proposal is duly authorized to enter into the contractual relationship represented by this Proposal Invitation on your behalf and bind you to the Requirements, and such individual (and any individual signing a form or Proposal document) is authorized and has the requisite knowledge to provide the information and make the representations and certifications required in the Requirements;
8. You have carefully reviewed your Proposal, and certify that all information provided is true, complete, and accurate to the best of your knowledge, and you authorize the Cooperative to take such action as it deems appropriate to verify such information; and
9. Any misstatement, falsification, or omission in your Proposal, whenever or however discovered, will be grounds for disqualifying you from consideration for a contract award under this Proposal Invitation, termination of a contract award, or any other remedy or action provided for in the General Terms and Conditions or by law.

FELONY CONVICTION DISCLOSURE

Subsection (a) of Section 44.034 of the Texas Education Code (Notification of Criminal History of Contractor) states: "A person or business entity that enters into a contract with a school district must give advance notice to the district if the person or an owner or operator has been convicted of a felony. The notice must include a general description of the conduct resulting in the conviction of a felony."

Section 44.034 further states in Subsection (b): "A school district may terminate a contract with a person or business entity if the district determines that the person or business entity failed to give notice as required by Subsection (a) or misrepresented the conduct resulting in the conviction. The district must compensate the person or business entity for services performed before the termination of the contract."

Please check (√) one of the following:

☐ My company is a publicly held corporation. (Advance notice requirement does not apply to publicly held corporation.)
☒ My company is not owned or operated by anyone who has been convicted of a felony.
☐ My company is owned/operated by the following individual(s) who has/have been convicted of a felony:

Name of Felon(s): _____

Details of Conviction(s):_____

_____

Initial: TA

RESIDENT/NONRESIDENT CERTIFICATION

Chapter 2252, Subchapter A, of the Texas Government Code establishes certain requirements applicable to proposers who are not Texas residents. Under the statute, a "resident" proposer is a person whose principal place of business is in Texas, including a contractor whose ultimate parent company or majority owner has its principal place of business in Texas. A "nonresident" proposer is a person who is not a Texas resident. Please indicate the status of your company as a "resident" proposer or a "nonresident" proposer under these definitions.

Please check (√) one of the following:

- [■] I certify that my company is a **Resident Proposer.**
- [ ] I certify that my company is a **Nonresident Proposer.**

If your company is a Nonresident Proposer, you must provide the following information for your resident state (the state in which your company's principal place of business is located):

Company Name	Address		
Anderson Fencing and Custom Welding	1107 Goodnight Blvd		
City	**State**	**Zip Code**	
Wills Point	TX	75169	

A. Does your resident state require a proposer whose principal place of business is in Texas to under-price proposers whose resident state is the same as yours by a prescribed amount or percentage to receive a comparable contract?

[ ] Yes [X] No

B. What is the prescribed amount or percentage? $_____ or _____%

DEBARMENT CERTIFICATION

By signature on the Compliance Forms Signature Page, I certify that neither my company nor an owner or principal of my company has been debarred, suspended or otherwise made ineligible for participation in Federal Assistance programs under Executive Order 12549, "Debarment and Suspension," as described in the Federal Register and Rules and Regulations. Neither my company nor an owner or principal of my company is currently listed on the government-wide exclusions in SAM, debarred, suspended, or otherwise excluded by agencies or declared ineligible under any statutory or regulatory authority. My company agrees to immediately notify the Cooperative and all Cooperative members with pending purchases or seeking to purchase from my company if my company or an owner or principal is later listed on the government-wide exclusions in SAM, or is debarred, suspended, or otherwise excluded by agencies or declared ineligible under any statutory or regulatory authority.

VENDOR EMPLOYMENT CERTIFICATION

Section 44.031(b) of the Texas Education Code establishes certain criteria that a school district must consider when determining to whom to award a contract. Among the criteria for certain contracts is whether the vendor or the vendor's ultimate parent or majority owner (i) has its principal place of business in Texas; or (ii) employs at least 500 people in Texas. If neither your company nor the ultimate parent company or majority owner has its principal place of business in Texas, does your company, ultimate parent company, or majority owner employ at least 500 people in Texas?

Please check (√) one of the following:

[X] Yes [ ] No

Initial: TA

NO BOYCOTT VERIFICATION

A Texas governmental entity may not enter into a contract with a value of $100,000 or more that is to be paid wholly or partly from public funds with a company (excluding a sole proprietorship) that has 10 or more full-time employees for goods or services unless the contract contains a written verification from the company that it: (1) does not boycott Israel and will not boycott Israel during the term of the contract (TEX. GOV'T CODE Ch. 2271), (2) does not boycott energy companies and will not boycott energy companies during the term of the contract (TEX. GOV'T CODE Ch. 2276), and (3) does not have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association and will not discriminate during the term of the contract against a firearm entity or firearm trade association (TEX. GOV'T CODE Ch. 2274). Accordingly, this certification form is included to the extent required by law.

"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. TEX. GOV'T CODE §808.001(1).

"Boycott energy company" means, without an ordinary business purpose, 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 with a company because the company: (A) engages in the exploration, production, utilization, transportation, sale, or manufacturing of fossil fuel-based energy and does not commit or pledge to meet environmental standards beyond applicable federal and state law; or (B) does business with a company described by Paragraph (A). TEX. GOV'T CODE §809.001(1).

"Discriminate against a firearm entity or firearm trade association" means, (A) with respect to the entity or association, to: (i) refuse to engage in the trade of any goods or services with the entity or association based solely on its status as a firearm entity or firearm trade association; (ii) refrain from continuing an existing business relationship with the entity or association based solely on its status as a firearm entity or firearm trade association; or (iii) terminate an existing business relationship with the entity or association based solely on its status as a firearm entity or firearm trade association; and (B) does not include: (i) the established policies of a merchant, retail seller, or platform that restrict or prohibit the listing or selling of ammunition, firearms, or firearm accessories; and (ii) a company's refusal to engage in the trade of any goods or services, decision to refrain from continuing an existing business relationship, or decision to terminate an existing business relationship: (aa) to comply with federal, state, or local law, policy, or regulations or a directive by a regulatory agency; or (bb) for any traditional business reason that is specific to the customer or potential customer and not based solely on an entity's or association's status as a firearm entity or firearm trade association. TEX. GOV'T CODE §2274.001(3).

By signature on the Compliance Forms Signature Page, to the extent applicable, I certify and verify that Vendor does not boycott Israel, boycott energy companies, or discriminate against a firearm entity or firearm trade association and will not do so during the term of any contract awarded under this Proposal Invitation, that this certification is true, complete and accurate, and that I am authorized by my company to make this certification.

Initial: TA

NO EXCLUDED NATION OR FOREIGN TERRORIST ORGANIZATION CERTIFICATION

Chapter 2252 of the Texas Government Code provides that a Texas governmental entity may not enter into a contract with a company engaged in active business operations with Sudan, Iran, or a foreign terrorist organization – specifically, any company identified on a list prepared and maintained by the Texas Comptroller under Texas Government Code §§806.051, 807.051, or 2252.153. (A company that the U.S. Government affirmatively declares to be excluded from its federal sanctions regime relating to Sudan, Iran, or any federal sanctions regime relating to a foreign terrorist organization is not subject to the contract prohibition.)

By signature on the Compliance Forms Signature Page, I certify and verify that Vendor is not on the Texas Comptroller's list identified above; that this certification is true, complete and accurate; and that I am authorized by my company to make this certification.

HISTORICALLY UNDERUTILIZED BUSINESS CERTIFICATION

A Proposer that has been certified as a Historically Underutilized Business (also known as a Minority/Women Business Enterprise or "MWBE" and all referred to in this form as a "HUB") is encouraged to indicate its HUB certification status when responding to this Proposal Invitation. The BuyBoard website will indicate HUB certifications for awarded Vendors that properly indicate and document their HUB certification on this form. *(Please check (√) all that apply)*

☒ I certify that my company has been certified as a HUB in the following categories:

☒ **Minority Owned Business** ☐ **Women Owned Business**

☐ **Service-Disabled Veteran Owned Business (veteran defined by 38 U.S.C. §101(2), who has a service-connected disability as defined by 38 U.S.C. § 101(16), and who has a disability rating of 20% or more as determined by the U. S. Department of Veterans Affairs or Department of Defense)**

Certification Number: BMMB89162N0225

Name of Certifying Agency: NCTRCA

☐ My company has **NOT** been certified as a HUB.

ACKNOWLEDGEMENT OF BUYBOARD TECHNICAL REQUIREMENTS

Vendor shall review the BuyBoard Technical Requirements included in this Proposal Invitation. By signature on the Compliance Forms Signature Page, the undersigned affirms that Proposer has obtained a copy of the BuyBoard Technical Requirements, has read and understands the requirements, and certifies that Vendor is able to meet and will comply with those requirements except as follows: *[List and explain BuyBoard Technical Requirements, if any, to which your company **cannot** or will **not** comply.]*

Note: In accordance with the General Terms and Conditions of the Contract, to the extent Vendor is awarded a Contract under this Proposal Invitation but is unable or unwilling to meet the applicable BuyBoard Technical Requirements, the information available on the BuyBoard for Vendor's awarded products or services may be limited, potentially placing Vendor at a disadvantage and impacting the ability of Cooperative members to search, find, review, and purchase Vendor's awarded products and services on the BuyBoard website. Further, to the extent Vendor has acknowledged ability to meet and comply with the BuyBoard Technical Requirements, any subsequent failure or refusal by Vendor to promptly provide information upon request to the Cooperative administrator in accordance with those technical requirements may be deemed an event of default under the Contract.

Initial: TA

CONSTRUCTION-RELATED GOODS AND SERVICES AFFIRMATION

The Cooperative issued the BuyBoard Procurement and Construction-Related Goods and Services Advisory for Texas Members ("Advisory"), which provides information specifically relevant to the procurement of construction-related goods and services by Texas Cooperative members. The Advisory, available at buyboard.com/Vendor/Resources.aspx, provides an overview of certain legal requirements that are potentially relevant to a Cooperative member's procurement of construction or construction-related goods and services, including those for projects that may involve or require architecture, engineering or independent testing services. A copy of the Advisory can also be provided upon request. Because many BuyBoard contracts include goods or installation services that might be considered construction-related, Proposer must make this Construction Related-Goods and Services Affirmation regardless of type of goods or services associated with this Proposal Invitation.

A contract awarded under this Proposal Invitation covers only the specific goods and/or services awarded by the Cooperative. As explained in the Advisory ("Advisory"), **Texas law prohibits the procurement of architecture or engineering services through a purchasing cooperative. This Proposal Invitation and any Contract awarded thereunder does not include such services. Architecture or engineering services must be procured by a Cooperative member separately, in accordance with the Professional Services Procurement Act (Chapter 2254 of the Texas Government Code) and other applicable law and local policy.**

By signature on the Compliance Forms Signature Page, Proposer affirms that Proposer has obtained a copy of the Advisory, has read and understands the Advisory, and is authorized by Proposer to make this affirmation. If Proposer sells construction-related goods or services to a Cooperative member under a Contract awarded under this Proposal Invitation, Proposer will comply with the Advisory and applicable legal requirements, make a good faith effort to make its Cooperative member customers or potential Cooperative member customers aware of such requirements, and provide a Cooperative member with a copy of the Advisory before accepting the member's Purchase Order, Member Construction Contract, or other agreement for construction-related goods or services.

Initial: TA

DEVIATION AND COMPLIANCE

If your company intends to deviate from the General Terms and Conditions, Proposal Specifications or other requirements associated with this Proposal Invitation, you MUST list all such deviations on this form, and provide complete and detailed information regarding the deviations on this form or an attachment to this form. **Prior to completing this form, Vendor shall review the General Terms and Conditions section B.4 (Deviations from Item Specifications and General Terms and Conditions). Please note that, as provided in section B.4, certain provisions of the General Terms and Conditions are NOT subject to deviation, and certain deviations will be deemed rejected without further action by the Cooperative. Any attempted deviation, whether directly or indirectly, to provisions identified in this Proposal Invitation as not subject to deviation shall be deemed rejected by the Cooperative and, unless otherwise withdrawn by Vendor, may result in Vendor's Proposal being rejected in its entirety.**

The Cooperative will consider any deviations in its contract award decision and reserves the right to accept or reject a proposal based upon any submitted deviation.

In the absence of any deviation identified and described in accordance with the above, your company must fully comply with the General Terms and Conditions, Proposal Specifications and all other requirements associated with this Proposal Invitation if awarded a Contract under this Proposal Invitation. A deviation will not be effective unless accepted by the Cooperative. The Cooperative, by and through the Cooperative administrator, may, in its sole discretion, seek clarification from and/or communicate with Proposer(s) regarding any submitted deviation, consistent with general procurement principles of fair competition. The Cooperative reserves the right to accept or reject a Proposal based upon any submitted deviation.

Please check (√) one of the following:

☒ **No**; Deviations
☐ **Yes**; Deviations

List and fully explain any deviations you are submitting:

_____

_____

_____

_____

_____

_____

_____

_____

_____

_____

Initial: TA

VENDOR CONSENT FOR NAME BRAND USE

BuyBoard members seeking to make purchases using a Contract awarded under this Proposal Invitation may view information regarding awarded Vendors, including but not limited to product catalogs, pricelists, pricing, and Proposals, through the BuyBoard website. To improve and enhance the experience of BuyBoard members seeking to procure goods and services under the Contract utilizing the BuyBoard website, any Vendor logo, product images, and similar brand and trademark information provided by Vendor for purposes of the Contract ("Vendor Information") may be posted on the BuyBoard website.

You acknowledge that, by submitting your Proposal, unless you specifically opt out below, you consent to use of your company's Vendor Information on the BuyBoard website if awarded a Contract. You further acknowledge that whether, where, and when to include the Vendor Information on the BuyBoard website shall be at the sole discretion of the BuyBoard Administrator. Vendor retains, however, the right of general quality control over the BuyBoard Administrator's authorized display of proprietary Vendor Information. Neither the BuyBoard nor its administrator will be responsible for the use or distribution of Vendor Information by BuyBoard members or any other third party using the BuyBoard website. This Vendor Consent shall be effective for the full term of the Contract, including renewals, unless Vendor provides a signed, written notice revoking consent to contractadmin@buyboard.com. BuyBoard shall have up to thirty days from the date of receipt of a termination or revocation of a Vendor Consent to remove Vendor information from the BuyBoard website.

This Vendor Consent is subject to the Terms and Conditions of the Contract, including, but not limited to, those terms pertaining to Disclaimer of Warranty and Limitation of Liability, Indemnification, and Intellectual Property Infringement.

Vendor logo files must be submitted in one of the formats set forth in the BuyBoard Technical Requirements. Proposers are requested to submit this information with Vendor's Proposal. (This consent shall not authorize use of your company's Vendor Information by BuyBoard if your company is not awarded a Contract.)

OPT OUT:

If your company wishes to opt out of the Vendor Consent for Name Brand Use, you must check the opt out box below. ***DO NOT select this box unless your company is opting out of this Vendor Consent for Name Brand Use.***

☐ By checking this box, Vendor hereby declines to provide consent for use of Vendor Information (as defined herein) on the BuyBoard website. **By opting out, Vendor acknowledges and agrees that, if Vendor is awarded a Contract under this Proposal Invitation, information available on the BuyBoard for Vendor's awarded products or services may be limited, potentially placing Vendor at a disadvantage and impacting the ability of Cooperative members to search, find, review, and purchase Vendor's awarded products and services on the BuyBoard website.**

Initial: TA

CONFIDENTIAL/PROPRIETARY INFORMATION

A. Public Disclosure Laws

All Proposals, forms, documentation, catalogs, pricelists, or other materials submitted by Vendor to the Cooperative in response to this Proposal Invitation, may be subject to the disclosure requirements of the Texas Public Information Act (Texas Government Code chapter 552.001, *et. seq.*) or similar disclosure law. Proposer must clearly identify on this form any information in its Proposal (including forms, documentation, or other materials submitted with the Proposal) that Proposer considers proprietary or confidential. If Proposer fails to properly identify the information, the Cooperative shall have no obligation to notify Vendor or seek protection of such information from public disclosure should a member of the public or other third-party request access to the information under the Texas Public Information Act or similar disclosure law. When required by the Texas Public Information Act or other disclosure law, Proposer may be notified of any third-party request for information in a Proposal that Proposer has identified in this form as proprietary or confidential.

Does your Proposal (including forms, documentation, catalogs, pricelists, or other materials submitted with the Proposal) contain information which Vendor considers proprietary or confidential?

Please check (√) one of the following:

☒ **NO,** I certify that none of the information included with this Proposal is considered confidential or proprietary.

☐ **YES,** I certify that this Proposal contains information considered confidential or proprietary and all such information is specifically identified on this form.

If you responded "YES", you must clearly identify below the specific information you consider confidential or proprietary. List each page number, form number, or other information sufficient to make the information readily identifiable. The Cooperative and Cooperative administrator shall not be responsible for a Proposer's failure to clearly identify information considered confidential or proprietary. Further, by submitting a Proposal, Proposer acknowledges that the Cooperative and Cooperative administrator will disclose information when required by law, even if such information has been identified herein as information Vendor considers confidential or proprietary.

Confidential / Proprietary Information:

_____

_____

_____

_____

_____

(Attach additional sheets if needed.)

Initial: TA

B. Copyright Information

Does your Proposal (including forms, documentation, pricelists, catalogs, or other materials submitted with the Proposal) contain copyright information?

Please check (√) one of the following:

☒ **NO,** Proposal (including forms, documentation, pricelists, catalogs, or other materials submitted with the Proposal) does not contain copyright information.

☐ **YES,** Proposal (including forms, documentation, pricelists, catalogs, or other materials submitted with the Proposal) does contain copyright information.

If you responded "YES", clearly identify below the specific documents or pages containing copyright information.

Copyright Information:_____

_____

_____

_____

(Attach additional sheets if needed.)

C. Consent to Release Confidential/Proprietary/Copyright Information to BuyBoard Members

BuyBoard members (Cooperative and nonprofit members) seeking to make purchases through the BuyBoard may wish to view information included in the Proposals of awarded Vendors. If you identified information on this form as confidential, proprietary, or subject to copyright, and you are awarded a BuyBoard contract, your acceptance of the BuyBoard contract award constitutes your consent to the disclosure of such information to BuyBoard members, including posting of such information on the secure BuyBoard website for members. Note: Neither the Cooperative nor Cooperative administrator will be responsible for the use or distribution of information by BuyBoard members or any other party.

D. Consent to Release Proposal Tabulation

Notwithstanding anything in this Confidential/Proprietary Information form to the contrary, by submitting a Proposal, Vendor consents and agrees that, upon Contract award, the Cooperative may publicly release, including posting on the public BuyBoard website, a copy of the proposal tabulation and award information for the Contract including Vendor name; proposed catalog/pricelist name(s); proposed percentage discount(s), hourly labor rate(s), or other specified pricing; and Vendor award or non-award information.

Initial: TA

P.O. Box 400, Austin, Texas 78767
800.695.2919 • bids@buyboard.com • buyboard.com

EDGAR VENDOR CERTIFICATION
(2 CFR Part 200 and Appendix II)

When a Cooperative member seeks to procure goods and services using funds under a federal grant or contract, specific federal laws, regulations, and requirements may apply in addition to those under state law. This includes, but is not limited to, the procurement standards of the Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards, 2 CFR 200 (sometimes referred to as the "Uniform Guidance" or new "EDGAR"). All Vendors submitting a Proposal must complete this EDGAR Certification Form regarding Vendor's willingness and ability to comply with certain requirements which ***may*** be applicable to specific Cooperative member purchases using federal grant funds. Completed forms will be made available to Cooperative members for their use while considering their purchasing options when using federal grant funds. Cooperative members may also require Vendors to enter into ancillary agreements, in addition to the terms and conditions of the BuyBoard contract, to address the member's specific contractual needs, including contract requirements for a procurement using federal grants or contracts.

For <u>each</u> of the items below, Vendor should certify Vendor's agreement and ability to comply, where applicable, by having Vendor's authorized representative check the applicable boxes, initial each page, and sign the Compliance Forms Signature Page. If you fail to complete any item in this form, the Cooperative will consider and may list the Vendor's response on the BuyBoard as "NO," the Vendor is unable or unwilling to comply. A "NO" response to any of the items may, if applicable, impact the ability of a Cooperative member to purchase from the Vendor using federal funds.

1. Vendor Violation or Breach of Contract Terms:

Contracts for more than the simplified acquisition threshold, which is the inflation adjusted amount determined by the Civilian Agency Acquisition Council and the Defense Acquisition Regulations Council (Councils) as authorized by 41 USC 1908, must address administrative, contractual, or legal remedies in instances where contractors violate or breach contract terms, and provide for such sanctions and penalties as appropriate.

Provisions regarding Vendor default are included in the BuyBoard General Terms and Conditions, including Section E.18, Remedies for Default and Termination of Contract. Any Contract award will be subject to such BuyBoard General Terms and Conditions, as well as any additional terms and conditions in any Purchase Order, Member Construction Contract, or Cooperative member ancillary contract agreed upon by Vendor and the Cooperative member which must be consistent with and protect the Cooperative member at least to the same extent as the BuyBoard Terms and Conditions. The remedies under the Contract are in addition to any other remedies that may be available under law or in equity. By submitting a Proposal, you agree to these Vendor violation and breach of contract terms.

■ **YES**, I agree. ☐ **NO**, I do not agree.

2. Termination for Cause or Convenience:

For any Cooperative member purchase or contract in excess of $10,000 made using federal funds, you agree that the following term and condition shall apply:

The Cooperative member may terminate or cancel any Purchase Order under this Contract at any time, with or without cause, by providing seven (7) business days advance written notice to the Vendor. If this Agreement is terminated in accordance with this Paragraph, the Cooperative member shall only be required to pay Vendor for goods or services delivered to the Cooperative member prior to the termination and not otherwise returned in accordance with Vendor's return policy. If the Cooperative member has paid Vendor for goods or services not yet provided as of the date of termination, Vendor shall immediately refund such payment(s).

If an alternate provision for termination of a Cooperative member purchase for cause and convenience, including the manner by which it will be effected and the basis for settlement, is included in the Cooperative member's Purchase Order, Member Construction Contract, or ancillary agreement agreed to by the Vendor, the Cooperative member's provision shall control.

■ **YES**, I agree. ☐ **NO**, I do not agree. **Initial:** TA

3. Equal Employment Opportunity:

Except as otherwise provided under 41 CFR Part 60, all Cooperative member purchases or contracts that meet the definition of "federally assisted construction contract" in 41 CFR Part 60-1.3 shall be deemed to include the equal opportunity clause provided under 41 CFR 60-1.4(b), in accordance with Executive Order 11246, "Equal Employment Opportunity" (30 FR 12319, 12935, 3 CFR Part, 1964-1965 Comp., p. 339), as amended by Executive Order 11375, "Amending Executive Order 11246 Relating to Equal Employment Opportunity," and implementing regulations at 41 CFR Part 60, "Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor."

The equal opportunity clause provided under 41 CFR 60-1.4(b) is hereby incorporated by reference. Vendor agrees that such provision applies to any Cooperative member purchase or contract that meets the definition of "federally assisted construction contract" in 41 CFR Part 60-1.3 and Vendor agrees that it shall comply with such provision.

■ **YES**, I agree. ☐ **NO**, I do not agree.

4. Davis-Bacon Act:

When required by Federal program legislation, Vendor agrees that, for all Cooperative member prime construction contracts/purchases in excess of $2,000, Vendor shall comply with the Davis-Bacon Act (40 USC 3141-3144, and 3146-3148) as supplemented by Department of Labor regulations (29 CFR Part 5, "Labor Standards Provisions Applicable to Contracts Covering Federally Financed and Assisted Construction"). In accordance with the statute, Vendor is required to pay wages to laborers and mechanics at a rate not less than the prevailing wages specified in a wage determinate made by the Secretary of Labor. In addition, Vendor shall pay wages not less than once a week.

Current prevailing wage determinations issued by the Department of Labor are available at beta.sam.gov. Vendor agrees that, for any purchase to which this requirement applies, the award of the purchase to the Vendor is conditioned upon Vendor's acceptance of the wage determination.

Vendor further agrees that it shall also comply with the Copeland "Anti-Kickback" Act (40 USC 3145), as supplemented by Department of Labor regulations (29 CFR Part 3, "Contractors and Subcontractors on Public Building or Public Work Financed in Whole or in Part by Loans or Grants from the United States"). The Act provides that each contractor or subrecipient must be prohibited from inducing, by any means, any person employed in the construction, completion, or repair of public work, to give up any part of the compensation to which he or she is otherwise entitled.

■ **YES**, I agree. ☐ **NO**, I do not agree.

5. Contract Work Hours and Safety Standards Act:

Where applicable, for all Cooperative member contracts or purchases in excess of $100,000 that involve the employment of mechanics or laborers, Vendor agrees to comply with 40 USC 3702 and 3704, as supplemented by Department of Labor regulations (29 CFR Part 5). Under 40 USC 3702 of the Act, Vendor is required to compute the wages of every mechanic and laborer on the basis of a standard work week of 40 hours. Work in excess of the standard work week is permissible provided that the worker is compensated at a rate of not less than one and a half times the basic rate of pay for all hours worked in excess of 40 hours in the work week.

The requirements of 40 USC 3704 are applicable to construction work and provide that no laborer or mechanic must be required to work in surroundings or under working conditions which are unsanitary, hazardous or dangerous. These requirements do not apply to the purchases of supplies or materials or articles ordinarily available on the open market, or contracts for transportation or transmission of intelligence.

■ **YES**, I agree. ☐ **NO**, I do not agree.

TA
Initial: _____

6. Right to Inventions Made Under a Contract or Agreement:

If the Cooperative member's Federal award meets the definition of "funding agreement" under 37 CFR 401.2(a) and the recipient or subrecipient wishes to enter into a contract with a small business firm or nonprofit organization regarding the substitution of parties, assignment or performance or experimental, developmental, or research work under that "funding agreement," the recipient or subrecipient must comply with the requirements of 37 CFR Part 401, "Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements," and any implementing regulations issued by the awarding agency.

Vendor agrees to comply with the above requirements when applicable.

■ **YES**, I agree. ☐ **NO**, I do not agree.

7. Clean Air Act and Federal Water Pollution Control Act:

Clean Air Act (42 USC 7401-7671q.) and the Federal Water Pollution Control Act (33 USC 1251-1387), as amended – Contracts and subgrants of amounts in excess of $150,000 must contain a provision that requires the non-Federal award to agree to comply with all applicable standards, orders, or regulations issued pursuant to the Clean Air Act (42 USC 7401-7671q.) and the Federal Water Pollution Control Act, as amended (33 USC 1251-1387). Violations must be reported to the Federal awarding agency and the Regional Office of the Environmental Protection Agency (EPA).

When required, Vendor agrees to comply with all applicable standards, orders, or regulations issued pursuant to the Clean Air Act and the Federal Water Pollution Control Act.

■ **YES**, I agree. ☐ **NO**, I do not agree.

8. Debarment and Suspension:

Debarment and Suspension (Executive Orders 12549 and 12689) – A contract award (see 2 CFR 180.220) must not be made to parties listed on the government-wide exclusions in the System for Award Management (SAM), in accordance with the OMB guidelines at 2 CFR 180 that implement Executive Orders 12549 (3 CFR Part 1966 Comp. p. 189) and 12689 (3 CFR Part 1989 Comp. p. 235), "Debarment and Suspension." SAM Exclusions contains the names of parties debarred, suspended, or otherwise excluded by agencies, as well as parties declared ineligible under statutory or regulatory authority other than Executive Order 12549.

Vendor certifies that Vendor is not currently listed on the government-wide exclusions in SAM, is not debarred, suspended, or otherwise excluded by agencies or declared ineligible under statutory or regulatory authority other than Executive Order 12549. Vendor further agrees to immediately notify the Cooperative and all Cooperative members with pending purchases or seeking to purchase from Vendor if Vendor is later listed on the government-wide exclusions in SAM, or is debarred, suspended, or otherwise excluded by agencies or declared ineligible under statutory or regulatory authority other than Executive Order 12549.

■ **YES**, I agree. ☐ **NO**, I do not agree.

9. Byrd Anti-Lobbying Amendment:

Byrd Anti-Lobbying Amendment (31 USC 1352) - Vendors that apply or bid for an award exceeding $100,000 must file the required certification. Each tier certifies to the tier above that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grant or any other award covered by 31 USC 1352. Each tier must also disclose any lobbying with non-Federal funds that takes place in connection with obtaining any Federal award. Such disclosures are forwarded from tier to tier up to the non-Federal award. As applicable, Vendor agrees to file all certifications and disclosures required by, and otherwise comply with, the Byrd Anti-Lobbying Amendment (31 USC 1352).

■ **YES**, I agree. ☐ **NO**, I do not agree.

Initial: TA

10. Procurement of Recovered Materials:

For Cooperative member purchases utilizing Federal funds, Vendor agrees to comply with Section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act where applicable and provide such information and certifications as a Cooperative member may require to confirm estimates and otherwise comply. The requirements of Section 6002 include procuring only items designated in guidelines of the Environmental Protection Agency (EPA) at 40 CFR Part 247 that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition, where the purchase price of the item exceeds $10,000 or the value of the quantity acquired during the preceding fiscal year exceeded $10,000; procuring solid waste management services in a manner that maximizes energy and resource recovery, and establishing an affirmative procurement program for procurement of recovered materials identified in the EPA guidelines.

■ **YES**, I agree. ☐ **NO**, I do not agree.

11. Domestic Preferences for Procurements:

Where appropriate and consistent with law, 2 CFR §200.322 contains certain considerations for domestic preferences for procurements which may be applicable to Cooperative members using federal funds. When required by a Cooperative member, Vendor agrees to provide such information or certification as may reasonably be requested by the Cooperative member regarding Vendor's products, including whether goods, products, or materials are produced in the United States.

■ **YES**, I agree. ☐ **NO**, I do not agree.

12. Prohibition on Certain Telecommunications and Video Surveillance Services or Equipment

2 CFR §200.216 prohibits expending federal loan or grant funds to procure or obtain certain telecommunications and video surveillance services or equipment. To the extent applicable and when required by a Cooperative member, Vendor agrees to provide such information or certification as may reasonably be requested by the Cooperative member to confirm whether any telecommunications or video surveillance services or equipment provided by Vendor is covered equipment or covered services under 2 CFR §200.216.

■ **YES**, I agree. ☐ **NO**, I do not agree.

13. Profit as a Separate Element of Price:

For purchases using federal funds in excess of the Simplified Acquisition Threshold, a Cooperative member may be required to negotiate profit as a separate element of the price. See, 2 CFR 200.324(b). When required by a Cooperative member, Vendor agrees to provide information and negotiate with the Cooperative member regarding profit as a separate element of the price for a particular purchase. However, Vendor agrees that the total price, including profit, charged by Vendor to the Cooperative member shall not exceed the awarded pricing, including any applicable discount, under Vendor's Cooperative Contract.

■ **YES**, I agree. ☐ **NO**, I do not agree.

14. General Compliance and Cooperation with Cooperative Members:

In addition to the foregoing specific requirements, Vendor agrees, in accepting any Purchase Order from a Cooperative member, it shall make a good faith effort to work with Cooperative members to provide such information and to satisfy such requirements as may apply to a particular Cooperative member purchase or purchases including, but not limited to, applicable recordkeeping and record retention requirements.

■ **YES**, I agree. ☐ **NO**, I do not agree.

Initial: TA

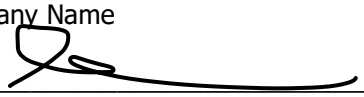
COMPLIANCE FORMS SIGNATURE PAGE

By initialing pages and by signature below, I certify that I have reviewed the following forms; that the information provided therein is true, complete, and accurate; and that I am authorized by my company to make all certifications, consents, acknowledgements, and agreements contained herein:

- Proposal Acknowledgements
- Felony Conviction Disclosure
- Debarment Certification
- Resident/Nonresident Certification
- Vendor Employment Certification
- No Boycott Verification
- No Excluded Nation or Foreign Terrorist Organization Certification
- Historically Underutilized Business Certification
- Construction-Related Goods and Services Affirmation
- Acknowledgement of BuyBoard Technical Requirements
- Deviation and Compliance
- Vendor Consent for Name Brand Use
- Confidential/Proprietary Information
- EDGAR Vendor Certification

Anderson Fencing and Custom Welding

Company Name



Signature of Authorized Company Official

Tanner Anderson, Owner

Printed Name and Title

7/22/24

Date

PROPOSAL FORMS PART 2: VENDOR INFORMATION FORMS

INSTRUCTIONS:

Proposer must completely and accurately provide all information requested in the following Vendor Information Forms or your Proposal may be rejected as non-responsive:

- Vendor Business Name
- Vendor Contact Information
- Federal and State/Purchasing Cooperative Experience
- Governmental References
- Company Profile
- Texas Regional Service Designation
- State Service Designation
- National Purchasing Cooperative Vendor Award Agreement *(Vendors serving outside Texas only)*
- Local/Authorized Seller Listings
- Manufacturer Dealer Designation
- Proposal Invitation Questionnaire

To the extent any information requested is not applicable to your company, you must so indicate on the form.

VENDOR BUSINESS NAME

By submitting a Proposal, Vendor is seeking to enter into a legal contract with the Cooperative. As such, Vendor must be an individual or legal business entity capable of entering into a binding contract.

Name of Proposing Company:
Anderson Fencing and Custom Welding

*(List the **legal** name of the company seeking to contract with the Cooperative. Do **NOT** list an assumed name, dba, aka, etc. here. Such information may be provided below. If you are submitting a joint proposal with another entity to provide the same proposed goods or services, each submitting entity should complete a separate vendor information form. Separately operating legal business entities, even if affiliated entities, which propose to provide goods or services separately must submit their own Proposals.)*

Please check (√) one of the following:

Type of Business: ☐ Individual/Sole Proprietor ☐ Corporation ■ Limited Liability Company ☐ Partnership

☐ Other (Specify: _____)

State of Incorporation (if applicable): TX

Federal Employer Identification Number: 82-4170037
*(Vendor must include a completed **IRS W-9** form with their Proposal)*

Name by which Vendor, if awarded, wishes to be identified on the BuyBoard: *(Note: If different than the Name of Proposing Company listed above, only valid trade names (dba, aka, etc.) of the Proposing Company may be used and a copy of your Assumed Name Certificate(s), if applicable, must be attached.)*

_____

Form **W-9**
(Rev. November 2017)
Department of the Treasury
Internal Revenue Service

Request for Taxpayer Identification Number and Certification

▶ **Go to *www.irs.gov/FormW9* for instructions and the latest information.**

Give Form to the requester. Do not send to the IRS.

Print or type. See **Specific Instructions** on page 3.

1 Name (as shown on your income tax return). Name is required on this line; do not leave this line blank.
Andeson Fencing and Custom Welding

2 Business name/disregarded entity name, if different from above

3 Check appropriate box for federal tax classification of the person whose name is entered on line 1. Check only **one** of the following seven boxes.

☐ Individual/sole proprietor or single-member LLC ☐ C Corporation ☐ S Corporation ☐ Partnership ☐ Trust/estate

☑ Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=Partnership) ▶ **S**

Note: Check the appropriate box in the line above for the tax classification of the single-member owner. Do not check LLC if the LLC is classified as a single-member LLC that is disregarded from the owner unless the owner of the LLC is another LLC that is **not** disregarded from the owner for U.S. federal tax purposes. Otherwise, a single-member LLC that is disregarded from the owner should check the appropriate box for the tax classification of its owner.

☐ Other (see instructions) ▶

4 Exemptions (codes apply only to certain entities, not individuals; see instructions on page 3):

Exempt payee code (if any) _____

Exemption from FATCA reporting code (if any) _____

(Applies to accounts maintained outside the U.S.)

5 Address (number, street, and apt. or suite no.) See instructions.
1107 Goodnight Blvd

Requester's name and address (optional)

6 City, state, and ZIP code
Wills Point, TX 75169

7 List account number(s) here (optional)

Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on line 1 to avoid backup withholding. For individuals, this is generally your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the instructions for Part I, later. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN,* later.

Note: If the account is in more than one name, see the instructions for line 1. Also see *What Name and Number To Give the Requester* for guidelines on whose number to enter.

Social security number
			–			–				

or

Employer identification number
8	2	–	4	1	7	0	0	3	7

Part II Certification

Under penalties of perjury, I certify that:

1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me); and
2. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding; and
3. I am a U.S. citizen or other U.S. person (defined below); and
4. The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct.

Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions for Part II, later.

Sign Here | **Signature of U.S. person** ▶ [signature] **Date** ▶ 1/1/24

General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

Future developments. For the latest information about developments related to Form W-9 and its instructions, such as legislation enacted after they were published, go to *www.irs.gov/FormW9.*

Purpose of Form

An individual or entity (Form W-9 requester) who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) which may be your social security number (SSN), individual taxpayer identification number (ITIN), adoption taxpayer identification number (ATIN), or employer identification number (EIN), to report on an information return the amount paid to you, or other amount reportable on an information return. Examples of information returns include, but are not limited to, the following.

- Form 1099-INT (interest earned or paid)
- Form 1099-DIV (dividends, including those from stocks or mutual funds)
- Form 1099-MISC (various types of income, prizes, awards, or gross proceeds)
- Form 1099-B (stock or mutual fund sales and certain other transactions by brokers)
- Form 1099-S (proceeds from real estate transactions)
- Form 1099-K (merchant card and third party network transactions)
- Form 1098 (home mortgage interest), 1098-E (student loan interest), 1098-T (tuition)
- Form 1099-C (canceled debt)
- Form 1099-A (acquisition or abandonment of secured property)

Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN.

If you do not return Form W-9 to the requester with a TIN, you might be subject to backup withholding. See What is backup withholding, *later.*

VENDOR CONTACT INFORMATION

Vendor shall provide the requested Vendor Contact Information in the electronic proposal submission system including contract, purchase order, RFQ, and invoice contacts (or, if submitting a hard copy Proposal, timely request and complete the Vendor Contact Information form in accordance with the Instructions to Proposers).

FEDERAL AND STATE/PURCHASING COOPERATIVE EXPERIENCE

The Cooperative strives to provide Cooperative members with the best services and products at the best prices available from Vendors with the technical resources and ability to serve Cooperative members. Please respond to the following questions.

1. Provide the dollar value of sales to or through purchasing cooperatives at or based on an established catalog or market price during the previous 12-month period or the last fiscal year: $_____. (The period of the 12-month period is _____/_____). In the event that a dollar value is not an appropriate measure of the sales, provide and describe your own measure of the sales of the item(s).
2. By submitting a proposal, you agree that, based on your written discounting policies, the discounts you offer the Cooperative are equal to or better than the best price you offer other purchasing cooperatives for the same items under equivalent circumstances.
3. Provide the information requested below for other purchasing cooperatives for which Proposer currently serves, or in the past has served, as an awarded vendor. Rows should be added to accommodate as many purchasing cooperatives as required.

PURCHASING GROUP	CURRENT VENDOR? (Y/N)	FORMER VENDOR (Y/N)? – IF YES, LIST YEARS AS VENDOR	AWARDED COMMODITY CATEGORY(IES)
1. Federal General Services Administration			
2. T-PASS (State of Texas)			
3. OMNIA Partners			
4. Sourcewell (NJPA)			
5. E&I Cooperative			
6. Houston-Galveston Area Council (HGAC)			
7. Choice Partners			
8. The Interlocal Purchasing System (TIPS)			
9. Other	y		Region7 Consvr2324

☐ **MY COMPANY DOES NOT CURRENTLY HAVE ANY OF THE ABOVE OR SIMILAR TYPE CONTRACTS.**

CURRENT BUYBOARD VENDORS

If you are a current BuyBoard vendor in the same contract category as proposed in this Proposal Invitation, indicate the discount for your current BuyBoard contract and the proposed discount in this Proposal. Explain any difference between your current and proposed discounts.

Current Discount (%): 10 **Proposed Discount (%):** 10

Explanation: Highway safety- same discount.

GOVERNMENTAL REFERENCES

For your Proposal to be considered, you must supply a minimum of five (5) individual governmental entity references. The Cooperative may contact any and all references provided as part of the Proposal evaluation. Provide the information requested below, including the existing pricing/discounts you offer each customer. The Cooperative may determine whether pricing/discounts are fair and reasonable by comparing pricing/discounts stated in your Proposal with the pricing/discounts you offer other governmental customers. Attach additional pages if necessary.

	Entity Name	Contact	Phone#	Email Address	Discount	Quantity/ Volume
1.	Mckinney ISD-	Justin Price	469-302-4284	jtprice@mckinneyisd.net	10%	
2.	Hallsville ISD-	Matt Tucker	903-241-1164	mtucker@hisd.com	10%	
3.	The Fence Lady-	Rebecca Dean	830-822-1822	rebecca.tfl1@gmail.com	10%	
4.	Wylie ISD-	Gary Barnhill	972-429-2351	gary.barnhill@wylieisd.net	10%	
5.	Big Sandy ISD-	Lucky Bolden	903-216-0862	lbolden@bigsandyisd.com	10%	

Do you ever modify your written policies or standard governmental sales practices as identified in the above chart to give better discounts (lower pricing) than indicated? **YES** ☐ **NO** ■ If YES, please explain:

_____

_____

_____

COMPANY PROFILE

Information on awarded Cooperative Contracts is available to Cooperative Members on the BuyBoard website. If your company is awarded a Contract under this Proposal Invitation, please provide a brief company description that you would like to have included with your company profile on the BuyBoard website. **Submit your company profile in a separate file, in Word format, with your Proposal**. (Note: Vendor is solely responsible for any content provided for inclusion on the BuyBoard website. The Cooperative reserves the right to exclude or remove any content in its sole discretion, with or without prior notice, including but not limited to any content deemed by the Cooperative to be inappropriate, irrelevant to the Contract, inaccurate, or misleading.)

Company Profile

Anderson Fencing & Custom Welding is founded in 2012.

Anderson Fencing & Custom Welding is a company that provides all kind of fencing, crash protection, controlled access for commerical and residential areas.

Anderson Fencing & Custom Welding is located at 1107 Goodnight BLVD, Wills Point, TX 75169.

Anderson Fencing & Custom Welding severs all of Texas and the rest of the United States.

The Strengths

- We are a family owned company
- We are absolutely customer oriented with having long-term relationships with customers.
- Serving them only in their interests is accepted as the corporate culture in our initiatives.
- The management team and also the employees are experienced in their area.

Products

- Crash Protection
- Fencing
- Chain Link
- Wrought Iron
- Privacy
- All Controlled Access
- Mulching(Land Clearing)

Management

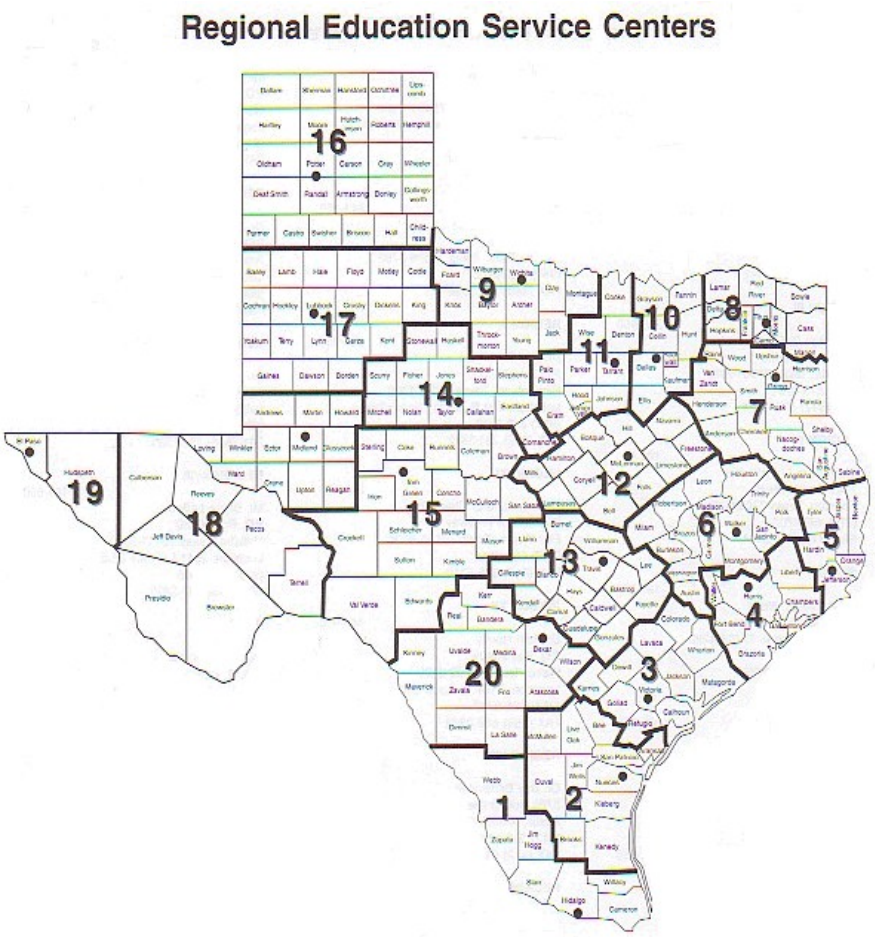
Tanner Anderson
Owner
469-474-1172

P.O. Box 400, Austin, Texas 78767
800.695.2919 • bids@buyboard.com • buyboard.com

TEXAS REGIONAL SERVICE DESIGNATION

This form must be completed in the electronic proposal submission system (or, if submitting a hard copy Proposal, timely request and complete the form in accordance with the Instructions to Proposers).

The Cooperative (referred to as "Texas Cooperative" in this form and in the State Service Designation form) offers vendors the opportunity to service its members throughout the entire State of Texas. In the electronic proposal submission system, you must indicate if you will service Texas Cooperative members statewide or, if you do not plan to service all Texas Cooperative members statewide, you ***must*** indicate the specific regions you will service. If you propose to serve different regions for different products or services included in your Proposal, you must complete and submit a separate Texas Regional Service Designation form for each group of products and clearly indicate the products or services to which the designation applies. **(Additional forms can be obtained by contacting** bids@buyboard.com *at least five (5) business days prior to the Proposal Due Date.)* ***By designating a region or regions, you are certifying that you are authorized and willing to provide the proposed products and services in those regions. Designating regions in which you are either unable or unwilling to provide the specified products and services shall be grounds for either rejection of your Proposal or, if awarded, termination of your Contract.*** Additionally, if you do not plan to service Texas Cooperative members (i.e., if you will service only states other than Texas), *you must so indicate on the form in the electronic proposal submission system.*



Region and Headquarters

1 Edinburg
2 Corpus Christi
3 Victoria
4 Houston
5 Beaumont
6 Huntsville
7 Kilgore
8 Mount Pleasant
9 Wichita Falls
10 Richardson
11 Fort Worth
12 Waco
13 Austin
14 Abilene
15 San Angelo
16 Amarillo
17 Lubbock
18 Midland
19 El Paso
20 San Antonio

P.O. Box 400, Austin, Texas 78767
800.695.2919 • bids@buyboard.com • buyboard.com

STATE SERVICE DESIGNATION

This form must be completed in the electronic proposal submission system (or, if submitting a hard copy Proposal, timely request and complete the in accordance with the Instructions to Proposers).

As set forth in the Proposal Invitation, it is the Cooperative's intent that other governmental entities in the United States have the opportunity to purchase goods or services awarded under the Contract, subject to applicable state law, through a piggy-back award or similar agreement through the National Purchasing Cooperative BuyBoard. If you plan to service the entire United States or only specific states, *you must complete the State Service Designation information in the electronic proposal submission system. (Note: If you plan to service Texas Cooperative members, be sure that you complete the Texas Regional Service Designation form.)* ***In addition to this form, to be considered for a piggy-back award by the National Purchasing Cooperative, you must have an authorized representative sign the National Purchasing Cooperative Vendor Award Agreement that follows this page.***

If you serve different states for different products or services included in your Proposal, you must complete and submit a separate State Service Designation form for each group of products and clearly indicate the products or services to which the designation applies. **(Additional forms can be obtained by contacting bids@buyboard.com** *at least five (5) business days prior to the Proposal Due Date.)* ***By designating a state or states, you are certifying that you are authorized and willing to provide the proposed products and services in those states. Designating states in which you are either unable or unwilling to provide the specified products and services shall be grounds for either rejection of your Proposal or, if awarded, termination of your Contract.***

- I will service all states in the United States.
- I will not service all states in the United States.

Alabama
Alaska
Arizona
Arkansas
California (Public Contract Code 20118 & 20652)
Colorado
Connecticut
Delaware
District of Columbia
Florida
Georgia
Hawaii
Idaho
Illinois
Indiana
Iowa
Kansas
Kentucky
Louisiana
Maine
Maryland
Massachusetts
Michigan
Minnesota
Mississippi
Missouri
Montana
Nebraska
Nevada
New Hampshire
New Jersey
New Mexico
New York
North Carolina
North Dakota
Ohio
Oklahoma
Oregon
Pennsylvania
Rhode Island
South Carolina
South Dakota
Tennessee
Texas
Utah
Vermont
Virginia
Washington
West Virginia
Wisconsin
Wyoming

NATIONAL PURCHASING COOPERATIVE VENDOR AWARD AGREEMENT

In accordance with the Terms and Conditions associated with this Proposal Invitation, a contract awarded under this Proposal Invitation may be "piggy-backed" by another governmental entity. The National Purchasing Cooperative is an intergovernmental purchasing cooperative formed by certain school districts outside of Texas to serve its members throughout the United States. If you agree to be considered for a piggy-back award by the National Purchasing Cooperative, you agree to the following terms and agree to serve National Purchasing Cooperative members in the states you have indicated on the State Service Designation form, in your Proposal.

By signing this form, Proposer (referred to in this Agreement as "Vendor") agrees as follows:

1. Vendor acknowledges that if The Local Government Purchasing Cooperative ("Texas Cooperative") awards Vendor a contract under this Proposal Invitation ("Underlying Award"), the National Purchasing Cooperative ("National Cooperative") may - but is not required to - "piggy-back" on or re-award all or a portion of that Underlying Award ("Piggy-Back Award"). By signing this National Cooperative Vendor Award Agreement ("Agreement"), Vendor accepts and agrees to be bound by any such Piggy-Back Award as provided for herein.

2. In the event National Cooperative awards Vendor a Piggy-Back Award, the National Cooperative Administrator ("BuyBoard Administrator") will notify Vendor in writing of such Piggy-Back Award, which award shall commence on the effective date stated in the Notice and end on the expiration date of the Underlying Award, subject to annual renewals as authorized in writing by the BuyBoard Administrator. Vendor agrees that no further signature or other action is required of Vendor in order for the Piggy-Back Award and this Agreement to be binding upon Vendor. Vendor further agrees that no interlineations or changes to this Agreement by Vendor will be binding on National Cooperative, unless such changes are agreed to by its BuyBoard Administrator in writing.

3. Vendor agrees that it shall offer its goods and services to National Cooperative members at the same pricing and same general terms and conditions, subject to applicable state laws in the state of purchase, as required by the Underlying Award. However, nothing in this Agreement prevents Vendor from offering National Cooperative members better (i.e., lower) competitive pricing and more favorable terms and conditions than those in the Underlying Award.

4. Vendor hereby agrees and confirms that it will serve those states it has designated on the State Service Designation Form of this Proposal Invitation. Any changes to the states designated on the State Service Designation Form must be approved in writing by the BuyBoard Administrator.

5. Vendor agrees to pay National Cooperative the service fee provided for in the Underlying Award based on the amount of purchases generated from National Cooperative members through the Piggy-Back Award. Vendor shall remit payment to National Cooperative on such schedule as it specifies (which shall not be more often than monthly). Further, upon request, Vendor shall provide National Cooperative with copies of all purchase orders generated from National Cooperative members, vendor invoices, and/or such other documentation regarding those purchase orders as the Cooperative's administrators may require in their reasonable discretion for purposes of reviewing and verifying purchase activity. Vendor further agrees that National Cooperative shall have the right, upon reasonable written notice, to review Vendor's records pertaining to purchases made by National Cooperative members in order to verify the accuracy of service fees.

6. Vendor agrees that the Underlying Award, including its General Terms and Conditions, are adopted by reference to the fullest extent such provisions can reasonably apply to the post-proposal/contract award phase. The rights and responsibilities that would ordinarily inure to the Texas Cooperative pursuant to the Underlying Award shall inure to National Cooperative; and, conversely, the rights and responsibilities that would ordinarily inure to Vendor in the Underlying Award shall inure to Vendor in this Agreement. Vendor recognizes and agrees that Vendor and National Cooperative are the only parties to this Agreement, and that nothing in this Agreement has application to other third parties, including the Texas Cooperative. In the event of conflict between this Agreement and the terms of the Underlying Award, the terms of this Agreement shall control, and then only to the extent necessary to reconcile the conflict.

7. This Agreement shall be governed and construed in accordance with the laws of the State of Texas and venue for any dispute shall lie in the federal district court of Travis County, Texas.

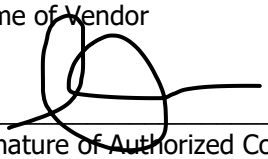
8. Vendor acknowledges and agrees that the award of a Piggy-Back Award is within the sole discretion of National Cooperative, and that this Agreement does not take effect unless and until National Cooperative awards Vendor a Piggy-Back Award and the BuyBoard Administrator notifies Vendor in writing of such Piggy-Back Award as provided for herein.

WHEREFORE, by signing below Vendor agrees to the foregoing and warrants that it has the authority to enter into this Agreement.

Anderson Fencing and Custom Welding

Name of Vendor

Proposal Invitation Number



Signature of Authorized Company Official

Tanner Anderson

Printed Name of Authorized Company Official

7/23/24

Date

LOCATION/AUTHORIZED SELLER LISTINGS

If you have more than one location/authorized seller that will service a Contract awarded under this Proposal Invitation, please list each location/authorized seller below. If additional sheets are required, please duplicate this form as necessary. NOTE: Awarded Vendors shall remain responsible for all aspects of the Contract, including processing of Purchase Orders, and shall be responsible for the performance of all locations and authorized sellers under and in accordance with the Contract. ***If you are a product manufacturer and wish to designate Designated Dealers as defined in the General Terms and Conditions to receive Cooperative member Purchase Orders on your behalf, you must complete the Manufacturer Designated Dealer form.***

Location/Authorized Seller Name	**Contact Person**	**Contact Information** (Mailing Address, Phone, Fax, Email)

P.O. Box 400, Austin, Texas 78767
800.695.2919 • bids@buyboard.com • buyboard.com

MANUFACTURER DEALER DESIGNATION

If Vendor is a manufacturer that sells products through a dealer network and wishes to designate a dealer or multiple dealers ("Designated Dealers") to receive Cooperative member Purchase Orders on Vendor's behalf, you must complete this form for each dealer you wish to designate.

Regardless of any Designated Dealers submitted by Vendor, Vendor specifically agrees and acknowledges that any such designations are for Vendor's convenience only and shall not, if Vendor is awarded a Contract, relieve Vendor of any obligations under the Contract, including payment of Cooperative service fees on all Purchase Orders submitted to Vendor or any Designated Dealer. In accordance with the General Terms and Conditions, an awarded Vendor shall remain responsible and liable for all of its obligations under the Contract and the performance of both Vendor and any of Vendor's Designated Dealers under and in accordance with the Contract and remain subject to all remedies for default thereunder, including, but not limited to suspension and termination of Vendor's Contract for nonpayment of service fees.

If awarded, Vendor authorizes the Cooperative, in its sole discretion, to list any Vendor Designated Dealers in the BuyBoard system and to receive Purchase Orders directly from Cooperative members on behalf of Vendor. To the extent a Vendor with Designated Dealers receives a Purchase Order directly, it shall be the responsibility of Vendor to appropriately process such Purchase Order in accordance with the Contract, including but not limited to timely forwarding such Purchase Order to a Designated Dealer for processing.

The Cooperative reserves the right, in its sole discretion, to refuse addition of, or request removal of, any Designated Dealer, and Vendor agrees to immediately require such Designated Dealer to cease accepting Purchase Orders or otherwise acting on Vendor's behalf under the Contract. Further, the Cooperative administrator shall be authorized to remove or suspend any or all Designated Dealers from the BuyBoard at any time in its sole discretion.

If you wish to designate a dealer to service a contract awarded under this Proposal Invitation, please list the Designated Dealer below. If you wish to designate multiple dealers, please duplicate this form as necessary.

Designated Dealer Name

Designated Dealer Contact Person

Designated Dealer Address

City

State

Zip Code

Phone Number

Fax Number

Email address

Designated Dealer Tax ID Number* **(*attach W-9)**

PROPOSAL INVITATION QUESTIONNAIRE

The Cooperative will use your responses to the questions below in evaluating your Proposal and technical and financial resources to provide the goods and perform the services ("Work") under the BuyBoard contract contemplated by this Proposal Invitation ("Contract"). Proposers must fully answer each question, numbering your responses to correspond to the questions/numbers below. Proposers must complete below or attach your responses to this questionnaire and submit in one document with your Proposal. **You must submit the questionnaire and responses with your Proposal or the Proposal will not be considered.**

1. List the number of years Proposer has been in business and former business names (if applicable). Note whether your company is currently for sale or involved in any transaction that would significantly alter its business or result in acquisition by another entity.

10 years

2. Describe Vendor's direct experience (not as a subcontractor) performing the Work proposed under this Contract. Include a brief description of the projects you have completed for Texas governmental entities in the last 5 years, and include for each the project name, scope, value, and date, and the name of the procuring government entity and entity contact person. Identify the contracts that best represent Vendor's capabilities relative to this Contract.

Anderson fencing has worked directly with mulitple school districts to do safety fencing and access control.

3. Describe the resources Proposer has to manage staff and successfully perform the Work contemplated under this Contract. State the number and summarize the experience of company personnel who may be utilized for the Work, including those who will be available to Cooperative members for assistance with project development, technical issues, and product selection for Work associated with this Contract.

Anderson Fencing and Custom Welding always has the owner on site of the job, plus a crew foreman.

4. The Contract does not include architectural or engineering services, which must be procured separately, outside of the Cooperative, in accordance with Chapter 2254 of the Texas Government Code (Professional Services Procurement Act) or other applicable law (for entities outside of Texas). If you are performing Work under the Contract on a project that requires the services of an architect or professional engineer, how will you work with a Cooperative member and its designated architect or engineer with respect to services that must be procured outside the Contract?

N/A

5. Describe the tasks and functions that can be completed by Vendor in-house without the use of a subcontractor or other third party.

All fencing, access control, concrete work is all done in house as Anderson Fencing does not subcontract out work.

6. **Marketing Strategy:** For your Proposal to be considered, you must submit the Marketing Strategy you will use if the Cooperative accepts all or part of your Proposal. *(Example: Explain how your company will initially inform Cooperative members of your BuyBoard Contract, and how you will continue to support the BuyBoard for the duration of the Contract term.)* Attach additional pages if necessary.

Anderson Fencing and Custom Welding will advertise of our BuyBoard contract via email, website, and estimates.

7. Describe Proposer's financial capability to perform the Contract. State or describe the firm's financial strength and rating, bonding capacity, and insurance coverage limits. State whether the firm, or any of the firm's past or present owners, principal shareholders or stockholders, or officers, have been a debtor party to a bankruptcy, receivership, or insolvency proceeding in the last 7 years, and identify any such debtor party by name and relationship to or position with your firm.

Anderson Fencing & Custom Welding is a company that revenues between one and five million dollars a year. We are a 5 star rated company, we take our customer concerns and opinions as a top priority. We are fully insured with million dollar limits.

8. Does your company have any outstanding financial judgments and/or is it currently in default on any loan or financing agreement? If so, provide detailed information on the nature of such items and prospects for resolution.

No

9. List all contracts, if any, in the last 10 years on which Proposer has defaulted, failed to complete or deliver the work, or that have been terminated for any reason. Include any contract for which the surety was notified of a potential claim in regard to a payment or performance bond. For each such contract, provide the project name, scope, value and date and the name of the procuring entity. Fully explain the circumstances of the default, notice to surety, failure to complete or deliver the work, or termination.

N/A

10. List all litigation or other legal proceedings (including arbitration proceedings and/or claims filed with a surety in regard to a payment or performance bond), if any, in the last 10 years brought against your firm, or any of the firm's past or present owners, principal shareholders or stockholders, officers, agents or employees, that relate to or arise from a contract similar to this Contract or the Work contemplated under this Contract. Provide the style of the lawsuit or proceeding (name of parties and court or tribunal in which filed), nature of the claim, and resolution or current status.

N/A

11. Describe in detail the quality control system Vendor will use, including third party auditing certification, to support the long-term performance and structural strength of the products to be used in a project under the Contract.

Anderson Fencing provides a 2 year warranty on all projects.

12. If the Work will require Vendor to tender performance or payment bonds, provide the name of the bonding company or surety that will issue such bonds.

Rw Insurance

13. Describe in detail all documented safety issues, if any, that have involved Vendor in the last three years related to the type of work contemplated under this Contract.

N/A

REQUIRED FORMS CHECKLIST

(Please check (√) the following)

☒ Reviewed/Completed: **Proposer's Acceptance and Agreement**

PROPOSAL FORMS PART 1: COMPLIANCE FORMS

☒ Reviewed/Completed: **Proposal Acknowledgements**
☒ Reviewed/Completed: **Felony Conviction Disclosure**
☒ Reviewed/Completed: **Resident/Nonresident Certification**
☒ Reviewed/Completed: **Debarment Certification**
☒ Reviewed/Completed: **Vendor Employment Certification**
☒ Reviewed/Completed: **No Boycott Verification**
☒ Reviewed/Completed: **No Excluded Nation or Foreign Terrorist Organization Certification**
☒ Reviewed/Completed: **Historically Underutilized Business Certification**
☒ Reviewed/Completed: **Acknowledgement of BuyBoard Technical Requirements**
☒ Reviewed/Completed: **Construction-Related Goods and Services Affirmation**
☒ Reviewed/Completed: **Deviation and Compliance**
☒ Reviewed/Completed: **Vendor Consent for Name Brand Use**
☒ Reviewed/Completed: **Confidential/Proprietary Information**
☒ Reviewed/Completed: **EDGAR Vendor Certification**
☒ Reviewed/Completed: **Compliance Forms Signature Page**

PROPOSAL FORMS PART 2: VENDOR INFORMATION FORMS

☒ Reviewed/Completed: **Vendor Business Name**
☒ Reviewed/Completed: **Vendor Contact Information** (*complete in electronic proposal submission system)*
☒ Reviewed/Completed: **Federal and State/Purchasing Cooperative Experience**
☒ Reviewed/Completed: **Governmental References**
☒ Reviewed/Completed: **Company Profile**
☒ Reviewed/Completed: **Texas Regional Service Designation** (*complete in electronic proposal submission system)*
☒ Reviewed/Completed: **State Service Designation** (*complete in electronic proposal submission system)*
☒ Reviewed/Completed: **National Purchasing Cooperative Vendor Award Agreement** *(Vendors serving outside Texas only)*
☒ Reviewed/Completed: **Local/Authorized Seller Listings**
☒ Reviewed/Completed: **Manufacturer Dealer Designation**
☒ Reviewed/Completed: **Proposal Invitation Questionnaire**
☒ Reviewed/Completed: **Proposal Specifications** *Discount (%) off Catalog/Pricelist and/or other required pricing information including Catalogs/Pricelists (or no bid response) must be submitted with the Proposal or the Proposal will not be considered.*

PROPOSAL SPECIFICATION SUMMARY

The categories and items specified for this Proposal Invitation are summarized below. For full Proposal Specifications, you must review and complete the Proposal Specification information in the electronic proposal submission system in accordance with the Instructions to Proposers (or, if submitting a hard copy Proposal, timely request and complete the Proposal Specification Form in accordance with the Instructions to Proposers).

PROPOSAL NOTE: Vendors shall submit catalog(s)/pricelist(s) with their Proposal response or the Proposal will not be considered. Vendors shall submit catalog(s)/pricelist(s) with the Proposal in a readily available and readable electronic format, with Excel or searchable PDF preferred. *No paper catalogs or manufacturer/vendor websites will be accepted*.

Section I: Equipment, Products, and Supplies

1. Discount (%) off catalog/pricelist for **Building Supplies and Materials** (carpentry, lumber, drywall, insulation products, concrete products, and similar related items).
2. Discount (%) off catalog/pricelist for **Doors-All Types and Sizes** (metal, wooden, and similar related items).
3. Discount (%) off catalog/pricelist for **Fasteners and Hardware Products** (all types-doors, cabinets, and similar related items).
4. Discount (%) off catalog/pricelist for **Restroom/Toilet Partitions, Sinks, and Countertops** (various types).
5. Discount (%) off catalog/pricelist for **Roofing Materials and Supplies** (PRODUCTS ONLY-NO LABOR).
6. Discount (%) off catalog/pricelist for **All Types of Hand Tools and Sets**.
7. Discount (%) off catalog/pricelist for **Electrical Supplies, Materials, and Equipment**.
8. Discount (%) off catalog/pricelist for **Lamps and Ballasts** (all types-fluorescent, incandescent, quartz, HID, shatterproof, metal halide, high pressure sodium, ballasts, similar related items).
9. Discount (%) off catalog/pricelist for **Lighting Fixtures** (various types).
10. Discount (%) off catalog/pricelist for **All Types of Indoor Signage**.
11. Discount (%) off catalog/pricelist for **All Types of Solar Supplies and Equipment.**
12. Discount (%) off catalog/pricelist for **All Types of Electrical Transformers and Cabinet Supplies and Equipment.**
13. Discount (%) off catalog/pricelist for **HVAC Refrigerants and Supplies.**
14. Discount (%) off catalog/pricelist for **Paint and Paint Related Products, Supplies, and Equipment**.
15. Discount (%) off catalog/pricelist for **Plumbing Supplies, Materials, and Equipment**.
16. Discount (%) off catalog/pricelist for **Pest Control Products and Supplies**.
17. Discount (%) off catalog/pricelist for **Indoor Air (Polluted) Extraction and Filtration Products** (for use by welders, metalworkers, garage mechanics and other related trades).
18. Discount (%) off catalog/pricelist for **Welding Supplies and Equipment**.
19. Discount (%) off catalog/pricelist for **Soil/Road Chemical Base Stabilizer Products** (solvents, surfactants, acid oxidizers, and common dispersing agents).
20. Discount (%) off catalog/pricelist for **All Other Building Maintenance, Repair and Operations Products not listed** (supplies, materials, and equipment).

Section II: Installation and Repair Service

21. **Hourly Labor Rate for Installation/Repair Service of Doors, Framework, Door Hardware Equipment, Woodwork Products and Related Items -- Not to Exceed** hourly labor rate for Installation/Repair Service of Equipment and Products.
22. **Hourly Labor Rate for Installation/Repair Service of Restroom/Toilet Partitions, Sinks, Countertops and Related Items -- Not to Exceed** hourly labor rate for Installation/Repair Service of Equipment and Products.
23. **Hourly Labor Rate for Installation/Repair Service of Electrical Transformer and Cabinet Products and Related Items -- Not to Exceed** hourly labor rate for Installation/Repair Service of Equipment and Products.

Anderson Fencing And Custom Welding Information

Contact: Tanner Anderson
Address: 1107 Good Night BLVD
Wills Point, TX 75169
Phone: (469) 474-1172
Email: tanneranderson31@gmail.com

By submitting your response, you certify that you are authorized to represent and bind your company.

Tanner Anderson
Signature

andersonfencingcw@gmail.com
Email

Submitted at 7/25/2024 01:51:33 PM (CT)

Requested Attachments

Manufacturer Catalog(s) and/or Product Price list(s) — Anderson Fencing Price.pdf

REQUIRED-In Excel or PDF format, upload manufacturer catalog(s)and/or product price list(s) in accordance with proposal invitation instructions. Vendors shall submit catalog(s)/price list(s) with their Proposal response or Proposal will not be considered. No paper catalogs or manufacturer/vendor websites will be accepted. File size must not exceed 250MB. (Please DO NOT password protect uploaded files.)

BuyBoard Proposal Invitation No. 757-24, Building/Facility Maintenance Equipment and Services — Proposal-No-756-24.pdf

REQUIRED-In PDF format, upload all COMPLETED and FILLED in proposal invitation documents available for download at vendor.buyboard.com including any additional pages, as necessary. NOTICE: DO NOT complete proposal forms in internet browser. No data will be stored. Download file to computer and complete proposal forms prior to submitting. (Please DO NOT password protect uploaded files.)

Company Profile — Company_profile.docx

REQUIRED-Information on awarded Cooperative Contracts is available to Cooperative Members on the BuyBoard website. If your company is awarded a Contract under this Proposal Invitation, please provide a brief company description that you would like to have included with your company profile on the BuyBoard website. Submit your company profile in a separate file, in Word format, with your Proposal. (Note: Vendor is solely responsible for any content provided for inclusion on the BuyBoard website. The Cooperative reserves the right to exclude or remove any content in its sole discretion, with or without prior notice, including but not limited to any content deemed by the Cooperative to be inappropriate, irrelevant to the Contract, inaccurate, or misleading.)

IRS Form W-9 Request for Taxpayer Identification Number and Certification — 2024 W9.pdf

REQUIRED-In PDF format, upload W-9 form. (Please DO NOT password protect uploaded files.)

Exceptions and/or Detailed Information Related to Discount % and/or Hourly Labor Rate Proposed — *No response*

In PDF format and if necessary, vendor shall attach detailed information regarding exceptions to pricing and/or discount percentage and define the services that are proposed to be provided. NOTE: IF DETAILED INFORMATION IS NOT SUBMITTED, PROPOSAL MAY NOT BE CONSIDERED. (Please DO NOT password protect uploaded files.)

Bid Attributes

1	**Federal Identification Number** Federal Identification Number 82-4170037

2	**No Boycott Verification/No Excluded Nation or Foreign Terrorist Organization Certification/Historically Underutilized Business Certification** No Boycott Verification/No Excluded Nation or Foreign Terrorist Organization Certification/Historically Underutilized Business Certification

3	**No Boycott Certification** A Texas governmental entity may not enter into a contract with a value of $100,000 or more that is to be paid wholly or partly from public funds with a company (excluding a sole proprietorship) that has 10 or more full-time employees for goods or services unless the contract contains a written verification from the company that it: (1) does not boycott Israel and will not boycott Israel during the term of the contract (TEX. GOV'T CODE Ch. 2271), (2) does not boycott energy companies and will not boycott energy companies during the term of the contract (TEX. GOV'T CODE Ch. 2276), and (3) does not have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association and will not discriminate during the term of the contract against a firearm entity or firearm trade association (TEX. GOV'T CODE Ch. 2274). Accordingly, this certification form is included to the extent required by law. "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. TEX. GOV'T CODE §808.001(1). "Boycott energy company" means, without an ordinary business purpose, 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 with a company because the company: (A) engages in the exploration, production, utilization, transportation, sale, or manufacturing of fossil fuel-based energy and does not commit or pledge to meet environmental standards beyond applicable federal and state law; or (B) does business with a company described by Paragraph (A). TEX. GOV'T CODE §809.001(1). "Discriminate against a firearm entity or firearm trade association" means, (A) with respect to the entity or association, to: (i) refuse to engage in the trade of any goods or services with the entity or association based solely on its status as a firearm entity or firearm trade association; (ii) refrain from continuing an existing business relationship with the entity or association based solely on its status as a firearm entity or firearm trade association; or (iii) terminate an existing business relationship with the entity or association based solely on its status as a firearm entity or firearm trade association; and (B) does not include: (i) the established policies of a merchant, retail seller, or platform that restrict or prohibit the listing or selling of ammunition, firearms, or firearm accessories; and (ii) a company's refusal to engage in the trade of any goods or services, decision to refrain from continuing an existing business relationship, or decision to terminate an existing business relationship: (aa) to comply with federal, state, or local law, policy, or regulations or a directive by a regulatory agency; or (bb) for any traditional business reason that is specific to the customer or potential customer and not based solely on an entity's or association's status as a firearm entity or firearm trade association. TEX. GOV'T CODE §2274.001(3). By signature on the Compliance Forms Signature Page, to the extent applicable, I certify and verify that Vendor does not boycott Israel, boycott energy companies, or discriminate against a firearm entity or firearm trade association and will not do so during the term of any contract awarded under this Proposal Invitation, that this certification is true, complete and accurate, and that I am authorized by my company to make this certification. Yes

4 **No Excluded Nation or Foreign Terrorist Organization Certification**

Chapter 2252 of the Texas Government Code provides that a Texas governmental entity may not enter into a contract with a company engaged in active business operations with Sudan, Iran, or a foreign terrorist organization – specifically, any company identified on a list prepared and maintained by the Texas Comptroller under Texas Government Code §§806.051, 807.051, or 2252.153. (A company that the U.S. Government affirmatively declares to be excluded from its federal sanctions regime relating to Sudan, Iran, or any federal sanctions regime relating to a foreign terrorist organization is not subject to the contract prohibition.)

By signature on the Compliance Forms Signature Page, I certify and verify that Vendor is not on the Texas Comptroller's list identified above; that this certification is true, complete and accurate; and that I am authorized by my company to make this certification.

Yes

5 **Historically Underutilized Business Certification**

A Proposer that has been certified as a Historically Underutilized Business (also known as a Minority/Women Business Enterprise or "MWBE" and all referred to in this form as a "HUB") is encouraged to indicate its HUB certification status when responding to this Proposal Invitation. The BuyBoard website will indicate HUB certifications for awarded Vendors that properly indicate and document their HUB certification on this form.

I certify that my company has been certified as a MWBE/HUB in the following categories: *(Please check all that apply)*

6 **Minority Owned Business**

Minority Owned Business

☑ Minority Owned Business

7 **Women Owned Business**

Women Owned Business

☐ *Women Owned Business*

8 **Service-Disabled Veteran Owned Business**

Service-Disabled Veteran Owned Business (veteran defined by 38 U.S.C. §101(2), who has a service-connected disability as defined by 38 U.S.C. § 101(16), and who has a disability rating of 20% or more as determined by the U. S. Department of Veterans Affairs or Department of Defense)

☐ *Service-Disabled Veteran Owned Business*

9 **Certification Number**

Certification Number

BMMB8916N0225

10 **Name of Certifying Agency**

Certifying Agency

NCTRCA

11 **Non-MWBE/HUB**

My company has NOT been certified as a MWBE/HUB

☐ *Non-HUB*

12 **Vendor General Contact Information**

Proposal/Contract General Contact Information

13 **Vendor Proposal/Contract Contact - First Name**

Vendor Proposal/Contract Contact - First Name

Tanner

14 **Vendor Proposal/Contract Contact - Last Name**

Vendor Proposal/Contract Contact - Last Name

Anderson

15 **Vendor Proposal/Contract Contact E-mail Address**

Vendor Proposal/Contract Contact E-mail Address

tanneranderson31@gmail.com

16 **Vendor Proposal/Contract Mailing Address**

Vendor Proposal/Contract Mailing Address

1107 Goodnight Blvd

17 **Vendor Proposal/Contact Mailing Address - City**

Vendor Proposal/Contact Mailing Address - City

Wills Point

18 **Vendor Proposal/Contact Mailing Address - State**

Vendor Proposal/Contact Mailing Address - State (Abbreviate State Name)

TX

19 **Vendor Proposal/Contact Mailing Address - Zip Code**

Vendor Proposal/Contact Mailing Address - Zip Code

75169

20 **Vendor Proposal/Contact Phone Number**

Vendor Proposal/Contact Phone Number (xxx-xxx-xxxx)

4694741172

21 **Vendor Proposal/Contact Extension Number**

Vendor Proposal/Contact Extension Number

No response

22 **Company Website**

Company Website (www.XXXXX.com)

www.andersoncustomfences.com

23 **Purchase Orders Contact Information**

All Purchase Orders from Cooperative members will be available through the Internet. Vendors need Internet access and at least one e-mail address so that notification of new orders can be sent to the Internet contact when a new purchase order arrives. An information guide will be provided to Vendors to assist them with retrieving their orders.

Please select options below for receipt of Purchase Orders and provide the requested information:

- I will use the internet to receive Purchase Orders at the following address

Yes

24 **Purchase Order E-mail Address**

Purchase Order E-mail Address

tanneranderson31@gmail.com

25 **Purchase Order Contact - First Name**

Purchase Order Contact - First Name

Tanner

26 **Purchase Order Contact - Last Name**

Purchase Order Contact - Last Name

Anderson

27 **Purchase Order Contact Phone Number**

Purchase Order Contact Phone Number (xxx-xxx-xxxx)

4694741172

28 **Purchase Order Contact Extension Number**

Purchase Order Contact Extension Number

No response

29 **Alternate Purchase Order E-mail Address**

Alternate Purchase Order E-mail Address

No response

30 **Alternate Purchase Order Contact - First Name**

Alternate Purchase Order Contact - First Name

No response

31 **Alternate Purchase Order Contact - Last Name**

Alternate Purchase Order Contact - Last Name

Anderson

32 **Alternate Purchase Order Contact Phone Number**

Alternate Purchase Order Contact Phone Number (xxx-xxx-xxxx)

4694741172

33 **Alternate Purchase Order Contact Extension Number**

Alternate Purchase Order Contact Extension Number

No response

34 **Purchase Orders Contact Information**

All Purchase Orders from Cooperative members will be available through the Internet. Vendors need Internet access and at least one e-mail address so that notification of new orders can be sent to the Internet contact when a new purchase order arrives. An information guide will be provided to Vendors to assist them with retrieving their orders.

Please select options below for receipt of Purchase Orders and provide the requested information:

- Purchase Orders may be received by the Designated Dealer(s) identified on my company's Dealer Designation form as provided to the Cooperative administrator. I understand that my company shall remain responsible for the Contract and the performance of all Designated Dealers under and in accordance with the Contract.

Yes

35 **Request for Quotes (RFQ)**

Cooperative members will send RFQs to you by e-mail. Please provide e-mail addresses for the receipt of RFQs:

36 **Request for Quote (RFQ) E-mail Address**

Request for Quote (RFQ) E-mail Address

tanneranderson31@gmail.com

37 **Request for Quote (RFQ) Contact - First Name**

Request for Quote (RFQ) Contact - First Name

Tanner

38 **Request for Quote (RFQ) Contact - Last Name**

Request for Quote (RFQ) Contact - Last Name

Anderson

39 **Request for Quote (RFQ) Contact Phone Number**

Request for Quote (RFQ) Contact Phone Number (xxx-xxx-xxxx)

4694741172

40 **Request for Quote (RFQ) Contact Extension Number**

Request for Quote (RFQ) Contact Extension Number

No response

41 **Alternate Request for Quote (RFQ) E-mail Address**

Alternate Request for Quote (RFQ) E-mail Address

No response

42 **Alternate Request for Quote (RFQ) Contact - First Name**

Alternate Request for Quote (RFQ) Contact - First Name

No response

43 **Alternate Request for Quote (RFQ) Contact - Last Name**

Alternate Request for Quote (RFQ) Contact - Last Name

No response

44 **Alternate Request for Quote (RFQ) Contact Phone Number**

Alternate Request for Quote (RFQ) Contact Phone Number (xxx-xxx-xxxx)

No response

45 **Alternate Request for Quote (RFQ) Contact Extension Number**

Alternate Request for Quote (RFQ) Contact Extension Number

No response

46 **Invoices**

Your company will be billed monthly for the service fee due under a Contract awarded under this Proposal Invitation. **All invoices are available on the BuyBoard website and e-mail notifications will be sent when they are ready to be retrieved**.

47 **Invoices**

Please choose only one (1) of the following options for receipt of invoices and provide the requested information:

(a) Service fee invoices and related communications should be provided directly to my company at:

or

(b) In lieu of my company, I request and authorize all service fee invoices to be provided directly to the following billing agent:

If Vendor authorizes a billing agent to receive and process service fee invoices, in accordance with the General Terms and Conditions of the Contract, Vendor specifically acknowledges and agrees that nothing in that designation shall relieve Vendor of its responsibilities and obligations under the Contract including, but not limited to, payment of all service fees under any Contract awarded Vendor.

Service fee invoices and notices direct to company

48 **Invoice Company Name**

Invoice Company Name

Anderson Fencing and Custom Welding

49 **Invoice Company Department Name**

Invoice Company Department Name

Accounts payable

50 **Invoice Contact - First Name**

Invoice Contact - First Name

Raylie

51 **Invoice Contact - Last Name**

Invoice Contact - Last Name

Travis

52 **Invoice Mailing Address**

Invoice Mailing Address (P.O. Box or Street Address)

1107 Goodnight Blvd

53 **Invoice Mailing Address - City**

Invoice Mailing Address - City

Wills Point

54 **Invoice Mailing Address - State**

Invoice Mailing Address - State (Abbreviate State Name)

TX

55 **Invoice Mailing Address - Zip Code**

Invoice Mailing Address (Zip Code)

75169

56 **Invoice Contact Phone Number**

Invoice Contact Phone Number (xxx-xxx-xxxx)

9033850494

57 **Invoice Contact Extension Number**

Invoice Contact Extension Number

No response

58 **Invoice Contact Fax Number**

Invoice Contact Fax Number (xxx-xxx-xxxx)

No response

59 **Invoice Contact E-mail Address**

Invoice Contact E-mail

andersonfencingcw@gmail.com

60 **Invoice Contact Alternate E-mail Address**

Invoice Contact Alternate E-mail Address

No response

61 **Billing Agent Company Name**

Billing Agent Company Name

No response

62 **Billing Agent Department Name**

Billing Agent Department Name

No response

63 **Billing Agent Contact - First Name**

Billing Agent Contact - First Name

No response

64 **Billing Agent Contact - Last Name**

Billing Agent Contact - Last Name

No response

65 **Billing Agent Mailing Address**

Billing Agent Mailing Address (P.O. Box or Street Address)

No response

66 **Billing Agent Mailing Address - City**

Billing Agent Mailing Address - City

No response

67 **Billing Agent Mailing Address - State**

Billing Agent Mailing Address - State (Abbreviate State Name)

No response

68 **Billing Agent Mailing Address - Zip Code**

Billing Agent Mailing Address - Zip Code

No response

69 **Billing Agent Contact Phone Number**

Billing Agent Contact Phone Number (xxx-xxx-xxxx)

No response

70 **Billing Agent Contact Extension Number**

Billing Agent Contact Extension Number

No response

71 **Billing Agent Fax Number**

Billing Agent Fax Number

No response

72 **Billing Agent Contact E-mail Address**

Billing Agent Contact E-mail Address

No response

73 **Billing Agent Alternative E-mail Address**

Billing Agent Alternative E-mail Address

No response

74 **Shipping Via**

Common Carrier, Company Truck, Prepaid and Add to Invoice, or Other

Company Truck

75 **Payment Terms**

Note: Vendor payment terms must comply with the BuyBoard General Terms and Conditions and the Texas Prompt Payment Act (Texas Government Code Ch. 2251).

Net 30 terms.

76 **Vendor's Internal/Assigned Reference/Quote Number**

Vendor's Internal/Assigned Reference/Quote Number

No response

77 **State or Attach Return Policy**

Note: Only return requirements and processes will be deemed part of Vendor's return policy. Any unrelated contract terms, terms of sale, or other information not specifically related to return requirements and processes included in Vendor's return policy shall not apply to any awarded Contract unless specifically included as a deviation in the Deviation and Compliance Form and accepted by the Cooperative.

No response

78 **Electronic Payments**

Are electronic payments acceptable to your company?

Yes

79 **Credit Card Payments**

Are credit card payments acceptable to your company?

Yes

80 **Texas Regional Service Designation**

Texas Regional Service Designation - Refer to Form in Proposal Invitation

The Cooperative (referred to as "Texas Cooperative" in this form and in the State Service Designation form) offers vendors the opportunity to service its members throughout the entire State of Texas. If you do not plan to service all Texas Cooperative members statewide, you **must** indicate the specific regions you will service on this form. If you propose to serve different regions for different products or services included in your Proposal, you must complete and submit a separate Texas Regional Service Designation form for each group of products and clearly indicate the products or services to which the designation applies. ***By designating a region or regions, you are certifying that you are authorized and willing to provide the proposed products and services in those regions. Designating regions in which you are either unable or unwilling to provide the specified products and services shall be grounds for either rejection of your Proposal or, if awarded, termination of your Contract.*** Additionally, if you do not plan to service Texas Cooperative members (i.e., if you will service only states other than Texas), you must so indicate on this form.

81 **Company Name**

Company Name

Anderson Fencing&Custom Weld

82 **Texas Regional Service Designation**

Select only one of the following options**.** If you select **"I will NOT serve all Regions of Texas",** you must then check the individual Regions you wish to serve.

I will serve all Regions of Texas

83 **Region 1**

Region 1 - Edinburg

☐ *Region 1*

84	**Region 2** Region 2 - Corpus Christi ☐ *Region 2*
85	**Region 3** Region 3 - Victoria ☐ *Region 3*
86	**Region 4** Region 4 - Houston ☐ *Region 4*
87	**Region 5** Region 5 - Beaumont ☐ *Region 5*
88	**Region 6** Region 6 - Huntsville ☐ *Region 6*
89	**Region 7** Region 7 - Kilgore ☐ *Region 7*
90	**Region 8** Region 8 - Mount Pleasant ☐ *Region 8*
91	**Region 9** Region 9 - Wichita Falls ☐ *Region 9*
92	**Region 10** Region 10 - Richardson ☐ *Region 10*
93	**Region 11** Region 11 - Fort Worth ☐ *Region 11*
94	**Region 12** Region 12 - Waco ☐ *Region 12*
95	**Region 13** Region 13 - Austin ☐ *Region 13*

96	**Region 14** Region 14 - Abilene ☐ *Region 14*
97	**Region 15** Region 15 - San Angelo ☐ *Region 15*
98	**Region 16** Region 16 - Amarillo ☐ *Region 16*
99	**Region 17** Region 17 - Lubbock ☐ *Region 17*
100	**Region 18** Region 18 - Midland ☐ *Region 18*
101	**Region 19** Region 19 - El Paso ☐ *Region 19*
102	**Region 20** Region 20 - San Antonio ☐ *Region 20*
103	**State Service Designation** **State Service Designation - Refer to Form in Proposal Invitation.** As set forth in the Proposal Invitation, it is the Cooperative's intent that other governmental entities in the United States have the opportunity to purchase goods or services awarded under the Contract, subject to applicable state law, through a piggy-back award or similar agreement through the National Purchasing Cooperative BuyBoard. If you plan to service the entire United States or only specific states, you must complete this form accordingly. *(Note: If you plan to service Texas Cooperative members, be sure that you complete the Texas Regional Service Designation form.)* ***In addition to this form, to be considered for a piggy-back award by the National Purchasing Cooperative, you must have an authorized representative sign the National Purchasing Cooperative Vendor Award Agreement that follows this form.*** If you serve different states for different products or services included in your Proposal, you must complete and submit a separate State Service Designation form for each group of products and clearly indicate the products or services to which the designation applies. *By designating a state or states, you are certifying that you are authorized and willing to provide the proposed products and services in those states. Designating states in which you are either unable or unwilling to provide the specified products and services shall be grounds for either rejection of your Proposal or, if awarded, termination of your Contract.*
104	**Company Name** Company Name Anderson Fencing&Custom Weld

105	**State Service Designation** **Select only one of the following options. If you select "I will NOT serve all States", you must then check the individual States you wish to serve.** I will serve all states in the United States
106	**Alabama** Alabama ☐ *Alabama*
107	**Alaska** Alaska ☐ *Alaska*
108	**Arizona** Arizona ☐ *Arizona*
109	**Arkansas** Arkansas ☐ *Arkansas*
110	**California** California (Public Contract Code 20118 & 20652) ☐ *California*
111	**Colorado** Colorado ☐ *Colorado*
112	**Connecticut** Connecticut ☐ *Connecticut*
113	**Delaware** Delaware ☐ *Delaware*
114	**District of Columbia** District of Columbia ☐ *District of Columbia*
115	**Florida** Florida ☐ *Florida*
116	**Georgia** Georgia ☐ *Georgia*

117	**Hawaii** Hawaii ☐ *Hawaii*
118	**Idaho** Idaho ☐ *Idaho*
119	**Illinois** Illinois ☐ *Illinois*
120	**Indiana** Indiana ☐ *Indiana*
121	**Iowa** Iowa ☐ *Iowa*
122	**Kansas** Kansas ☐ *Kansas*
123	**Kentucky** Kentucky ☐ *Kentucky*
124	**Louisiana** Louisiana ☐ *Louisiana*
125	**Maine** Maine ☐ *Maine*
126	**Maryland** Maryland ☐ *Maryland*
127	**Massachusetts** Massachusetts ☐ *Massachusetts*
128	**Michigan** Michigan ☐ *Michigan*

129	**Minnesota** Minnesota ☐ *Minnesota*
130	**Mississippi** Mississippi ☐ *Mississippi*
131	**Missouri** Missouri ☐ *Missouri*
132	**Montana** Montana ☐ *Montana*
133	**Nebraska** Nebraska ☐ *Nebraska*
134	**Nevada** Nevada ☐ *Nevada*
135	**New Hampshire** New Hampshire ☐ *New Hampshire*
136	**New Jersey** New Jersey ☐ *New Jersey*
137	**New Mexico** New Mexico ☐ *New Mexico*
138	**New York** New York ☐ *New York*
139	**North Carolina** North Carolina ☐ *North Carolina*
140	**North Dakota** North Dakota ☐ *North Dakota*

141	**Ohio** Ohio ☐ *Ohio*
142	**Oklahoma** Oklahoma ☐ *Oklahoma*
143	**Oregon** Oregon ☐ *Oregon*
144	**Pennsylvania** Pennsylvania ☐ *Pennsylvania*
145	**Rhode Island** Rhode Island ☐ *Rhode Island*
146	**South Carolina** South Carolina ☐ *South Carolina*
147	**South Dakota** South Dakota ☐ *South Dakota*
148	**Tennessee** Tennessee ☐ *Tennessee*
149	**Texas** Texas ☐ *Texas*
150	**Utah** Utah ☐ *Utah*
151	**Vermont** Vermont ☐ *Vermont*
152	**Virginia** Virginia ☐ *Virginia*

153	**Washington** Washington ☐ *Washington*
154	**West Virginia** West Virginia ☐ *West Virginia*
155	**Wisconsin** Wisconsin ☐ *Wisconsin*
156	**Wyoming** Wyoming ☐ *Wyoming*

Bid Lines

1 **Section I: Building/Facility Equipment, Products, and Supplies**

Discount (%) off catalog/price list for **Boiler Equipment and Supplies.** Catalog/Price list MUST be included or proposal will not be considered.

No Bid

Item Notes: ***PROPOSAL NOTE:*** Vendors shall submit catalog(s)/pricelist(s) with their Proposal response or the Proposal will not be considered. Vendors shall submit catalog(s)/pricelist(s) with the Proposal in a readily available and readable electronic format, with Excel or searchable PDF preferred. ***No paper catalogs or manufacturer/vendor websites will be accepted.***

Vendors proposing multiple manufacturer product lines and/or catalog/price list per line item must submit the information as follows or proposal may not be considered:

- Select **"Add Alternate"** for each additional manufacturer product line and/or catalog/price list proposed
- Vendor's must list one specific percentage discount for each manufacturer and/or catalog/price list listed

Item Attributes

1. State Name of Manufacturer Catalog or Product Price list Proposed with Discount Percentage

NOTE: Do not reference SKU, Reference Numbers, Websites, and/or "See Attached/Enclosed".

No response

2 **Section I: Building/Facility Equipment, Products, and Supplies**

Discount (%) off catalog/price list for **Building Entryway Awnings, Canopies, and Related Accessories** (all types of material metal, fabric, and similar related materials). Catalog/Price list MUST be included or proposal will not be considered.

No Bid

Item Notes: ***PROPOSAL NOTE:*** Vendors shall submit catalog(s)/pricelist(s) with their Proposal response or the Proposal will not be considered. Vendors shall submit catalog(s)/pricelist(s) with the Proposal in a readily available and readable electronic format, with Excel or searchable PDF preferred. ***No paper catalogs or manufacturer/vendor websites will be accepted.***

Vendors proposing multiple manufacturer product lines and/or catalog/price list per line item must submit the information as follows or proposal may not be considered:

- Select **"Add Alternate"** for each additional manufacturer product line and/or catalog/price list proposed
- Vendor's must list one specific percentage discount for each manufacturer and/or catalog/price list listed

Item Attributes

1. State Name of Manufacturer Catalog or Product Price list Proposed with Discount Percentage

NOTE: Do not reference SKU, Reference Numbers, Websites, and/or "See Attached/Enclosed".

No response

3 **Section I: Building/Facility Equipment, Products, and Supplies**

Discount (%) off catalog/price list for **Commercial Building Glass and Other Glass Materials and Supplies.** Catalog/Price list MUST be included or proposal will not be considered.

No Bid

Item Notes: ***PROPOSAL NOTE:*** Vendors shall submit catalog(s)/pricelist(s) with their Proposal response or the Proposal will not be considered. Vendors shall submit catalog(s)/pricelist(s) with the Proposal in a readily available and readable electronic format, with Excel or searchable PDF preferred. ***No paper catalogs or manufacturer/vendor websites will be accepted.***

Vendors proposing multiple manufacturer product lines and/or catalog/price list per line item must submit the information as follows or proposal may not be considered:

- Select **"Add Alternate"** for each additional manufacturer product line and/or catalog/price list proposed
- Vendor's must list one specific percentage discount for each manufacturer and/or catalog/price list listed

Item Attributes

1. State Name of Manufacturer Catalog or Product Price list Proposed with Discount Percentage

NOTE: Do not reference SKU, Reference Numbers, Websites, and/or "See Attached/Enclosed".

No response

4 **Section I: Building/Facility Equipment, Products, and Supplies**

Discount (%) off catalog/price list for **Elevator Equipment and Supplies.** Catalog/Price list MUST be included or proposal will not be considered.

No Bid

Item Notes: ***PROPOSAL NOTE:*** Vendors shall submit catalog(s)/pricelist(s) with their Proposal response or the Proposal will not be considered. Vendors shall submit catalog(s)/pricelist(s) with the Proposal in a readily available and readable electronic format, with Excel or searchable PDF preferred. ***No paper catalogs or manufacturer/vendor websites will be accepted.***

Vendors proposing multiple manufacturer product lines and/or catalog/price list per line item must submit the information as follows or proposal may not be considered:

- Select **"Add Alternate"** for each additional manufacturer product line and/or catalog/price list proposed
- Vendor's must list one specific percentage discount for each manufacturer and/or catalog/price list listed

Item Attributes

1. State Name of Manufacturer Catalog or Product Price list Proposed with Discount Percentage

NOTE: Do not reference SKU, Reference Numbers, Websites, and/or "See Attached/Enclosed".

No response

5 **Section I: Building/Facility Equipment, Products, and Supplies**

Discount (%) off catalog/price list for **Escalator Equipment and Supplies.** Catalog/Price list MUST be included or proposal will not be considered.

No Bid

Item Notes: ***PROPOSAL NOTE:*** Vendors shall submit catalog(s)/pricelist(s) with their Proposal response or the Proposal will not be considered. Vendors shall submit catalog(s)/pricelist(s) with the Proposal in a readily available and readable electronic format, with Excel or searchable PDF preferred. ***No paper catalogs or manufacturer/vendor websites will be accepted.***

Vendors proposing multiple manufacturer product lines and/or catalog/price list per line item must submit the information as follows or proposal may not be considered:

- Select **"Add Alternate"** for each additional manufacturer product line and/or catalog/price list proposed
- Vendor's must list one specific percentage discount for each manufacturer and/or catalog/price list listed

Item Attributes

1. State Name of Manufacturer Catalog or Product Price list Proposed with Discount Percentage

NOTE: Do not reference SKU, Reference Numbers, Websites, and/or "See Attached/Enclosed".

No response

6 **Section I: Building/Facility Equipment, Products, and Supplies**

Discount (%) off catalog/price list for **Energy and Water Monitoring Products** (all types). Catalog/Price list MUST be included or proposal will not be considered.

No Bid

Item Notes: ***PROPOSAL NOTE:*** Vendors shall submit catalog(s)/pricelist(s) with their Proposal response or the Proposal will not be considered. Vendors shall submit catalog(s)/pricelist(s) with the Proposal in a readily available and readable electronic format, with Excel or searchable PDF preferred. ***No paper catalogs or manufacturer/vendor websites will be accepted.***

Vendors proposing multiple manufacturer product lines and/or catalog/price list per line item must submit the information as follows or proposal may not be considered:

- Select **"Add Alternate"** for each additional manufacturer product line and/or catalog/price list proposed
- Vendor's must list one specific percentage discount for each manufacturer and/or catalog/price list listed

Item Attributes

1. State Name of Manufacturer Catalog or Product Price list Proposed with Discount Percentage

NOTE: Do not reference SKU, Reference Numbers, Websites, and/or "See Attached/Enclosed".

No response

7 **Section I: Building/Facility Equipment, Products, and Supplies**

Discount (%) off catalog/price list for **Fencing Materials and Supplies.** Catalog/Price list MUST be included or proposal will not be considered.

Total: 10%

Item Notes: ***PROPOSAL NOTE:*** Vendors shall submit catalog(s)/pricelist(s) with their Proposal response or the Proposal will not be considered. Vendors shall submit catalog(s)/pricelist(s) with the Proposal in a readily available and readable electronic format, with Excel or searchable PDF preferred. ***No paper catalogs or manufacturer/vendor websites will be accepted.***

Vendors proposing multiple manufacturer product lines and/or catalog/price list per line item must submit the information as follows or proposal may not be considered:

- Select **"Add Alternate"** for each additional manufacturer product line and/or catalog/price list proposed
- Vendor's must list one specific percentage discount for each manufacturer and/or catalog/price list listed

Item Attributes

1. State Name of Manufacturer Catalog or Product Price list Proposed with Discount Percentage

NOTE: Do not reference SKU, Reference Numbers, Websites, and/or "See Attached/Enclosed".

Anderson Fencing Price List

8 **Section I: Building/Facility Equipment, Products, and Supplies**

Discount (%) off catalog/price list for **Material Handling and Storage Equipment and Supplies** (forklifts, warehouse storage systems, pallet jacks, similar related items). Catalog/Price list MUST be included or proposal will not be considered.

No Bid

Item Notes: ***PROPOSAL NOTE:*** Vendors shall submit catalog(s)/pricelist(s) with their Proposal response or the Proposal will not be considered. Vendors shall submit catalog(s)/pricelist(s) with the Proposal in a readily available and readable electronic format, with Excel or searchable PDF preferred. ***No paper catalogs or manufacturer/vendor websites will be accepted.***

Vendors proposing multiple manufacturer product lines and/or catalog/price list per line item must submit the information as follows or proposal may not be considered:

- Select **"Add Alternate"** for each additional manufacturer product line and/or catalog/price list proposed
- Vendor's must list one specific percentage discount for each manufacturer and/or catalog/price list listed

Item Attributes

1. State Name of Manufacturer Catalog or Product Price list Proposed with Discount Percentage

NOTE: Do not reference SKU, Reference Numbers, Websites, and/or "See Attached/Enclosed".

No response

9 **Section I: Building/Facility Equipment, Products, and Supplies**

Discount (%) off catalog/price list for **Parking Lot Striping Equipment, Supplies and Materials.** Catalog/Price list MUST be included or proposal will not be considered.

No Bid

Item Notes: ***PROPOSAL NOTE:*** Vendors shall submit catalog(s)/pricelist(s) with their Proposal response or the Proposal will not be considered. Vendors shall submit catalog(s)/pricelist(s) with the Proposal in a readily available and readable electronic format, with Excel or searchable PDF preferred. ***No paper catalogs or manufacturer/vendor websites will be accepted.***

Vendors proposing multiple manufacturer product lines and/or catalog/price list per line item must submit the information as follows or proposal may not be considered:

- Select **"Add Alternate"** for each additional manufacturer product line and/or catalog/price list proposed
- Vendor's must list one specific percentage discount for each manufacturer and/or catalog/price list listed

Item Attributes

1. State Name of Manufacturer Catalog or Product Price list Proposed with Discount Percentage

NOTE: Do not reference SKU, Reference Numbers, Websites, and/or "See Attached/Enclosed".

No response

10

Section I: Building/Facility Equipment, Products, and Supplies

Discount (%) off catalog/price list for **Power Generating Equipment** (all types: electric/gas/diesel/back up on-site). Catalog/Price list MUST be included or proposal will not be considered.

No Bid

Item Notes: ***PROPOSAL NOTE:*** Vendors shall submit catalog(s)/pricelist(s) with their Proposal response or the Proposal will not be considered. Vendors shall submit catalog(s)/pricelist(s) with the Proposal in a readily available and readable electronic format, with Excel or searchable PDF preferred. ***No paper catalogs or manufacturer/vendor websites will be accepted.***

Vendors proposing multiple manufacturer product lines and/or catalog/price list per line item must submit the information as follows or proposal may not be considered:

- Select **"Add Alternate"** for each additional manufacturer product line and/or catalog/price list proposed
- Vendor's must list one specific percentage discount for each manufacturer and/or catalog/price list listed

Item Attributes

1. State Name of Manufacturer Catalog or Product Price list Proposed with Discount Percentage

NOTE: Do not reference SKU, Reference Numbers, Websites, and/or "See Attached/Enclosed".

No response

11

Section I: Building/Facility Equipment, Products, and Supplies

Discount (%) off catalog/price list for **Power Washing Equipment and Materials.** Catalog/Price list MUST be included or proposal will not be considered.

No Bid

Item Notes: ***PROPOSAL NOTE:*** Vendors shall submit catalog(s)/pricelist(s) with their Proposal response or the Proposal will not be considered. Vendors shall submit catalog(s)/pricelist(s) with the Proposal in a readily available and readable electronic format, with Excel or searchable PDF preferred. ***No paper catalogs or manufacturer/vendor websites will be accepted.***

Vendors proposing multiple manufacturer product lines and/or catalog/price list per line item must submit the information as follows or proposal may not be considered:

- Select **"Add Alternate"** for each additional manufacturer product line and/or catalog/price list proposed
- Vendor's must list one specific percentage discount for each manufacturer and/or catalog/price list listed

Item Attributes

1. State Name of Manufacturer Catalog or Product Price list Proposed with Discount Percentage

NOTE: Do not reference SKU, Reference Numbers, Websites, and/or "See Attached/Enclosed".

No response

12 **Section I: Building/Facility Equipment, Products, and Supplies**

Discount (%) off catalog/price list for **Overhead Doors-All Types and Sizes** (metal, wooden, similar related items). Catalog/Price list MUST be included or proposal will not be considered.

No Bid

Item Notes: ***PROPOSAL NOTE:*** Vendors shall submit catalog(s)/pricelist(s) with their Proposal response or the Proposal will not be considered. Vendors shall submit catalog(s)/pricelist(s) with the Proposal in a readily available and readable electronic format, with Excel or searchable PDF preferred. ***No paper catalogs or manufacturer/vendor websites will be accepted.***

Vendors proposing multiple manufacturer product lines and/or catalog/price list per line item must submit the information as follows or proposal may not be considered:

- Select **"Add Alternate"** for each additional manufacturer product line and/or catalog/price list proposed
- Vendor's must list one specific percentage discount for each manufacturer and/or catalog/price list listed

Item Attributes

1. State Name of Manufacturer Catalog or Product Price list Proposed with Discount Percentage

NOTE: Do not reference SKU, Reference Numbers, Websites, and/or "See Attached/Enclosed".

No response

13 **Section II: Installation and Repair Service**

Hourly Labor Rate for Installation/Repair Service of Installation/Repair Service of Boiler Equipment and Products and Related Items - **Not to Exceed** hourly labor rate for Installation/Repair Service of Equipment and Products.

Quantity: 1 UOM: Hourly Labor Rate

No Bid

14 **Section II: Installation and Repair Service**

Hourly Labor Rate for Installation/Repair Service of Building Entryway Awnings, Canopies, and Related Items - **Not to Exceed** hourly labor rate for Installation/Repair Service of Equipment and Products.

Quantity: 1 UOM: Hourly Labor Rate

No Bid

15 **Section II: Installation and Repair Service**

Hourly Labor Rate for Installation/Repair Service of Commercial Building Glass and Related Items - **Not to Exceed** hourly labor rate for Installation/Repair Service of Equipment and Products.

Quantity: 1 UOM: Hourly Labor Rate

No Bid

16 **Section II: Installation and Repair Service**

Hourly Labor Rate for Installation/Repair Service of Elevator Equipment, Products, and Related Items - **Not to Exceed** hourly labor rate for Installation/Repair Service of Equipment and Products.

Quantity: 1 UOM: Hourly Labor Rate

No Bid

17 **Section II: Installation and Repair Service**

Hourly Labor Rate for Installation/Repair Service of Escalator Equipment, Products, and Related Items - **Not to Exceed** hourly labor rate for Installation/Repair Service of Equipment and Products.

Quantity: 1 UOM: Hourly Labor Rate

No Bid

18	**Section II: Installation and Repair Service** **Hourly Labor Rate for Installation/Repair Service of Energy and Water Monitoring, Products, and Related Items** - **Not to Exceed** hourly labor rate for Installation/Repair Service of Equipment and Products. Quantity: 1 UOM: Hourly Labor Rate ***No Bid***
19	**Section II: Installation and Repair Service** **Hourly Labor Rate for Installation/Repair Service of Fencing Products and Related Items** - **Not to Exceed** hourly labor rate for Installation/Repair Service of Equipment and Products. Quantity: 1 UOM: Hourly Labor Rate Price: $65.00 Total: $65.00
20	**Section II: Installation and Repair Service** **Hourly Labor Rate for Installation/Repair Service of Material Handling and Storage Equipment, Products, and Related Items** - **Not to Exceed** hourly labor rate for Installation/Repair Service of Equipment and Products. Quantity: 1 UOM: Hourly Labor Rate ***No Bid***
21	**Section II: Installation and Repair Service** **Hourly Labor Rate for Installation/Repair Service of Parking Lot Striping Equipment and/or Services and Related Items** - **Not to Exceed** hourly labor rate for Installation/Repair Service of Equipment and Products. Quantity: 1 UOM: Hourly Labor Rate ***No Bid***
22	**Section II: Installation and Repair Service** **Hourly Labor Rate for Installation/Repair Service of Power Generating Equipment, Products, and Related Items** - **Not to Exceed** hourly labor rate for Installation/Repair Service of Equipment and Products. Quantity: 1 UOM: Hourly Labor Rate ***No Bid***
23	**Section II: Installation and Repair Service** **Hourly Labor Rate for Installation/Repair Service of Power Washing Equipment and/or Services and Related Items** - **Not to Exceed** hourly labor rate for Installation/Repair Service of Equipment and Products. Quantity: 1 UOM: Hourly Labor Rate ***No Bid***
24	**Section II: Installation and Repair Service** **Hourly Labor Rate for Installation/Repair Service of Overhead Door Equipment, Products and Related Items** - **Not to Exceed** hourly labor rate for Installation/Repair Service of Equipment and Products. Quantity: 1 UOM: Hourly Labor Rate ***No Bid***

Response Total: $65.00

P.O. Box 400, Austin, Texas 78767
800.695.2919 • info@buyboard.com • buyboard.com

April 17, 2023

Sent Via Email: tanneranderson31@gmail.com

Tanner Anderson
Anderson Fencing And Custom Welding
1107 Goodnight BLVD
Wills Point, TX 75169

Welcome to BuyBoard!

Re: *Notice of The Local Government Purchasing Cooperative Contract Award;* Proposal Invitation No. 703-23, Highway Safety and Traffic Control Products

Congratulations, The Local Government Purchasing Cooperative (Cooperative) has awarded your company a BuyBoard® contract based on the above-referenced Proposal Invitation. The contract is effective for an initial one-year term of June 1, 2023 through May 31, 2024, and may be subject to two possible one-year renewals. Please refer to the Proposal Invitation for the contract documents, including the General Terms and Conditions of the Contract.

To review the items your company has been awarded, please review Proposal Tabulation No. 703-23 at: www.buyboard.com/vendor. Only items marked as awarded to your company are included in this contract award, and only those awarded items may be sold through the BuyBoard contract. All sales must comply with the contract terms and must be at or below the awarded pricing as set forth in the General Terms and Conditions.

The contract will be posted on the BuyBoard website as an online electronic catalog(s). **You are reminded that, in accordance with the General Terms and Conditions, all purchase orders must be processed through the BuyBoard**. Except as expressly authorized in writing by the Cooperative's administrator, you are not authorized to process a purchase order received directly from a Cooperative member that has not been processed through the BuyBoard or provided to the Cooperative. If you receive a purchase order directly from a Cooperative member that you have reason to believe has not been received by the Cooperative or processed through the BuyBoard, you must promptly forward a copy of the purchase order by email to info@buyboard.com.

A list of Cooperative members is available on the buyboard.com website. Once the contract is active, the BuyBoard vendor relations staff will be contacting you to assist with the resources available and to provide any support you may need as an awarded BuyBoard vendor.

On behalf of the Cooperative, we appreciate your interest in the Cooperative and we are looking forward to your participation in the program. If you have any questions, feel free contact me at 800-695-2919.

Sincerely,

Leigh A Clover

Leigh Clover, Bid Analyst
Texas Association of School Boards, Inc.,
Administrator for The Local Government Purchasing Cooperative

April 17, 2023

Sent Via Email: tanneranderson31@gmail.com

Tanner Anderson
Anderson Fencing And Custom Welding
1107 Goodnight BLVD
Wills Point, TX 75169

Welcome to BuyBoard!

Re: *Notice of National Purchasing Cooperative Award;* Proposal Invitation No. 703-23, Highway Safety and Traffic Control Products

Congratulations, The National Purchasing Cooperative (National Cooperative) has awarded your company a BuyBoard® contract based on the above-referenced Proposal Invitation. The contract is effective for an initial one-year term of June 1, 2023 through May 31, 2024, and may be subject to two possible one-year renewals. Please refer to the Proposal Invitation for the contract documents, including the National Purchasing Cooperative Vendor Award Agreement and General Terms and Conditions of the Contract.

To review the items your company has been awarded, please review Proposal Tabulation No. 703-23 at www.buyboard.com/vendor. Only items marked as awarded to your company are included in this contract award, and only those awarded items may be sold through the BuyBoard contract. All sales must comply with the contract terms and must be at or below the awarded pricing as set forth in the General Terms and Conditions.

The contract will be posted on the BuyBoard website as an online electronic catalog(s). **You are reminded that, in accordance with the General Terms and Conditions, all purchase orders from National Cooperative members must be processed through the BuyBoard**. Except as expressly authorized in writing by the Cooperative's administrator, you are not authorized to process a purchase order received directly from a National Cooperative member that has not been processed through the BuyBoard or provided to the Cooperative. If you receive a purchase order directly from a National Cooperative member that you have reason to believe has not been received by the National Cooperative or processed through the BuyBoard, you must promptly forward a copy of the purchase order by e-mail to info@buyboard.com

A list of National Cooperative members is available on the buyboard.com website. Once the contract is active, the BuyBoard vendor relations staff will be contacting you to assist with resources available and provide any support you may need as an awarded BuyBoard vendor.

On behalf of the National Cooperative, we are looking forward to your participation in the program. If you have any questions, feel free to contact me at 800-695-2919.

Sincerely,

Leigh A Clover

Leigh Clover, Bid Analyst
Texas Association of School Boards, Inc.,
Procurement Administrator for the National Purchasing Cooperative

v.02.01.2021

PROPOSER'S ACCEPTANCE AND AGREEMENT

Proposal Invitation Name: Highway Safety and Traffic Control Products

Proposal Due Date/Opening Date and Time: January 19, 2023, at 4:00 PM

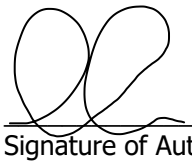
Location of Proposal Opening:
Texas Association of School Boards, Inc.
BuyBoard Department
12007 Research Blvd.
Austin, TX 78759

Proposal Invitation Number: 703-23

Anticipated Cooperative Board Meeting Date: April 2023

Contract Term: June 1, 2023, through May 31, 2024, with two possible one-year renewals.

By signature below, the undersigned acknowledges and agrees that you are authorized to submit this Proposal, including making all acknowledgements, consents, and certifications herein, on behalf of Proposer and, to the best of your knowledge, the information provided is true, accurate, and complete.

Anderson Fencing & Custom Welding	1/6/23
Name of Proposing Company	Date
1107 Goodnight BLVD	
Street Address	Signature of Authorized Company Official
Wills Point, TX, 75169	Tanner Anderson
City, State, Zip	Printed Name of Authorized Company Official
469-474-1172	Owner
Telephone Number of Authorized Company Official	Position or Title of Authorized Company Official
	82-4170037
Fax Number of Authorized Company Official	Federal ID Number

PROPOSAL FORMS PART 1: COMPLIANCE FORMS

INSTRUCTIONS:

Proposer must review and complete all forms in this Proposal Forms Part 1:

- Proposal Acknowledgements
- Felony Conviction Disclosure
- Resident/Nonresident Certification
- Debarment Certification
- Vendor Employment Certification
- No Boycott Verification
- No Excluded Nation or Foreign Terrorist Organization Certification
- Historically Underutilized Business Certification
- Acknowledgement of BuyBoard Technical Requirements
- Construction-Related Goods and Services Affirmation
- Deviation and Compliance
- Vendor Consent for Name Brand Use
- Confidential/Proprietary Information
- EDGAR Vendor Certification
- Compliance Forms Signature Page

An authorized representative of Proposer must initial in the bottom right corner of each page where indicated and complete and sign the Compliance Forms Signature Page. Proposer's failure to fully complete, initial, and sign forms as required may result in your Proposal being rejected as non-responsive.

PROPOSAL ACKNOWLEDGEMENTS

The proposing company ("you" or "your") hereby acknowledges and agrees as follows:

1. You have carefully examined and understand all information and documentation associated with this Proposal Invitation, including the Instructions to Proposers, General Information, General Terms and Conditions, attachments/forms, appendices, item specifications, and line items (collectively "Requirements");
2. By your response ("Proposal") to this Proposal Invitation, you propose to supply the products or services submitted at the pricing quoted in your Proposal and in strict compliance with the Requirements, unless specific deviations or exceptions are noted in the Proposal;
3. By your Proposal, you acknowledge and certify all items set forth in the General Terms and Conditions, Section B.12 (Certifications), including all non-collusion certifications and certifications regarding legal, ethical, and other matters set forth therein.
4. Any and all deviations and exceptions to the Requirements have been noted in your Proposal on the required form and no others will be claimed;

Initial: TA

5. If the Cooperative accepts any part of your Proposal and awards you a Contract, you will furnish all awarded products or services at the pricing quoted and in strict compliance with the Requirements (unless specific deviations or exceptions are noted on the required form and accepted by the Cooperative), including without limitation the Requirements related to:
   a. conducting business with Cooperative members, including offering pricing to members that is the best you offer compared to similarly situated customers in similar circumstances;
   b. payment of a service fee in the amount specified and as provided for in this Proposal Invitation;
   c. the **possible** award of a piggy-back contract by the National Purchasing Cooperative or nonprofit entity, in which event you will offer the awarded products and services in accordance with the Requirements; and
   d. submitting price sheets or catalogs in the proper format as required by the Cooperative as a prerequisite to activation of your Contract;
6. You have clearly identified on the included form any information in your Proposal that you believe to be confidential or proprietary or that you do not consider to be public information subject to public disclosure under the Texas Public Information Act or similar public information law;
7. The individual submitting this Proposal is duly authorized to enter into the contractual relationship represented by this Proposal Invitation on your behalf and bind you to the Requirements, and such individual (and any individual signing a form or Proposal document) is authorized and has the requisite knowledge to provide the information and make the representations and certifications required in the Requirements;
8. You have carefully reviewed your Proposal, and certify that all information provided is true, complete, and accurate to the best of your knowledge, and you authorize the Cooperative to take such action as it deems appropriate to verify such information; and
9. Any misstatement, falsification, or omission in your Proposal, whenever or however discovered, will be grounds for disqualifying you from consideration for a contract award under this Proposal Invitation, termination of a contract award, or any other remedy or action provided for in the General Terms and Conditions or by law.

FELONY CONVICTION DISCLOSURE

Subsection (a) of Section 44.034 of the Texas Education Code (Notification of Criminal History of Contractor) states: "A person or business entity that enters into a contract with a school district must give advance notice to the district if the person or an owner or operator has been convicted of a felony. The notice must include a general description of the conduct resulting in the conviction of a felony."

Section 44.034 further states in Subsection (b): "A school district may terminate a contract with a person or business entity if the district determines that the person or business entity failed to give notice as required by Subsection (a) or misrepresented the conduct resulting in the conviction. The district must compensate the person or business entity for services performed before the termination of the contract."

Please check (√) one of the following:

☐ My company is a publicly-held corporation. (Advance notice requirement does not apply to publicly-held corporation.)
☒ My company is not owned or operated by anyone who has been convicted of a felony.
☐ My company is owned/operated by the following individual(s) who has/have been convicted of a felony:

Name of Felon(s): _____

Details of Conviction(s): _____

_____

Initial: TA

RESIDENT/NONRESIDENT CERTIFICATION

Chapter 2252, Subchapter A, of the Texas Government Code establishes certain requirements applicable to proposers who are not Texas residents. Under the statute, a "resident" proposer is a person whose principal place of business is in Texas, including a contractor whose ultimate parent company or majority owner has its principal place of business in Texas. A "nonresident" proposer is a person who is not a Texas resident. Please indicate the status of your company as a "resident" proposer or a "nonresident" proposer under these definitions.

Please check (√) one of the following:

- ☒ I certify that my company is a **Resident Proposer.**
- ☐ I certify that my company is a **Nonresident Proposer.**

If your company is a Nonresident Proposer, you must provide the following information for your resident state (the state in which your company's principal place of business is located):

Company Name _____ Address _____

City _____ State _____ Zip Code _____

A. Does your resident state require a proposer whose principal place of business is in Texas to under-price proposers whose resident state is the same as yours by a prescribed amount or percentage to receive a comparable contract?
☐ Yes ☐ No

B. What is the prescribed amount or percentage? $_____ or _____%

DEBARMENT CERTIFICATION

By signature on the Compliance Forms Signature Page, I certify that neither my company nor an owner or principal of my company has been debarred, suspended or otherwise made ineligible for participation in Federal Assistance programs under Executive Order 12549, "Debarment and Suspension," as described in the Federal Register and Rules and Regulations. Neither my company nor an owner or principal of my company is currently listed on the government-wide exclusions in SAM, debarred, suspended, or otherwise excluded by agencies or declared ineligible under any statutory or regulatory authority. My company agrees to immediately notify the Cooperative and all Cooperative members with pending purchases or seeking to purchase from my company if my company or an owner or principal is later listed on the government-wide exclusions in SAM, or is debarred, suspended, or otherwise excluded by agencies or declared ineligible under any statutory or regulatory authority.

VENDOR EMPLOYMENT CERTIFICATION

Section 44.031(b) of the Texas Education Code establishes certain criteria that a school district must consider when determining to whom to award a contract. Among the criteria for certain contracts is whether the vendor or the vendor's ultimate parent or majority owner (i) has its principal place of business in Texas; or (ii) employs at least 500 people in Texas.

If neither your company nor the ultimate parent company or majority owner has its principal place of business in Texas, does your company, ultimate parent company, or majority owner employ at least 500 people in Texas?

Please check (√) one of the following:

☐ Yes ☒ No **Initial:** TA

NO BOYCOTT VERIFICATION

A Texas governmental entity may not enter into a contract with a value of $100,000 or more that is to be paid wholly or partly from public funds with a company (excluding a sole proprietorship) that has 10 or more full-time employees for goods or services unless the contract contains a written verification from the company that it: (1) does not boycott Israel and will not boycott Israel during the term of the contract (TEX. GOV'T CODE Ch. 2271), (2) does not boycott energy companies and will not boycott energy companies during the term of the contract (TEX. GOV'T CODE Ch. 2274 effective September 1, 2021), and (3) does not have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association and will not discriminate during the term of the contract against a firearm entity or firearm trade association (TEX. GOV'T CODE Ch. 2274 effective September 1, 2021). Accordingly, this certification form is included to the extent required by law.

"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. TEX. GOV'T CODE §808.001(1).

"Boycott energy company" means, without an ordinary business purpose, 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 with a company because the company: (A) engages in the exploration, production, utilization, transportation, sale, or manufacturing of fossil fuel-based energy and does not commit or pledge to meet environmental standards beyond applicable federal and state law; or (B) does business with a company described by Paragraph (A). TEX. GOV'T CODE §809.001(1) (effective September 1, 2021).

"Discriminate against a firearm entity or firearm trade association" means, (A) with respect to the entity or association, to: (i) refuse to engage in the trade of any goods or services with the entity or association based solely on its status as a firearm entity or firearm trade association; (ii) refrain from continuing an existing business relationship with the entity or association based solely on its status as a firearm entity or firearm trade association; or (iii) terminate an existing business relationship with the entity or association based solely on its status as a firearm entity or firearm trade association; and (B) does not include: (i) the established policies of a merchant, retail seller, or platform that restrict or prohibit the listing or selling of ammunition, firearms, or firearm accessories; and (ii) a company's refusal to engage in the trade of any goods or services, decision to refrain from continuing an existing business relationship, or decision to terminate an existing business relationship: (aa) to comply with federal, state, or local law, policy, or regulations or a directive by a regulatory agency; or (bb) for any traditional business reason that is specific to the customer or potential customer and not based solely on an entity's or association's status as a firearm entity or firearm trade association. TEX. GOV'T CODE §2274.001(3) (effective September 1, 2021).

By signature on the Compliance Forms Signature Page, to the extent applicable, I certify and verify that Vendor does not boycott Israel, boycott energy companies, or discriminate against a firearm entity or firearm trade association and will not do so during the term of any contract awarded under this Proposal Invitation, that this certification is true, complete and accurate, and that I am authorized by my company to make this certification.

Initial: TA

NO EXCLUDED NATION OR FOREIGN TERRORIST ORGANIZATION CERTIFICATION

Chapter 2252 of the Texas Government Code provides that a Texas governmental entity may not enter into a contract with a company engaged in active business operations with Sudan, Iran, or a foreign terrorist organization – specifically, any company identified on a list prepared and maintained by the Texas Comptroller under Texas Government Code §§806.051, 807.051, or 2252.153. (A company that the U.S. Government affirmatively declares to be excluded from its federal sanctions regime relating to Sudan, Iran, or any federal sanctions regime relating to a foreign terrorist organization is not subject to the contract prohibition.)

By signature on the Compliance Forms Signature Page, I certify and verify that Vendor is not on the Texas Comptroller's list identified above; that this certification is true, complete and accurate; and that I am authorized by my company to make this certification.

HISTORICALLY UNDERUTILIZED BUSINESS CERTIFICATION

A Proposer that has been certified as a Historically Underutilized Business (also known as a Minority/Women Business Enterprise or "MWBE" and all referred to in this form as a "HUB") is encouraged to indicate its HUB certification status when responding to this Proposal Invitation. The BuyBoard website will indicate HUB certifications for awarded Vendors that properly indicate and document their HUB certification on this form. Please check (√) all that apply:

☐ I certify that my company has been certified as a HUB in the following categories:

☐ **Minority Owned Business** ☐ **Women Owned Business**
☐ **Service-Disabled Veteran Owned Business (veteran defined by 38 U.S.C. §101(2), who has a service-connected disability as defined by 38 U.S.C. § 101(16), and who has a disability rating of 20% or more as determined by the U. S. Department of Veterans Affairs or Department of Defense)**

Certification Number: _____

Name of Certifying Agency: _____

☒ My company has **NOT** been certified as a HUB.

ACKNOWLEDGEMENT OF BUYBOARD TECHNICAL REQUIREMENTS

Vendor shall review the BuyBoard Technical Requirements included in this Proposal Invitation. By signature on the Compliance Forms Signature Page, the undersigned affirms that Proposer has obtained a copy of the BuyBoard Technical Requirements, has read and understands the requirements, and certifies that Vendor is able to meet and will comply with those requirements except as follows: *[List and explain BuyBoard Technical Requirements, if any, to which your company **cannot** or will **not** comply.]*

Note: In accordance with the General Terms and Conditions of the Contract, to the extent Vendor is awarded a Contract under this Proposal Invitation but is unable or unwilling to meet the applicable BuyBoard Technical Requirements, the information available on the BuyBoard for Vendor's awarded products or services may be limited, potentially placing Vendor at a disadvantage and impacting the ability of Cooperative members to search, find, review, and purchase Vendor's awarded products and services on the BuyBoard website. Further, to the extent Vendor has acknowledged ability to meet and comply with the BuyBoard Technical Requirements, any subsequent failure or refusal by Vendor to promptly provide information upon request to the Cooperative administrator in accordance with those technical requirements may be deemed an event of default under the Contract. **Initial:** TA

CONSTRUCTION-RELATED GOODS AND SERVICES AFFIRMATION

The Cooperative issued the BuyBoard Procurement and Construction-Related Goods and Services Advisory for Texas Members ("Advisory"), which provides information specifically relevant to the procurement of construction-related goods and services by Texas Cooperative members. The Advisory, available at buyboard.com/Vendor/Resources.aspx, provides an overview of certain legal requirements that are potentially relevant to a Cooperative member's procurement of construction or construction-related goods and services, including those for projects that may involve or require architecture, engineering or independent testing services. A copy of the Advisory can also be provided upon request. Because many BuyBoard contracts include goods or installation services that might be considered construction-related, Proposer must make this Construction Related-Goods and Services Affirmation regardless of type of goods or services associated with this Proposal Invitation.

A contract awarded under this Proposal Invitation covers only the specific goods and/or services awarded by the Cooperative. As explained in the Advisory ("Advisory"), **Texas law prohibits the procurement of architecture or engineering services through a purchasing cooperative. This Proposal Invitation and any Contract awarded thereunder does not include such services. Architecture or engineering services must be procured by a Cooperative member separately, in accordance with the Professional Services Procurement Act (Chapter 2254 of the Texas Government Code) and other applicable law and local policy.**

By signature on the Compliance Forms Signature Page, Proposer affirms that Proposer has obtained a copy of the Advisory, has read and understands the Advisory, and is authorized by Proposer to make this affirmation. If Proposer sells construction-related goods or services to a Cooperative member under a Contract awarded under this Proposal Invitation, Proposer will comply with the Advisory and applicable legal requirements, make a good faith effort to make its Cooperative member customers or potential Cooperative member customers aware of such requirements, and provide a Cooperative member with a copy of the Advisory before accepting the member's Purchase Order or other agreement for construction-related goods or services.

Initial: TA

DEVIATION AND COMPLIANCE

If your company intends to deviate from the General Terms and Conditions, Proposal Specifications or other requirements associated with this Proposal Invitation, you MUST list all such deviations on this form, and provide complete and detailed information regarding the deviations on this form or an attachment to this form. **Prior to completing this form, Vendor shall review the General Terms and Conditions section B.4 (Deviations from Item Specifications and General Terms and Conditions). Please note that, as provided in section B.4, certain provisions of the General Terms and Conditions are NOT subject to deviation, and certain deviations will be deemed rejected without further action by the Cooperative. Any attempted deviation, whether directly or indirectly, to provisions identified in this Proposal Invitation as not subject to deviation shall be deemed rejected by the Cooperative and, unless otherwise withdrawn by Vendor, may result in Vendor's Proposal being rejected in its entirety.**

The Cooperative will consider any deviations in its contract award decision and reserves the right to accept or reject a proposal based upon any submitted deviation.

In the absence of any deviation identified and described in accordance with the above, your company must fully comply with the General Terms and Conditions, Proposal Specifications and all other requirements associated with this Proposal Invitation if awarded a Contract under this Proposal Invitation. A deviation will not be effective unless accepted by the Cooperative. The Cooperative, by and through the Cooperative administrator, may, in its sole discretion, seek clarification from and/or communicate with Proposer(s) regarding any submitted deviation, consistent with general procurement principles of fair competition. The Cooperative reserves the right to accept or reject a Proposal based upon any submitted deviation.

Please check (√) one of the following:

☒ **No**; Deviations
☐ **Yes**; Deviations

List and fully explain any deviations you are submitting:

Initial: TA

VENDOR CONSENT FOR NAME BRAND USE

BuyBoard members seeking to make purchases using a Contract awarded under this Proposal Invitation may view information regarding awarded Vendors, including but not limited to product catalogs, pricelists, pricing, and Proposals, through the BuyBoard website. To improve and enhance the experience of BuyBoard members seeking to procure goods and services under the Contract utilizing the BuyBoard website, any Vendor logo, product images, and similar brand and trademark information provided by Vendor for purposes of the Contract ("Vendor Information") may be posted on the BuyBoard website.

You acknowledge that, by submitting your Proposal, unless you specifically opt out below, you consent to use of your company's Vendor Information on the BuyBoard website if awarded a Contract. You further acknowledge that whether, where, and when to include the Vendor Information on the BuyBoard website shall be at the sole discretion of the BuyBoard Administrator. Vendor retains, however, the right of general quality control over the BuyBoard Administrator's authorized display of proprietary Vendor Information. Neither the BuyBoard nor its administrator will be responsible for the use or distribution of Vendor Information by BuyBoard members or any other third party using the BuyBoard website. This Vendor Consent shall be effective for the full term of the Contract, including renewals, unless Vendor provides a signed, written notice revoking consent to contractadmin@buyboard.com. BuyBoard shall have up to thirty days from the date of receipt of a termination or revocation of a Vendor Consent to remove Vendor information from the BuyBoard website.

This Vendor Consent is subject to the Terms and Conditions of the Contract, including, but not limited to, those terms pertaining to Disclaimer of Warranty and Limitation of Liability, Indemnification, and Intellectual Property Infringement.

Vendor logo files must be submitted in one of the formats set forth in the BuyBoard Technical Requirements. Proposers are requested to submit this information with Vendor's Proposal. (This consent shall not authorize use of your company's Vendor Information by BuyBoard if your company is not awarded a Contract.)

OPT OUT:

If your company wishes to opt out of the Vendor Consent for Name Brand Use, you must check the opt out box below. ***DO NOT select this box unless your company is opting out of this Vendor Consent for Name Brand Use.***

☐ By checking this box, Vendor hereby declines to provide consent for use of Vendor Information (as defined herein) on the BuyBoard website. **By opting out, Vendor acknowledges and agrees that, if Vendor is awarded a Contract under this Proposal Invitation, information available on the BuyBoard for Vendor's awarded products or services may be limited, potentially placing Vendor at a disadvantage and impacting the ability of Cooperative members to search, find, review, and purchase Vendor's awarded products and services on the BuyBoard website.**

Initial: TA

CONFIDENTIAL/PROPRIETARY INFORMATION

A. Public Disclosure Laws

All Proposals, forms, documentation, catalogs, pricelists, or other materials submitted by Vendor to the Cooperative in response to this Proposal Invitation, may be subject to the disclosure requirements of the Texas Public Information Act (Texas Government Code chapter 552.001, *et. seq.*) or similar disclosure law. Proposer must clearly identify on this form any information in its Proposal (including forms, documentation, or other materials submitted with the Proposal) that Proposer considers proprietary or confidential. If Proposer fails to properly identify the information, the Cooperative shall have no obligation to notify Vendor or seek protection of such information from public disclosure should a member of the public or other third party request access to the information under the Texas Public Information Act or similar disclosure law. When required by the Texas Public Information Act or other disclosure law, Proposer may be notified of any third-party request for information in a Proposal that Proposer has identified in this form as proprietary or confidential.

Does your Proposal (including forms, documentation, catalogs, pricelists, or other materials submitted with the Proposal) contain information which Vendor considers proprietary or confidential?

Please check (√) one of the following:

☒ **NO**, I certify that none of the information included with this Proposal is considered confidential or proprietary.

☐ **YES**, I certify that this Proposal contains information considered confidential or proprietary and all such information is specifically identified on this form.

If you responded "YES", you must clearly identify below the specific information you consider confidential or proprietary. List each page number, form number, or other information sufficient to make the information readily identifiable. The Cooperative and Cooperative administrator shall not be responsible for a Proposer's failure to clearly identify information considered confidential or proprietary. Further, by submitting a Proposal, Proposer acknowledges that the Cooperative and Cooperative administrator will disclose information when required by law, even if such information has been identified herein as information Vendor considers confidential or proprietary.

Confidential / Proprietary Information:

_____

_____

_____

_____

_____

(Attach additional sheets if needed.)

Initial: TA

B. Copyright Information

Does your Proposal (including forms, documentation, pricelists, catalogs, or other materials submitted with the Proposal) contain copyright information?

Please check (√) one of the following:

☒ **NO,** Proposal (including forms, documentation, pricelists, catalogs, or other materials submitted with the Proposal) does not contain copyright information.

☐ **YES,** Proposal (including forms, documentation, pricelists, catalogs, or other materials submitted with the Proposal) does contain copyright information.

If you responded "YES", clearly identify below the specific documents or pages containing copyright information.

Copyright Information: _____

_____

_____

(Attach additional sheets if needed.)

C. Consent to Release Confidential/Proprietary/Copyright Information to BuyBoard Members

BuyBoard members (Cooperative and nonprofit members) seeking to make purchases through the BuyBoard may wish to view information included in the Proposals of awarded Vendors. If you identified information on this form as confidential, proprietary, or subject to copyright, and you are awarded a BuyBoard contract, your acceptance of the BuyBoard contract award constitutes your consent to the disclosure of such information to BuyBoard members, including posting of such information on the secure BuyBoard website for members. Note: Neither the Cooperative nor Cooperative administrator will be responsible for the use or distribution of information by BuyBoard members or any other party.

D. Consent to Release Proposal Tabulation

Notwithstanding anything in this Confidential/Proprietary Information form to the contrary, by submitting a Proposal, Vendor consents and agrees that, upon Contract award, the Cooperative may publicly release, including posting on the public BuyBoard website, a copy of the proposal tabulation and award information for the Contract including Vendor name; proposed catalog/pricelist name(s); proposed percentage discount(s), hourly labor rate(s), or other specified pricing; and Vendor award or non-award information.

Initial: TA

EDGAR VENDOR CERTIFICATION

(2 CFR Part 200 and Appendix II)

When a Cooperative member seeks to procure goods and services using funds under a federal grant or contract, specific federal laws, regulations, and requirements may apply in addition to those under state law. This includes, but is not limited to, the procurement standards of the Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards, 2 CFR 200 (sometimes referred to as the "Uniform Guidance" or new "EDGAR"). All Vendors submitting a Proposal must complete this EDGAR Certification Form regarding Vendor's willingness and ability to comply with certain requirements which ***may*** be applicable to specific Cooperative member purchases using federal grant funds. Completed forms will be made available to Cooperative members for their use while considering their purchasing options when using federal grant funds. Cooperative members may also require Vendors to enter into ancillary agreements, in addition to the terms and conditions of the BuyBoard contract, to address the member's specific contractual needs, including contract requirements for a procurement using federal grants or contracts.

For <u>each</u> of the items below, Vendor should certify Vendor's agreement and ability to comply, where applicable, by having Vendor's authorized representative check the applicable boxes, initial each page, and sign the Compliance Forms Signature Page. If you fail to complete any item in this form, the Cooperative will consider and may list the Vendor's response on the BuyBoard as "NO," the Vendor is unable or unwilling to comply. A "NO" response to any of the items may, if applicable, impact the ability of a Cooperative member to purchase from the Vendor using federal funds.

1. Vendor Violation or Breach of Contract Terms:

Contracts for more than the simplified acquisition threshold, which is the inflation adjusted amount determined by the Civilian Agency Acquisition Council and the Defense Acquisition Regulations Council (Councils) as authorized by 41 USC 1908, must address administrative, contractual, or legal remedies in instances where contractors violate or breach contract terms, and provide for such sanctions and penalties as appropriate.

Provisions regarding Vendor default are included in the BuyBoard General Terms and Conditions, including Section E.18, Remedies for Default and Termination of Contract. Any Contract award will be subject to such BuyBoard General Terms and Conditions, as well as any additional terms and conditions in any Purchase Order or Cooperative member ancillary contract agreed upon by Vendor and the Cooperative member which must be consistent with and protect the Cooperative member at least to the same extent as the BuyBoard Terms and Conditions. The remedies under the Contract are in addition to any other remedies that may be available under law or in equity. By submitting a Proposal, you agree to these Vendor violation and breach of contract terms.

■ **YES**, I agree. ☐ **NO**, I do not agree.

2. Termination for Cause or Convenience:

For any Cooperative member purchase or contract in excess of $10,000 made using federal funds, you agree that the following term and condition shall apply:

The Cooperative member may terminate or cancel any Purchase Order under this Contract at any time, with or without cause, by providing seven (7) business days advance written notice to the Vendor. If this Agreement is terminated in accordance with this Paragraph, the Cooperative member shall only be required to pay Vendor for goods or services delivered to the Cooperative member prior to the termination and not otherwise returned in accordance with Vendor's return policy. If the Cooperative member has paid Vendor for goods or services not yet provided as of the date of termination, Vendor shall immediately refund such payment(s).

If an alternate provision for termination of a Cooperative member purchase for cause and convenience, including the manner by which it will be effected and the basis for settlement, is included in the Cooperative member's Purchase Order or ancillary agreement agreed to by the Vendor, the Cooperative member's provision shall control.

■ **YES**, I agree. ☐ **NO**, I do not agree. **Initial:** TA

3. Equal Employment Opportunity:

Except as otherwise provided under 41 CFR Part 60, all Cooperative member purchases or contracts that meet the definition of "federally assisted construction contract" in 41 CFR Part 60-1.3 shall be deemed to include the equal opportunity clause provided under 41 CFR 60-1.4(b), in accordance with Executive Order 11246, "Equal Employment Opportunity" (30 FR 12319, 12935, 3 CFR Part, 1964-1965 Comp., p. 339), as amended by Executive Order 11375, "Amending Executive Order 11246 Relating to Equal Employment Opportunity," and implementing regulations at 41 CFR Part 60, "Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor."

The equal opportunity clause provided under 41 CFR 60-1.4(b) is hereby incorporated by reference. Vendor agrees that such provision applies to any Cooperative member purchase or contract that meets the definition of "federally assisted construction contract" in 41 CFR Part 60-1.3 and Vendor agrees that it shall comply with such provision.

■ **YES**, I agree. ☐ **NO**, I do not agree.

4. Davis-Bacon Act:

When required by Federal program legislation, Vendor agrees that, for all Cooperative member prime construction contracts/purchases in excess of $2,000, Vendor shall comply with the Davis-Bacon Act (40 USC 3141-3144, and 3146-3148) as supplemented by Department of Labor regulations (29 CFR Part 5, "Labor Standards Provisions Applicable to Contracts Covering Federally Financed and Assisted Construction"). In accordance with the statute, Vendor is required to pay wages to laborers and mechanics at a rate not less than the prevailing wages specified in a wage determinate made by the Secretary of Labor. In addition, Vendor shall pay wages not less than once a week.

Current prevailing wage determinations issued by the Department of Labor are available at beta.sam.gov. Vendor agrees that, for any purchase to which this requirement applies, the award of the purchase to the Vendor is conditioned upon Vendor's acceptance of the wage determination.

Vendor further agrees that it shall also comply with the Copeland "Anti-Kickback" Act (40 USC 3145), as supplemented by Department of Labor regulations (29 CFR Part 3, "Contractors and Subcontractors on Public Building or Public Work Financed in Whole or in Part by Loans or Grants from the United States"). The Act provides that each contractor or subrecipient must be prohibited from inducing, by any means, any person employed in the construction, completion, or repair of public work, to give up any part of the compensation to which he or she is otherwise entitled.

■ **YES**, I agree. ☐ **NO**, I do not agree.

5. Contract Work Hours and Safety Standards Act:

Where applicable, for all Cooperative member contracts or purchases in excess of $100,000 that involve the employment of mechanics or laborers, Vendor agrees to comply with 40 USC 3702 and 3704, as supplemented by Department of Labor regulations (29 CFR Part 5). Under 40 USC 3702 of the Act, Vendor is required to compute the wages of every mechanic and laborer on the basis of a standard work week of 40 hours. Work in excess of the standard work week is permissible provided that the worker is compensated at a rate of not less than one and a half times the basic rate of pay for all hours worked in excess of 40 hours in the work week.

The requirements of 40 USC 3704 are applicable to construction work and provide that no laborer or mechanic must be required to work in surroundings or under working conditions which are unsanitary, hazardous or dangerous. These requirements do not apply to the purchases of supplies or materials or articles ordinarily available on the open market, or contracts for transportation or transmission of intelligence.

■ **YES**, I agree. ☐ **NO**, I do not agree.

Initial: TA

6. Right to Inventions Made Under a Contract or Agreement:

If the Cooperative member's Federal award meets the definition of "funding agreement" under 37 CFR 401.2(a) and the recipient or subrecipient wishes to enter into a contract with a small business firm or nonprofit organization regarding the substitution of parties, assignment or performance or experimental, developmental, or research work under that "funding agreement," the recipient or subrecipient must comply with the requirements of 37 CFR Part 401, "Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements," and any implementing regulations issued by the awarding agency.

Vendor agrees to comply with the above requirements when applicable.

■ **YES**, I agree. ☐ **NO**, I do not agree.

7. Clean Air Act and Federal Water Pollution Control Act:

Clean Air Act (42 USC 7401-7671q.) and the Federal Water Pollution Control Act (33 USC 1251-1387), as amended – Contracts and subgrants of amounts in excess of $150,000 must contain a provision that requires the non-Federal award to agree to comply with all applicable standards, orders, or regulations issued pursuant to the Clean Air Act (42 USC 7401-7671q.) and the Federal Water Pollution Control Act, as amended (33 USC 1251-1387). Violations must be reported to the Federal awarding agency and the Regional Office of the Environmental Protection Agency (EPA).

When required, Vendor agrees to comply with all applicable standards, orders, or regulations issued pursuant to the Clean Air Act and the Federal Water Pollution Control Act.

■ **YES**, I agree. ☐ **NO**, I do not agree.

8. Debarment and Suspension:

Debarment and Suspension (Executive Orders 12549 and 12689) – A contract award (see 2 CFR 180.220) must not be made to parties listed on the government-wide exclusions in the System for Award Management (SAM), in accordance with the OMB guidelines at 2 CFR 180 that implement Executive Orders 12549 (3 CFR Part 1966 Comp. p. 189) and 12689 (3 CFR Part 1989 Comp. p. 235), "Debarment and Suspension." SAM Exclusions contains the names of parties debarred, suspended, or otherwise excluded by agencies, as well as parties declared ineligible under statutory or regulatory authority other than Executive Order 12549.

Vendor certifies that Vendor is not currently listed on the government-wide exclusions in SAM, is not debarred, suspended, or otherwise excluded by agencies or declared ineligible under statutory or regulatory authority other than Executive Order 12549. Vendor further agrees to immediately notify the Cooperative and all Cooperative members with pending purchases or seeking to purchase from Vendor if Vendor is later listed on the government-wide exclusions in SAM, or is debarred, suspended, or otherwise excluded by agencies or declared ineligible under statutory or regulatory authority other than Executive Order 12549.

■ **YES**, I agree. ☐ **NO**, I do not agree.

9. Byrd Anti-Lobbying Amendment:

Byrd Anti-Lobbying Amendment (31 USC 1352) - Vendors that apply or bid for an award exceeding $100,000 must file the required certification. Each tier certifies to the tier above that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grant or any other award covered by 31 USC 1352. Each tier must also disclose any lobbying with non-Federal funds that takes place in connection with obtaining any Federal award. Such disclosures are forwarded from tier to tier up to the non-Federal award. As applicable, Vendor agrees to file all certifications and disclosures required by, and otherwise comply with, the Byrd Anti-Lobbying Amendment (31 USC 1352).

■ **YES**, I agree. ☐ **NO**, I do not agree.

Initial: TA

10. Procurement of Recovered Materials:

For Cooperative member purchases utilizing Federal funds, Vendor agrees to comply with Section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act where applicable and provide such information and certifications as a Cooperative member may require to confirm estimates and otherwise comply. The requirements of Section 6002 include procuring only items designated in guidelines of the Environmental Protection Agency (EPA) at 40 CFR Part 247 that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition, where the purchase price of the item exceeds $10,000 or the value of the quantity acquired during the preceding fiscal year exceeded $10,000; procuring solid waste management services in a manner that maximizes energy and resource recovery, and establishing an affirmative procurement program for procurement of recovered materials identified in the EPA guidelines.

■ **YES**, I agree. ☐ **NO**, I do not agree.

11. Domestic Preferences for Procurements:

Where appropriate and consistent with law, 2 CFR §200.322 contains certain considerations for domestic preferences for procurements which may be applicable to Cooperative members using federal funds. When required by a Cooperative member, Vendor agrees to provide such information or certification as may reasonably be requested by the Cooperative member regarding Vendor's products, including whether goods, products, or materials are produced in the United States.

■ **YES**, I agree. ☐ **NO**, I do not agree.

12. Prohibition on Certain Telecommunications and Video Surveillance Services or Equipment

2 CFR §200.216 prohibits expending federal loan or grant funds to procure or obtain certain telecommunications and video surveillance services or equipment. To the extent applicable and when required by a Cooperative member, Vendor agrees to provide such information or certification as may reasonably be requested by the Cooperative member to confirm whether any telecommunications or video surveillance services or equipment provided by Vendor is covered equipment or covered services under 2 CFR §200.216.

■ **YES**, I agree. ☐ **NO**, I do not agree.

13. Profit as a Separate Element of Price:

For purchases using federal funds in excess of the Simplified Acquisition Threshold, a Cooperative member may be required to negotiate profit as a separate element of the price. See, 2 CFR 200.324(b). When required by a Cooperative member, Vendor agrees to provide information and negotiate with the Cooperative member regarding profit as a separate element of the price for a particular purchase. However, Vendor agrees that the total price, including profit, charged by Vendor to the Cooperative member shall not exceed the awarded pricing, including any applicable discount, under Vendor's Cooperative Contract.

■ **YES**, I agree. ☐ **NO**, I do not agree.

14. General Compliance and Cooperation with Cooperative Members:

In addition to the foregoing specific requirements, Vendor agrees, in accepting any Purchase Order from a Cooperative member, it shall make a good faith effort to work with Cooperative members to provide such information and to satisfy such requirements as may apply to a particular Cooperative member purchase or purchases including, but not limited to, applicable recordkeeping and record retention requirements.

■ **YES**, I agree. ☐ **NO**, I do not agree.

Initial: TA

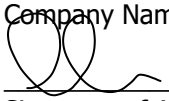
COMPLIANCE FORMS SIGNATURE PAGE

By initialing pages and by signature below, I certify that I have reviewed the following forms; that the information provided therein is true, complete, and accurate; and that I am authorized by my company to make all certifications, consents, acknowledgements, and agreements contained herein:

- Proposal Acknowledgements
- Felony Conviction Disclosure
- Debarment Certification
- Resident/Nonresident Certification
- Vendor Employment Certification
- No Boycott Verification
- No Excluded Nation or Foreign Terrorist Organization Certification
- Historically Underutilized Business Certification
- Construction-Related Goods and Services Affirmation
- Acknowledgement of BuyBoard Technical Requirements
- Deviation and Compliance
- Vendor Consent for Name Brand Use
- Confidential/Proprietary Information
- EDGAR Vendor Certification

Anderson Fencing & Custom Welding

Company Name



Signature of Authorized Company Official

Tanner Anderson, Owner

Printed Name and Title

1/6/23

Date

PROPOSAL FORMS PART 2: VENDOR INFORMATION FORMS

INSTRUCTIONS:

Proposer must completely and accurately provide all information requested in the following Vendor Information Forms or your Proposal may be rejected as non-responsive:

- Vendor Business Name
- Vendor Contact Information
- Federal and State/Purchasing Cooperative Experience
- Governmental References
- Company Profile
- Texas Regional Service Designation
- State Service Designation
- National Purchasing Cooperative Vendor Award Agreement *(Vendors serving outside Texas only)*
- Local/Authorized Seller Listings
- Manufacturer Dealer Designation
- Proposal Invitation Questionnaire
- Vendor Request to Self-Report BuyBoard Purchases *(Optional)*

To the extent any information requested is not applicable to your company, you must so indicate on the form.

VENDOR BUSINESS NAME

By submitting a Proposal, Vendor is seeking to enter into a legal contract with the Cooperative. As such, Vendor must be an individual or legal business entity capable of entering into a binding contract.

Name of Proposing Company: Anderson Fencing & Custom Welding

*(List the **legal** name of the company seeking to contract with the Cooperative. Do NOT list an assumed name, dba, aka, etc. here. Such information may be provided below. If you are submitting a joint proposal with another entity to provide the same proposed goods or services, each submitting entity should complete a separate vendor information form. Separately operating legal business entities, even if affiliated entities, which propose to provide goods or services separately must submit their own Proposals.)*

Please check (√) one of the following:

Type of Business: ■ Individual/Sole Proprietor ■ Corporation ☐ Limited Liability Company ☐ Partnership

☐ Other (Specify: _____)

State of Incorporation (if applicable): Texas

Federal Employer Identification Number: 82-4170037

(Vendor must include a completed IRS W-9 form with their Proposal)

Name by which Vendor, if awarded, wishes to be identified on the BuyBoard: *(Note: If different than the Name of Proposing Company listed above, only valid trade names (dba, aka, etc.) of the Proposing Company may be used and a copy of your Assumed Name Certificate(s), if applicable, must be attached.)*

Anderson Fencing & Custom Welding

VENDOR CONTACT INFORMATION

Vendor shall provide the requested Vendor Contact Information in the electronic proposal submission system including contract, purchase order, RFQ, and invoice contacts (or, if submitting a hard copy Proposal, timely request and complete the Vendor Contact Information form in accordance with the Instructions to Proposers).

FEDERAL AND STATE/PURCHASING COOPERATIVE EXPERIENCE

The Cooperative strives to provide Cooperative members with the best services and products at the best prices available from Vendors with the technical resources and ability to serve Cooperative members. Please respond to the following questions.

1. Provide the dollar value of sales to or through purchasing cooperatives at or based on an established catalog or market price during the previous 12-month period or the last fiscal year: $_____. (The period of the 12-month period is _____/_____). In the event that a dollar value is not an appropriate measure of the sales, provide and describe your own measure of the sales of the item(s).

2. By submitting a proposal, you agree that, based on your written discounting policies, the discounts you offer the Cooperative are equal to or better than the best price you offer other purchasing cooperatives for the same items under equivalent circumstances.

3. Provide the information requested below for other purchasing cooperatives for which Proposer currently serves, or in the past has served, as an awarded vendor. Rows should be added to accommodate as many purchasing cooperatives as required.

PURCHASING GROUP	CURRENT VENDOR? (Y/N)	FORMER VENDOR (Y/N)? – IF YES, LIST YEARS AS VENDOR	AWARDED COMMODITY CATEGORY(IES)
1. Federal General Services Administration			
2. T-PASS (State of Texas)			
3. OMNIA Partners			
4. Sourcewell (NJPA)			
5. E&I Cooperative			
6. Houston-Galveston Area Council (HGAC)			
7. Choice Partners			
8. The Interlocal Purchasing System (TIPS)			
9. Other	Y		

☐ **MY COMPANY DOES NOT CURRENTLY HAVE ANY OF THE ABOVE OR SIMILAR TYPE CONTRACTS.**

CURRENT BUYBOARD VENDORS

If you are a current BuyBoard vendor in the same contract category as proposed in this Proposal Invitation, indicate the discount for your current BuyBoard contract and the proposed discount in this Proposal. Explain any difference between your current and proposed discounts.

Current Discount (%): _____ **Proposed Discount (%):** _____

Explanation: _____

GOVERNMENTAL REFERENCES

For your Proposal to be considered, you must supply a minimum of five (5) individual governmental entity references. The Cooperative may contact any and all references provided as part of the Proposal evaluation. Provide the information requested below, including the existing pricing/discounts you offer each customer. The Cooperative may determine whether pricing/discounts are fair and reasonable by comparing pricing/discounts stated in your Proposal with the pricing/discounts you offer other governmental customers. Attach additional pages if necessary.

Entity Name	Contact	Phone#	Email Address	Discount	Quantity/ Volume
1.					
2.					
3.					
4.					
5.					

Do you ever modify your written policies or standard governmental sales practices as identified in the above chart to give better discounts (lower pricing) than indicated? **YES** ☐ **NO** ☐ If YES, please explain:

_____

_____

_____

COMPANY PROFILE

Information on awarded Cooperative Contracts is available to Cooperative Members on the BuyBoard website. If your company is awarded a Contract under this Proposal Invitation, please provide a brief company description that you would like to have included with your company profile on the BuyBoard website. **Submit your company profile in a separate file, in Word format, with your Proposal**. (Note: Vendor is solely responsible for any content provided for inclusion on the BuyBoard website. The Cooperative reserves the right to exclude or remove any content in its sole discretion, with or without prior notice, including but not limited to any content deemed by the Cooperative to be inappropriate, irrelevant to the Contract, inaccurate, or misleading.)

Company Profile

Anderson Fencing & Custom Welding is founded in 2012.

Anderson Fencing & Custom Welding is a company that provides all kind of fencing, crash protection, controlled access for commerical and residential areas.

Anderson Fencing & Custom Welding is located at 1107 Goodnight BLVD, Wills Point, TX 75169.

Anderson Fencing & Custom Welding severs all of Texas and the rest of the United States.

The Strengths

- We are a family owned company
- We are absolutely customer oriented with having long-term relationships with customers.
- Serving them only in their interests is accepted as the corporate culture in our initiatives.
- The management team and also the employees are experienced in their area.

Products

- Crash Protection
- Guardrails
- Bollards
- Gaurd cable
- Fencing
- Chain Link
- Wrought Iron
- Privacy
- All Controlled Access
- Mulching(Land Clearing)

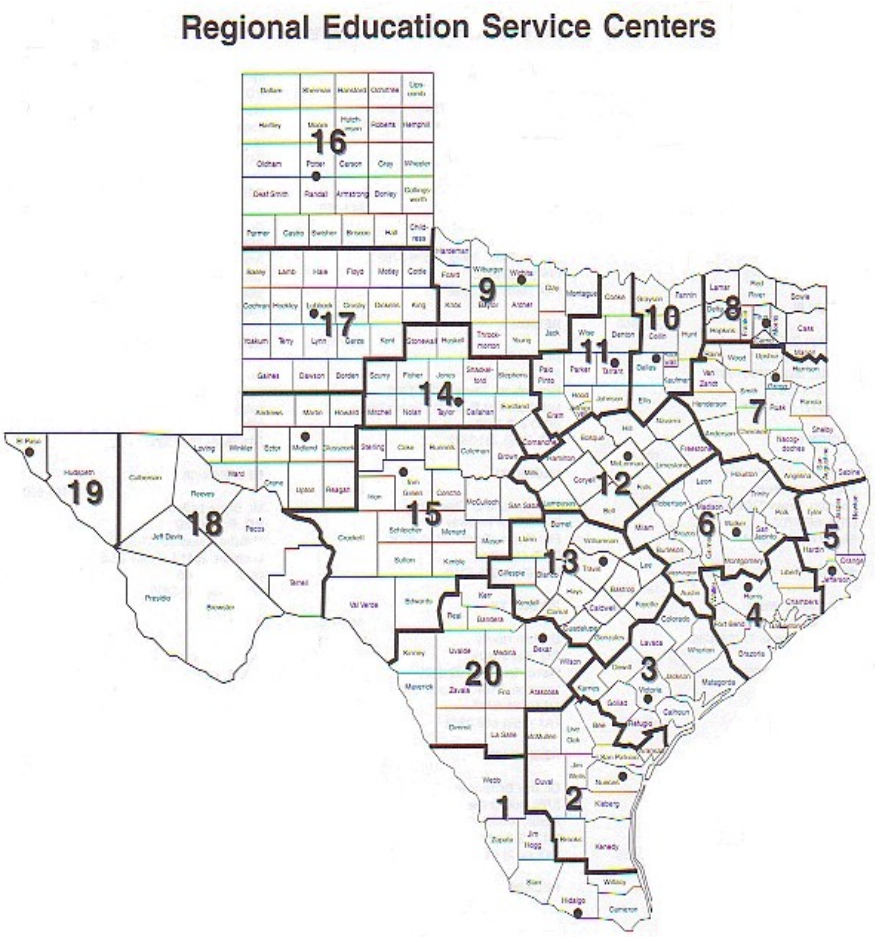
Management

Tanner Anderson
Owner
469-474-1172

TEXAS REGIONAL SERVICE DESIGNATION

This form must be completed in the electronic proposal submission system (or, if submitting a hard copy Proposal, timely request and complete the form in accordance with the Instructions to Proposers).

The Cooperative (referred to as "Texas Cooperative" in this form and in the State Service Designation form) offers vendors the opportunity to service its members throughout the entire State of Texas. In the electronic proposal submission system, you must indicate if you will service Texas Cooperative members statewide or, if you do not plan to service all Texas Cooperative members statewide, you **must** indicate the specific regions you will service. If you propose to serve different regions for different products or services included in your Proposal, you must complete and submit a separate Texas Regional Service Designation form for each group of products and clearly indicate the products or services to which the designation applies. **(Additional forms can be obtained by contacting** bids@buyboard.com at least five (5) business days prior to the Proposal Due Date.) ***By designating a region or regions, you are certifying that you are authorized and willing to provide the proposed products and services in those regions. Designating regions in which you are either unable or unwilling to provide the specified products and services shall be grounds for either rejection of your Proposal or, if awarded, termination of your Contract.*** Additionally, if you do not plan to service Texas Cooperative members (i.e., if you will service only states other than Texas), you must so indicate on the form in the electronic proposal submission system.



Region and Headquarters

1 Edinburg
2 Corpus Christi
3 Victoria
4 Houston
5 Beaumont
6 Huntsville
7 Kilgore
8 Mount Pleasant
9 Wichita Falls
10 Richardson
11 Fort Worth
12 Waco
13 Austin
14 Abilene
15 San Angelo
16 Amarillo
17 Lubbock
18 Midland
19 El Paso
20 San Antonio

STATE SERVICE DESIGNATION

This form must be completed in the electronic proposal submission system (or, if submitting a hard copy Proposal, timely request and complete the in accordance with the Instructions to Proposers).

As set forth in the Proposal Invitation, it is the Cooperative's intent that other governmental entities in the United States have the opportunity to purchase goods or services awarded under the Contract, subject to applicable state law, through a piggy-back award or similar agreement through the National Purchasing Cooperative BuyBoard. If you plan to service the entire United States or only specific states, you must complete the State Service Designation information in the electronic proposal submission system. *(Note: If you plan to service Texas Cooperative members, be sure that you complete the Texas Regional Service Designation form.)* ***In addition to this form, to be considered for a piggy-back award by the National Purchasing Cooperative, you must have an authorized representative sign the National Purchasing Cooperative Vendor Award Agreement that follows this page.***

If you serve different states for different products or services included in your Proposal, you must complete and submit a separate State Service Designation form for each group of products and clearly indicate the products or services to which the designation applies. **(Additional forms can be obtained by contacting bids@buyboard.com** at least five (5) business days prior to the Proposal Due Date.) ***By designating a state or states, you are certifying that you are authorized and willing to provide the proposed products and services in those states. Designating states in which you are either unable or unwilling to provide the specified products and services shall be grounds for either rejection of your Proposal or, if awarded, termination of your Contract.***

- I will service all states in the United States.
- I will not service all states in the United States.

Alabama
Alaska
Arizona
Arkansas
California (Public Contract Code 20118 & 20652)
Colorado
Connecticut
Delaware
District of Columbia
Florida
Georgia
Hawaii
Idaho
Illinois
Indiana
Iowa
Kansas
Kentucky
Louisiana
Maine
Maryland
Massachusetts
Michigan
Minnesota
Mississippi
Missouri
Montana
Nebraska
Nevada
New Hampshire
New Jersey
New Mexico
New York
North Carolina
North Dakota
Ohio
Oklahoma
Oregon
Pennsylvania
Rhode Island
South Carolina
South Dakota
Tennessee
Texas
Utah
Vermont
Virginia
Washington
West Virginia
Wisconsin
Wyoming

NATIONAL PURCHASING COOPERATIVE VENDOR AWARD AGREEMENT

In accordance with the Terms and Conditions associated with this Proposal Invitation, a contract awarded under this Proposal Invitation may be "piggy-backed" by another governmental entity. The National Purchasing Cooperative is an intergovernmental purchasing cooperative formed by certain school districts outside of Texas to serve its members throughout the United States. If you agree to be considered for a piggy-back award by the National Purchasing Cooperative, you agree to the following terms and agree to serve National Purchasing Cooperative members in the states you have indicated on the State Service Designation form, in your Proposal.

By signing this form, Proposer (referred to in this Agreement as "Vendor") agrees as follows:

1. Vendor acknowledges that if The Local Government Purchasing Cooperative ("Texas Cooperative") awards Vendor a contract under this Proposal Invitation ("Underlying Award"), the National Purchasing Cooperative ("National Cooperative") may - but is not required to - "piggy-back" on or re-award all or a portion of that Underlying Award ("Piggy-Back Award"). By signing this National Cooperative Vendor Award Agreement ("Agreement"), Vendor accepts and agrees to be bound by any such Piggy-Back Award as provided for herein.

2. In the event National Cooperative awards Vendor a Piggy-Back Award, the National Cooperative Administrator ("BuyBoard Administrator") will notify Vendor in writing of such Piggy-Back Award, which award shall commence on the effective date stated in the Notice and end on the expiration date of the Underlying Award, subject to annual renewals as authorized in writing by the BuyBoard Administrator. Vendor agrees that no further signature or other action is required of Vendor in order for the Piggy-Back Award and this Agreement to be binding upon Vendor. Vendor further agrees that no interlineations or changes to this Agreement by Vendor will be binding on National Cooperative, unless such changes are agreed to by its BuyBoard Administrator in writing.

3. Vendor agrees that it shall offer its goods and services to National Cooperative members at the same unit pricing and same general terms and conditions, subject to applicable state laws in the state of purchase, as required by the Underlying Award. However, nothing in this Agreement prevents Vendor from offering National Cooperative members better (i.e., lower) competitive pricing and more favorable terms and conditions than those in the Underlying Award.

4. Vendor hereby agrees and confirms that it will serve those states it has designated on the State Service Designation Form of this Proposal Invitation. Any changes to the states designated on the State Service Designation Form must be approved in writing by the BuyBoard Administrator.

5. Vendor agrees to pay National Cooperative the service fee provided for in the Underlying Award based on the amount of purchases generated from National Cooperative members through the Piggy-Back Award. Vendor shall remit payment to National Cooperative on such schedule as it specifies (which shall not be more often than monthly). Further, upon request, Vendor shall provide National Cooperative with copies of all purchase orders generated from National Cooperative members, vendor invoices, and/or such other documentation regarding those purchase orders as the Cooperative's administrators may require in their reasonable discretion for purposes of reviewing and verifying purchase activity. Vendor further agrees that National Cooperative shall have the right, upon reasonable written notice, to review Vendor's records pertaining to purchases made by National Cooperative members in order to verify the accuracy of service fees.

6. Vendor agrees that the Underlying Award, including its General Terms and Conditions, are adopted by reference to the fullest extent such provisions can reasonably apply to the post-proposal/contract award phase. The rights and responsibilities that would ordinarily inure to the Texas Cooperative pursuant to the Underlying Award shall inure to National Cooperative; and, conversely, the rights and responsibilities that would ordinarily inure to Vendor in the Underlying Award shall inure to Vendor in this Agreement. Vendor recognizes and agrees that Vendor and National Cooperative are the only parties to this Agreement, and that nothing in this Agreement has application to other third parties, including the Texas Cooperative. In the event of conflict between this Agreement and the terms of the Underlying Award, the terms of this Agreement shall control, and then only to the extent necessary to reconcile the conflict.

7. This Agreement shall be governed and construed in accordance with the laws of the State of Rhode Island and venue for any dispute shall lie in the federal district court of Alexandria, Virginia.

8. Vendor acknowledges and agrees that the award of a Piggy-Back Award is within the sole discretion of National Cooperative, and that this Agreement does not take effect unless and until National Cooperative awards Vendor a Piggy-Back Award and the BuyBoard Administrator notifies Vendor in writing of such Piggy-Back Award as provided for herein.

WHEREFORE, by signing below Vendor agrees to the foregoing and warrants that it has the authority to enter into this Agreement.

Anderson Fencing & Custom Welding	703-23
Name of Vendor	Proposal Invitation Number
	Tanner Anderson
Signature of Authorized Company Official	Printed Name of Authorized Company Official

1/6/23

Date

LOCATION/AUTHORIZED SELLER LISTINGS

If you have more than one location/authorized seller that will service a Contract awarded under this Proposal Invitation, please list each location/authorized seller below. If additional sheets are required, please duplicate this form as necessary. NOTE: Awarded Vendors shall remain responsible for all aspects of the Contract, including processing of Purchase Orders, and shall be responsible for the performance of all locations and authorized sellers under and in accordance with the Contract. ***If you are a product manufacturer and wish to designate Designated Dealers as defined in the General Terms and Conditions to receive Cooperative member Purchase Orders on your behalf, you must complete the Manufacturer Designated Dealer form.***

Location/Authorized Seller Name	**Contact Person**	**Contact Information** (Mailing Address, Phone, Fax, Email)

MANUFACTURER DEALER DESIGNATION

If Vendor is a manufacturer that sells products through a dealer network and wishes to designate a dealer or multiple dealers ("Designated Dealers") to receive Cooperative member Purchase Orders on Vendor's behalf, you must complete this form for each dealer you wish to designate.

Regardless of any Designated Dealers submitted by Vendor, Vendor specifically agrees and acknowledges that any such designations are for Vendor's convenience only and shall not, if Vendor is awarded a Contract, relieve Vendor of any obligations under the Contract, including payment of Cooperative service fees on all Purchase Orders submitted to Vendor or any Designated Dealer. In accordance with the General Terms and Conditions, an awarded Vendor shall remain responsible and liable for all of its obligations under the Contract and the performance of both Vendor and any of Vendor's Designated Dealers under and in accordance with the Contract and remain subject to all remedies for default thereunder, including, but not limited to suspension and termination of Vendor's Contract for nonpayment of service fees.

If awarded, Vendor authorizes the Cooperative, in its sole discretion, to list any Vendor Designated Dealers in the BuyBoard system and to receive Purchase Orders directly from Cooperative members on behalf of Vendor. To the extent a Vendor with Designated Dealers receives a Purchase Order directly, it shall be the responsibility of Vendor to appropriately process such Purchase Order in accordance with the Contract, including but not limited to timely forwarding such Purchase Order to a Designated Dealer for processing.

The Cooperative reserves the right, in its sole discretion, to refuse addition of, or request removal of, any Designated Dealer, and Vendor agrees to immediately require such Designated Dealer to cease accepting Purchase Orders or otherwise acting on Vendor's behalf under the Contract. Further, the Cooperative administrator shall be authorized to remove or suspend any or all Designated Dealers from the BuyBoard at any time in its sole discretion.

If you wish to designate a dealer to service a contract awarded under this Proposal Invitation, please list the Designated Dealer below. If you wish to designate multiple dealers, please duplicate this form as necessary.

Designated Dealer Name

Designated Dealer Contact Person

Designated Dealer Address

City

State

Zip

Phone Number

Fax Number

Email address

Designated Dealer Tax ID Number* **(*attach W-9)**

PROPOSAL INVITATION QUESTIONNAIRE

The Cooperative will use your responses to the questions below in evaluating your Proposal and technical and financial resources to provide the goods and perform the services ("Work") under the BuyBoard contract contemplated by this Proposal Invitation ("Contract"). Proposers must fully answer each question, numbering your responses to correspond to the questions/numbers below. Proposers must complete below or attach your responses to this questionnaire and submit in one document with your Proposal. **You must submit the questionnaire and responses with your Proposal or the Proposal will not be considered.**

1. List the number of years Proposer has been in business and former business names (if applicable). Note whether your company is currently for sale or involved in any transaction that would significantly alter its business or result in acquisition by another entity.

10 years

2. Describe the resources Proposer has to manage staff and successfully perform the Work contemplated under this Contract. State the number and summarize the experience of company personnel who may be utilized for the Work, including those who will be available to Cooperative members for assistance with project development, technical issues, and product selection for Work associated with this Contract.

3. **Marketing Strategy:** For your Proposal to be considered, you must submit the Marketing Strategy you will use if the Cooperative accepts all or part of your Proposal. *(Example: Explain how your company will initially inform Cooperative members of your BuyBoard Contract, and how you will continue to support the BuyBoard for the duration of the Contract term.)* Attach additional pages if necessary.

Anderson Fencing & Custom Welding will advertise that we are a member of Buyboard cooperative. We will also suggest to our customers about other Buyboard vendors.

4. Describe Proposer's financial capability to perform the Contract. State or describe the firm's financial strength and rating, bonding capacity, and insurance coverage limits. State whether the firm, or any of the firm's past or present owners, principal shareholders or stockholders, or officers, have been a debtor party to a bankruptcy, receivership, or insolvency proceeding in the last 7 years, and identify any such debtor party by name and relationship to or position with your firm.

Anderson Fencing & Custom Welding is a company that revenues between one and five million dollars a year. We are a 5 star rated company, we take our customer concerns and opinions as a top priority. We are fully insured with million dollar limits.

5. Does your company have any outstanding financial judgments and/or is it currently in default on any loan or financing agreement? If so, provide detailed information on the nature of such items and prospects for resolution.

6. List all contracts, if any, in the last 10 years on which Proposer has defaulted, failed to complete or deliver the work, or that have been terminated for any reason. For each such contract, provide the project name, scope, value and date and the name of the procuring entity. Fully explain the circumstances of the default, failure to complete or deliver the work, or termination.

N/A

7. List all litigation or other legal proceedings (including arbitration proceedings), if any, in the last 10 years brought against your firm, or any of the firm's past or present owners, principal shareholders or stockholders, officers, agents or employees, that relate to or arise from a contract similar to this Contract or the Work contemplated under this Contract. Provide the style of the lawsuit or proceeding (name of parties and court or tribunal in which filed), nature of the claim, and resolution or current status.

N/A

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VENDOR REQUEST TO SELF-REPORT BUYBOARD PURCHASES

The General Terms and Conditions require that all Purchase Orders generated by or under any Contract awarded under this Proposal Invitation be processed through the BuyBoard and, except as expressly authorized in writing by the Cooperative administrator, Vendors are not authorized to process Purchase Orders received directly from Cooperative members that have not been processed through the BuyBoard or provided to the Cooperative. In accordance with this provision, Vendor may request authorization of the Cooperative administrator to self-report Cooperative member purchases if awarded a Contract under this Proposal Invitation. By making such a request, Vendor acknowledges and agrees that self-reporting is specifically subject to and conditioned upon (1) Vendor's agreement to the Additional Terms and Conditions for BuyBoard Self-Reporting which are included in this Proposal Invitation and incorporated herein for all purposes and (2) approval of this request in writing by the Cooperative administrator.

Note: This form is NOT required as part of your proposal. You should sign and return this form ONLY if you wish to request authorization to self-report BuyBoard purchases. Any request to self-report will not be effective, and Vendor shall not be authorized to self-report BuyBoard member purchases, unless and until (1) Vendor is awarded a Contract under this Proposal Invitation, and (2) the request has been approved in writing by the Cooperative administrator.

By my signature below, I hereby request authorization from the Cooperative administrator to self-report BuyBoard purchases if my company is awarded a Contract. I certify that I am authorized by the above-named Vendor to approve this form, and I have received and read the Additional Terms and Conditions for BuyBoard Self-Reporting included in this Proposal Invitation and do hereby approve and agree to such terms and conditions on behalf of Vendor.

NAME OF VENDOR: Anderson Fencing & Custom Welding

_____

Signature of Vendor Authorized Representative

Printed Name: Tanner Anderson

Title: Owner

Date: 1/6/23

(*For Cooperative Administrator Use Only)*

Approved by BuyBoard Administrator: _____

Effective/Start Date for Self-Reporting: _____

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REQUIRED FORMS CHECKLIST

(Please check (√) the following)

☒ Reviewed/Completed: **Proposer's Acceptance and Agreement**

PROPOSAL FORMS PART 1: COMPLIANCE FORMS

☒ Reviewed/Completed: **Proposal Acknowledgements**
☒ Reviewed/Completed: **Felony Conviction Disclosure**
☒ Reviewed/Completed: **Resident/Nonresident Certification**
☒ Reviewed/Completed: **Debarment Certification**
☒ Reviewed/Completed: **Vendor Employment Certification**
☒ Reviewed/Completed: **No Boycott Verification**
☒ Reviewed/Completed: **No Excluded Nation or Foreign Terrorist Organization Certification**
☒ Reviewed/Completed: **Historically Underutilized Business Certification**
☒ Reviewed/Completed: **Acknowledgement of BuyBoard Technical Requirements**
☒ Reviewed/Completed: **Construction-Related Goods and Services Affirmation**
☒ Reviewed/Completed: **Deviation and Compliance**
☒ Reviewed/Completed: **Vendor Consent for Name Brand Use**
☒ Reviewed/Completed: **Confidential/Proprietary Information**
☒ Reviewed/Completed: **EDGAR Vendor Certification**
☒ Reviewed/Completed: **Compliance Forms Signature Page**

PROPOSAL FORMS PART 2: VENDOR INFORMATION FORMS

☒ Reviewed/Completed: **Vendor Business Name**
☒ Reviewed/Completed: **Vendor Contact Information** (*complete in electronic proposal submission system)*
☒ Reviewed/Completed: **Federal and State/Purchasing Cooperative Experience**
☒ Reviewed/Completed: **Governmental References**
☒ Reviewed/Completed: **Company Profile**
☒ Reviewed/Completed: **Texas Regional Service Designation** (*complete in electronic proposal submission system)*
☒ Reviewed/Completed: **State Service Designation** (*complete in electronic proposal submission system)*
☒ Reviewed/Completed: **National Purchasing Cooperative Vendor Award Agreement** *(Vendors serving outside Texas only)*
☒ Reviewed/Completed: **Local/Authorized Seller Listings**
☐ Reviewed/Completed: **Manufacturer Dealer Designation**
☒ Reviewed/Completed: **Proposal Invitation Questionnaire**
☒ Reviewed/Completed: **Vendor Request to Self-Report BuyBoard Purchases** *(Optional)*

☒ Reviewed/Completed: **Proposal Specifications** *Discount (%) off Catalog/Pricelist and/or other required pricing information including Catalogs/Pricelists (or no bid response) must be submitted with the Proposal or the Proposal will not be considered.*

PROPOSAL SPECIFICATION SUMMARY

The categories and items specified for this Proposal Invitation are summarized below. For full Proposal Specifications, you must review and complete the Proposal Specification information in the electronic proposal submission system in accordance with the Instructions to Proposers (or, if submitting a hard copy Proposal, timely request and complete the Proposal Specification Form in accordance with the Instructions to Proposers).

PROPOSAL NOTE: Vendors shall submit catalog(s)/pricelist(s) with their Proposal response, or the Proposal will not be considered. Vendors shall submit catalog(s)/pricelist(s) with the Proposal in a readily available and readable electronic format, with Excel or searchable PDF preferred. **No paper catalogs or manufacturer/vendor websites will be accepted**.

Section I: Equipment, Products, and Supplies

1. Discount (%) off catalog/pricelist for **Highway Safety Products, Supplies, and Equipment.**
2. Discount (%) off catalog/pricelist for **Traffic Control Products, Supplies, and Equipment.**
3. Discount (%) off catalog/pricelist for **Pavement Marking Supplies and Equipment.**
4. Discount (%) off catalog/pricelist for **Delineation Products and Object Markers.**
5. Discount (%) off catalog/pricelist for **Road Signs, Posts, and Hardware.**
6. Discount (%) off catalog/pricelist for **Fire Hydrants and Accessories.**
7. Discount (%) off catalog/pricelist for **Wheel Wash Systems** (In Ground) and (Above Ground).
8. Discount (%) off catalog/pricelist for **Locking Systems for Highway/Safety Products** (storm sewer grate, traffic signal cabinet, man-hole cover, and other related locking systems).
9. Discount (%) off catalog/pricelist for **Animal Cages, Traps, and Accessories for Roads and Highways.**
10. Discount (%) off catalog/pricelist for **Herbicides and Weed Control Products for Roads and Highways.**
11. Discount (%) off catalog/pricelist for **Oil and Hazardous Material Spill Remediation Products and Supplies.**
12. Discount (%) off catalog/pricelist for **RENTAL of Highway Safety and Traffic Control Products and Equipment** (Rental Rate Sheet shall be submitted with Proposal response or Proposal will not be considered).
13. Discount (%) off catalog/pricelist for **All Other Related Highway Safety and Traffic Control Products.**
14. Discount (%) off catalog/pricelist for **Maintenance/Warranty Agreements for Highway Safety and Traffic Control Equipment and Systems.**

Section II: Installation and Repair Service

15. **Hourly Labor Rate for Installation/Repair Service of Highway Safety and Traffic Control Equipment and Products** - Not to Exceed hourly labor rate for Installation/Repair Service of Equipment and Products.
16. **Hourly Labor Rate for Weed Control Service for Roads and Highways** - Not to Exceed hourly labor rate for Weed Control Service of Roads and Highways.

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THE LOCAL GOVERNMENT PURCHASING COOPERATIVE
ADDENDUM NO. 1

Proposal Invitation No. 703-23
Highway Safety and Traffic Control Products

The following addenda are issued to Proposal Invitation 703-23, Highway Safety and Traffic Control Products, and shall become a permanent part of the Proposal Invitation document:

ADDENDUM TO PROPOSAL SPECIFICATIONS

The proposal specification summary has been updated. The following proposal specification line has been added as listed below. This line item has been updated in the electronic proposal submission system and in the Proposal Specification Summary.

11. Discount (%) off catalog/pricelist for **Road Maintenance Products for Dust Control, Anti-icing/Deicing, and Stabilization** (granular, liquid, and/or chemical based).

Please sign and return one copy of this Addendum with your proposal as verification of your receipt and compliance with the information contained in this Addendum.

Company Name: _____

Address: _____

Signature of Authorized Company Official: _____ Title: Owner

Telephone Number: 469-474-1172 Date: 1/6/23

Anderson Fencing And Custom Welding Information

Contact: Tanner Anderson
Address: 1107 Good Night BLVD
Wills Point, TX 75169
Phone: (469) 474-1172
Email: tanneranderson31@gmail.com

By submitting your response, you certify that you are authorized to represent and bind your company.

Tanner Anderson
Signature

andersonfencingcw@gmail.com
Email

Submitted at 1/10/2023 08:00:26 AM (CT)

Requested Attachments

BuyBoard Proposal Invitation No. 703-23 Highway Safety and Traffic Control Products

proposal-no-703-23.pdf

REQUIRED-In PDF format, upload all proposal invitation documents available for download at vendor.buyboard.com including any additional pages, as necessary. NOTICE: DO NOT complete proposal forms in internet browser. No data will be stored. Download file to computer and complete proposal forms prior to submitting. (Please DO NOT password protect uploaded files.)

Catalog/Pricelist

Price list.pdf

REQUIRED-In Excel or PDF format, upload catalog(s)/pricelist(s) in accordance with proposal invitation instructions. Vendors shall submit catalog(s)/pricelist(s) with their Proposal response or Proposal will not be considered. No paper catalogs or manufacturer/vendor websites will be accepted. File size must not exceed 250MB. (Please DO NOT password protect uploaded files.)

Addendum No. 1

addendum-no-1-for-703-23.pdf

REQUIRED - In PDF format, upload addendum document available for download at vendor.buyboard.com including any additional pages, as necessary. (Please DO NOT password protect uploaded files.)

Exceptions and/or Detailed Information Related to Discount % and/or Hourly Labor Rate Proposed

No response

In PDF format and if necessary, vendor shall attach detailed information regarding exceptions to pricing and/or discount percentage and define the services that are proposed to be provided. NOTE: IF DETAILED INFORMATION IS NOT SUBMITTED, PROPOSAL MAY NOT BE CONSIDERED. (Please DO NOT password protect uploaded files.)

Company Profile

Company profile.docx

REQUIRED-Information on awarded Cooperative Contracts is available to Cooperative Members on the BuyBoard website. If your company is awarded a Contract under this Proposal Invitation, please provide a brief company description that you would like to have included with your company profile on the BuyBoard website. Submit your company profile in a separate file, in Word format, with your Proposal. (Note: Vendor is solely responsible for any content provided for inclusion on the BuyBoard website. The Cooperative reserves the right to exclude or remove any content in its sole discretion, with or without prior notice, including but not limited to any content deemed by the Cooperative to be inappropriate, irrelevant to the Contract, inaccurate, or misleading.)

IRS Form W-9 Request for Taxpayer Identification Number and Certification

W9 Anderson fencing.pdf

REQUIRED-In PDF format, upload W-9 form. (Please DO NOT password protect uploaded files.)

Bid Attributes

1 **Federal Identification Number**

Federal Identification Number

82-4170037

2 **HUB/No Israel Boycott Certification/No Excluded Nation or Foreign Terrorist Certification**

HUB/No Israel Boycott Certification/No Excluded Nation or Foreign Terrorist Certification

3 **No Israel Boycott Certification**

A Texas governmental entity may not enter into a contract with a value of $100,000 or more that is to be paid wholly or partly from public funds with a company (excluding a sole proprietorship) that has 10 or more full-time employees for goods or services unless the contract contains a written verification from the company that it: (1) does not boycott Israel; and (2) will not boycott Israel during the term of the contract. (TEX. GOV'T CODE Ch. 2270). Accordingly, this certification form is included to the extent required by law.

"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. TEX. GOV'T CODE §808.001(1).

By signature on the Compliance Forms Signature Page, to the extent applicable, I certify and verify that Vendor does not boycott Israel and will not boycott Israel during the term of any contract awarded under this Proposal Invitation, that this certification is true, complete and accurate, and that I am authorized by my company to make this certification.

Yes

4 **No Excluded Nation or Foreign Terrorist Organization Certification**

Chapter 2252 of the Texas Government Code provides that a Texas governmental entity may not enter into a contract with a company engaged in active business operations with Sudan, Iran, or a foreign terrorist organization – specifically, any company identified on a list prepared and maintained by the Texas Comptroller under Texas Government Code §§806.051, 807.051, or 2252.153. (A company that the U.S. Government affirmatively declares to be excluded from its federal sanctions regime relating to Sudan, Iran, or any federal sanctions regime relating to a foreign terrorist organization is not subject to the contract prohibition.)

By signature on the Compliance Forms Signature Page, I certify and verify that Vendor is not on the Texas Comptroller's list identified above; that this certification is true, complete and accurate; and that I am authorized by my company to make this certification.

Yes

5 **MWBE/HUB Status Certification**

A Proposer that has been certified as a Historically Underutilized Business (also known as a Minority/Women Business Enterprise or "MWBE" and all referred to in this form as a "HUB") is encouraged to indicate its HUB certification status when responding to this Proposal Invitation. The BuyBoard website will indicate HUB certifications for awarded Vendors that properly indicate and document their HUB certification on this form.

I certify that my company has been certified as a MWBE/HUB in the following categories: *(Please check all that apply)*

6 **Minority Owned Business**

Minority Owned Business

☐ *Minority Owned Business (Yes)*

7 **Women Owned Business**

Women Owned Business

☐ *Women Owned Business (Yes)*

8 **Service-Disabled Veteran Owned Business**

Service-Disabled Veteran Owned Business (veteran defined by 38 U.S.C. §101(2), who has a service-connected disability as defined by 38 U.S.C. § 101(16), and who has a disability rating of 20% or more as determined by the U. S. Department of Veterans Affairs or Department of Defense)

☐ *Service-Disabled Veteran Owned Business (Yes)*

9 **Certification Number**

Certification Number

No response

10 **Name of Certifying Agency**

Certifying Agency

No response

11 **Non-MWBE/HUB**

My company has NOT been certified as a MWBE/HUB

☑ Non-HUB (Yes)

12 **Vendor General Contact Information**

Proposal/Contract General Contact Information

13 **Vendor Proposal/Contract Contact Name**

Vendor Proposal/Contract Contact Name

Anderson Fencing & Custom Welding

14 **Vendor Proposal/Contract Contact E-mail Address**

Vendor Proposal/Contract Contact E-mail Address

tanneranderson31@gmail.com

15 **Vendor Proposal/Contract Mailing Address**

Vendor Proposal/Contract Mailing Address

1107 Goodnight BLVD

16 **Vendor Proposal/Contact Mailing Address - City**

Vendor Proposal/Contact Mailing Address - City

Wills Point

17 **Vendor Proposal/Contact Mailing Address - State**

Vendor Proposal/Contact Mailing Address - State (Abbreviate State Name)

TX

18 **Vendor Proposal/Contact Mailing Address - Zip Code**

Vendor Proposal/Contact Mailing Address - Zip Code

75169

19 **Vendor Proposal/Contact Phone Number**

Vendor Proposal/Contact Phone Number (xxx-xxx-xxxx)

469-474-1172

20 **Vendor Proposal/Contact Extension Number**

Vendor Proposal/Contact Extension Number

No response

21 **Company Website**

Company Website (www.XXXXX.com)

www.andersoncustomfences.com

22 **Purchase Orders Contact Information**

All Purchase Orders from Cooperative members will be available through the Internet. Vendors need Internet access and at least one e-mail address so that notification of new orders can be sent to the Internet contact when a new purchase order arrives. An information guide will be provided to Vendors to assist them with retrieving their orders.

Please select options below for receipt of Purchase Orders and provide the requested information:

- I will use the internet to receive Purchase Orders at the following address

Yes

23 **Purchase Order E-mail Address**

Purchase Order E-mail Address

tanneranderson31@gmail.com

24 **Purchase Order Contact Name**

Purchase Order Contact Name

Tanner Anderson

25 **Purchase Order Contact Phone Number**

Purchase Order Contact Phone Number (xxx-xxx-xxxx)

469-474-1172

26 **Purchase Order Contact Extension Number**

Purchase Order Contact Extension Number

No response

27 **Alternate Purchase Order E-mail Address**

Alternate Purchase Order E-mail Address

No response

28 **Alternate Purchase Order Contact Name**

Alternate Purchase Order Contact Name

No response

29 **Alternate Purchase Order Contact Phone Number**

Alternate Purchase Order Contact Phone Number (xxx-xxx-xxxx)

No response

30 **Alternate Purchase Order Contact Extension Number**

Alternate Purchase Order Contact Extension Number

No response

31 **Purchase Orders Contact Information**

All Purchase Orders from Cooperative members will be available through the Internet. Vendors need Internet access and at least one e-mail address so that notification of new orders can be sent to the Internet contact when a new purchase order arrives. An information guide will be provided to Vendors to assist them with retrieving their orders.

Please select options below for receipt of Purchase Orders and provide the requested information:

- Purchase Orders may be received by the Designated Dealer(s) identified on my company's Dealer Designation form as provided to the Cooperative administrator. I understand that my company shall remain responsible for the Contract and the performance of all Designated Dealers under and in accordance with the Contract.

Yes

32 **Request for Quotes (â€œRFQâ€)**

Cooperative members will send RFQs to you by e-mail. Please provide e-mail addresses for the receipt of RFQs:

33 **Request for Quote (RFQ) E-mail Address**

Request for Quote (RFQ) E-mail Address

tanneranderson31@gmail.com

34 **Request for Quote (RFQ) Contact Name**

Request for Quote (RFQ) Contact Name

Tanner Anderson

35 **Request for Quote (RFQ) Contact Phone Number**

Request for Quote (RFQ) Contact Phone Number (xxx-xxx-xxxx)

469-474-1172

36 **Request for Quote (RFQ) Contact Extension Number**

Request for Quote (RFQ) Contact Extension Number

No response

37 **Alternate Request for Quote (RFQ) E-mail Address**

Alternate Request for Quote (RFQ) E-mail Address

No response

38 **Alternate Request for Quote (RFQ) Contact Name**

Alternate Request for Quote (RFQ) Contact Name

No response

39 **Alternate Request for Quote (RFQ) Contact Phone Number**

Alternate Request for Quote (RFQ) Contact Phone Number (xxx-xxx-xxxx)

No response

40 **Alternate Request for Quote (RFQ) Contact Extension Number**

Alternate Request for Quote (RFQ) Contact Extension Number

No response

41 **Invoices**

Your company will be billed monthly for the service fee due under a Contract awarded under this Proposal Invitation. **All invoices are available on the BuyBoard website and e-mail notifications will be sent when they are ready to be retrieved**.

42 **Invoices**

Please choose <u>only one (1)</u> of the following options for receipt of invoices and provide the requested information:

(a) Service fee invoices and related communications should be provided directly to my company at:

or

(b) In lieu of my company, I request and authorize all service fee invoices to be provided directly to the following billing agent:

If Vendor authorizes a billing agent to receive and process service fee invoices, in accordance with the General Terms and Conditions of the Contract, Vendor specifically acknowledges and agrees that nothing in that designation shall relieve Vendor of its responsibilities and obligations under the Contract including, but not limited to, payment of all service fees under any Contract awarded Vendor.

Service fee invoices and notices direct to company

43 **Invoice Company Name**

Invoice Company Name

Anderson Fencing & Custom Welding

44 **Invoice Company Department Name**

Invoice Company Department Name

Owner

45 **Invoice Contact Name**

Invoice Contact Name

Tanner Anderson

46 **Invoice Mailing Address**

Invoice Mailing Address (P.O. Box or Street Address)

1107 Goodnight BLVD

47 **Invoice Mailing Address - City**

Invoice Mailing Address - City

Wills Point

48 **Invoice Mailing Address - State**

Invoice Mailing Address - State (Abbreviate State Name)

TX

49 **Invoice Mailing Address - Zip Code**

Invoice Mailing Address (Zip Code)

75169

50 **Invoice Contact Phone Number**

Invoice Contact Phone Number (xxx-xxx-xxxx)

469-474-1172

51 **Invoice Contact Extension Number**

Invoice Contact Extension Number

No response

52 **Invoice Contact Fax Number**

Invoice Contact Fax Number (xxx-xxx-xxxx)

No response

53 **Invoice Contact E-mail Address**

Invoice Contact E-mail

tanneranderson31@gmail.com

54 **Invoice Contact Alternate E-mail Address**

Invoice Contact Alternate E-mail Address

No response

55 **Billing Agent Company Name**

Billing Agent Company Name

No response

56 **Billing Agent Department Name**

Billing Agent Department Name

No response

57 **Billing Agent Contact Name**

Billing Agent Contact Name

No response

58 **Billing Agent Mailing Address**

Billing Agent Mailing Address (P.O. Box or Street Address)

No response

59 **Billing Agent Mailing Address - City**

Billing Agent Mailing Address - City

No response

60 **Billing Agent Mailing Address - State**

Billing Agent Mailing Address - State (Abbreviate State Name)

No response

61 **Billing Agent Mailing Address - Zip Code**

Billing Agent Mailing Address - Zip Code

No response

62 **Billing Agent Contact Phone Number**

Billing Agent Contact Phone Number (xxx-xxx-xxxx)

No response

63 **Billing Agent Contact Extension Number**

Billing Agent Contact Extension Number

No response

64 **Billing Agent Fax Number**

Billing Agent Fax Number

No response

65 **Billing Agent Contact E-mail Address**

Billing Agent Contact E-mail Address

No response

66 **Billing Agent Alternative E-mail Address**

Billing Agent Alternative E-mail Address

No response

67 **Shipping Via**

Common Carrier, Company Truck, Prepaid and Add to Invoice, or Other

Company Truck

68 **Payment Terms**

Note: Vendor payment terms must comply with the BuyBoard General Terms and Conditions and the Texas Prompt Payment Act (Texas Government Code Ch. 2251).

Upon completion of the job.

69 **Vendor's Internal/Assigned Reference/Quote Number**

Vendor's Internal/Assigned Reference/Quote Number

No response

70 **State or Attach Return Policy**

Note: Only return requirements and processes will be deemed part of Vendor's return policy. Any unrelated contract terms, terms of sale, or other information not specifically related to return requirements and processes included in Vendor's return policy shall not apply to any awarded Contract unless specifically included as a deviation in the Deviation and Compliance Form and accepted by the Cooperative.

No response

71 **Electronic Payments**

Are electronic payments acceptable to your company?

Yes

72 **Credit Card Payments**

Are credit card payments acceptable to your company?

Yes

73 **Texas Regional Service Designation**

Texas Regional Service Designation - Refer to Form in Proposal Invitation

The Cooperative (referred to as “Texas Cooperative” in this form and in the State Service Designation form) offers vendors the opportunity to service its members throughout the entire State of Texas. If you do not plan to service all Texas Cooperative members statewide, you **must** indicate the specific regions you will service on this form. If you propose to serve different regions for different products or services included in your Proposal, you must complete and submit a separate Texas Regional Service Designation form for each group of products and clearly indicate the products or services to which the designation applies. ***By designating a region or regions, you are certifying that you are authorized and willing to provide the proposed products and services in those regions. Designating regions in which you are either unable or unwilling to provide the specified products and services shall be grounds for either rejection of your Proposal or, if awarded, termination of your Contract.*** Additionally, if you do not plan to service Texas Cooperative members (i.e., if you will service only states other than Texas), you must so indicate on this form.

74 **Company Name**

Company Name

Anderson Fencing & Custom Weld

75 **Texas Regional Service Designation**

Select only one of the following options**.** If you select **"I will NOT serve all Regions of Texas",** you must then check the individual Regions you wish to serve.

All Regions

76 **Region 1**

Region 1 - Edinburg

☐ *Region 1 (1)*

77 **Region 2**

Region 2 - Corpus Christi

☐ *Region 2 (2)*

78 **Region 3**

Region 3 - Victoria

☐ *Region 3 (3)*

79 **Region 4**

Region 4 - Houston

☐ *Region 4 (4)*

80 **Region 5**

Region 5 - Beaumont

☐ *Region 5 (5)*

81	**Region 6** Region 6 - Huntsville ☐ *Region 6 (6)*
82	**Region 7** Region 7 - Kilgore ☐ *Region 7 (7)*
83	**Region 8** Region 8 - Mount Pleasant ☐ *Region 8 (8)*
84	**Region 9** Region 9 - Wichita Falls ☐ *Region 9 (9)*
85	**Region 10** Region 10 - Richardson ☐ *Region 10 (10)*
86	**Region 11** Region 11 - Fort Worth ☐ *Region 11 (11)*
87	**Region 12** Region 12 - Waco ☐ *Region 12 (12)*
88	**Region 13** Region 13 - Austin ☐ *Region 13 (13)*
89	**Region 14** Region 14 - Abilene ☐ *Region 14 (14)*
90	**Region 15** Region 15 - San Angelo ☐ *Region 15 (15)*
91	**Region 16** Region 16 - Amarillo ☐ *Region 16 (16)*
92	**Region 17** Region 17 - Lubbock ☐ *Region 17 (17)*

93 **Region 18**

Region 18 - Midland

☐ *Region 18 (18)*

94 **Region 19**

Region 19 - El Paso

☐ *Region 19 (19)*

95 **Region 20**

Region 20 - San Antonio

☐ *Region 20 (20)*

96 **State Service Designation**

State Service Designation - Refer to Form in Proposal Invitation.

As set forth in the Proposal Invitation, it is the Cooperative's intent that other governmental entities in the United States have the opportunity to purchase goods or services awarded under the Contract, subject to applicable state law, through a piggy-back award or similar agreement through the National Purchasing Cooperative BuyBoard. If you plan to service the entire United States or only specific states, you must complete this form accordingly. *(Note: If you plan to service Texas Cooperative members, be sure that you complete the Texas Regional Service Designation form.)* ***In addition to this form, to be considered for a piggy-back award by the National Purchasing Cooperative, you must have an authorized representative sign the National Purchasing Cooperative Vendor Award Agreement that follows this form.***

If you serve different states for different products or services included in your Proposal, you must complete and submit a separate State Service Designation form for each group of products and clearly indicate the products or services to which the designation applies. *By designating a state or states, you are certifying that you are authorized and willing to provide the proposed products and services in those states. Designating states in which you are either unable or unwilling to provide the specified products and services shall be grounds for either rejection of your Proposal or, if awarded, termination of your Contract.*

97 **Company Name**

Company Name

Anderson Fencing & Custom Weld

98 **State Service Designation**

Select only one of the following options. If you select "I will NOT serve all States", you must then check the individual States you wish to serve.

All States

99 **Alabama**

Alabama

☐ *Alabama (AL)*

100 **Alaska**

Alaska

☐ *Alaska (AK)*

101 **Arizona**

Arizona

☐ *Arizona (AZ)*

102	**Arkansas** Arkansas ☐ *Arkansas (AR)*
103	**California** California (Public Contract Code 20118 & 20652) ☐ *California (CA)*
104	**Colorado** Colorado ☐ *Colorado (CO)*
105	**Connecticut** Connecticut ☐ *Connecticut (CT)*
106	**Delaware** Delaware ☐ *Delaware (DE)*
107	**District of Columbia** District of Columbia ☐ *District of Columbia (DC)*
108	**Florida** Florida ☐ *Florida (FL)*
109	**Georgia** Georgia ☐ *Georgia (GA)*
110	**Hawaii** Hawaii ☐ *Hawaii (HI)*
111	**Idaho** Idaho ☐ *Idaho (ID)*
112	**Illinois** Illinois ☐ *Illinois (IL)*
113	**Indiana** Indiana ☐ *Indiana (IN)*

114	**Iowa** Iowa ☐ *Iowa (IA)*
115	**Kansas** Kansas ☐ *Kansas (KS)*
116	**Kentucky** Kentucky ☐ *Kentucky (KY)*
117	**Louisiana** Louisiana ☐ *Louisiana (LA)*
118	**Maine** Maine ☐ *Maine (ME)*
119	**Maryland** Maryland ☐ *Maryland (MD)*
120	**Massachusetts** Massachusetts ☐ *Massachusetts (MA)*
121	**Michigan** Michigan ☐ *Michigan (MI)*
122	**Minnesota** Minnesota ☐ *Minnesota (MN)*
123	**Mississippi** Mississippi ☐ *Mississippi (MS)*
124	**Missouri** Missouri ☐ *Missouri (MO)*
125	**Montana** Montana ☐ *Montana (MT)*

126	**Nebraska** Nebraska ☐ *Nebraska (NE)*
127	**Nevada** Nevada ☐ *Nevada (NV)*
128	**New Hampshire** New Hampshire ☐ *New Hampshire (NH)*
129	**New Jersey** New Jersey ☐ *New Jersey (NJ)*
130	**New Mexico** New Mexico ☐ *New Mexico (NM)*
131	**New York** New York ☐ *New York (NY)*
132	**North Carolina** North Carolina ☐ *North Carolina (NC)*
133	**North Dakota** North Dakota ☐ *North Dakota (ND)*
134	**Ohio** Ohio ☐ *Ohio (OH)*
135	**Oklahoma** Oklahoma ☐ *Oklahoma (OK)*
136	**Oregon** Oregon ☐ *Oregon (OR)*
137	**Pennsylvania** Pennsylvania ☐ *Pennsylvania (PA)*

138	**Rhode Island** Rhode Island ☐ *Rhode Island (RI)*
139	**South Carolina** South Carolina ☐ *South Carolina (SC)*
140	**South Dakota** South Dakota ☐ *South Dakota (SD)*
141	**Tennessee** Tennessee ☐ *Tennessee (TN)*
142	**Texas** Texas ☐ *Texas (TX)*
143	**Utah** Utah ☐ *Utah (UT)*
144	**Vermont** Vermont ☐ *Vermont (VT)*
145	**Virginia** Virginia ☐ *Virginia (VA)*
146	**Washington** Washington ☐ *Washington (WA)*
147	**West Virginia** West Virginia ☐ *West Virginia (WV)*
148	**Wisconsin** Wisconsin ☐ *Wisconsin (WI)*
149	**Wyoming** Wyoming ☐ *Wyoming (WY)*

Bid Lines

1	**Section I: Equipment, Products, and Supplies** Discount (%) off catalog/pricelist for **Highway Safety Products, Supplies, and Equipment.** Catalog/Pricelist MUST be included or proposal will not be considered. Total: 5% Item Notes: **PROPOSAL NOTE:** Vendors shall submit catalog(s)/pricelist(s) with their Proposal response, or the Proposal will not be considered. Vendors shall submit catalog(s)/pricelist(s) with the Proposal in a readily available and readable electronic format, with Excel or searchable PDF preferred. **No paper catalogs or manufacturer/vendor websites will be accepted.** Vendors proposing multiple manufacturer product lines and/or catalog/pricelist per line item must submit the information as follows or proposal may not be considered: • Select **"Add Alternate"** for each additional manufacturer product line and/or catalog/pricelist proposed • Vendor's must list one specific percentage discount for each manufacturer and/or catalog/pricelist listed **Item Attributes** **1. State Name of Catalog/Pricelist Proposed with Discount Percentage** NOTE: Do not include SKU, Reference Numbers, Websites, and/or "See Attached/Enclosed". Gaurdrail/ cables at 5% off

2 **Section I: Equipment, Products, and Supplies**

Discount (%) off catalog/pricelist for **Traffic Control Products, Supplies, and Equipment.** Catalog/Pricelist MUST be included or proposal will not be considered.

No Bid

Item Notes: **PROPOSAL NOTE:** Vendors shall submit catalog(s)/pricelist(s) with their Proposal response, or the Proposal will not be considered. Vendors shall submit catalog(s)/pricelist(s) with the Proposal in a readily available and readable electronic format, with Excel or searchable PDF preferred. **No paper catalogs or manufacturer/vendor websites will be accepted.**

Vendors proposing multiple manufacturer product lines and/or catalog/pricelist per line item must submit the information as follows or proposal may not be considered:

- Select **"Add Alternate"** for each additional manufacturer product line and/or catalog/pricelist proposed
- Vendor's must list one specific percentage discount for each manufacturer and/or catalog/pricelist listed

Item Attributes

1. State Name of Catalog/Pricelist Proposed with Discount Percentage

NOTE: Do not include SKU, Reference Numbers, Websites, and/or "See Attached/Enclosed".

No response

3 **Section I: Equipment, Products, and Supplies**

Discount (%) off catalog/pricelist for **Pavement Marking Supplies and Equipment.** Catalog/Pricelist MUST be included or proposal will not be considered.

No Bid

Item Notes: **PROPOSAL NOTE:** Vendors shall submit catalog(s)/pricelist(s) with their Proposal response, or the Proposal will not be considered. Vendors shall submit catalog(s)/pricelist(s) with the Proposal in a readily available and readable electronic format, with Excel or searchable PDF preferred. **No paper catalogs or manufacturer/vendor websites will be accepted.**

Vendors proposing multiple manufacturer product lines and/or catalog/pricelist per line item must submit the information as follows or proposal may not be considered:

- Select **"Add Alternate"** for each additional manufacturer product line and/or catalog/pricelist proposed
- Vendor's must list one specific percentage discount for each manufacturer and/or catalog/pricelist listed

Item Attributes

1. State Name of Catalog/Pricelist Proposed with Discount Percentage

NOTE: Do not include SKU, Reference Numbers, Websites, and/or "See Attached/Enclosed".

No response

4 **Section I: Equipment, Products, and Supplies**

Discount (%) off catalog/pricelist for **Delineation Products and Object Markers.** Catalog/Pricelist MUST be included or proposal will not be considered.

No Bid

Item Notes: **PROPOSAL NOTE:** Vendors shall submit catalog(s)/pricelist(s) with their Proposal response, or the Proposal will not be considered. Vendors shall submit catalog(s)/pricelist(s) with the Proposal in a readily available and readable electronic format, with Excel or searchable PDF preferred. **No paper catalogs or manufacturer/vendor websites will be accepted.**

Vendors proposing multiple manufacturer product lines and/or catalog/pricelist per line item must submit the information as follows or proposal may not be considered:

- Select **"Add Alternate"** for each additional manufacturer product line and/or catalog/pricelist proposed
- Vendor's must list one specific percentage discount for each manufacturer and/or catalog/pricelist listed

Item Attributes

1. State Name of Catalog/Pricelist Proposed with Discount Percentage

NOTE: Do not include SKU, Reference Numbers, Websites, and/or "See Attached/Enclosed".

No response

5 **Section I: Equipment, Products, and Supplies**

Discount (%) off catalog/pricelist for **Road Signs, Posts, and Hardware.** Catalog/Pricelist MUST be included or proposal will not be considered.

No Bid

Item Notes: **PROPOSAL NOTE:** Vendors shall submit catalog(s)/pricelist(s) with their Proposal response, or the Proposal will not be considered. Vendors shall submit catalog(s)/pricelist(s) with the Proposal in a readily available and readable electronic format, with Excel or searchable PDF preferred. **No paper catalogs or manufacturer/vendor websites will be accepted.**

Vendors proposing multiple manufacturer product lines and/or catalog/pricelist per line item must submit the information as follows or proposal may not be considered:

- Select **"Add Alternate"** for each additional manufacturer product line and/or catalog/pricelist proposed
- Vendor's must list one specific percentage discount for each manufacturer and/or catalog/pricelist listed

Item Attributes

1. State Name of Catalog/Pricelist Proposed with Discount Percentage

NOTE: Do not include SKU, Reference Numbers, Websites, and/or "See Attached/Enclosed".

No response

6	**Section I: Equipment, Products, and Supplies** Discount (%) off catalog/pricelist for **Fire Hydrants and Accessories.** Catalog/Pricelist MUST be included or proposal will not be considered. ***No Bid*** Item Notes: **PROPOSAL NOTE:** Vendors shall submit catalog(s)/pricelist(s) with their Proposal response, or the Proposal will not be considered. Vendors shall submit catalog(s)/pricelist(s) with the Proposal in a readily available and readable electronic format, with Excel or searchable PDF preferred. **No paper catalogs or manufacturer/vendor websites will be accepted.** Vendors proposing multiple manufacturer product lines and/or catalog/pricelist per line item must submit the information as follows or proposal may not be considered: • Select **"Add Alternate"** for each additional manufacturer product line and/or catalog/pricelist proposed • Vendor's must list one specific percentage discount for each manufacturer and/or catalog/pricelist listed **Item Attributes** **1. State Name of Catalog/Pricelist Proposed with Discount Percentage** NOTE: Do not include SKU, Reference Numbers, Websites, and/or "See Attached/Enclosed". *No response*

7 **Section I: Equipment, Products, and Supplies**

Discount (%) off catalog/pricelist for **Wheel Wash Systems** (In Ground) and (Above Ground). Catalog/Pricelist MUST be included or proposal will not be considered.

No Bid

Item Notes: **PROPOSAL NOTE:** Vendors shall submit catalog(s)/pricelist(s) with their Proposal response, or the Proposal will not be considered. Vendors shall submit catalog(s)/pricelist(s) with the Proposal in a readily available and readable electronic format, with Excel or searchable PDF preferred. **No paper catalogs or manufacturer/vendor websites will be accepted.**

Vendors proposing multiple manufacturer product lines and/or catalog/pricelist per line item must submit the information as follows or proposal may not be considered:

- Select **"Add Alternate"** for each additional manufacturer product line and/or catalog/pricelist proposed
- Vendor's must list one specific percentage discount for each manufacturer and/or catalog/pricelist listed

Item Attributes

1. State Name of Catalog/Pricelist Proposed with Discount Percentage

NOTE: Do not include SKU, Reference Numbers, Websites, and/or "See Attached/Enclosed".

No response

8 **Section I: Equipment, Products, and Supplies**

Discount (%) off catalog/pricelist for **Locking Systems for Highway/Safety Products** (storm sewer grate, traffic signal cabinet, man-hole cover, and other related locking systems). Catalog/Pricelist MUST be included or proposal will not be considered.

No Bid

Item Notes: **PROPOSAL NOTE:** Vendors shall submit catalog(s)/pricelist(s) with their Proposal response, or the Proposal will not be considered. Vendors shall submit catalog(s)/pricelist(s) with the Proposal in a readily available and readable electronic format, with Excel or searchable PDF preferred. **No paper catalogs or manufacturer/vendor websites will be accepted.**

Vendors proposing multiple manufacturer product lines and/or catalog/pricelist per line item must submit the information as follows or proposal may not be considered:

- Select **"Add Alternate"** for each additional manufacturer product line and/or catalog/pricelist proposed
- Vendor's must list one specific percentage discount for each manufacturer and/or catalog/pricelist listed

Item Attributes

1. State Name of Catalog/Pricelist Proposed with Discount Percentage

NOTE: Do not include SKU, Reference Numbers, Websites, and/or "See Attached/Enclosed".

No response

9	**Section I: Equipment, Products, and Supplies** Discount (%) off catalog/pricelist for **Animal Cages, Traps, and Accessories for Roads and Highways.** Catalog/Pricelist MUST be included or proposal will not be considered. ***No Bid*** Item Notes: **PROPOSAL NOTE:** Vendors shall submit catalog(s)/pricelist(s) with their Proposal response, or the Proposal will not be considered. Vendors shall submit catalog(s)/pricelist(s) with the Proposal in a readily available and readable electronic format, with Excel or searchable PDF preferred. **No paper catalogs or manufacturer/vendor websites will be accepted.** Vendors proposing multiple manufacturer product lines and/or catalog/pricelist per line item must submit the information as follows or proposal may not be considered: • Select **"Add Alternate"** for each additional manufacturer product line and/or catalog/pricelist proposed • Vendor's must list one specific percentage discount for each manufacturer and/or catalog/pricelist listed **Item Attributes** **1. State Name of Catalog/Pricelist Proposed with Discount Percentage** NOTE: Do not include SKU, Reference Numbers, Websites, and/or "See Attached/Enclosed". *No response*

10

Section I: Equipment, Products, and Supplies

Discount (%) off catalog/pricelist for **Herbicides and Weed Control Products for Roads and Highways.** Catalog/Pricelist MUST be included or proposal will not be considered.

No Bid

Item Notes: **PROPOSAL NOTE:** Vendors shall submit catalog(s)/pricelist(s) with their Proposal response, or the Proposal will not be considered. Vendors shall submit catalog(s)/pricelist(s) with the Proposal in a readily available and readable electronic format, with Excel or searchable PDF preferred. **No paper catalogs or manufacturer/vendor websites will be accepted.**

Vendors proposing multiple manufacturer product lines and/or catalog/pricelist per line item must submit the information as follows or proposal may not be considered:

- Select **"Add Alternate"** for each additional manufacturer product line and/or catalog/pricelist proposed
- Vendor's must list one specific percentage discount for each manufacturer and/or catalog/pricelist listed

Item Attributes

1. State Name of Catalog/Pricelist Proposed with Discount Percentage

NOTE: Do not include SKU, Reference Numbers, Websites, and/or "See Attached/Enclosed".

No response

11	**Section I: Equipment, Products, and Supplies** Discount (%) off catalog/pricelist for **Road Maintenance Products for Dust Control, Anti-icing/Deicing, and** **Stabilization** (granular, liquid, and/or chemical based). Catalog/Pricelist MUST be included or proposal will not be considered. ***No Bid*** Item Notes: **PROPOSAL NOTE:** Vendors shall submit catalog(s)/pricelist(s) with their Proposal response, or the Proposal will not be considered. Vendors shall submit catalog(s)/pricelist(s) with the Proposal in a readily available and readable electronic format, with Excel or searchable PDF preferred. **No paper catalogs or manufacturer/vendor websites will be accepted.** Vendors proposing multiple manufacturer product lines and/or catalog/pricelist per line item must submit the information as follows or proposal may not be considered: • Select **"Add Alternate"** for each additional manufacturer product line and/or catalog/pricelist proposed • Vendor's must list one specific percentage discount for each manufacturer and/or catalog/pricelist listed **Item Attributes** **1. State Name of Catalog/Pricelist Proposed with Discount Percentage** NOTE: Do not include SKU, Reference Numbers, Websites, and/or "See Attached/Enclosed". *No response*

12

Section I: Equipment, Products, and Supplies

Discount (%) off catalog/pricelist for **Oil and Hazardous Material Spill Remediation Products and Supplies.** Catalog/Pricelist MUST be included or proposal will not be considered.

No Bid

Item Notes: **PROPOSAL NOTE:** Vendors shall submit catalog(s)/pricelist(s) with their Proposal response, or the Proposal will not be considered. Vendors shall submit catalog(s)/pricelist(s) with the Proposal in a readily available and readable electronic format, with Excel or searchable PDF preferred. **No paper catalogs or manufacturer/vendor websites will be accepted.**

Vendors proposing multiple manufacturer product lines and/or catalog/pricelist per line item must submit the information as follows or proposal may not be considered:

- Select **"Add Alternate"** for each additional manufacturer product line and/or catalog/pricelist proposed
- Vendor's must list one specific percentage discount for each manufacturer and/or catalog/pricelist listed

Item Attributes

1. State Name of Catalog/Pricelist Proposed with Discount Percentage

NOTE: Do not include SKU, Reference Numbers, Websites, and/or "See Attached/Enclosed".

No response

13

Section I: Equipment, Products, and Supplies

Discount (%) off catalog/pricelist for **RENTAL of Highway Safety and Traffic Control Products and Equipment** (Rental Rate Sheet shall be submitted with Proposal response or Proposal will not be considered). Catalog/Pricelist MUST be included or proposal will not be considered.

No Bid

Item Notes: **PROPOSAL NOTE:** Vendors shall submit catalog(s)/pricelist(s) with their Proposal response, or the Proposal will not be considered. Vendors shall submit catalog(s)/pricelist(s) with the Proposal in a readily available and readable electronic format, with Excel or searchable PDF preferred. **No paper catalogs or manufacturer/vendor websites will be accepted.**

Vendors proposing multiple manufacturer product lines and/or catalog/pricelist per line item must submit the information as follows or proposal may not be considered:

- Select **"Add Alternate"** for each additional manufacturer product line and/or catalog/pricelist proposed
- Vendor's must list one specific percentage discount for each manufacturer and/or catalog/pricelist listed

Item Attributes

1. State Name of Catalog/Pricelist Proposed with Discount Percentage

NOTE: Do not include SKU, Reference Numbers, Websites, and/or "See Attached/Enclosed".

No response

14

Section I: Equipment, Products, and Supplies

Discount (%) off catalog/pricelist for **All Other Related Highway Safety and Traffic Control Products.** Catalog/Pricelist MUST be included or proposal will not be considered.

No Bid

Item Notes: **PROPOSAL NOTE:** Vendors shall submit catalog(s)/pricelist(s) with their Proposal response, or the Proposal will not be considered. Vendors shall submit catalog(s)/pricelist(s) with the Proposal in a readily available and readable electronic format, with Excel or searchable PDF preferred. **No paper catalogs or manufacturer/vendor websites will be accepted.**

Vendors proposing multiple manufacturer product lines and/or catalog/pricelist per line item must submit the information as follows or proposal may not be considered:

- Select **"Add Alternate"** for each additional manufacturer product line and/or catalog/pricelist proposed
- Vendor's must list one specific percentage discount for each manufacturer and/or catalog/pricelist listed

Item Attributes

1. State Name of Catalog/Pricelist Proposed with Discount Percentage

NOTE: Do not include SKU, Reference Numbers, Websites, and/or "See Attached/Enclosed".

No response

15

Section I: Equipment, Products, and Supplies

Discount (%) off catalog/pricelist for **Maintenance/Warranty Agreements for Highway Safety and Traffic Control Equipment and Systems.** Catalog/Pricelist MUST be included or proposal will not be considered.

No Bid

Item Notes: **PROPOSAL NOTE:** Vendors shall submit catalog(s)/pricelist(s) with their Proposal response, or the Proposal will not be considered. Vendors shall submit catalog(s)/pricelist(s) with the Proposal in a readily available and readable electronic format, with Excel or searchable PDF preferred. **No paper catalogs or manufacturer/vendor websites will be accepted.**

Vendors proposing multiple manufacturer product lines and/or catalog/pricelist per line item must submit the information as follows or proposal may not be considered:

- Select **"Add Alternate"** for each additional manufacturer product line and/or catalog/pricelist proposed
- Vendor's must list one specific percentage discount for each manufacturer and/or catalog/pricelist listed

Item Attributes

1. State Name of Catalog/Pricelist Proposed with Discount Percentage

NOTE: Do not include SKU, Reference Numbers, Websites, and/or "See Attached/Enclosed".

No response

16

Section II: Installation and Repair Service

Hourly Labor Rate for Installation/Repair Service of Highway Safety and Traffic Control Equipment and Products - Not to Exceed hourly labor rate for Installation/Repair Service of Equipment and Products.

Quantity: 1 UOM: Hourly Labor Rate Price: $150.00 Total: $150.00

17

Section II: Installation and Repair Service

Hourly Labor Rate for Weed Control Service for Roads and Highways - Not to Exceed hourly labor rate for Weed Control Service of Roads and Highways.

Quantity: 1 UOM: Hourly Labor Rate

No Bid

Response Total: $150.00

Anderson Fence And Custom Welding LLC
1107 Goodnight Blvd
Wills Point, TX 75169-3124
USA
+14694741172
andersonsg123@outlook.com
andersoncustomfences.com

Estimate

ADDRESS
City of Sherman

ESTIMATE #	DATE	
1129	02/24/2026	

DATE	ACTIVITY	DESCRIPTION	QTY	RATE	AMOUNT
		Dog Pens			
	Removal	Removal of existing fencing.	450	3.00	1,350.00
	Installation	Installation of new 6ft black chain link.	450	45.00	20,250.00
	Installation	Installation of new 48 inch walk gates.	3	1,250.00	3,750.00
	Installation	Installation of new 12 inch concrete mow strip.	450	20.00	9,000.00
		All Commercial Specs. Post to be set 3ft deep. All concrete to be 5500 psi maximizer. Fabric to be 8 gauge finish. 9 gauge core. 2 3/8 post. 4 inch terminals. All steel ties. All schedule 40 heavy weight.			
		Purchasing COOP Buyboard 703-23 Buyboard 757-24 TIPS 241001 Region 7 CONSRV 2426 Region 3 RFP12008-25			

TOTAL **$34,350.00**

Accepted By

Accepted Date

Anderson Fence And Custom Welding LLC
1107 Goodnight Blvd
Wills Point, TX 75169-3124
USA
+14694741172
andersonsg123@outlook.com
andersoncustomfences.com

Estimate

ADDRESS
City of Sherman

ESTIMATE #	DATE	
1131	02/24/2026	

DATE	ACTIVITY	DESCRIPTION	QTY	RATE	AMOUNT
		Dumpster			
	Removal	Removal of existing r-panel fencing.	60	5.00	300.00
	Installation	Installation of new 6ft flat top iron.	60	45.00	2,700.00
	Installation	Installation of new 12 inch concrete mow strip.	60	20.00	1,200.00
		All Commercial Specs. Post to be set 3ft deep. All concrete to be 5500 psi maximizer. All powder coating to have 10 year warranty. All iron to be commercial 1 1/2 rails 3/4 pickets with rail spacing's of 3 15/16			
		Purchasing COOP Buyboard 703-23 Buyboard 757-24 TIPS 241001 Region 7 CONSRV 2426 Region 3 RFP12008-25			

TOTAL **$4,200.00**

Accepted By

Accepted Date

SHERMAN CITY COUNCIL
Agenda Communication Form

City Council Regular Meeting Agenda Item No. K.1.

Meeting Date: 3/16/2026

Prepared By: Teri Fine, Assistant to the City Manager

Approved By: Zachary Flores, City Manager

Caption:
Other Business
Receive Semi-Annual Report on the Sherman Cultural District

Issue:
to receive the Sherman Cultural District semi-annual report from Cary Wacker

Background:
The update will provide the City Council with an overview of the Cultural District's activities and accomplishments during October 2025 to current, as well as upcoming events they have planned.

Capital Improvement Program:

Origination:
City Council

Financial Consideration:
This presentation is for informational purposes only and has no impact on the City's revenues or expenses.

Staff Recommendation:
No action is required of the City Council

Alternatives:
None.

Attachments:
1. March 2026 SCD Report to City Council
2. 2026 Bird Festival 1-26 final#1 HNWR

Sherman CULTURAL DISTRICT

An Official Texas Cultural District

March 2026 Report

ACTIVITY SUMMARY (Oct 2025-March 2026)

- **Sherman Bird Festival is coming: May 16, 2025**
- **Partnership in place with Friends of Hagerman NWR**
- **Five bird sculpture designs were selected for installation**

  ◄pictured left: Great Blue Heron by Andrea Holmes
- **Big Birdhouse painting completed and on display at Sherman Public Library**
- **5 Advisory Board monthly meetings held**
- *****Preparation for 2026 grant request to TCA: due June 15**

Sherman Bird Festival: Art & Feathers Everywhere!

Planning for the 2026 Bird Festival has evolved into an all-inclusive Downtown Sherman celebration of art, culture, and entrepreneurship! The festival is a multi-location event, with main activities planned for Saturday, May 16, and many other highlights filling the calendar from early May through Memorial Day.

Five bird sculptures will be dedicated on May 16, and Friends of Hagerman NWR are hosting a full-day Bird Festival on that Saturday as well. Activities at both the Refuge and in the Cultural District are scheduled for joint local media interviews before May 16.

SCD-sponsored activities include:

- Birds of a Feather Art Walk, May 9-16
- Sculpture Dedication, May 16 at 1 p.m.
- Sherman Art Dash, May 16 at 2 p.m.
- Piner MS Art Show, May 3-16 (tentative dates)
- Fantasy Birdhouse Competition for Downtown businesses

sherman bird festival

art shows
birding events
kids' activities
food & beverage
sculpture reveal
and more

MAY.16.2026

Downtown Sherman TX &
Hagerman National Wildlife Refuge-Hagerman Bird Festival

- Family art activities throughout Downtown—sidewalk chalking, mural painting, bird-food-making, birding seminars
- Children's activities at Sherman Public Library
- Bird Mini-mural series (12"x12") by a local artist to be painted on six Downtown buildings
- Downtown merchants & galleries are offering bird-themed specials and displays
- Downtown restaurants preparing specials from "Breakfast with the Birds" to drink flights.

2025-2026 Cultural District Advisory Council:

MeLissa Eason, Chair | Alexis Taylor-Baker | Bonnie Koenig | Brianna Burnett | Cesar Saenz | Chele Wells | Darrah Dunn | Juanita Johnson | Juanita Lopez | **two current vacancies
Ex-officio:
Daron Holland | Sarah McRae-Smith, Treasurer | Leah Roberts | Cary Wacker, Coordinator

Texas Commission on the Arts

U.S. FISH & WILDLIFE SERVICE

FRIENDS OF HAGERMAN NATIONAL WILDLIFE REFUGE

HAGERMAN BIRD FESTIVAL

in conjunction with **SHERMAN BIRD FESTIVAL**

Saturday, May 16th

8:00 am	Early Bird Walk (parking lot)
10:00 - 11:00 am	**REFUGE ROCKS - BIRDS** (Pavilion) Children ages 5-10 (Reservations required)
10:00 - 11:00 am	Tram Tour (Reservations required)
11:00 - 12 noon	**LECTURE: 'What Exactly is a Bird"** **Bryon Clark - TMN (VC)**
11:00 - 2:00 pm	Hole Food Truck
11:00 - 2:00 pm	Book signing: Sam Crowe - *Birds of North America*
12:00 - 12:30 pm	Master Storyteller Doris Haynie (VC Patio)
12:00 - 1:00 pm	Tram Tour (Reservations required)
12:30 - 1:30 pm	**LECTURE: "Birds are Amazing Flying Dinosaurs" Tom Stidham - Evolutionary Biologist and paleontologist.** (VC)
1:00 - 3:00 pm	Butterfly Garden Walk
1:00 - 3:00 pm	Children's Activities & Puddles (Pavilion) Skins and Skulls (Pavilion)
2:00 - 3:00 pm	**LECTURE: "Where are all the birds going--Current trends in population size"** **-Wayne Meyer**, Ornithologist (VC)
2:00 - 3:00 pm	Tram Tour (Reservations required)

Friendsofhagerman.org

Hagerman National Wildlife Refuge

6465 Refuge Road

Sherman TX 75092

SHERMAN CITY COUNCIL
Agenda Communication Form

City Council Regular Meeting Agenda Item No. K.2.

Meeting Date: 3/16/2026

Prepared By: Jana Walker, Controller

Approved By: Zachary Flores, City Manager

Caption:
**** Other Business***
Accept Annual Audit Report for the Year Ended September 30, 2025, from Weaver and Tidwell, L.L.P.

Issue:
To receive a presentation from Weaver and Tidwell, L.L.P. of Dallas, Texas and accept the audit report for the year ended September 30, 2025

Background:
On February 18, 2026, the Council Audit Committee, City Manager and Chief Financial Officer met with the City's external auditor to discuss the results of the independent audit for the year ended September 30, 2025. The auditors gave an unmodified audit opinion, meaning that, in their opinion, the financial statements are fairly presented in accordance with established accounting standards. The financial statements demonstrate the operating results for the year ended September 30, 2025, were generally in line with expected results, and the overall financial performance was on par with the budget. There were no material findings arising out of the audit. After discussion, the Council Audit Committee recommended the report be presented to the entire Council.

Capital Improvement Program:

Origination:
Finance Department

Financial Consideration:
None

Staff Recommendation:
Staff recommends the Council accept the audit report as recommended by the Council Audit Committee.

Alternatives:
None recommended.

Attachments:
1. City of Sherman 2025 ACFR final
2. City of Sherman 2025 SA final

Sherman

CLASSIC TOWN. BROAD HORIZON.

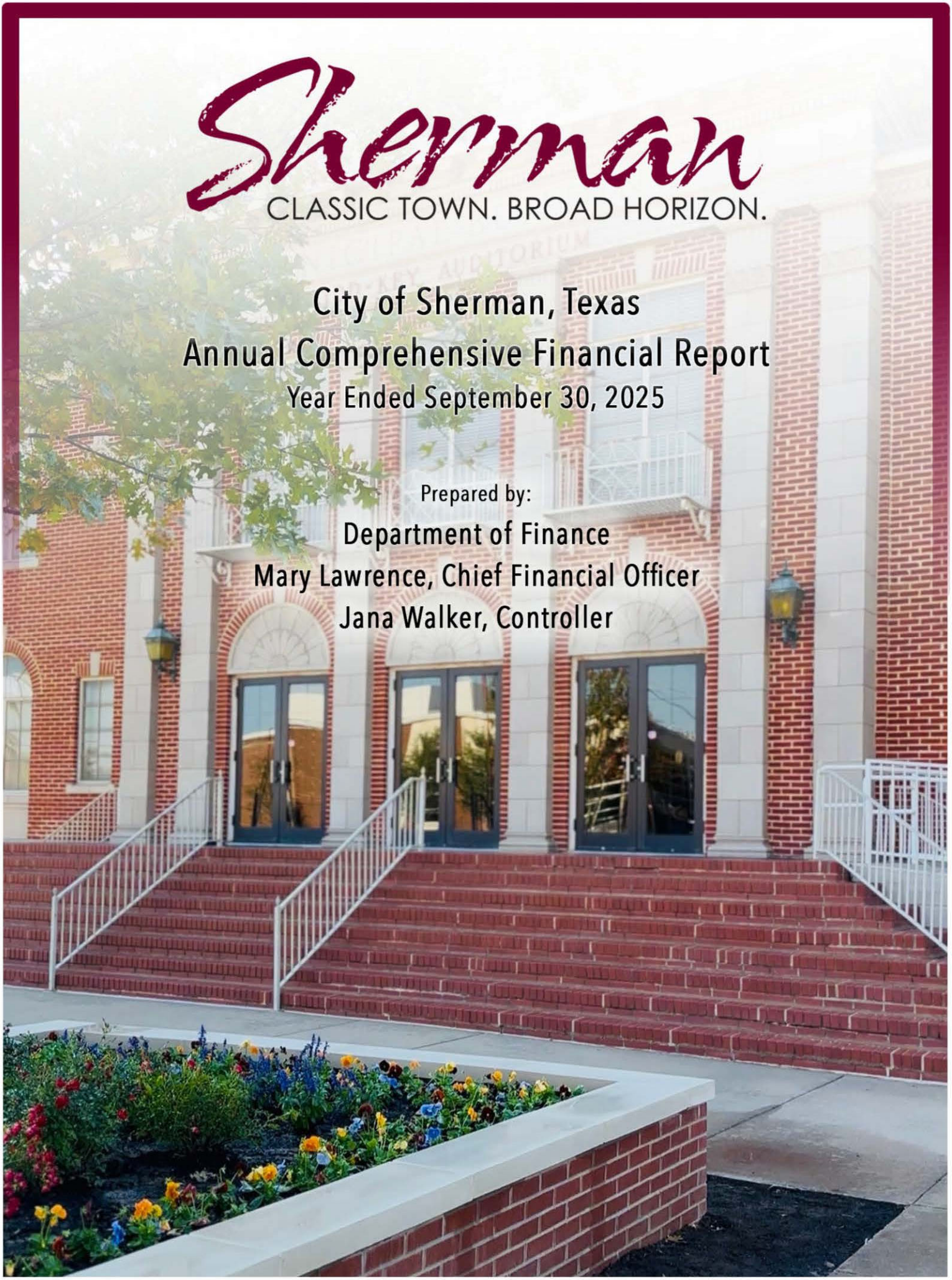
City of Sherman, Texas
Annual Comprehensive Financial Report
Year Ended September 30, 2025

Prepared by:

Department of Finance

Mary Lawrence, Chief Financial Officer

Jana Walker, Controller



City of Sherman, Texas

Annual Comprehensive Financial Report

For the Fiscal Year Ended
September 30, 2025

Prepared by
Department of Finance
Mary Lawrence, Chief Financial Officer
Jana Walker, Controller

Sherman

CLASSIC TOWN. BROAD HORIZON.

City of Sherman, Texas

Annual Comprehensive Financial Report
For the Fiscal Year Ended September 30, 2025
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Sherman

CLASSIC TOWN. BROAD HORIZON.

Introductory Section

Sherman

CLASSIC TOWN. BROAD HORIZON.

Sherman
CLASSIC TOWN. BROAD HORIZON.

February 24, 2026

The Honorable Mayor,
Members of the City Council, and
Citizens of the City of Sherman, Texas

The Annual Comprehensive Financial Report of the City of Sherman, Texas, (the City) for the fiscal year ended September 30, 2025, is hereby submitted as mandated by the City Charter. Responsibility for both the accuracy of the data, and the completeness and fairness of the presentation, including all disclosures, rests with management. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds of the City. All disclosures necessary to enable the reader to gain the maximum understanding of the City's financial activities have been included.

To provide a reasonable basis for making these representations, management of the City has established a comprehensive internal control framework that is designed both to protect the City's assets from loss, theft or misuse and to compile sufficient, reliable information for the preparation of the financial statements in conformity with Generally Acceptable Accounting Principles (GAAP). Because the cost of internal controls should not outweigh their benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free from material misstatement. Within this framework, management believes that the City's transactions are properly recorded, and the financial report is complete and reliable in all material respects.

The City of Sherman's financial statements have been audited by Weaver and Tidwell, LLP, Certified Public Accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements are free of material misstatement. The independent audit involves examining on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. As a result of the audit, an unmodified opinion on the City's financial statements for the fiscal year ended September 30, 2025, was issued. An unmodified opinion represents the highest level of audit assurance issuable for financial statements. The independent auditor's report is located at the front of the financial section of this report.

Management Discussion and Analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it.

CITY OF SHERMAN PROFILE

The City of Sherman was founded in 1846 and is located in North Central Texas, 65 miles north of the Dallas/Fort Worth Metroplex. Sherman was named in honor of General Sidney Sherman, a Texas revolutionist, famous for creating the Texas Independence Slogan, "Remember the Alamo." The City's geographic corporate boundaries encompass 48.2 square miles. The additional municipal extraterritorial jurisdiction included for the purpose of planning and control, covers approximately 73.03 square miles. Sherman is the county seat of Grayson County. The 2020 Census reported a population of 43,645 individuals in Sherman, a 13.3% increase over 2010. Substantial, steady growth trends are expected to continue. The City of Sherman is included within the Sherman/Denison Standard Metropolitan Statistical Area and is defined as a regional trade zone by the Bureau of Economic Analysis.

Sherman operates as a home-rule city in a Council/Manager form of government. A home-rule city may do anything authorized by its charter that is not specifically prohibited or preempted by the Texas Constitution or state or federal law. Policy making and legislative authority are vested in the City Council, which consists of five Council members, a Deputy Mayor and Mayor. The City Council is responsible for passing ordinances, adopting the budget, appointing committees, and hiring the City Manager and Municipal Judge. The City Manager is the chief administrative officer. The Mayor and two Council seats have no geographic restriction other than the candidates must reside in the City of Sherman. The four remaining Council seats represent specific districts and candidates must reside in those districts. However, voting for all Council seats is at-large and non-partisan. All City officials are elected to staggered three-year terms and are eligible to serve for a maximum of four consecutive terms in any combination of offices. Presiding over all meetings of the City Council, the Mayor is recognized as the head of the City government.

The City provides a full range of services. These include police and fire protection, ambulance service, sanitation service, environmental health, animal shelter and control services, community development, building inspections, traffic control, parks, a library, water and sewer services, drainage, streets, a municipal airport, recreational activities, tourism services and programs for youth and senior citizens.

Sherman Economic Development Corporation (SEDCO) is a discretely presented component unit. SEDCO was established in 1996 for purposes set forth in Section 4A, Article 5190.6, Vernon's Texas Civil Statues, known as the Development Corporation Act of 1979. SEDCO administers a special 3/8-cent sales tax for economic development. Even though SEDCO is a legally separate entity, the City appoints all SEDCO board members, can remove board members at will, must approve SEDCO's budget and plan of work, and financially benefits the City by promoting, assisting, and enhancing economic development in the City.

The City Charter mandates that a proposed budget be presented to the City Council fifty days prior to the end of the fiscal year. This annual budget serves as the foundation for the City's financial planning and control. Direction for the budget is given by the City Council five months before year end. A proposed budget is developed by staff and submitted to the City Council in June each year for review. The City Council is required to hold a public hearing and to adopt a final budget no later than September 25th. The City Manager may move part or all of any unencumbered appropriation balance among the various departments within each fund, provided that total expenditures do not exceed total appropriations for that fund. In the case where additional expenditures are required within a fund, the City Council, by resolution, may increase that fund's appropriations. Budget-to-actual comparisons are provided in this report for each individual governmental fund for which an appropriated annual budget has been adopted.

ECONOMIC OUTLOOK AND FINANCIAL CONDITION

The City's major thoroughfares, US Highways 75 and 82, intersect in Sherman, providing access to major metropolitan areas in the southwest. Sherman is the largest city within the tri-county area and a primary hub for business, retail, government and professional services in the region. The BNSF industrial rail spur serves the industrial park, while private air service is available at the North Texas Regional Airport - with its 9,000-foot runway - and the Sherman Municipal Airport. Sherman's convenient location, excellent transportation options and abundant water supply have attracted numerous manufacturers to establish plants in the city. The City's robust industrial base includes manufacturing facilities of major national firms that produce electronic components, food products, PVC materials, lumber, railroad components, precision valves, electricity, and more. SEDCO has played a crucial role in attracting new employers and supporting the expansion of existing businesses.

Major milestones for economic growth were announced in November 2021, when Texas Instruments (TI) selected its current site in Sherman for a 4.7 million square-foot semiconductor fabrication plant, and in June 2022, when Globitech Incorporated (Globitech) selected Sherman as the site for a new manufacturing facility, GlobalWafers America, to produce silicon wafers.

TI held the grand opening of its semiconductor manufacturing facility in Sherman in December 2025, with production officially underway. The plant is capable of producing tens of millions of 300-millimeter semiconductor chips daily for use in a wide range of electronic applications. The project is expected to create approximately 3,000 high-paying jobs and contribute billions of dollars to the Grayson County economy. The broader campus, planned to include four fabrication facilities, represents an anticipated capital investment of approximately $40 billion over the coming decades.

GlobalWafers America held the grand opening of its $3.5 billion, 300-millimeter silicon wafer manufacturing plant in Sherman in May 2025. The company has announced plans for a $4 billion expansion in future phases. The facility produces silicon wafers for use in consumer electronics and other applications and currently supports approximately 180 permanent jobs.

Beyond the direct benefits of property and sales tax revenue, water and sewer revenue, and hotel/motel revenue during construction, as well as the creation of high-paying jobs, the City anticipates substantial indirect benefits. These include the "spillover" effect of complementary job creation, enhanced collaboration with other existing high-tech employers in the region, and the potential for Sherman to emerge as a globally recognized "tech-corridor".

To support these developments, the City has entered into tax abatement agreements and Chapter 380 economic incentive agreements with TI and GlobalWafers America for each scheduled phase. Sherman is proactively addressing the demands of a growing community — alongside the expansion associated with Texas Instruments and GlobalWafers America — through continued investments in water and wastewater system improvements and capacity expansion projects.

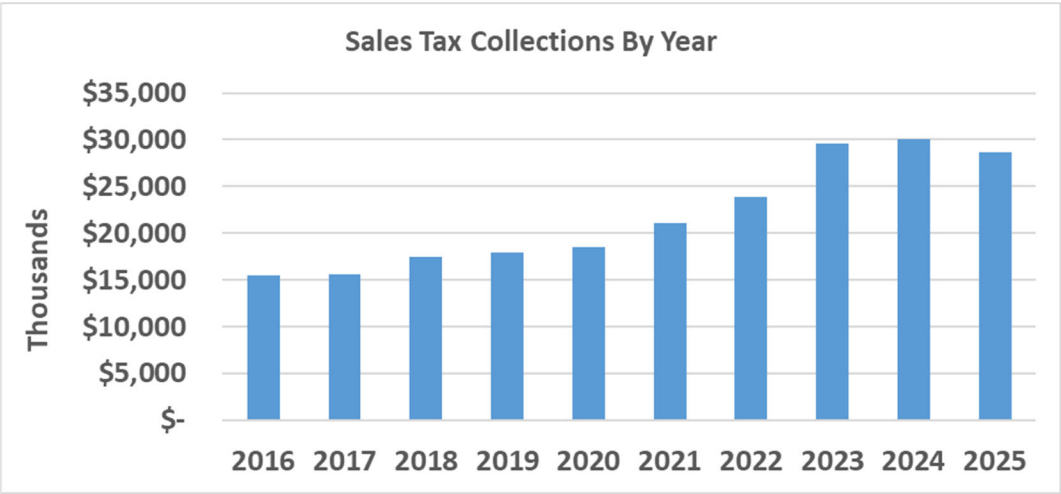
In anticipation of Sherman's future growth, there are currently ten active planned developments:

- **Bel-Air Village** This area consists of 280 acres east of US Highway 75 and south of FM 1417 (Vietnam Veterans Parkway)– Almost 300 building permits have been issued for Phase #1 representing over 80% of the total building permits expected for Phase #1. Phase #2 is expected to issue 561 permits within the next few years. Other plans include 3,000 multi-family units, additional single-family homes and 4.5 acres of commercial/retail space.
- **Heritage Ranch** – This development consists of 420 acres along US Highway 82 between FM 1417 and Travis Street with a plan for 750 single-family homes and 200 acres of commercial and entertainment. The residential portion is already partly developed with single family homes. The commercial area currently contains an elementary school and multi-family under construction.

- **Shepherd's Place** – Plans for this development include 503 acres located at the southwest corner of Shepherd Drive and US Highway 75. This development includes 2,000 multi-family units, 1,000 single family units and 92 acres of mixed commercial/retail space.
- **The Village** – This area comprises 620 acres south of FM 1417 between Moore Street, West Travis and West OB Groner Road and plans for 1,785 multi-family units, 2,600 single family homes and 200 acres of commercial and entertainment.
- **Hickory Hill** – Plans for this development include 143.7 acres located in the northwest quadrant of the City at the intersection of Lamberth Rd and Friendship Rd, between Heritage Pkwy and Preston Rd, just south of Hwy 82. The development will feature single- and multi-family residential, mixed use and open space.
- **Blalock Industrial Park** – 1,495 acres located in the southern gateway of the City of Sherman, the purpose of this planned development is to achieve a quality, cohesive and compatible industrial and manufacturing district to a climate and location for the orderly development of light industry.
- **Pecan Grove Estates** – A mixed-use development consisting of approximately 254 acres. The property is located between US Highway 75 and Texoma Parkway and south of Fallon Drive. The primary land use will be a variety of residential uses, including multiple variations of single-family detached units and two distinctive multi-family options.
- **Aspen Park** – Plans include a 216.2-acre multi-use development with a minimum of 40 acres set aside as usable open space. The land is divided into four complementary districts, including single family urban, single family urban attached, vertical mixed-use and retail business.
- **Greenway –** located on 220.18 acres in the southwestern quadrant of metro Sherman, plans include a broad mix of land uses including residential, mixed use, multi-family, commercial and open space with existing trees and natural environment as an amenity for the community.
- **Meyers Industrial Park –** a 31-acre Industrial rental complex located in Sherman.

TxDOT has substantially completed the first phase of the US Highway 75 expansion from FM 1417 to Texoma Parkway, including major bridge and frontage road improvements. TxDOT is continuing construction activities on the expansion of US Highway 75 from South Loy Lake Road to North Loy Lake Road, with ongoing traffic shifts and frontage road reconstruction. In addition, TxDOT's newest phase of the US Highway 75 expansion from Texoma Parkway to US Highway 82, is underway and an estimated completion in fall 2027.

Sherman enjoys a diverse tax base due to its industrial park and major retail shopping centers. Sales tax revenues increased year over year from 2016 through 2024, reflecting sustained growth. In 2025, revenues decreased compared to the prior year, primarily due to the loss of one-time revenues in prior years related to construction projects. By far, retailers are the biggest generators of sales tax at about 48% of sales tax revenue in fiscal year 2025. Approximately half of the retail sales tax comes from non-Sherman residents. The next largest generator of sales tax is manufacturing at 13%.



The City also experienced growth in the property tax base by about 48% from valuations and additions to the tax roll primarily related to industrial property that will be abated next year. About half of Sherman's taxable value is from commercial/industrial property. The City anticipates a moderation in sales tax revenues as new retail developments emerge in neighboring communities. Property tax revenues are also expected to decrease due to scheduled abatements on certain industrial properties next year.

Unemployment in Sherman was 3.6% at the end of the fiscal year, which is slightly lower than the unemployment rate for the State of Texas (4.1%) and the national unemployment rate (4.4%) for the same time period.

Due to the City's sound financial policies and growing economy, the City has a credit rating of AA from Standard and Poor's and A- for its debt issued through the Greater Texoma Utility Authority. The City also has an abundant supply of water for industrial, commercial and residential use through a combination system of ground wells and surface water from Lake Texoma. Educational opportunities are available at Austin College, Grayson College, and Sherman ISD. Nearby Lake Texoma is also a recreational draw to the area. Sherman's downtown area continues to see a renewed interest for restaurants and retail stores.

LONG-TERM FINANCIAL PLANNING

The City is focused on managing its growth in strategic directions with a long-term vision. Equally important items include maintaining sustainable levels of existing services through funding for staffing and performing sufficient repairs and maintenance for existing infrastructure. Now more than ever, multi-year planning for capital projects is imperative with properly timed infrastructure development. The City Council adopted the 2022 Comprehensive Plan as well as the Trails Master Plan in October 2022. The Comprehensive Plan provides a roadmap that will guide future growth and development for the next 10 years and beyond and includes goals focused on housing and neighborhoods, land use and design, mobility, and livability. The Trails Master Plan envisions a trail system that will allow residents to connect to local destinations, enjoy the outdoors, and enhance their health and well-being. As major changes in the local economy or other unforeseen events occur, plans are subject to change. Therefore, these plans are meant to be a planning tool and do not commit the City Council to action in future years. The 2022 Comprehensive Plan is available on the City's website.

The City's Charter requires submission of a five-year capital improvement program to the City Council in conjunction with the submission of the annual budget. This plan is used to identify needed capital projects and to coordinate the financing and timing of those projects. Only the first year of the five-year program is funded. The next four years are considered planning years and are subject to appropriation in the following years. The fiscal year 2026 budget includes $30.4 million in the General Improvement Fund primarily for facility, street and downtown improvement projects. The Utility Improvement Fund includes projects totaling $56.8 million for the construction of an 84-inch water line from Lake Texoma to the water treatment plant, wastewater treatment plant expansion, water storage and other smaller utility projects. Major utility improvements are funded through debt issued by the Greater Texoma Utility Authority on behalf of and paid by the City through contractual debt payments. The Capital Improvement Plan is available on the City's website.

MAJOR INITIATIVES

The City's primary focus in 2025 was a continued emphasis on infrastructure development related to residential and commercial growth. In 2025, the City continued the construction of Moore Street, Shepherd Drive, and Bel Air Boulevard. In October 2025, the City completed the industrial wastewater treatment plant. Ongoing water and wastewater infrastructure projects are included among various others. The City also completed park improvements which included the Fairview Park playground and pavilion and the inclusive playground and improvements at Pecan Grove East Park.

The City has been proactive in enhancing transparency and community engagement. As a testament to this commitment, the City launched the Sherman app in 2025. The app acts as a one-stop shop for city services. Residents can use the app to report issues like potholes or graffiti, pay bills, receive alerts on road closures/weather, and access department information. The City also manages an online tracking system that provides updated information on the status and cost of dozens of capital improvement projects currently underway throughout the city as well as basic information on proposed and underway residential developments. The tracking system can be accessed on the City's website and provides residents with up-to-date information on ongoing and planned initiatives.

The City supports growth by building infrastructure and incentivizing the right kind of growth as those opportunities arise. Tax abatements, Chapter 380 Agreements, Downtown grants, and SEDCO are all part of attracting builders, retailers and industries to Sherman.

RELEVANT FINANCIAL POLICIES

As part of the budget process, the financial policy of the City is used to support the mission of the City to provide high quality municipal services that meet the citizens' needs in a responsible, efficient and effective manner. Included in the policy is direction on the budget, internal controls, reserves, debt, deposits, and maintenance of equipment and infrastructure. The implementation of these policies in the budget process is part of the published budget document.

The City's financial policy authorizes only the City Council, by resolution, to increase appropriations. One amendment was approved by the City Council in fiscal year 2025, increasing revenues by $2.5 million and expenditures by $6.8 million. The additional revenues included interfund transfers of about $820 thousand as well as additional revenues realized in various funds. The additional expenses of $6.8 million included concert expenses, Downtown grants, contract mowing, public safety overtime, street repairs, health insurance claims, vehicle repairs, purchase of property in the floodplain, disposal fees, trash containers, and additional equipment purchases.

The City has also adopted policies on long-term debt, investments, and fund balance. The long-term debt policy calls for specific limitations on amount of debt that may be issued by year and in total. It also requires the City to benchmark its total debt with other cities.

The City's investment policy is adopted annually by the City Council. The Public Funds Investment Act governs the policy, but the City is more restrictive than what is allowed under the Act. The $124 million portfolio is managed by the Chief Financial Officer who reports quarterly to the City Council. More information on the investments may be found in the notes to the financial statements.

The City's fund balance policy sets the minimum funds balance at 60 days for the General Fund, Utility Fund and the Solid Waste Fund, on a budgetary basis. Only the Solid Waste Fund was below this target. The ongoing challenges in this fund will continue to be evaluated each year during the budget process.

FUTURE ECONOMIC OUTLOOK

The selection of Sherman as the home for two semiconductor manufacturing plants by Texas Instruments and GlobalWafers America has been—and will continue to be—a transformative development for the City. While sales tax revenues from one-time industrial construction have tapered off, sales tax revenues from the City's core industries, such as retail and manufacturing, are also projected to soften due to new retail developments emerging in neighboring communities. Property tax revenues are expected to decline due to the scheduled abatements on certain industrial properties next year. At the same time, the City anticipates the number of commercial and residential permit issuances to remain steady. These trends provide an opportunity to reinforce fiscal resilience and strengthen long-term strategic planning.

To accommodate anticipated growth, ten planned development projects across Sherman are positioned to address the rising demand for housing, commercial and retail spaces, entertainment, and industrial facilities. Looking ahead, the City foresees a steadily expanding tax base driven by ancillary businesses related to the TI and GlobalWafers America projects, as well as new industries, businesses, and residents who recognize Sherman as an attractive place to work and live.

AWARDS AND ACKNOWLEDGEMENTS

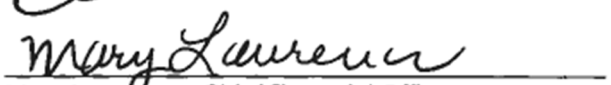
The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Sherman for its Annual Comprehensive Financial Report for the fiscal year ended September 30, 2024. This was the thirty-ninth consecutive year that the City of Sherman earned this prestigious award. To be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized Annual Comprehensive Financial Report, whose contents conform to program standards. Such reports must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe our current Annual Comprehensive Financial Report continues to conform to the Certificate of Achievement Program's requirements, and we are submitting it to GFOA to determine its eligibility for another certificate.

The preparation of the Annual Comprehensive Financial Report on a timely basis requires a great deal of cooperation. In recognition of that, the Finance Department gratefully acknowledges the leadership and support of the City Council and City Manager. Furthermore, for their cooperation, the other departments within the City of Sherman have the Finance Department's appreciation. Also, the efforts of our external audit firm are invaluable.

Respectfully submitted,

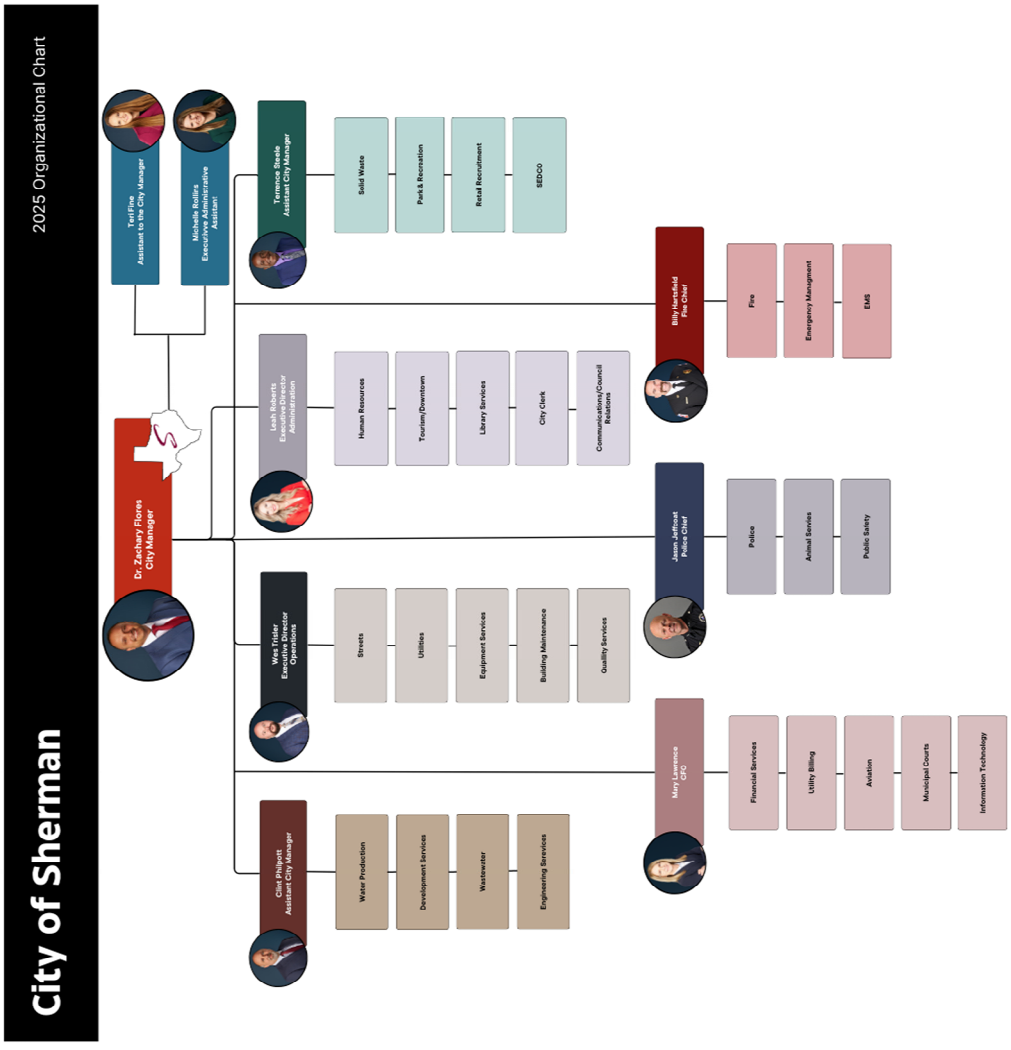
Dr. Zachary Flores, City Manager



Mary Lawrence, Chief Financial Officer

CITY OF SHERMAN, TEXAS

ORGANIZATION CHART



CITY OFFICIALS AS OF SEPTEMBER 30, 2025

Elected Officials

Mayor	Shawn Teamann
Deputy Mayor	Juston Dobbs
Councilmember, At-Large, Place #1	Henry Marroquin
Councilmember, District #1	Clay Barnett
Councilmember, District #2	Josh Stevenson
Councilmember, District #3	Pamela L. Howeth
Councilmember, District #4	Daron Holland

Appointed Officials

City Manager	Dr. Zachary Flores
City Attorney	The Law Firm of Abernathy, Roeder, Boyd & Hullett, P.C.

Department Directors

Assistant City Manager	Clint Philpott, P.E.
Assistant City Manager	Terrence R. Steele
Chief Financial Officer	Mary Lawrence, C.P.A.
Executive Director of Administration	Leah Roberts
Executive Director of Operations	Wes Trisler
Executive Director of Development Services	Rob Rae, A.I.C.P.
Director of Engineering	Wayne Lee, P.E.
Director of Parks & Recreation	Justin Eastwood
Director of HR / Civil Service	Cathy Perkins
Director of Public Works	Eric Sandberg
Fire Chief	Billy Hartsfield
Police Chief	Jason Jeffcoat

City of Sherman
Location Map

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Sherman
Texas

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

September 30, 2024

Christopher P. Morrill

Executive Director/CEO

Sherman
CLASSIC TOWN. BROAD HORIZON.

Financial Section

Sherman
CLASSIC TOWN. BROAD HORIZON.

2300 North Field Street, Suite 1000
Dallas, Texas 75201
972-490-1970

Independent Auditor's Report

Honorable Mayor and Members of City Council
City of Sherman, Texas

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Sherman, Texas (the City), as of and for the year ended September 30, 2025, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City, as of September 30, 2025, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

The City's management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control–related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the required supplementary information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The other supplementary information, as listed in the table of contents, is presented for purposes of additional analysis and is not a required part of the basic financial statements.

Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the other supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information Included in the Annual Comprehensive Financial Report (ACFR)

Management is responsible for the other information included in the ACFR. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated February 24, 2026 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Weaver and Tidwell, L.L.P.

WEAVER AND TIDWELL, L.L.P.

Dallas, Texas
February 24, 2026

Sherman

CLASSIC TOWN. BROAD HORIZON.

Management's Discussion and Analysis

Sherman

CLASSIC TOWN. BROAD HORIZON.

Management's Discussion and Analysis

As management of the City of Sherman, Texas (City), we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended September 30, 2025. The information presented here should be considered in conjunction with the letter of transmittal at the front of this report and the financial statements which follow this section.

Financial Highlights

- The assets and deferred outflows of resources of the City of Sherman exceeded its liabilities and inflows of resources at the close of the most recent fiscal year by $157.2 million (net position). Of this amount, $116.5 million represents net investment in capital assets, $13.3 million is restricted for specific uses with the remainder identified as unrestricted, which may be used to meet the City's ongoing obligations to citizens and creditors.
- The City's total net position increased $44.2 million or 39% from last fiscal year's net position. The increase was due to the City's water and sewer sales and an increase in property tax revenues.
- At the close of the current fiscal year, the City's governmental funds reported combined ending fund balance of $114.1 million, an increase of $22.2 million in comparison with the prior year. Approximately 25% of this total amount, $28.8 million, is available for spending at the government's discretion (unassigned fund balance). $77.7 million or 68% of fund balance in the City's governmental funds is restricted for general improvements of infrastructure and facilities.

- As of the end of the current fiscal year, the City's proprietary funds, excluding internal service funds, reported combined ending net position of $73.3 million. Approximately 20% of this total amount, $15.0 million, is in unrestricted net position.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements consist of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also includes supplementary information intended to furnish additional detail to support the basic financial statements themselves.

Government-wide Financial Statements. The *government-wide financial statements* are designed to provide readers with a broad overview of the City's finances in a manner similar to a private-sector business.

The *statement of net position* presents information on all the City's assets, liabilities, and deferred inflows/outflows of resources, with the difference reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The *statement of activities* presents information showing how the City's net position changed during the fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from functions that are intended to recover all or a significant portion of their costs through user fees (business-type activities). The governmental activities of the City include general government, public safety, streets, community services, and community development. The business-type activities of the City include water, wastewater, and solid waste services.

The government-wide financial statements include not only the City itself (known as the *primary government*), but also a legally separate entity for which the City is financially accountable, the Sherman Economic Development Corporation (SEDCO). Financial information for this *component unit* is reported separately from the financial information presented for the primary government itself. Complete financial statements for SEDCO are available upon request from SEDCO or the City's Finance Department.

The government-wide financial statements begin on page 20 of this report.

Fund Financial Statements. A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All the funds of the City can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental Funds. *Governmental funds* are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be used in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide statements, it is useful to compare the information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City maintains three (3) major governmental funds, and twenty-two (22) nonmajor governmental funds. Information for the major funds (General Fund, Debt Service Fund, and General Improvement Fund) is presented separately in the governmental fund statement of revenues, expenditures, and changes in fund balances. Data from the nonmajor governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor funds is provided in the form of combining statements beginning on page 98 of this report.

The City adopts an annual appropriated budget for its General Fund. A budgetary comparison statement has been provided for the General Fund to demonstrate compliance with this budget.

The City's governmental fund financial statements begin on page 24 of this report.

Proprietary Funds. The City maintains two types of proprietary funds. *Enterprise Funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements and account for its water and wastewater, and solid waste operations. Internal Service Funds are used to accumulate and allocate costs internally among the City's various functions. The City uses Internal Service Funds to account for its equipment services, information technology, self-funded health insurance, and fleet replacement. Because these services predominantly benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the water and wastewater operations and for solid waste operations, both of which are major funds of the City. Internal Service Funds are combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for the Internal Service Funds are provided in the form of combining statements beginning on page 130 of this report.

The basic proprietary fund financial statements can be found on pages 28 of this report.

Notes to the Financial Statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements begin on page 33 of this report.

Other Information. In addition to the basic financial statements and accompanying notes, this report also presents required supplementary information concerning budgetary compliance of the City's general fund and the City's progress in funding its obligation to provide pension benefits and other post-employment benefits (OPEB) to its employees. Required supplementary information begins on page 85 of this report.

The combining statements referred to earlier in connection with nonmajor governmental funds and internal service funds are presented immediately following the required supplementary information. Combining and individual fund statements and schedules begin on page 98 of this report.

Government-Wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City, assets and deferred outflows exceeded liabilities and deferred inflows by $157.2 million at the close of the most recent fiscal year.

By far, the largest portion of the City's net position reflects its net investment in capital assets (e.g., land, buildings, infrastructure, machinery and equipment), less any related debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

The overall net position of the City of Sherman increased by $44.2 million, or 39% from the prior fiscal year. The increase was due to an increase in water and sewer sales and property tax revenues.

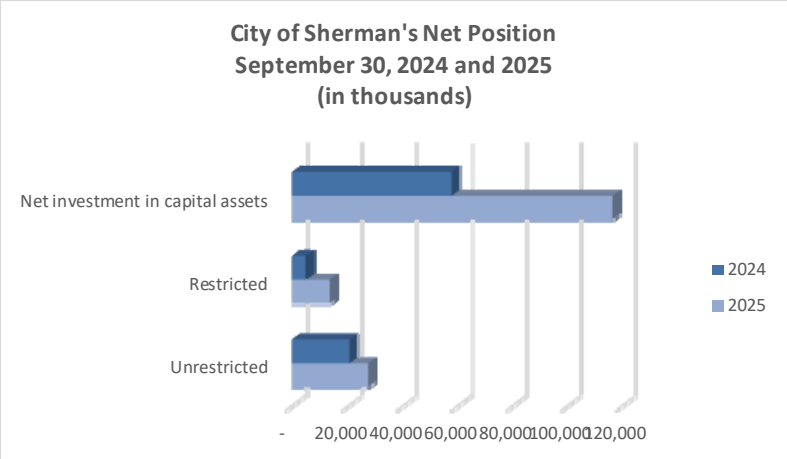
During fiscal year 2025, the City continued its plan to fund upcoming capital projects related to current and expected growth with debt issuances of $44.5 million in certificates of obligation and $6.5 million in tax notes. The debt issuance primarily accounts for the increase in current assets from the prior year and the correlating increase in total liabilities during the current year.

The City's current net position, along with last fiscal year's numbers, are presented for comparison in the following table.

City of Sherman's Net Position
(in thousands)

	Governmental Activities		Business-type Activities		Totals	
	2025	2024	2025	2024	2025	2024
Current and other assets	$ 124,013	$ 104,728	$ 31,979	$ 21,541	$ 155,992	$ 126,269
Capital assets	208,342	162,286	50,737	38,600	259,079	200,886
Total assets	332,355	267,014	82,716	60,141	415,071	327,155
Deferred outflows of resources	7,594	9,261	1,852	2,258	9,446	11,519
Long-term liabilities	230,421	191,677	6,491	6,936	236,912	198,613
Other liabilities	21,225	19,046	3,428	4,025	24,653	23,071
Total liabilities	251,646	210,723	9,919	10,961	261,565	221,684
Deferred inflows of resources	4,408	2,970	1,342	1,021	5,750	3,991
Net investment in capital assets	67,767	48,480	48,777	36,745	116,544	85,225
Restricted	3,777	4,340	9,568	4,952	13,345	9,292
Unrestricted	12,351	9,762	14,962	8,720	27,313	18,482
Total net position	$ 83,895	$ 62,582	$ 73,307	$ 50,417	$ 157,202	$ 112,999

A portion of the City's net position, $13.3 million, represents resources that are subject to external restrictions on how they may be used. At the end of the current fiscal year, all categories of net position were positive.

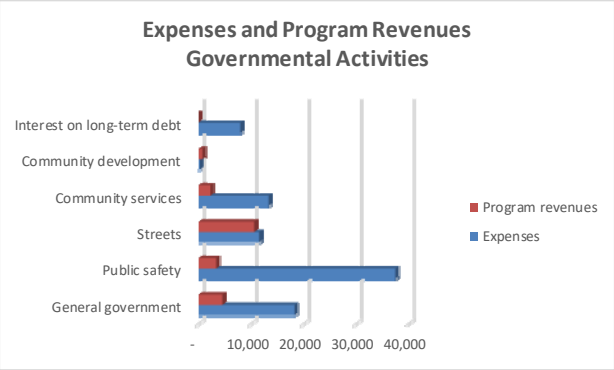


Changes in Net Position. The City's condensed changes in net position, along with last fiscal year's numbers, are presented for comparison in the following table.

City of Sherman's Changes in Net Position
(in thousands)

	Governmental Activities		Business-type Activities		Totals	
	2025	2024	2025	2024	2025	2024
Revenues						
Program revenues:						
Charges for services	$ 9,409	$ 12,305	$ 58,421	$ 43,480	$ 67,830	$ 55,785
Operating grants and contributions	3,013	3,188	-	-	3,013	3,188
Capital grants and contributions	9,397	13,204	15,157	7,873	24,554	21,077
General revenues:						
Property taxes	41,346	27,864	-	-	41,346	27,864
Sales taxes	28,083	30,207	-	-	28,083	30,207
Other taxes	5,489	4,452	-	-	5,489	4,452
Other	7,865	7,713	2,621	1,819	10,486	9,532
Total revenues	104,602	98,933	76,199	53,172	180,801	152,105
Expenses						
General government	18,329	11,640	-	-	18,329	11,640
Public safety	37,527	38,541	-	-	37,527	38,541
Streets	11,615	12,240	-	-	11,615	12,240
Community services	13,394	13,120	-	-	13,394	13,120
Community development	358	797	-	-	358	797
Interest on long-term debt	8,019	6,597	-	-	8,019	6,597
Water and sewer service	-	-	38,545	30,972	38,545	30,972
Solid waste service	-	-	8,813	8,566	8,813	8,566
Total expenses	89,242	82,935	47,358	39,538	136,600	122,473
Increase in net position before transfers	15,360	15,998	28,841	13,634	44,201	29,632
Transfers	5,952	4,651	(5,952)	(4,651)	-	-
Change in net position	21,312	20,649	22,889	8,983	44,201	29,632
Net position, beginning	62,583	41,933	50,418	41,434	113,001	83,367
Net position, ending	$ 83,895	$ 62,582	$ 73,307	$ 50,417	$ 157,202	$ 112,999

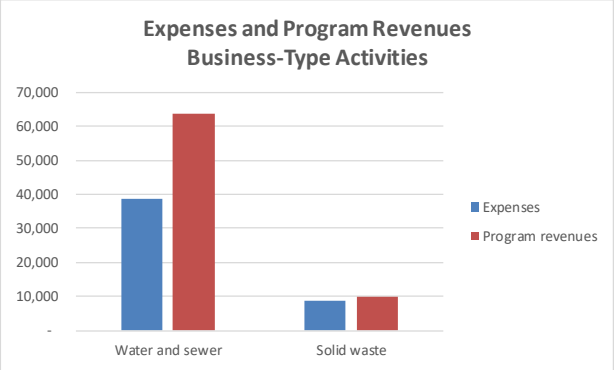
Governmental Activities. Governmental activities increased the City's net position by $21.3 million due to property tax growth of $13.5 million or 48% from valuations and additions to the tax roll primarily related to industrial property that will be abated next year. Expenses in governmental activities were higher than the prior year primarily due to an increase in general government expenses of $6.7 million or 57% due to the transfer for development services from public safety to general government ($3.1 million), development incentives, payroll expenditures, downtown grants, and mowing, as well as other operating costs. Interest on long-term debt increased $1.4 million.



Business-type Activities. Results for the current fiscal year in the City's business-type activities increased the City's net position by $22.9 million, with operations similar to the prior year. Net position from Water and Sewer activities for fiscal year 2025 increased $22.5 million, primarily due to an increase in water and sewer rates and an increase in volume for commercial customers, as well as increased capital contributions.

Net position related to Solid Waste activities increased $0.4 million with solid waste service revenues slightly higher than expenses in fiscal year 2025. There were also transfers out totaling $2.0 million.

The City's business-type activities expenses and program revenues are presented in the following chart.

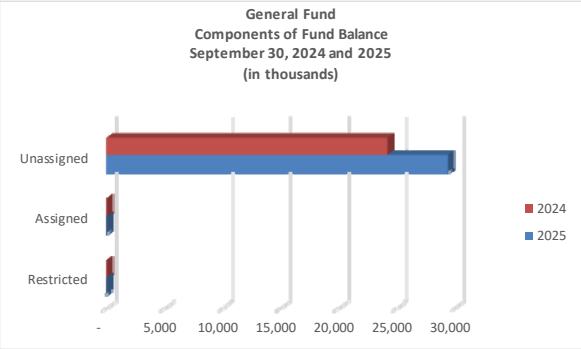


Financial Analysis of The Government's Funds

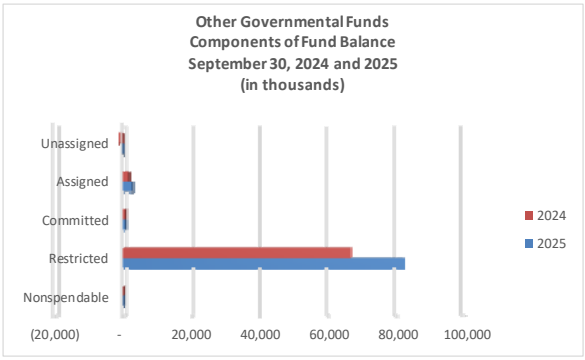
As noted earlier, the City of Sherman uses fund accounting to ensure and demonstrate compliance with finance- related legal requirements.

Governmental Funds. The focus of the City's governmental funds is to provide information on near-term inflows and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for discretionary use as they represent the portion of fund balance which has not yet been limited to use for a particular purpose by either an external party, the City of Sherman itself, or a group or individual that has been delegated authority to assign resources for use for particular purposes by the City Council.

On September 30, 2025, the City's governmental funds reported combined fund balances of $114.1 million, which is $22.2 million more than the prior year due to proceeds from the issuance of certificates of obligation and tax notes. Approximately 25.2% of the governmental fund balances, or $28.8 million, constitutes unassigned fund balance, which is available for spending at the government's discretion. The remainder of the fund balance is either nonspendable, restricted, committed, or assigned to indicate that it is: 1) not in spendable form ($0.1 million), 2) committed for particular purposes ($0.6 million), 3) restricted for particular purposes ($82.1 million), or 4) assigned for particular purposes ($2.5 million).



The General Fund is the chief operating fund of the City of Sherman. At the end of the fiscal year, unassigned fund balance of the general fund was $29.4 million. Total fund balance increased by $5.1 million from the prior fiscal year to $29.4 million, primarily due to growth of property tax revenue. Expenditures were higher than the prior year primarily due to an increase in general government of $4.8 million and community services of $1.4 million from a transfer of development services from public safety to the general government function, payroll, mowing, and other operating costs. Unassigned fund balance represents approximately 42.8% of total general fund expenditures.



The General Improvement Fund, a major fund, increased $15.4 million during the fiscal year, ending the year at a fund balance of $75.2 million. The increase was due primarily due to proceeds from issuance of certificates of obligation and tax notes. Expenditures of $38.9 million in fiscal year 2025 included $4.3 million for Shepherd Drive, $2.7 million for the renovation and addition of Fire Station No.1, $4.7 million for Bel Air Boulevard, $4.6 million for the renovation of City Hall, $5.4 million for Heritage Ranch public improvements, $2.8 million of Texas Department of Transportation funding for FM 1417 & 56 to W. Travis St, $1.2 million for an inclusive playground and improvements at Pecan Grove East Park, $1.3 million for the playground and pavilion at Fairview park, $1.1 million for the Cherry Street rebuild, $1.1 million for Lamberth and Shady Oaks public improvements and other street and facilities projects.

The Debt Service Fund, also a major fund, ended the year at a fund balance of $0.8 million. General property taxes of $12.7 million were allocated to this fund to cover principal and interest payments of approximately $14.5 million.

The remaining governmental funds ended the year with a fund balance of $8.7 million, an increase of $2.3 million from the prior year due to a $1.6 million sale of City property in TIRZ #7 and an increased in assessments in the Bel Air Public Improvement District.

Proprietary Funds. The City's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. The City has two proprietary funds, the Water and Sewer Fund, and the Solid Waste Fund.

Unrestricted net position of the Water and Sewer Fund at the end of the year was $13.9 million and had increased by $5.9 million primarily due to water and sewer sales, capital contributions and impact fees, combined with transfers out.

Unrestricted net position of the Solid Waste Fund increased marginally. Operations in the Solid Waste Fund were similar to the prior year.

General Fund Budgetary Highlights

Original Budget Compared to Final Budget. The original budget was amended by the City Council during fiscal year 2025, increasing revenues by $2.5 million and expenditures by $6.8 million. The additional revenues included interfund transfers of about $0.8 million in addition to revenue realized in some of the minor funds. The additional expenses included concert expenses, Downtown grants, contract mowing, public safety overtime, street repairs, health insurance claims, vehicle repairs, purchase of property in the floodplain, disposal fees, trash containers, and additional equipment purchases.

The size of the budget amendment reflected the rate of growth and change the City experienced during fiscal year 2025.

Capital Assets

The City's investment in capital assets for its governmental and business-type activities as of September 30, 2025, amounts to $259.1 million (net of accumulated depreciation). This investment in capital assets includes land, buildings and system improvements, machinery, equipment, vehicles, park facilities, roads, bridges, and the water and wastewater treatment plants. The City's total investments in net capital assets increased in the current fiscal year by $58.2 million or approximately 29%.

Major capital asset events during fiscal year 2025 included the following:

- New and continuing projects included miscellaneous water line improvements, water treatment plant generator construction, Bel Air Boulevard Phase II, Moore Street, Shepherd Drive, FM 1417 from 56 to W Travis, major street rebuild for Washington & Sunset, and Lamberth Road.

- Construction projects in progress at the end of fiscal year 2025 included new street design and construction in developing areas, drainage improvements, park facilities and improvements, Fire Station #3 Remodel, Fire Station #4 training tower, Senior Center accessibility and remodel, and water treatment plant generator construction.

- Projects completed during the year included the renovation and addition to Fire Station No. 1, the renovation of City Hall, Heritage Ranch public improvements, Fairview Park playground and pavilion, the public safety trunking system, and the inclusive playground and improvements at Pecan Grove East Park.

- Various machinery and equipment were acquired totaling approximately $9.4 million. Governmental activities included purchasing a pothole repair truck, chipper, skid steer and a heavy-duty pickup truck for the street department, patrol vehicles and equipment for law enforcement, a pumper truck, three vehicles, two all-terrain medical units and equipment for the fire department, cat condos for the animal shelter, a dump truck, a water truck, a tractor, a manhole cutter and a car for neighborhood services, a ballfield all-in-one machine, a rugged terrain vehicle, a tractor, and four zero turn mowers for the parks maintenance department, two sport utility vehicles for equipment services and a sport utility vehicle for management services. Business type activities included purchasing a dump truck, an excavator and trailer and eight pickup trucks for water treatment and distribution, two rugged terrain vehicles for wastewater treatment services and two roll off trucks, a transfer truck and trailer, a rear loader and a front loader for solid waste collection.

- Depreciation totaled $12.7 million for governmental activities, including internal service funds and $3.7 million for business-type activities.

City of Sherman's Capital Assets, Net of Depreciation and Amortization
(in thousands)

	Governmental Activities		Business-type Activities		Totals	
	2025	2024	2025	2024	2025	2024
Land	$ 11,419	$ 9,452	$ 2,928	$ 2,928	$ 14,347	$ 12,380
Buildings	34,040	23,673	1,014	996	35,054	24,669
Other improvements	85,580	66,804	36,522	25,778	122,102	92,582
Machinery and equipment	28,846	20,044	1,845	1,899	30,691	21,943
Other assets	431	62	6,434	6,507	6,865	6,569
Construction in progress	47,310	42,097	1,897	492	49,207	42,589
Right of use asset - equipment	216	-	72	-	288	-
SBITA	500	154	25	-	525	154
Total assets	$ 208,342	$ 162,286	$ 50,737	$ 38,600	$ 259,079	$ 200,886

Additional information on the City's capital assets can be found in footnote 3(C) of this report.

Debt Administration

At the end of the current fiscal year, the City had total contractually obligated long-term debt of $219.3 million. In fiscal year 2025, the City issued $44.5 million in governmental certificates of obligation to fund general improvements. These obligations are to be repaid from general tax revenues of the General Fund. Property taxes and a limited pledge of the net revenues of the water and sewer system secure the certificates of obligation even though repayment is expected to be made solely from general tax revenues. The City also issued $6.5 million in tax notes for the purchase of equipment for departments in the general fund, utility fund and the solid waste fund which will be repaid from property taxes.

City of Sherman's Outstanding Debt
(in thousands)

	Governmental Activities		Business-type Activities		Totals	
	2025	2024	2025	2024	2025	2024
Bonds	$ 3,693	$ 4,652	$ -	$ -	$ 3,693	$ 4,652
Leases	223	-	74	-	297	-
SBITA	442	102	-	51	442	153
Certificates of obligation, net of premium	201,191	161,483	-	-	201,191	161,483
Other long-term payables	302	531	1,663	1,803	1,965	2,334
Tax notes	11,445	7,508	222	-	11,667	7,508
Total debt	$ 217,296	$ 174,276	$ 1,959	$ 1,854	$ 219,255	$ 176,130

Long-term debt for the City increased by $43.1 million or 24.5%, due to the issuances of $44.5 million in certificates of obligation and $4.5 million in tax notes. Principal payments on outstanding debt totaled $10.8 million in fiscal year 2025.

The City of Sherman maintains a "AA" rating from Standard & Poor's for general obligation debt and a rating of "A-" for its debt issued through the Greater Texoma Utility Authority.

As part of the budget process, City staff compare the debt limit allowed under the City charter to debt outstanding. At the beginning of the 2025 fiscal year, the City had 19.5% of allowable bonded debt outstanding.

Additional information on the City's long-term debt can be found in footnote 3(D) of this report.

Economic Factors and Next Year's Budgets and Rates

The following economic factors affecting the City were considered in developing the 2025-2026 fiscal year budget.

- 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 industrial 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 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 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.

- The budget of the General Improvement Fund - City Funds consists of projects funded by Tax Notes. The fiscal year 2026 budget includes about $2 million dedicated to purchasing street material to maintain existing streets by in-house crews.

- The budget of the General Improvement Fund - Bond Funds consists of projects funded by Certificates of Obligation. The fiscal year 2026 budget 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.

- Projects funded by contractual debt through the Greater Texoma Utility Authority 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.

Contacting the City's Financial Management

This financial report is designed to provide a general overview of the City's finances for all those with an interest in the City's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to City of Sherman, Finance Department, P.O. Box 1106, Sherman, Texas 75091-1106.

Sherman

CLASSIC TOWN. BROAD HORIZON.

Basic Financial Statements

City of Sherman, Texas
Statement of Net Position
September 30, 2025

	Governmental Activities	Business-type Activities	Total	Component Unit
ASSETS				
Current assets:				
Cash	$ 11,705,838	$ 4,397,331	16,103,169	$ 14,225,971
Pooled and temporary investments	104,904,380	19,406,894	124,311,274	12,734,604
Receivables, net	6,714,256	7,523,556	14,237,812	982,858
Internal balances	367,814	(367,814)	-	-
Inventories, at cost	230,114	966,447	1,196,561	-
Prepayments and deposits	90,972	53,033	144,005	-
Total current assets	124,013,374	31,979,447	155,992,821	27,943,433
Noncurrent assets:				
Capital assets:				
Nondepreciable assets	58,728,918	11,225,751	69,954,669	6,954,131
Other capital assets, net	149,612,837	39,510,790	189,123,627	20,513
Total noncurrent assets	208,341,755	50,736,541	259,078,296	6,974,644
Total assets	332,355,129	82,715,988	415,071,117	34,918,077
DEFERRED OUTFLOWS OF RESOURCES				
Pension plan - TMRS	6,901,232	1,682,550	8,583,782	98,106
OPEB - retiree health plan	556,500	135,677	692,177	7,911
OPEB - TMRS supplemental death benefit	136,647	33,316	169,963	1,943
Total deferred outflows of resources	7,594,379	1,851,543	9,445,922	107,960
LIABILITIES				
Current liabilities:				
Accounts payable	4,309,460	1,335,562	5,645,022	41,736
Accrued expenses payable	1,440,782	272,453	1,713,235	112,614
Accrued interest payable	1,214,202	-	1,214,202	-
Unearned revenue	883,762	247,334	1,131,096	-
Landfill closure costs	-	38,000	38,000	-
Customers' deposits payable	192,723	635,680	828,403	-
Current portion of bonds, leases, certificates of obligation, tax notes and other long-term payables	13,184,705	898,676	14,083,381	29,468
Total current liabilities	21,225,634	3,427,705	24,653,339	183,818

The Notes to the Financial Statements are an integral part of this statement.

City of Sherman, Texas
Statement of Net Position (Continued)
September 30, 2025

	Governmental Activities	Business-type Activities	Total	Component Unit
Long-term liabilities:				
Accrued compensated absences	4,551,018	336,424	4,887,442	-
Notes payable	162,002	-	162,002	-
General obligation bonds	2,737,644	-	2,737,644	-
Certificates of obligation	195,940,633	-	195,940,633	-
Tax notes	8,637,790	184,177	8,821,967	-
Subscription liability	223,878	-	223,878	-
Lease liabilities	175,619	58,540	234,159	-
Net pension liability	13,660,821	3,330,566	16,991,387	194,198
Total OPEB liability - retiree health plan	3,201,597	780,563	3,982,160	45,513
Total OPEB liability - TMRS supplemental death benefit	1,129,963	275,490	1,405,453	16,063
Other long-term payables	-	1,525,286	1,525,286	-
Total long-term liabilities	230,420,965	6,491,046	236,912,011	255,774
Total liabilities	251,646,599	9,918,751	261,565,350	439,592
DEFERRED INFLOWS OF RESOURCES				
Leases	46,079	278,186	324,265	-
Pension plan - TMRS	1,776,153	433,034	2,209,187	25,249
OPEB - Retiree health plan	2,215,360	540,114	2,755,474	31,493
OPEB - TMRS supplemental death plan	370,726	90,385	461,111	5,270
Total deferred inflows of resources	4,408,318	1,341,719	5,750,037	62,012
NET POSITION				
Net investment in capital assets	67,766,601	48,777,179	116,543,780	6,953,480
Restricted for:				
Cemetery maintenance:				
Expendable	2,165,259	-	2,165,259	-
Nonexpendable	100,000	-	100,000	-
Law enforcement support	1,115,597	-	1,115,597	-
Airport and tourism	396,429	-	396,429	-
Impact fees	-	9,568,050	9,568,050	-
Economic development	-	-	-	27,570,953
Unrestricted	12,350,705	14,961,832	27,312,537	-
TOTAL NET POSITION	$ 83,894,591	$ 73,307,061	$ 157,201,652	$ 34,524,433

The Notes to the Financial Statements are an integral part of this statement.

City of Sherman, Texas
Statement of Activities
For the Fiscal Year Ended September 30, 2025

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions
PRIMARY GOVERNMENT				
Governmental activities:				
General government	$ 18,328,826	$ 2,858,702	$ 842,996	$ 900,000
Public safety	37,527,190	2,314,607	1,115,600	-
Streets	11,614,910	2,148,076	8,441	8,497,203
Community services	13,393,982	2,087,474	231,981	-
Community development	357,251	-	813,698	-
Interest on long-term debt	8,019,046	-	-	-
Total governmental activities	89,241,205	9,408,859	3,012,716	9,397,203
Business-type activities:				
Water and sewer service	38,544,992	48,515,367	-	15,157,225
Solid waste service	8,813,248	9,905,443	-	-
Total business-type activities	47,358,240	58,420,810	-	15,157,225
TOTAL PRIMARY GOVERNMENT	$ 136,599,445	$ 67,829,669	$ 3,012,716	$ 24,554,428
COMPONENT UNIT				
Economic development	$ 8,940,933	$ -	$ -	$ -

General revenues:
Taxes:
General property
City sales
Franchise
Nonproperty
Property assessment
Investment Income
Miscellaneous
Gain on sale of capital assets
Transfers - internal activity

Total general revenues and transfers

Change in net position

Net position, beginning

NET POSITION, ENDING

The Notes to the Financial Statements are an integral part of this statement.

Net Revenues (Expenses) and Changes in Net Position			
Primary Government			
Governmental Activities	Business-type Activities	Total	Component Unit
$ (13,727,128)	$ -	$ (13,727,128)	$ -
(34,096,983)	-	(34,096,983)	-
(961,190)	-	(961,190)	-
(11,074,527)	-	(11,074,527)	-
456,447	-	456,447	-
(8,019,046)	-	(8,019,046)	-
(67,422,427)	-	(67,422,427)	-
-	25,127,600	25,127,600	-
-	1,092,195	1,092,195	-
-	26,219,795	26,219,795	-
$ (67,422,427)	$ 26,219,795	$ (41,202,632)	$ -
-	-	-	(8,940,933)
41,345,954	-	41,345,954	-
28,082,903	-	28,082,903	6,480,670
3,379,958	-	3,379,958	-
1,259,395	-	1,259,395	-
849,780	-	849,780	-
5,598,041	788,608	6,386,649	1,181,399
2,266,737	1,744,595	4,011,332	28,500
-	87,566	87,566	637,159
5,951,584	(5,951,584)	-	-
88,734,352	(3,330,815)	85,403,537	8,327,728
21,311,925	22,888,980	44,200,905	(613,205)
62,582,666	50,418,081	113,000,747	35,137,638
$ 83,894,591	$ 73,307,061	$ 157,201,652	$ 34,524,433

City of Sherman, Texas
Balance Sheet
Governmental Funds
September 30, 2025

	General	General Improvement	Debt Service	Nonmajor Governmental	Total Governmental
ASSETS					
Cash	$ 4,040,822	$ 428,188	$ 721,590	$ 3,800,949	$ 8,991,549
Pooled and temporary investments	20,979,702	77,233,950	-	6,372,733	104,586,385
Receivables (net of allowance for uncollectibles):					
Interest	56,139	-	-	366	56,505
Intergovernmental	8,881	-	-	61,397	70,278
Accounts	608,719	-	-	151,782	760,501
Taxes	4,640,854	-	230,701	495,357	5,366,912
Leases	-	-	-	48,602	48,602
Due from other funds	2,877,220	-	-	-	2,877,220
Inventory	-	-	-	15,532	15,532
Prepayments and deposits	628	-	-	-	628
TOTAL ASSETS	$ 33,212,965	$ 77,662,138	$ 952,291	$ 10,946,718	$ 122,774,112
LIABILITIES					
Accounts payable	$ 1,962,648	$ 1,496,775	$ 750	$ 439,784	$ 3,899,957
Accrued wages payable	375,137	-	-	8,186	383,323
Customer deposits	2,025	-	-	190,698	192,723
Unearned revenue	749,196	129,813	-	1,018	880,027
Due to other funds	-	840,811	-	1,534,720	2,375,531
Total liabilities	3,089,006	2,467,399	750	2,174,406	7,731,561
DEFERRED INFLOWS OF RESOURCES					
Property taxes	318,586	-	177,632	-	496,218
Court fines	119,753	-	-	-	119,753
Ambulance fees	240,556	-	-	-	240,556
Deferred inflows - leases	-	-	-	46,079	46,079
Total deferred inflows of resources	678,895	-	177,632	46,079	902,606
FUND BALANCES					
Nonspendable:					
Prepayments and deposits	628	-	-	-	628
Endowment	-	-	-	100,000	100,000
Inventory	-	-	-	15,532	15,532
Restricted for:					
Law enforcement support	-	-	-	1,115,597	1,115,597
Airport and tourism	-	-	-	396,429	396,429
Intrastructure and facilities improvement	-	72,734,551	-	4,940,335	77,674,886
Debt service	-	-	773,909	-	773,909
Cemetery maintenance	-	-	-	2,165,259	2,165,259
Committed to:					
New street development	-	-	-	577,053	577,053
Assigned for:					
Public charities	16,472	-	-	-	16,472
General improvements	-	2,460,188	-	-	2,460,188
Unassigned	29,427,964	-	-	(583,972)	28,843,992
Total fund balance	29,445,064	75,194,739	773,909	8,726,233	114,139,945
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE	$ 33,212,965	$ 77,662,138	$ 952,291	$ 10,946,718	$ 122,774,112

The Notes to the Financial Statements are an integral part of this statement.

City of Sherman, Texas

Reconciliation of the Governmental Funds
Balance Sheet to the Statement of Net Position
September 30, 2025

TOTAL FUND BALANCE - GOVERNMENTAL FUNDS	$ 114,139,945
Amounts reported for governmental activities in the statement of net position are different because:	
Internal Service Funds are used to charge the costs of certain activities such as fleet maintenance, information technology and insurance to individual funds. The assets and liabilities of the Internal Service Funds are included in governmental activities in the statement of net position.	13,386,608
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	
Governmental capital assets	299,104,791
Less: accumulated depreciation and amortization	(111,455,581)
Long-term liabilities that pertain to governmental funds are not due and payable in the current period and, therefore, are not reported as fund liabilities. All liabilities - both current and long-term are reported in the statement of net position. Included with amounts related to long-term liabilities is the deferred charge on bond refunding. Included with amounts related to the net pension liability are deferred outflows of resources and deferred inflows of resources that are attributable to the multi-employer pension plan. Balances at year-end are:	
Bonds payable	(3,692,644)
Certificates of obligation	(201,190,633)
Tax notes	(3,574,257)
Notes payable	(211,907)
Right-to-use lease liability	(202,746)
Subscription liability	(30,269)
Compensated absences	(7,477,756)
Net pension liability	(12,947,620)
OPEB - retiree health plan	(3,544,333)
OPEB - TMRS supplemental death benefit	(1,114,729)
Deferred outflows of resources - pension plan	6,540,934
Deferred outflows of resources - OPEB retiree health plan	527,446
Deferred outflows of resources - TMRS supplemental death benefit	129,513
Deferred inflows of resources - pension plan	(1,683,424)
Deferred inflows of resources - OPEB retiree health plan	(2,099,701)
Deferred inflows of resources - TMRS supplemental death benefit	(351,371)
Various other items necessary to convert from the modified accrual basis of accounting to the accrual basis of accounting, including:	
Accrued interest payable	(1,214,202)
Unavailable revenue - property taxes	496,218
Unavailable revenue - court fines	119,753
Unavailable revenue - ambulance fees	240,556
TOTAL NET POSITION - GOVERNMENTAL ACTIVITIES	$ 83,894,591

The Notes to the Financial Statements are an integral part of this statement.

City of Sherman, Texas

Statement of Revenues, Expenditures
and Changes in Fund Balances - Governmental Funds
For the Fiscal Year Ended September 30, 2025

	General	General Improvement	Debt Service	Nonmajor Governmental	Total Governmental
REVENUES					
Taxes:					
General property	$ 25,370,051	$ -	$ 12,662,470	$ 762,770	$ 38,795,291
City sales	28,082,903	-	-	-	28,082,903
Franchise	3,379,958	-	-	-	3,379,958
Nonproperty	166,878	-	-	1,092,517	1,259,395
Property assessment	-	-	-	849,780	849,780
Licenses and permits	2,271,489	-	-	-	2,271,489
Intergovernmental	966,060	900,000	-	888,881	2,754,941
Charges for services	4,069,969	-	-	3,136,845	7,206,814
Fines and forfeitures	976,988	-	-	120,912	1,097,900
Investment income (loss)	1,615,825	3,342,117	92,097	347,886	5,397,925
Donations	23,989	-	-	156,798	180,787
Miscellaneous	562,639	-	-	1,691,815	2,254,454
Total revenues	67,486,749	4,242,117	12,754,567	9,048,204	93,531,637
EXPENDITURES					
Current:					
General government	15,792,712	-	-	-	15,792,712
Public safety	35,093,283	-	-	850,938	35,944,221
Streets	5,761,098	-	-	-	5,761,098
Community services	10,270,063	-	-	2,155,459	12,425,522
Community development	-	-	-	345,994	345,994
Capital outlay	1,601,435	38,568,474	-	1,592,154	41,762,063
Debt service:					
Principal	202,245	-	6,951,005	413	7,153,663
Interest	8,501	-	7,505,652	86	7,514,239
Debt issuance costs and agent fees	-	345,141	7,950	-	353,091
Total expenditures	68,729,337	38,913,615	14,464,607	4,945,044	127,052,603
Excess (deficiency) of revenues over (under) expenditures	(1,242,588)	(34,671,498)	(1,710,040)	4,103,160	(33,520,966)
OTHER FINANCING SOURCES (USES)					
Issuance of bonds	-	44,485,000	-	-	44,485,000
Issuance of tax notes	-	3,507,300	-	-	3,507,300
Premiums on issuance of debt	-	1,120,961	-	-	1,120,961
Issuance of leases	227,415	-	-	3,394	230,809
Issuance of notes payable	268,773	-	-	-	268,773
Issuance of SBITAs	45,918	-	-	-	45,918
Transfers in	6,479,484	1,000,000	1,213,687	700,000	9,393,171
Transfers out	(700,000)	(32,424)	-	(2,548,858)	(3,281,282)
Total other financing sources (uses)	6,321,590	50,080,837	1,213,687	(1,845,464)	55,770,650
Net change in fund balances	5,079,002	15,409,339	(496,353)	2,257,696	22,249,684
Fund balances, beginning	24,366,062	59,785,400	1,270,262	6,468,537	91,890,261
FUND BALANCES, ENDING	$ 29,445,064	$ 75,194,739	$ 773,909	$ 8,726,233	$ 114,139,945

The Notes to the Financial Statements are an integral part of this statement.

City of Sherman, Texas

Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities
For the Fiscal Year Ended September 30, 2025

TOTAL NET CHANGE IN FUND BALANCE - GOVERNMENTAL FUNDS	$ 22,249,684
Amounts reported for governmental activities in the statement of activities are different because:	
Internal Service Funds are used to charge the costs of certain activities such as fleet maintenance, information technology and insurance to individual funds. The change in net position of the Internal Service Funds is reported with governmental activities.	1,391,328
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation. This is the amount of capital outlay ($43,407,567) and capital contributions ($8,497,203) recorded as capital assets in the current period.	51,904,770
Depreciation on capital assets is reported in the statement of activities but does not require the use of current financial resources. Therefore, depreciation is not reported as expenditures in the governmental funds.	(9,115,982)
The issuance of long-term debt (e.g. bonds) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of refunding transactions, premiums, discounts, and similar items when debt is issued, whereas the amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.	
Issuance of debt	(47,992,300)
Premium on debt issuance	(1,120,961)
Issuance of notes payable	(268,773)
Issuance of SBITAs	(45,918)
Issuance of right-to-use leases	(230,809)
Principal paid - bonds payable	905,000
Principal paid - certificates of obligation	5,370,000
Principal paid - tax notes	676,004
Principal paid - subscription liability	117,729
Principal paid - right-to-use lease liability	28,063
Principal paid - notes payable	56,866
Amortization of premium on debt issuance	420,908
Certain expenses related to employee compensation and benefits are reported in the statement of activities but do not require the use of financial resources and, therefore, are not reported as expenditures in governmental funds:	
Change in compensated balances	(1,403,287)
Change in pension liability	32,993
Change in OPEB obligation - retiree health plan	388,470
Change in OPEB obligation - TMRS supplemental death benefit	32,446
Various other items necessary to convert from the modified accrual basis of accounting to the accrual basis of accounting, including:	
Miscellaneous transactions involving capital assets	(1,592,263)
Change in accrued interest payable	(311,666)
Change in unavailable revenue - property taxes	9,979
Change in unavailable revenue - court fines	5,640
Change in unavailable revenue - ambulance fees	(195,996)
CHANGE IN NET POSITION - GOVERNMENTAL ACTIVITIES	$ 21,311,925

The Notes to the Financial Statements are an integral part of this statement.

City of Sherman, Texas
Statement of Net Position
Proprietary Funds
September 30, 2025

	Business-type Activities Enterprise Funds			Governmental Activities
	Water and Sewer	Solid Waste	Total	Internal Service
ASSETS				
Current assets:				
Cash	$ 4,397,206	$ 125	$ 4,397,331	$ 2,714,289
Pooled and temporary investments	17,657,312	1,749,582	19,406,894	317,995
Receivables (net allowances for uncollectibles):				
Interest	40,225	18,488	58,713	-
Leases	468,240	-	468,240	-
Accounts	4,334,427	1,005,131	5,339,558	411,458
Unbilled accounts	1,526,723	130,322	1,657,045	-
Inventories, at cost	966,447	-	966,447	214,582
Prepaid items	53,033	-	53,033	90,344
Due from other funds	-	-	-	-
Total current assets	29,443,613	2,903,648	32,347,261	3,748,668
Capital assets:				
Non-depreciable assets	11,222,751	3,000	11,225,751	55,250
Other capital assets, net	38,690,075	820,715	39,510,790	20,637,295
Total noncurrent assets	49,912,826	823,715	50,736,541	20,692,545
Total assets	79,356,439	3,727,363	83,083,802	24,441,213
DEFERRED OUTFLOWS OF RESOURCES				
Pension plan - TMRS	1,310,965	371,585	1,682,550	360,298
OPEB - retiree health plan	105,713	29,964	135,677	29,054
OPEB - supplemental death benefit	25,958	7,358	33,316	7,134
Total deferred outflows of resources	1,442,636	408,907	1,851,543	396,486
LIABILITIES				
Current liabilities:				
Accounts payable	1,086,714	248,848	1,335,562	409,503
Accrued expenses payable:				
Accured wages payable	211,642	60,811	272,453	45,502
Landfill closure and postclosure care costs	-	38,000	38,000	-
Claims payable	-	-	-	1,011,957
Due to other funds	-	367,814	367,814	133,875
Unearned revenue	247,334	-	247,334	3,735
Customers' deposits payable	569,655	66,025	635,680	-
Current portion of long-term liabilities:				
Notes payable	-	-	-	89,823
Lease liability	14,720	1,280	16,000	4,480
Subscription liability	-	-	-	203,965
Accrued compensated absences	435,409	129,493	564,902	155,904
Tax notes	37,946	-	37,946	1,956,498
Total OPEB liability - retiree health plan	102,193	28,966	131,159	28,086
Tatal OPEB liability - supplemental death benefit	8,770	2,486	11,256	2,411
Other long-term payables	137,413	-	137,413	-
Total current liabilities	2,851,796	943,723	3,795,519	4,045,739

The Notes to the Financial Statements are an integral part of this statement.

City of Sherman, Texas
Statement of Net Position (Continued)
Proprietary Funds
September 30, 2025

	Business-type Activities Enterprise Funds			Governmental Activities
	Water and Sewer	Solid Waste	Total	Internal Service
Long-term liabilities (net of current portion):				
Lease liability	53,856	4,684	58,540	16,391
Subscription liability	-	-	-	208,575
Accrued compensated absences	267,375	69,049	336,424	99,211
Net pension liability	2,595,023	735,543	3,330,566	713,201
Tax notes	184,177	-	184,177	5,914,089
Total OPEB liability - retiree health plan	608,179	172,384	780,563	167,149
Tatal OPEB liability - supplemental death benefit	214,649	60,841	275,490	58,993
Other long-term payables	1,525,286	-	1,525,286	-
Total long-term liabilities	5,448,545	1,042,501	6,491,046	7,177,609
Total liabilities	8,300,341	1,986,224	10,286,565	11,223,348
DEFERRED INFLOWS OF RESOURCES				
Leases	278,186	-	278,186	-
Pension plan - TMRS	337,400	95,634	433,034	92,729
OPEB - retiree health plan	420,832	119,282	540,114	115,659
OPEB - supplemental death benefits	70,424	19,961	90,385	19,355
Total deferred inflows of resources	1,106,842	234,877	1,341,719	227,743
NET POSITION				
Net investment in capital assets	47,959,428	817,751	48,777,179	12,303,997
Restricted for:				
Impact fees	9,568,050	-	9,568,050	-
Unrestricted	13,864,414	1,097,418	14,961,832	1,082,611
TOTAL NET POSITION	$ 71,391,892	$ 1,915,169	$ 73,307,061	$ 13,386,608

The Notes to the Financial Statements are an integral part of this statement.

City of Sherman, Texas

Statement of Revenues, Expenses
and Changes in Net Position
Proprietary Funds
For the Fiscal Year Ended September 30, 2025

	Business-type Activities -Enterprise Funds			Governmental Activities
	Water and Sewer	Solid Waste	Total	Internal Service
OPERATING REVENUES				
Water sales	$ 26,233,291	$ -	$ 26,233,291	$ -
Sewer sales	16,599,841	-	16,599,841	-
Solid waste service	-	9,905,443	9,905,443	-
Laboratory fees	175,095	-	175,095	-
Service connections and penalties	886,261	-	886,261	-
Utility tap fees	88,418	-	88,418	-
Charges for services	185,333	-	185,333	16,777,877
Property taxes	-	-	-	2,540,684
Intergovernmental	1,317,243	-	1,317,243	-
Miscellaneous	572,532	1,172,063	1,744,595	12,283
Total operating revenues	46,058,014	11,077,506	57,135,520	19,330,844
OPERATING EXPENSES				
Personnel services	10,144,216	2,754,372	12,898,588	2,666,746
Contractual services	15,377,811	3,627,816	19,005,627	7,541,782
Supplies	2,905,467	439,695	3,345,162	1,513,318
Maintenance and repair	5,426,258	119,789	5,546,047	2,740,428
Vehicle usage	1,061,009	1,705,441	2,766,450	400
Depreciation and amortization	3,566,979	164,557	3,731,536	3,548,091
Total operating expenses	38,481,740	8,811,670	47,293,410	18,010,765
Operating income (loss)	7,576,274	2,265,836	9,842,110	1,320,079
NONOPERATING REVENUES (EXPENSES)				
Gain (loss) on sale of assets	21,066	66,500	87,566	292,396
Invesment income	710,542	78,066	788,608	200,116
Interest expense	(63,252)	(1,578)	(64,830)	(260,958)
Impact fees	4,347,128	-	4,347,128	-
Total nonoperating revenues (expenses)	5,015,484	142,988	5,158,472	231,554
Income (loss) before contributions and transfers	12,591,758	2,408,824	15,000,582	1,551,633
CONTRIBUTIONS AND TRANSFERS				
Capital contributions	13,839,982	-	13,839,982	-
Transfers in	474,000	-	474,000	-
Transfers out	(4,391,369)	(2,034,215)	(6,425,584)	(160,305)
Total contributions and transfers	9,922,613	(2,034,215)	7,888,398	(160,305)
Change in net position	22,514,371	374,609	22,888,980	1,391,328
Net position, beginning	48,877,521	1,540,560	50,418,081	11,995,280
NET POSITION, ENDING	$ 71,391,892	$ 1,915,169	$ 73,307,061	$ 13,386,608

The Notes to the Financial Statements are an integral part of this statement.

City of Sherman, Texas
Statement of Cash Flows
Proprietary Funds
For the Fiscal Year Ended September 30, 2025

	Business-type Activities - Enterprise Funds			Governmental Activities
	Water and Sewer	Solid Waste	Total	Internal Service
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash received from customers	$ 43,951,403	$ 11,018,627	$ 54,970,030	$ -
Cash received for interfund services	-	-	-	20,612,629
Cash paid for supplies and materials	(24,308,317)	(5,563,113)	(29,871,430)	(5,293,594)
Cash paid for premiums, claims and adminstrative	-	-	-	(6,362,864)
Cash paid for personnel services	(9,855,920)	(2,689,099)	(12,545,019)	(2,558,699)
Net cash provided by (used for) operating activities	9,787,166	2,766,415	12,553,581	6,397,472
CASH FLOWS FROM NONCAPITAL FINACING ACTIVITIES				
Cash received from other funds	474,000	-	474,000	-
Cash paid to other funds	(4,391,369)	(2,034,215)	(6,425,584)	(160,305)
Net cash provided by (used for) noncapital financing activities	(3,917,369)	(2,034,215)	(5,951,584)	(160,305)
CASH FLOWS FROM CAPTIAL AND RELATED FINANCING ACTIVITIES				
Proceeds from sale of capital assets	21,066	66,500	87,566	286,912
Acquisiton of capital assets	(15,746,384)	(121,315)	(15,867,699)	(8,401,284)
Proceeds from issuance of long-term debt	341,268	-	341,268	3,241,676
Principal retirement of long-term debt	(191,103)	(44,974)	(236,077)	(2,306,048)
Impact fees	4,347,128	-	4,347,128	-
Interest paid on long-term debt	(63,252)	(1,578)	(64,830)	(260,958)
Capital contributions	13,839,982	-	13,839,982	-
Net cash provided by (used for) capital and related financing activities	2,548,705	(101,367)	2,447,338	(7,439,702)
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest and investment income received	710,542	78,066	788,608	200,116
Purchases of investments	(7,303,069)	(1,005,441)	(8,308,510)	(13,054)
Proceeds from sale of investments	-	-	-	2,222,961
Net cash provided by (used for) investing activities	(6,592,527)	(927,375)	(7,519,902)	2,410,023
Net increase (decrease) in cash	1,825,975	(296,542)	1,529,433	1,207,488
Cash beginning	2,571,231	296,667	2,867,898	1,506,801
CASH ENDING	$ 4,397,206	$ 125	$ 4,397,331	$ 2,714,289

The Notes to the Financial Statements are an integral part of this statement.

City of Sherman, Texas

Statement of Cash Flows (Continued)
Proprietary Funds
For the Fiscal Year Ended September 30, 2025

	Business-type Activities - Enterprise Funds			Governmental Activities
	Water and Sewer	Solid Waste	Total	Internal Service
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES				
Operating income	$ 7,576,274	$ 2,265,836	$ 9,842,110	$ 1,320,079
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:				
Depreciation and amortization	3,566,979	164,557	3,731,536	3,548,091
(Increase) decrease in:				
Accounts receivable (net)	(807,242)	(68,509)	(875,751)	(399,807)
Due from other funds	-	-	-	1,683,086
Unbilled services	17,875	9,630	27,505	-
Inventories	(107,019)	-	(107,019)	6,071
Prepaid items	(42,875)	-	(42,875)	(90,344)
Increase (decrease) in:				
Accounts payable	488,556	(48,527)	440,029	54,320
Accrued wages payable	60,856	14,968	75,824	8,081
Landfill closure and postclosure care costs	-	(1,468)	(1,468)	-
Due to other funds	-	367,814	367,814	(49,794)
Estimated liability for claims	-	-	-	211,136
Accrued compensated absences	379,271	91,060	470,331	133,050
Unearned revenue	(1,317,244)	-	(1,317,244)	(1,494)
Customer deposits	62,710	(3,159)	59,551	-
Net pension and OPEB obligations	(90,975)	(25,787)	(116,762)	(25,003)
Total adjustments	2,210,892	500,579	2,711,471	5,077,393
NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES	$ 9,787,166	$ 2,766,415	$ 12,553,581	$ 6,397,472

The Notes to the Financial Statements are an integral part of this statement.

Note 1. Summary of Significant Accounting Policies

The City of Sherman, Texas (the City) was founded by an act of the First Texas Legislature in 1846 and was incorporated as a general law City on December 7, 1858. In 1915, the City was reorganized as a home rule City with the adoption of a new City Charter. The new charter established a Council-Manager form of government. The general governmental functions include law enforcement, fire and other public safety activities, streets, public improvements, public charities, parks and recreation, library services, zoning and general administrative services. Enterprise Funds are used to account for the operations of its water, sewer and solid waste systems.

The accounting and reporting policies of the City relating to the funds included in the accompanying basic financial statements conform to accounting principles (GAAP) generally accepted in the United States of America applicable to state and local governments. Generally accepted accounting principles For the local governments include those principles prescribed by the Governmental Accounting Standards Board (GASB) and the American Institute of Certified Public Accountants in the publication entitled, *Audits of State and Local Governmental Units.*

A. Financial Statement Presentation

The basic financial statements are prepared in conformity with GAAP, which requires the government-wide financial statements to be prepared using the accrual basis of accounting and the economic resources measurement focus. Government-wide financial statements do not provide information by fund, but distinguish between the City's governmental activities, business-type activities and activities of its discretely presented component unit on the statement of net position and statement of activities. The City's statement of net position includes both noncurrent assets and noncurrent liabilities of the City. In addition, the government-wide statement of activities reflects depreciation expense on the City's capital assets, including infrastructure.

In addition to the government-wide financial statements, the City has prepared fund financial statements, which use the modified accrual basis of accounting and the current financial resources measurement focus for the governmental funds. The accrual basis of accounting is utilized by proprietary fund types. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred.

The Management's Discussion and Analysis provides an analytical overview of the City's financial activities. In addition, a budgetary comparison statement is presented that compares the original adopted and final amended general fund budgets with actual results. The City does not have any major special revenue funds.

B. Financial Reporting Entity

The City is governed by an elected mayor and a six-member council. As required by GAAP, these financial statements present the City (the primary government) and the entities for which the City is considered to be financially accountable (component units). Discretely presented component units are reported in a separate column in the basic financial statements in order to emphasize that they are legally separate from the City.

The City's financial reporting entity comprises the following:

Primary Government:	City of Sherman
Discrete Component Unit:	Sherman Economic Development Corporation (SEDCO)

The City's basic financial statements include the accounts of all City operations. The criteria for including organizations as component units with the City's reporting entity, as set forth in Section 2100 of GASB's Codification of Governmental Accounting and Financial Reporting Standards, include whether:

- The organization is legally separate (can sue and be sued in their own name).
- The City appoints a voting majority of the organization's board.
- The City is able to impose its will on the organization.
- The organization has the potential to impose a financial benefit / burden on the City; and
- There is fiscal dependency by the organization on the City.

These factors make the organization meet the criteria for being presented as a component unit.

Blended Component Units

Blended component units are separate legal entities that meet the component unit criteria described above and whose governing body is the same or substantially the same as the City Council or the component unit provides services entirely to the City. These component units' funds are blended into those of the City's by appropriate activity type to compose the primary government presentation. Currently, the City presents no blended component units.

Discretely Presented Component Units

Discretely presented component units are separate legal entities that meet the component unit criteria described above but do not meet the criteria for blending. The following component unit is discretely presented into the reporting activity type of the City's report.

Sherman Economic Development Corporation – (SEDCO) is a nonprofit industrial development corporation organized for the purpose of promoting, assisting, and enhancing economic development activities for the City as provided by the Development Corporation Act of 1979. SEDCO is managed by a board of directors composed entirely of persons appointed by and serving at the pleasure of the Sherman City Council. The City is also financially accountable for SEDCO because the City Council approves SEDCO's budget, levies sales taxes (SEDCO's primary source of revenue), and approves any debt issuances. Sales taxes are collected under Section 4A of the Development Corporation Act of 1979 for these purposes. SEDCO began its operations on April 1, 1996. A copy of SEDCO's audit report can be obtained by contacting their offices at 307 West Washington, Sherman, Texas 75090.

Related Organizations

Related organizations are excluded from the financial reporting entity because the City's accountability does not extend beyond making appointments. Audited financial statements are available from the respective organizations. Related organizations are described as follows:

Housing Authority of the City of Sherman (Authority) – Administers federal programs to provide low-rent housing to qualified City residents. The five-member board of the Authority is appointed by the Mayor. The City Council has no significant influence over the management, budget or policies of the Authority. The Authority reports independently.

Greater Texoma Utility Authority (GTUA) – Assists local governments in the development of water, sewer and solid waste facilities. The City appoints 3 members to GTUA's 9-member Board of Directors. The City financed certain water and sewer facilities through debt issued by GTUA and the City is contractually obligated to make sufficient payments to GTUA for annual debt service requirements of that debt. The City has no significant influence over the operations of GTUA, as its scope benefits other entities beside the City. GTUA reports independently.

Texoma Area Solid Waste Authority (TASWA) – Developed and operates a municipal solid waste landfill for the benefit of the City and other local governments in Grayson and Cooke Counties. The Mayor serves as one of five members of TASWA's Board of Directors. The City has an ongoing financial responsibility to TASWA and has pledged to pay fees established by TASWA in order for TASWA to pay its operating and debt service obligations. However, the City has no significant influence over TASWA's administration or operation. TASWA reports independently.

C. Government-wide and Fund Financial Statements

The basic financial statements include both government-wide (based on the City as a whole) and fund financial statements. The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the activities of the primary government and its component units. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

The government-wide statement of activities demonstrates the degree to which the direct expenses of a functional category (general government, public safety, streets, community services and community development) are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include: 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment, 2) grants and contributions that are restricted to meeting the operational requirements of a particular function or segment, and 3) grants and contributions that are restricted to meeting the capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

The net cost (by function or business-type activity) is normally covered by general revenue (property taxes, sales taxes, franchise taxes, intergovernmental revenues, and interest income).

Separate funds-based financial statements are provided for governmental funds and proprietary funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements. GASB Statement No. 34 sets forth minimum criteria (percentage of assets, liabilities, revenues or expenditures/expenses of applicable fund category and for the governmental and enterprise combined) for the determination of major funds. The non-major funds are combined in a separate column in the applicable fund financial statements.

D. Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide statements and fund financial statements for proprietary funds are reported using the economic resources measurement focus and the accrual basis of accounting. The economic resources measurement focus means all assets, deferred outflows of resources, liabilities, and deferred inflows of resources (whether current or non-current) are included on the statement of net position and the operating statements present increases (revenues) and decreases (expenses) in total net position. Under the accrual basis of accounting, revenues are recognized when earned, including unbilled water and sewer services which are accrued. Expenses are recognized at the time the liability is incurred.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are franchise fees and administrative charges between the City's Enterprise Funds and the General Fund and charges of the Internal Service Funds to the City's other operating funds. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Amounts reported as program revenues include charges to customers for services and operating and capital grants and contributions. General revenues include all taxes and internally generated resources. Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenue to be available if collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, sales taxes, franchise taxes and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the City.

Operating income reported in proprietary fund financial statements includes revenues and expenses related to the primary, continuing operations of the fund. Principal operating revenues for proprietary funds are charges to customers for sales or services. Principal operating expenses are the costs of providing goods or services and include administrative expenses and depreciation of capital assets. Other revenues and expenses are classified as nonoperating in the financial statements.

When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, then unrestricted resources as needed.

E. Fund Types and Major Funds

Governmental Funds

The focus of governmental fund measurement (in the fund financial statements) is upon determination of financial position and changes in financial position (sources, uses and balances of financial resources) rather than upon net income. The City reports the following major governmental funds:

General Fund – reports the primary fund of the City. This fund is used to account for all financial resources not reported in other funds.

General Improvement Fund – accounts for projects planned as part of the City's five-year capital improvement program.

Debt Service Fund – to account for the payment of principal and interest on long-term debt.

Proprietary Funds

The focus of proprietary funds measurement is upon determination of operating income, changes in net position, financial position, and cash flows, which is similar to businesses. The City reports the following major Enterprise Funds:

Water and Sewer Fund – accounts for the provision of water and sewer services to the residents of the City.

Solid Waste Fund – accounts for the solid waste collection function of the City.

Other Fund Types

Additionally, the City reports the following fund type:

Special Revenue Funds – account for the proceeds of specific revenue sources that are restricted by law or committed by governing authority for specified purposes, other than debt service or capital projects. They are funded through taxes, grants, donations, assessments, fees and fines.

Capital Projects Funds – account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets.

Permanent Fund – used to report resources that are legally restricted to the extent that only earnings, and not principal, may be used for purposes that benefit the government or its citizenry. The Perpetual Care Fund of the cemetery is the City's only permanent fund.

Internal Service Funds – used to account for the financing of goods or services provided by one department to other departments within the City on a cost-reimbursement basis. These services include fleet management, information technology, self-funded health and dental insurance, and fleet replacement. These are proprietary funds that are reported with governmental activities in the government-wide financial statements.

F. Assets, Liabilities, and Net Position or Equity

Cash and Investments

Cash of all funds is pooled into common pooled accounts in order to maximize investment opportunities. Each fund whose monies are deposited in the pooled cash accounts has equity therein, and interest earned on the investment of these monies is allocated based upon relative equity at month-end. An individual fund's pooled cash and cash investments are available upon demand and are considered to be "cash equivalents" when preparing these financial statements. In addition, any marketable securities not included in the common pooled accounts that are purchased with a maturity of 90 days or less are also considered to be "cash equivalents."

All investments are recorded at fair value based on quoted market prices. Fair value is the amount at which a financial instrument could be exchanged in a current transaction between willing parties.

Property Taxes

Property taxes are levied by October 1 on the assessed value listed as of the prior January 1 for all real and business personal property located in the City. Taxes are due on receipt of the tax bill and are delinquent if not paid before February 1 of the year following the year in which imposed. On January 31 of each year, a tax lien attaches to property to secure the payment of all taxes, penalties, and interest ultimately imposed. Property tax revenues are considered available when they become due or past due and receivable within the current period and those expected to be collected during a 60-day period after the close of the City's fiscal year.

Taxable property includes real property and certain personal property situated in the City. Certain properties of religious, educational and charitable organizations, including the federal government and the State of Texas, are exempt from taxation. Additionally, there are other exemptions as noted below in arriving at the total assessed valuation of taxable property. The valuations are subject to countywide revaluation every five years. The effective tax rate is based upon the previous year's total assessed valuation.

	2025 Tax Roll	2024 Tax Roll
Total assessed value	$ 10,500,161,087	$ 7,926,709,648
Less exemptions for:		
Individuals over 65/disabled	101,688,194	92,776,326
Community housing	-	-
Productivity valuations of open land space	332,618,937	295,612,597
Homestead cap exemption	293,238,861	391,829,663
Veterans exemption	73,053,190	57,209,660
Pollution control exemption	65,138,200	49,650,859
Freeport exemptions	151,279,863	160,756,942
Exempt	870,279,194	868,932,701
Abatement	63,478,035	220,116,531
Net assesed value	$ 8,549,386,613	$ 5,789,824,369
Tax rate (per $100 valuation)	$ 0.5080	$ 0.5080

Inventories

Inventories consist of supplies and fuels held for consumption and are valued at cost on a first-in, first-out basis. Expenditures/expenses are recorded when consumed rather than when purchased.

Prepayments and Deposits

Certain payments to vendors reflect costs applicable to future accounting periods and are recognized as prepayments and deposits in both the government-wide and fund financial statements. The cost of these items is recorded as expenditures / expenses when consumed / provided rather than when paid.

Interfund Receivables and Payables

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as "due from other funds" or "due to other funds" on the fund level balance sheets / statement of net position. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

Transactions between Funds

Transactions between funds, which would have been treated as revenues, expenditures, or expenses if they involved organizations external to the government unit, are accounted for as revenues, expenditures, or expenses in the funds involved. Transactions which constitute reimbursements of a fund for expenditures or expenses initially made from that fund which are properly applicable to another fund are recorded as expenditures or expenses in the reimbursing fund and as reductions of the expenditure or expenses in the fund reimbursed. All other nonreciprocal transactions between funds which are not reimbursements and where the funds do not receive equivalent goods or services for the transaction are classified as transfers.

Capital Assets

Capital assets, which include property, plant, and equipment, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements and in the fund financial statements for proprietary funds. All capital assets are valued at historical cost or estimated historical cost if actual historical is not available. Donated assets are valued at acquisition value at the time received. Repairs and maintenance are recorded as expenses. Renewals and betterments are capitalized. Interest has not been capitalized during the construction period on property, plant and equipment.

During fiscal year 2007, the City completed its inventory of general infrastructure assets (i.e., streets and storm water drains), beginning with assets put in use in 1980. The City was able to estimate the historical cost for the initial reporting of these assets through back-trending (i.e., estimating the current replacement cost of the infrastructure to be capitalized and using an appropriate price level index to deflate the cost to the acquisition year or estimated acquisition year). As the City constructs or acquires additional capital assets each year, including infrastructure assets, they are capitalized and reported at historical cost.

Assets capitalized have an original cost of $5,000 or more and over three years of useful life. Depreciation has been calculated on each class of depreciable property using the straight-line method. Right to use SBITA assets are amortized over the lesser of the contract or the useful life of the underlying asset. Estimated useful lives are as follows:

Assets	Years
Buildings	20 - 50
Water and sewer system	30 - 50
Machinery and equipment	5 - 10
Improvements	20
Other assets	10
Right-of-use: SBITA	contract term
Right-of-use: leases	lease term

Compensated Absences

The City's policy allows employees to accumulate earned, but unused vacation leave up to the number of days equal to a one-year accrual. The liability for such leave is reported as incurred in the government-wide and proprietary fund financial statements. Vacation accrual is considered a current liability since it must be used within a year or paid at separation, whichever is earlier.

The City's policy allows employees to accumulate earned but unused sick leave on an unlimited basis. Civil service employees are entitled to be paid up to 135 and 90 days for fire and police civil service employees, respectively. Non-civil service employees with at least 10 years of service are entitled to be paid up to 360 hours of unused sick leave upon separation of employment with the City. An estimated portion of the sick leave liability is included in the current liability for compensated absences based on past experience.

Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the Fiduciary Net Position of the Texas Municipal Retirement System (TMRS) and additions to / deductions from TMRS's Fiduciary Net Position have been determined on the same basis as they are reported by TMRS. For this purpose, plan contributions are recognized in the period that compensation is reported for employees, which is when contributions are legally due. Benefit payments and refunds are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Other Postemployment Benefits

TMRS Supplemental Death Benefits Fund

The City participates in the Texas Municipal Retirement System Supplemental Death Benefit Fund (TMRS SDBF), which is an optional single employer defined benefit life insurance plan that is administered by TMRS. It provides death benefits to active and, if elected, retired employees of participating employers. Contribution rates are determined annually for each participating municipality as a percentage of that City's covered payroll. The death benefit for retirees is considered an other postemployment benefit (OPEB). The OPEB program is an unfunded trust because the SDBF trust covers both actives and retirees and is not segregated. The Total OPEB Liability of the plan has been determined using the flow of economic resources measurement focus and full accrual basis of accounting. This includes for purposes of measuring the Total OPEB Liability, deferred inflows and outflows of resources, and OPEB expense. Benefit payments are recognized when due and payable in accordance with the benefit terms.

Retiree Insurance Plan

The City, through its substantive commitment to provide other post-employment benefits (OPEB) provides retiree medical coverage to eligible employees. To be eligible, a City employee retiring at age 62 or over must have at least 5 years of service with the City. City employees retiring before age 62 must have at least 20 years of service with the City. Retirees are required to pay the premium cost for both single and dependent coverage. The City also subsidizes certain retirees and dependents as a result of prior commitments. The plan qualifies as a single employer defined benefit plan and is accounted for in the City's Insurance Fund and in the fund where the retiree last worked. A separate financial statement is not issued for the plan.

Deferred Outflows / Inflows of Resources

In addition to assets, the statement of net position and/or balance sheet will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to future periods and will not be recognized as an outflow of resources, either expenses or expenditures, until that time. The City reports the following items qualifying for this category:

- Deferred charges on refunding reported in the statements of net position - A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price and is amortized over the shorter of the life of the refunded or refunding debt.
- Difference in expected and actual pension and OPEB experience – This difference is deferred and recognized over the estimated average remaining lives of all members determined as of the measurement date.
- Changes in actuarial assumptions related to the pension and OPEB plan – This difference is deferred and recognized over the estimated average remaining lives of all members determined as of the measurement date.
- Pension and OPEB contributions after measurement date – These contributions are deferred and recognized in the following fiscal year.

In addition to liabilities, the statement of net position and/or balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, Deferred inflows of resources, represents an acquisition of net assets that applies to future periods and will not be recognized as an inflow of resources, or revenues, until that time. The City reports the following items qualifying for reporting in this category:

- Difference in expected and actual pension and OPEB experience – This difference is deferred and recognized over the estimated average remaining lives of all members determined as of the measurement date.
- Difference in projected and actual earnings on pension assets – This difference is deferred and amortized over a closed five-year period.
- Changes in actuarial assumptions related to the OPEB plan – This difference is deferred and recognized over the estimated average remaining lives of all members determined as of the measurement date.
- Deferred unavailable revenues reported on the balance sheet of the governmental funds – A deferred amount is recorded for the billed revenues not yet collected or available. These amounts are deferred and recognized as inflow of resources in the period the amounts become available.

Long-term Obligations

In the government-wide, proprietary and component unit financial statements, long-term debt and other long-term obligations are reported as liabilities. In the fund financial statements, long-term liabilities are not recorded in the governmental funds, as the payment of the obligations will not be made by current financial resources. The governmental fund financial statements recognize the proceeds of debt as other financing sources.

Subscription-Based IT Arrangements

The City is under contract for noncancellable subscription-based IT arrangements (SBITAs). The City recognizes a liability and an intangible right-to-use asset in the government-wide financial statements.

At the commencement of a SBITA, the City initially measures the liability at the present value of payments expected to be made during the agreement term. Subsequently, the liability is reduced by the principal portion of payments made. The asset is initially measured as the initial amount of the liability, adjusted for payments made at or before the commencement date, plus certain initial direct costs. Subsequently, the asset is amortized on a straight-line basis over its useful life.

Key estimates and judgments related to SBITAs include how the City determines (1) the discount rate it uses to discount the expected payments to present value, (2) agreement term, and (3) agreed upon payments.

- The City uses the interest rate charged by the SBITA vendor as the discount rate. When the interest rate charged by the SBITA vendor is not provided, the City generally uses its estimated incremental borrowing rate as the discount rate.
- The agreement term includes the noncancellable period of the SBITA.
- The agreed upon payments included in the measurement of the liability are composed of fixed payments and purchase option price that the City is reasonably certain to exercise.

The City monitors changes in circumstances that would require a remeasurement of its SBITA and will remeasure the asset and liability if certain changes occur that are expected to significantly affect the amount of the liability.

Leases

The City and its component unit is a lessee for noncancellable leases of telephone equipment and office space, respectively. The City and its component unit recognizes a lease liability and an intangible right-to-use lease asset (lease asset) in the government- wide financial statements.

At the commencement of a lease, the City and its component unit initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over its useful life.

Key estimates and judgments related to leases include how the City and its component unit determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments.

- The City and its component unit uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the City and its component unit generally uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price that the City and its component unit is reasonably certain to exercise.

The City and its component unit monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

Lease assets are reported with other capital assets and lease liabilities are reported with long term debt on the statement of net position.

Fund Balances

In the fund financial statements, governmental funds report aggregate amounts for five classifications of fund balances based on the constraints imposed on the use of these resources. The non-spendable fund balance classification includes amounts that cannot be spent because they are either (a) not in spendable form - prepaid items or inventories; or (b) legally or contractually required to be maintained intact.

The spendable portion of the fund balance comprises the remaining four classifications: restricted, committed, assigned, and unassigned.

Restricted fund balance - This classification reflects the constraints imposed on resources either (a) externally by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

Committed fund balance - These amounts can only be used for specific purposes pursuant to constraints imposed by an ordinance of the City Council – the government's most binding form of commitment. Those committed amounts cannot be used for any other purpose unless the City Council removes the specified use by taking the same type of action imposing the commitment.

Assigned fund balance - This classification includes amounts intended to be used by the City for specific purposes but do not meet the criteria to be classified as committed. The City Council authorizes an assignment of fund balance by directing the City Manager to assign the amounts or by delegating the authority to assign the amounts to the City Manager, such as for funds given to the City for a specific charitable purpose. Since no formal City Council action is taken for authorization of an assignment, no additional action is taken for its removal.

Unassigned fund balance - This fund balance is the residual classification for the General Fund. It is also used to report negative fund balances in other governmental funds.

The City uses restricted amounts first when both restricted and unrestricted fund balance are available. Additionally, the City would first use committed, then assigned, and lastly unassigned amounts of unrestricted fund balance when the expenditures are made.

The City's Fund Balance policy is to spend the funds with the most constraints first. Restricted fund balance is spent first, then committed fund balance, then assigned fund balance, and last of all, unassigned fund balance. The policy also sets 60 days of expenditures as the minimum amount of fund balance for the General, Utility and Solid Waste Funds. Furthermore, when fund balance falls below 60 days, the City will implement a replenishment plan. The policy also allows the City Council to use unassigned fund balance for capital needs to offset difficult economic times, to stabilize fluctuations in cash flow requirements, and to provide for emergencies.

Net Position

Net position represents the difference between (a) assets and deferred outflows of resources, and (b) liabilities and deferred inflows of resources. Net investment in capital assets consist of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvements of those assets, and adding back unspent proceeds. Net position is reported as restricted when there are limitations imposed on its use either through the enabling legislations adopted by the City or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. When both restricted and unrestricted resources are available for use, it is the government's policy to use restricted resources first, and then unrestricted resources as needed.

Estimates

The preparation of financial statements, in conformity with generally accepted accounting principles, requires management to make estimates. Actual amounts could differ from those estimates.

G. New Accounting Pronouncements

The City implemented the following standards during the fiscal year:

GASB Statement No. 101, Compensated Absences – The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. The City implemented this statement in fiscal year 2025.

GASB Statement No. 102, Certain Risk Disclosures. The objective of this Statement is to provide users of government financial statements with essential information about risks related to a government's vulnerabilities due to certain concentrations or constraints. The City implemented this statement in fiscal year 2025.

Significant new accounting standards issued by the Governmental Accounting Standards Board (GASB) not yet implemented by the City include the following:

GASB Statement No. 103, Financial Report Model Improvements. The objective of this Statement is to establish new accounting and financial reporting requirements – or modify existing requirements – related to the following:

- Management's discussion and analysis
- Unusual or infrequent items
- Presentation of the proprietary fund statement of revenues, expenses, and changes in fund net position
- Information about major component units in basic financial statements
- Budgetary comparison information
- Financial trends information in the statistical section

This Statement becomes effective for the City in fiscal year 2026, and the impact has not yet been determined.

GASB Statement No. 104, Disclosure of Certain Capital Assets. This Statement establishes requirements for certain types of capital assets to be disclosed separately in the capital assets note disclosures required by Statement No. 34, Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments. It also establishes requirements for capital assets held for sale, including additional disclosures for those capital assets. This Statement becomes effective for the City in fiscal year 2026.

GASB Statement No. 105, Subsequent Events. This Statement improves financial reporting related to subsequent events by 1) clarifying the subsequent events time frame and the subsequent events that constitute recognized and non-recognized events and 2) specifies the information items that are required to be disclosed about subsequent events. The requirements of this Statement are effective for reporting periods beginning after June 15, 2026, with earlier application encouraged. This Statement becomes effective for the City in fiscal year 2027.

Note 2. Stewardship, Compliance, and Accountability

A. Budgetary Information

Budget Policy and Practice

The City follows the procedures outlined below in establishing budgetary data reflected in the financial statements:

Annual budgets are legally adopted for all funds of the City. Fifty (50) days prior to the end of the fiscal year, the City Manager is required to submit to the City Council a proposed operating budget for the fiscal year commencing the following October 1. The operating budget includes the proposed expenditures/expenses and the proposed method to finance them.

Dates for public hearings, the purpose of which are to obtain taxpayers' comments, are set by the City Council at the time the budget is submitted to that body. The City Council may add to, subtract from or change appropriations but may not change the form of the proposed budget. Any changes must be within the revenue and reserves estimated as available by the City Manager. Prior to September 25 of each year, the budget is legally enacted through the passage of an ordinance.

At any time during the fiscal year, the City Manager may move part or all of any unencumbered appropriation balance among the various departments or programs within each fund.

In the case where additional appropriations are required within a fund, the City Manager must seek approval of the City Council, who may, by resolution, increase that fund's appropriation.

Budget Basis of Accounting

The City prepares its annual budget on a basis (budget basis), which differs from generally accepted accounting principles (GAAP basis). The budget and all transactions are presented in accordance with the City's method (budget basis) in the Schedule of Revenues, Expenditures and Changes in Fund Balances –Budget and Actual – General Fund to provide a meaningful comparison of actual results with the budget. The major differences between budget and GAAP basis in the General Fund is that sales tax is recorded when earned for GAAP and is recorded when received for budget. Unrealized investment gain (loss) is recognized for GAAP basis only.

B. Deficit Fund Equity

The Stormwater, TIF #3, TIRZ#5, Equipment Services, and Information Technology Funds have a deficit fund balance of $157,927, $124,429, $301,616, $345,416, and $158,596, respectively. These deficits will be addressed as part of the development of the Fiscal Year 2025-2026 budget.

Note 3. Detailed Notes on All Funds

A. Deposits and Investments

Deposits

	Primary Government	Comonent Unit
Petty cash	$ 8,029	$ -
Bank deposits:		
Demand accounts	13,095,140	6,632,174
Times accounts	3,000,000	7,593,797
Total cash and deposits	$ 16,103,169	$ 14,225,971

Custodial Credit Risk is the risk that in the event of a bank failure, the City's deposits may not be returned, or the City will not be able to recover collateral securities in the possession of an outside party. State statutes require that all deposits in financial institutions be fully collateralized by U.S. Government Obligations or its agencies and instrumentalities or direct obligations of Texas or its agencies and instrumentalities that have a fair value of not less than the principal amount of deposits. At September 30, 2025, the City's deposit balance of $16,103,169 and the Sherman Economic Development Corporation, a discretely presented component unit, balance of $14,225,971 were both collateralized by FDIC insurance and with letters of credit issued by the Federal Home Loan Bank in the name of the respective entity.

Investments

The following schedule summarizes the City's investments as of September 30, 2025:

Investment Type	Fair Value	Credit Rating	Weighted Average Maturity (Days)
Primary governement:			
U.S. Treasury	$ 1,003,750	AA+	472
Texas Subdivisions Municipal Obligations	8,545,207	A3 to AA+	752
U.S. Agencies	21,344,762	AA+	620
TexStar	6,669,214	AAAm	50
TexPool	84,518,323	AAAm	41
Common trust funds (corporate)	2,230,018	NR	
Total primary government	124,311,274		
Component Unit:			
TexPool	12,734,604	AAAm	41
Total component unit	12,734,604		
Total Value	$ 137,045,878		

The City has investments with two public funds investment pools as of September 30, 2025: the Texas Local Government Investment Pool (TexPool) and the Texas Short-term Asset Reserve Program (TexStar). These pools have been organized in conformity with the Interlocal Cooperation Act and the Public Funds Investment Act of the Texas Government Code. The Comptroller maintains oversight responsibility and has established an advisory board composed of both participants in the pool and other persons who do not have a business relationship with pool. The Advisory Board members review the investment policy and management fee structure.

Both pools state all investments at amortized cost, which generally approximates the fair value of the securities. Both pools submit their information to Standard & Poor's for ratings review. Deposits in this fund are not subject to custodial credit risk. The City does not have any limitations or restrictions on withdrawals from these pools.

In 1956, the City established a trust fund with the purpose to hold investments to provide income for the perpetual upkeep of the City's cemetery. The investments of the trust fund are administered by the trust company affiliated with a non-depository bank. The City's investments in the trust fund at September 30, 2025, are comprised of money market funds, exchange-traded funds and corporate equity and bond mutual funds. The investments are insured and held by the trustee in the City's name. The City has not imposed any restrictions on the investments selected by the trustee. These investments are carried at fair value as determined by market quotes.

Credit Risk is the risk that an insurer or other counterparty to an investment will not fulfill its obligations. Investing is performed in accordance with the City's investment policy adopted by the City Council complying with state law and the City charter. City funds may be invested in: 1) fully insured time deposits; 2) obligations of the United States Treasury; 3) obligations of Agencies or Instrumentalities of the United States; 4) obligations of the State of Texas, or its political subdivisions, rated no lower than A; 5) investment pools with a continuous rating no lower than AAA; and 6) repurchase agreements. Under the City policy, the City may not invest in collateralized mortgage obligations, mutual funds, commercial paper and investment pools rated lower than AAA or who invest in prohibited investments under the City policy.

Custodial Credit Risk for investments is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in possession of an outside party. For direct investments, the City policy provides that investments and investment collateral is held by a third-party custodian with whom the City has a current custodial agreement in the City's name.

Interest Rate Risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Investments held for longer periods are subject to increased risk of adverse interest rate changes. The City's policy provides that to the extent practicable, investments are matched with anticipated cash flows. Investments are diversified to minimize the risk of loss resulting from over-concentration of assets in a specific maturity period, a single issuer, or an individual class of securities. However, the City's policy provides that investments to be purchased must have final maturities of five years or less.

Concentration of Credit Risk is the risk of loss attributed to the magnitude of the City's investments in a single issuer. The City's policy does not place a limit on the amount that may be invested in any one issuer. This risk does not apply to U. S. Government Securities or investments in an external investment pool.

Foreign Currency Risk is the risk that an investment denominated in the currency of a foreign country could reduce its U. S. dollar value as a result of changes in foreign currency exchange fees. As of September 30, 2025, the City was not exposed to foreign currency risk.

Investments - Fair Value Hierarchy

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in an active market for identical assets; Level 2 inputs are significant other observable inputs or quoted prices in markets that are not active; and Level 3 inputs are significant unobservable inputs.

The following schedule summarizes the City's investments that are measured at fair value on a recurring basis as of September 30, 2025:

Investment Type	Fair Value 9/30/25	Level 1 Inputs	Level 2 Inputs	Level 3 Inputs
U. S. Treasury	$ 1,003,750	$ 1,003,750	$ -	$ -
Texas subdivisions obligations	8,545,207	-	8,545,207	-
U. S. Agencies	21,344,762	-	21,344,762	-
Common trust funds	2,230,018	2,230,018	-	-
Total	$ 33,123,737	$ 3,233,768	$ 29,889,969	$ -

Each of the City's investments are categorized as Level 2, but the U.S. Treasury and perpetual care cemetery trust are classified as Level 1. Level 1 inputs are quoted prices in active markets for identical assets. Level 2 inputs include quoted prices for similar assets in active markets, quoted prices for identical or similar assets in markets where there isn't sufficient activity, and/or where price quotations vary substantially either over time or among market makers (some brokered markets, for example), or in which little information is released publicly. Level 2 inputs other than quoted prices that are observable for the asset(s) may include observable and commonly quoted interest rates, yield curves, volatilities, prepayment speeds, loss severities, credit risks, default rates, inputs that are derived principally from or corroborated by observable market data, and similar information. A Level 2 designation requires that all inputs and/or adjustments are observable and documentable in the marketplace.

B. Receivables

Amounts recorded as receivable as of September 30, 2025, for the City's individual major funds, internal service funds, and nonmajor governmental funds in the aggregate, including the applicable allowances for uncollectible accounts, are as follows:

	General	Debt Service	Water and Sewer	Solid Waste	Internal Service	Nonmajor	Total
Receivables:							
Interest	$ 56,139	$ -	$ 40,225	$ 18,488	$ -	$ 366	$ 115,218
Intergovernmental	8,881	-	-	-	-	61,397	70,278
Leases	-	-	468,240	-	-	48,602	516,842
Accounts	3,832,334	-	4,430,427	1,046,131	411,458	154,652	9,875,002
Unbilled accounts	-	-	1,526,723	130,322	-	-	1,657,045
Taxes	5,032,994	461,402	-	-	-	495,357	5,989,753
Gross receivables	8,930,348	461,402	6,465,615	1,194,941	411,458	760,374	18,224,138
Less: allowance for uncollectibles	(3,615,755)	(230,701)	(96,000)	(41,000)	-	(2,870)	(3,986,326)
Net total receivables	$ 5,314,593	$ 230,701	$ 6,369,615	$ 1,153,941	$ 411,458	$ 757,504	$ 14,237,812

The Water and Sewer Fund and the Solid Waste Fund accounts receivable include unbilled charges for services rendered at September 30, 2025.

Governmental funds report unavailable revenue (a deferred inflow of resources) in connection with receivables for revenue that is not considered to be available to liquidate liabilities of the current period. At the end of the current fiscal year, the various components of unavailable revenue reported in the governmental funds were as follows:

	General	Debt Service	Total
Delinquent property tax receivable	$ 318,586	177,632	$ 496,218
Court fines	119,753	-	119,753
Ambulance fees	240,556	-	240,556
Total governmental funds	$ 678,895	$ 177,632	$ 856,527

C. Capital Assets

Capital asset activity for the year ended September 30, 2025, was as follows:

Primary Government

	Beginning Balance	Increases	Decreases	Reclassifications/ Transfers	Ending Balance
Governmental activities, excluding internal service funds:					
Capital assets not being depreciated/amortized:					
Land	$ 9,396,647	$ 20,500	$ (255,067)	$ 2,201,506	$ 11,363,586
Construction in progress	42,097,485	35,902,644	(926,285)	(29,763,762)	47,310,082
Total capital assets, not being depreciated/amortized	51,494,132	35,923,144	(1,181,352)	(27,562,256)	58,673,668
Capital assets, being depreciated/amortized:					
Buildings	32,013,210	31,500	(1,022,221)	11,851,436	42,873,925
Improvements other than buildings	152,577,039	14,463,447	(37,009)	11,231,638	178,235,115
Machinery and equipment	12,096,594	1,210,707	(234,450)	4,044,130	17,116,981
Other capital assets	1,406,832	-	(263,097)	435,052	1,578,787
Right-of-use asset - equipment	-	230,809	-	-	230,809
SBITA	349,588	45,918	-	-	395,506
Total capital assets, being depreciated/amortized	198,443,263	15,982,381	(1,556,777)	27,562,256	240,431,123
Less accumulated depreciation/amortization:					
Buildings	(8,374,069)	(1,110,388)	624,973	-	(8,859,484)
Improvements other than buildings	(85,851,156)	(6,898,854)	23,979	-	(92,726,031)
Machinery and equipment	(7,665,019)	(895,438)	233,817	-	(8,326,640)
Other capital assets	(1,389,042)	(51,766)	262,342	-	(1,178,466)
Right-of-use asset - equipment	-	(34,621)	-	-	(34,621)
SBITA	(205,424)	(124,915)	-	-	(330,339)
Total accumulated depreciation/amortization	(103,484,710)	(9,115,982)	1,145,111	-	(111,455,581)
Total capital assets, being depreciated/amortized, net	94,958,553	6,866,399	(411,666)	27,562,256	128,975,542
Governmental activities, excluding internal service funds, capital assets, net	$ 146,452,685	$ 42,789,543	$ (1,593,018)	$ -	$ 187,649,210

	Beginning Balance	Increases	Decreases	Reclassifications/ Transfers	Ending Balance
Internal service funds:					
Capital assets not being depreciated/amortized:					
Land	$ 55,250	$ -	$ -	$ -	$ 55,250
Construction in progress	-	-	-	-	-
Total capital assets, not being depreciated/amortized	55,250	-	-	-	55,250
Capital assets, being depreciated/amortized:					
Buildings	201,401	-	-	-	201,401
Improvements other than buildings	101,124	-	-	-	101,124
Machinery and equipment	35,557,134	7,871,266	(1,712,327)	-	41,716,073
Other capital assets	188,146	-	(1,116)	-	187,030
Right of Use	-	23,760	-		23,760
SBITA	247,794	625,828	-	-	873,622
Total capital assets, being depreciated/amortized	36,295,599	8,520,854	(1,713,443)	-	43,103,010
Less accumulated depreciation/amortization:					
Buildings	(167,245)	(8,353)	-	-	(175,598)
Improvements other than buildings	(23,408)	(6,856)	-	-	(30,264)
Machinery and equipment	(19,944,272)	(3,314,483)	1,598,240	-	(21,660,515)
Other capital assets	(144,174)	(13,698)	1,117	-	(156,755)
Right of Use	-	(3,564)	-	-	(3,564)
SBITA	(237,882)	(201,137)	-	-	(439,019)
Total accumulated depreciation/amortization	(20,516,981)	(3,548,091)	1,599,357	-	(22,465,715)
Total capital assets, being depreciated/amortized, net	15,778,618	4,972,763	(114,086)	-	20,637,295
Internal service fund capital assets, net	15,833,868	4,972,763	(114,086)	-	20,692,545
Governmental activities capital assets, net	$ 162,286,553	$ 47,762,306	$ (1,707,104)	$ -	$ 208,341,755

	Beginning Balance	Increases	Decreases	Reclassifications/ Transfers	Ending Balance
Business-type activities:					
Capital assets, not being depreciated/amortized:					
Land	$ 2,928,321	$ -	$ -	$ -	$ 2,928,321
Water rights	6,400,892	-	-	-	6,400,892
Construction in progress	491,530	1,953,072	-	(548,064)	1,896,538
Total capital assets, not being depreciated/amortized	9,820,743	1,953,072	-	(548,064)	11,225,751
Capital assets, being depreciated/amortized:					
Buildings	4,484,156	21,032	-	152,972	4,658,160
Improvements other than buildings	75,939,505	13,433,237	-	359,242	89,731,984
Machinery and equipment	9,178,259	343,022	(388,490)	35,850	9,168,641
Other capital assets	163,979	32,479	-	-	196,458
Right-of-use asset - equipment	-	84,857	-	-	84,857
SBITA	224,977	-	-	-	224,977
Total capital assets, being depreciated/amortized	89,990,876	13,914,627	(388,490)	548,064	104,065,077
Less accumulated depreciation/amortization:					
Buildings	(3,487,724)	(156,145)	-	-	(3,643,869)
Improvements other than buildings	(50,161,289)	(3,048,933)	-	-	(53,210,222)
Machinery and equipment	(7,279,602)	(433,034)	388,490	-	(7,324,146)
Other capital assets	(157,642)	(5,703)	-	-	(163,345)
Right-of-use asset - equipment	-	(12,729)	-	-	(12,729)
SBITA	(124,984)	(74,992)	-	-	(199,976)
Total accumulated depreciation/amortization	(61,211,241)	(3,731,536)	388,490	-	(64,554,287)
Total capital assets, being depreciated/amortized, net	28,779,635	10,183,091	-	548,064	39,510,790
Business-type activities, capital assets, net	38,600,378	12,136,163	-	-	50,736,541
Total Primary Government	$ 200,886,931	$ 59,898,469	$ (1,707,104)	$ -	$ 259,078,296
Component unit:					
Capital assets, not being depreciated/amortized:					
Land and improvements	$ 6,851,221	$ -	$ (226,111)	$ -	$ 6,625,110
Construction in progress	258,468	184,678	(114,125)	-	329,021
Total capital assets, not being depreciated/amortized	7,109,689	184,678	(340,236)	-	6,954,131
Capital assets, being depreciated/amortized:					
Equipment	18,490	-	-	-	18,490
Right-to-use - building	123,056	-	-	-	123,056
Accumulated depreciation	(80,014)	(41,019)	-	-	(121,033)
Total capital assets, being depreciated/amortized, net	61,532	(41,019)	-	-	20,513
Total component unit	$ 7,171,221	$ 143,659	$ (340,236)	$ -	$ 6,974,644

Depreciation expense was charged to functions/programs of the primary government as follows:

Governmental activities:	
General government	$ 318,475
Public safety	1,572,816
Streets	6,134,989
Community services	1,089,702
Internal service funds	3,548,091
Total depreciation/amortization expense - governmental activities	$ 12,664,073
Business-type activities:	
Water and sewer	$ 3,566,979
Solid waste	164,557
Total depreciation/amortization expense - business-type activities	$ 3,731,536

D. Long-term Debt

The following schedule summarizes the changes in long-term debt during the year ended September 30, 2025:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities:					
Certificates of obligation	$ 154,170,000	$ 44,485,000	$ 5,370,000	$ 193,285,000	$ 5,250,000
Premium	7,313,185	918,785	326,337	7,905,633	-
Total certificates of obligation	161,483,185	45,403,785	5,696,337	201,190,633	5,250,000
Bonds payable	4,325,000	-	905,000	3,420,000	955,000
Premium	327,172	-	54,528	272,644	-
Total bonds payable	4,652,172	-	959,528	3,692,644	955,000
Tax notes	7,000,000	6,546,800	2,808,923	10,737,877	2,807,054
Tax note premium	508,131	404,353	205,517	706,967	-
Notes payable	530,890	268,773	497,933	301,730	139,728
Leases	-	254,569	30,952	223,617	47,998
SBITA	102,080	671,746	331,017	442,809	218,931
Compensated absences	6,196,534	1,536,337	-	7,732,871	3,181,853
Net pension liability	16,413,466	-	2,752,645	13,660,821	-
Total OPEB liability - retiree health plan	4,567,542	-	827,974	3,739,568	537,971
Total OPEB liability - SDBF	1,180,957	-	4,824	1,176,133	46,170
Governmental activities long-term debt	$ 202,634,957	$ 55,086,363	$ 14,115,650	$ 243,605,670	$ 13,184,705
Business-type activities:					
Tax notes	$ -	$ 263,200	$ 41,077	$ 222,123	$ 37,946
Other long-term debt	1,803,233	-	140,534	1,662,699	137,413
Leases	-	84,857	10,317	74,540	16,000
SBITA	50,938	-	50,938	-	-
Compensated absences	430,995	470,331	-	901,326	564,902
Net pension liability	4,001,673	-	671,107	3,330,566	-
Total OPEB liability - retiree health plan	1,113,586	-	201,864	911,722	131,159
Total OPEB liability - SDBF	287,922	-	1,176	286,746	11,256
Business-type activities long-term debt	$ 7,688,347	$ 818,388	$ 1,117,013	$ 7,389,722	$ 898,676
Component unit:					
Leases	$ 62,641	$ -	$ 41,477	$ 21,164	$ 21,164
Net pension liability	233,328	-	39,130	194,198	-
Total OPEB liability - retiree health plan	64,931	-	11,770	53,161	7,648
Total OPEB liability - SDBF	16,788	-	69	16,719	656
Component unit	$ 377,688	$ -	$ 92,446	$ 285,242	$ 29,468

* Compensated absences are reported as a net change for the year as allowed under the provisions of GASB 101, paragraph 30.

Interest expense totaled $7,929,478 and $61,284 for governmental and business-type activities, respectively. No interest was capitalized during the year ended September 30, 2025.

Proceeds from the issuance of tax notes and related premium are recorded in the General Improvement Fund ($3,709,476), for governmental capital projects, and in the Fleet Replacement Fund ($3,241,676) for fleet purchases made on behalf of all funds.

Certificates of Obligation

Certificates of obligation are comprised of the following issues at September 30, 2025:

Governmental Activities

$6,970,000 Tax and Waterworks and Sewer System (Limited Pledge) Revenue Certificates of Obligation, Series 2016, due in annual installments of $290,000 to $455,000 through 2036, interest at 2.0% to 3.0%, to pay contractual obligations for public works projects.	$ 4,435,000
$18,110,000 Tax and Waterworks and Sewer System (Limited Pledge) Revenue Certificates of Obligation, Series 2017, due in annual installments of $625,000 to $1,295,000 through 2037, interest at 3.0% to 5.0%, to pay contractual obligations for public works projects.	13,010,000
$3,900,000 Tax and Municipal Drainage Utility System Revenue Certificates of Obligation, Series 2017A, due in annual installments of $130,000 to $260,000, interest at 2% to 4% to pay contractual obligations for public works projects.	2,665,000
$18,980,000 Combination Tax and Revenue Certificates of Obligation, Series 2018 due in annual installments of $470,000 to $1,155,000, interest at 3.25% to 5% for public works projects.	15,780,000
$19,130,000 Combination Tax and Revenue Certificates of Obligation, Series 2019 due in annual installments of $184,000 to $1,165,000, interest at 3.00% to 5% for street improvements.	16,170,000
$29,025,000 Combination Tax and Revenue Certificates of Obligation, Series 2021 due in annual installments of $390,000 to $1,330,000, interest at 2.00% to 5.00% for a new police department headquarters.	26,745,000
$73,640,000 Combination Tax and Revenue Certificates of Obligation, Series 2023 due in annual installments of $1,455,000 to $4,540,000, interest at 4.00% to 5.00% for various city parks and facilities.	71,025,000
$19,735,000 Combination Tax and Revenue Certificates of Obligation, Series 2024 due in annual installments of $325,000 to $1,080,000, interest at 4.00% to 5.00% for various city facilities, street and drainage improvements.	18,705,000
$24,750,000 Combination Tax and Revenue Certificates of Obligation, Series 2025 due in annual installments of $375,000 to $1,525,000, interest at 4.00% to 5.00% for various city facilities, streets, parks and drainage improvements.	24,750,000
Total governmental activities	$ 193,285,000

Debt service requirements for the certificates of obligation through maturity are as follows:

Year Ended September 30,	Governmental Activities		
	Principal	Interest	Totals
2026	$ 5,250,000	$ 8,044,563	$ 13,294,563
2027	5,490,000	7,794,713	13,284,713
2028	5,750,000	7,542,463	13,292,463
2029	6,015,000	7,276,925	13,291,925
2030	6,265,000	7,025,463	13,290,463
2031-2035	35,115,000	31,317,819	66,432,819
2036-2040	35,275,000	24,479,056	59,754,056
2041-2045	35,005,000	17,497,200	52,502,200
2046-2050	33,800,000	10,465,806	44,265,806
2051-2055	25,320,000	2,841,306	28,161,306
Total	$ 193,285,000	$ 124,285,314	$ 317,570,314

Bonds Payable

Bonds payable is comprised of the following issue at September 30, 2025:

$9,360,000 General Obligation Refunding Bonds, Series 2017, due in annual installments of $65,000 to $955,000 through 2030; interest at 2% to 4%.	$ 3,420,000

Debt service requirements of bonds payable through maturity are as follows:

Year Ended September 30,	Governmental Activities		
	Principal	Interest	Totals
2026	$ 955,000	$ 136,150	$ 1,091,150
2027	890,000	97,950	987,950
2028	925,000	62,350	987,350
2029	585,000	25,350	610,350
2030	65,000	1,950	66,950
Total	$ 3,420,000	$ 323,750	$ 3,743,750

Tax Notes

The City issued $1,980,000 of Limited Tax Notes, Series 2021. The note will be used for the purchase of equipment for various City facilities. The interest rates range from 3.125% to 4% and will mature in 2026. In the event of default, an acceleration clause goes into effect and the bonds become immediately due.

The City issued $2,100,000 of Limited Tax Notes, Series 2022. The note will be used for the purchase of equipment for various City facilities. The interest rate is 5% and the note will mature in 2027. In the event of default, an acceleration clause goes into effect and the bonds become immediately due.

The City issued $3,095,000 of Limited Tax Notes, Series 2023. The note will be used for the purchase of equipment for various City facilities. The interest rate is 5% and the note will mature in 2027. In the event of default, an acceleration clause goes into effect and the bonds become immediately due.

The City issued $3,725,000 of Limited Tax Notes, Series 2024. The note will be used for the purchase of equipment for various City facilities. The interest rate is 5% and the note will mature in 2029. In the event of default, an acceleration clause goes into effect and the bonds become immediately due.

The City issued $6,810,000 of Limited Tax Notes, Series 2025. The note will be used for the purchase of equipment for various City facilities. The interest rate is 5% and the note will mature in 2030. In the event of default, an acceleration clause goes into effect and the bonds become immediately due.

Debt service requirements of tax notes through maturity are as follows:

Year Ended September 30,	Governmental Activities			Business-type Activities		
	Principal	Interest	Totals	Principal	Interest	Totals
2026	$ 2,807,054	$ 534,010	$ 3,341,064	$ 37,946	$ 10,490	$ 48,436
2027	2,585,212	397,157	2,982,369	39,788	8,593	48,381
2028	2,313,186	267,896	2,581,082	41,814	6,604	48,418
2029	1,835,975	152,237	1,988,212	44,025	4,513	48,538
2030	1,196,450	60,438	1,256,888	58,550	2,312	60,862
Total	$ 10,737,877	$ 1,411,738	$ 12,149,615	$ 222,123	$ 32,512	$ 254,635

Notes Payable

The note payable is comprised of the following issue at September 30, 2025:

$1,418,810 Note payable for the purchase of street department equipment (motor grader, split drum roller, flip screen attachment, pneumatic roller, paver, & skid steer), due in quarterly installments of $45,391 through 2026, interest at 2.84%	$ 89,823
$268,773 Note payable for the purchase of medical equipment, due in annual installments of $58,381 through 2029, interest at 4.00%	211,907
Total governmental activities	$ 301,730

Debt service requirements for notes payable through maturity are as follows:

Year Ended September 30,	Governmental Activities		
	Principal	Interest	Totals
2026	$ 139,728	$ 9,435	$ 149,163
2027	51,901	6,480	58,381
2028	53,977	4,404	58,381
2029	56,124	2,245	58,369
Total	$ 301,730	$ 22,564	$ 324,294

The City's direct borrowings (notes payable) related to governmental and business-type activities are secured with equipment as collateral.

SBITA Obligations

A summary of subscription payables as of September 30, 2025, are as follows:

Purpose of SBITA	Interest Rate	Initial Year of SBITA	Amount of Initial Liabilty	Interest Current Year	Amounts Outstanding 9/30/2025	Amounts Due Within One Year
SBITA:						
Granicus	2.26%	2022	$ 45,918	$ 706	$ 30,269	$ 14,966
M365	2.26%	2022	625,828	-	412,540	203,965
Total			$ 671,746	$ 706	$ 442,809	$ 218,931

Year Ended September 30,	Governmental Activities Principal	Interest	Totals
2026	$ 218,931	$ 10,007	$ 228,938
2027	223,878	5,060	228,938
2028	-	-	-
Total	$ 442,809	$ 15,067	$ 457,876

Leases

A summary of lease payables as of September 30, 2025, are as follows:

Purpose of Lease	Interest Rate	Initial Year of Lease	Amount of Initial Liabilty	Interest Current Year	Amounts Outstanding 9/30/2025	Amounts Due Within One Year
Lease:						
Right to use building	2.26%	2023	$ 123,056	$ 1,195	$ 21,164	$ 21,164
Total			$ 123,056	$ 1,195	$ 21,164	$ 21,164

Year Ended September 30,	Component Unit Principal	Interest	Totals
2026	$ 21,164	$ 168	$ 21,332
Total	$ 21,164	$ 168	$ 21,332

Purpose of Lease	Interest Rate	Initial Year of Lease	Amount of Initial Liabilty	Interest Current Year	Amounts Outstanding 9/30/2025	Amounts Due Within One Year
Lease - Governmental Acitivities:						
Equipment	4.00%	2025	$ 254,569	$ 6,429	$ 223,617	$ 47,998
Lease - Business-type Acitivities:						
Equipment	4.00%	2025	84,857	2,142	74,540	16,000
Total			$ 339,426	$ 8,571	$ 298,157	$ 63,998

Year Ended	Governmental Activities			Business-type Activities		
September 30,	Principal	Interest	Totals	Principal	Interest	Totals
2026	$ 47,998	$ 8,071	$ 56,069	$ 16,000	$ 2,691	$ 18,691
2027	49,954	6,116	56,070	16,651	2,039	18,690
2028	51,988	4,082	56,070	17,329	1,361	18,690
2029	54,109	1,960	56,069	18,037	654	18,691
2030	19,568	168	19,736	6,523	56	6,579
Total	$ 223,617	$ 20,397	$ 244,014	$ 74,540	$ 6,801	$ 81,341

Other Long-Term Payable

During the year ended September 30, 2006, the City contracted with the U. S. Army Corp of Engineers for the remaining 11,600 acre-feet of water supply storage allocated to the City of Sherman in Lake Texoma. Annual payments are due with interest rates being adjusted at five-year intervals; the current annual payment is $194,531. The balance outstanding at September 30, 2025, is $1,662,699.

Debt service requirements at September 30, 2025, for the long-term payable through maturity are as follows:

Year Ended	Business-type Activities Texoma Water Rights Series 2006		
September 30,	Principal	Interest	Totals
2026	$ 137,413	68,450	205,863
2027	143,081	62,782	205,863
2028	148,983	56,880	205,863
2029	155,129	50,734	205,863
2030	161,528	44,335	205,863
2031-2035	916,565	116,798	1,033,363
Total	$ 1,662,699	$ 399,978	$ 2,062,677

Net Pension Liability and Total Other Post Employment Benefit (OPEB) Liabilities

When these liabilities are liquidated for governmental activities, the General Fund will be primarily responsible.

E. Interfund Transfers and Balances

Transfers between funds during the year were as follows:

	Transfers In					
Transfers Out	General Fund	General Improvement	Debt Service	Nonmajor Governmental	Water and Sewer	Total
General fund	$ -	$ -	$ -	$ 700,000	$ -	$ 700,000
General improvements	-	-	32,424	-	-	32,424
Nonmajor governmental	283,858	1,000,000	1,065,000	-	200,000	2,548,858
Water and sewer	4,391,369	-	-	-	-	4,391,369
Solid waste	1,760,215	-	-	-	274,000	2,034,215
Internal service	44,042	-	116,263	-	-	160,305
Total	$ 6,479,484	$ 1,000,000	$ 1,213,687	$ 700,000	$ 474,000	$ 9,867,171

Transfers were used to 1) allocate funds from the Water and Sewer Fund and Solid Waste Fund for general, administrative and franchise costs; 2) move funds from the Impact Fee funds, Stormwater Fund and the Hotel Tax Fund for debt service payments and capital projects; 3) transfer funds to the Hotel Tax Fund for various programs; 4) fund capital projects in the General Improvement Fund; 5) fund the General Fund for a Municipal Court truancy clerk; and 6) fund the General Fund for debt service on Tax Notes for equipment purchased for other funds.

Interfund balances at September 30, 2025 consisted of the following receivables and payables:

	Due from Other Funds		
Due to Other Funds	General Fund	Total	Purpose
General improvement	$ 840,811	$ 840,811	Pooled cash overdraft
Nonmajor governmental	1,534,720	1,534,720	Pooled cash overdraft
Internal service	133,875	133,875	Pooled cash overdraft
Solid waste	367,814	367,814	Pooled cash overdraft
Total	$ 2,877,220	$ 2,877,220	

All of the above balances are expected to be repaid within one year.

Note 4. Other Information

A. Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions, injuries to employees; and natural disasters. Except for health insurance, the City carries commercial insurance for all risks of loss. The City has not made any significant reductions in insurance coverage from the prior year and there have been no settlements which exceeded insurance coverage during any of the past three fiscal years.

Workers' Compensation, Liability and Property Insurance

The City participates in the Texas Municipal League Intergovernmental Risk Pool (TMLIRP) for workers' compensation claims, liability (general, automobile, law enforcement, and errors/omissions), and property insurance. The TMLIRP is a public entity risk pool currently operating as a common risk management and insurance program. The risk pool is self-sustaining through member contributions and reinsures through commercial companies for claims in excess of predetermined acceptable risk levels. Each department receives an allocation for the premium amount contributed to the pool. This cost is based on the pool's claims cost, which is adjusted to reflect the City's individual claims experience. Automobile claims are paid up to the actual cash value of the covered automobile. All other insured claims are paid at replacement cost.

B. Health Insurance

The City contracts with an insurance carrier to administer a self-insured health and dental insurance plan. This plan is funded by charges to other funds and charges to employees for extended benefits at their option. For the year ended September 30, 2025, total City and employee contributions to the plan were $6,615,341. Benefit payments, insurance premiums and administrative fees aggregated $6,486,879. The cumulative net position was $1,604,349 at September 30, 2025.

The transactions of the self-insurance plan are reported in the Insurance Internal Service Fund. The City pays a specified monthly amount for each employee and a portion of an employee's dependent coverage which averages approximately $840. The largest portion of this amount is dedicated to the direct payment of claims. The remaining part of the monthly amount is dedicated to the payment of administrative fees and commercial insurance for excess claims. The commercial insurance coverage becomes effective when the claims exceed the maximum amount per employee.

The liability for insurance claims is based on Governmental Accounting Standards Board Statement No. 10, which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. Accordingly, the insurance claims liability includes an estimate for incurred but not reported claims. All claims are expected to be settled within one year and have not been discounted due to their short-term nature and the immaterial effect of discounting the liability.

The following presentation shows the changes in claims liabilities for the years ended September 30, 2025 and 2024:

	2025	2024
Amount of claims liability - October 1	$ 800,821	$ 473,126
Incurred claims	5,361,963	5,697,862
Payments on claims	(5,150,827)	(5,370,167)
Amount of claims liability - September 30 (due within one year)	$ 1,011,957	$ 800,821

C. Landfill Closure and Postclosure Care Costs

The Cities of Sherman and Denison contracted with the Greater Texoma Utility Authority (GTUA) for use of the Dripping Springs landfill. The City owns the permitted area, but GTUA is responsible for the operation and maintenance. This landfill was considered full at September 30, 1993, for financial reporting purposes and a liability was recognized by GTUA based on the future landfill closure and post closure care cost estimates. The City is financially obligated for a portion of these costs related to gas and ground water monitoring. To date, the City has paid $1,149,722. These costs are expected to significantly decline in the near future and long-term costs cannot be reasonably estimated.

D. Commitments

Greater Texoma Utility Authority

The City has entered into various contracts with the Greater Texoma Utility Authority (GTUA), whereby GTUA provides water and sewer services to the City. As part of the contractual agreements, GTUA issues debt for the benefit of the City, the proceeds of which are used to finance construction of water and sewer facilities and infrastructure within the City. Although this debt is not that of the City, the City is contractually obligated for the repayment of principal and interest on the debt through a pledging of water and sewer revenues.

During the year ended September 30, 2025, the City paid $9,958,090 to GTUA in accordance with these contracts. Future payments under these contracts average approximately $45,000,000 per year for the next 30 years.

A summary of the remaining debt service as of September 30, 2025, is as follows:

Year Ended September 30,	Principal	Interest	Totals
2026	$ 5,582,413	$ 22,208,899	$ 27,791,312
2027	10,688,081	33,665,103	44,353,184
2028	16,053,984	34,882,815	50,936,799
2029	17,895,129	35,833,094	53,728,223
2030	18,686,528	35,057,583	53,744,111
2031-2035	106,667,517	162,351,311	269,018,828
2036-2040	129,875,000	136,081,916	265,956,916
2041-2045	155,350,000	103,944,194	259,294,194
2046-2050	195,050,000	63,239,788	258,289,788
2051-2055	160,690,000	16,663,975	177,353,975
Total	$ 816,538,652	$ 643,928,678	$ 1,460,467,330

Following is an excerpt from the audited financial statements of GTUA, reflecting the balances as of and for the year ended September 30, 2025. These assets, deferred outflows of resources, liabilities, and net position are not that of the City but are the City's allocation of resources held by GTUA.

Comparative Schedule of Revenues and Expenses:

	2025	2024
Operating Revenues		
Charges for services	$ 10,296,990	$ 7,067,922
Total operating revenues	10,296,990	7,067,922
Operating expenses		
General and adminstrative	1,057,886	545,763
Maintenance and repair	407,239	223,438
Depreciation	6,017,676	5,139,945
Total operating expenses	7,482,801	5,909,146
Operating income (loss)	2,814,189	1,158,776
Nonoperating revenue (expenses)	(17,912,050)	(2,442,598)
Change in net position	$ (15,097,861)	$ (1,283,822)

Schedule of Net Position:

	2025	2024
Assets		
Current assets:		
Cash and cash equivalents	$ 1,063,587	$ 10,165,517
Interest receivable	2,308,165	8,904,065
Due from other governments	11,071	11,071
Due from other funds	373,759	1,437,489
Restricted assets:		
Cash and cash equivalents	176,077,263	128,133,850
Temporary investments	79,557,764	301,139,845
Total current assets	259,391,609	449,791,837
Noncurrent assets:		
Cash and cash equivalents	175,584	10,448
Temporary investments	50,329,236	2,332,000
Capital assets (net)	570,210,437	316,118,012
Total noncurrent assets	620,715,257	318,460,460
Total assets	880,106,866	768,252,297
Deferred Outflows of Resources		
Deferred loss on refunding	151,556	168,170
Liabilities		
Current liabilities:		
Accounts payable	10,514,896	38,957,942
Retainage payable	8,719,482	8,926,881
Accured interest payable	15,677,455	15,677,455
Revenue bonds payable	5,320,000	5,195,000
Total current liabilities	40,231,833	68,757,278
Long-term liabilities:		
Revenue bonds payable	849,993,854	694,532,593
Total liabilities	890,225,687	763,289,871
Net position		
Net investment in capital assets	46,018,075	279,461
Restricted - debt service	175,584	10,448
Unrestricted	(56,160,924)	4,840,687
Total net position	$ (9,967,265)	$ 5,130,596

Grant Programs

The City participates in several federal and state assisted grant programs. Under the terms of these grants, the City is subject to program compliance audits by the grantors or their representatives. Accordingly, the City's compliance with applicable grant requirements will be established at some future date. If future program compliance audits result in questioned or disallowed costs, reimbursements would be made to the grantor agencies. The amounts of expenditures which might be disallowed by the grantor agencies cannot be determined at this time; however, management believes such amounts, if any, would be immaterial.

Encumbrances

The City employs encumbrance accounting under which obligations in the form of purchase orders, contracts and other commitments for the expenditure of funds. Appropriations with outstanding commitments or encumbrances are carried into the following year.

The City had the following encumbrances at September 30, 2025:

	General	General Improvement	Nonmajor Governmental
General government	$ 799,436	$ -	$ -
Public safety	241,653	-	2,160
Streets	169,229	-	-
Community services	210,573	-	-
General improvements	-	7,750,232	-
Total	$ 1,420,891	$ 7,750,232	$ 2,160

Component Unit

SEDCO entered into incentive agreements with various companies in Sherman to promote economic development. Under these agreements, SEDCO has agreed to pay amounts ranging from $50,000 to $20,000,000 to each of the individual companies if the companies meet certain requirements by a specified date. Total payments for the fiscal year 2025 under these agreements were $6,436,876. Potential payments for these agreements are estimated at $7,532,170 for the fiscal year ending September 30, 2026.

SEDCO has contracted with the City of Sherman to fund the City's debt service on the construction of certain infrastructure projects, including water and sewer lines along the west and east sides of Highway 75, sewer lines along Highway 289, sewer lines to Blalock Industrial Park, northbound entrance/exit ramps near Highway 75 and FM 1417, the Northgate Drive extension and other road projects in the industrial park. During the year ended September 30, 2025, SEDCO paid $1,244,339 to the City of Sherman in accordance with these contracts. Future payments under this contract average $804,480 over the next 28 years. A summary of the remaining debt service as of September 30, 2025, is as follows:

Year Ended September 30,	Principal	Interest	Totals
2026	$ 621,042	$ 620,748	$ 1,241,790
2027	644,626	596,775	1,241,401
2028	477,028	572,149	1,049,177
2029	499,016	553,512	1,052,528
2030	516,727	534,401	1,051,128
2031-2035	2,409,829	2,314,829	4,724,658
2036-2040	1,661,590	1,814,116	3,475,706
2041-2045	1,958,495	1,383,319	3,341,814
2046-2050	2,499,640	842,209	3,341,849
2051-2053	1,820,405	184,985	2,005,390
Total	$ 13,108,398	$ 9,417,043	$ 22,525,441

Construction Commitments

The City has active construction projects as of September 30, 2025. The projects include drainage improvements, park facilities and improvements, remodel design of Fire Station No. 3 and a fire training tower. At year end, the City's commitments with contractors are as follows:

	Spent-to-Date	Remaining Commitment
Drainage improvements	$ -	$ 500,000
Construction of new or remodeled city building facilities	4,385,562	805,842
Park facilities	85,265	772,394
Grand total	$ 4,470,827	$ 2,078,236

Litigation

The City is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of the City's counsel the resolution of these matters will not have a material adverse effect on the financial condition of the City.

E. Tax Abatements

The City of Sherman is authorized by the Texas Local Government Code to enter into property tax abatement agreements and to offer a range of incentives designed to promote local economic development. For the year ended September 30, 2025, the City abated property taxes of $322,469 or 0.22% of the $146,784,715 market valuation of properties under these agreements. In accordance with these laws, the City has passed resolutions that establish guidelines and criteria for the administration of the following programs:

Industrial and Commercial Tax Reinvestment Incentives Texas Local Government Code Chapter 312

The City enters into property tax abatement agreements for industrial and commercial entities as stimulation for economic development in Sherman. The impact is based directly on the number and type of jobs created or retained, wages paid, value and economic life of real and personal property added to the tax rolls, local purchase of products and services, indirect employment gains and the general benefit of furthering the City's economic development. Once the industrial or commercial property is added to the tax rolls, the agreements generally call for five to ten years of property tax abatement ranging from 25% to 100%. Some agreements require commitments to create and maintain certain levels of full-time employment. Recapture provisions vary based on each agreement. Many of these agreements are granted in conjunction with other local taxing entities; however, each is approved separately by their governing boards. All abatements under this program for fiscal year 2025 are presented in the following table.

Economic Development Agreements Texas Local Government Code Chapter 380

The City enters into economic development agreements authorized under Chapter 380 with qualifying companies to promote development and redevelopment within the City, stimulate commercial activity, generate additional sales tax and enhance the property tax base and economic vitality of Sherman. These agreements are tailored to company needs and offer a range of incentives designed to achieve the goals of the program. Grants based on a percentage of City taxes with terms ranging from 36% to 64% for five to ten years have been executed under the program, with no recapture provisions. All abatements under this program for fiscal year 2025 are presented in the following table.

Residential Tax Abatement Program Texas Local Government Code Chapter 312

The City's Residential Tax Abatement Program provides property tax abatements for development or redevelopment of single-family residential structures within new or existing subdivisions in low-to-moderate income locations as a stimulus for economic development in Sherman. The abatements equal 100% of the property taxes on the added value above the base year value (as determined by the Grayson Appraisal District) for six years, 80% in year seven, 60% in year eight, 40% in year nine and 20% in year ten. There are no provisions for recapturing taxes abated in prior years. Tax abatements for this program have been aggregated for presentation purposes in the following table.

Central Business District Tax Abatement Program Texas Local Government Code Chapter 312

The City enters into property tax abatement agreements to promote development or redevelopment through modernization or new construction of commercial structures with improvements valued in excess of $25,000 in the Central Business District of Sherman. Property tax abatement agreements under this program generally call for abatements of 100% for five years with no provision to recapture taxes abated in prior years. No property tax abatements were granted under this program for fiscal year 2025.

Tax Abatement Program	Purpsose	Recapture Provisions	Tax Revenue for Fiscal Year 2025
Industrial and Commerical Reinvestment Incentives:			
Finisar Sherman RE HOLDCO LLC	Building and facility improvements, equipment and machinery	None	$ 261,668
Sunny Delight	Building and facility improvements, equipment and machinery	None	35,933
Total Industrial and Commerical Reinvestment Incentives			297,601
Economic Development Agreements Chapter 380 Incentives:			
Broadstone Net Lease, LLC	Building and facility improvements, equipment and machinery	None	7,730
Rayburn Energy Station	Building and facility improvements, equipment and machinery	None	755,934
58 Aggie Development LLC	Building and facility improvements, equipment and machinery	None	62,032
Various	Main Street Rebate Program	None	69,804
Total Economic Development Agreements Chapter 380 Incentives			895,500
Residential Tax Abatement Program	Residential development and redevelopment in low to moderate income locations	None	24,868
Total Tax Abatements			$ 1,217,969

Joint Venture

The City has entered an agreement with the Cities of Denison and Gainesville and the Counties of Grayson and Cooke to form the Texoma Area Solid Waste Authority (TASWA). TASWA was organized in July 2000 for the purpose of aiding, assisting and acting on behalf of the participating entities in the financing, construction, ownership and operation of a Type I Municipal Solid Waste Landfill Facility.

TASWA began operation of the landfill during fiscal year 2006. Under the terms of the agreement, TASWA established fees for the member Cities (Sherman, Denison and Gainesville), who have pledged to deliver a guaranteed annual tonnage to the landfill facility. The fees may be recalculated to include changes in debt service requirements or estimated operational and postclosure expenses. According to its operational plan, there will be no significant accumulation of equity in TASWA by the participating governments.

A copy of TASWA's audited financial statements may be obtained directly from TASWA:

Texoma Area Solid Waste Authority, Inc. 20590 State Highway 56, Whitesboro, Texas 76273-4993
Phone: 903-564-4749

F. Deferred Compensation Plan

The City offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all fulltime employees at their option, permits participants to defer a portion of their salary until future years. The deferred compensation is not available to participants until termination, retirement, death, or unforeseeable emergency. All amounts of compensation deferred under the plan, all property and rights purchased with those amounts, and all income attributable to those amounts, property or rights are the property of the beneficiary.

G. Net Pension and Total OPEB Liabilities and Expenses

Amounts are aggregated into a single net pension liability and total OPEB liabilities, and expenses for certain columns. Below is the detail of the net pension liability and total OPEB liabilities and expenses for governmental and business-type activities.

	Governmental Activities	Business-type Activities	Totals	Component Unit
Deferred outflows:				
Net pension	$ 6,901,232	$ 1,682,550	$ 8,583,782	$ 98,106
OPEB - Retiree health plan	556,500	135,677	692,177	7,911
OPEB - TMRS supplemental death benefit	136,647	33,316	169,963	1,943
Total OPEB deferred outflows	693,147	168,993	862,140	9,854
Total deferred outflows	7,594,379	1,851,543	9,445,922	107,960
Net pension liability	13,660,821	3,330,566	16,991,387	194,198
Total OPEB liability:				
OPEB - Retiree health plan	3,739,568	911,722	4,651,290	53,161
OPEB - TMRS supplemental death benefit	1,176,133	286,746	1,462,879	16,719
Total OPEB liability	4,915,701	1,198,468	6,114,169	69,880
Deferred inflows:				
Net pension	1,776,153	433,034	2,209,187	25,249
OPEB - Retiree health plan	2,215,360	540,114	2,755,474	31,493
OPEB - TMRS supplemental death benefit	370,726	90,385	461,111	5,270
Total OPEB deferred outflows	2,586,086	630,499	3,216,585	36,763
Total deferred inflows	4,362,239	1,063,533	5,425,772	62,012
Pension expense	5,139,519	1,253,036	6,392,555	73,061
OPEB expense:				
OPEB - Retiree health plan	(2,075)	(506)	(2,581)	(29)
OPEB - TMRS supplemental death benefit	14,355	3,500	17,855	204
Total OPEB expense	$ 12,280	$ 2,994	$ 15,274	$ 175

H. Defined Benefit Pension Plan

Plan Description

The City participates as one of 938 plans in the defined benefit cash-balance plan administered by the Texas Municipal Retirement System (TMRS). TMRS is a statewide public retirement plan created by the State of Texas and administered in accordance with the TMRS Act, Subtitle G, Title 8, Texas Government Code (the TMRS Act) as an agent multiple-employer retirement system for employees of Texas participating cities. The TMRS Act places the general administration and management of TMRS with a six-member, Governor-appointed Board of Trustees; however, TMRS is not fiscally dependent on the State of Texas. TMRS issues a publicly available Annual Comprehensive Financial Report (Annual Report) that can be obtained at *tmrs.com*.

All eligible employees of the city are required to participate in TMRS.

Benefits Provided

TMRS provides retirement, disability, and death benefits. Benefit provisions are adopted by the governing body of the city, within the options available in the state statutes governing TMRS.

At retirement, the benefit is calculated as if the sum of the employee's contributions, with interest, and the city-financed monetary credits with interest were used to purchase an annuity. Members may choose to receive their retirement benefit in one of seven payments options. Members may also choose to receive a portion of their benefit as a Partial Lump Sum Distribution in an amount equal to 12, 24, or 36 monthly payments, which cannot exceed 75% of the member's deposits and interest.

The City grants monetary credits for service rendered of a theoretical amount equal to two times what would have been contributed by the employee, with interest. Monetary credits, also known as the matching ratio, are 200% of the employee's accumulated contributions and are only payable in the form of an annuity.

Beginning in 2000, the City granted an annually repeating (automatic) basis monetary credit referred to as an updated service credit (USC) which is a theoretical amount that takes into account salary increases or plan improvements. If at any time during their career an employee earns a USC, this amount remains in their account earning interest at 5% until retirement. At retirement, the benefit is calculated as if the sum of the employee's accumulated contributions with interest and the employ match plus employer-financed monetary credits, such as USC, with interest were used to purchase an annuity. Additionally, initiated in 2006, the City provided on an annually repeating (automatic) basis cost of living adjustments (COLA) for retirees equal to a percentage of the change in the consumer price index (CPI).

Plan provisions for the City were as follows:

	Plan Year 2024	Plan Year 2023
Employee deposit rate	7.00%	7.00%
Matching ratio (City to employee)	2 to 1	2 to 1
Years required for vesting	5	5
Service retirement eligibility (expresssed as age/years of service)	60/5, 0/20	60/5, 0/20
Updated service credit	100% repeating, transfers	100% repeating, transfers
Annuity increase (to retirees)	30% of CPI repeating	30% of CPI repeating

At the December 31, 2024 valuation and measurement date, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	393
Inactive employees entitled to but not yet receiving benefits	299
Active employees	563
Total	1,255

Contributions

Member contribution rates in TMRS are either 5%, 6% or 7% of the Member's total compensation, and the city matching percentages are either 100%, 150% or 200%, both as adopted by the governing body of the city. Under the state law governing TMRS, the contribution rate for each city is determined annually by the actuary, using the Entry Age Normal (EAN) actuarial cost method. The city's contribution rate is based on the liabilities created from the benefit plan options selected by the city and any changes in benefits or actual experience over time.

Employees for the City were required to contribute 7% of their annual gross earnings during the fiscal year. The contribution rates for the City were 14.16% and 14.09% in calendar years 2025 and 2024, respectively. The City and the Component Unit's contributions to TMRS for the year ended September 30, 2025, were $6,544,925, and were equal to the required contributions.

Net Pension Liability

The City's Net Pension Liability (NPL) was measured as of December 31, 2024, and the Total Pension Liability (TPL) used to calculate the Net Pension Liability was determined by an actuarial valuation as of that date.

Actuarial Assumptions:

The TPL in the December 31, 2024 actuarial valuation was determined using the following actuarial assumptions:

Inflation	2.5% per year
Overall payroll growth	2.75% per year
Investment rate of return	6.75%, net of pension plan investment expense, including inflation

Salary increases are based on a service-related table. Mortality rates for active members are based on the PUB(10) mortality tables with 110% of the Public Safety table used for males and 100% of the General Employee table used for females. Mortality rates for healthy retirees and beneficiaries are based on the Gender-distinct 2019 Municipal Retirees of Texas mortality tables. Male rates are multiplied by 103% and female rates are multiplied by 105%. The rates for actives, healthy retirees and beneficiaries are projected on a fully generational basis by the most recent Scale MP-2021 to account for future mortality improvements. For disabled annuitants, the same mortality tables for healthy retirees are used with a 4-year set-forward for males and a 3-year set-forward for females. In addition, a 3.5% and 3.0% minimum mortality rate is applied, for males and females respectively, to reflect the impairment for younger members who become disabled. The rates are projected on a fully generational basis by the most recent Scale MP2021 to account for future mortality improvements subject to the 3% floor.

The actuarial assumptions were developed primarily from the actuarial investigation of the experience of TMRS over the four-year period from December 31, 2018 to December 31, 2022. The assumptions were adopted in 2023 and first used in the December 31, 2023, actuarial valuation. The post-retirement mortality assumption for Annuity Purchase Rates (APRs) is based on the Mortality Experience Investigation Study covering 2009 through 2011 and dated December 31, 2013. Plan assets are managed on a total return basis with an emphasis on both capital appreciation as well as the production of income to satisfy the shortterm and long-term funding needs of TMRS.

The long-term expected rate of return on pension plan investments was determined by best estimate ranges of expected future real rates of return for each major asset class. The long-term expected rate of return is determined by weighting the expected return for each major asset class by the respective target asset allocation percentage. The target allocation and best estimates of real rates of return for each major asset class in fiscal year 2025 are summarized in the following table:

Asset Class	Target Allocation	Long-term Expected Real Rate of Return (Arithmetic)
Global equity	35.0%	7.1%
Core fixed income	6.0%	5.0%
Non-core fixed income	6.0%	6.8%
Hedge funds	5.0%	6.4%
Private equity	13.0%	8.5%
Private debt	13.0%	8.2%
Real estate	12.0%	6.7%
Infrastructure	6.0%	6.0%
Other private markets	4.0%	7.3%
Total	100.0%	

Discount Rate

The discount rate used to measure the TPL was 6.75%. The projection of cash flows used to determine the discount rate assumed that employee and employer contributions will be made at the rates specified in statute. Based on that assumption, the pension plan's Fiduciary Net Position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the TPL.

Changes in the Net Pension Liability

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balance at December 31, 2023	$ 186,327,542	$ 165,679,075	$ 20,648,467
Changes for the year:			
Service cost	6,817,331	-	6,817,331
Interest (on the total pension liability)	12,466,734	-	12,466,734
Difference between expected and actual experience	3,033,113	-	3,033,113
Change in assumptions	-	-	-
Contributions - employer	-	5,818,058	(5,818,058)
Contributions - employee	-	2,890,449	(2,890,449)
Net investment income	-	17,184,540	(17,184,540)
Benefit payments, including refunds of employee contributions	(10,087,712)	(10,087,712)	-
Administrative expense	-	(110,405)	110,405
Other	-	(2,582)	2,582
Net changes	12,229,466	15,692,348	(3,462,882)
Balance at December 31, 2024	$ 198,557,008	$ 181,371,423	$ 17,185,585
City	$ 196,313,309	$ 179,321,922	$ 16,991,387
Component Unit	2,243,699	2,049,501	194,198
	$ 198,557,008	$ 181,371,423	$ 17,185,585

Sensitivity of the NPL to Changes in the Discount Rate

The following presents the net pension liability of the City, calculated using the discount rate of 6.75%, as well as what the City's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.75%) or 1-percentage-point higher (7.75%) than the current rate:

	1% Decrease in Discount Rate (5.75%)	Discount Rate (6.75%)	1% Increase in Discount Rate (7.75%)
Net pension liability (asset)	$ 44,011,132	$ 17,185,585	$ (4,937,303)
City	$ 43,513,805	$ 16,991,387	$ (4,881,511)
Component Unit	497,327	194,198	(55,792)
	$ 44,011,132	$ 17,185,585	$ (4,937,303)

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's Fiduciary Net Position is available in a separately issued TMRS financial report. That report may be obtained on the Internet at www.tmrs.com.

At September 30, 2025, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

City

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 3,647,291	$ -
Changes in actuarial assumptions	-	453,060
Difference between projected and actual investment earnings	-	1,756,127
Contributions subsequent to the measurement date	4,936,491	-
Totals	$ 8,583,782	$ 2,209,187

At September 30, 2025, the Component Unit reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Component Unit

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 41,686	$ -
Changes in actuarial assumptions	-	5,178
Difference between projected and actual investment earnings	-	20,071
Contributions subsequent to the measurement date	56,420	-
Totals	$ 98,106	$ 25,249

The deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date in the amount of $4,936,491 will be recognized as a reduction of the NPL for the year ended September 30, 2026 for the City.

The deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date in the amount of $56,420 will be recognized as a reduction of the NPL for the year ended September 30, 2026 for the Component Unit.

Pension Expense and Deferred Outflows / Inflows of Resources Related to Pensions

For the year ended September 30, 2025, the City recognized pension expense of $6,392,555 and $73,061 for the component unit.

Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

City	
Year Ending September 30,	Pension Expense
2026	$ 1,477,241
2027	2,899,320
2028	(1,853,193)
2029	(1,085,264)
Totals	$ 1,438,104

Component Unit	
Year Ending September 30,	Pension Expense
2026	$ 16,884
2027	33,137
2028	(21,180)
2028	(12,404)
Totals	$ 16,437

I. Other Postemployment Benefits

Plan Description. The City, through its substantive commitment to provide other postemployment benefits (OPEB) provides retiree medical coverage to eligible employees. To be eligible, a City employee retiring at age 62 or over must have at least 5 years of service with the City. City employees retiring before age 62 must have at least 20 years of service with the City. Retirees are required to pay the premium cost for both single and dependent coverage. The City also subsidizes certain retirees and dependents as a result of prior commitments. The plan qualifies as a single employer defined benefit plan and is accounted for in the City's Insurance Fund and in the fund where the retiree last worked. A separate financial statement is not issued for the plan and no assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75.

Contributions. The City and Component Unit's contributions to the OPEB for the year ended September 30, 2025 were $367,033, which equal benefit payments for retirees.

The number of employees currently covered by the benefit terms is as follows:

Inactive plan members or beneficiaries currently receiving benefits	25
Active employees	554
Total	579

Actuarial Methods and Assumptions

Significant methods and assumptions were as follows:

Salary increases	3.60% to 11.85%, including inflation
Demographic assumptions	Based on the 2023 experience study conducted for the Texas Municipal Retirement System (TMRS).
Mortality	For healthy retirees, the gender-distinct 2019 Municipal Retirees of Texas mortality tables are used, with male rates multiplied by 103% and female rates multiplied by 105%. The rates are projected on a fully generational basis using the ultimate mortality improvement rates in the MP-2021 table to account for future mortality improvements.
Health care trend rates	Initial rate of 7.50% declining to an ultimate rate of 4.25% after 15 years
Participation rates	20% for employees who retire between age 50 and 65; 0% for employees who retire before age 50 or after the age of 65
Discount rate	The discount rate changed from 3.77% as of December 31, 2023 to 4.08% as of December 31, 2024. Additionally, the participation rate for employees retiring

Projections of health benefits are based on the plan as understood by the City and include the types of benefits in force at the valuation date and the pattern of sharing benefit costs between the City and its employees to that point.

Actuarial calculations reflect a long-term perspective and employ methods and assumptions that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets.

A Single Discount Rate of 4.08% was used to measure the total OPEB liability. This Single Discount Rate was based on the municipal bond rates as of the measurement date. The source of the municipal bond rate was Fixed-income municipal bonds with 20 years to maturity that include only federally tax-exempt municipal bonds as reported in Fidelity Index's "20-year Municipal GO AA Index" as of December 31, 2024.

Changes in the Total OPEB Liability

The City's total OPEB liability of $4,704,451 was measured as of December 31, 2024 and was determined by an actuarial valuation as of December 31, 2023.

Balance at December 31, 2023	$	5,746,059
Changes for the year:		
Service cost		278,432
Interest on the total liability		214,955
Difference between expected and actual experience		(755,070)
Changes in assumptions or other inputs		(412,892)
Benefit payments		(367,033)
Net changes		(1,041,608)
Balance at December 31, 2024	$	4,704,451
City	$	4,651,290
Component Unit		53,161
	$	4,704,451

Changes of assumptions reflect a change in the discount rate from 3.77% as of December 31, 2023 to 4.08% as of December 31, 2024. Additionally, the participation rate for employees retiring between the ages of 50 and 65 was lowered and the health care trend rates were updated to reflect the plan's anticipated experience.

Discount Rate Sensitivity Analysis

The following schedule shows the impact of the total OPEB liability if the discount rate used was 1% less than and 1% greater than the discount rate that was used (4.08%) in measuring the total OPEB liability.

	1% Decrease in Discount Rate (3.08%)	Discount Rate (4.08%)	1% Increase in Discount Rate (5.08%)
Total OPEB liability	$ 5,121,007	$ 4,704,451	$ 4,332,234
City	$ 5,063,140	$ 4,651,290	$ 4,283,280
Component Unit	57,867	53,161	48,954
	$ 5,121,007	$ 4,704,451	$ 4,332,234

Healthcare Cost Trend Rate Sensitivity Analysis

The following schedule shows the impact of the total OPEB liability if the Healthcare Cost Trend Rate used was 1% less than and 1% greater than what was used in measuring the total OPEB liability.

	1% Decrease	Current Healthcare Cost Trend Rate Assumption	1% Increase
Total OPEB liability	$ 4,259,646	$ 4,704,451	$ 5,227,587
City	$ 4,211,512	$ 4,651,290	$ 5,168,515
Component Unit	48,134	53,161	59,072
	$ 4,259,646	$ 4,704,451	$ 5,227,587

OPEB Expense and Deferred Outflows of Resources Related to OPEB

For the year ended September 30, 2025, the City recognized OPEB expense (revenue) of ($2,589) and ($29) for the Component Unit.

At September 30, 2025, the City reported deferred outflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 206,425	$ 1,387,019
Changes in actuarial assumptions and other inputs	104,489	1,368,455
Contributions made subsequent to the measurement date	381,263	-
Totals	$ 692,177	$ 2,755,474

At September 30, 2025, the Component Unit reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 2,359	$ 15,853
Changes in actuarial assumptions and other inputs	1,194	15,640
Contributions subsequent to the measurement date	4,358	-
Total	$ 7,911	$ 31,493

$381,263 reported as deferred outflows of resources related to OPEB resulting from contributions subsequent to the measurement date are due to benefit payments the City paid with own assets and will be recognized as a reduction of the total OPEB liability for the year ending September 30, 2026.

$4,358 reported as deferred outflows of resources related to OPEB resulting from contributions subsequent to the measurement date are due to benefit payments the Component Unit paid with own assets and will be recognized as a reduction of the total OPEB liability for the year ending September 30, 2026.

Other amounts of the reported as deferred outflows of resources related to OPEB will be recognized in OPEB expense as follows:

City		
Year Ending September 30,		
2026	$	(496,421)
2027		(411,365)
2028		(374,483)
2029		(360,656)
2030		(284,788)
Thereafter		(516,847)
Totals	$	(2,444,560)

Component Unit		
Year Ending September 30,		
2026	$	(5,674)
2027		(4,702)
2028		(4,280)
2029		(4,122)
2030		(3,255)
Thereafter		(5,907)
Totals	$	(27,940)

J. Defined Other Postemployment Benefit Plans

TMRS Supplemental Death Benefits Fund

Plan Description. The City voluntarily participates in the Texas Municipal Retirement System Supplemental Death Benefits Fund (TMRS SDBF). The SDBF is a single employer defined benefit Other Postemployment Benefit (OPEB) plan as defined by GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75. It is established and administered in accordance with the TMRS Act identically to the City's pension plan.

Benefits Provided. The SDBF provides group-term life insurance to City employees who are active members in TMRS, including or not including retirees. The City Council opted into this program via an ordinance, and may terminate coverage under, and discontinue participation in, the SDBF by adopting an ordinance before November 1 of any year to be effective the following January 1. Payments from this fund are similar to group-term life insurance benefits and are paid to the designated beneficiaries upon the receipt of an approved application for payment.

The death benefit for active employees provides a lump-sum payment approximately equal to the employee's annual salary (calculated based on the employee's actual earnings for the 12-month period preceding the month of death). The death benefit for retirees is considered an other employment benefit and is a fixed amount of $7,500.

The number of employees currently covered by the benefit terms is as follows:

Inactive employees currently receiving benefits	270
Inactive employees entitled to but not yet receiving benefits	56
Active employees	563
Total	889

Contributions. The City contributes to the SDBF at a contractually required rate as determined by an annual actuarial valuation, which was 0.27% for 2025 and 0.33% for 2024, of which 0.13% and 0.15% represented the retiree-only portion for each year, respectively, as a percentage of annual covered payroll. The rate is equal to the cost of providing one-year term life insurance. The funding policy for the SDBF program is to assure that adequate resources are available to meet all death benefit payments for the upcoming year; the intent is not to prefund retiree term life insurance during employees' entire careers. The City's contributions to the SDBF for the years ended September 30, 2025 and 2024 were $62,231 and $61,861, respectively, representing contributions for both active and retiree coverage, which equaled the required contributions each year.

Total OPEB Liability

The City's total OPEB liability of $1,479,598 was measured as of December 31, 2024 and was determined by an actuarial valuation as of that date.

Actuarial Assumptions and Other Inputs. The City's total OPEB liability in the December 31, 2024 actuarial valuation was determined using the following actuarial assumptions:

Inflation	2.5% per annum
Discount rate	4.08%
Actuarial cost method	Entry age normal
Projected salary increases	3.60% to 11.85% including inflation

All administrative expenses are paid through the Pension Trust and accounted for under reporting requirements under GASB Statement No. 68.

Mortality rates for active members, retirees, and beneficiaries were based on the gender distinct RP2000 Combined Healthy Mortality Tables with Blue Collar Adjustment, with male rates multiplied by 103% and female rates multiplied by 105%. The rates are projected on a fully generational basis by the most recent Scale MP-2021 to account for future mortality improvements. For disabled annuitants, 2019 Municipal Retirees of Texas Mortality Tables with a 4-year set forward for males and a 3 year set-forward for females were used. In addition, a 3.5% and 3% minimum mortality rate will be applied to reflect the impairment for younger members who become disabled for males and females, respectively. The rates are projected on a fully generational basis by the most recent Scale MP-2021 (with immediate convergence) to account for future mortality improvements subject to the floor.

The actuarial assumptions used in the December 31, 2024 valuation were based on the results of an actuarial experience study for the period ending December 31, 2022.

The SDBF program is treated as an unfunded OPEB plan because the SDBF trust covers both actives and retirees and the assets are not segregated for these groups. As such, a single discount rate of 4.08% was used to measure the Total OPEB Liability. Because the plan is essentially a "pay-as-you-go" plan, the single discount rate is equal to the prevailing municipal bond rate. The source of the municipal bond rate was fixed-income municipal bonds with 20 years to maturity that include only federally tax-exempt municipal bonds as reported in Fidelity Index's "20-year Municipal GO AA Index" as of December 31, 2024.

Discount Rate Sensitivity Analysis. The following schedule shows the impact of the Total OPEB Liability if the discount rate used was 1% less than and 1% greater than the discount rate that was used (4.08%) in measuring the Total OPEB Liability.

	1% Decrease in Discount Rate (3.08%)	Discount Rate (4.08%)	1% Increase in Discount Rate (5.08%)
Total OPEB liability	$ 1,745,061	$ 1,479,598	$ 1,269,679
City	$ 1,725,342	$ 1,462,879	$ 1,255,332
Component Unit	19,719	16,719	14,347
	$ 1,745,061	$ 1,479,598	$ 1,269,679

Changes in the Total OPEB Liability

	Total OPEB Liability
Balance at December 31, 2023	$ 1,485,667
Changes for the year:	
Service cost	61,938
Interest	56,011
Difference between expected and actual experience	13,257
Changes of assumptions and other inputs	(75,337)
Benefit payments	(61,938)
Net changes	(6,069)
Balance at December 31, 2024	$ 1,479,598
City	$ 1,462,879
Component Unit	16,719
	$ 1,479,598

Changes in assumptions and other inputs reflect a change in the discount rate from 3.77% to 4.08%.

OPEB Expense and Deferred Outflows of Resources Related to OPEB. For the year ended September 30, 2025, the City recognized OPEB expense of $17,855 and $204 for the component unit. There were no changes of benefit terms that affected measurement of the total OPEB liability during the measurement period.

At September 30, 2025, the City reported deferred outflows of resources and deferred inflows of resources related to other post-employment benefits from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 10,883	$ 63,009
Changes in actuarial assumptions and other inputs	114,607	398,102
Contributions made subsequent to the measurement date	44,473	-
Totals	$ 169,963	$ 461,111

At September 30, 2025, the Component Unit reported deferred outflows of resources and deferred inflows of resources related to other post-employment benefits from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 124	$ 720
Changes in actuarial assumptions and other inputs	1,311	4,550
Contributions made subsequent to the measurement date	508	-
Totals	$ 1,943	$ 5,270

$44,473 reported as deferred outflows of resources related to OPEB resulting from contributions subsequent to the measurement date will be recognized as a reduction of the Total OPEB Liability for the year ending September 30, 2026 for the City.

$508 reported as deferred outflows of resources related to OPEB resulting from contributions subsequent to the measurement date will be recognized as a reduction of the Total OPEB Liability for the year ending September 30, 2026 for the Component Unit.

Other amounts of the reported as deferred outflows and inflows of resources related to OPEB will be recognized in OPEB expense as follows:

City	
Year Ending September 30,	
2025	$ (89,820)
2026	(108,906)
2027	(119,969)
2028	(8,158)
2029	(8,768)
Thereafter	(1)
Totals	$ (335,622)

Component Unit	
Year Ending September 30,	
2025	$ (1,027)
2026	(1,245)
2027	(1,371)
2028	(93)
2029	(100)
Thereafter	1
Totals	$ (3,835)

K. Related Party Transactions

The City had four council members that had transactions with the City through their personal businesses. The four council members had transactions totaling $3,844, $55,575, $3,800 and $537,806. Two employees had transactions with the City through their personal businesses, totaling $18,187 and $6,025. All four council members disclosed the financial relationship with the City on their conflict-of-interest questionnaires.

L. Subsequent events

The City has evaluated all events or transactions that occurred after September 30, 2025, and through February 24, 2026, the date the financial statements were issued. On January 15, 2026, the City issued $4,045,000 of Limited Tax Notes, Series 2026.

Required
Supplementary Information
(Unaudited)

Sherman
CLASSIC TOWN. BROAD HORIZON.

City of Sherman, Texas

Schedule of Revenues, Expenditures, and Changes
In Fund Balance – Budget (GAAP Basis) and Actual
General Fund
For The Fiscal Year Ended September 30, 2025

	Budget		Actual GAAP Basis	Adjustments Budget Basis	Actual Budget Basis	Final Budget Variance
	Original	Final				
REVENUES						
Taxes:						
General property	$ 25,484,400	$ 25,484,400	$ 25,370,051	$ -	$ 25,370,051	$ (114,349)
City sales	28,500,000	28,500,000	28,082,903	580,628	28,663,531	163,531
Franchise	3,081,000	3,081,000	3,379,958	-	3,379,958	298,958
Nonproperty	170,000	170,000	166,878	-	166,878	(3,122)
Licenses and permits	1,087,465	1,087,465	2,271,489	-	2,271,489	1,184,024
Intergovernmental	981,694	981,694	966,060	-	966,060	(15,634)
Charges for services	4,804,500	4,804,500	4,069,969	-	4,069,969	(734,531)
Fines and forfeitures	663,500	663,500	976,988	-	976,988	313,488
Investment income	650,000	650,000	1,615,825	(149,610)	1,466,215	816,215
Donations	12,500	12,500	23,989	-	23,989	11,489
Miscellaneous	1,661,765	1,661,765	562,639	-	562,639	(1,099,126)
Total revenues	67,096,824	67,096,824	67,486,749	431,018	67,917,767	820,943
EXPENDITURES						
Current:						
General government	15,491,285	16,967,634	15,792,712	-	15,792,712	1,174,922
Public safety	34,649,379	35,933,222	35,093,283	-	35,093,283	839,939
Streets	6,198,087	6,522,293	5,761,098	-	5,761,098	761,195
Community Services	9,774,343	10,293,066	10,270,063	-	10,270,063	23,003
Capital outlay	615,599	1,139,511	1,601,435	-	1,601,435	(461,924)
Debt service:						
Principal	-	-	202,245	-	202,245	(202,245)
Interest	-	-	8,501	-	8,501	(8,501)
Total expenditures	66,728,693	70,855,726	68,729,337	-	68,729,337	2,126,389
Excess (deficiency) of revenues over (under) Expenditures	368,131	(3,758,902)	(1,242,588)	431,018	(811,570)	2,947,332
OTHER FINANCING SOURCES (USES)						
Issuance of leases	-	-	227,415	-	227,415	227,415
Issuance of notes payable	-	-	268,773			
Issuance of SBITAs	-	-	45,918	-	45,918	45,918
Transfers in	6,215,063	6,339,492	6,479,484	-	6,479,484	139,992
Transfers out	-	(700,000)	(700,000)	-	(700,000)	-
Total other financing sources (uses)	6,215,063	5,639,492	6,321,590	-	6,052,817	413,325
Net change in fund balance	6,583,194	1,880,590	5,079,002	431,018	5,241,247	3,360,657
Fund balance, beginning	24,366,062	24,366,062	24,366,062	-	24,366,062	-
FUND BALANCE, ENDING	$ 30,949,256	$ 26,246,652	$ 29,445,064	$ 431,018	$ 29,607,309	$ 3,360,657

The major differences between the budget basis and GAAP basis is that sales tax is recorded when earned for GAAP and is recorded when received for budget. Unrealized investment gain (loss) is recognized for GAAP basis only. The adjustments necessary to convert from the GAAP basis to the budget basis are as follows:

Reverse accrual for sales tax for budget basis	$ 580,628
Reverse adjustment for unreailized gains/losses on investments	(149,610)
Total adjustments between GAAP and budget basis	$ 431,018

City of Sherman, Texas

Texas Municipal Retirement System
Schedule of Changes in Net Pension Liability and Related Ratios
For the Fiscal Year Ended September 30, 2025

	Year ended December 31, 2024	Year ended December 31, 2023	Year ended December 31, 2022	Year ended December 31, 2021	Year ended December 31, 2020
TOTAL PENSION LIABILITY					
Service cost	$ 6,817,331	$ 5,887,123	$ 5,369,785	$ 4,577,040	$ 4,499,305
Interest (on the total pension liability)	12,466,734	11,860,725	11,197,229	10,682,508	10,371,517
Difference between expected and actual experience	3,033,113	1,165,662	2,007,562	956,873	(1,535,502)
Change in assumptions	-	(830,792)	-	-	-
Benefit payments, including refunds of employee contributions	(10,087,712)	(9,052,113)	(8,955,232)	(9,019,378)	(8,514,436)
Net change in total pension liability	12,229,466	9,030,605	9,619,344	7,197,043	4,820,884
Total pension liability, beginning	186,327,542	177,296,937	167,677,593	160,480,550	155,659,666
TOTAL PENSION LIABILITY - ENDING (a)	$ 198,557,008	$ 186,327,542	$ 177,296,937	$ 167,677,593	$ 160,480,550
PLAN FIDUCIARY NET POSITION					
Contributions - employer	$ 5,818,058	$ 5,002,771	$ 4,663,850	$ 4,124,458	$ 4,024,957
Contributions - employee	2,890,449	2,558,030	2,341,962	1,992,493	1,964,762
Net investment income	17,184,539	17,328,382	(11,944,313)	19,224,382	10,587,504
Benefit payments, including refunds of employee contributions	(10,087,712)	(9,052,113)	(8,955,232)	(9,019,378)	(8,514,436)
Administrative expense	(110,405)	(110,411)	(103,484)	(89,027)	(68,568)
Other	(2,581)	(771)	123,487	609	(2,675)
Net change in plan fiduciary net position	15,692,348	15,725,888	(13,873,730)	16,233,537	7,991,544
Plan fiduciary net position - beginning	165,679,075	149,953,187	163,826,917	147,593,380	139,601,836
PLAN FIDUCIARY NET POSITION - ENDING (b)	$ 181,371,423	$ 165,679,075	$ 149,953,187	$ 163,826,917	$ 147,593,380
NET PENSION LIABILITY (ASSET) - ENDING (a) - (b)	$ 17,185,585	$ 20,648,467	$ 27,343,750	$ 3,850,676	$ 12,887,170
Plan fiduciary net position as a percentage of total pension liability	91.34%	88.92%	84.58%	97.70%	91.97%
Covered payroll	$ 41,292,132	$ 36,543,282	$ 33,456,605	$ 28,464,182	$ 28,068,030
Net pension liability (asset) as a percentage of covered payroll	41.62%	56.50%	81.73%	13.53%	45.91%

Year ended December 31, 2019	Year ended December 31, 2018	Year ended December 31, 2017	Year ended December 31, 2016	Year ended December 31, 2015
$ 4,230,570	$ 3,883,639	$ 3,649,444	$ 3,486,523	$ 3,226,817
9,912,992	9,447,203	9,050,846	8,656,254	8,473,364
639,165	1,223,491	96,380	350,688	(618,003)
263,070	-	-	-	2,493,834
(8,259,971)	(7,394,476)	(6,689,131)	(6,769,128)	(6,257,098)
6,785,826	7,159,857	6,107,539	5,724,337	7,318,914
148,873,840	141,713,983	135,606,444	129,882,107	122,563,193
$ 155,659,666	$ 148,873,840	$ 141,713,983	$ 135,606,444	$ 129,882,107
$ 3,779,847	$ 3,500,405	$ 3,285,194	$ 2,940,094	$ 2,904,162
1,911,958	1,731,652	1,624,037	1,548,582	1,477,221
19,038,402	(3,872,794)	15,968,315	7,443,517	165,252
(8,259,971)	(7,394,476)	(6,689,131)	(6,769,128)	(6,257,098)
(107,658)	(74,888)	(82,784)	(84,096)	(100,658)
(3,234)	(3,911)	(4,195)	(4,531)	(4,972)
16,359,344	(6,114,012)	14,101,436	5,074,438	(1,816,093)
123,242,492	129,356,504	115,255,068	110,180,630	111,996,723
$ 139,601,836	$ 123,242,492	$ 129,356,504	$ 115,255,068	$ 110,180,630
$ 16,057,830	$ 25,631,348	$ 12,357,479	$ 20,351,376	$ 19,701,477
89.68%	82.78%	91.28%	84.99%	84.83%
$ 26,929,153	$ 24,736,553	$ 23,200,533	$ 22,122,605	$ 21,118,153
59.63%	103.62%	53.26%	91.99%	93.29%

City of Sherman, Texas

Texas Municipal Retirement System
Schedule of Contributions
For the Fiscal Year Ended September 30, 2025

	2025	2024	2023	2022	2021
Actuarially determined contribution	$ 6,544,925	$ 5,595,392	$ 4,912,051	$ 4,539,719	$ 4,136,055
Contributions in relation to the actuarially determined contribution	(6,544,925)	(5,595,392)	(4,912,051)	(4,539,719)	(4,136,055)
CONTRIBUTIONS DEFICIENCY (EXCESS)	$ -	$ -	$ -	$ -	$ -
Covered payroll	$ 45,457,607	$ 39,980,098	$ 35,722,972	$ 32,429,322	$ 28,624,847
Contributions as a percentatage of covered payroll	14.40%	14.00%	13.75%	14.00%	14.45%

Notes to the schedule of contributions

Valuation date	Actuarially determined contribution rates are calculated as of December 31 and become effective 13 months later (in January).

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age normal
Amortization method	Level percentage of payroll, closed
Remaining amortization method	21 Years (longest amortization ladder)
Asset valuation method	10 Year smoothed market; 12% soft corridor
Inflation	2.50%
Salary increases	3.60% to 11.85% including inflation
Investment rate of return	6.75%
Retirement Age	Experience-based table of rates that vary by age. Last updated for the 2023 valuation pursuant to an experience study of the period ending 2022.
Mortality	Post-retirement: 2019 Municipal Retirees of Texas Mortality Tables. Male rates are multiplied by 103% and female rates are multiplied by 105%. The rates are projected on a fully generational basis by the most recent Scale MP-2021 (with immediate convergence). Pre-retirement: PUB(10) mortality tables, with the 110% of the Public Safety table used for males and the 100% of the General Employee table used for females. The rates are projected on a fully generational basis by the most recent Scale MP-2021 (with immediate convergence).
Other information	There were no benefit changes during the year.

2020	2019	2018	2017	2016
$ 3,905,318	$ 3,701,373	$ 3,432,140	$ 3,198,051	$ 2,911,816
(3,905,318)	(3,701,373)	(3,432,140)	(3,198,051)	(2,911,816)
$ -	$ -	$ -	$ -	$ -
$ 27,443,124	$ 26,523,239	$ 24,250,983	$ 22,954,410	$ 21,711,800
14.23%	13.96%	14.15%	13.93%	13.41%

City of Sherman, Texas

Retiree Insurance Benefits Plan

Schedule of Changes in Total OPEB Liability and Related Ratios

For the Fiscal Year Ended September 30, 2025

	Plan Year Ended December 31,			
	2024	**2023**	**2022**	**2021**
TOTAL OPEB LIABILITY				
Service cost	$ 278,432	$ 231,277	$ 394,843	$ 282,712
Interest (on the total OPEB liability)	214,955	227,941	130,950	146,969
Difference in expected and actual experience	(755,070)	188,069	(378,350)	114,216
Changes in assumptions	(412,892)	(120,589)	(989,357)	(259,196)
Benefit payments, including refunds of employee contributions	(367,033)	(586,368)	(543,620)	(601,065)
Net change in total OPEB liability	(1,041,608)	(59,670)	(1,385,534)	(316,364)
Total OPEB liability - beginning	5,746,059	5,805,729	7,191,263	7,507,627
TOTAL OPEB LIABILITY - ENDING	$ 4,704,451	$ 5,746,059	$ 5,805,729	$ 7,191,263
Covered - employee payroll	41,387,898	36,543,282	33,456,605	28,454,484
Total OPEB liability as a percentage of covered - employee payroll	11.37%	15.72%	17.35%	25.27%

Note: This schedule is required to have 10 years of information, but the information prior to 2017 is not available.

Note: No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions.

Note: The discount rate changed from 3.77% as of December 31, 2023 to 4.08% as of December 31, 2024. Additionally, the participation rate for employees retiring between the ages of 50 and 65 was lowered and the health care trend rates were updated to reflect the plan's anticipated experience.

Plan Year Ended December 31,			
2020	2019	2018	2017
$ 353,212	$ 267,401	$ 322,200	$ 250,905
224,515	289,859	290,538	321,034
(548,928)	(141,126)	(1,183,991)	(265,075)
(279,885)	314,951	14,195	343,497
(457,753)	(387,662)	(372,776)	(296,252)
(708,839)	343,423	(929,834)	354,109
8,216,466	7,873,043	8,802,877	8,448,768
$ 7,507,627	$ 8,216,466	$ 7,873,043	$ 8,802,877
27,729,829	26,929,139	24,736,553	23,200,536
27.07%	30.51%	31.83%	37.94%

City of Sherman, Texas

Texas Municipal Retirement System - Supplemental Death Benefits Fund
Schedule of Changes in Total OBEP Liability and Related Ratios
For the Fiscal Year Ended September 30, 2025

	Plan Year Ended December 31,			
	2024	**2023**	**2022**	**2021**
TOTAL OPEB LIABILITY				
Service cost	$ 61,938	$ 47,506	$ 100,370	$ 85,393
Interest (on the total OPEB liability)	56,011	57,290	37,771	38,365
Difference in expected and actual experience	13,257	(48,818)	(14,686)	(6,584)
Changes in assumptions	(75,337)	69,940	(679,088)	59,165
Benefit payments, including refunds of employee contributions	(61,938)	(62,124)	(50,185)	(48,389)
Net change in total OPEB liability	(6,069)	63,794	(605,818)	127,950
Total OPEB liability - beginning	1,485,667	1,421,873	2,027,691	1,899,741
TOTAL OPEB LIABILITY - ENDING	$ 1,479,598	$ 1,485,667	$ 1,421,873	$ 2,027,691
Covered - employee payroll	41,387,898	36,543,282	33,456,605	28,464,182
Total OPEB liability as a percentage of covered - employee payroll	3.58%	4.07%	4.25%	7.12%

Note: This schedule is required to have 10 years of information, but the information prior to 2017 is not available.

Note: No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions.

Plan Year Ended December 31,			
2020	2019	2018	2017
$ 64,556	$ 48,472	$ 51,947	$ 41,761
46,262	60,886	47,552	47,400
(90,851)	(306,729)	214,798	-
238,206	246,961	(92,549)	103,930
(16,841)	(16,157)	(14,842)	(16,240)
241,332	33,433	206,906	176,851
1,658,409	1,624,976	1,418,070	1,241,219
$ 1,899,741	$ 1,658,409	$ 1,624,976	$ 1,418,070
28,068,030	26,929,153	24,736,553	23,200,533
6.77%	6.16%	6.57%	6.11%

Sherman

CLASSIC TOWN. BROAD HORIZON.

Other Supplementary Information

Special Revenue Funds are used to account for specific revenues that are legally restricted to expenditures for particular purposes.

Hotel-Motel Fund – This fund accounts for revenue from a seven percent tax levied upon the cost of a hotel or motel room in the City, and for the operations of the Municipal Ballroom and Kidd-Key Auditorium which are supported by the tax. According to state civil statutes, this tax revenue can be used to promote tourism, maintain and repair convention facilities, promote the arts and humanities, or any other purpose directly related to those activities. Additionally, in accordance with bond covenants, two percent of the seven percent is to be used to pay debt service on bonds issued for auditorium improvements. These funds are accounted for in a separate Debt Service Fund.

Community Development Fund – This fund accounts for revenues received from the Community Development Block Grant and the expenditures allowed by grant terms.

PRIDE Program Fund – This fund accounts for public donations through a voluntary one dollar charge on utility bills for the parks and recreation improvement program, police drug enforcement program and/or the library.

Drug Enforcement Fund - This fund accounts for forfeitures awarded to the City by the courts and drug enforcement expenditures.

Municipal Airport Fund – This fund accounts for operations of the City's municipal airport and for grant moneys received to make capital improvements at the airport.

Bel Air Public Improvement District Fund – This fund accounts for property tax revenue collected and expenses incurred on behalf of the public improvement district.

Emergency 9-1-1 Fund – This fund accounts for a public safety program that uses the charges to phone lines for enhanced 9-1-1 service for emergency dispatch services.

Court Security and Technology Fund – This fund accounts for two public safety programs that use court security and technology fees charged by the municipal court for expenditures related to the court.

Stormwater Fund – This fund accounts for the fee assessed on impervious area in the City collected on utility bills. The revenue from the fee is restricted by law for use on stormwater projects.

CAPITAL PROJECT FUNDS

Capital Project Funds are used to account for specific revenues that are legally restricted to expenditure for particular purposes.

Street Revolving Fund – This fund accounts for street assessments, escrow deposits for future street improvements and donations by citizens for specific street improvements.

TIF #2 Construction Fund – This fund accounts for payments for infrastructure improvements within the zone that includes downtown on a pay-as-you-go basis.

TIF #3 Construction Fund – This fund accounts for payments for infrastructure improvements within the zone that includes the northeast corner of the intersection of US Hwy 75 and Loy Lake Road on a pay-as-you-go basis.

TIRZ #5 Construction Fund – This fund accounts for payments for infrastructure improvements within the zone that includes the northwest corner of US Hwy 75 and FM 1417 on a pay-as-you-go basis.

TIRZ #6 Construction Fund – This fund accounts for payments for infrastructure improvements within the zone that includes the area south of the intersection of US Hwy 75 and FM 691 on a pay-as- you-go basis.

TIRZ #7 Construction Fund – This fund accounts for payments for infrastructure improvements within the zone that includes the southeast corner of US Hwy 75 and FM 1417 on a pay-as-you-go basis.

TIRZ #8 Construction Fund – This fund accounts for payments for infrastructure improvements within the zone that includes the area in Heritage Ranch Residential along US Hwy 82 and between Plainview Road and Travis Street on a pay-as-you-go basis.

Roadway Impact Fee Zone #1 – This fund accounts for the assessment imposed against new development in Roadway Service Area 1, defined primarily as the area north of US Hwy 82. The City of Sherman began collecting impact fees June 7, 2021, in order to generate revenue for funding or recouping the costs of capital improvements or facility expansions necessitated by and attributable to the new development in this service zone.

Roadway Impact Fee Zone #2 – This fund accounts for the assessment imposed against new development in Roadway Service Area 2, defined primarily as the area west of US HWY 75, between West Travis Street and US 82. The City of Sherman began collecting impact fees June 7, 2021, in order to generate revenue for funding or recouping the costs of capital improvements or facility expansions necessitated by and attributable to the new development in this service zone.

Roadway Impact Fee Zone #3 – This fund accounts for the assessment imposed against new development in Roadway Service Area 3, defined primarily as the area south of US Hwy 82 and east of US Hwy 75. The City of Sherman began collecting impact fees June 7, 2021, in order to generate revenue for funding or recouping the costs of capital improvements or facility expansions necessitated by and attributable to the new development in this service zone.

Roadway Impact Fee Zone #4 – This fund accounts for the assessment imposed against new development in Roadway Service Area 4, defined primarily as the area split by US Hwy 75 with the northern limit on the west side being Travis Street and the northern limit on the east side being Post Oak Creek. The City of Sherman began collecting impact fees June 7, 2021, in order to generate revenue for funding or recouping the costs of capital improvements or facility expansions necessitated by and attributable to the new development in this service zone.

Regional Detention Construction Fund – This fund accounts for fees collected from real estate developers to be used for the future construction of a regional stormwater detention facility.

PERMANENT FUND

The Permanent Fund is used to account for the resources that are legally restricted to the extent that only earnings, and not principal, may be used for purposes that support the City's program.

Perpetual Care, Cemetery and Mausoleum Fund – This fund is used to account for principal trust amounts received and related interest income. The interest portion of this fund can be used to maintain the community cemetery.

City of Sherman, Texas
Combining Balance Sheet
Nonmajor Governmental Funds
September 30, 2025

	Special Revenue			
	Hotel - Motel	Community Development	PRIDE Program	Drug Enforcement Program
ASSETS				
Cash	$ -	$ -	$ 202,086	$ 183,278
Pooled and temporary investments	30	-	-	-
Receivables (net of allowances for uncollectibles):				
Interest	-	-	-	-
Intergovernmental	-	41,611	-	-
Accounts	-	-	3,453	-
Due from other funds	-	-	-	-
Taxes	484,813	-	-	-
Leases	-	-	-	-
Inventory	-	-	-	-
Total assets	$ 484,843	$ 41,611	$ 205,539	$ 183,278
LIABILITIES				
Accounts payable	$ 7,618	$ 12,789	$ -	$ 1,863
Accrued wages payable	4,212	-	-	-
Customer deposits	20,168	-	-	-
Unearned revenue	-	-	-	-
Due to other funds	281,187	28,822	-	-
Total liabilities	313,185	41,611	-	1,863
DEFERRED INFLOWS OF RESOURCES				
Deferred inflows - leases	-	-	-	-
Total deferred inflows of resources	-	-	-	-
FUND BALANCES				
Nonspendable:				
Endowment	-	-	-	-
Inventory	-	-	-	-
Restricted for:				
Law enforcement support	-	-	38,383	181,415
Airport and tourism	171,658	-	-	-
Intrastructure and facilities improvement	-	-	167,156	-
Cemetery maintenance	-	-	-	-
Committed to:				
New street development	-	-	-	-
Unassigned	-	-	-	-
Total fund balances	171,658	-	205,539	181,415
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	$ 484,843	$ 41,611	$ 205,539	$ 183,278

Special Revenue					Capital Projects	
Municipal Airport	Bel Air Public Improvement District	Emergency 9-1-1	Court Security and Technology	Stormwater Fund	Street Revolving	TIF #2 Construction
$ 143,607	$ -	$ -	$ 154,796	$ -	$ 18,736	$ 81,748
62,942	512,448	1,088,851	-	-	721,125	69,090
-	-	-	-	-	-	-
-	-	19,786	-	-	-	-
31,555	-	-	-	85,499	-	-
-	-	-	-	-	-	-
-	10,544	-	-	-	-	-
48,602	-	-	-	-	-	-
15,532	-	-	-	-	-	-
$ 302,238	$ 522,992	$ 1,108,637	$ 154,796	$ 85,499	$ 739,861	$ 150,838
$ 8,134	$ 350,341	$ 10,663	$ -	$ 47,865	$ -	$ 511
-	-	-	-	3,974	-	-
7,722	-	-	-	-	162,808	-
-	-	1,018	-	-	-	-
-	117,309	355,953	-	191,587	-	-
15,856	467,650	367,634	-	243,426	162,808	511
46,079	-	-	-	-	-	-
46,079	-	-	-	-	-	-
-	-	-	-	-	-	-
15,532	-	-	-	-	-	-
-	-	741,003	154,796	-	-	-
224,771	-	-	-	-	-	-
-	55,342	-	-	-	-	150,327
-	-	-	-	-	-	-
-	-	-	-	-	577,053	-
-	-	-	-	(157,927)	-	-
240,303	55,342	741,003	154,796	(157,927)	577,053	150,327
$ 302,238	$ 522,992	$ 1,108,637	$ 154,796	$ 85,499	$ 739,861	$ 150,838

City of Sherman, Texas
Combining Balance Sheet (Continued)
Nonmajor Governmental Funds
September 30, 2025

	Capital Projects				
	TIF #3 Construction	TIRZ #5 Construction	TIRZ #6 Construction	TIRZ #7 Construction	TIRZ #8 Construction
ASSETS					
Cash	$ -	$ -	$ 461,912	$ 1,154,971	$ 7,587
Pooled and temporary investments	-	-	-	-	-
Receivables (net of allowances for uncollectibles):					
Interest	-	-	-	-	-
Intergovernmental	-	-	-	-	-
Accounts	-	-	-	-	-
Due from other funds	-	-	-	-	-
Taxes	-	-	-	-	-
Leases	-	-	-	-	-
Inventory	-	-	-	-	-
Total assets	$ -	$ -	$ 461,912	$ 1,154,971	$ 7,587
LIABILITIES					
Accounts payable	$ -	$ -	$ -	$ -	$ -
Accrued wages payable	-	-	-	-	-
Customer deposits	-	-	-	-	-
Unearned revenue	-	-	-	-	-
Due to other funds	124,429	301,616	-	-	-
Total liabilities	124,429	301,616	-	-	-
DEFERRED INFLOWS OF RESOURCES					
Deferred inflows - leases	-	-	-	-	-
Total deferred inflows of resources	-	-	-	-	-
FUND BALANCES					
Nonspendable:					
Endowment	-	-	-	-	-
Inventory	-	-	-	-	-
Restricted for:					
Law enforcement support	-	-	-	-	-
Airport and tourism	-	-	-	-	-
Intrastructure and facilities improvement	-	-	461,912	1,154,971	7,587
Cemetery maintenance	-	-	-	-	-
Committed to:					
New street development	-	-	-	-	-
Unassigned	(124,429)	(301,616)	-	-	-
Total fund balances	(124,429)	(301,616)	461,912	1,154,971	7,587
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	$ -	$ -	$ 461,912	$ 1,154,971	$ 7,587

Capital Projects					Permanent	
Roadway Impact Fee Zone #1	Roadway Impact Fee Zone #2	Roadway Impact Fee Zone #3	Roadway Impact Fee Zone #4	Regional Detention	Perpetual Care Cemetery and Mausoleum	Total NonMajor Governmental Funds
$ -	$ 295,556	$ 269,642	$ 765,802	$ 57,262	$ 3,966	$ 3,800,949
208,972	891,569	-	587,688	-	2,230,018	6,372,733
-	-	-	366	-	-	366
-	-	-	-	-	-	61,397
-	-	-	-	-	31,275	151,782
-	-	-	-	-	-	-
-	-	-	-	-	-	495,357
-	-	-	-	-	-	48,602
-	-	-	-	-	-	15,532
$ 208,972	$ 1,187,125	$ 269,642	$ 1,353,856	$ 57,262	$ 2,265,259	$ 10,946,718
$ -	$ -	$ -	$ -	$ -	$ -	$ 439,784
-	-	-	-	-	-	8,186
-	-	-	-	-	-	190,698
-	-	-	-	-	-	1,018
133,817	-	-	-	-	-	1,534,720
133,817	-	-	-	-	-	2,174,406
-	-	-	-	-	-	46,079
-	-	-	-	-	-	46,079
-	-	-	-	-	100,000	100,000
-	-	-	-	-	-	15,532
-	-	-	-	-	-	1,115,597
-	-	-	-	-	-	396,429
75,155	1,187,125	269,642	1,353,856	57,262	-	4,940,335
-	-	-	-	-	2,165,259	2,165,259
-	-	-	-	-	-	577,053
-	-	-	-	-	-	(583,972)
75,155	1,187,125	269,642	1,353,856	57,262	2,265,259	8,726,233
$ 208,972	$ 1,187,125	$ 269,642	$ 1,353,856	$ 57,262	$ 2,265,259	$ 10,946,718

City of Sherman, Texas

Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances
Nonmajor Governmental Funds
For the Fiscal Year Ended September 30, 2025

	Special Revenue			
	Hotel - Motel	Community Development	PRIDE Program	Drug Enforcement Program
REVENUES				
General property taxes	$ -	$ -	$ -	$ -
Nonproperty taxes	1,092,517	-	-	-
Property assessment	-	-	-	-
Intergovernmental	-	428,031	-	-
Charges for services	26,240	-	-	-
Fines and forfeitures	-	-	-	49,995
Invesment income (loss)	1	-	3,862	2,305
Donations	-	-	156,798	-
Perpetual care contracts	-	-	-	-
Miscellaneous	77,615	-	-	-
Total revenues	1,196,373	428,031	160,660	52,300
EXPENDITURES				
Current:				
Public safety	-	-	14,153	16,655
Community services	1,216,451	-	33,790	-
Community development	-	248,803	-	-
Capital outlay	-	179,228	-	-
Debt service:				
Principal	413	-	-	-
Interest	86	-	-	-
Total expenditures	1,216,950	428,031	47,943	16,655
Excess (deficiency) of revenues over (under) expenditures	(20,577)	-	112,717	35,645
OTHER FINANCING SOURCES (USES)				
Transfers in	700,000	-	-	-
Transfers out	(103,000)	-	-	-
Issuance of leases	3,394	-	-	-
Total other financing sources (uses)	600,394	-	-	-
Net change in fund balances	579,817	-	112,717	35,645
Fund balances, beginning	(408,159)	-	92,822	145,770
FUND BALANCES, ENDING	$ 171,658	$ -	$ 205,539	$ 181,415

Special Revenue					Capital Projects	
Municipal Airport	Bel Air Public Improvement District	Emergency 9-1-1	Court Security and Technology	Stormwater Fund	Street Revolving	TIF #2 Construction
$ -	$ -	$ -	$ -	$ -	$ -	$ 447,825
-	-	-	-	-	-	-
-	849,780	-	-	-	-	-
75,183	-	139,235	-	-	-	-
414,306	-	327,410	-	920,810	-	-
-	-	-	70,917	-	-	-
6,678	16,419	42,663	3,662	324	28,566	4,590
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
496,167	866,199	509,308	74,579	921,134	28,566	452,415
-	-	778,439	41,691	-	-	-
393,359	-	-	-	511,859	-	-
-	32,512	-	-	-	-	64,679
80,830	785,284	47,859	-	407,742	-	89,711
-	-	-	-	-	-	-
-	-	-	-	-	-	-
474,189	817,796	826,298	41,691	919,601	-	154,390
21,978	48,403	(316,990)	32,888	1,533	28,566	298,025
-	-	-	-	-	-	-
-	-	-	(35,000)	(269,000)	-	(200,000)
-	-	-	-	-	-	-
-	-	-	(35,000)	(269,000)	-	(200,000)
21,978	48,403	(316,990)	(2,112)	(267,467)	28,566	98,025
218,325	6,939	1,057,993	156,908	109,540	548,487	52,302
$ 240,303	$ 55,342	$ 741,003	$ 154,796	$ (157,927)	$ 577,053	$ 150,327

City of Sherman, Texas

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances (Continued)
Nonmajor Governmental Funds
For the Fiscal Year Ended September 30, 2025

	Capital Projects				
	TIF #3 Construction	TIRZ #5 Construction	TIRZ #6 Construction	TIRZ #7 Construction	TIRZ #8 Construction
REVENUES					
General property taxes	$ -	$ 103,045	$ 42,103	$ 165,579	$ 4,218
Nonproperty taxes	-	-	-	-	-
Property assessment	-	-	-	-	-
Intergovernmental	-	86,355	33,626	123,121	3,330
Charges for services	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-
Invesment income (loss)	1,359	-	12,867	8,238	39
Donations	-	-	-	-	-
Perpetual care contracts	-	-	-	-	-
Miscellaneous	-	-	-	1,600,000	-
Total revenues	1,359	189,400	88,596	1,896,938	7,587
EXPENDITURES					
Current:					
Public safety	-	-	-	-	-
Community services	-	-	-	-	-
Community development	-	-	-	-	-
Capital outlay	-	1,500	-	-	-
Debt service:					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
Total expenditures	-	1,500	-	-	-
Excess (deficiency) of revenues over (under) expenditures	1,359	187,900	88,596	1,896,938	7,587
OTHER FINANCING SOURCES (USES)					
Transfers in	-	-	-	-	-
Transfers out	(248,858)	(289,000)	(226,000)	(178,000)	-
Issuance of leases	-	-	-	-	-
Total other financing sources (uses)	(248,858)	(289,000)	(226,000)	(178,000)	-
Net change in fund balances	(247,499)	(101,100)	(137,404)	1,718,938	7,587
Fund balances, beginning	123,070	(200,516)	599,316	(563,967)	-
FUND BALANCES, ENDING	$ (124,429)	$ (301,616)	$ 461,912	$ 1,154,971	$ 7,587

Capital Projects					Permanent	
Roadway Impact Fee Zone #1	Roadway Impact Fee Zone #2	Roadway Impact Fee Zone #3	Roadway Impact Fee Zone #4	Regional Detention	Perpetual Care Cemetery and Mausoleum	Total NonMajor Governmental Funds
$ -	$ -	$ -	$ -	$ -	$ -	$ 762,770
-	-	-	-	-	-	1,092,517
-	-	-	-	-	-	849,780
-	-	-	-	-	-	888,881
142,512	898,344	13,195	394,028	-	-	3,136,845
-	-	-	-	-	-	120,912
7,301	29,960	6,244	45,808	1,371	125,629	347,886
-	-	-	-	-	-	156,798
-	-	-	-	-	14,200	14,200
-	-	-	-	-	-	1,677,615
149,813	928,304	19,439	439,836	1,371	139,829	9,048,204
-	-	-	-	-	-	850,938
-	-	-	-	-	-	2,155,459
-	-	-	-	-	-	345,994
-	-	-	-	-	-	1,592,154
-	-	-	-	-	-	413
-	-	-	-	-	-	86
-	-	-	-	-	-	4,945,044
149,813	928,304	19,439	439,836	1,371	139,829	4,103,160
-	-	-	-	-	-	700,000
(400,000)	(300,000)	-	(300,000)	-	-	(2,548,858)
-	-	-	-	-	-	3,394
(400,000)	(300,000)	-	(300,000)	-	-	(1,845,464)
(250,187)	628,304	19,439	139,836	1,371	139,829	2,257,696
325,342	558,821	250,203	1,214,020	55,891	2,125,430	6,468,537
$ 75,155	$ 1,187,125	$ 269,642	$ 1,353,856	$ 57,262	$ 2,265,259	$ 8,726,233

City of Sherman, Texas

Schedule of Revenues, Expenditures, and Changes
In Fund Balance – Budget (Non-GAAP Budgetary Basis) and Actual
General Improvement Fund
For The Fiscal Year Ended September 30, 2025

	Budgeted Amounts		Actual GAAP Basis	Adjustments Budget Basis	Actual Budget Basis	Final Budget Variance
	Original	Final				
REVENUES						
Investment income	$ 3,510,000	$ 3,510,000	$ 3,342,117	$ 34,795	$ 3,376,912	$ (133,088)
Intergovernmental	-	-	900,000	-	900,000	900,000
Miscellaneous	400,000	400,000	-	-	-	(400,000)
Total revenues	3,910,000	3,910,000	4,242,117	34,795	4,276,912	366,912
EXPENDITURES						
Capital outlay:						
Infrastructure and facility improvements	48,774,522	62,384,609	38,568,474	-	38,568,474	23,816,135
Debt service:						
Debt issuance costs	200,000	200,000	345,141	-	345,141	(145,141)
Total expenditures	48,974,522	62,584,609	38,913,615	-	38,913,615	23,670,994
Excess (deficiency) of revenues over (under) expenditures	(45,064,522)	(58,674,609)	(34,671,498)	34,795	(34,636,703)	24,037,906
OTHER FINANCING SOURCES (USES)						
Issuance of bonds	26,000,000	26,000,000	44,485,000	-	44,485,000	18,485,000
Issuance of tax notes	3,427,300	3,427,300	3,507,300	-	3,507,300	80,000
Premium of debt issuance	-	-	1,120,961	-	1,120,961	1,120,961
Transfers in	1,000,000	1,000,000	1,000,000	-	1,000,000	-
Transfers out	-	-	(32,424)	-	(32,424)	(32,424)
Total other financing sources (uses)	30,427,300	30,427,300	50,080,837	-	50,080,837	19,653,537
Net change in fund balance	(14,637,222)	(28,247,309)	15,409,339	34,795	15,444,134	43,691,443
Fund balance, beginning	59,785,400	59,785,400	59,785,400	-	59,785,400	-
FUND BALANCE, ENDING	$ 45,148,178	$ 31,538,091	$ 75,194,739	$ 34,795	$ 75,229,534	$ 43,691,443

City of Sherman, Texas

Schedule of Revenues, Expenditures, and Changes
In Fund Balance – Budget (Non-GAAP Budgetary Basis) and Actual
Debt Service Fund
For The Fiscal Year Ended September 30, 2025

	Budgeted Amounts		Actual GAAP Basis	Adjustments Budget Basis	Actual Budget Basis	Final Budget Variance
	Original	Final				
REVENUES						
General property taxes	$ 12,278,352	$ 12,278,352	$ 12,662,470	$ -	$ 12,662,470	$ 384,118
Investment income	85,000	85,000	92,097	-	92,097	7,097
Total revenues	12,363,352	12,363,352	12,754,567	-	12,754,567	391,215
EXPENDITURES						
Debt service:						
Principal	6,945,622	6,975,622	6,951,005	-	6,951,005	24,617
Interest	7,464,974	7,489,974	7,505,652	-	7,505,652	(15,678)
Agent fees	14,000	14,000	7,950	-	7,950	6,050
Total expenditures	14,424,596	14,479,596	14,464,607	-	14,464,607	14,989
Excess (deficiency) of revenues over (under) expenditures	(2,061,244)	(2,116,244)	(1,710,040)	-	(1,710,040)	406,204
OTHER FINANCING SOURCES (USES)						
Transfers in	1,138,000	1,138,000	1,213,687	-	1,213,687	75,687
Total other financing sources (uses)	1,138,000	1,138,000	1,213,687	-	1,213,687	75,687
Net change in fund balance	(923,244)	(978,244)	(496,353)	-	(496,353)	481,891
Fund balance, beginning	1,270,262	1,270,262	1,270,262	-	1,270,262	-
FUND BALANCE, ENDING	$ 347,018	$ 292,018	$ 773,909	$ -	$ 773,909	$ 481,891

City of Sherman, Texas

Schedule of Revenues, Expenditures, and Changes
In Fund Balance – Budget (Non-GAAP Budgetary Basis) and Actual
Hotel - Motel Fund
For The Fiscal Year Ended September 30, 2025

	Budgeted Amounts		Actual GAAP Basis	Adjustments Budget Basis	Actual Budget Basis	Final Budget Variance
	Original	Final				
REVENUES						
Nonproperty taxes	$ 775,000	$ 775,000	$ 1,092,517	$ -	$ 1,092,517	$ 317,517
Charges for services	17,000	17,000	26,240	-	26,240	9,240
Investment income	-	-	1	-	1	1
Miscellaneous	61,500	61,500	77,615	-	77,615	16,115
Total revenues	853,500	853,500	1,196,373	-	1,196,373	342,873
EXPENDITURES						
Current:						
Community services:						
Tourism	604,810	1,309,502	1,187,122	-	1,187,122	122,380
Auditorium	18,550	18,550	8,488	-	8,488	10,062
Ballroom	35,250	35,250	20,841	-	20,841	14,409
Debt service:						
Principal	-	-	413	-	413	(413)
Interest	-	-	86	-	86	(86)
Debt issuance costs and agent fees	-	-	(3,394)	-	(3,394)	3,394
Total expenditures	658,610	1,363,302	1,213,556	-	1,213,556	149,746
Excess (deficiency) of revenues over (under) expenditures	194,890	(509,802)	(17,183)	-	(17,183)	193,127
OTHER FINANCING SOURCES (USES)						
Transfers in	-	700,000	700,000	-	700,000	-
Transfers out	(103,000)	(103,000)	(103,000)	-	(103,000)	-
Total other financing sources (uses)	(103,000)	597,000	597,000	-	597,000	-
Net change in fund balance	91,890	87,198	579,817	-	579,817	193,127
Fund balance, beginning	(408,159)	(408,159)	(408,159)	-	(408,159)	-
FUND BALANCE, ENDING	$ (316,269)	$ (320,961)	$ 171,658	$ -	$ 171,658	$ 193,127

City of Sherman, Texas

Schedule of Revenues, Expenditures, and Changes
In Fund Balance – Budget (Non-GAAP Budgetary Basis) and Actual
Pride Program
For The Fiscal Year Ended September 30, 2025

	Budgeted Amounts		Actual GAAP Basis	Adjustments Budget Basis	Actual Budget Basis	Final Budget Variance
	Original	Final				
REVENUES						
Investment income	$ 750	$ 750	$ 3,862	$ -	$ 3,862	$ 3,112
Donations	37,300	37,300	156,798	-	156,798	119,498
Total revenues	38,050	38,050	160,660	-	160,660	122,610
EXPENDITURES						
Current:						
Public safety						
Drug enforcement	23,000	23,000	14,153	-	14,153	8,847
Community services						
Park maintenance	50,000	55,606	33,790	-	33,790	21,816
Library materials	19,000	23,000	-	-	-	23,000
Total expenditures	92,000	101,606	47,943	-	47,943	53,663
Excess (deficiency) of revenues over (under) expenditures	(53,950)	(63,556)	112,717	-	112,717	176,273
Fund balance, beginning	92,822	92,822	92,822	-	92,822	-
FUND BALANCE, ENDING	$ 38,872	$ 29,266	$ 205,539	$ -	$ 205,539	$ 176,273

City of Sherman, Texas

Schedule of Revenues, Expenditures, and Changes
In Fund Balance – Budget (Non-GAAP Budgetary Basis) and Actual
Community Development Fund
For The Fiscal Year Ended September 30, 2025

	Budgeted Amounts		Actual GAAP Basis	Adjustments Budget Basis	Actual Budget Basis	Final Budget Variance
	Original	Final				
REVENUES						
Intergovernmental	$ 428,031	$ 428,031	$ 428,031	$ -	$ 428,031	$ -
Total revenues	428,031	428,031	428,031	-	428,031	-
EXPENDITURES						
Current:						
Community development:						
Administration	67,279	67,279	67,279	-	67,279	-
Demolotion and clearing	56,573	56,573	56,573	-	56,573	-
Public service	124,951	124,951	124,951	-	124,951	-
Capital Outlay	179,228	179,228	179,228	-	179,228	-
Total expenditures	428,031	428,031	428,031	-	428,031	-
Excess (deficiency) of revenues over (under) expenditures	-	-	-	-	-	-
Fund balance, beginning	-	-	-	-	-	-
FUND BALANCE, ENDING	$ -	$ -	$ -	$ -	$ -	$ -

City of Sherman, Texas

Schedule of Revenues, Expenditures, and Changes
In Fund Balance – Budget (Non-GAAP Budgetary Basis) and Actual
Drug Enforcement Fund
For The Fiscal Year Ended September 30, 2025

	Budgeted Amounts		Actual GAAP Basis	Adjustments Budget Basis	Actual Budget Basis	Final Budget Variance
	Original	Final				
REVENUES						
Fines and forfeitures	$ 50,000	$ 50,000	$ 49,995	$ -	$ 49,995	$ (5)
Investment income	1,800	1,800	2,305	-	2,305	505
Total revenues	51,800	51,800	52,300	-	52,300	500
EXPENDITURES						
Current:						
Public safety:						
Drug enforcement	67,400	68,700	16,655	-	16,655	52,045
Total expenditures	67,400	68,700	16,655	-	16,655	52,045
Excess (deficiency) of revenues over (under) expenditures	(15,600)	(16,900)	35,645	-	35,645	52,545
Fund balance, beginning	145,770	145,770	145,770	-	145,770	-
FUND BALANCE, ENDING	$ 130,170	$ 128,870	$ 181,415	$ -	$ 181,415	$ 52,545

City of Sherman, Texas

Schedule of Revenues, Expenditures, and Changes
In Fund Balance – Budget (Non-GAAP Budgetary Basis) and Actual
Bel Air Public Improvement District
For The Fiscal Year Ended September 30, 2025

	Budgeted Amounts		Actual GAAP Basis	Adjustments Budget Basis	Actual Budget Basis	Final Budget Variance
	Original	Final				
REVENUES						
Property assessment	$ 2,707,500	$ 2,707,500	$ 849,780	$ -	$ 849,780	$ (1,857,720)
Investment income	4,000	4,000	16,419	-	16,419	12,419
Total revenues	2,711,500	2,711,500	866,199	-	866,199	(1,845,301)
EXPENDITURES						
Current:						
Community development	-	-	32,512	-	32,512	(32,512)
Capital outlay	2,707,000	2,707,000	785,284	-	785,284	1,921,716
Total expenditures	2,707,000	2,707,000	817,796	-	817,796	1,889,204
Excess (deficiency) of revenues over (under) expenditures	4,500	4,500	48,403	-	48,403	43,903
Fund balance, beginning	6,939	6,939	6,939	-	6,939	-
FUND BALANCE, ENDING	$ 11,439	$ 11,439	$ 55,342	$ -	$ 55,342	$ 43,903

City of Sherman, Texas

Schedule of Revenues, Expenditures, and Changes
In Fund Balance – Budget (Non-GAAP Budgetary Basis) and Actual
Municipal Airport Fund
For The Fiscal Year Ended September 30, 2025

	Budgeted Amounts		Actual GAAP Basis	Adjustments Budget Basis	Actual Budget Basis	Final Budget Variance
	Original	Final				
REVENUES						
Intergovernmental	$ 100,000	$ 100,000	$ 75,183	$ -	$ 75,183	$ (24,817)
Investment income	11,000	11,000	6,678	-	6,678	(4,322)
Airport rentals	113,000	113,000	124,928	-	124,928	11,928
Fuel sales	320,000	320,000	289,378	-	289,378	(30,622)
Total revenues	544,000	544,000	496,167	-	496,167	(47,833)
EXPENDITURES						
Current:						
Community services:						
Airport operation	532,272	532,272	393,359	-	393,359	138,913
Capital outlay	100,000	100,000	80,830	-	80,830	19,170
Total expenditures	632,272	632,272	474,189	-	474,189	158,083
Excess (deficiency) of revenues over (under) expenditures	(88,272)	(88,272)	21,978	-	21,978	110,250
Fund balance, beginning	218,325	218,325	218,325	-	218,325	-
FUND BALANCE, ENDING	$ 130,053	$ 130,053	$ 240,303	$ -	$ 240,303	$ 110,250

City of Sherman, Texas

Schedule of Revenues, Expenditures, and Changes
In Fund Balance – Budget (Non-GAAP Budgetary Basis) and Actual
Emergency 9-1-1 Fund
For The Fiscal Year Ended September 30, 2025

	Budgeted Amounts		Actual GAAP Basis	Adjustments Budget Basis	Actual Budget Basis	Final Budget Variance
	Original	Final				
REVENUES						
Charges for services	$ 350,000	$ 350,000	$ 327,410	$ -	$ 327,410	$ (22,590)
Investment income	26,000	26,000	42,663	-	42,663	16,663
Intergovernmental	150,000	150,000	139,235	-	139,235	(10,765)
Total revenues	526,000	526,000	509,308	-	509,308	(16,692)
EXPENDITURES						
Current:						
Public safety:						
Emergency 9-1-1 services	742,323	742,323	778,439	-	778,439	(36,116)
Capital outlay	400,000	402,550	47,859	-	47,859	354,691
Total expenditures	1,142,323	1,144,873	826,298	-	826,298	318,575
Excess (deficiency) of revenues over (under) expenditures	(616,323)	(618,873)	(316,990)	-	(316,990)	301,883
Fund balance, beginning	1,057,993	1,057,993	1,057,993	-	1,057,993	-
FUND BALANCE, ENDING	$ 441,670	$ 439,120	$ 741,003	$ -	$ 741,003	$ 301,883

City of Sherman, Texas

Schedule of Revenues, Expenditures, and Changes
In Fund Balance – Budget (Non-GAAP Budgetary Basis) and Actual
Court Security and Technology Fund
For The Fiscal Year Ended September 30, 2025

	Budgeted Amounts		Actual GAAP Basis	Adjustments Budget Basis	Actual Budget Basis	Final Budget Variance
	Original	Final				
REVENUES						
Fines and forfeitures	$ 53,400	$ 53,400	$ 70,917	$ -	$ 70,917	$ 17,517
Investment income	2,500	2,500	3,662	-	3,662	1,162
Total revenues	55,900	55,900	74,579	-	74,579	18,679
EXPENDITURES						
Current:						
Public safety:						
Technology	56,712	56,712	41,691	-	41,691	15,021
Total expenditures	56,712	56,712	41,691	-	41,691	15,021
Excess (deficiency) of revenues over (under) expenditures	(812)	(812)	32,888	-	32,888	33,700
OTHER FINANCING SOURCES (USES)						
Transfers out	(35,000)	(35,000)	(35,000)	-	(35,000)	-
Total other financing resources (uses)	(35,000)	(35,000)	(35,000)	-	(35,000)	-
Net change in fund balance	(35,812)	(35,812)	(2,112)	-	(2,112)	33,700
Fund balance, beginning	156,908	156,908	156,908	-	156,908	-
FUND BALANCE, ENDING	$ 121,096	$ 121,096	$ 154,796	$ -	$ 154,796	$ 33,700

City of Sherman, Texas

Schedule of Revenues, Expenditures, and Changes
In Fund Balance – Budget (Non-GAAP Budgetary Basis) and Actual
Stormwater Fund
For The Fiscal Year Ended September 30, 2025

	Budgeted Amounts		Actual GAAP Basis	Adjustments Budget Basis	Actual Budget Basis	Final Budget Variance
	Original	Final				
REVENUES						
Charges for services	$ 888,000	$ 920,000	$ 920,810	$ -	$ 920,810	$ 810
Investment income	-	-	324	-	324	324
Total revenues	888,000	920,000	921,134	-	921,134	1,134
EXPENDITURES						
Current:						
Community services	387,469	551,151	511,859	-	511,859	39,292
Capital outlay	-	410,000	407,742	-	407,742	2,258
Total expenditures	387,469	961,151	919,601	-	919,601	41,550
Excess (deficiency) of revenues over (under) expenditures	500,531	(41,151)	1,533	-	1,533	42,684
OTHER FINANCING SOURCES (USES)						
Transfers out	(342,000)	(342,000)	(269,000)	-	(269,000)	73,000
Total other financing resources (uses)	(342,000)	(342,000)	(269,000)	-	(269,000)	73,000
Net change in fund balance	158,531	(383,151)	(267,467)	-	(267,467)	115,684
Fund balance, beginning	109,540	109,540	109,540	-	109,540	-
FUND BALANCE, ENDING	$ 268,071	$ (273,611)	$ (157,927)	$ -	$ (157,927)	$ 115,684

City of Sherman, Texas

Schedule of Revenues, Expenditures, and Changes
In Fund Balance – Budget (Non-GAAP Budgetary Basis) and Actual
Street Revolving Fund
For The Fiscal Year Ended September 30, 2025

	Budgeted Amounts		Actual GAAP Basis	Adjustments Budget Basis	Actual Budget Basis	Final Budget Variance
	Original	Final				
REVENUES						
Investment income	$ 44,000	$ 44,000	$ 28,566	$ -	$ 28,566	$ (15,434)
Total revenues	44,000	44,000	28,566	-	28,566	(15,434)
EXPENDITURES						
Capital outlay	250,000	250,000	-	-	-	250,000
Total expenditures	250,000	250,000	-	-	-	250,000
Excess (deficiency) of revenues over (under) expenditures	(206,000)	(206,000)	28,566	-	28,566	234,566
Fund balance, beginning	548,487	548,487	548,487	-	548,487	-
FUND BALANCE, ENDING	$ 342,487	$ 342,487	$ 577,053	$ -	$ 577,053	$ 234,566

City of Sherman, Texas

Schedule of Revenues, Expenditures, and Changes
In Fund Balance – Budget (Non-GAAP Budgetary Basis) and Actual
TIF #2 Construction Fund
For The Fiscal Year Ended September 30, 2025

	Budgeted Amounts		Actual GAAP Basis	Adjustments Budget Basis	Actual Budget Basis	Final Budget Variance
	Original	Final				
REVENUES						
Property taxes	$ 447,825	$ 447,825	$ 447,825	$ -	$ 447,825	$ -
Investment income	36,000	36,000	4,590	-	4,590	(31,410)
Total revenues	483,825	483,825	452,415	-	452,415	(31,410)
EXPENDITURES						
Current:						
Community development	250,000	250,000	64,679	-	64,679	185,321
Capital outlay	250,000	250,000	89,711	-	89,711	160,289
Total expenditures	500,000	500,000	154,390	-	154,390	345,610
Excess (deficiency) of revenues over (under) expenditures	(16,175)	(16,175)	298,025	-	298,025	314,200
OTHER FINANCING SOURCES (USES)						
Transfers out	(200,000)	(200,000)	(200,000)	-	(200,000)	-
Total other financing sources (uses)	(200,000)	(200,000)	(200,000)	-	(200,000)	-
Net change in fund balance	(216,175)	(216,175)	98,025	-	98,025	314,200
Fund balance, beginning	52,302	52,302	52,302	-	52,302	-
FUND BALANCE, ENDING	$ (163,873)	$ (163,873)	$ 150,327	$ -	$ 150,327	$ 314,200

City of Sherman, Texas

Schedule of Revenues, Expenditures, and Changes
In Fund Balance – Budget (Non-GAAP Budgetary Basis) and Actual
TIF #3 Construction Fund
For The Fiscal Year Ended September 30, 2025

	Budgeted Amounts		Actual GAAP Basis	Adjustments Budget Basis	Actual Budget Basis	Final Budget Variance
	Original	Final				
REVENUES						
Investment income	$ -	$ -	$ 1,359	$ -	$ 1,359	$ 1,359
Total revenues	-	-	1,359	-	1,359	1,359
EXPENDITURES	-	-	-	-	-	-
Excess (deficiency) of revenues over (under) expenditures	-	-	1,359	-	1,359	(1,359)
OTHER FINANCING SOURCES (USES)						
Transfers out	-	(124,429)	(248,858)	-	(248,858)	(124,429)
Total other financing sources (uses)	-	(124,429)	(248,858)	-	(248,858)	(124,429)
Net change in fund balance	-	(124,429)	(247,499)	-	(247,499)	(125,788)
Fund balance, beginning	123,070	123,070	123,070	-	123,070	-
FUND BALANCE, ENDING	$ 123,070	$ (1,359)	$ (124,429)	$ -	$ (124,429)	$ (125,788)

City of Sherman, Texas

Schedule of Revenues, Expenditures, and Changes
In Fund Balance – Budget (Non-GAAP Budgetary Basis) and Actual
TIRZ #5 Construction Fund
For The Fiscal Year Ended September 30, 2025

	Budgeted Amounts		Actual GAAP Basis	Adjustments Budget Basis	Actual Budget Basis	Final Budget Variance
	Original	Final				
REVENUES						
Property taxes	$ 88,401	$ 88,401	$ 103,045	$ -	$ 103,045	$ 14,644
Intergovernmental	79,127	79,127	86,355	-	86,355	7,228
Total revenues	167,528	167,528	189,400	-	189,400	21,872
EXPENDITURES						
Capital outlay	-	-	1,500	-	1,500	(1,500)
Total expenditures	-	-	1,500	-	1,500	(1,500)
Excess (deficiency) of revenues over (under) expenditures	167,528	167,528	187,900	-	187,900	20,372
OTHER FINANCING SOURCES (USES)						
Transfers out	(289,000)	(289,000)	(289,000)	-	(289,000)	-
Total other financing sources (uses)	(289,000)	(289,000)	(289,000)	-	(289,000)	-
Net change in fund balance	(121,472)	(121,472)	(101,100)	-	(101,100)	20,372
Fund balance, beginning	(200,516)	(200,516)	(200,516)	-	(200,516)	-
FUND BALANCE, ENDING	$ (321,988)	$ (321,988)	$ (301,616)	$ -	$ (301,616)	$ 20,372

City of Sherman, Texas

Schedule of Revenues, Expenditures, and Changes
In Fund Balance – Budget (Non-GAAP Budgetary Basis) and Actual
TIRZ #6 Construction Fund
For The Fiscal Year Ended September 30, 2025

	Budgeted Amounts		Actual GAAP Basis	Adjustments Budget Basis	Actual Budget Basis	Final Budget Variance
	Original	Final				
REVENUES						
Property taxes	$ 36,120	$ 36,120	$ 42,103	$ -	$ 42,103	$ 5,983
Intergovernmental	36,234	36,234	33,626	-	33,626	(2,608)
Investment income	8,000	8,000	12,867	-	12,867	4,867
Total revenues	80,354	80,354	88,596	-	88,596	8,242
EXPENDITURES	-	-	-	-	-	-
Excess (deficiency) of revenues over (under) expenditures	80,354	80,354	88,596	-	88,596	8,242
OTHER FINANCING SOURCES (USES)						
Transfers out	(226,000)	(226,000)	(226,000)	-	(226,000)	-
Total other financing sources (uses)	(226,000)	(226,000)	(226,000)	-	(226,000)	-
Net change in fund balance	(145,646)	(145,646)	(137,404)	-	(137,404)	8,242
Fund balance, beginning	599,316	599,316	599,316	-	599,316	-
FUND BALANCE, ENDING	$ 453,670	$ 453,670	$ 461,912	$ -	$ 461,912	$ 8,242

City of Sherman, Texas

Schedule of Revenues, Expenditures, and Changes
In Fund Balance – Budget (Non-GAAP Budgetary Basis) and Actual
TIRZ #7 Construction Fund
For The Fiscal Year Ended September 30, 2025

	Budgeted Amounts		Actual GAAP Basis	Adjustments Budget Basis	Actual Budget Basis	Final Budget Variance
	Original	Final				
REVENUES						
Property taxes	$ 142,918	$ 142,918	$ 165,579	$ -	$ 165,579	$ 22,661
Intergovernmental	114,723	114,723	123,121	-	123,121	8,398
Investment income	-	-	8,238	-	8,238	8,238
Miscellaneous	-	-	1,600,000	-	1,600,000	1,600,000
Total revenues	257,641	257,641	1,896,938	-	1,896,938	1,639,297
EXPENDITURES	-	-	-	-	-	-
Excess (deficiency) of revenues over (under) expenditures	257,641	257,641	1,896,938	-	1,896,938	1,639,297
OTHER FINANCING SOURCES (USES)						
Transfers out	(178,000)	(178,000)	(178,000)	-	(178,000)	-
Total other financing sources (uses)	(178,000)	(178,000)	(178,000)	-	(178,000)	-
Net change in fund balance	79,641	79,641	1,718,938	-	1,718,938	1,639,297
Fund balance, beginning	(563,967)	(563,967)	(563,967)	-	(563,967)	-
FUND BALANCE, ENDING	$ (484,326)	$ (484,326)	$ 1,154,971	$ -	$ 1,154,971	$ 1,639,297

City of Sherman, Texas

Schedule of Revenues, Expenditures, and Changes
In Fund Balance – Budget (Non-GAAP Budgetary Basis) and Actual
TIRZ #8 Construction Fund
For The Fiscal Year Ended September 30, 2025

	Budgeted Amounts		Actual GAAP Basis	Adjustments Budget Basis	Actual Budget Basis	Final Budget Variance
	Original	Final				
REVENUES						
Property taxes	$ 3,618	$ 3,618	$ 4,218	$ -	$ 4,218	$ 600
Intergovernmental	62,770	62,770	3,330	-	3,330	(59,440)
Investment income	-	-	39	-	39	39
Miscellaneous	-	-	-	-	-	-
Total revenues	66,388	66,388	7,587	-	7,587	(58,801)
EXPENDITURES						
Capital outlay	50,000	50,000	-	-	-	50,000
Total expenditures	50,000	50,000	-	-	-	50,000
Excess (deficiency) of revenues over (under) expenditures	16,388	16,388	7,587	-	7,587	(8,801)
OTHER FINANCING SOURCES (USES)						
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-
Net change in fund balance	16,388	16,388	7,587	-	7,587	(8,801)
Fund balance, beginning	-	-	-	-	-	-
FUND BALANCE, ENDING	$ 16,388	$ 16,388	$ 7,587	$ -	$ 7,587	$ (8,801)

City of Sherman, Texas

Schedule of Revenues, Expenditures, and Changes
In Fund Balance – Budget (Non-GAAP Budgetary Basis) and Actual
Roadway Impact Fee #1 Fund
For The Fiscal Year Ended September 30, 2025

	Budgeted Amounts		Actual GAAP Basis	Adjustments Budget Basis	Actual Budget Basis	Final Budget Variance
	Original	Final				
REVENUES						
Charges for service	$ 175,000	$ 175,000	$ 142,512	$ -	$ 142,512	$ (32,488)
Investment income	6,000	6,000	7,301	-	7,301	1,301
Total revenues	181,000	181,000	149,813	-	149,813	(31,187)
EXPENDITURES	-	-	-	-	-	-
Excess (deficiency) of revenues over (under) expenditures	181,000	181,000	149,813	-	149,813	(31,187)
OTHER FINANCING SOURCES (USES)						
Transfers out	(400,000)	(400,000)	(400,000)	-	(400,000)	-
Total other financing sources (uses)	(400,000)	(400,000)	(400,000)	-	(400,000)	-
Net change in fund balance	(219,000)	(219,000)	(250,187)	-	(250,187)	(31,187)
Fund balance, beginning	325,342	325,342	325,342	-	325,342	-
FUND BALANCE, ENDING	$ 106,342	$ 106,342	$ 75,155	$ -	$ 75,155	$ (31,187)

City of Sherman, Texas

Schedule of Revenues, Expenditures, and Changes
In Fund Balance – Budget (Non-GAAP Budgetary Basis) and Actual
Roadway Impact Fee #2 Fund
For The Fiscal Year Ended September 30, 2025

	Budgeted Amounts		Actual GAAP Basis	Adjustments Budget Basis	Actual Budget Basis	Final Budget Variance
	Original	Final				
REVENUES						
Charges for service	$ 175,000	$ 175,000	$ 898,344	$ -	$ 898,344	$ 723,344
Investment income	27,000	27,000	29,960	-	29,960	2,960
Total revenues	202,000	202,000	928,304	-	928,304	726,304
EXPENDITURES	-	-	-	-	-	-
Excess (deficiency) of revenues over (under) expenditures	202,000	202,000	928,304	-	928,304	726,304
OTHER FINANCING SOURCES (USES)						
Transfers out	(300,000)	(300,000)	(300,000)	-	(300,000)	-
Total other financing sources (uses)	(300,000)	(300,000)	(300,000)	-	(300,000)	-
Net change in fund balance	(98,000)	(98,000)	628,304	-	628,304	726,304
Fund balance, beginning	558,821	558,821	558,821	-	558,821	-
FUND BALANCE, ENDING	$ 460,821	$ 460,821	$ 1,187,125	$ -	$ 1,187,125	$ 726,304

City of Sherman, Texas

Schedule of Revenues, Expenditures, and Changes
In Fund Balance – Budget (Non-GAAP Budgetary Basis) and Actual
Roadway Impact Fee #3 Fund
For The Fiscal Year Ended September 30, 2025

	Budgeted Amounts		Actual GAAP Basis	Adjustments Budget Basis	Actual Budget Basis	Final Budget Variance
	Original	Final				
REVENUES						
Charges for service	$ 60,000	$ 60,000	$ 13,195	$ -	$ 13,195	$ (46,805)
Investment income	1,000	1,000	6,244	-	6,244	5,244
Total revenues	61,000	61,000	19,439	-	19,439	(41,561)
EXPENDITURES						
Capital outlay	100,000	100,000	-	-	-	100,000
Total expenditures	100,000	100,000	-	-	-	100,000
Excess (deficiency) of revenues over (under) expenditures	(39,000)	(39,000)	19,439	-	19,439	58,439
Fund balance, beginning	250,203	250,203	250,203	-	250,203	-
FUND BALANCE, ENDING	$ 211,203	$ 211,203	$ 269,642	$ -	$ 269,642	$ 58,439

City of Sherman, Texas

Schedule of Revenues, Expenditures, and Changes
In Fund Balance – Budget (Non-GAAP Budgetary Basis) and Actual
Roadway Impact Fee #4 Fund
For The Fiscal Year Ended September 30, 2025

	Budgeted Amounts		Actual GAAP Basis	Adjustments Budget Basis	Actual Budget Basis	Final Budget Variance
	Original	Final				
REVENUES						
Charges for services	$ 175,000	$ 175,000	$ 394,028	$ -	$ 394,028	$ 219,028
Investment income	110,000	110,000	45,808	159	45,967	(64,033)
Total revenues	285,000	285,000	439,836	159	439,995	154,995
EXPENDITURES	-	-	-	-	-	-
Excess (deficiency) of revenues over (under) expenditures	285,000	285,000	439,836	159	439,995	154,995
OTHER FINANCING SOURCES (USES)						
Transfers out	(300,000)	(300,000)	(300,000)	-	(300,000)	-
Total other financing sources (uses)	(300,000)	(300,000)	(300,000)	-	(300,000)	-
Net change in fund balance	(15,000)	(15,000)	139,836	159	139,995	154,995
Fund balance, beginning	1,214,020	1,214,020	1,214,020	-	1,214,020	-
FUND BALANCE, ENDING	$ 1,199,020	$ 1,199,020	$ 1,353,856	$ 159	$ 1,354,015	$ 154,995

City of Sherman, Texas

Schedule of Revenues, Expenditures, and Changes
In Fund Balance – Budget (Non-GAAP Budgetary Basis) and Actual
Regional Detention Fund
For The Fiscal Year Ended September 30, 2025

	Budgeted Amounts		Actual GAAP Basis	Adjustments Budget Basis	Actual Budget Basis	Final Budget Variance
	Original	Final				
REVENUES						
Charges for services	$ 25,000	$ 25,000	$ -	$ -	$ -	$ (25,000)
Investment income	600	600	1,371	-	1,371	771
Total revenues	25,600	25,600	1,371	-	1,371	(24,229)
EXPENDITURES						
Capital outlay	75,000	75,000	-	-	-	75,000
Total expenditures	75,000	75,000	-	-	-	75,000
Excess (deficiency) of revenues over (under) expenditures	(49,400)	(49,400)	1,371	-	1,371	50,771
Fund balance, beginning	55,891	55,891	55,891	-	55,891	-
FUND BALANCE, ENDING	$ 6,491	$ 6,491	$ 57,262	$ -	$ 57,262	$ 50,771

City of Sherman, Texas

Schedule of Revenues, Expenditures, and Changes
In Fund Balance – Budget (Non-GAAP Budgetary Basis) and Actual
Perpetual Care Cemetery and Mausoleum Fund
For The Fiscal Year Ended September 30, 2025

	Budgeted Amounts		Actual GAAP Basis	Adjustments Budget Basis	Actual Budget Basis	Final Budget Variance
	Original	Final				
REVENUES						
Investment income (loss)	$ 500	$ 500	$ 125,629	$ (73,525)	$ 52,104	$ 51,604
Perpetual care contracts	9,000	9,000	14,200	-	14,200	5,200
Total revenues	9,500	9,500	139,829	(73,525)	66,304	56,804
EXPENDITURES	-	-	-	-	-	-
Excess (deficiency) of revenues over (under) expenditures	9,500	9,500	139,829	(73,525)	66,304	56,804
Fund balance, beginning	2,125,430	2,125,430	2,125,430	-	2,125,430	-
FUND BALANCE, ENDING	$ 2,134,930	$ 2,134,930	$ 2,265,259	$ (73,525)	$ 2,191,734	$ 56,804

City of Sherman, Texas
Combining Statement of Net Position
Internal Service Funds
September 30, 2025

	Equipment Services	Information Technology	Insurance	Fleet Replacement	Total Governmental
ASSETS					
Current:					
Cash	$ -	$ 202,028	$ 1,905,054	$ 607,207	$ 2,714,289
Pooled and temporary investments	-	1,348	311,374	5,273	317,995
Receivables (net allowances for uncollectibles):					
Accounts	-	-	411,458	-	411,458
Inventories	214,582	-	-	-	214,582
Prepaid items	90,344	-	-	-	90,344
Due from other funds	-	-	-	-	-
Total current assets	304,926	203,376	2,627,886	612,480	3,748,668
Capital assets:					
Land	55,250	-	-	-	55,250
Buildings	171,916	29,485	-	-	201,401
Improvements other than buildings	40,078	61,046	-	-	101,124
Machinery and equipment	666,345	820,307	-	40,229,420	41,716,072
Other capital assets	10,183	1,074,229	-	-	1,084,412
Total capital assets	943,772	1,985,067	-	40,229,420	43,158,259
Accumulated depreciation	(644,960)	(1,324,689)	-	(20,496,065)	(22,465,714)
Capital assets, net	298,812	660,378	-	19,733,355	20,692,545
Total assets	603,738	863,754	2,627,886	20,345,835	24,441,213
DEFERRED OUTFLOWS OF RESOURCES					
Pension plan - TMRS	199,683	160,615	-	-	360,298
OPEB - retiree health plan	16,102	12,952	-	-	29,054
OPEB - TMRS supplemental death benefit	3,954	3,180	-	-	7,134
Total deferred outflows of resources	219,739	176,747	-	-	396,486

City of Sherman, Texas
Combining Statement of Net Position (Continued)
Internal Service Funds
September 30, 2025

	Equipment Services	Information Technology	Insurance	Fleet Replacement	Total Governmental
LIABILITIES					
Current liabilities:					
Accounts payable	$ 202,618	$ 99,886	$ 7,845	$ 99,154	$ 409,503
Accrued wages	29,965	15,537	-	-	45,502
Claims payable	-	-	1,011,957	-	1,011,957
Unearned revenue	-	-	3,735	-	3,735
Due to other funds	133,875	-	-	-	133,875
Current portion of long-term liabilities:					
Notes payable	-	-	-	89,823	89,823
Accrued compensated absences	83,657	72,247	-	-	155,904
Tax notes	-	-	-	1,956,498	1,956,498
Total OPEB liability - retiree health plan	15,566	12,520	-	-	28,086
Total OPEB liability - supplemental death	1,336	1,075	-	-	2,411
Long-term laibilities (net of current portion):					
Accrued compensated absences	46,112	53,099	-	-	99,211
Tax notes	-	-	-	5,914,089	5,914,089
Righ-of-use lease liability	8,945	11,926	-	-	20,871
Subscription liability	-	412,540	-	-	412,540
Net pension liability	395,268	317,933	-	-	713,201
Total OPEB liability - retiree health plan	92,637	74,512	-	-	167,149
Total OPEB liability - supplemental death benefit	32,695	26,298	-	-	58,993
Total liabilities	1,042,674	1,097,573	1,023,537	8,059,564	11,223,348
DEFERRED INFLOWS OF RESOURCES					
Pension plan - TMRS	51,392	41,337	-	-	92,729
OPEB - Retiree health plan	64,100	51,559	-	-	115,659
OPEB - supplemental death benefits	10,727	8,628	-	-	19,355
Total deferred inflows of resources	126,219	101,524	-	-	227,743
NET POSITION					
Net investment in capital assets	289,867	235,912	-	11,778,218	12,303,997
Unrestricted	(635,283)	(394,508)	1,604,349	508,053	1,082,611
TOTAL NET POSITION	$ (345,416)	$ (158,596)	$ 1,604,349	$ 12,286,271	$ 13,386,608

City of Sherman, Texas

Combining Statement of Revenues, Expenses
and Changes in Net Position
Internal Service Funds
For The Fiscal Year Ended September 30, 2025

	Equipment Services	Information Technology	Insurance	Fleet Replacement	Total Governmental
OPERATING REVENUES					
Charges for services	$ 5,914,755	$ 2,251,502	$ 6,615,341	$ 1,996,279	$ 16,777,877
Property taxes	-	-	-	2,540,684	2,540,684
Miscellaneous revenue	3,289	8,994	-	-	12,283
Total operating revenues	5,918,044	2,260,496	6,615,341	4,536,963	19,330,844
OPERATING EXPENSES					
Personnel services	1,405,262	1,261,484	-	-	2,666,746
Contractual services	615,642	392,638	6,486,879	46,623	7,541,782
Supplies	1,417,620	95,698	-	-	1,513,318
Maintenance and repair	2,426,150	314,278	-	-	2,740,428
Vehicle usage	400	-	-	-	400
Depreciation and amortization	50,057	273,297	-	3,224,737	3,548,091
Total operating expenses	5,915,131	2,337,395	6,486,879	3,271,360	18,010,765
Operating income (loss)	2,913	(76,899)	128,462	1,265,603	1,320,079
NONOPERATING REVENUES (EXPENSES)					
Gain (loss) on sale of assets	4,400	1,084	-	286,912	292,396
Investment income	-	3,226	67,441	129,449	200,116
Interest expense	(257)	(343)	-	(260,358)	(260,958)
Total nonoperating revenues (expenses)	4,143	3,967	67,441	156,003	231,554
Income (loss) before contributions and transfers	7,056	(72,932)	195,903	1,421,606	1,551,633
CONTRIBUTIONS AND TRANSFERS					
Transfers out	-	(44,042)	-	(116,263)	(160,305)
Total contributions and transfers	-	(44,042)	-	(116,263)	(160,305)
Change in net position	7,056	(116,974)	195,903	1,305,343	1,391,328
Net position, beginning	(352,472)	(41,622)	1,408,446	10,980,928	11,995,280
NET POSITION, ENDING	$ (345,416)	$ (158,596)	$ 1,604,349	$ 12,286,271	$ 13,386,608

City of Sherman, Texas
Combining Statement of Cash Flows
Internal Service Funds
For The Fiscal Year Ended September 30, 2025

	Equipment Services	Information Technology	Insurance	Fleet Replacement	Total Governmental
CASH FLOWS FROM OPERATING ACTIVITIES					
Cash received from interfund services	$ 5,918,044	$ 2,260,496	$ 6,910,271	$ 5,523,818	$ 20,612,629
Cash paid for supplies and materials	(4,549,849)	(796,276)	-	52,531	(5,293,594)
Cash paid for premiums, claims and administrative costs	-	-	(6,362,864)	-	(6,362,864)
Cash paid for personnel services	(1,347,981)	(1,210,718)	-	-	(2,558,699)
Net cash provided by (used for) operating activiites	20,214	253,502	547,407	5,576,349	6,397,472
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Cash paid to other funds	-	(44,042)	-	(116,263)	(160,305)
Net cash provided by (used for) noncapital financing activities	-	(44,042)	-	(116,263)	(160,305)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Acquisition of capital assets	(28,902)	(638,322)	-	(7,734,060)	(8,401,284)
Proceeds from sale of capital assets	-	-	-	286,912	286,912
Proceeds from issuance of long-term debt	-	-	-	3,241,676	3,241,676
Principal retirement of long-term debt	8,945	424,466	-	(2,739,459)	(2,306,048)
Interest paid on long-term debt	(257)	(343)	-	(260,358)	(260,958)
Net cash provided by (used for) capital and related financing activities	(20,214)	(214,199)	-	(7,205,289)	(7,439,702)
CASH FLOWS FROM INVESTING ACTIVITIES					
Investment income received	-	3,226	67,441	129,449	200,116
Proceeds from sale of investments	-	-	-	2,222,961	2,222,961
Purchase of investments	-	(57)	(12,997)	-	(13,054)
Net cash provided by (used for) investing activities	-	3,169	54,444	2,352,410	2,410,023
Net increase (decrease) in cash	-	(1,570)	601,851	607,207	1,207,488
CASH, BEGINNING	-	203,598	1,303,203	-	1,506,801
.	$ -	$ 202,028	$ 1,905,054	$ 607,207	$ 2,714,289

City of Sherman, Texas

Combining Statement of Cash Flows (Continued)
Internal Service Funds
For The Fiscal Year Ended September 30, 2025

	Equipment Services	Information Technology	Insurance	Fleet Replacement	Total Governmental
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITES					
Operating income (loss)	$ 2,913	$ (76,899)	$ 128,462	$ 1,265,603	$ 1,320,079
Adjustments to reconcile operating income to net cash provided (used) by operating activities:					
Depreciation and amortization	50,057	273,297	-	3,224,737	3,548,091
(Increase) decrease in:					
Accounts receivable (net)	-	-	(399,807)	-	(399,807)
Due from other funds	-	-	696,231	986,855	1,683,086
Inventories	6,071	-	-	-	6,071
Prepaid items	(90,344)	-	-	-	(90,344)
Increase (decrease) in:					
Accounts payable	38,124	4,163	(87,121)	99,154	54,320
Accrued wages payable	5,906	2,175	-	-	8,081
Due to other funds	(49,794)	-	-	-	(49,794)
Estimated liability for claims	-	-	211,136	-	211,136
Unearned balances	-	-	(1,494)	-	(1,494)
Accrued compensated absences	71,137	61,913	-	-	133,050
Net pension and OPEB obligations	(13,856)	(11,147)	-	-	(25,003)
Total adjustments	17,301	330,401	418,945	4,310,746	5,077,393
NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES	$ 20,214	$ 253,502	$ 547,407	$ 5,576,349	$ 6,397,472

Statistical Section
(Unaudited)

Sherman
CLASSIC TOWN. BROAD HORIZON.

Statistical Section
(Unaudited)

This part of the City of Sherman's annual comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the government's overall financial health.

Tables

Financial Trends
These schedules contain trend information to help the reader understand how financial performance and well-being have changed over time. 138

Revenue Capacity
These schedules contain trend information to help the reader access the City's most significant local revenue source, the property tax. 148

Debt Capacity
These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future. 166

Demographic and Economic Information
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Operating Information
These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs. 175

City of Sherman, Texas

Net Position by Component (Unaudited)
Last Ten Fiscal Years
(Accrual Basis of Accounting)
(Amounts Expressed in Thousands)

	2025	2024	2023	2022	2021
GOVERNMENTAL ACTIVITIES					
Net investment in capital assets	$ 67,767	$ 48,480	$ 25,942	$ 22,359	$ 20,738
Restricted	3,777	4,340	3,925	2,886	6,525
Unrestricted	12,351	9,762	12,066	5,727	(5,397)
Total governmental activities net position	83,895	62,582	41,933	30,972	21,866
BUSINESS-TYPE ACTIVITIES					
Net investment in capital assets	48,777	36,745	31,909	28,113	24,504
Restricted	9,568	4,952	1,060	-	-
Unrestricted	14,962	8,720	8,465	6,264	1,375
Total business-type activities net position	73,307	50,417	41,434	34,377	25,879
PRIMARY GOVERNMENT					
Net investment in capital assets	116,544	85,225	57,851	50,472	45,242
Restricted	13,345	9,292	4,985	2,886	6,525
Unrestricted	27,313	18,482	20,531	11,991	(4,022)
TOTAL PRIMARY GOVERNMENT NET POSITION	$ 157,202	$ 112,999	$ 83,367	$ 65,349	$ 47,745

Source: City of Sherman - Annual Comprehensive Financial Reports

Table 1

2020	2019	2018	2017	2016
$ 23,785	$ 26,556	$ 35,591	$ 42,277	$ 42,119
6,942	6,008	7,914	2,703	2,676
(12,280)	(12,343)	(8,443)	(3,683)	646
18,447	20,221	35,062	41,297	45,441
26,167	25,987	27,192	28,114	29,071
-	-	-	-	-
1,270	1,890	3,175	4,959	6,257
27,437	27,877	30,367	33,073	35,328
49,952	52,543	62,783	70,391	71,190
6,942	6,008	7,914	2,703	2,676
(11,010)	(10,453)	(5,268)	1,276	6,903
$ 45,884	$ 48,098	$ 65,429	$ 74,370	$ 80,769

City of Sherman, Texas

Changes in Net Position (Unaudited)
Last Ten Fiscal Years
(Accrual Basis of Accounting)

	2025	2024	2023	2022	2021
EXPENSES					
Governmental activities:					
General government	$ 18,329	$ 11,640	$ 9,479	$ 7,798	$ 7,089
Public safety	37,527	38,541	33,535	25,060	24,623
Streets	11,615	12,240	11,075	9,879	11,044
Sanitation	-	-	-	750	732
Community services	13,394	13,120	9,723	7,997	7,808
Community development	355	797	559	305	441
Interest on long-term debt	8,019	6,597	3,369	2,918	3,319
Total governmental activities expenses	89,239	82,935	67,740	54,707	55,056
Business-type activities:					
Water and sewer services	38,545	30,972	28,726	24,153	24,360
Solid waste services	8,813	8,566	7,359	6,334	5,730
Total business-type activities expenses	47,358	39,538	36,085	30,487	30,090
Total primary government program expenses	136,597	122,473	103,825	85,194	85,146
PROGRAM REVENUES					
Governmental activities:					
Charges for services:					
General government	2,861	2,424	2,509	1,182	1,323
Public safety	2,315	5,948	5,691	3,900	3,137
Streets	2,148	1,877	1,887	2,540	279
Sanitation	-	-	-	82	75
Community services	2,087	2,056	1,295	1,356	1,084
Community development	-	-	-	-	-
Operating grants and contributions	3,013	3,188	1,187	1,039	2,252
Capital grants and contributions	9,397	13,204	4,646	3,637	347
Total governmental activities program revenues	21,821	28,697	17,215	13,736	8,497
Business-type activities:					
Charges for services:					
Water and sewer service	48,515	34,492	33,940	30,487	23,877
Solid waste service	9,905	8,988	7,907	7,589	7,466
Capital grants and contributions	15,157	7,873	2,615	3,191	600
Total business-type activities program revenues	73,577	51,353	44,462	41,267	31,943
Total primary government program revenues	95,398	80,050	61,677	55,003	40,440
NET (EXPENSE) REVENUE					
Governmental activities	(67,418)	(54,238)	(50,525)	(40,971)	(46,559)
Business-type activities	26,219	11,815	8,377	10,780	1,853
Total primary government net expense	(41,199)	(42,423)	(42,148)	(30,191)	(44,706)

2020	2019	2018	2017	2016
$ 7,070	$ 6,592	$ 6,411	$ 7,061	$ 9,178
25,886	24,076	21,056	21,582	19,655
10,492	19,873	9,156	7,053	6,481
959	858	734	778	748
7,281	6,595	6,054	5,874	5,760
441	351	231	321	339
2,678	2,461	1,672	1,491	665
54,807	60,806	45,314	44,160	42,826
24,961	24,346	23,098	21,591	20,569
6,600	6,584	6,321	4,876	4,692
31,561	30,930	29,419	26,467	25,261
86,368	91,736	74,733	70,627	68,087
780	842	446	78	88
3,165	3,518	3,784	3,383	2,512
359	213	153	137	99
77	94	109	106	125
811	1,083	903	965	868
1,716	-	-	-	-
1,254	1,030	331	402	183
2,984	156	685	407	546
11,146	6,936	6,411	5,478	4,421
23,213	22,229	22,481	20,760	20,674
7,122	6,943	6,690	6,264	6,218
2,129	1,391	1,322	389	289
32,464	30,563	30,493	27,413	27,181
43,610	37,499	36,904	32,891	31,602
(43,661)	(53,870)	(38,903)	(38,682)	(38,405)
903	(367)	1,074	946	1,920
(42,758)	(54,237)	(37,829)	(37,736)	(36,485)

City of Sherman, Texas

Changes in Net Position (Unaudited)
Last Ten Fiscal Years
(Accrual Basis of Accounting)

	2025	2024	2023	2022	2021
GENERAL REVENUE AND CHANGES IN NET POSITION					
Governmental activities:					
Taxes					
Property	41,346	27,864	20,837	18,613	17,627
Sales	28,083	30,207	29,672	25,229	21,564
Franchise, nonproperty, and special assessment	5,489	4,452	4,313	4,057	3,651
Investment earnings	5,598	6,489	1,902	(814)	325
Grants, donations, and special items	2,263	968	873	362	240
Gain/(loss) on sale of fixed assets	-	256	-	-	3,046
Transfers	5,952	4,651	3,890	3,358	3,526
Total governmental activities	88,731	74,887	61,487	50,805	49,979
Business-type activities:					
Investment earnings	788	725	535	9	14
Grants, donations, and special items	1,745	1,043	2,063	1,067	101
Gain/(loss) on sale of fixed assets	88	51	(29)	-	-
Transfers	(5,952)	(4,651)	(3,890)	(3,358)	(3,526)
Total business-type activities	(3,331)	(2,832)	(1,321)	(2,282)	(3,411)
Total primary government	85,400	72,055	60,166	48,523	46,568
CHANGE IN NET POSITION					
Governmental activities	21,313	20,649	10,962	9,834	3,420
Business-type activities	22,888	8,983	7,056	8,498	(1,558)
CHANGE IN NET POSITION - TOTAL PRIMARY GOVERNMENT	$ 44,201	$ 29,632	$ 18,018	$ 18,332	$ 1,862

Source: City of Sherman - Annual Comprehensive Financial Reports

2020	2019	2018	2017	2016
16,271	13,057	12,127	10,808	9,341
18,696	18,024	17,839	15,563	15,636
3,447	3,568	3,655	3,490	3,425
483	1,054	489	353	154
359	496	226	303	222
31	(47)	2,035	(35)	9
2,599	2,878	2,515	4,056	4,409
41,886	39,030	38,886	34,538	33,196
94	173	40	45	66
1,161	581	516	810	402
-	-	-	-	-
(2,599)	(2,878)	(2,515)	(4,056)	(4,408)
(1,344)	(2,124)	(1,959)	(3,201)	(3,940)
40,542	36,906	36,927	31,337	29,256
(1,775)	(14,840)	(17)	(4,144)	(5,209)
(441)	(2,491)	(885)	(2,255)	(2,020)
$ (2,216)	$ (17,331)	$ (902)	$ (6,399)	$ (7,229)

City of Sherman, Texas

Fund Balances of Governmental Funds (Unaudited)
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)
(Amounts Expressed in Thousands)

	2025	2024	2023	2022	2021
GENERAL FUND					
Nonspendable	$ -	$ 1	$ 1	$ -	$ 1
Restricted	-	55	30	11	11
Assigned	16	57	85	70	554
Unassigned	29,428	24,253	22,688	18,299	16,339
Total general fund	29,444	24,366	22,804	18,380	16,905
ALL OTHER GOVERNMENTAL FUNDS					
Nonspendable	116	115	116	100	100
Restricted	82,126	66,581	94,090	25,025	43,246
Committed	577	548	515	473	462
Assigned	2,460	1,452	1,432	2,299	9
Unassigned	(584)	(1,172)	(613)	(200)	(103)
TOTAL ALL OTHER GOVERNMENTAL FUNDS	$ 84,695	$ 67,524	$ 95,540	$ 27,697	$ 43,714

Source: City of Sherman - Annual Comprehensive Financial Reports

Table 3

2020	2019	2018	2017	2016
$ -	$ -	$ -	$ -	$ 87
3	3	1	11	8
216	58	52	38	69
12,527	11,297	11,504	9,344	10,056
12,746	11,358	11,557	9,393	10,220
-	-	-	-	-
16,918	28,019	29,835	24,536	2,761
460	450	437	426	422
-	-	528	460	9,832
(44)	(1,029)	(20)	-	-
$ 17,334	$ 27,440	$ 30,780	$ 25,422	$ 13,015

City of Sherman, Texas

Changes in Fund Balances of Governmental Funds (Unaudited)
Last Ten Fiscal Years
(Amounts Expressed in Thousands)

	2025	2024	2023	2022	2021
REVENUES					
Taxes	$ 72,367	$ 60,438	$ 54,482	$ 47,471	$ 42,838
Licenses and permits	2,271	3,054	2,874	1,097	811
Intergovernmental	2,755	2,296	1,300	1,853	2,528
Charges for services	7,209	8,945	7,693	7,096	4,303
Fines	1,098	900	704	474	383
Investment earnings	5,398	6,226	1,651	(865)	321
Donations	181	121	86	72	52
Miscellaneous	2,251	901	943	770	315
Total revenues	93,530	82,881	69,733	57,968	51,551
EXPENDITURES					
General government	15,793	11,062	8,924	7,946	7,166
Public safety	35,944	36,405	32,516	27,010	24,750
Highways and streets	5,761	6,386	5,701	7,081	6,690
Sanitation	-	-	-	871	710
Community services	12,426	10,677	9,085	7,809	7,076
Community development	344	790	575	310	446
Capital outlay	41,762	37,255	14,984	17,972	5,604
Debt service:					
Principal	7,154	5,614	4,097	3,762	3,125
Interest	7,514	6,302	3,149	3,483	2,785
Debt issuance costs and agent fees	353	8	290	-	-
Total expenditures	127,051	114,499	79,321	76,244	58,352
Excess (deficiency) of revenues over (under) expenditures	(33,521)	(31,618)	(9,588)	(18,276)	(6,801)
OTHER FINANCING SOURCES (USES)					
Issuance of long-term debt	48,538	468	73,687	334	29,025
Premium on bond issuance	1,121	-	4,394	-	1,130
Issuance of refunding debt	-	-	-	-	-
Proceeds from sale of assets	-	-	171	43	3,648
Insurance recoveries	-	-	-	-	-
Paid to refunding bond agent	-	-	-	-	-
Transfers in	9,393	9,980	6,122	5,956	5,459
Transfers out	(3,281)	(5,284)	(2,519)	(2,598)	(1,933)
Total other financing sources/(uses)	55,771	5,164	81,855	3,735	37,329
NET CHANGE IN FUND BALANCES	$ 22,250	$ (26,454)	$ 72,267	$ (14,541)	$ 30,528
DEBT SERVICE AS A PERCENTAGE OF NONCAPITAL EXPENDITURES	17.5%	15.1%	11.9%	13.7%	10.1%

Source: City of Sherman - Annual Comprehensive Financial Reports

Table 4

2020	2019	2018	2017	2016
$ 38,390	$ 34,562	$ 33,585	$ 29,934	$ 28,327
609	691	824	503	404
3,568	1,392	957	762	714
3,744	3,759	3,929	3,502	2,927
391	693	562	726	527
463	1,013	461	350	154
157	60	86	53	43
327	705	276	330	220
47,649	42,875	40,680	36,160	33,316
6,634	6,157	6,396	5,408	5,337
23,151	22,235	21,346	19,409	18,400
6,123	15,389	6,190	3,374	2,997
913	793	730	714	704
6,328	5,719	5,367	4,954	4,727
447	348	244	316	335
10,682	13,921	17,218	9,332	2,955
3,475	2,490	1,810	1,300	830
2,753	2,370	1,826	1,180	619
-	-	-	-	-
60,506	69,422	61,127	45,987	36,904
(12,857)	(26,547)	(20,447)	(9,827)	(3,588)
-	19,130	22,880	18,110	8,800
-	1,001	501	1,701	304
-	-	-	9,360	-
-	-	2,030	51	438
-	-	42	-	-
-	-	-	(9,887)	-
5,547	4,784	5,220	3,926	3,985
(1,398)	1,906	(2,705)	(1,854)	(3,398)
4,149	26,821	27,968	21,407	10,129
$ (8,708)	$ 274	$ 7,521	$ 11,580	$ 6,541
13.6%	9.9%	9.7%	6.8%	4.3%

City of Sherman, Texas

Assessed Value and Estimated Actual Value
of Taxable Property (Unaudited)
Last Ten Fiscal Years
(Amounts Expressed in Thousands)

Fiscal Year	Real Property		Nonreal Property		Less Exemptions and Deductions
	Residential	Commercial	Personal	Other	
2025	$ 3,308,405	$ 6,083,362	$ 1,095,010	$ 13,384	$ 1,950,774
2024	3,129,649	3,745,687	1,034,278	17,096	2,136,885
2023	2,483,580	3,316,723	942,430	11,251	1,835,813
2022	1,885,385	2,691,186	882,487	7,961	1,328,877
2021	1,637,409	2,393,564	930,870	10,535	1,135,229
2020	1,479,006	2,124,113	824,371	14,758	1,022,390
2019	1,352,065	1,956,251	678,475	13,927	886,541
2018	1,193,741	1,945,413	664,170	15,020	931,450
2017	1,091,578	1,865,518	643,397	12,743	831,983
2016	1,024,035	1,856,599	584,425	18,012	962,223

Source: Grayson Central Appraisal District

Certified values are subject to change throughout the year as contested values are resolved.

Note: Assessed values are determined as of January 1, and relate to taxes levied on the first day of the following year. Assesed value is equal to 100% of estimated value. All property is assessed the same regardless of real or personal property, commerical, residential, or industrial.

Total Taxable Assessed Value	Total Direct Tax Rate	Assessed Value of Taxable Property	Per Capita Assessed Value
$ 8,549,387	$ 0.5080	$ 8,549,387	$ 189,835
5,789,825	0.5080	5,789,825	131,432
4,918,171	0.4699	4,918,171	113,655
4,138,142	0.4890	4,138,142	95,704
3,837,149	0.4890	3,837,149	87,917
3,419,858	0.4890	3,419,858	78,356
3,114,177	0.4273	3,114,177	75,681
2,886,894	0.4273	2,886,894	71,206
2,781,253	0.3943	2,781,253	69,337
2,520,848	0.3720	2,520,848	63,708

City of Sherman, Texas

Classification of Assessed Valuation
Last Ten Fiscal Years

Category	Tax Year 2024	% of Total	Tax Year 2023	% of Total	Tax Year 2022	% of Total	Tax Year 2021	% of Total	Tax Year 2020	% of Total
Real, residential, single-family	$ 3,299,119,425	31.42%	$ 3,103,725,885	39.16%	$ 2,631,296,750	38.96%	$ 2,009,895,618	36.76%	$ 1,758,924,147	35.37%
Real, residential, multi-family	498,032,503	4.74%	386,234,173	4.87%	328,454,417	4.86%	283,139,771	5.18%	235,389,545	4.73%
Real, vacant lots/tracts	145,346,308	1.38%	141,190,801	1.78%	105,842,355	1.57%	72,022,560	1.32%	63,210,347	1.27%
Real, acreage	333,775,555	3.18%	296,933,983	3.75%	220,962,309	3.27%	116,038,699	2.12%	110,137,273	2.21%
Real, farm & ranch improvements	125,566,776	1.20%	121,143,311	1.53%	49,686,838	0.74%	44,004,655	0.80%	41,976,783	0.84%
Real, commercial	1,289,184,218	12.28%	1,155,244,602	14.57%	1,082,394,559	16.03%	895,223,349	16.37%	865,871,126	17.41%
Real, industrial	2,770,835,331	26.39%	738,908,827	9.32%	586,705,475	8.69%	540,653,003	9.89%	512,166,415	10.30%
Oil & gas	13,185,313	0.13%	16,877,830	0.21%	11,066,520	0.16%	6,444,986	0.12%	8,263,130	0.17%
Utilities	126,419,563	1.20%	109,684,557	1.38%	98,658,622	1.46%	90,476,011	1.65%	81,865,542	1.65%
Tangible personal, commercial	401,768,504	3.83%	374,682,802	4.73%	353,012,598	5.23%	309,388,018	5.66%	294,808,501	5.93%
Tangible personal, industrial	524,360,410	4.99%	503,683,408	6.35%	449,035,022	6.65%	444,998,018	8.14%	526,294,089	10.58%
Mobile homes	5,537,164	0.05%	5,613,163	0.07%	5,082,660	0.08%	3,243,521	0.06%	3,132,688	0.06%
Intangilble property	-	0.00%	-	0.00%	-	0.00%	6,468	0.00%	-	0.00%
Exempt	879,408,171	8.38%	867,835,245	10.95%	771,742,595	11.43%	599,718,098	10.97%	421,318,648	8.47%
Real property, inventory	87,621,846	0.83%	104,951,061	1.32%	60,043,585	0.89%	51,766,100	0.95%	49,019,306	0.99%
Total appraised value	10,500,161,087	100.00%	7,926,709,648	100.00%	6,753,984,305	100.00%	5,467,018,875	100.00%	4,972,377,540	100.00%
Less:										
Local over-65/disabled	101,688,194		92,776,326		90,697,998		90,751,051		87,472,969	
Community housing	-		-		4,254,805		3,717,005		3,300,000	
Freeport exemption loss	151,279,863		160,756,942		138,752,880		107,184,485		116,126,760	
Productivity	332,618,937		295,612,597		219,669,855		114,813,248		108,704,423	
Abatement	63,478,035		220,116,531		219,705,138		242,080,397		279,182,548	
Homestead cap loss	293,238,861		391,829,663		300,532,863		92,981,198		66,573,618	
Pollution control exemption loss	65,138,200		49,650,859		49,170,015		43,005,842		22,590,402	
Veterans exemption loss	73,053,190		57,209,660		45,047,270		37,932,176		32,794,646	
Exempt	870,279,194		868,932,701		767,981,878		596,411,735		418,483,604	
Total exemptions/deductions	1,950,774,474		2,136,885,279		1,835,812,702		1,328,877,137		1,135,228,970	
NET TAXABLE ASSESSED VALUATION	$ 8,549,386,613		$ 5,789,824,369		$ 4,918,171,603		$ 4,138,141,738		$ 3,837,148,570	

Source: Grayson Central Appraisal District

Certified values are subject to change throughout the year as contested values are resolved.

Table 6

Tax Year 2019	% of Total	Tax Year 2018	% of Total	Tax Year 2017	Total	Tax Year 2016	Total	Tax Year 2015	Total
$ 1,571,990,435	35.39%	$ 1,440,633,426	36.01%	$ 1,271,730,740	33.31%	$ 1,172,256,310	32.44%	$ 996,337,134	28.61%
209,348,951	4.71%	186,727,671	4.67%	171,592,703	4.49%	145,169,098	4.02%	137,353,565	3.94%
56,163,717	1.26%	43,976,830	1.10%	37,089,674	0.97%	36,562,019	1.01%	37,093,687	1.06%
90,225,890	2.03%	87,769,981	2.19%	85,560,844	2.24%	79,268,497	2.19%	75,791,961	2.18%
35,064,698	0.79%	29,536,003	0.74%	26,368,480	0.69%	27,381,695	0.76%	25,543,317	0.73%
788,778,665	17.76%	755,143,573	18.88%	741,982,423	19.43%	727,043,765	20.12%	656,344,646	18.84%
472,104,302	10.63%	399,775,501	9.99%	419,523,237	10.99%	452,398,809	12.53%	534,042,357	15.33%
11,682,888	0.26%	9,970,358	0.25%	10,325,892	0.27%	7,583,006	0.21%	14,370,088	0.41%
75,543,469	1.70%	65,490,107	1.64%	62,022,277	1.62%	62,764,999	1.74%	60,125,951	1.73%
283,328,263	6.38%	242,497,504	6.06%	232,822,211	6.10%	225,091,030	6.23%	227,394,003	6.53%
439,320,769	9.89%	351,613,421	8.79%	351,338,418	9.20%	336,018,163	9.30%	377,369,508	10.83%
2,836,953	0.06%	2,414,806	0.06%	2,311,951	0.06%	2,288,864	0.06%	2,373,920	0.07%
-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%
364,255,932	8.20%	351,968,446	8.80%	374,133,097	9.80%	313,988,437	8.69%	315,067,825	9.05%
41,602,675	0.94%	33,200,075	0.83%	31,541,579	0.83%	25,420,914	0.70%	23,863,035	0.69%
4,442,247,607	100.00%	4,000,717,702	100.00%	3,818,343,526	100.00%	3,613,235,606	100.01%	3,483,070,997	100.00%
88,147,460		83,095,775		83,649,627		80,301,080		79,273,899	
3,322,189		2,972,484		2,754,411		2,724,952		2,669,627	
94,958,354		82,495,763		81,811,147		84,319,146		118,381,149	
88,654,461		86,188,622		83,945,484		77,756,203		74,265,056	
294,237,452		189,930,489		221,084,611		184,485,769		326,424,014	
47,090,303		51,629,355		45,332,278		51,609,559		5,756,978	
16,344,385		17,856,105		20,737,245		22,957,482		28,342,360	
28,353,055		23,058,013		20,586,320		16,565,434		14,711,729	
361,282,732		349,314,140		371,548,465		311,263,484		312,398,198	
1,022,390,391		886,540,746		931,449,588		831,983,109		962,223,010	
$ 3,419,857,216		$ 3,114,176,956		$ 2,886,893,938		$ 2,781,252,497		$ 2,520,847,987	

City of Sherman, Texas

Direct and Overlapping Property Tax Rates*
(Unaudited)
Last Ten Fiscal Years

				Overlapping Rates [1]		
	City of Sherman Rates			Grayson County		
Fiscal Year	Operating	Debt Service	Total	Operating	Debt Service	Total
2025	0.30747	0.20054	0.50800	0.28623	0.01887	0.30510
2024	0.26377	0.24423	0.50800	0.28161	0.02349	0.30510
2023	0.26536	0.20458	0.46993	0.29614	0.00896	0.30510
2022	0.30558	0.18342	0.48900	0.32820	0.01080	0.33900
2021	0.33757	0.15143	0.48900	0.36446	0.01225	0.37670
2020	0.33844	0.15056	0.48900	0.40397	0.01246	0.41643
2019	0.31956	0.10774	0.42730	0.42791	0.01390	0.44181
2018	0.34759	0.07971	0.42730	0.46037	0.00000	0.46037
2017	0.34789	0.04641	0.39430	0.47372	0.00000	0.47372
2016	0.33244	0.03956	0.37200	0.49090	0.00000	0.49090

Source: Grayson Central Appraisal District

(1) Overlapping rates are those of local and county governments that apply to property owners within the City of Sherman. Not all overlapping rates apply to all City of Sherman property owners (e.g., the rates for special districts apply only to the proportion of the government's property owners whose property is located within the geographic boundaries of the special district)

*Property tax rates for the three entities with the largest amount of overlapping properties in the City of Sherman are shown above. Other entities with a smaller percentage of overlapping properties include S&S Consolidated ISD, Denison ISD, Howe ISD and Whitewright ISD. See Table 17 for all overlapping debt.

Overlapping Rates [1]						
Sherman Independent School District			Grayson College			Total Direct and Overlapping Rates*
Operating	Debt Service	Total	Operating	Debt Service	Total	
0.75520	0.47900	1.23420	0.11941	0.02658	0.14599	2.19329
0.75750	0.47900	1.23650	0.11941	0.02658	0.14599	2.19559
0.94290	0.47900	1.42190	0.12488	0.02182	0.14670	2.34363
0.96030	0.47900	1.43930	0.14150	0.02655	0.16805	2.43535
0.99070	0.47900	1.46970	0.14150	0.02957	0.17107	2.50647
1.06830	0.47900	1.54730	0.14068	0.03107	0.17175	2.62448
1.17000	0.47900	1.64900	0.14239	0.03494	0.17733	2.69544
1.17000	0.27000	1.44000	0.14034	0.04086	0.18120	2.50887
1.17000	0.27000	1.44000	0.13612	0.04518	0.18130	2.48932
1.17000	0.27000	1.44000	0.13384	0.04756	0.18140	2.48430

City of Sherman, Texas **Table 8**

Principal Property Taxpayers (Unaudited)
Current Year and Nine Years Ago
(Amounts Expressed in Thousands)

	Tax Year 2024			Tax Year 2015		
Taxpayer	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Texas Instruments	$ 1,680,002	1	19.65%	$ 34,413	3	1.45%
Global Wafers America LLC	471,811	2	5.52%	19,970	9	0.84%
Rayburn Energy Station LLC	331,490	3	3.88%	110,744	1	4.66%
Tyson Fresh Meats Inc	97,480	4	1.14%	-		-
Finisar Sherman RE Holdco LLC	65,256	5	0.76%	-		-
Oncor Electric Delivery Co LLC	64,910	6	0.76%	24,399	5	1.03%
JMCR Sherman LLC	60,443	7	0.71%	-		-
Sherman Commons LP	35,822	8	0.42%	25,938	4	1.09%
Aspire Two LLC	30,782	9	0.36%	-		-
First United Bank and Trust	29,297	10	0.34%	-		-
MB Sherman Town Center	-		-	47,955	2	2.02%
Sherman Grayson Hospital LLC	-		-	22,523	6	0.95%
Progress Rail Service	-		-	20,302	7	0.85%
MEMC Southwest	-		-	20,064	8	0.84%
Sunny Delight	-		-	16,257	10	0.68%
TOTALS	$ 2,867,293		33.54%	$ 342,565		14.41%
TOTAL TAXABLE ASSESSED VALUE	$ 8,549,387			$ 2,520,848		

Source: Grayson Central Appraisal District

City Of Sherman, Texas **Table 9**

Property Tax Levies and Collections (Unaudited)
Last Ten Fiscal Years
(Amounts Expressed in Thousands)

Fiscal Year Ended	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2025	$ 41,209	$ 40,483	98.24%	-	$ 40,483	98.24%
2024	27,746	27,219	98.10%	299	27,518	99.18%
2023	21,936	21,665	98.76%	185	21,850	99.61%
2022	19,197	18,974	98.84%	171	19,145	99.73%
2021	17,891	17,653	98.67%	168	17,821	99.61%
2020	16,225	15,961	98.38%	188	16,149	99.53%
2019	12,905	12,699	98.40%	161	12,860	99.65%
2018	12,056	11,918	98.86%	118	12,036	99.83%
2017	10,779	10,592	98.27%	173	10,765	99.87%
2016	9,324	9,125	97.87%	191	9,316	99.91%

Source: Grayson County Tax Assessor Collector. Certified values are subject to change throughout the year as contested values are resolved.

Sherman
CLASSIC TOWN. BROAD HORIZON.

City of Sherman, Texas **Table 10**

Sales Tax Collections
Last Ten Fiscal Years

Fiscal Year	Sales Tax Collections	Property Tax Levy	Local Sales Tax Rate	State Sales Tax Rate	Percent of Property Tax Levy	Equivalent Property Tax Rate
2025	$ 28,663,532	$ 41,209,000	2.000%	6.250%	69.56%	0.3353
2024	30,010,369	27,746,440	2.000%	6.250%	108.16%	0.5183
2023	29,544,514	21,936,324	2.000%	6.250%	134.68%	0.6007
2022	23,875,173	19,196,760	2.000%	6.250%	124.37%	0.5770
2021	21,037,726	17,890,744	2.000%	6.250%	117.59%	0.5483
2020	18,494,327	16,224,684	2.000%	6.250%	113.99%	0.5408
2019	17,969,235	12,904,653	2.000%	6.250%	139.25%	0.5770
2018	17,454,767	12,056,000	2.000%	6.250%	144.78%	0.6046
2017	15,572,318	10,779,000	2.000%	6.250%	144.47%	0.5599
2016	15,487,150	9,324,000	2.000%	6.250%	166.10%	0.6144

City of Sherman, Texas

Sales Tax Collections by Industry
Last Ten Fiscal Years*

Industry	2025	Percent of Total Collection	2024	Percent of Total Collection	2023	Percent of Total Collection	2022	Percent of Total Collection	2021	Percent of Total Collection
Retail trade	$ 13,673,405	47.7%	$ 13,655,620	45.5%	$ 13,652,689	46.2%	$ 13,020,171	54.5%	$ 11,959,706.00	56.8%
Accommodation and food service	3,053,434	10.7%	2,811,848	9.4%	2,666,419	9.0%	2,505,611	10.5%	2,242,472	10.7%
Manufacturing	3,770,827	13.2%	4,625,894	15.4%	6,227,202	21.1%	1,639,651	6.9%	1,098,243	5.2%
Wholesale trade	1,689,922	5.9%	1,836,701	6.1%	1,963,581	6.6%	2,596,756	10.9%	1,739,812	8.3%
Information	548,056	1.9%	456,319	1.5%	381,236	1.3%	861,519	3.6%	791,597	3.8%
Utilities	1,404,615	4.9%	1,310,252	4.4%	1,298,779	4.4%	1,006,366	4.2%	975,229	4.6%
Construction	624,023	2.2%	939,691	3.1%	743,095	2.5%	731,521	3.1%	544,988	2.6%
Admin support	467,642	1.6%	374,651	1.2%	333,092	1.1%	309,180	1.3%	324,274	1.5%
Real estate/rental/leasing	1,768,020	6.2%	801,674	2.7%	662,409	2.2%	601,247	2.5%	549,176	2.6%
Other	1,663,588	5.8%	3,197,718	10.7%	1,616,014	5.5%	603,151	2.5%	812,229	3.9%
	$ 28,663,532	100%	$ 30,010,368	100%	$ 29,544,516	100%	$ 23,875,173	100%	$ 21,037,726	100%

No other entity's sales tax overlaps the City of Sherman's sales tax.

Table 11

2020	Percent of Total Collection	2019	Percent of Total Collection	2018	Percent of Total Collection	2017	Percent of Total Collection	2016	Percent of Total Collection
$ 9,510,633	51.4%	$ 9,407,653	52.4%	$ 9,120,215	52.3%	$ 8,929,151	57.3%	$ 8,619,109	55.7%
1,992,860	10.8%	2,126,404	11.8%	1,986,397	11.4%	1,874,712	12.0%	1,761,217	11.4%
1,093,158	5.9%	935,340	5.2%	934,049	5.4%	856,743	5.5%	1,175,919	7.6%
1,233,768	6.7%	1,261,981	7.0%	1,029,163	5.9%	986,180	6.3%	897,047	5.8%
1,001,891	5.4%	1,088,823	6.1%	991,374	5.7%	883,113	5.7%	863,364	5.6%
1,037,478	5.6%	977,013	5.4%	960,450	5.5%	765,113	4.9%	790,238	5.1%
577,987	3.1%	665,426	3.7%	1,188,939	6.8%	103,946	0.7%	447,532	2.9%
328,378	1.8%	255,778	1.4%	184,320	1.1%	151,075	1.0%	103,427	0.7%
486,146	2.6%	434,542	2.4%	432,428	2.5%	391,789	2.5%	331,629	2.1%
1,232,029	6.7%	816,275	4.5%	627,431	3.6%	630,297	4.0%	497,667	3.2%
$ 18,494,328	100%	$ 17,969,235	100%	$ 17,454,766	100%	$ 15,572,119	100%	$ 15,487,149	100%

Sherman
CLASSIC TOWN. BROAD HORIZON.

City of Sherman, Texas **Table 12**

Water and Sewer Rates
Last Ten Fiscal Years

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Water:										
Monthly Base Rate	25.39	24.18	24.18	23.48	22.8	22.8	22.8	22.8	22.14	21.39
Rate per 1,000 Gallons:										
1,500 - 20,000 gal	3.64	3.47	3.47	3.37	3.27	3.27	3.27	3.27	3.17	3.06
20,001 - 100,000 gal	4.64	3.72	*	*	*	*	*	*	*	*
100,001 - 500,000 gal	5.64	3.97	*	*	*	*	*	*	*	*
500,001 - 15,000,000 gal	6.64	4.22	*	*	*	*	*	*	*	*
15,000,001 gal and above	8.14	**	*	*	*	*	*	*	*	*
Sewer:										
Monthly Base Rate	10.12	9.29	9.29	8.68	8.19	8.19	8.19	8.19	7.95	7.68
Rate per 1,000 Gallons:										
1,500-100,000 gal	4.30	3.95	3.95	3.69	3.48	3.48	3.48	3.48	3.38	3.27
100,001-500,000 gal	5.30	4.20	*	*	*	*	*	*	*	*
500,001-15,000,000 gal	6.30	4.45	*	*	*	*	*	*	*	*
15,000,001 gal and above	12.00	**	*	*	*	*	*	*	*	*

* Rate per 1,000 was a flat rate in fiscal years 2023 and prior.

** The highest tier in the rate structure in fiscal year 2024 was 500,001 and above.

City of Sherman, Texas

Water Sold by Type of Customer
Last Ten Fiscal Years
(Revenue Amounts Expressed in Thousands)

	2025		2024		2023		2022		2021	
Type of Customer	Thousands of Gallons	Revenues	Thousands of Gallons	Revenues	Thousands of Gallons	Revenues	Thousands of Gallons	Revenues	Thousands of Gallons	Revenue
Residential	$ 1,244,554.6	10,346.0	$ 1,282,896.7	9,403.0	$ 1,329,606.3	9,235.7	$ 1,337,947.8	8,854	$ 1,158,597.1	7,925
Commercial	1,674,638.8	11,967	1,587,009.8	8,376	1,202,091.5	5,729	1,207,097.3	5,566	1,083,822.1	4,995
Other water providers	814,999.8	1,723	1,067,270.2	2,438	761,211.4	1,275	744,191.9	1,149	686,330.9	1,071
Outside city limits	15,411.7	244	13,494.2	217	14,085.1	219	14,502.4	208	12,741.4	187
Government	132,990.5	515	65,066.3	*	60,549.2	*	55,367.3	*	51,972.8	*
Fire hydrants	39,950.4	457	60,337.7	457	52,584.6	344	48,308.1	261	24,027.1	171
Yard	146,874.6	927	97,546.1	491	**	**	**	**	**	**
TOTALS	$ 4,069,420.4	26,179	$ 4,173,621.0	21,382	$ 3,420,128.1	16,801	$ 3,407,414.8	16,038	$ 3,017,491.4	14,349

*Revenues breakdown not available.
**Previously rolled up in Residential, Commercial, etc.

Table 13

2020		2019		2018		2017		2016	
Thousands of Gallons	Revenues	Thousands of Gallons	Revenues	Thousands of Gallons	Revenues	Thousands of Gallons	Revenues	Thousands of Gallons	Revenue
$ 1,181,406.4	7,909	$ 1,045,238.3	7,354	$ 1,197,155.7	7,737	$ 1,081,291.8	6,967	$ 7,168.0	6,885
1,146,574.8	5,181	1,122,412.6	5,077	1,165,800.1	5,182	1,131,942.7	4,900	1,189,118.6	4,916
623,761.9	968	613,248.5	992	826,897.6	980	752,723.7	943	817,598.7	1,062
11,325.3	157	7,389.3	107	7,811.1	105	6,852.5	92	6,204.7	83
38,108.6	*	42,280.2	*	54,277.7	*	54,197.6	*	45,735.6	*
13,475.6	136	8,690.0	108	10,810.5	86	4,443.5	48	7,951.1	57
**	**	**	**	**	**	**	**	**	**
$ 3,014,652.6	14,351	$ 2,839,258.9	13,638	$ 3,262,752.7	14,090	$ 3,031,451.8	12,950	$ 2,073,776.7	13,003

Sherman
CLASSIC TOWN. BROAD HORIZON.

City of Sherman, Texas **Table 14**

Top Ten Water Customers
September 30, 2025

Customer	Consumption (In Millions of Gallons)	Revenues (In Thousands)	Rank	% of Total Water Revenues
Rayburn Energy Station LLC	682.0	$ 651.3	1	3.340%
Texas Instruments, Inc (new location)	448.5	3,004.2	2	15.407%
Global Wafers America	282.9	1,880.6	3	9.644%
Texas Instruments, Inc (old location)	170.9	1,308.1	4	6.708%
Globitech	168.8	1,121.4	5	5.751%
IBP, Inc	152.9	1,050.2	6	5.386%
Mustang SUD	85.6	477.1	7	2.447%
Sunny Delight Beverages Co	69.9	472.1	8	2.421%
Finisar	56.0	372.5	9	1.910%
Austin College	54.4	417.6	10	2.142%
TOTAL	2,171.9	10,755.1		55.16%

Note: Total billed water from October 1, 2024 through September 30, 2025 was $19,499,844.

City of Sherman, Texas

Ratios of Outstanding Debt by Type
Last Ten Fiscal Years
(Amounts Express in Thousands)

Fiscal Year	Governmental Activities					
	General Obligation Bonds	Certificates of Obligation	Tax Notes	Note Payable	Leases	SBITA's
2025	$ 3,693	$ 201,191	$ 11,457	$ 302	$ 203	46
2024	4,652	161,483	7,508	531	-	102
2023	5,587	166,285	5,381	1,259	-	327
2022	6,501	91,563	3,298	1,984	102	-
2021	7,386	94,549	1,795	2,668	-	-
2020	8,250	66,837	-	3,331	-	-
2019	8,495	69,180	470	3,103	-	-
2018	9,914	50,399	935	2,366	-	-
2017	10,669	28,291	1,395	-	-	-
2016	1,210	18,499	1,830	162	-	-

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

Personal income and population data can be found in the Schedule of Demographic and Economics Statistics (Table 20).

Table 15

Business-Type Activities							
Water and Sewer Bonds	Note Payable	Leases	SBITA's	Other	Total Primary Government	Percentage of Personal Income	Per Capita
-	$ 210	$ 95	$ 412	$ 1,663	$ 219,272	15.22%	$ 4,869
-	-	-	51	1,803	176,130	15.43%	3,998
-	-	-	101	1,940	180,880	15.85%	4,180
-	32	36	-	2,072	105,588	9.85%	2,442
-	158	-	-	2,201	108,757	10.47%	2,492
-	282	-	-	2,326	81,026	8.03%	1,910
-	434	-	-	2,437	84,119	8.81%	2,044
-	524	-	-	2,544	66,682	7.42%	1,645
-	641	-	-	2,647	43,643	4.94%	1,088
-	757	-	-	2,746	25,204	2.91%	658

City of Sherman, Texas **Table 16**

Ratios of General Bonded Debt Outstanding
Last Ten Fiscal Years
(Amounts Express in Thousands)

Fiscal Year	General Obligation Bonds	Certificates of Obligation	Total General Bonded Debt	Percentage of Actual Taxable Value of Property	Per Capita [2]
2025	$ 3,693	$ 201,191	$ 204,884	2.40%	4,549
2024	4,652	161,483	166,135	2.87%	3,771
2023	5,587	166,285	171,872	3.49%	3,972
2022	6,501	91,563	98,064	2.37%	2,268
2021	7,386	94,549	101,935	2.66%	2,336
2020	8,250	66,837	75,087	2.20%	1,770
2019	8,495	69,180	77,675	2.49%	1,888
2018	9,914	50,399	60,313	2.09%	1,488
2017	10,069	28,291	38,360	1.38%	956
2016	1,210	18,499	19,709	0.78%	514

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

[1] See the Schedule of Assessed Value and Estimted Actual Value of Taxable Property for property value data (Table 5).

[2] Population data can be found in the Schedule of Demographic and Economic Statistics (Table 20).

City of Sherman, Texas **Table 17**

Direct and Overlapping Governmental Activities Debt
September 30, 2023
(Amounts Express in Thousands)

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable	Estimated Share of Direct and Overlapping Debt
City of Sherman direct debt	$ 216,892	100.00%	$ 216,892
Debt repaid with property taxes:			
Sherman ISD	618,575	92.78%	573,914
Grayson County	33,370	33.02%	11,019
Grayson College	112,060	33.02%	37,002
S & S Consolidated ISD	18,860	24.71%	4,660
Denison ISD	221,135	4.30%	9,509
Howe ISD	50,142	3.31%	1,660
Whitewright ISD	17,475	0.23%	40
Subtotal, overlapping debt			637,804
TOTAL DIRECT AND OVERLAPPING DEBT			$ 854,696
Ratio of direct and overlapping debt to assessed value			10.0%
Per capita direct and overlapping debt			$ 18,978

Sources: Estimated applicable percentages and debt outstanding for overlapping entities were obtained from the Texas Municipal Advisory Council.

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the city. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the City of Sherman. This process recognizes that, when considering the government's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt of each overlapping government.

City of Sherman, Texas

Legal Debt Margin Information
Last Ten Fiscal Years
(Amounts Express in Thousands)

	2025	2024	2023	2022	2021
Debt limit	$ 854,939	$ 578,982	$ 491,817	$ 413,814	$ 383,715
Total net debt applicable to limit	51,031	3,725	76,845	2,124	30,155
LEGAL DEBT MARGIN	$ 803,908	$ 575,257	$ 414,972	$ 411,690	$ 353,560
TOTAL NET DEBT APPLICABLE TO THE LIMIT AS A PERCENTAGE OF DEBT LIMIT	5.97%	0.64%	15.62%	0.51%	7.86%

Note: The City Charter of the City of Sherman does not limit outstanding general obligation debt in relation to total assessed property tax value, but the aggregate amount of bonds and other debt is not to exceed 10% of the assessed valuation. Under provisions of state law, the maximum tax rate is limited to $2.50 per $100 assessed valuation.

2020	2019	2018	2017	2016
$ 341,986	$ 311,418	$ 288,689	$ 278,125	$ 252,085
-	20,131	23,381	19,102	9,100
$ 341,986	$ 291,287	$ 265,308	$ 259,023	$ 242,985
0.00%	6.46%	8.10%	6.87%	3.61%

City of Sherman, Texas **Table 19**

Pledged Revenue Coverage
Last Ten Fiscal Years
(Amounts Express in Thousands)

	Water Revenue Bonds					
Fiscal Year	Water and Sewer Charges and Other	Less: Operating Expenses	Net Available Revenue	Debt Service Principal	Debt Service Interest	Coverage
2025	$ 46,680	$ 34,915	11,765	$ -	$ -	-
2024	31,575	27,656	3,919	-	-	-
2023	30,440	25,750	4,690	-	-	-
2022	26,214	21,089	5,125	-	-	-
2021	23,154	21,305	1,849	-	-	-
2020	23,832	21,842	1,990	-	-	-
2019	23,182	21,917	1,265	-	-	-
2018	22,819	20,731	2,088	-	-	-
2017	21,493	19,254	2,239	-	-	-
2016	20,987	18,255	2,732	-	-	-

Notes:
Details regarding the City's outstanding debt can be found in the notes to the financial statements.

Water, sewer and other charges includes investment earnings, but not tap fees. Operating expenses do not include interest or depreciation.

City of Sherman, Texas **Table 20**

Demographic and Economic Statistics
Last Ten Fiscal Years

Calendar Year	Population	Personal Income**	Per Capita Personal Income	Median Age	Percent High School Graduate or Higher	School Enrollment	Average Unemployment Rate*
2025	45,036	$ 1,440,702	$ 31,990	35.5	90.0%	7,383	3.6%
2024	44,052	1,348,211	30,605	35.3	89.2%	7,321	3.7%
2023	43,273	1,141,498	26,379	34.5	89.2%	7,491	4.0%
2022	43,239	1,072,500	24,804	34.6	87.4%	7,853	3.8%
2021	43,645	1,038,533	23,795	34.8	85.6%	8,010	5.3%
2020	42,432	1,009,669	23,795	34.8	85.6%	7,938	7.0%
2019	41,149	954,616	23,199	34.0	84.8%	7,784	3.1%
2018	40,543	898,190	22,154	33.4	85.6%	7,755	3.3%
2017	40,112	883,627	22,029	33.5	85.1%	7,738	3.8%
2016	38,315	865,691	21,878	33.5	84.7%	7,262	3.9%

Sources: US Census; Bureau of Labor Statistics; Sherman Indpendent School District

* Not seasonally adjusted

** Amounts expressed in thousands

Sherman
CLASSIC TOWN. BROAD HORIZON.

City of Sherman, Texas **Table 21**

Principal Employers
Current and Nine Years Ago

	2025			2016		
Taxpayer	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
Tyson Fresh Meats	1,765	1	7.36%	1,630	1	8.93%
Sherman ISD	1,137	2	4.74%	1,039	2	5.69%
Carrus Hospital	650	3	2.71%	-		-
Texas Instruments	600	4	2.50%	600	4	3.29%
City of Sherman*	573	5	2.39%	415	7	2.27%
Grayson County	565	6	2.36%	595	5	3.26%
Alorica	452	7	1.89%	315	10	1.73%
Emerson	450	8	1.88%	350	8	1.92%
Sherman Medical Center	443	9	1.85%	675	3	3.70%
Coherent	377	10	1.57%	-		-
Wal-Mart/Sam's	-		-	450	6	2.48%
Eaton B-Line	-		-	335	9	1.84%
Total	7,012		29.25%	6,404		35.11%

Source: Sherman Economic Development Department and U.S. Census Bureau.

* City of Sherman employment number as listed in the approved FY2025-2026 Annual Budget.

City of Sherman, Texas

Fulltime Equivalent City Government Employees
by Function/Program
Last Ten Fiscal Years

Function/Program	Fiscal Year 2025	2024	2023	2022	2021
General government:					
Management services	7	7	6	5	5
Public records	3	3	3	3	3
Legal services	-	-	1	1	1
Financial services	9	9	8	8	8
Human resources	5	5	5	4	4
Engineering	13	13	11	11	9
Law enforcement	80	78	77	75	74
Fire and ambulance	94	94	94	86	86
Municipal court	4	4	3	3	3
Emergency management	1	1	1	1	1
Animal services	3	9	8	8	8
Public safety support	9	28	25	24	24
Building and zoning	28	12	13	11	7
Street maintenance	14	40	33	25	25
Environmental code	41	4	4	4	4
Building maintenance	4	10	10	10	10
Cemetery services	10	8	8	8	7
Parks and recreation	8	6	6	6	6
Grounds maintenance	7	34	24	21	21
Glennie O. Ham center	34	-	-	-	-
Library services	10	10	10	10	10
Neighborhood services	4	4	4	4	4
Senior citizens center	2	2	2	2	2
Fire safety support	3	3	2	2	2
Utility fund:					
Utility administration	1	1	1	1	1
Utility billing/customer service	8	13	13	12	12
Production services	24	21	24	24	23
Pump maintenance	4	4	4	4	4
Collection and distribution	32	26	24	20	20
Infiltration and inflow	2	2	2	2	1
Treatment services	23	15	15	14	14
Laboratory	7	6	6	6	6
Industrial pretreatment	5	5	5	4	4
Water quality	6	7	5	3	4
Solid waste fund:					
Residential	16	22	20	20	19
Commercial	15	6	8	8	8
Recycling	-	-	-	-	1
Solid waste administration	5	7	4	4	4
Other:					
Information technology	11	10	10	9	7
Equipment services	15	15	14	14	13
Tourism	3	3	3	3	3
Stormwater services	3	3	2	2	2
TOTAL	573	550	518	482	470

Source: City of Sherman Annual Operating Budget Report

Fiscal Year				
2020	**2019**	**2018**	**2017**	**2016**
5	5	5	5	5
3	3	3	2	2
1	1	1	1	2
8	7	7	7	7
4	4	4	4	3
9	8	8	9	8
74	73	72	72	68
86	86	81	81	78
3	3	2	2	-
1	1	-	-	-
8	8	7	7	7
24	23	23	23	25
7	7	6	6	6
25	25	25	23	23
4	4	3	2	2
10	10	9	9	8
7	7	7	7	7
6	6	6	6	6
21	18	16	16	16
-	-	-	-	-
10	12	11	11	11
4	1	2	2	1
2	2	2	2	2
2	1	-	-	-
1	1	1	1	1
12	12	12	12	12
22	22	22	22	18
4	4	4	4	4
20	20	20	20	16
1	1	1	1	1
14	14	14	14	12
6	6	6	6	7
4	4	4	4	4
2	2	1	1	1
19	14	13	14	15
8	13	12	12	12
1	2	2	2	3
4	2	2	2	-
7	7	6	6	6
13	12	13	11	12
3	3	2	2	2
2	2	-	-	-
467	456	435	431	413

City of Sherman, Texas

Operating Indicators by Function/Program
Last Ten Fiscal Years

Function/Program	Fiscal Year 2025	2024	2023	2022	2021
Police:					
Physical arrests	2,003	1,810	1,784	1,850	1,565
Calls for service	41,301	56,775	36,237	33,388	32,102
Traffic violations	14,260	18,415	11,541	7,845	7,327
Fire:					
Number of calls answered	8,510	8,572	8,465	8,856	7,262
Inspections	2,426	1,696	1,710	1,122	1,376
Planning and zoning:					
Number of residential units	1,884	2,348	3,203	1,294	857
Value of residential units	*	*	*	*	*
Number of commercial units	108	200	216	112	89
Value of commercial units	$ 1,198,208,328	$ 315,460,211	$ 80,543,658	$ 67,307,332	$ 45,456,608
Highways and streets:					
Street resurfacing (miles)	11	9	18	10	11
Potholes repaired	1,849	2154	1,494	1,281	770
Sanitation:					
Refuse collected (tons/day)	286	284	253	178	266
Recyclables collected (tons/day)	-	-	-	-	-
Culture and recreation:					
Athletic field permits issued	3,555	2946	2,228	2,480	2,026
Community center admissions	1,639	1542	1,345	1,247	966
Water:					
New connections	4,735	4,150	3,855	3,593	3,182
Water main breaks	312	366	342	272	349
Average daily consumption (thousands of gallons)	12	10	10	9	8
Wastewater:					
Average daily sewage treatment (thousands of gallons)	9,747	9,074	8,089	7,705	8,250

Source: Various City departments

Estimates used if actual number not available

* Data unavailable in accordance with Texas House Bill 852

Fiscal Year				
2020	**2019**	**2018**	**2017**	**2016**
1,283	1,550	1,654	1,501	1,586
32,282	39,405	37,673	37,131	38,123
5,872	9,741	5,893	5,184	4,314
7,750	7,392	7,246	7,614	6,769
1,272	1,225	587	920	797
867	594	530	537	456
*	$ 38,735,406	$ 50,276,674	$ 30,613,815	$ 21,059,304
80	111	126	94	81
$ 18,986,845	$ 170,534,915	$ 46,020,156	$ 34,571,628	$ 17,757,185
10	5	15	15	15
567	463	609	285	433
310	254	213	179	177
1	7	9	10	12
1,079	3,004	2,946	3,047	2,788
761	3,997	3,989	4,123	4,890
3,350	3,140	3,035	2,963	2,948
174	231	213	219	120
8	8	8	8	8
8,590	8,730	7,780	6,860	8,280

City of Sherman, Texas

Capital Asset Statistics by Function/Program
Last Ten Fiscal Years

Function/Program	Fiscal Year 2025	2024	2023	2022	2021
Public safety:					
Police:					
Stations	1	1	1	1	1
Patrol units	26	25	26	26	19
Fire stations	5	5	5	5	5
Sanitation:					
Collection trucks	50	50	49	46	49
Highways and streets:					
Streets (miles)	280	280	280	280	265
Streetlights	3,339	3335	3,177	3,067	3,067
Traffic signals	89	89	85	85	85
Culture and recreation:					
Parks and acreage	475	454	454	452	452
Swimming pools	1	1	1	1	1
Tennis courts	4	4	4	4	4
Community centers	2	2	2	2	2
Water:					
Water mains (miles)	442	413	335	320	314
Fire hydrants	2,298	2,168	2,069	2,069	2,000
Maximum daily capapcity (thousands of gallons)	28,000	28,000	28,000	28,000	33,250
Sewer:					
Sanitary sewers (miles)	307	299	291	261	256
Storm sewers (miles)	N/A	N/A	N/A	N/A	N/A
Maximum daily capacity (thousands of gallons)	16,000	16,000	16,000	16,000	16,000

Source: Various City departments

*Estimates used if actual number not available

Fiscal Year				
2020	**2019**	**2018**	**2017**	**2016**
1	1	1	1	1
21	18	20	17	21
5	5	5	5	5
47	46	43	38	43
265	265	265	260	231
3,049	3,049	3,049	3,049	3,049
85	85	85	84	84
452	452	452	440	440
1	1	1	1	1
4	4	4	4	4
2	2	2	2	2
311	308	302	300	294
1,977	1,962	1,908	1,889	1,844
33,419	23,000	23,032	21,864	24,151
255	253	250	250	246
N/A	N/A	N/A	N/A	N/A
16,000	16,000	16,000	16,000	16,000

City of Sherman, Texas

Single Audit Report
Year Ended September 30, 2025

weaver
Assurance • Tax • Advisory

City of Sherman, Texas

Single Audit Report
For the Fiscal Year Ended September 30, 2025
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2300 North Field Street, Suite 1000
Dallas, Texas 75201
972-490-1970

Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

To the Honorable Mayor
and City Council
City of Sherman, Texas

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Sherman, Texas (the City), as of and for the year ended September 30, 2025, and the related notes to the financial statements, which collectively comprise the City's basic financial statements and have issued our report thereon dated February 24, 2026.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) as a basis for designing procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards.*

The Honorable Mayor
and City Council
City of Sherman, Texas

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Weaver and Tidwell, L.L.P.

WEAVER AND TIDWELL, L.L.P.

Dallas, Texas
February 24, 2026

2300 North Field Street, Suite 1000
Dallas, Texas 75201
972-490-1970

Independent Auditor's Report on Compliance for Each Major Federal Program, Report on Internal Control over Compliance, and Report on the Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

To the Honorable Mayor
and City Council
City of Sherman, Texas

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the City of Sherman, Texas (the City)'s compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the City's major federal programs for the year ended September 30, 2025. The City's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the City complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended September 30, 2025.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the City's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the City's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the City's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the City's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the City's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the City's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Sherman, Texas as of and for the year ended September 30, 2025, and the related notes to the financial statements, which collectively comprise the City's basic financial statements. We issued our report thereon, dated February 24, 2026 which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

Weaver and Tidwell, L.L.P.

WEAVER AND TIDWELL, L.L.P.

Dallas, Texas
February 24, 2026

City of Sherman, Texas

Schedule of Findings and Questioned Costs
For the Year Ended September 30, 2025

I. Summary of the Auditor's Results

Financial Statements

An unmodified opinion was issued on the financial statements.

Internal control over financial reporting:

- Material weakness(es) identified? _____Yes ___X___No
- Significant deficiency(ies) identified that are not considered a material weakness? _____Yes ___X___None Reported

Noncompliance material to financial statements noted? _____Yes ___X___No

Federal Awards

An unmodified opinion was issued on compliance for major programs.

Internal control over major programs:

- Material weakness(es) identified? _____Yes ___X___No
- Significant deficiency (ies) identified that are not considered a material weakness? _____Yes ___X___None Reported

Any audit findings disclosed that were required to be reported in accordance with 2 CFR 200.516 (a)? _____Yes ___X___No

Identification of major programs:

Program/Cluster Name	Federal Assistance Listing Number
COVID-19 - Coronavirus State and Local Fiscal Relief Funds	21.027

The dollar threshold used to distinguish between type A and type B programs. $1,000,000

Auditee qualified as a low-risk auditee? ___X___Yes _____No

II. Findings Relating to the Financial Statements which are Required to be Reported in Accordance with *Generally Accepted Government Auditing Standards*

None

III. Findings and Questioned Costs for Federal Awards

None

IV. Summary of Prior Year Findings

None

City of Sherman, Texas
Schedule of Expenditures of Federal Awards
For the Year Ended September 30, 2025

Federal Program Title	Federal Assistance Listing Number	Grant Number	Federal Expenditures	Passed Through to Subrecipients
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT				
Direct Program:				
Community Development Block Grant/Entitlements Grants	14.218	B-20-MC-48-0027	$ 67,545	$ 8,850
Community Development Block Grant/Entitlements Grants	14.218	B-21-MC-48-0027	11,258	-
Community Development Block Grant/Entitlements Grants	14.218	B-22-MC-48-0027	145,592	-
Community Development Block Grant/Entitlements Grants	14.218	B-23-MC-48-0027	33,561	-
Community Development Block Grant/Entitlements Grants	14.218	B-24-MC-48-0027	170,075	116,101
Total CDBG-Entitlement Grants Cluster			428,031	124,951
Total U.S. Department of Housing and Urban Development			428,031	124,951
U.S. DEPARTMENT OF TREASURY				
Direct Program:				
COVID-19 - Coronavirus State and Local Fiscal Relief Funds	21.027	N/A	1,328,825	-
Passed through the Office of the Governor:				
COVID-19 - North Central Texas Trauma Regional Advisory Council (NCTTRAC) EMS Workforce Recruitment & Retention Program	21.027	2021-CS-21027	30,934	-
Passed through the Office of the Governor - Commission on State Emergency Communications (CSEC) SB 8:				
COVID-19 - Coronavirus State and Local Fiscal Recovery Funds	21.027	4549601	134,673	-
Total Assistance Listing # 21.027			1,494,432	-
Total U.S. Department of Treasury			1,494,432	-
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES				
Passed through Texas Health and Human Services Commission:				
Ambulance Services - Uncompensated Care Costs	93.778	86350801	8,881	-
Total Medicaid Cluster			8,881	-
Total U.S. Department of Health and Human Services			8,881	-
U.S. DEPARTMENT OF JUSTICE				
Direct Program:				
Edward Byrne Memorial Justice Assistance Grant Program	16.738	15PBJA-24-GG-04849-JAGX	12,266	4,967
Equitable Sharing Program	16.922	TX0910400	12,497	-
Office of Justice Program Bulletproof Vest Partnership Program	16.607	2021BUBX21027323	15,912	-
Total U.S. Department of Justice			40,675	4,967
Institute of Museum and Library Services				
Passed Through Texas State Library and Archives Commission:				
Interlibrary Loan Lending Reimbursement Program	45.310	LS-253655-OLS-23	1,560	-
Total Institute of Museum and Library Services			1,560	-
Total Federal Financial Assistance			$ 1,973,579	$ 129,918

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

City of Sherman, Texas
Notes to Schedule of Expenditures of Federal Awards
For the Year Ended September 30, 2025

Note 1. General

The accompanying schedule of expenditures of federal awards includes the federal grant activity of the City of Sherman, Texas and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of the Uniform Guidance. Therefore, some amounts presented in the schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

The City of Sherman, Texas' reporting entity is defined in Note I to the City of Sherman, Texas' basic financial statements. Federal awards received directly from federal agencies as well as federal awards passed through other government agencies are included in the schedule.

Note 2. Subrecipients

Amounts paid to subrecipients for the fiscal year ending September 30, 2025 were as follows:

Program Title/ Subrecipient	Assistance Listing Number	Amount
Boys & Girls Club of Sherman	14.218	$ 7,777
CASA of Grayson County	14.218	7,777
Child & Family Guidance Center of Texoma	14.218	7,777
Grayson County Children's Advocacy Center	14.218	7,777
Four Rivers Outreach	14.218	7,777
Grand Central Station	14.218	7,777
Grayson County Crisis Center	14.218	7,777
Habitat for Humanity of Grayson County	14.218	23,850
House of Eli	14.218	7,777
Multicultural Family Center	14.218	7,777
Housing Authority of the City of Sherman, Texas	14.218	7,777
TAPS	14.218	7,777
Texoma Family Shelter	14.218	7,777
United Way of Grayson County	14.218	7,777
Total for 14.218		$ 124,951
Grayson County Sheriff's Office	16.738	$ 2,476
City of Denison	16.738	2,491
Total for 16.738		$ 4,967

Note 3. Indirect Cost Rate

The City of Sherman, Texas has elected to use the 15-percent de minimis indirect cost rate allowed under the Uniform Guidance.

SHERMAN CITY COUNCIL
Agenda Communication Form

City Council Regular Meeting Agenda Item No. K.3.

Meeting Date: 3/16/2026

Prepared By: Sarah McRae, Tourism Manager

Approved By: Zachary Flores, City Manager

Caption:
**** Other Business***
Consider the Request for the 2nd Annual "Sherman Showdown" Food Truck Competition on May 9, 2026

Issue:
Consider the Request for the 2nd Annual "Sherman Showdown" Food Truck Competition on May 9, 2026

Background:
Downtown Sherman NOW proposes holding the 2nd Annual "Sherman Showdown" food truck competition on the square downtown from 11:00 a.m. to 7:00 p.m on Saturday, May 9. In order to accommodate the festival, Downtown Sherman NOW requested street closures on the 100 block of S. Travis and the 100 block of S. Crockett.

Capital Improvement Program:

Origination:
Tourism Department

Financial Consideration:
Barricade placement and removal will be provided by the City of Sherman Street Department.

Staff Recommendation:
It is recommended that the City Council authorize the street closures to accommodate this event.

Alternatives:
As directed by the Council

Attachments:
1. Sherman Showdown- Food Truck Competition 2026 Application
2. Sherman Showdown Map 2026

Sherman
CLASSIC TOWN. BROAD HORIZON.

Special Event Application

This agreement is between the City of Sherman, hereinafter referred to as City, and an event/event coordinator, hereinafter referred to as event, for the cooperation of planning and operating a Special Event.

City reserves the right to close down or cancel any Event that is in violation of any City Ordinance or deviation from this agreement. The City also reserves the right to close down or cancel the Event if public safety or affected department supervisors deem the event unsafe for public participation.

- Application must be submitted at least 60 days prior to the event date.
- The Event must carry property, bodily injury and municipal liability insurance of $1,000,000.00 per occurrence. The City of Sherman must be shown as an additional named insured on the insurance declaration. One (1) original copy of insurance must be submitted 30 days prior to event date.
- Alcohol distribution or consumption in any City Park and/or street is prohibited, unless approval is granted by motion and order by the City Council. A special event permit for alcohol on private property in conjunction with a Sherman private club may be permitted with a T.A.B.C license. Certain city-owned properties may allow for the consumption of alcohol.
- Please provide all information pertaining to the event as accurately as possible.

General Event Information

Official Name of Event: Sherman Showdown

Type of Event: (i.e. Carnival, Circus, 1 Mile/5 K Run, etc.) Food Truck Competition

Event Date: May 9, 2026 Event Times: 11:00 – 7:00pm

Alternate Date: _____ Event Times: _____

*Alternate date required in case of weather delays

Location of Event: Courthouse Lawn and 100 blocks of S. Travis & S. Crockett

Event Contact Name: Karen Todey

Event Contact Address: P.O. Box 2054 Sherman 75091

Event Contact Phone: 903-816-2811

Event Contact Email: director@downtownsherman.com

Alternate Event Contact Name: Rob Ballew

Alternate Event Contact Address: P.O. Box 2054 Sherman 75091

Alternate Event Contact Phone: 903-267-5962

Alternate Event Contact Email: ballew.rob@gmail.com

Event Day Emergency Contact: Karen Todey Phone: 903-816-2811

Event Day Emergency Contact: Rob Ballew Phone: 903-267-5962

Estimated # of Participants: 6,000 Spectators: _____

Is Event Private or Open to the Public? _____ Private Event ✓ Public Event

Description of Event

Include background/history of this event or type of event and a timeline of event. Maps and site plans are required; site plans should include location of concessions, port-a-lets and dumpsters; description of routes to be used, severe weather emergency plan, etc. Clean-up deposit may be required.

Food trucks competing for $5,000 in prize money. Food for sale, free admission, Karaoke, live music, Kids' Area, cornhole

Downtown Sherman Now plans to sell beer and apply for the required TABC permits

Public Services

Will event take place at a public park/facility? _____ Yes ✓ No

If yes, which park/facility? _____

*Park and/or facility reservation(s) required prior to completing this application.

Will you need any public street closures? ✓ Yes ____ No

If Yes, which streets? 100 block of S. Travis
100 block of S. Crockett

*Closure of TxDOT controlled streets will need prior approval by TxDOT.
*Police and Fire vehicles must have access through street closures if the need arises.

Street closure time: 7:00 am* Time closure removed: 8:00 pm

*Barricades will be provided by the City for the listed street closures. Fees may be required for additional barricade requests. *Trucks need to be parked and ready by 9a.m.

Where are the parking areas located: (Include on site plan) Street parking, Episcopal Church, Farmers Market lot + the lot beyond

Does your event require special/additional support? (Fee may be required)

✓ Police
(crowd control, traffic control, etc.)
If yes, contact Jarena Capps, Police Department, 903-892-7397

____ Fire Department
(EMT Support, etc.)
If yes, contact Chief Jones, Fire Department, 903-892-7263

____ Other
(provide detail)

If any special/additional support is checked above it is the responsibility of the event coordinator to contact the person listed above, prior to approval. If no contact is made by the event coordinator, the approval process for your special event will cease.

Number of trash containers and size requested over and above the current level: ____

50 rolling trash cans ; 60 orange cones

*Per city ordinance, all solid waste services must be provided by the city. Additional fees are possible for solid waste services.

Concessions

Will food concessions be present at the event? ✓ Yes ____ No

Name, Address & Phone Number for Food Vendors: Food trucks are providing us Their food permits

*All food vendors are required to have the appropriate permits required by the city or the county.

Fire Prevention

Will you have any tents at the event? ✓ Yes ____ No

Will any tents be over 200sq. ft.? ____ Yes ✓ No
*No smoking signs and 5lb. ABC extinguishers are required in all tents over 200sq. ft.

Will any tents be enclosed? ____ Yes ✓ No
*A permit ($50.00 fee) must be obtained from the Developmental Services Department for enclosed tents.
*A flame certificate for the tent and a site plan showing the setback from the property lines will be required to obtain this permit.

Will you have bounce houses? ____ Yes ✓ No Number: ____

Will you have other air supported structures? ✓ Yes ____ No For Children's area

Will there be fireworks? ____ Yes ✓ No

Will there be any temporary structures built or placed on site? ✓ Yes ____ No

If Yes, describe: 2 stages for bands

Miscellaneous

Will you need the use of city water and/or electricity? ____ Yes ✓ No
*Additional fees will apply to the usage of city utilities

Where will restroom facilities be located? (4) Corners of S. Travis / E. Lamar; S. Crockett / W. Lamar S Crockett / W. Houston S. Travis / E Houston

*Depending on accessibility of restroom facilities, city may require portable toilets to be used

Will there be music or any other use of a loudspeaker? ✓ Yes _____ No

If Yes, please fill out the following:

Type of loudspeakers: Cadence Studio is providing sound How many: _____

Type of Amplifiers: _____ How many: _____

Type of electrical devices: _____ How many: _____

Date and time loudspeakers/amplifiers/electrical devices will be in use: 11am – 7pm

*Loudspeakers/Amplifiers/Electrical Devices cannot be used during the hours of 9pm to 8am

Will you have any animals at the event? _____ Yes ✓ No

If yes, are any prohibited/regulated animals? _____

*All pet owners must abide by Grayson County leash law

Public Information

Describe signage that will be used for the event, to include placement of signs: "No Alcohol Beyond This Point" along perimeter of event

Describe how you will notify residents affected by the event either living on the route/course or nearby. N/A

*Proof of notification may be required

Overnight Accommodation Needs

Will event produce overnight stays in Sherman hotels, motels or bed and breakfasts? If so, how many rooms potentially? 12-15

* The Sherman Chamber of Commerce is available for assistance with hotel information and accommodation needs for the event.

Agreement:

Initial XC I hereby attest that the information contained in this application is true and correct. I understand that this is only an application and not a guarantee that a permit will be issued. If a permit is issued, I agree that: (1) if any of the information contained in this application is found to be false: or (2) should my conduct, or the conduct of any participants or guests, not adhere to the Special Event Policies and Procedures: or (3) should any applicable city, county, state or federal rules, regulations, codes or laws be violated, any permit issued shall automatically become null and void and any activity associated with this permit will immediately cease.

Initial XC Applicant agrees to assume the defense of and indemnify and save harmless the City, its council members, boards, commissions, officers, employees and agents, from all suits, actions, damages or claims to which the City may be subjected of any kind or nature whatsoever resulting from, caused by, arising out of or as a consequence of such temporary street closure and the activities permitted in connection therewith. The city may require, as a condition of issuance of a permit, that the applicant obtain insurance to serve this end, in such an amount and with such terms as the City determines to be appropriate under the circumstances. This shall be a continuing release and shall remain in effect until revoked in writing.

Initial XC In case of emergency or for reasons beyond the City's control, the City reserves the right to cancel the permit prior to scheduled use without liability. Refunds will be made if cancellation by the City is necessary.

Initial XC Alcohol must be confined to private property. Alcohol consumed on Public property is a violation of city Ordinance and is prohibited.

Signature:

I the undersigned representative have read the policies and procedures with reference to this application. The information contained herein is complete and accurate.

XC [signature]
Signature

2-13-26
Date

For Office Use Only

DEPARTMENT APPROVALS

DEPARTMENT	DATE	SIGNATURE
City Council Approval		
Fire Department		
Police Department		
Public Works Department		
Solid Waste & Recycling Department		
Parks & Recreation Department		

Sherman
CLASSIC TOWN. BROAD HORIZON.

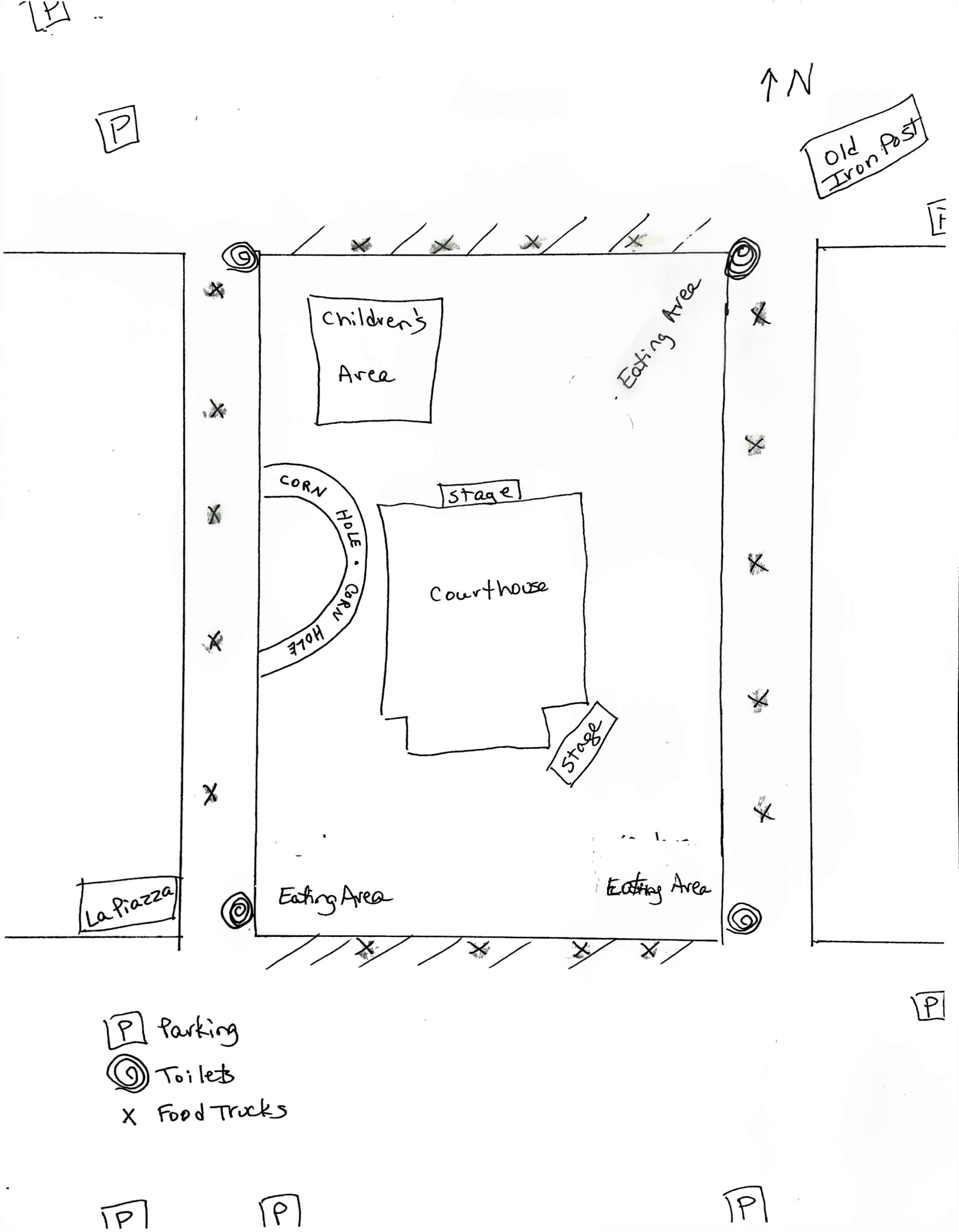
Special Event
Date Request Form

Name of Event:
Type of Event (i.e. Carnival, Circus, Festival, 1 Mile/5 K Run, etc.):
Location of Event:
Date of Event:
Event Contact Name:
Event Contact Address:
Event Contact Phone:
Event Contact Email:

Completion and approval of the Special Event Date Request Form does not guarantee event approval. The Community and Support Services Department must receive the completed Special Event Application 60 days prior to the event date. If the application is not received the date will be released 60 days prior to the event.

Requester Signature: Date:

*Office Use Only
Date Request Received:
Event Date Hold Approved: YES NO
If NO, reason:
Date 60 Days Prior to the Event Date:
Date Special Event Application Received:
Requested Event Date Released: YES NO Date:
Community and Support Services Department Signature: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Old Iron Post
Children's Area
Eating Area
CORN HOLE
CORN HOLE
Stage
Courthouse
Stage
La Piazza
Eating Area
Eating Area
P Parking
Toilets
X Food Trucks
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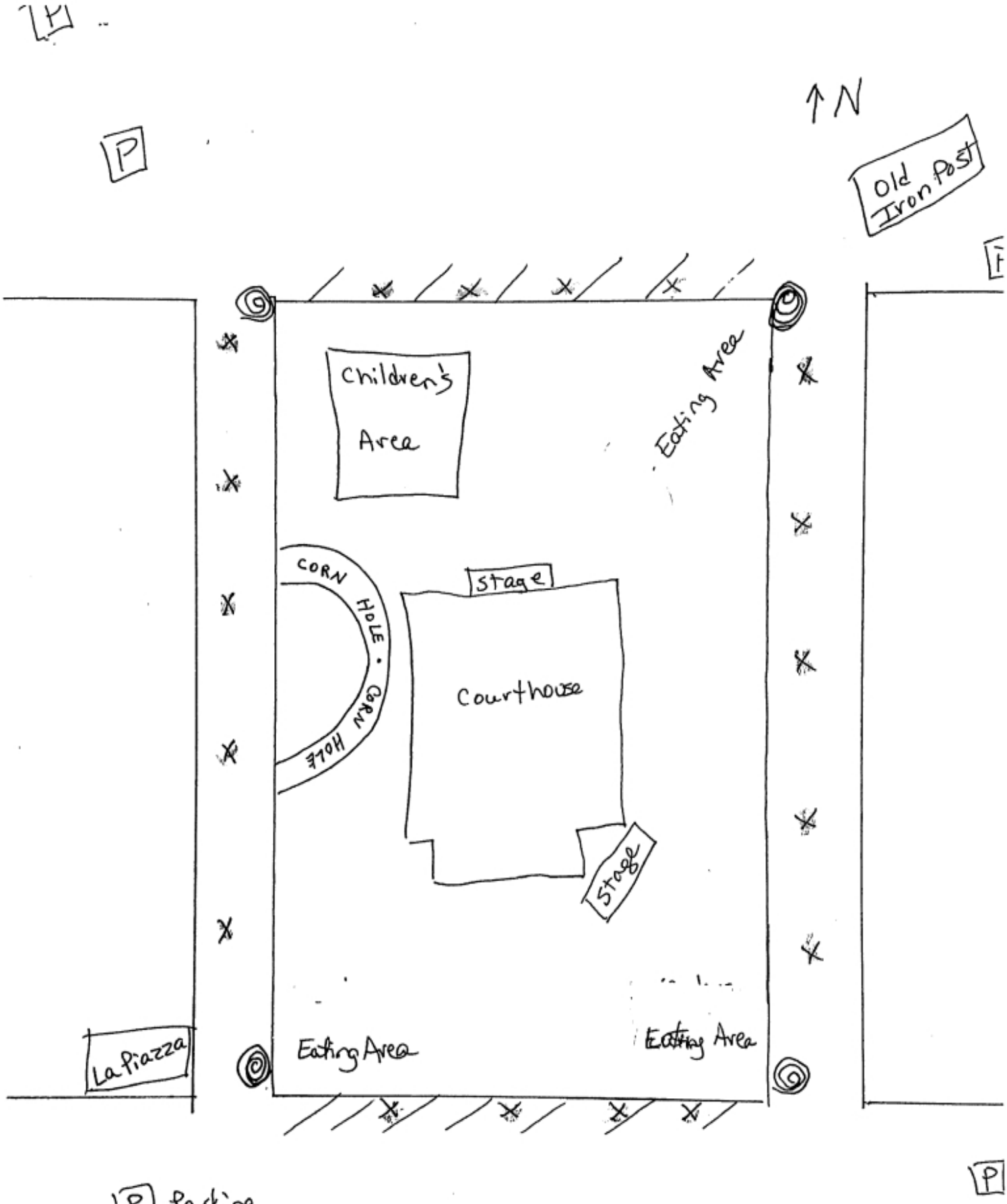
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Old Iron Post
Children's Area
Eating Area
CORN HOLE
CORN HOLE
Stage
Courthouse
Stage
La Piazza
Eating Area
Eating Area
P Parking
Toilets
X Food Trucks

2026
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	10	~~11~~	~~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

CALLED MEETINGS	
4/10/2026	Budget Planning Meeting
5/21/2026	Capital Improvement Meeting
~~6/11-12/2026~~	Budget Workshop