

**CITY OF SHERMAN  
CITY COUNCIL REGULAR MEETING AGENDA  
COUNCIL CHAMBERS OF THE CITY HALL  
220 WEST MULBERRY STREET  
SHERMAN, TEXAS  
MONDAY, MAY 4, 2026  
5:00 PM**

- A.1. CALL TO ORDER, QUORUM DETERMINED, MEETING DECLARED OPEN**
- A.2. PLEDGE OF ALLEGIANCE AND INVOCATION LED BY COUNCIL MEMBER DARON HOLLAND.**
- A.3. APPROVE MINUTES OF THE REGULAR CITY COUNCIL MEETING OF APRIL 20, 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**

Asterisk (\*) 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

**Special Presentations**

**D.1. SPECIAL PRESENTATION**

250th Year Commemorative Badge Presentation

**D.2. SPECIAL PRESENTATION**

To Present A Life-Saving Award To Officer John Day

**Proclamations**

**E.1. PROCLAMATION**

"Municipal Clerks Week" - May 3 - 9, 2026

**Public Hearing**

**F.1. INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 6931**

Appointing an Alternate Municipal Court of Record Judge for the City of Sherman, Grayson County, Texas

**F.2. INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 6932**

Temporarily Reducing the Maximum Rates of Speed on Certain Portions of U.S. Highway 75 and U.S. Highway 82 in the Corporate Limits of Sherman, Grayson County, Texas, During Construction; Providing for a Penalty Clause with a Maximum Fine of \$2,000; Declaring an Emergency; Providing for Severability; Providing for a Repealer

- F.3. INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 6933**  
Repealing Ordinance No. 6280; Providing a Savings/Repealing Clause, Severability Clause and an Effective Date
- F.4. INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 6934**  
Amending The Code Of Ordinances Of The City Of Sherman, Texas, Chapter 14 (Zoning Ordinance), Article 14.01 (General Provisions), Article 14.04 (Supplementary District Regulations), Article 14.08 (Definitions) And Article 14.10 (Use Chart); Modifying Certain Existing Regulations And Prescribing New Regulations Related To Existing Non-Conforming Structures, Accessory Dwelling Units And The Land Use Of "Machine Tools, Sales, Service, Rental, And Repair"; Defining Terms; Providing A Penalty Clause With A Maximum Fine Of \$2,000, Savings/Repealing Clause, Severability Clause And An Effective Date; Providing For The Publication Of The Caption Hereof; Finding And Determining That The Meeting At Which This Ordinance Is Passed Was Noticed And Is Open To The Public As Required By Law
- F.5. INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 6935**  
Amending Sherman's Zoning Ordinance/Code Of Ordinances Chapter 14, To Rezone A Tract Of Land Consisting Of 165 Acres Being In The Elizabeth Jones Survey, Abstract No. 625, City Of Sherman, Grayson County, Texas, Located At 2701 Block West Travis Street, Heretofore Zoned C-1 (Retail Business) District And R-6 (Single Family Residential); Rezoning And Placing The Tract In The PD (Planned Development) District Zoning Classification With A Base Zoning of C-2 (General Commercial) District, SSCGC Holdings LLC (Owner) And KFM Engineering And Design (Applicant/Surveyor) Providing For A Penalty Not To Exceed \$2,000.00; Providing A Repealing/Savings Clause, Severability Clause And An Effective Date

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

- G.1. CLOSE PUBLIC HEARING**  
Consider Adoption of Ordinances 6931, 6932, 6933, 6934 & 6935

#### **Resolutions**

- H.1. \* RESOLUTION NO. 7637**  
Awarding a Bid to and Authorizing Execution of a Contract with Lloyd Plyler Construction, LLP, as Construction Manager-at-Risk, for Services in Connection with the Construction of the Fleet Services Facility
- H.2. \* RESOLUTION NO. 7638**  
Authorizing Submission of a Grant Application for the Catalytic Converter Theft Prevention Grant for FY 26-27 for the Sherman Police Department

#### **Other Business**

- I.1. OTHER BUSINESS**  
Consider Approval of the Annexation Scheduling Plan for the Proposed Annexation of Approximately 183.681 Acres Of Land Generally Located East Of US 75 And South Of Tate Circle And In The City Of Sherman's Extraterritorial Jurisdiction; And Directing The Department Of Engineering Services To Develop A Service Plan For The Area To Be Annexed Upon Approval Of The Annexation Scheduling Plan
- I.2. \* OTHER BUSINESS**  
Approve the Investment Reports for the Quarter Ended March 31, 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:

**K.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.

**K.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.

**K.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.

**K.4. TEX. GOV'T CODE § 551.074**

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

- a) Sherman Housing Authority (2)
- b) Historical Preservation Board (4)

**K.5. TEX. GOV'T CODE § 551.076**

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

**K.6. TEX. GOV'T CODE § 551.087**

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

- a) Valley Lake Water Storage

**K.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**

**N.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.

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

**COUNCIL CALENDAR**

**O.1. 2026 Council Calendar**

**CERTIFICATION**

I, the undersigned authority, do hereby certify that the above Notice of Regular Meeting of the City Council of the City of Sherman is a true and correct copy of said Notice and that I posted a true and correct copy of said Notice on the bulletin board at City Hall of said City of Sherman, Texas, a place convenient to the public, and said notice was posted on Tuesday, April 28, 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 28th day of April 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

Shawn C.  
Teamann

Deputy Mayor

Henry Marroquin

Council Members

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

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



## ACTION MINUTES

The City Council of the City of Sherman held a regular meeting on Friday, April 10, 2026 at 11:00 A.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 00:00:01*

Mayor Teamann called the meeting to order at 11:01 am

#### **Council Members Present:**

Mayor Shawn Teamann  
Council Member Juston Dobbs  
Council Member Pam Howeth  
Council Member Daron Holland  
Council Member Clay Barnett  
Council Member Josh Stevenson

#### **Council Members Absent:**

Deputy Mayor Henry Marroquin

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

*Bookmarked at 00:00:09*

#### **Citizen Comments**

### B.1. **CITIZEN COMMENTS**

*Bookmarked at 00:00:46*

#### **Budget Planning**

### C.1. **BUDGET PLANNING**

Financial Update and Council Input for 2026-2027 Budget Year

*Bookmarked at 00:13:27*

- **Financial Update Summary - FY2025 and FY2026 Operations and Reserves**

*Bookmarked at 00:13:36 – No Audio*

Mary Lawrence, CFO, began presentation with a high-level summary of the General Fund, Utility Fund, and Solid Waste Fund. The last solid waste increase was in fiscal year 2025. Commercial solid waste increased 5% and residential solid waste was 20% from \$12.75 to \$15.30. Last fiscal year, 2025, all three funds were within the target days of reserve funds. Currently in fiscal year 2026, all three funds are suffering this year due to revenue. The General Fund will end the year below our target range of 60-90 days due to poor sales tax performance. We had budgeted for a base increase of 6% based on our historical trends. However, our big five retailers are down slightly, as well as the sales tax collected from online sales.

*Bookmarked at 00:16:46 – Audio Restarts*

- **Value and Growth in Existing Property**

*Bookmarked at 00:25:41*

- **Property Tax Rates**

*Bookmarked at 00:27:25*

- **Sales Tax**

*Bookmarked at 00:31:39*

- **Utility Fund**  
*Bookmarked at 00:32:31*
- **Solid Waste Fund**  
*Bookmarked at 00:35:23*
- **Health Claims History**  
*Bookmarked at 00:39:41*
- **Capital Improvement Plans (CIPs)**  
*Bookmarked at 00:40:22*
- **Major Takeaways Through 2031**  
*Bookmarked at 00:50:10*

**COUNCIL COMMENTS**

*Bookmarked at 00:51:52*

**Adjournment**

*Bookmarked at 01:09:11*

**Council Member Stevenson made a motion to adjourn. Second made by Council Member Barnett.**

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

**VOTING NAY: NONE.**

**MOTION CARRIED.**

**Mayor Teamann adjourned the meeting at 12:09 pm**

**Tax Payer Impact Statement**

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

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<b>Tax on median-valued homestead</b>	\$1,174	\$1,556

**COUNCIL CALENDAR**

**J.1.** 2026 Council Calendar

\_\_\_\_\_  
**MAYOR**

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

A close-up, blue-tinted photograph of a financial chart on a document. A silver pen is positioned at the top right, pointing towards the chart. The chart features a jagged line graph with several peaks and troughs. Faint numbers are visible on the chart, including '5' on the left and '2,47' on the right. The overall scene suggests a professional or analytical context.

# Financial Update - Operations

# Financial Update Summary – FY2025 Operations and Reserves



## General Fund

FY2025 ending reserves  
\$2.9 million below FY2024

78 days at 9/30/25



## Utility Fund

FY2025 ending reserves up  
\$5.8 million from FY2024

133 days at 9/30/25



## Solid Waste Fund

FY2025 ending reserves up  
about 356k

75 days at 9/30/25

# Financial Update Summary – FY 2026

## Operations and Reserves

- **General Fund**
  - Projected Reserves – \$10.5 million
    - About \$3.5 million less than FY26 adjusted budget
    - \$6.1M below FY2025
    - 55 days reserves
  - Revenues – Sales Tax below budget (\$3.6 million)
  - Expenses -\$0.6 million over budget – Pool repair, mowing

# Financial Update Summary – FY 2026 Operations and Reserves (continued)

- **Utility Fund – With April Rate Change Ordinance**
  - Projected Reserves - \$16 million
    - About \$1.6 million above FY2026 adjusted budget
    - \$2 million above FY2025
    - 102 days reserves
  - Revenues – \$4.4 million below budget
  - Expenses - \$6.7 million below budget – chemicals, utilities, debt service
- **Utility Fund – No Rate Change**
  - Projected Reserves - \$5.6 million
    - Ending reserves \$10 million below budget
    - \$9 million less than FY2025
    - 35 days reserves
  - Revenues - \$15 million below budget
  - Expenses – \$6.7 million below budget

# Financial Update Summary – FY 2026 Operations and Reserves (continued)

- **Solid Waste Fund – no FY2026 change**
  - Projected Reserves - \$1.4 million
    - Ending reserves \$800k below budget
    - \$900k less than FY2025
    - 44 days reserves
  - Revenues - CSW projected \$1.6 million below budget
  - Expenses – CSW disposal fees down by \$700k
- **Solid Waste Fund – June 2026 change**
  - Projected Reserves - \$2 million
    - Ending reserves \$200 below budget
    - \$240k less than FY2025
    - 64 days reserves
  - Revenues - CSW projected \$1.6 million below budget
  - Expenses – CSW disposal fees down by \$700k

**City of Sherman  
GENERAL FUND**

	Actual 2024-2025	Adjusted Budget 2025-2026	Projected 2025-2026
<b>Beginning Fund Balance</b>	\$ 19,516,740	\$ 15,736,398	\$ 16,644,995
<b>Revenues</b>			
Property Tax	25,370,051	19,064,700	19,239,000
Sales Tax	28,663,532	27,970,000	24,410,000
Franchise Tax	3,379,958	3,301,000	3,520,000
Other Taxes	176,003	173,100	175,725
Fines & Penalties	976,540	1,027,650	1,100,000
Recreation	383,148	441,000	441,000
Licenses & Permits	2,287,388	1,975,700	1,400,000
Rentals	3,311	5,200	5,200
Cemetery	289,590	251,700	251,700
Sales & Service	1,458,228	1,298,500	1,298,500
Ambulance Service	1,945,791	2,228,100	2,228,100
Interest Income	1,384,470	1,300,000	1,030,000
Grant Revenue	73,556	12,000	50,000
Intergovernmental	838,469	837,704	837,704
Debt Proceeds	268,773	-	-
Miscellaneous Revenue	879,319	326,100	400,000
<b>Total Revenues</b>	<b>68,378,129</b>	<b>60,212,454</b>	<b>56,386,929</b>
Transfers In	6,479,484	8,002,863	8,002,863
<b>Total Revenues and Transfers In</b>	<b>74,857,612</b>	<b>68,215,317</b>	<b>64,389,792</b>
<b>Total Funds Available</b>	<b>94,374,353</b>	<b>83,951,715</b>	<b>81,034,787</b>
<b>Expenditures</b>			
Personnel	45,161,260	46,834,180	46,684,180
Supplies	2,673,652	3,149,377	3,149,377
Repair & Maintenance	1,915,204	2,494,334	3,094,334
Utilities	1,458,411	1,617,260	1,617,260
Information Technology	1,572,803	1,919,595	1,919,595
Services & Charges	9,325,013	9,214,010	9,214,010
Vehicle Usage	3,345,002	3,199,140	3,199,140
Capital Expenses	1,374,020	835,788	835,788
Debt Service	90,259	-	-
Fleet Services & Charges	1,813,732	482,199	482,199
Transfers Out	9,000,000	150,000	285,000
<b>Total Expenditures</b>	<b>77,729,358</b>	<b>69,895,882</b>	<b>70,480,882</b>
<b>Excess Revenues over Expenditures</b>	<b>(2,871,745)</b>	<b>(1,680,565)</b>	<b>(6,091,090)</b>
<b>Ending Fund Balance</b>	<b>\$ 16,644,995</b>	<b>\$ 14,055,833</b>	<b>\$ 10,553,905</b>

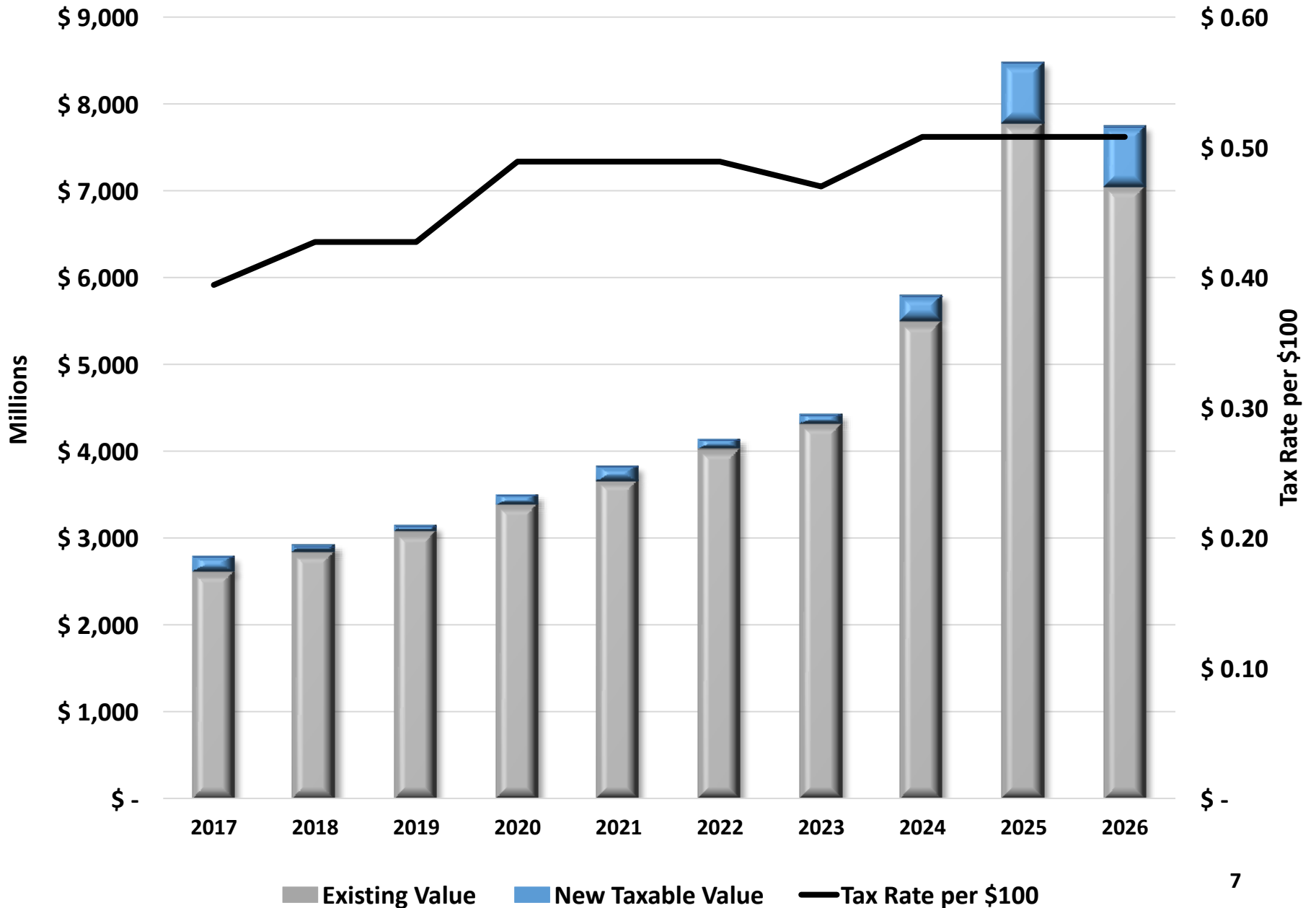
Days in Fund Balance

78

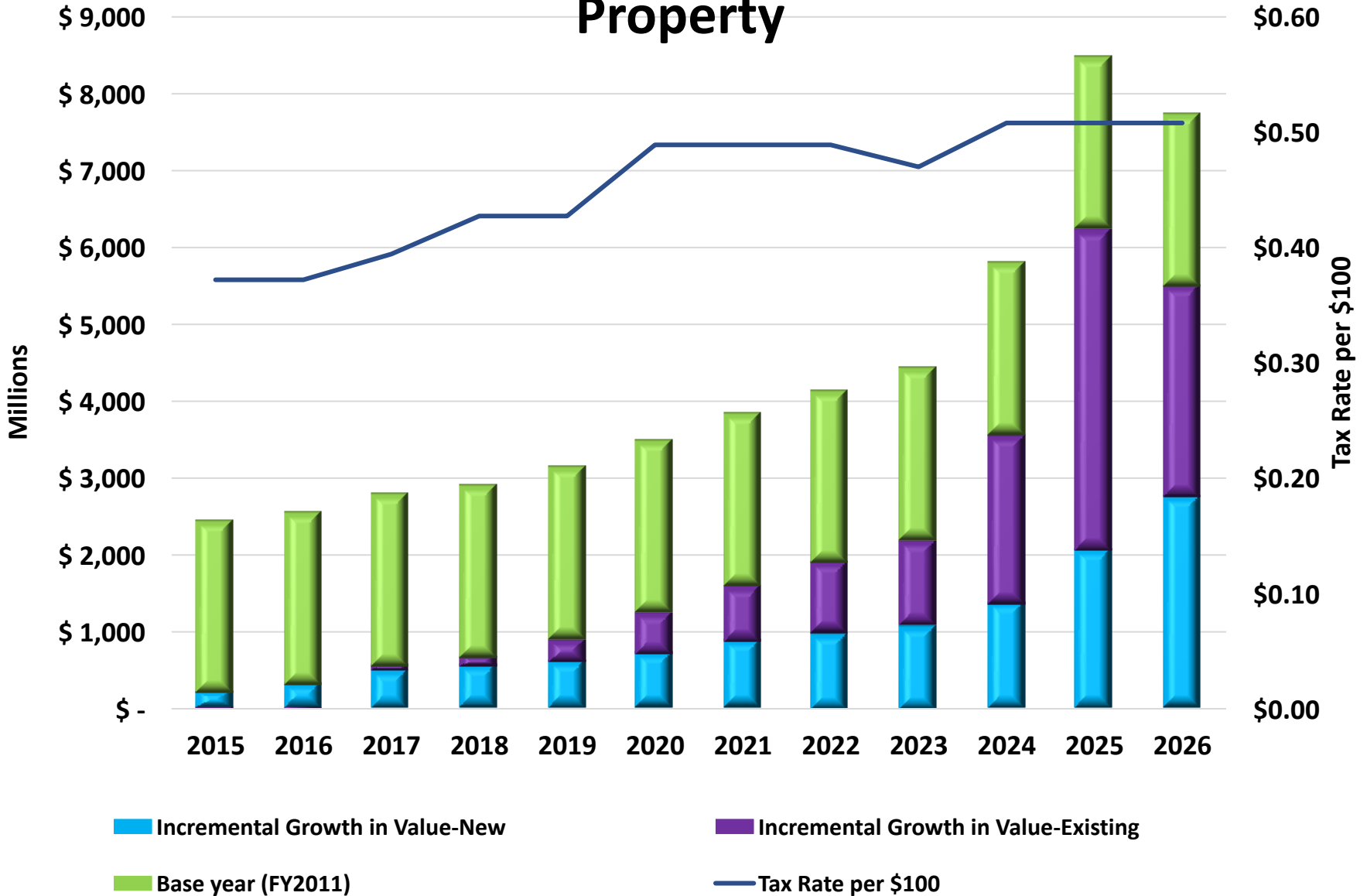
73

55

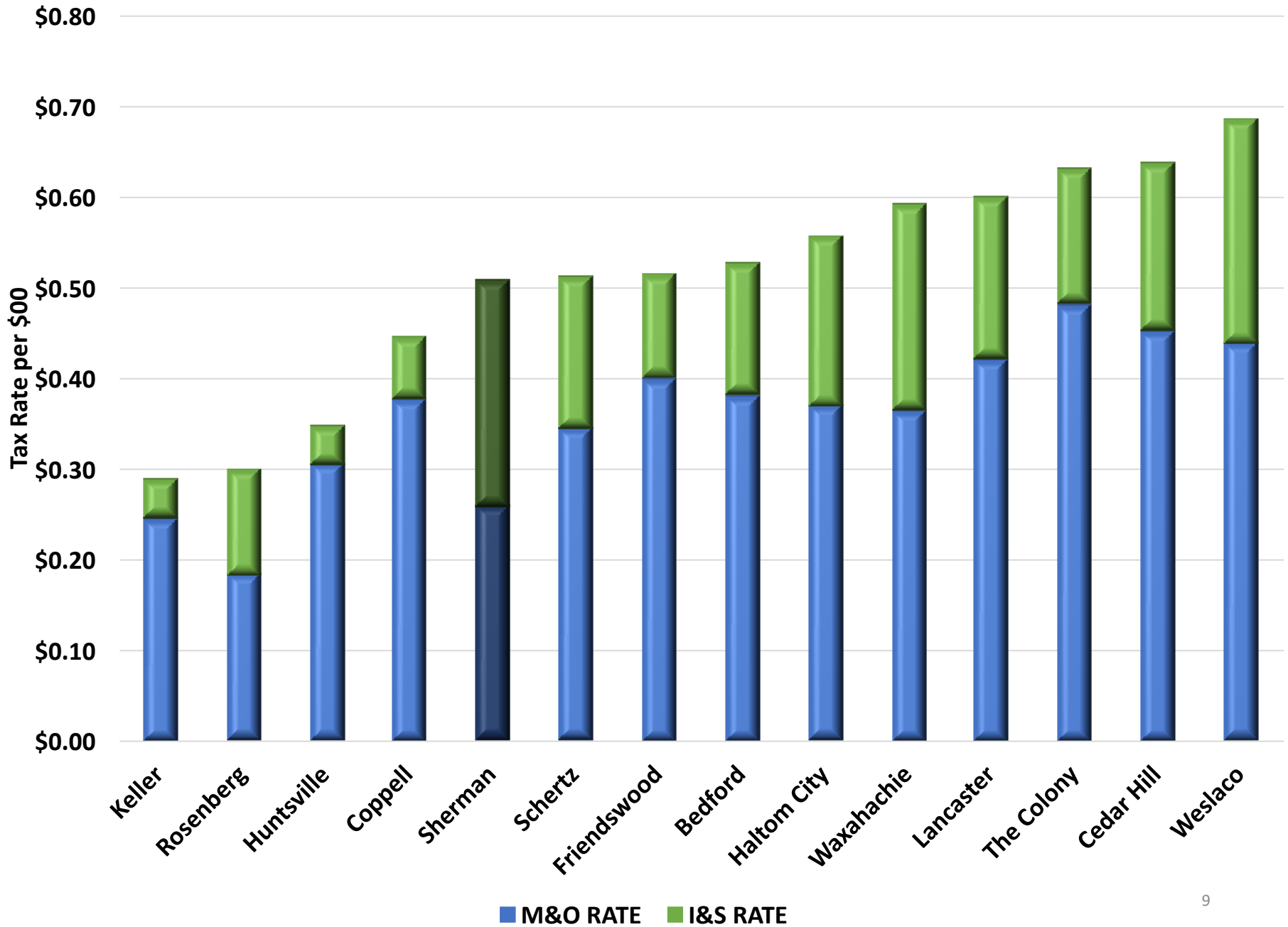
# New Value and Growth in Existing Property



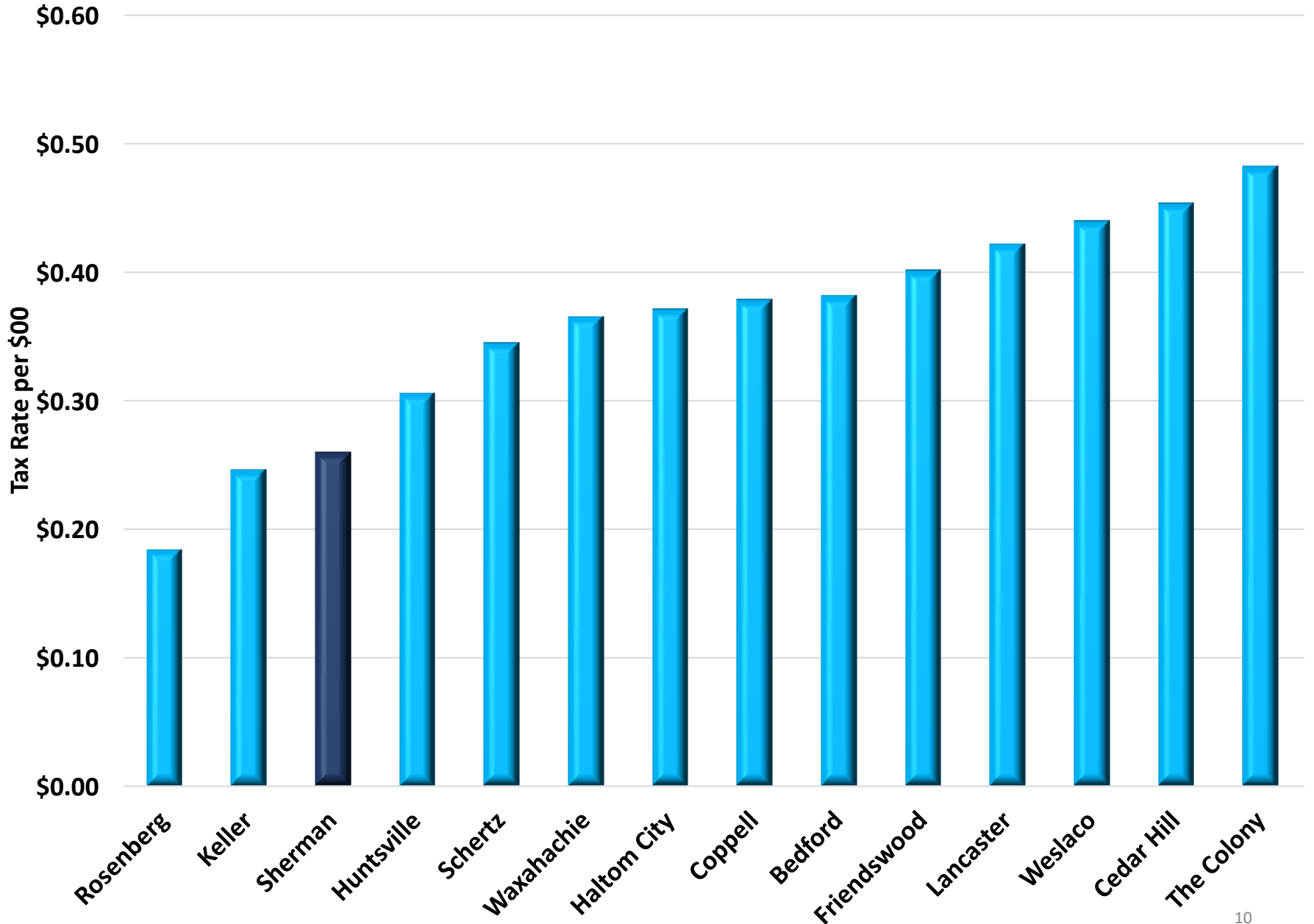
# Cumulative New Value and Growth in Existing Property



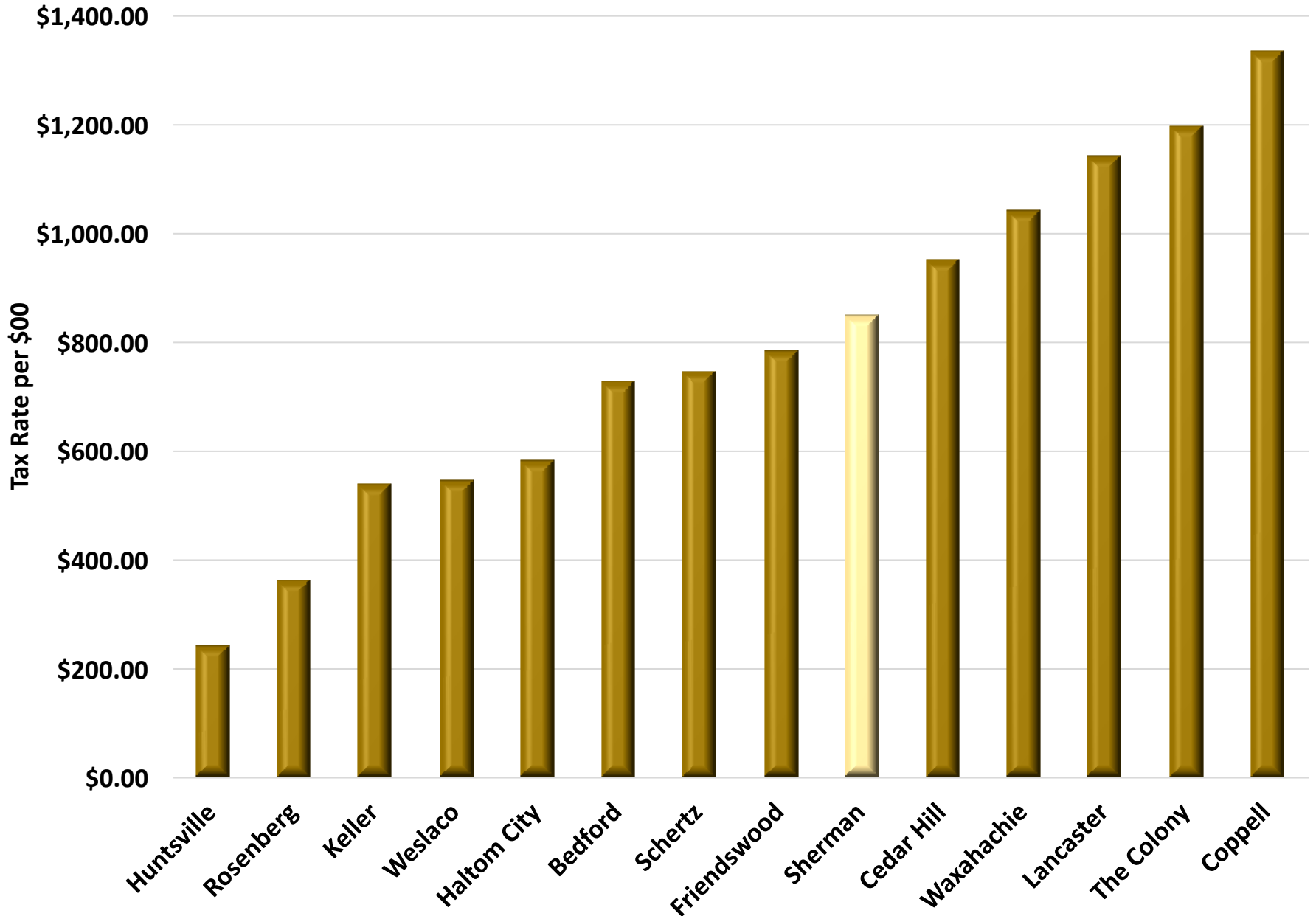
## Property Tax Rates of Cities 40,000 - 50,000 Population by Total Tax Rate



Property Tax Rates of Cities 40,000 - 50,000 population by M&O Tax Rate



Property Tax Rates of Cities 40,000 - 50,000 population by Property Taxes per Capita



# Property Tax Assessed Value

	FY2024	FY2025	FY2026	<i>FY2027 Est</i>
<b>Beginning Tax Roll</b>	4,918,058,459	5,778,423,011	8,467,325,806	7,732,674,138
<b>Growth in Beginning Tax Roll Properties</b>	566,700,936	446,909,581	203,969,239	463,960,448
<b>TI - net</b>	125,000,000	1,500,110,643	(1,064,561,826)	(99,792,830)
<b>GW - net</b>	-	450,000,000	(225,800,991)	(33,625,139)
<b>New Value</b>	168,663,617	291,882,571	351,741,910	166,255,791
<b>January 1, Tax Roll for Levy</b>	<u>5,778,423,012</u>	<u>8,467,325,806</u>	<u>7,732,674,138</u>	<u>8,229,472,408</u>

# Property Tax Rates

	<b>FY2024</b>	<b>FY2025</b>	<b>FY2026</b>	<b><i>FY2027 est.</i></b>
<b>M&amp;O Rate</b>	<b>0.2638</b>	<b>0.3075</b>	<b>0.2584</b>	<b><i>0.265109</i></b>
<b>Debt Rate</b>	<b>0.2442</b>	<b>0.2005</b>	<b>0.2496</b>	<b><i>0.242891</i></b>
<b>M&amp;O Taxes</b>	<b>15,443,396</b>	<b>25,956,591</b>	<b>19,841,269</b>	<b><i>21,897,796</i></b>
<b>Debt Taxes</b>	<b>12,335,342</b>	<b>15,203,154</b>	<b>17,500,091</b>	<b><i>17,710,000</i></b>

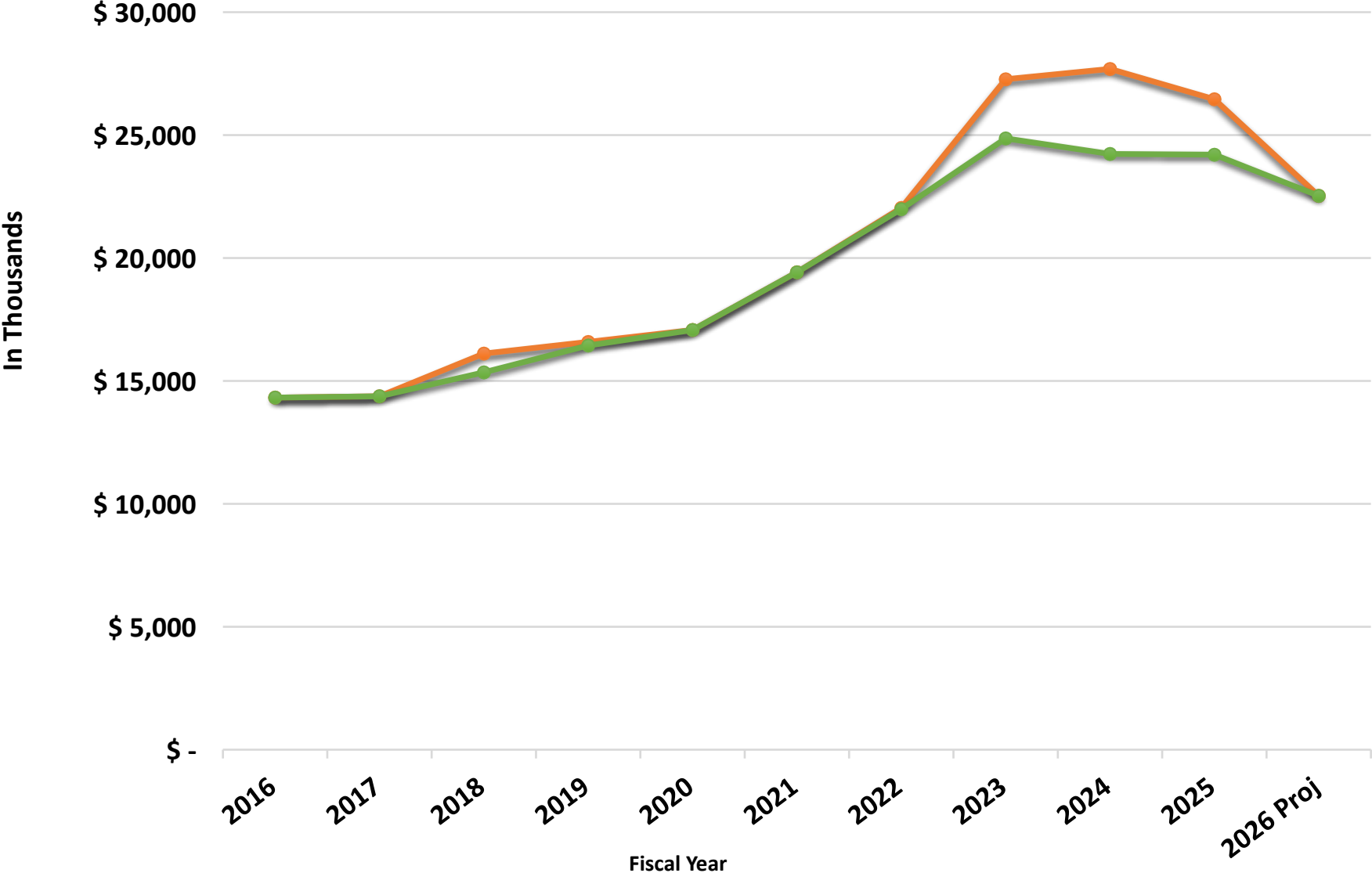
*(assumes adopted rate is .508)*

**Voter-  
approval**

<b>Rate</b>	<b>0.5293</b>	<b>0.5235</b>	<b>0.6615</b>	<b><i>0.6657</i></b>
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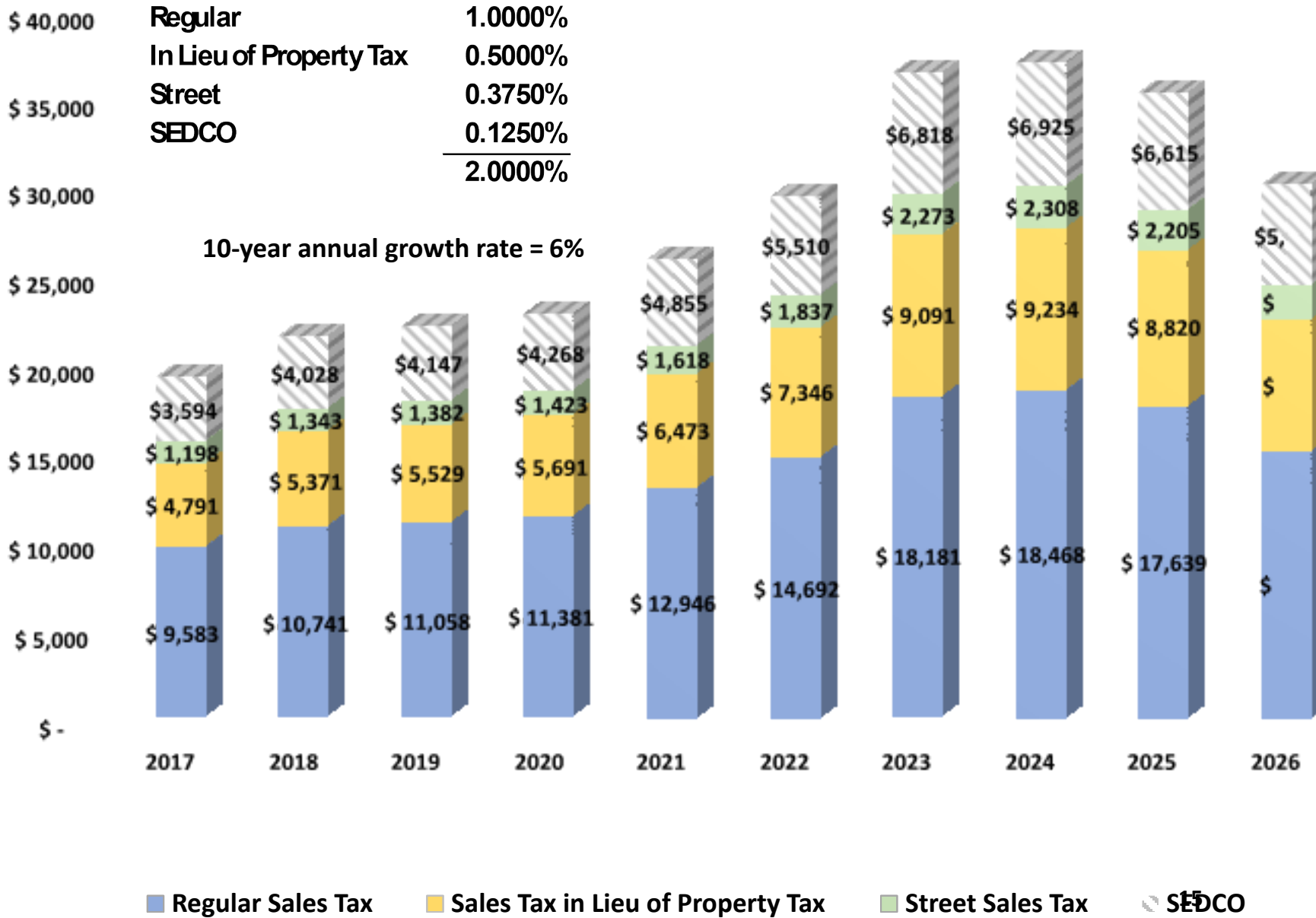
# Sales Tax History

(excluding Street tax)



—●— Total    —●— Without Finisar, TI & GW

## Sales Tax



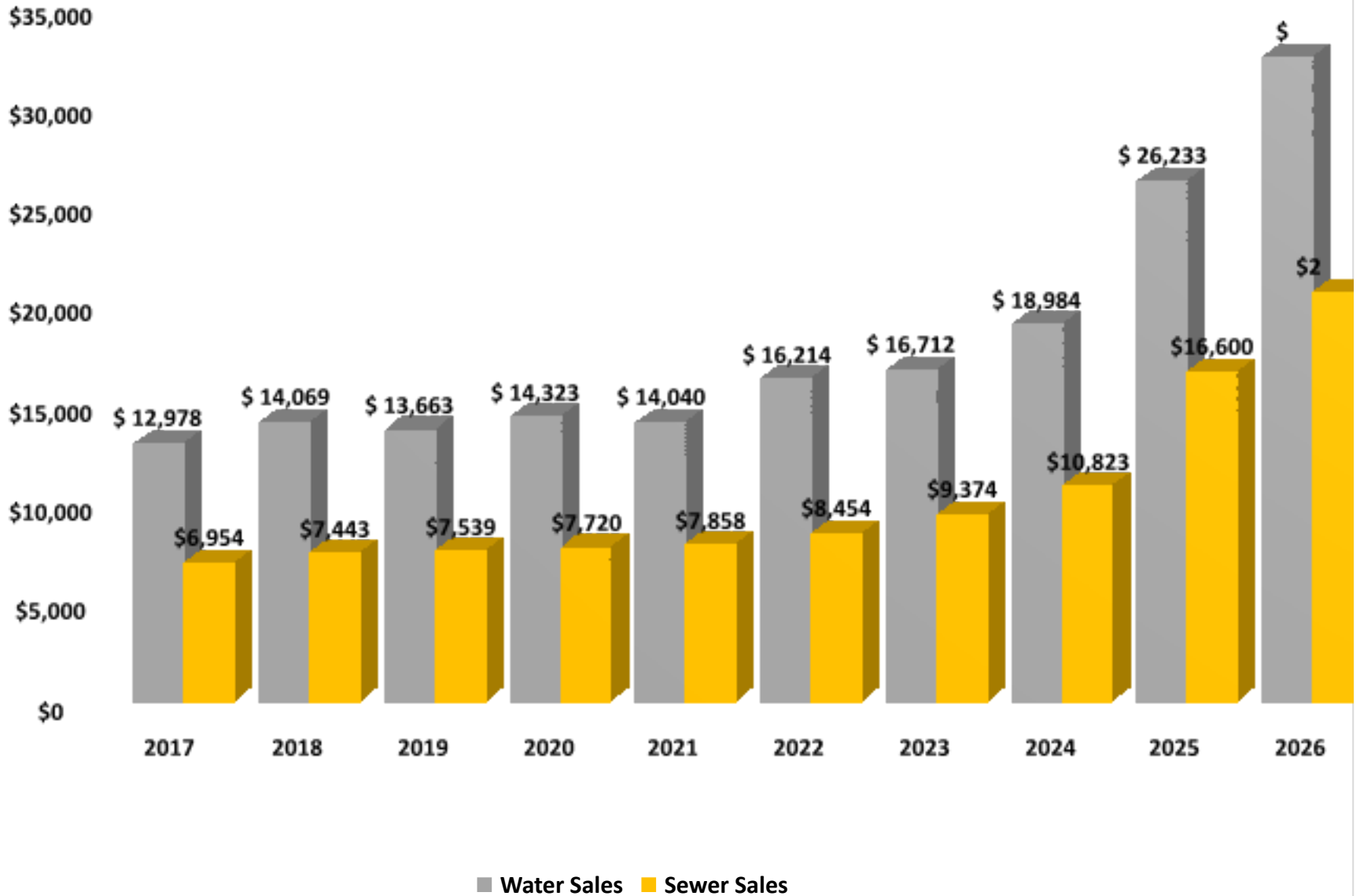
**City of Sherman**  
**UTILITY FUND**  
**With Rate Change Ordinance Adoption in April**

	Actual 2024-2025	Adjusted Budget 2025-2026	Projected 2025-2026
<b>Beginning Reserve</b>	\$ 8,738,762	\$ 15,793,073	\$ 14,574,242
<b>Revenues</b>			
Water Sales	26,233,291	35,833,358	32,494,153
Sewer Sales	16,599,841	23,098,548	20,621,012
Laboratory	175,212	176,000	176,000
Service Charges & Penalties	732,273	700,000	840,000
Charges for Services	242,407	250,000	300,000
Interest Income	238,418	180,000	320,000
Intergovernmental	417,870	1,416,085	2,416,085
Miscellaneous Revenue	671,774	55,000	150,000
<b>Total Revenues</b>	<b>45,311,085</b>	<b>61,708,991</b>	<b>57,317,250</b>
Transfers In	474,000	3,641,000	3,641,000
<b>Total Revenues and Transfers In</b>	<b>45,785,085</b>	<b>65,349,991</b>	<b>60,958,250</b>
<b>Total Funds Available</b>	<b>54,523,847</b>	<b>81,143,064</b>	<b>75,532,492</b>
<b>Expenditures</b>			
Personnel	10,235,194	11,539,230	11,389,230
Supplies	2,905,468	6,808,921	3,850,721
Repair & Maintenance	5,096,276	5,025,098	5,025,098
Utilities	2,973,109	3,371,960	3,071,960
Information Technology	456,720	529,540	529,540
Debt Service	10,204,238	28,149,364	25,055,814
Services & Charges	1,989,892	3,169,964	2,969,964
Vehicle Usage	918,462	808,300	808,300
Fleet Services & Charges	142,547	590,644	590,644
Capital Expenses	293,130	179,103	179,103
<b>Total Expenditures</b>	<b>35,215,036</b>	<b>60,172,125</b>	<b>53,470,375</b>
Transfers Out	4,734,569	5,523,358	5,523,358
<b>Total Expenditures and Transfers Out</b>	<b>39,949,605</b>	<b>65,695,483</b>	<b>58,993,733</b>
<b>Excess Revenues over Expenditures</b>	<b>5,835,480</b>	<b>(345,492)</b>	<b>1,964,517</b>
<b>Ending Reserve</b>	<b>\$ 14,574,242</b>	<b>\$ 15,447,581</b>	<b>\$ 16,538,759</b>
<b>Days in Fund Balance</b>	<b>133</b>	<b>86</b>	<b>102</b>

**City of Sherman**  
**UTILITY FUND**  
**No Mid-year Rate Change**

	Actual 2024-2025	Adjusted Budget 2025-2026	Projected 2025-2026
<b>Beginning Reserve</b>	\$ 8,738,762	\$ 15,793,073	\$ 14,574,242
<b>Revenues</b>			
Water Sales	26,233,291	35,833,358	27,782,586
Sewer Sales	16,599,841	23,098,548	14,448,352
Laboratory	175,212	176,000	176,000
Service Charges & Penalties	732,273	700,000	840,000
Charges for Services	242,407	250,000	300,000
Interest Income	238,418	180,000	320,000
Intergovernmental	417,870	1,416,085	2,416,085
Miscellaneous Revenue	671,774	55,000	150,000
<b>Total Revenues</b>	<b>45,311,085</b>	<b>61,708,991</b>	<b>46,433,023</b>
Transfers In	474,000	3,641,000	3,641,000
<b>Total Revenues and Transfers In</b>	<b>45,785,085</b>	<b>65,349,991</b>	<b>50,074,023</b>
<b>Total Funds Available</b>	<b>54,523,847</b>	<b>81,143,064</b>	<b>64,648,265</b>
<b>Expenditures</b>			
Personnel	10,235,194	11,539,230	11,389,230
Supplies	2,905,468	6,808,921	3,850,721
Repair & Maintenance	5,096,276	5,025,098	5,025,098
Utilities	2,973,109	3,371,960	3,071,960
Information Technology	456,720	529,540	529,540
Debt Service	10,204,238	28,149,364	25,055,814
Services & Charges	1,989,892	3,169,964	2,969,964
Vehicle Usage	918,462	808,300	808,300
Fleet Services & Charges	142,547	590,644	590,644
Capital Expenses	293,130	179,103	179,103
<b>Total Expenditures</b>	<b>35,215,036</b>	<b>60,172,125</b>	<b>53,470,375</b>
Transfers Out	4,734,569	5,523,358	5,523,358
<b>Total Expenditures and Transfers Out</b>	<b>39,949,605</b>	<b>65,695,483</b>	<b>58,993,733</b>
<b>Excess Revenues over Expenditures</b>	<b>5,835,480</b>	<b>(345,492)</b>	<b>(8,919,710)</b>
<b>Ending Reserve</b>	<b>\$ 14,574,242</b>	<b>\$ 15,447,581</b>	<b>\$ 5,654,532</b>
<b>Days in Fund Balance</b>	<b>133</b>	<b>86</b>	<b>35</b>

## Water and Sewer Revenues



**City of Sherman**  
**SOLID WASTE FUND**  
 No RSW Rate Increase

	Actual 2024-2025	Adjusted Budget 2025-2026	Projected 2025-2026
Beginning Fund Balance	\$ 1,879,417	\$ 2,278,244	\$ 2,235,775
<b>Revenues</b>			
Solid Waste Service	9,751,510	10,417,000	8,922,300
Service Charges & Penalties	125,492	150,000	125,000
Interest Income	77,834	70,000	55,000
Miscellaneous Revenue	1,275,503	1,170,000	1,310,000
<b>Total Revenues</b>	<b>11,230,339</b>	<b>11,807,000</b>	<b>10,412,300</b>
<b>Total Funds Available</b>	<b>13,109,756</b>	<b>14,085,244</b>	<b>12,648,075</b>
<b>Expenditures</b>			
Personnel	2,780,157	2,933,170	2,883,170
Supplies	439,695	478,631	478,631
Repair & Maintenance	119,788	97,507	97,507
Utilities	42,368	56,400	56,400
Information Technology	122,978	153,280	153,280
Services & Charges	3,514,813	3,681,001	3,101,477
Vehicle Usage	1,665,442	1,879,670	1,879,670
Capital Expenses	114,525	-	-
Fleet Services & Charges	40,000	25,000	25,000
Transfers Out	2,034,215	2,611,661	2,611,661
<b>Total Expenditures</b>	<b>10,873,981</b>	<b>11,916,320</b>	<b>11,286,796</b>
<b>Excess Revenues over Expenditures</b>	<b>356,358</b>	<b>(109,320)</b>	<b>(874,496)</b>
<b>Ending Fund Balance</b>	<b>\$ 2,235,775</b>	<b>\$ 2,168,924</b>	<b>\$ 1,361,279</b>
<b>Days in Fund Balance</b>	<b>75</b>	<b>66</b>	<b>44</b>

**City of Sherman  
SOLID WASTE FUND**

RSW Rate Increase June 2026 for 70 Days Reserve Target in FY2027

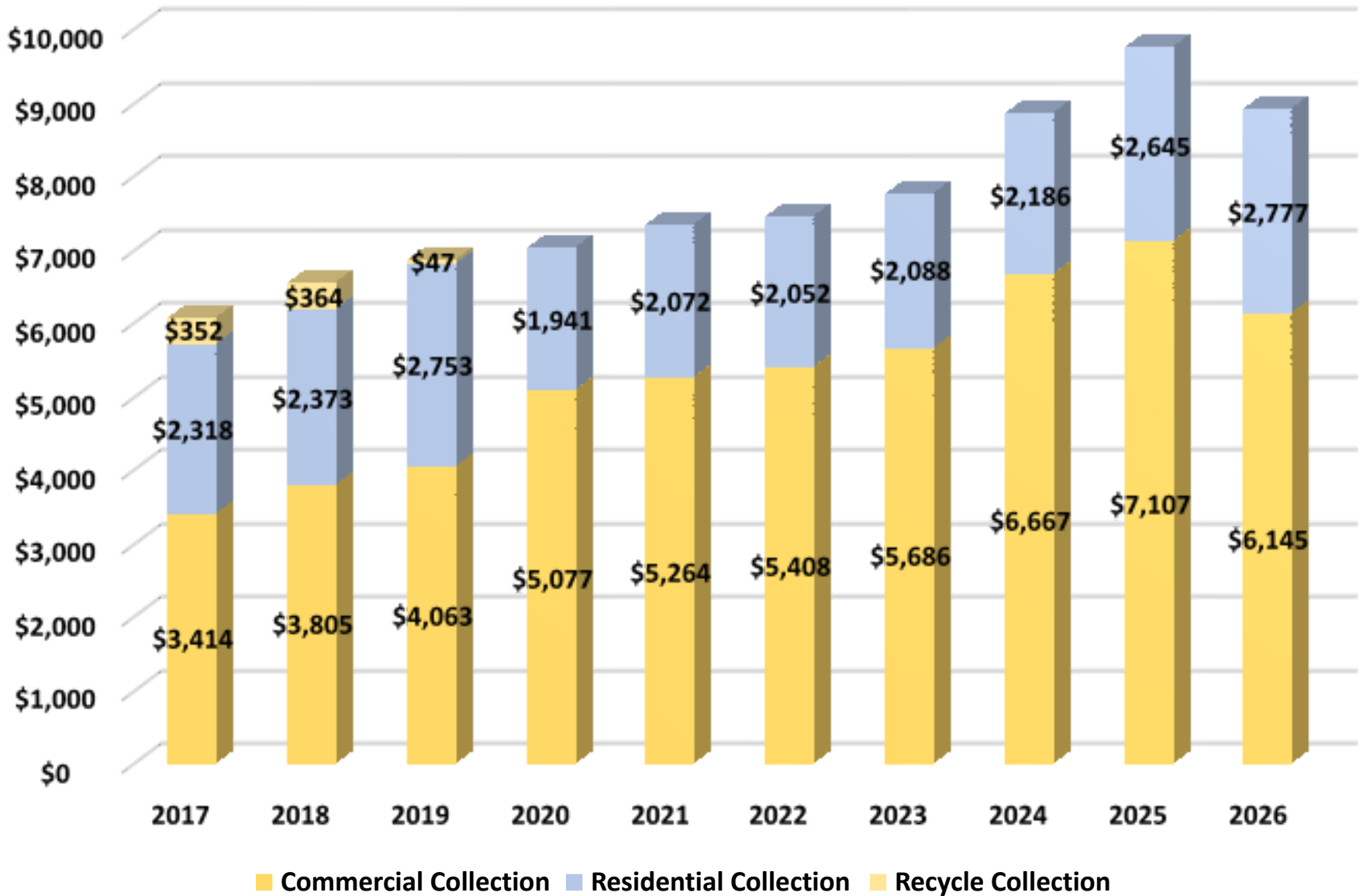
	Actual 2024-2025	Adjusted Budget 2025-2026	Projected 2025-2026
<b>Beginning Fund Balance</b>	\$ 1,879,417	\$ 2,278,244	\$ 2,235,775
<b>Revenues</b>			
Solid Waste Service	9,751,510	10,417,000	9,553,300
Service Charges & Penalties	125,492	150,000	125,000
Interest Income	77,834	70,000	55,000
Miscellaneous Revenue	1,275,503	1,170,000	1,310,000
<b>Total Revenues</b>	<b>11,230,339</b>	<b>11,807,000</b>	<b>11,043,300</b>
<b>Total Funds Available</b>	<b>13,109,756</b>	<b>14,085,244</b>	<b>13,279,075</b>
<b>Expenditures</b>			
Personnel	2,780,157	2,933,170	2,883,170
Supplies	439,695	478,631	478,631
Repair & Maintenance	119,788	97,507	97,507
Utilities	42,368	56,400	56,400
Information Technology	122,978	153,280	153,280
Services & Charges	3,514,813	3,681,001	3,101,477
Vehicle Usage	1,665,442	1,879,670	1,879,670
Capital Expenses	114,525	-	-
Fleet Services & Charges	40,000	25,000	25,000
Transfers Out	2,034,215	2,611,661	2,611,661
<b>Total Expenditures</b>	<b>10,873,981</b>	<b>11,916,320</b>	<b>11,286,796</b>
<b>Excess Revenues over Expenditures</b>	<b>356,358</b>	<b>(109,320)</b>	<b>(243,496)</b>
<b>Ending Fund Balance</b>	<b>\$ 2,235,775</b>	<b>\$ 2,168,924</b>	<b>\$ 1,992,279</b>
<b>Days in Fund Balance</b>	<b>75</b>	<b>66</b>	<b>64</b>
<b>New Rate</b>			<b>25.86</b>

# Residential Solid Waste Information

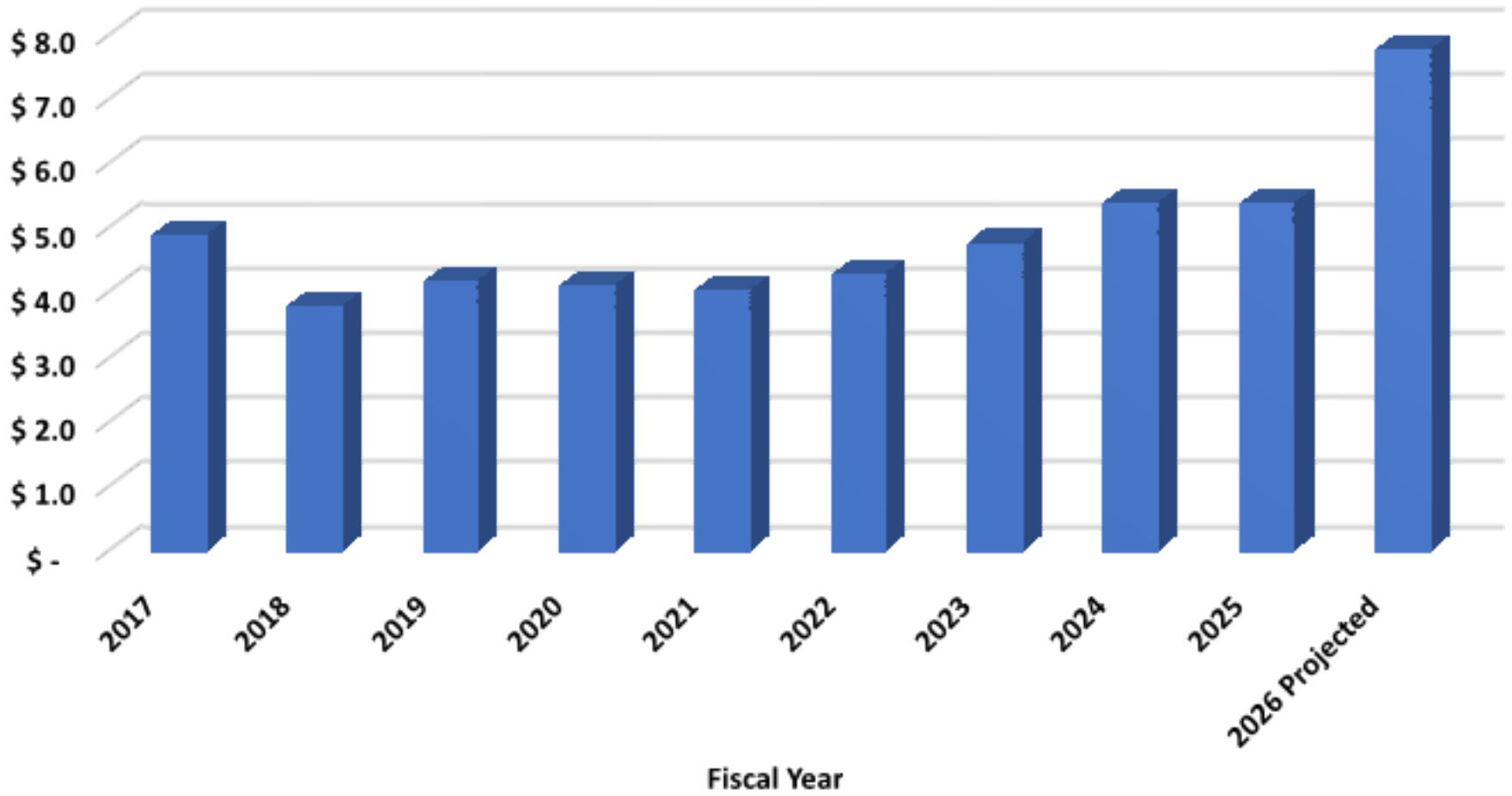
- RSW rates are half of other peer cities
- Every 1% increase in RSW fee is about \$28,000
- TASWA distribution is equal to a 40% increase in RSW rate
- CSW subsidizes RSW by about \$1.7 million per year
- RSW only pays for about half the cost of its operations
- Costs
  - New RSW truck = \$460k
  - Driver = \$60k/year



# Solid Waste Revenues



## Group Health Claims History



**City of Sherman**  
**EMPLOYEE INSURANCE FUND**

	Actual 2024-2025	Budget 2025-2026	Projected 2025-2026
Beginning Fund Balance	\$ 1,408,446	\$ 1,031,840	\$ 1,604,350
<b>Revenues</b>			
Employer Contributions	5,279,966	5,384,810	5,711,000
Employee Contributions	1,236,930	1,150,000	1,320,000
Retiree Contributions	96,653	100,000	80,000
COBRA Contributions	1,792	1,000	6,000
Miscellaneous Revenue	-	350,000	350,000
Interest Income	67,441	60,000	40,000
Transfers In	-	-	-
<b>Total Revenues</b>	<b>6,682,782</b>	<b>7,045,810</b>	<b>7,507,000</b>
<b>Total Funds Available</b>	<b>8,091,228</b>	<b>8,077,650</b>	<b>9,111,350</b>
<b>Expenditures</b>			
Health Insurance Claims	5,361,963	6,696,000	7,760,000
Administration & Premiums	1,062,787	1,256,000	1,250,000
Life Insurance Premiums	62,129	69,000	73,200
Transfers Out	-	-	-
<b>Total Expenditures</b>	<b>6,486,878</b>	<b>8,021,000</b>	<b>9,083,200</b>
<b>Excess Revenues over Expenditures</b>	<b>195,904</b>	<b>(975,190)</b>	<b>(1,576,200)</b>
<b>Ending Fund Balance</b>	<b>\$ 1,604,350</b>	<b>\$ 56,650</b>	<b>\$ 28,150</b>

# CIPs

**City of Sherman**  
**GENERAL IMPROVEMENT FUND – City Funds**

	Actual 2024-2025	Total Budget as of 9/30/26	Project-to-Date 3/31/2026
<b>Transportation</b>			
<b>Projects</b>			
(2) Street Material	1,949,771	2,558,807	2,558,195
(2) Grand Ave Solar Lights	108,392	110,000	108,392
(1) Signal FM1417 and Quail Run	27,419	27,420	27,419
Total	2,085,583	2,696,227	2,694,007
<b>Funding Sources</b>			
(1) General Fund transfers		27,420	
(2) Tax Notes		2,668,807	
		2,696,227	
<b>Facility Maintenance</b>			
<b>Projects</b>			
(2) Municipal Bldg 3-ton Splits (3)	32,700	32,700	32,700
(2) Municipal Bldg ADA Approaches	22,900	22,900	22,900
(2) Muni Bldg Auditorium (plaster, balcony,	3,800	3,800	3,800
(2) Muni Bldg Ballroom (floor, stage)	62,081	62,081	62,081
(2) Muni Bldg Drop Ceiling	2,125	2,125	2,125
(2) Muni Bldg EMS System	44,000	44,000	44,000
(2) Muni Bldg Main Entry Front	18,941	18,941	18,941
(2) Kerr East Exterior Repair	8,000	8,000	8,000
(2) Animal Shelter HVAC	20,800	20,800	20,800
(2) Animal Shelter Lobby	61,995	100,000	95,929
(2) Columbarium	-	47,350	47,350
(2) Mausoleum repair	36,489	200,000	36,489
(2) Senior Center Renovation	25,800	25,800	25,800
(2) Muni Bldg Bathroom Remodel	-	200,000	-
(2) Muni Building Exterior Stairs	-	100,000	-
Total	339,631	888,497	420,915
<b>Funding Sources</b>			
(1) General Fund transfers		-	
(2) Tax Notes		888,497	
(3) General CIP Fund 222 transfer		-	
		888,497	

**City of Sherman**  
**GENERAL IMPROVEMENT FUND – City Funds**

	Actual 2024-2025	Total Budget as of 9/30/26	Project-to-Date 3/31/2026
<b>Transportation</b>			
<b>Projects</b>			
(2) Street Material	1,949,771	2,558,807	2,558,195
(2) Grand Ave Solar Lights	108,392	110,000	108,392
(1) Signal FM1417 and Quail Run	27,419	27,420	27,419
<b>Total</b>	2,085,583	2,696,227	2,694,007
<b>Funding Sources</b>			
(1) General Fund transfers		27,420	
(2) Tax Notes		2,668,807	
		2,696,227	
<b>Facility Maintenance</b>			
<b>Public Safety</b>			
<b>Projects</b>			
(1) Watchguard video evidence platform	134,000	97,722	97,722
<b>Total</b>	134,000	97,722	97,722
<b>Funding Sources</b>			
(1) General Fund transfers		97,722	
		97,722	
<b>Other</b>			
<b>Projects</b>			
(1) Airport Pavement Maintenance-City	24,405	382,000	24,405
(1) Energov Implementation	87,315	430,000	87,315
(1) Kidd Key Fountain	73,449	74,000	73,449
<b>Total</b>	185,169	886,000	185,169
<b>Funding Sources</b>			
(1) General Fund transfers	-	886,000	
(2) Tax Notes	-	-	
		886,000	
<b>Total Expenditures</b>			
	\$ 2,744,382	\$ 4,568,446	\$ 3,397,813

**City of Sherman**  
**GENERAL IMPROVEMENT FUND – Bond Funds**

	Actual 2024-2025	Total Budget as of 9/30/26	Project-to-Date 3/31/2026
<b>Transportation</b>			
<b>Projects</b>			
FM 1417 Engineering & ROW - SH 82 to SH 56	22	5,450,000	5,448,020
Bridges-Center/McGee/Travis	8,822	805,871	805,690
Flanary Rd and Progress Rd Engineering	28,311	219,300	215,627
Moore Street	304,146	14,800,000	7,933,236
FM 1417 design/ROW - SH 56 to W. Travis	2,792,082	4,600,000	4,435,830
Shepherd Dr	4,337,576	18,200,000	17,577,744
Bel Air Blvd Ph II/Beach Club/London Ln	4,708,387	9,400,000	9,349,569
Major Street Rebuilds-Washington & Sunset	2,278,550	2,500,000	2,422,805
Sherman St Improvements	3,697	200,000	184,530
Lamberth & Friendship-Shady Oaks thur Hickory Hill	1,093,156	4,000,000	3,603,496
Progress Drive & Tortilla Way	-	5,780,000	100
Flanary Road	114	5,400,000	114
Center St Bridge at Post Oak Creek	468,965	1,378,366	1,245,592
OB Groner - west of FM 1417 Design	500,000	1,500,000	508,250
Pebblebrooke Phase IV Drainage	889	546,000	538,679
FM 1417 signal at Bel Air Blvd Design	70,500	400,000	80,000
Heritage Ranch Ramps -Eng	72,042	410,000	360,577
Heritage Ranch Phase I	5,433,667	7,400,000	6,572,412
Heritage Ranch Utilities for SISD	413,102	1,100,000	434,844
Wells St Rebuild/Extension	62,914	200,000	132,483
Crossroads Infrastructure (includes TxDOT participat	550,988	14,400,000	7,152,630
Cherry St Rebuild	1,117,974	3,100,000	1,439,625
Travis Heights/Bel Air Blvd	209	2,400,000	2,023
Traffic signal - Luella Rd & FM 1417	70,500	400,000	80,000
TxDOT Hwy 75 and Taylor-move manhole	-	120,000	109,792
Retaining Wall on FM 1417	100	90,000	80,582
<b>Total</b>	<b>24,316,712</b>	<b>104,799,537</b>	<b>70,714,251</b>

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

	Actual 2024-2025	Total Budget as of 9/30/26	Project-to-Date 3/31/2026
<b>Parks and Recreation</b>			
Projects			
Asphalt Pump Track at Binkley Park	136,593	500,000	498,793
Master Plan Trail Construction	62	750,000	277,227
Northcreek Subdivision Park	21,800	500,000	451,902
Trail Lighting and Restroom and PGE	1,239,371	2,000,000	1,353,469
OSP Lighting - Phase I	27,122	1,500,000	50,535
Fairview Park playground	1,296,923	6,400,000	2,286,011
Hawn Park playground	47,184	2,200,000	130,755
MLK Park/Mt Carmel Property Purchase	1,722	-	64,201
Pebblebrook Phase IV Park	1,462	2,500	6,350
Hickory Hill Park	403	403	403
Fairview Tennis Courts	-	210,600	200,786
<b>Total</b>	<b>2,772,640</b>	<b>14,063,503</b>	<b>5,320,432</b>
<b>Downtown</b>			
Projects			
Texas Laundry property for parking lot	1,500	-	1,500
Downtown Lighting and Electrical	7,875	600,000	7,875
<b>Total</b>	<b>9,375</b>	<b>600,000</b>	<b>9,375</b>
<b>Facilities</b>			
Projects			
City Hall Renovation	4,560,322	6,400,000	6,319,376
West Hill Cemetery Creek Erosion	532,581	1,000,000	966,502
Public Works Facility - Design	11,140	1,000,000	46,784
Fleet Maintenance Facility	-	900,000	342,289
<b>Total</b>	<b>5,104,043</b>	<b>9,300,000</b>	<b>7,674,951</b>

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

	Actual 2024-2025	Total Budget as of 9/30/26	Project-to-Date 3/31/2026
<b>Public Safety</b>			
Projects			
Combine Fire Sta. 1 & 2	2,737,075	8,050,000	7,757,237
Fire Station #4 Training Tower	287,222	1,000,000	506,463
Public Safety Trunking System	66,460	3,500,000	3,466,201
Fire Station #5 Land	7,325	500,000	7,325
Fire Station #3 Remodel	156,237	4,300,000	375,190
Total	3,254,320	17,350,000	12,112,417
<b>Drainage</b>			
Projects			
Blanton St Drainage (Birge to McGee)	46,630	2,500,000	46,630
McGee St Bridge Erosion	209,162	1,430,000	680,650
Setting Suns Drainage Phase III	1,750	245,000	231,312
Lamberth Rd Post Oak Creek Crossing	179,960	2,100,000	838,164
Hills of Sherman Drainage	-	500,000	500,000
Total	437,502	6,775,000	2,296,756
<hr/>			
Total Expenditures	\$ 35,894,592	\$ 152,888,040	\$ 98,128,182

# Tax-Supported Debt

# Outstanding CO/GO Debt - Current

	Interest	Principal	Total
2016 CO	\$ 719,925	\$ 4,435,000	\$ 5,154,925
2017 A Stormwater	577,869	2,665,000	3,242,869
2017 CO General Imp	1,482,718	6,293,076	7,775,794
2017 CO TIRZ #5	660,114	2,801,712	3,461,826
2017 CO TIRZ #6	516,243	2,191,082	2,707,326
2017 CO TIRZ #7	406,224	1,724,130	2,130,355
2017 Refunding Auditorium	38,394	498,769	537,163
2017 Refunding General Imp	278,453	2,853,437	3,131,891
2017 Refunding TIF #1	6,903	67,794	74,697
2018 CO General Improvements	5,723,631	15,780,000	21,503,631
2019 CO General Imp	5,921,300	16,170,000	22,091,300
2021 CO General Imp	8,672,319	26,745,000	35,417,319
2021 Tax Notes	14,000	350,000	364,000
2022 Tax Notes	56,000	740,000	796,000
2023 General Imp	62,465,250	71,025,000	133,490,250
2023 Tax Notes	165,750	1,630,000	1,795,750
2024 CO	13,925,919	18,705,000	32,630,919
2024 Tax Notes	326,000	2,545,000	2,871,000
2025 Tax Notes	882,500	5,695,000	6,577,500
2025 CO	23,213,800	24,750,000	47,963,800
2026 Tax Notes	641,979	4,045,000	4,686,979
	<u>\$ 126,695,292</u>	<u>\$ 211,710,000</u>	<u>\$ 338,405,292</u>

# Outstanding CO/GO Debt - Current

	Final Maturity	Avg Annual Debt Service	Total
2016 CO	8/15/2036	468,280	5,154,925
2017 A Stormwater	8/15/2037	270,054	3,242,869
2017 CO General Imp	8/15/2037	647,539	7,775,794
2017 CO TIRZ #5	8/15/2037	288,288	3,461,826
2017 CO TIRZ #6	8/15/2037	225,456	2,707,326
2017 CO TIRZ #7	8/15/2037	177,408	2,130,355
2017 Refunding Auditorium	8/15/2029	134,199	537,163
2017 Refunding General Imp	8/15/2029	782,437	3,131,891
2017 Refunding TIF #1	8/15/2026	74,697	74,697
2018 CO General Improvements	8/15/2043	1,193,919	21,503,631
2019 CO General Imp	8/15/2044	1,161,862	\$ 22,091,300
2021 CO General Imp	8/15/2051	1,361,344	35,417,319
2021 Tax Notes	8/15/2026	364,000	364,000
2022 Tax Notes	8/15/2027	398,000	796,000
2023 General Imp	8/15/2043	7,411,613	133,490,250
2023 Tax Notes	8/15/2028	598,037	1,795,750
2024 CO	8/15/2054	1,124,460	32,630,919
2024 Tax Notes	8/15/2029	717,259	2,871,000
2025 Tax Notes	8/15/2030	1,314,780	6,577,500
2025 CO	8/15/2055	1,597,772	47,963,800
2026 Tax Notes	8/15/2031	780,807	4,686,979
		\$ 21,092,210	\$ 338,405,292

# CO Bond Summary

	2016 C.O.	2017 C.O.	2018 C.O.	2019 C.O.	2021 C.O.	2023 C.O.	2024 CO	2025 CO	Total Issued
<b>TXDOT Projects</b>									
TxDOT 1417 & W. Travis Intersection	\$ -	\$ -	\$ -	\$ 1.68	\$ -	\$ -	\$ -	\$ -	\$ 1.68
TxDOT-Hwy 75 Gap Project	-	-	-	8.20	-	-	-	-	8.20
* TXDOT Ramp Reversal at 75/1417	-	2.50	-	-	-	-	-	-	2.50
TxDOT-FM 1417 - US 82 to SH 56 Eng + ROW	1.70	-	2.40	1.35	-	-	-	-	5.45
TxDOT - FM 1417 56 to W. Travis ROW/Eng	-	-	0.90	0.60	0.10	3.00	-	-	4.60
							-	-	
<b>Thoroughfares</b>									
Friendship Road - Eng, ROW & Construction	1.20	-	-	-	0.10	-	-	-	1.30
Lamberth Rd -Eng, ROW & Construction	0.80	-	-	-	-	-	-	-	0.80
Taylor/Washington Eng + ROW	0.20	1.20	-	0.80	0.50	-	-	-	2.70
Swan Ridge	0.10	-	-	-	-	-	-	-	0.10
Canyon Creek	2.60	-	-	-	-	-	-	-	2.60
Travis St West	0.60	4.50	3.40	1.10	-	-	-	-	9.60
Legacy Blvd	-	-	-	1.85	-	-	-	-	1.85
Lamberth & Friendship from Shady Oaks through Hickory Hill - Eng, ROW & Construction	-	-	-	0.65	2.10	1.25	-	-	4.00
Hilre Drive Extension	-	-	-	0.50	-	-	-	-	0.50
OB Groner west of FM 1417 Design and Developer Agreement	-	-	-	-	-	0.50	-	-	0.50
Retaining wall FM1417 & Lamberth	-	-	-	-	-	0.10	-	-	0.10
Park Ave Realignment (net)	-	-	1.90	0.10	-	-	-	-	2.00
Steeplechase Drive Ext	-	-	-	0.15	-	-	-	-	0.15

# CO Bond Summary (continued)

	2016 C.O.	2017 C.O.	2018 C.O.	2019 C.O.	2021 C.O.	2023 C.O.	2024 CO	2025 CO	Total Issued
<b>Bel Air</b>									
<b>Beach Club</b>									
Blvd/London Ln	-	-	-	-	-	5.90	-	-	5.90
Bel Air Blvd									
<b>Construction Ph II</b>									
(excludes utilities)	-	-	-	-	1.90	-	-	-	1.90
Travis Heights/Bel Air Blvd						0.19	1.28	0.93	2.40
<b>SEDCO/Industrial Park</b>									
* Northgate Drive	-	-	0.90	-	-	-	-	-	0.90
*Flanary Rd Alignment Study	-	-	-	-	-	0.30	-	-	0.30
*Flanary Engineering	-	-	-	0.20	-	-	-	-	0.20
*Flanary construction	-	-	-	-	-	5.40	-	-	5.40
*Progress Construction & extension	-	-	-	-	-	4.48	-	1.30	5.78
Tortilla Way						1.00	-	-	1.00
<b>Moore St./Interurban</b>									
Moore St - W Travis to Park	-	-	-	2.10	-	-	-	-	2.10
Moore St - W Travis to FM 1417	-	-	-	-	2.80	-	-	-	2.80
Moore St - Park to Center St	-	-	-	-	2.20	7.70	-	-	9.90
<b>New Developments</b>									
<b>Crossroads</b>									
Infrastructure	-	-	-	-	-	2.30	-	12.10	14.40
Munson Planned Development	-	-	-	0.10	-	-	-	-	0.10

## CO Bond Summary (continued)

	2016 C.O.	2017 C.O.	2018 C.O.	2019 C.O.	2021 C.O.	2023 C.O.	2024 CO	2025 CO	Total Issued
<b>Major Street Rebuilds</b>	-	-	-	-	-	-	-	-	-
Wells St	-	-	-	-	-	0.20	-	-	0.20
Washington & Sunset	-	-	-	-	1.50	1.00	-	-	2.50
Cherry St	-	-	-	0.62	0.10	0.08	1.60	-	2.40
<b>Engineering (Design for in-house mill &amp; overlay)</b>	-	-	-	-	-	-	0.70	-	0.70
Sherman St Improvements	-	-	-	-	-	0.20	-	-	0.20
<b>Shepherd Rd</b>									
Shepherd Rd Design	-	-	-	-	1.10	-	-	-	1.10
Shepherd Rd Design/Construction	-	-	-	-	-	12.60	0.50	-	13.10
<b>Heritage Ranch</b>									
Heritage Ranch ramps - Eng		-	-	-	-	0.50	-	-	0.50
Heritage Ranch Public Utilities		-	-	-	-	-	1.10	-	1.10
Heritage Ranch Ph I (Lone star Pkwy, roundabout and HRT in front of school), Eng & Construction		-	-	-	-	-	0.43	6.07	6.50
Heritage Ranch Ph II (Finish HRT)		-	-	-	-	3.50	-	-	3.50
<b>Downtown</b>									
Downtown lighting, electrical		-	-	-	-	0.30	-	0.30	0.60
<b>Right-of-Way Agent</b>						0.05	-	-	0.05
<b>Total Streets</b>	<b>7.20</b>	<b>8.20</b>	<b>9.50</b>	<b>20.00</b>	<b>12.40</b>	<b>50.55</b>	<b>5.61</b>	<b>20.70</b>	<b>134.16</b>

# CO Bond Summary (continued)

	2016 C.O.	2017 C.O.	2018 C.O.	2019 C.O.	2021 C.O.	2023 C.O.	2024 CO	2025 CO	Total Issued
<b>Facilities</b>									
<b>Public Safety</b>									
Fire Station #4	-	3.10	0.30	0.60	-	-	-	-	4.00
Police Headquarters	-	-	-	-	17.60	-	-	-	17.60
Combine Sta #1 & #2	-	-	-	-	-	7.25	0.50	-	7.75
Fire Dept Training Tower	-	-	-	-	-	-	1.00	-	1.00
Public Safety Trunking System	-	-	-	-	-	3.50	-	-	3.50
Fire Station #3 remodel	-	-	-	-	-	1.30	0	3.00	4.30
Fire Station #5 Land	-	-	-	-	-	-	0.50	-	0.50
<b>Other than Public Safety</b>									
Library	-	-	2.00	0.50	-	-	-	-	2.50
City Hall	-	-	-	-	-	5.40	-	-	5.40
Public Works Facility	-	-	-	-	-	-	0.10	-	0.10
Fleet Maintenance Facility	-	-	-	-	-	-	9.90	-	9.90
Auditorium Chiller	-	-	-	-	-	0.20	-	-	0.20
<b>Total Facilities</b>	-	3.10	2.30	1.10	17.60	17.65	12.00	3.00	56.75
<b>TIRZ</b>									
TIRZ #5 Sherman Crossroads	-	3.90	-	-	-	-	-	-	3.90
TIRZ #6 Sherman Landing	-	3.10	-	-	-	-	-	-	3.10
TIRZ #7 Legacy Village	-	-	2.40	-	-	-	-	-	2.40
<b>Total TIRZ</b>	-	7.00	2.40	-	-	-	-	-	9.40
<b>Bridges</b>									
Travis/Center/McGee Center St Bridge at Post	-	0.50	-	0.30	-	-	-	-	0.80
Oak Creek	-	-	-	0.70	-	0.67	-	-	1.37
McGee St Bridge	-	-	-	-	-	0.23	1.20	-	1.43
<b>Total Bridges</b>	-	0.50	-	1.00	-	0.90	1.20	-	3.60

# CO Bond Summary (continued)

	2016 C.O.	2017 C.O.	2018 C.O.	2019 C.O.	2021 C.O.	2023 C.O.	2024 CO	2025 CO	Total Issued
<b>Facilities</b>									
<b>Public Safety</b>									
Fire Station #4	-	3.10	0.30	0.60	-	-	-	-	4.00
Police Headquarters	-	-	-	-	17.60	-	-	-	17.60
Combine Sta #1 & #2	-	-	-	-	-	7.25	0.50	-	7.75
Fire Dept Training Tower	-	-	-	-	-	-	1.00	-	1.00
Public Safety Trunking System	-	-	-	-	-	3.50	-	-	3.50
Fire Station #3 remodel	-	-	-	-	-	1.30	0	3.00	4.30
Fire Station #5 Land	-	-	-	-	-	-	0.50	-	0.50
<b>Other than Public Safety</b>									
Library	-	-	2.00	0.50	-	-	-	-	2.50
City Hall	-	-	-	-	-	5.40	-	-	5.40
Public Works Facility	-	-	-	-	-	-	0.10	-	0.10
Fleet Maintenance Facility	-	-	-	-	-	-	9.90	-	9.90
Auditorium Chiller	-	-	-	-	-	0.20	-	-	0.20
<b>Total Facilities</b>	-	3.10	2.30	1.10	17.60	17.65	12.00	3.00	56.75
<b>TIRZ</b>									
TIRZ #5 Sherman Crossroads	-	3.90	-	-	-	-	-	-	3.90
TIRZ #6 Sherman Landing	-	3.10	-	-	-	-	-	-	3.10
TIRZ #7 Legacy Village	-	-	2.40	-	-	-	-	-	2.40
<b>Total TIRZ</b>	-	7.00	2.40	-	-	-	-	-	9.40
<b>Bridges</b>									
Travis/Center/McGee Center St Bridge at Post	-	0.50	-	0.30	-	-	-	-	0.80
Oak Creek	-	-	-	0.70	-	0.67	-	-	1.37
McGee St Bridge	-	-	-	-	-	0.23	1.20	-	1.43
<b>Total Bridges</b>	-	0.50	-	1.00	-	0.90	1.20	-	3.60
									<b>38</b>

# CO Bond Summary (continued)

	2016 C.O.	2017 C.O.	2018 C.O.	2019 C.O.	2021 C.O.	2023 C.O.	2024 CO	2025 CO	Total Issued
<i>Parks</i>									
Pecan Grove West									
Ballfields	-	-	5.00	-	-	-	-	-	5.00
PGW Ballfield & Trail lighting	-	-	-	-	-	1.50	-	-	1.50
PGE Inclusive playground and parking, lighting, trail, restroom	-	-	-	-	-	2.00	-	-	2.00
	-	-	-	-	-	0.50	-	-	0.50
Northcreek Subdivision Park	-	-	-	-	-	0.50	-	-	0.50
Binkley Park Asphalt									
Pump Track	-	-	-	-	-	0.40	-	-	0.40
Master Plan Trail Construction - Land Acq									
Washington Meadows, Birge Trail	-	-	-	-	-	0.80	-	-	0.80
Creek Erosion at Westhill Cemetery	-	-	-	-	-	-	1.02	-	1.02
OSP Pickleball	-	-	-	-	-	1.50	-	-	1.50
Fairview Park									
playground & Pavilion	-	-	-	-	-	4.73	-	-	4.73
Fairview Park Tennis court renovation	-	-	-	-	-	0.20	-	-	0.20
Hawn Park Futsal, Restroom, Parking	-	-	-	-	-	0.20	-	2.00	2.20
Pebblebrook Phase IV Park	-	-	-	-	-	0.50	-	-	0.50
<b>Total Parks</b>	-	-	5.00	-	-	12.83	1.02	2.00	20.85
<i>Drainage</i>									
Hills of Sherman									
upsized detention	-	-	-	-	-	0.50	-	-	0.50
Lamberth Rd Drainage	-	-	-	-	-	0.90	1.20	-	2.10
Blanton/McGee									
Drainage (Design)	-	-	-	-	-	-	-	0.10	0.10
Setting Suns Phase III	-	-	-	-	-	0.30	-	-	0.30
<b>Total Drainage</b>	-	-	-	-	-	1.70	1.20	0.10	3.00
<b>Totals</b>	\$ 7.20	\$ 18.80	\$ 19.20	\$ 22.10	\$ 30.00	\$ 83.63	\$ 21.03	\$ 25.80	227.76
									<b>39</b>

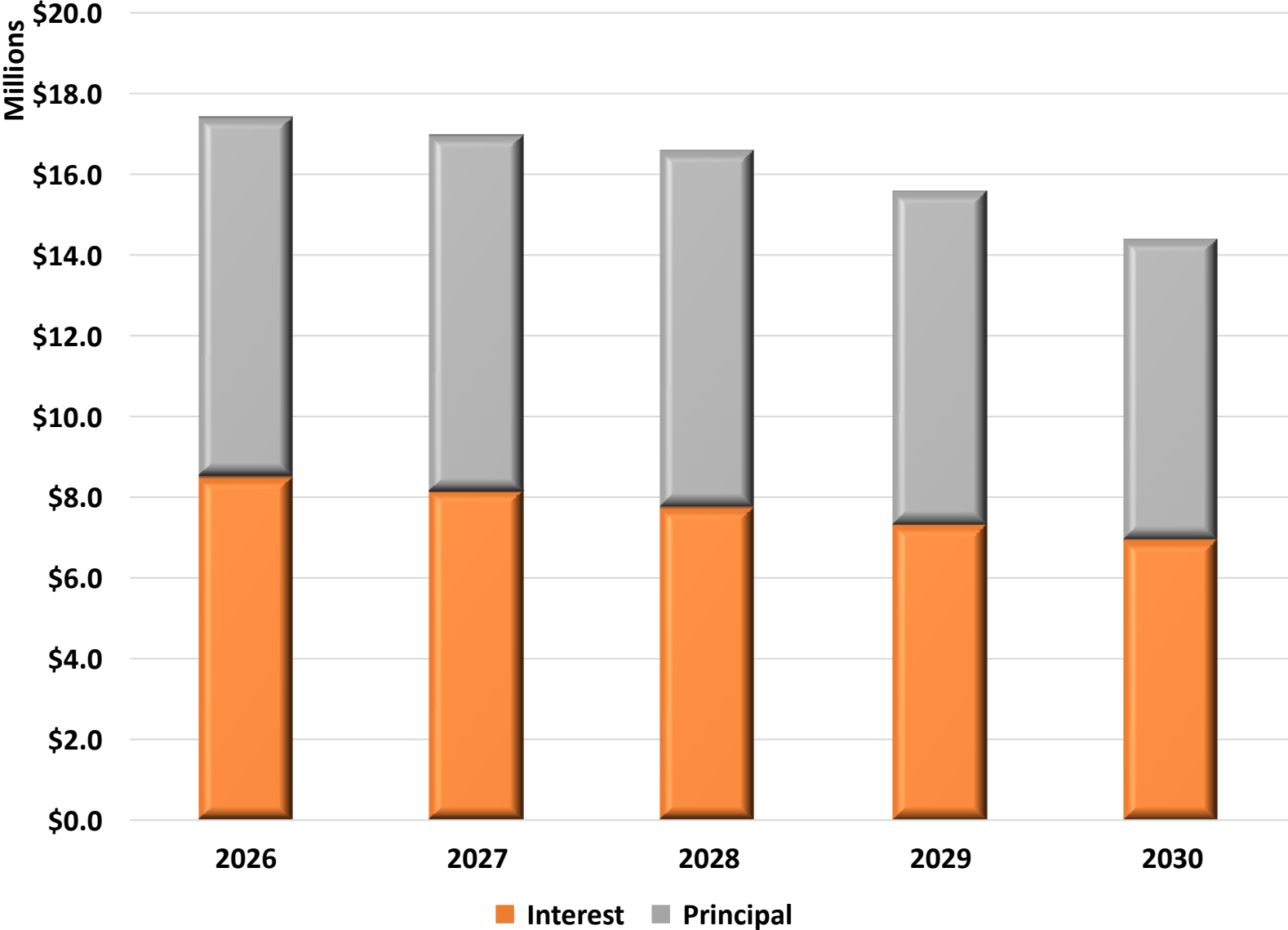
GENERAL FUND	Actual FY 2025	Projection FY 2026	Projection FY 2027	Projection FY 2028	Projection FY 2029	Projection FY 2030	Projection FY 2031
Beginning Fund Balance	\$ 19,516,733	\$ 16,644,995	\$ 10,553,905	\$ 13,740,602	\$ 14,820,943	\$ 18,911,499	\$ 26,685,794
Sales Tax	26,458,732	22,530,000	23,230,789	23,695,405	24,169,313	24,652,700	25,145,754
Street Sales Tax	2,204,799	1,880,000	1,935,815	1,974,532	2,014,022	2,054,303	2,095,389
Property Tax Rev	25,370,064	19,239,000	29,802,500	28,224,500	31,706,500	35,848,500	35,848,500
Franchise & Other Taxes	3,556,125	3,695,725	3,695,000	3,695,000	3,695,000	3,695,000	3,695,000
Ambulance	1,945,791	2,228,100	2,228,100	2,228,100	2,228,100	2,228,100	2,228,100
Transfers	6,479,484	8,002,863	7,543,000	7,999,000	8,536,000	9,112,000	9,385,000
Interest	1,384,470	1,030,000	1,030,000	1,030,000	1,030,000	1,030,000	1,030,000
SEDCO	826,469	825,704	825,704	825,704	825,704	825,704	825,704
Grant Rev	93,815	50,000	-	-	-	-	-
Other Revenue	6,537,864	4,908,400	5,055,652	5,207,322	5,363,541	5,524,447	5,690,181
<b>Total Revenues</b>	<b>74,857,612</b>	<b>64,389,792</b>	<b>75,346,561</b>	<b>74,879,562</b>	<b>79,568,181</b>	<b>84,970,754</b>	<b>85,943,627</b>
Personnel	45,161,260	46,684,180	47,617,864	48,570,221	49,541,625	50,532,458	51,543,107
Other Expenditures	20,069,227	22,218,914	22,885,000	23,572,000	24,279,000	25,007,000	25,757,000
Street Repairs	83,695	457,000	457,000	457,000	457,000	457,000	457,000
Capital Expenses	3,068,059	835,788	1,200,000	1,200,000	1,200,000	1,200,000	1,200,000
Debt Service (Leases)	347,108	-	-	-	-	-	-
Transfers	9,000,000	285,000	-	-	-	-	-
<b>Total Expenditures</b>	<b>77,729,350</b>	<b>70,480,882</b>	<b>72,159,864</b>	<b>73,799,221</b>	<b>75,477,625</b>	<b>77,196,458</b>	<b>78,957,107</b>
<b>Excess (Deficit)</b>	<b>(2,871,738)</b>	<b>(6,091,090)</b>	<b>3,186,697</b>	<b>1,080,341</b>	<b>4,090,555</b>	<b>7,774,296</b>	<b>6,986,520</b>
<b>Ending Fund Balance</b>	<b>\$ 16,644,995</b>	<b>\$ 10,553,905</b>	<b>\$ 13,740,602</b>	<b>\$ 14,820,943</b>	<b>\$ 18,911,499</b>	<b>\$ 26,685,794</b>	<b>\$ 33,672,315</b>
Days in Fund Balance	78	55	70	73	91	126	156
Calculated Property Tax Rate	0.51509	0.66154	0.66453	0.62695	0.61580	0.48770	0.67914
Estimated Adopted Rate	0.50800	0.50800	0.63300	0.56000	0.56000	0.56000	0.56000
Debt Rate	0.20053	0.25426	0.24289	0.22715	0.2106	0.1930	0.1930
Operating (M&O) Rate	0.30747	0.25374	0.39011	0.33285	0.3494	0.3670	0.3670
* New Debt in Millions							
Sales Tax Growth Rate	0.1%	-7.0%	2.0%	2.0%	2.0%	2.0%	2.0%
Property Value Growth Rate	46.5%	-8.7%	6.0%	6.0%	6.0%	6.0%	6.0%
Property tax new value	1,997,629,574	688,240,288	150,000,000	150,000,000	150,000,000	150,000,000	150,000,000
Increase in Personnel Costs	5.2%	0.4%	2.0%		0.0%	0.0%	0.0%
COLA	3.0%	3.0%	2.0%	2.0%	2.0%	2.0%	40 2.0%
Other Exp rate change	14.5%	4.0%	3.0%	3.0%	3.0%	3.0%	3.0%

GENERAL FUND	Actual	Projection	Projection	Projection	Projection	Projection	Projection
	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031
Beginning Fund Balance	\$ 19,516,733	\$ 16,644,995	\$ 10,553,905	\$ 4,765,602	\$ 1,751,943	\$ 1,456,499	\$ 4,514,794
Sales Tax	26,458,732	22,530,000	23,230,789	23,695,405	24,169,313	24,652,700	25,145,754
Street Sales Tax	2,204,799	1,880,000	1,935,815	1,974,532	2,014,022	2,054,303	2,095,389
Property Tax Rev	25,370,064	19,239,000	20,827,500	24,130,500	27,320,500	31,132,500	31,132,500
Franchise & Other Taxes	3,556,125	3,695,725	3,695,000	3,695,000	3,695,000	3,695,000	3,695,000
Ambulance	1,945,791	2,228,100	2,228,100	2,228,100	2,228,100	2,228,100	2,228,100
Transfers	6,479,484	8,002,863	7,543,000	7,999,000	8,536,000	9,112,000	9,385,000
Interest	1,384,470	1,030,000	1,030,000	1,030,000	1,030,000	1,030,000	1,030,000
SEDCO	826,469	825,704	825,704	825,704	825,704	825,704	825,704
Grant Rev	93,815	50,000	-	-	-	-	-
Other Revenue	6,537,864	4,908,400	5,055,652	5,207,322	5,363,541	5,524,447	5,690,181
<b>Total Revenues</b>	<b>74,857,612</b>	<b>64,389,792</b>	<b>66,371,561</b>	<b>70,785,562</b>	<b>75,182,181</b>	<b>80,254,754</b>	<b>81,227,627</b>
Personnel	45,161,260	46,684,180	47,617,864	48,570,221	49,541,625	50,532,458	51,543,107
Other Expenditures	20,069,227	22,218,914	22,885,000	23,572,000	24,279,000	25,007,000	25,757,000
Street Repairs	83,695	457,000	457,000	457,000	457,000	457,000	457,000
Capital Expenses	3,068,059	835,788	1,200,000	1,200,000	1,200,000	1,200,000	1,200,000
Debt Service (Leases)	347,108	-	-	-	-	-	-
Transfers	9,000,000	285,000	-	-	-	-	-
<b>Total Expenditures</b>	<b>77,729,350</b>	<b>70,480,882</b>	<b>72,159,864</b>	<b>73,799,221</b>	<b>75,477,625</b>	<b>77,196,458</b>	<b>78,957,107</b>
<b>Excess (Deficit)</b>	<b>(2,871,738)</b>	<b>(6,091,090)</b>	<b>(5,788,303)</b>	<b>(3,013,659)</b>	<b>(295,445)</b>	<b>3,058,296</b>	<b>2,270,520</b>
<b>Ending Fund Balance</b>	<b>\$ 16,644,995</b>	<b>\$ 10,553,905</b>	<b>\$ 4,765,602</b>	<b>\$ 1,751,943</b>	<b>\$ 1,456,499</b>	<b>\$ 4,514,794</b>	<b>\$ 6,785,315</b>
Days in Fund Balance	78	55	24	9	7	21	31
Calculated Property Tax Rate	0.51509	0.66154	0.66453	0.62695	0.61580	0.48770	0.67914
Estimated Adopted Rate	0.50800	0.50800	0.50800	0.50800	0.50800	0.50800	0.50800
Debt Rate	0.20053	0.25426	0.24289	0.22715	0.2106	0.1930	0.1930
Operating (M&O) Rate	0.30747	0.25374	0.26511	0.28085	0.2974	0.3150	0.3150
<i>* New Debt in Millions</i>							
Sales Tax Growth Rate	0.1%	-7.0%	2.0%	2.0%	2.0%	2.0%	2.0%
Property Value Growth Rate	46.5%	-8.7%	6.0%	6.0%	6.0%	6.0%	6.0%
Property tax new value	1,997,629,574	688,240,288	150,000,000	150,000,000	150,000,000	150,000,000	150,000,000
Increase in Personnel Costs	5.2%	0.4%	2.0%		0.0%	0.0%	0.0%
COLA	3.0%	3.0%	2.0%	2.0%	2.0%	2.0%	2.0%
Other Exp rate change	14.5%	4.0%	3.0%	3.0%	3.0%	3.0%	<b>41</b> 3.0%

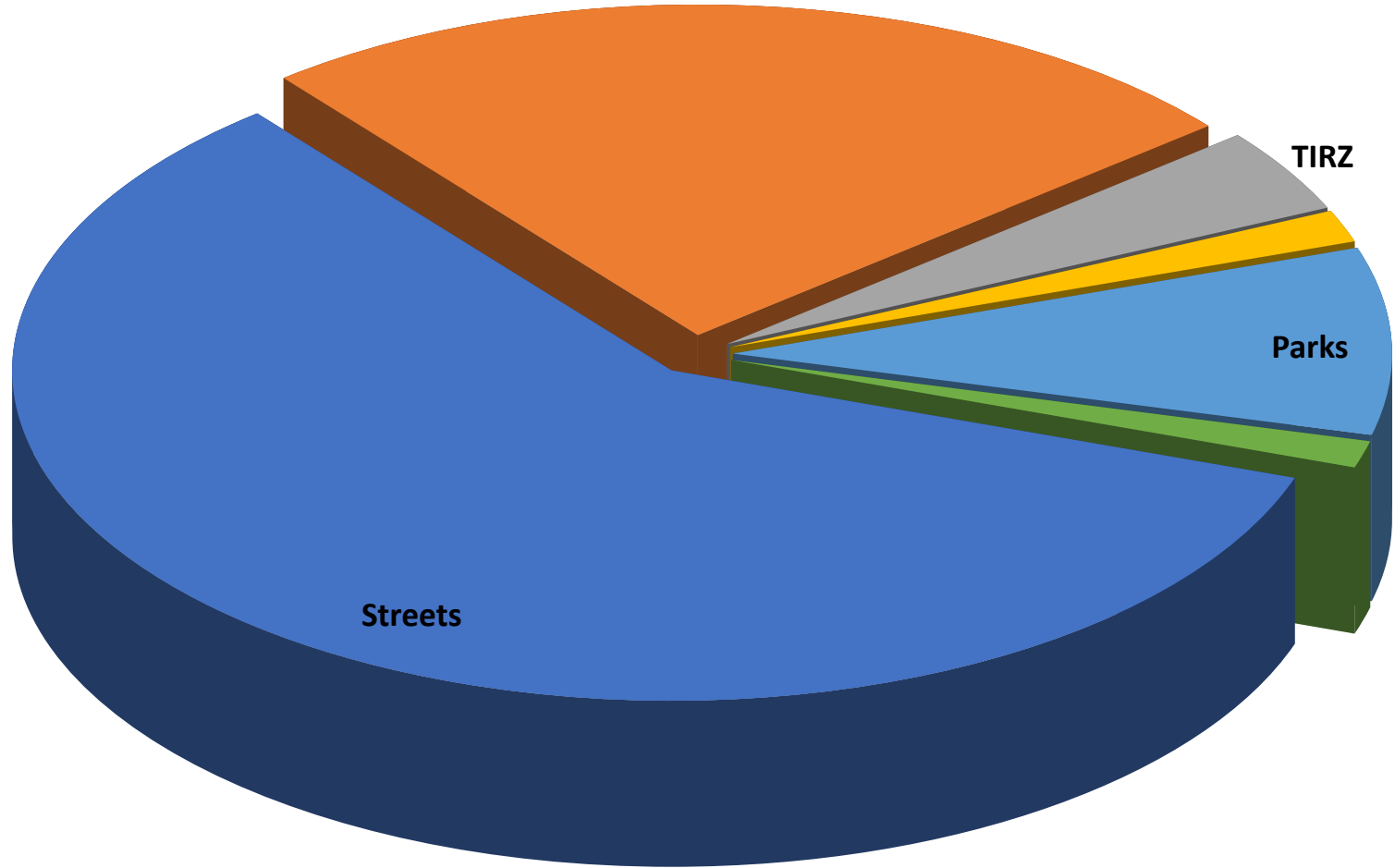
# Planned Projects 2026/2027

- Streets
  - Planned Developments
    - Heritage Ranch Trail Phase II
    - Crossroads – Aston Drive; pond mitigation ongoing
  - Moore St (Interurban) ongoing
  - SEDCO – Progress Drive, Tortilla Way, Flanary (Interurban) partial
  - Major Street rebuilds – Cherry continuation, engineering for others
- Facilities
  - Fleet Maintenance
- Parks
  - Hawn Park Futsal

### Tax-Backed Debt Service as of March 31, 2026



# Bond Proceeds 2016-2025 Uses



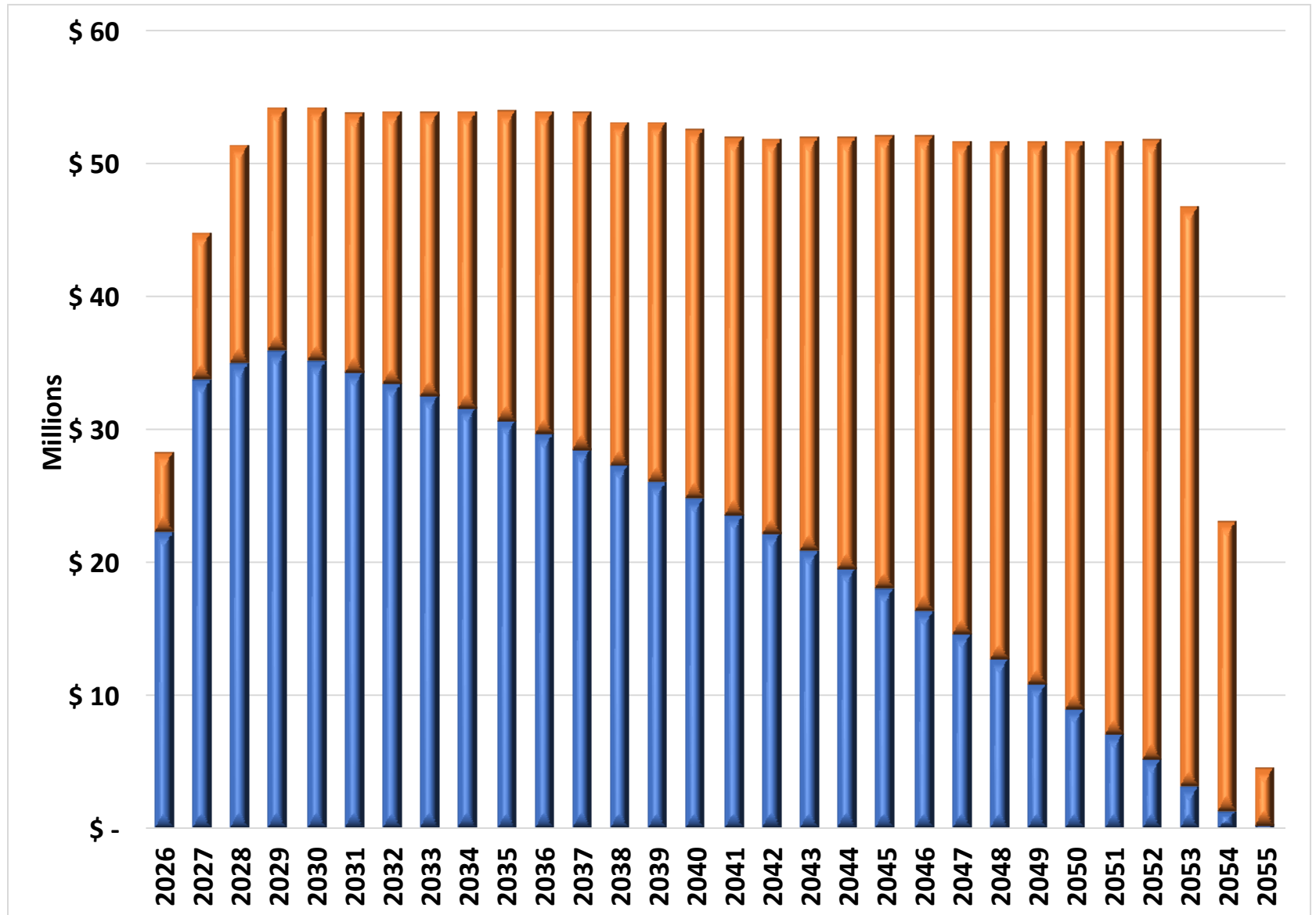
# Utility Supported Debt



# GTUA Contractual Debt Outstanding - Current

FY	Water Principal	Sewer Principal	Total Principal All	Sewer Interest	Water Interest	Total Interest before Cap I	Total Cap I	Total Interest net of Cap I	Principal and Interest net of Cap I
2026	3,312,567.37	2,532,285.73	5,844,853.10	12,492,296.55	9,749,012.25	37,282,941.31	-15,041,632.51	22,241,308.80	28,086,161.90
2027	4,548,041.70	6,408,959.69	10,957,001.39	21,894,164.76	11,797,362.58	36,934,602.34	-3,243,075.00	33,691,527.34	44,648,528.73
2028	5,950,854.18	10,378,529.32	16,329,383.50	22,470,903.76	12,431,981.52	36,524,422.78	-1,621,537.50	34,902,885.28	51,232,268.78
2029	6,718,168.80	11,458,840.27	18,177,009.07	22,848,756.26	12,997,695.45	35,846,451.71	0.00	35,846,451.71	54,023,460.78
2030	7,263,128.25	11,679,359.90	18,942,488.15	22,326,954.65	12,736,976.48	35,063,931.13	0.00	35,063,931.13	54,006,419.28
2031	7,789,221.11	11,728,833.86	19,518,054.97	21,793,561.76	12,448,688.55	34,242,250.31	0.00	34,242,250.31	53,760,305.28
2032	8,155,594.90	12,229,392.34	20,384,987.24	21,262,937.51	12,132,489.03	33,395,426.54	0.00	33,395,426.54	53,780,413.78
2033	8,629,561.67	12,652,643.80	21,282,205.47	20,711,971.51	11,803,259.80	32,515,231.31	0.00	32,515,231.31	53,797,436.78
2034	9,058,471.44	13,181,250.00	22,239,721.44	20,137,647.51	11,450,858.33	31,588,505.84	0.00	31,588,505.84	53,828,227.28
2035	9,683,797.45	13,558,750.00	23,242,547.45	19,534,496.64	11,075,400.45	30,609,897.09	0.00	30,609,897.09	53,852,444.54
2036	9,341,050.00	14,783,950.00	24,125,000.00	18,907,781.14	10,669,062.14	29,576,843.28	0.00	29,576,843.28	53,701,843.28
2037	9,793,800.00	15,496,200.00	25,290,000.00	18,212,218.20	10,230,675.32	28,442,893.52	0.00	28,442,893.52	53,732,893.52
2038	9,621,000.00	16,129,000.00	25,750,000.00	17,480,404.20	9,769,224.06	27,249,628.26	0.00	27,249,628.26	52,999,628.26
2039	10,077,500.00	16,917,500.00	26,995,000.00	16,716,982.70	9,323,933.56	26,040,916.26	0.00	26,040,916.26	53,035,916.26
2040	10,272,050.00	17,442,950.00	27,715,000.00	15,914,549.20	8,857,085.06	24,771,634.26	0.00	24,771,634.26	52,486,634.26
2041	10,740,900.00	17,584,100.00	28,325,000.00	15,088,497.20	8,388,584.06	23,477,081.26	0.00	23,477,081.26	51,802,081.26
2042	11,215,000.00	18,425,000.00	29,640,000.00	14,233,149.20	7,920,307.06	22,153,456.26	0.00	22,153,456.26	51,793,456.26
2043	11,705,450.00	19,269,550.00	30,975,000.00	13,408,686.20	7,439,870.06	20,848,556.26	0.00	20,848,556.26	51,823,556.26
2044	12,234,800.00	20,175,200.00	32,410,000.00	12,545,535.45	6,937,633.31	19,483,168.76	0.00	19,483,168.76	51,893,168.76
2045	12,817,550.00	21,182,450.00	34,000,000.00	11,600,792.82	6,381,138.44	17,981,931.26	0.00	17,981,931.26	51,981,931.26
2046	13,433,550.00	22,276,450.00	35,710,000.00	10,528,592.82	5,773,913.44	16,302,506.26	0.00	16,302,506.26	52,012,506.26
2047	13,790,450.00	23,219,550.00	37,010,000.00	9,404,251.57	5,140,254.69	14,544,506.26	0.00	14,544,506.26	51,554,506.26
2048	14,463,300.00	24,426,700.00	38,890,000.00	8,225,755.62	4,481,600.80	12,707,356.42	0.00	12,707,356.42	51,597,356.42
2049	15,144,750.00	25,645,250.00	40,790,000.00	6,985,891.20	3,790,527.56	10,776,418.76	0.00	10,776,418.76	51,566,418.76
2050	15,823,450.00	26,826,550.00	42,650,000.00	5,791,209.25	3,117,790.75	8,909,000.00	0.00	8,909,000.00	51,559,000.00
2051	16,518,850.00	28,031,150.00	44,550,000.00	4,617,693.20	2,437,494.32	7,055,187.52	0.00	7,055,187.52	51,605,187.52
2052	17,244,400.00	29,280,600.00	46,525,000.00	3,391,392.70	1,727,176.06	5,118,568.76	0.00	5,118,568.76	51,643,568.76
2053	13,721,850.00	29,898,150.00	43,620,000.00	2,110,329.00	985,521.00	3,095,850.00	0.00	3,095,850.00	46,715,850.00
2054	6,148,650.00	15,596,350.00	21,745,000.00	799,528.51	382,340.25	1,181,868.76	0.00	1,181,868.76	22,926,868.76
2055	2,040,000.00	2,210,000.00	4,250,000.00	110,500.00	102,000.00	212,500.00	0.00	212,500.00	4,462,500.00
<b>Grand Total</b>	<b>307,257,756.86</b>	<b>510,625,494.92</b>	<b>817,883,251.78</b>	<b>411,547,431.08</b>	<b>232,479,856.38</b>	<b>663,933,532.47</b>	<b>-19,906,245.01</b>	<b>644,027,287.47</b>	<b>1,461,910,539.25</b>

# GTUA Contractual Debt Outstanding - Current



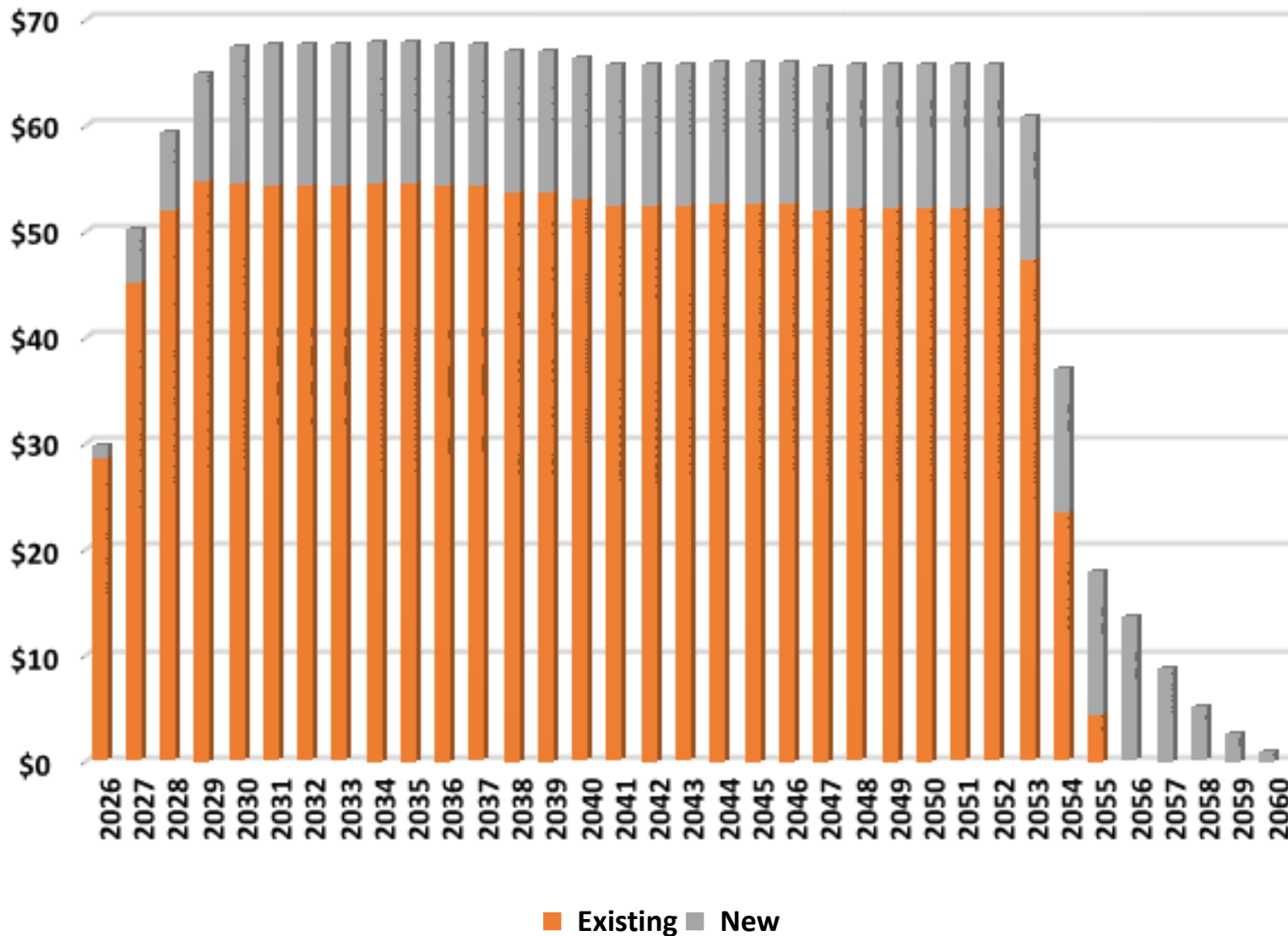
# Detailed Project List – Sewer

	2026 OM	2027 OM	2028 OM	2029 OM	2030 OM	2031 OM	Grand Total
<b>Sewer Collection</b>							
Blalock Park Interceptor							
Downtown Sewer Improvements	2,000,000						2,000,000
East Side Lift Station	1,500,000						1,500,000
Post Oak Interceptor - Phase I	1,600,000	7,330,000	10,000,000	10,000,000	10,000,000		38,930,000
Mulberry Creek LS grading	210,000						210,000
SW Sewer Line Ext (SW Industr) Phase II	1,750,000						1,750,000
Town North Sewer Line			260,000	350,000	330,000		940,000
Upsize 21" SS along Choctaw to 36" (CIP 2)					1,000,000		1,000,000
Upsize 21" from Bel Air to 30" (SW Indust)						6,800,000	6,800,000
Vernon Holland Sewer Line Replacement			460,000				460,000
Center St Basin Sewer Line Replacement (#19)			630,000	4,170,000			4,800,000
Heritage Ranch Sewer Line			1,400,000				1,400,000
<b>Sewer Collection Total</b>	<b>7,060,000</b>	<b>7,330,000</b>	<b>12,750,000</b>	<b>14,520,000</b>	<b>11,330,000</b>	<b>6,800,000</b>	<b>59,790,000</b>
<b>Sewer Treatment</b>							
Add filters and relift pump at N WWTP		6,900,000					6,900,000
Blower Bldg & Main Digester Complex		1,500,000	5,000,000				6,500,000
Clarifier #3 rehab & NFPA upgrades to grit bldg	1,350,000						1,350,000
Rehab Decant Lift station at WWTP		50,000					50,000
Rehab Main Digester Complex				4,000,000			4,000,000
Digester Boiler project	400,000						400,000
Equalization Basin Blower	1,400,000						1,400,000
WWTP Ph II south UV, sludge tank, dewatering	2,000,000	10,940,000	9,400,000				22,340,000
WWTP North Expansion	1,500,000						1,500,000
<b>Sewer Treatment Total</b>	<b>6,650,000</b>	<b>19,390,000</b>	<b>14,400,000</b>	<b>4,000,000</b>			<b>44,440,000</b>
<b>Water &amp; Sewer</b>							
Annual w/ww line replacements						2,000,000	2,000,000
Annual water/wastewater line replacements		2,000,000	1,000,000	2,000,000	1,000,000		6,000,000
<b>Water &amp; Sewer Total</b>		<b>2,000,000</b>	<b>1,000,000</b>	<b>2,000,000</b>	<b>1,000,000</b>	<b>2,000,000</b>	<b>8,000,000</b>

# Detailed Project List – Water

		2026 OM	2027 OM	2028 OM	2029 OM	2030 OM	2031 OM	Grand Total
<b>Water Distribution</b>	Taylor St water line - Texoma Pkwy to Loy Lake		440,000					440,000
	Jamaica St Water Line Replacement	210,000						210,000
	Monte Cristo Water Line Replacement	290,000						290,000
	Abandon McAfee Well		210,000					210,000
	Dripping Springs WL		2,900,000					2,900,000
	SE Zone Interconnectivity Imp Construction	1,500,000						1,500,000
	Dorchester GST & Pump Station Rehab		500,000	2,800,000				3,300,000
	Legacy Surface Water Line Phaes II-III		2,300,000	1,100,000				3,400,000
	Fairview Ground Storage Tank Rehab			450,000				450,000
	Texoma Relief Line Replacement			840,000	3,000,000			3,840,000
<b>Water Distribution Total</b>		<b>2,000,000</b>	<b>6,350,000</b>	<b>5,190,000</b>	<b>3,000,000</b>			<b>16,540,000</b>
<b>Water Treatment</b>	Lake Texoma Backup Generator	2,800,000	1,940,000					4,740,000
	Lake Texoma Water Rights							
	NTMWD Second water line from LTPS to WTP (84")	42,082,011						42,082,011
	Water Storage Lake Texoma		10,106,467					10,106,467
	Backwash GST Rehab		2,000,000					2,000,000
	WTP Biofouling Mitigation Pilot Project	1,400,000						1,400,000
<b>Water Treatment Total</b>		<b>46,282,011</b>	<b>14,046,467</b>					<b>60,328,478</b>
<b>Grand Total</b>		<b>61,992,011</b>	<b>49,116,467</b>	<b>33,340,000</b>	<b>23,520,000</b>	<b>12,330,000</b>	<b>8,800,000</b>	<b>189,098,478</b>

# GTUA Existing and New Projected Debt Service



# The Plan

- Capitalized Interest
- Accumulating/maintaining reserves in the Utility Fund – More risk + uncertainty = higher reserve requirements
- Timing of projects and debt issuances
- Utility rate changes from prior plan approved by Council because consumption is below projections
- Use of other revenues
  - Impact fees -\$9.6 million accumulated to date
  - SEDCO – Commitment of \$11 million
  - Xfers between funds (Risk Contingency Fund)
- Use of interest earnings on bond funds and unused bond proceeds to pay debt service

# Utility Fund Projections and Plan

## UTILITY FUND Rate Change in April 2026

	Actual FY 2025	Projected FY 2026	Projected FY 2027	Projected FY 2028	Projected FY 2029	Projected FY 2030	Projected FY 2031	Projected FY 2032
<b>Beginning Fund Balance</b>	\$ 8,738,762	\$ 14,574,242	\$ 16,538,759	\$ 20,312,911	\$ 28,481,424	\$ 32,270,373	\$ 31,371,747	\$ 30,643,437
Water Sales	26,233,291	32,494,153	38,985,595	45,602,369	48,264,033	58,825,565	64,759,863	74,495,059
Sewer Sales	16,599,841	20,621,012	25,438,610	28,971,222	30,851,906	40,776,158	47,631,938	56,178,388
SEDCO/GTUA	417,870	417,870	-	223,267	226,247	224,958	224,958	224,958
<b>General Fund Transfers</b>	-	-	-	-	-	-	-	-
SEDCO Contribution	-	2,000,000	3,000,000	3,000,000	3,000,000	-	-	-
Impact Fees	-	3,250,000	2,500,000	2,500,000	2,500,000	5,000,000	-	-
GTUA Interest	-	3,093,550	16,677,355	5,963,000	5,963,000	1,384,000	-	-
Risk Contingency	-	-	-	2,000,000	2,000,000	-	-	-
Unspent Project Funds	-	-	-	14,268,000	14,268,000	4,000,000	2,200,000	-
Interest Income	238,418	320,000	-	-	-	-	-	-
Other Revenue	1,821,666	1,464,215	1,464,215	1,464,215	1,464,215	1,464,215	1,464,215	1,464,215
Transfers in	474,000	391,000	197,000	203,000	209,000	215,000	-	-
<b>Total Revenues</b>	<b>45,785,085</b>	<b>64,051,800</b>	<b>88,262,775</b>	<b>104,195,073</b>	<b>108,746,401</b>	<b>111,889,896</b>	<b>116,280,974</b>	<b>132,362,620</b>
Personnel	10,235,194	11,389,230	11,959,000	12,557,000	13,185,000	13,844,000	14,536,000	15,263,000
Other	14,551,747	19,939,778	21,340,000	23,470,000	25,820,000	28,400,000	28,970,000	29,550,000
Debt Service	10,211,588	25,055,814	45,012,520	52,310,560	57,772,452	61,836,523	64,571,284	64,885,230
Capital Expenses	296,507	179,103	179,103	1,235,000	1,235,000	1,235,000	1,235,000	1,235,000
Transfers Out	4,654,569	5,523,358	5,998,000	6,454,000	6,945,000	7,473,000	7,697,000	7,928,000
<b>Total Expenditures</b>	<b>39,949,605</b>	<b>62,087,283</b>	<b>84,488,623</b>	<b>96,026,560</b>	<b>104,957,452</b>	<b>112,788,523</b>	<b>117,009,284</b>	<b>118,861,230</b>
<b>Excess (Deficit)</b>	<b>5,835,480</b>	<b>1,964,517</b>	<b>3,774,152</b>	<b>8,168,513</b>	<b>3,788,949</b>	<b>(898,627)</b>	<b>(728,310)</b>	<b>13,501,390</b>
<b>Ending Fund Balance</b>	<b>\$ 14,574,242</b>	<b>\$ 16,538,759</b>	<b>\$ 20,312,911</b>	<b>\$ 28,481,424</b>	<b>\$ 32,270,373</b>	<b>\$ 31,371,747</b>	<b>\$ 30,643,437</b>	<b>\$ 44,144,827</b>
<b>Days in Fund Balance</b>	<b>133</b>	<b>97</b>	<b>88</b>	<b>108</b>	<b>112</b>	<b>102</b>	<b>96</b>	<b>136</b>

# Utility Fund Projections and Plan

UTILITY FUND									
No Mid-year Rate Change									
	Actual	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected
	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	
Beginning Fund Balance	\$ 8,738,762	\$ 14,574,242	\$ 5,654,532	\$ (22,208,879)	\$ (56,760,587)	\$ (89,063,225)	\$ (148,077,565)	\$ (215,808,435)	
Water Sales	26,233,291	27,782,586	29,884,609	31,501,376	33,319,241	35,225,730	37,220,145	39,142,259	
Sewer Sales	16,599,841	14,448,352	14,026,238	14,081,994	14,811,111	15,232,279	15,439,096	15,727,469	
TI - Sewer									
SEDCO/GTUA	417,870	417,870	-	223,267	226,247	224,958	224,958	224,958	
General Fund Transfers	-	-	-	-	-	-	-	-	
SEDCO Contribution	-	2,000,000	3,000,000	3,000,000	3,000,000	-	-	-	
Impact Fees	-	3,250,000	2,500,000	2,500,000	2,500,000	5,000,000	-	-	
GTUA Interest	-	3,093,550	3,083,150	12,611,000	5,377,000	1,382,000	-	-	
Risk Contingency	-	-	6,200,000	-	2,000,000	-	-	-	
Unspent Project Funds	-	-	-	-	14,268,000	-	-	-	
Interest Income	238,418	320,000	-	-	-	-	-	-	
Other Revenue	1,821,666	1,464,215	1,464,215	1,464,215	1,464,215	1,464,215	1,464,215	1,464,215	
Transfers in	474,000	391,000	197,000	203,000	209,000	215,000	-	-	
<b>Total Revenues</b>	<b>45,785,085</b>	<b>53,167,573</b>	<b>60,355,212</b>	<b>65,584,851</b>	<b>77,174,814</b>	<b>58,744,183</b>	<b>54,348,414</b>	<b>56,558,901</b>	
Personnel	10,235,194	11,389,230	11,959,000	12,557,000	13,185,000	13,844,000	14,536,000	15,263,000	
Other	14,551,747	23,430,686	25,070,000	27,580,000	30,340,000	33,370,000	34,040,000	34,720,000	
Debt Service	10,211,588	21,962,264	45,012,520	52,310,560	57,772,452	61,836,523	64,571,284	64,885,230	
Capital Expenses	296,507	179,103	179,103	1,235,000	1,235,000	1,235,000	1,235,000	1,235,000	
Transfers Out	4,654,569	5,126,000	5,998,000	6,454,000	6,945,000	7,473,000	7,697,000	7,928,000	
<b>Total Expenditures</b>	<b>39,949,605</b>	<b>62,087,283</b>	<b>88,218,623</b>	<b>100,136,560</b>	<b>109,477,452</b>	<b>117,758,523</b>	<b>122,079,284</b>	<b>124,031,230</b>	
<b>Excess (Deficit)</b>	<b>5,835,480</b>	<b>(8,919,710)</b>	<b>(27,863,411)</b>	<b>(34,551,709)</b>	<b>(32,302,638)</b>	<b>(59,014,340)</b>	<b>(67,730,869)</b>	<b>(67,472,329)</b>	
<b>Ending Fund Balance</b>	<b>\$ 14,574,242</b>	<b>\$ 5,654,532</b>	<b>\$ (22,208,879)</b>	<b>\$ (56,760,587)</b>	<b>\$ (89,063,225)</b>	<b>\$ (148,077,565)</b>	<b>\$ (215,808,435)</b>	<b>\$ (283,280,763)</b>	
Days in Fund Balance	133	33	(92)	(207)	(297)	(459)	(645)	(834)	

# Major Take-Aways thru 2031

- Significant Challenges in FY27-FY31
  - General Fund
    - Re-prioritize projects to fund high priority projects
      - Fleet Maintenance Facility– inadequate to maintain fleet
      - Heritage Ranch Trail (committed through MDA)
    - Maintain existing services
    - Sales Tax 15% below last year and \$3.6 million below budget

# Major Take-Aways thru 2031 (continued)

- Significant Challenges in FY27-FY31
  - Utility Fund
    - Accuracy of TI and GW projections
    - No new projects; only fund those needed to address critical aging infrastructure
    - Phase II of TI and GW not in the 5-year time horizon
    - Explore selling water to other entities or non-traditional customers
    - Continue to look at rates annually and adopt rates to fund debt and operations
    - Current rates significantly below state average

# Major Take-Aways thru 2031 (continued)

- Significant Challenges in FY27-FY31
  - Solid Waste Fund
    - RSW does not cover its costs by about \$1.7 million per year, if TASWA continues same level of distribution.
    - Current rates are about half of peer average

# Council Direction



## ACTION MINUTES

The City Council of the City of Sherman held a regular meeting on Monday, April 20, 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 00:06:57*

Mayor Teamann called the meeting to order at 5:00pm

#### **Council Members Present:**

Mayor Shawn Teamann

Deputy Mayor Henry Marroquin

Council Member Pam Howeth

Council Member Daron Holland

Council Member Clay Barnett

Council Member Josh Stevenson

#### **Council Members Absent:**

Council Member Juston Dobbs

### A.2. PLEDGE OF ALLEGIANCE AND INVOCATION LED BY COUNCIL MEMBER PAMELA L. HOWETH

*Bookmarked at 00:07:14*

### A.3. APPROVE MINUTES OF THE REGULAR CITY COUNCIL MEETING OF APRIL 06, 2026.

*Bookmarked at 00:08:02*

The City Council reviewed the minutes of Regular City Council Meeting of April 06, 2026. Motion by Council Member Barnett to approve the Minutes. Second by Council Member Holland. 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 00:08:38*

## 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 00:08:38*

**Council Member Howeth made a motion to approve items G.3, G. 4, G, 5 and G. 7 and to remove G. 6 Resolution No. 7642 from the consent agenda Second made by Council Member Barnett.**

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

**VOTING NAY: NONE.**

**MOTION CARRIED.**

**Special Presentations**

**D.1. SPECIAL PRESENTATION**

Tree City USA Recognition

*Bookmarked at 00:09:37*

**Public Hearing**

**E.1. INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 6928 (TABLED AT THE MARCH 16, 2026 REGULAR CITY COUNCIL MEETING)**

Amending The Code of Ordinances of the City of Sherman, Texas, Chapter 13 (Utilities), Article 13.08 (Utility Billing), at Section 13.08.005 (Water Rates), and 13.08.006 (Sewer Charges); Modifying Certain Rates and Charges for Water Services and Sewer Service; Providing a Penalty Clause with Maximum Fine of \$500, Providing A Savings/Repealing Clause, Severability Clause And An Effective Date; Providing For The Publication Of the Caption Hereof.

*Reading and Introduction: Bookmarked at 00:12:29*

**Council Member Stevenson made a motion to remove item E. 1 Ordinance No. 6928 from the table. Second made by Deputy Mayor Henry Marroquin.**

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

**VOTING NAY: NONE.**

**MOTION CARRIED.**

**E.2. INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 6930**

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 81, Page 438 of Deed Records of Grayson County, Texas

*Reading and Introduction: Bookmarked at 00:13:27*

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

**F.1. CLOSE PUBLIC HEARING**

Consider Adoption of Ordinances 6928 & 6930

*Bookmarked at 00:14:20*

**Council Member Josh Stevenson made a motion to approve items E. 1 Ordinance No. 6928 and E.2 Ordinance NO. 6930. Second made by Council Member Holland.**

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

**VOTING NAY: NONE.**

**MOTION CARRIED.**

## Resolutions

### **G.1. RESOLUTION NO. 7637**

Awarding a Bid To and Authorizing Execution of a Contract Between Lynn Vessels Construction, LLC and the Greater Texoma Utility Authority Based on an Invitation to Bid for the Blalock Park Interceptor Improvements  
*Bookmarked at 00:14:44*

**Council Member Josh Stevenson made a motion to approve items G. 1 Resolution No. 7637. Second made by Council Member Barnett**

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

**VOTING NAY: NONE.**

**MOTION CARRIED.**

### **G.2. RESOLUTION NO. 7638**

Authorizing Execution of a Professional Services Agreement with Freese and Nichols, Inc. for the Sherman US-75 Segment 2 Utility Relocations  
*Bookmarked at 00:16:54*

**Council Member Josh Stevenson made a motion to approve items G. 2 Resolution No. 7638. Second made by Council Member Howeth**

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

**VOTING NAY: NONE.**

**MOTION CARRIED.**

### **G.3. \* RESOLUTION NO. 7639**

Authorizing Execution of a Professional Services Agreement with Plummer Associates for the South WWTP - MBR Solids Thickening Improvements Construction Services  
*Bookmarked at 00:08:38*

**Council Member Howeth made a motion to approve items G.3, G. 4, G. 5 and G. 7 and to remove G. 6 Resolution No. 7642 from the consent agenda Second made by Council Member Barnett.**

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

**VOTING NAY: NONE.**

**MOTION CARRIED.**

### **G.4. \* RESOLUTION NO. 7640**

Authorizing the Greater Texoma Utility Authority (GTUA) to Submit a Water Supply and Infrastructure Grant application to the Texas Water Development Board on behalf of the City of Sherman  
*Bookmarked at 00:08:38*

**Council Member Howeth made a motion to approve items G.3, G. 4, G. 5 and G. 7 and to remove G. 6 Resolution No. 7642 from the consent agenda Second made by Council Member Barnett.**

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

**VOTING NAY: NONE.**

**MOTION CARRIED.**

- G.5.     \* RESOLUTION NO. 7641**  
Authorizing the Purchase of 95-Gallon Trash Carts for Residential Use from Rehrig Pacific Company through Sourcewell  
*Bookmarked at 00:08:38*  
**Council Member Howeth made a motion to approve items G.3, G. 4, G, 5 and G. 7 and to remove G. 6 Resolution No. 7642 from the consent agenda Second made by Council Member Barnett.**  
**VOTING AYE: TEAMANN, STEVENSON, HOLLAND, HOWETH, MARROQUIN AND BARNETT**  
**VOTING NAY: NONE.**  
**MOTION CARRIED.**
- G.6.     \* RESOLUTION NO. 7642**  
Awarding a Bid to and Authorizing Execution of Contracts with Multiple Vendors for the Annual Supply of Chemicals for the Sherman Water Treatment Plant  
*Bookmarked at 00:21:07*  
**Council Member Howeth made a motion to approve item G. 6 adding the results of the drawing of lots and granting Mid-America Chemicals the contract for Sodium Chloride. Second made by Deputy Mayor Marroquin.**  
**VOTING AYE: TEAMANN, STEVENSON, HOLLAND, HOWETH, MARROQUIN AND BARNETT**  
**VOTING NAY: NONE.**  
**MOTION CARRIED.**
- G.7.     \* RESOLUTION NO. 7643**  
Authorizing Submission of a Grant Application for the Motor Vehicle Crime Prevention Authority Task Force Grant Program for FY 26-27 for the Sherman Police Department  
*Bookmarked at 00:08:38*  
**Council Member Howeth made a motion to approve items G.3, G. 4, G, 5 and G. 7 and to remove G. 6 Resolution No. 7642 from the consent agenda Second made by Council Member Barnett.**  
**VOTING AYE: TEAMANN, STEVENSON, HOLLAND, HOWETH, MARROQUIN AND BARNETT**  
**VOTING NAY: NONE.**  
**MOTION CARRIED.**

**Change Orders**

- H.1.     CHANGE ORDER NO. 2**  
Approving the Greater Texoma Utility Authority's Intention to Approve Change Order No. 2 to the 36" West Sherman Water Main  
*Bookmarked at 00:21:07*  
**Council Member Stevenson made a motion to approve item H. 1. Second made by Council Member Holland.**  
**VOTING AYE: TEAMANN, STEVENSON, HOLLAND, HOWETH, MARROQUIN AND BARNETT**  
**VOTING NAY: NONE.**  
**MOTION CARRIED.**

## **Other Business**

### **I.1. OTHER BUSINESS**

Receive Report on Keep Sherman Beautiful Commission  
*Bookmarked at 00:22:35*

### **I.2. OTHER BUSINESS**

Receive Quarterly Report from SEDCO  
*Bookmarked at 00:30:05*

## **K. 4.TEX. GOV'T CODE § 551.074**

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

- a. Keep Sherman Beautiful (1)  
Keep Sherman Beautiful Chairperson
  
- b. Parks and Recreation Board (2)

*Bookmarked at 00:32:54*

**Council Member Barnett made a motion to appoint Rebecca Jones to the Keep Sherman Beautiful Commission and Cary Wacker as Chairperson to the Keep Sherman Beautiful Commission and to reappoint Nathaniel Lightfoot and appoint Brantley Blackburn to the Parks and Recreation Board. Second made by Council Member Howeth.**

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

**VOTING NAY: NONE.**

**MOTION CARRIED.**

## **COUNCIL COMMENTS**

*Bookmarked at 00:33:39*

## **EXECUTIVE SESSION**

**City Council did not hold an 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:

### **K.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.

### **K.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.

**K.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.

**K.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

- c. Keep Sherman Beautiful (1)  
Keep Sherman Beautiful Chairperson

- b. Parks and Recreation Board (2)

**K.5. TEX. GOV'T CODE § 551.076**

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

**K.6. TEX. GOV'T CODE § 551.087**

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

- a. Update on SEDCO Projects

**K.7. TEX. GOV'T CODE § 551.089**

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

**The Council reconvenes into General Session**

**Adjournment**

*Bookmarked at 00:36:18*

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

**Mayor Shawn Teamann adjourned the meeting at 5:29pm**

**Tax Payer Impact Statement**

**N.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

<b>Total tax rate (per \$100 of value)</b>	\$0.508000/\$100	\$0.619404/\$100
<b>Median homestead taxable value</b>	\$231,004	\$251,138
<b>Tax on median-valued homestead</b>	\$1,174	\$1,556

**COUNCIL CALENDAR**

**O.1.** 2026 Council Calendar

\_\_\_\_\_

**MAYOR**

\_\_\_\_\_

**CITY CLERK OR DESIGNEE**



**City Council Regular Meeting**

Agenda Item No. C.1.

**Meeting Date:** 5/4/2026

**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. 1. \*RESOLUTION NO. 7637**

Awarding a Bid to and Authorizing Execution of a Contract with Lloyd Plyler Construction, LLP, as Construction Manager-at-Risk, for Services in Connection with the Construction of the Fleet Services Facility

**H. 2. \*RESOLUTION NO. 7638**

Authorizing Submission of a Grant Application for the Catalytic Converter Theft Prevention Grant for FY 26-27 for the Sherman Police Department

**Background:**

**Capital Improvement Program:**

**Origination:**

**Financial Consideration:**

**Staff Recommendation:**

**Alternatives:**

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**Attachments:**

None





**City Council Regular Meeting**

Agenda Item No. D.1.

**Meeting Date:** 5/4/2026

**Prepared By:** Jason Jeffcoat, Police Chief

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

**Caption:**

**Special Presentaion**

250th Year Commemorative Badge Presentation

**Issue:**

This year marks the 250th anniversary of America and wearing these new badges provides an opportunity to honor this historic milestone.

**Background:**

The year 2026 marks the 250th anniversary of the signing of the Declaration of Independence, commemorating America's 250th birthday.

**Capital Improvement Program:**

**Origination:**

Police-121

**Financial Consideration:**

No financial consideration.

**Staff Recommendation:**

**Alternatives:**

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**Attachments:**

None



**City Council Regular Meeting**

Agenda Item No. D.2.

**Meeting Date:** 5/4/2026

**Prepared By:** Jason Jeffcoat, Police Chief

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

**Caption:**

**Special Presentaion**

To Present A Life-Saving Award To Officer John Day

**Issue:**

To present a life-saving award to Officer John Day

**Background:**

On March 25, 2026, dispatch received a 911 hang up call. Officer John Day responded to the location out of caution and was greeted by Timothy Cerepaka, who advised his wife, Clarissa, was in active labor. Officer Day called for EMS and entered the home and located Clarissa in her bedroom. Clarissa was actively giving birth to the child and attempting to support the head of the baby, which was the only part of the baby that had breached. Upon closer inspection, Officer Day observed the umbilical cord was wrapped around the neck of the baby multiple times and had tension on it, possibly restricting the baby's ability to breathe. Officer Day helped support the baby and, by placing two fingers beneath the umbilical cord, he was able to alleviate tension and limit the restriction on the baby's airway, all while guiding Clarissa through the birth.

Officer Day remained calm and collected, providing clear instructions to Clarissa as needed. Officer Day assisted with delivering the baby the rest of the way and quickly removed the cord from the neck. The baby girl soon began breathing and crying. Sherman EMS arrived several minutes later and transported them to TMC. Officer Day's response was far beyond his normal duties, and it most likely contributed to the life and wellbeing of both the mother and the baby.

In recognition of his outstanding service, Officer John Day is hereby awarded the Sherman Police Department's Life Saving Award, 2026.

**Capital Improvement Program:**

**Origination:**

Police-121

**Financial Consideration:**

none

**Staff Recommendation:**

Recognizing Officer John Day

**Alternatives:**

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**Attachments:**

None



**SHERMAN CITY COUNCIL**  
**Agenda Communication Form**

**City Council Regular Meeting**

Agenda Item No. E.1.

**Meeting Date:** 5/4/2026

**Prepared By:** Leah Roberts, Human Resources Director

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

**Caption:**

**Proclamation**

"Municipal Clerks Week" - May 3 - 9, 2026

**Issue:**

To recognize Municipal Clerks

**Background:**

In 1984, President Ronald Reagan signed a proclamation that officially declared Municipal Clerks Week the first full week of May.

**Capital Improvement Program:**

N/A

**Origination:**

City Manager's Office

**Financial Consideration:**

No financial consideration

**Staff Recommendation:**

Staff recommends presenting this proclamation

**Alternatives:**

As directed by Council

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**Attachments:**

1. Municipal Clerks Week

## Proclamation

- WHEREAS, the profession of municipal clerks is essential to the effective functioning of local government in Texas, ensuring transparency, accountability, and the smooth operation of municipal services, and
- WHEREAS, the office of municipal clerk is the oldest among public servants, and
- WHEREAS, Texas Municipal Clerks have pledged to be ever mindful of their neutrality and impartiality while serving as the professional link between the citizens, the local governing bodies, and agencies of government at other levels, and
- WHEREAS, Texas Municipal Clerks serve as the official record-keepers, managing vital documents, conducting municipal elections, providing legislative support, and ensuring compliance with laws and regulations in cities across Texas, and
- WHEREAS, municipal clerks demonstrate exceptional dedication, professionalism, and integrity in their work, often going above and beyond to serve their communities and facilitate the effective governance of local governments, and
- WHEREAS, the Texas Municipal Clerks Association (TMCA) represents more than 1,100 municipal clerks who contribute significantly to the success and efficiency of local government throughout the State of Texas, and
- WHEREAS, Municipal Clerks Week provides an opportunity to recognize and celebrate the invaluable work of municipal clerks, acknowledge their vital contributions to public service, and highlight the important role they play in the day-to-day operations of our cities, and
- WHEREAS, it is fitting that the City of Sherman take this opportunity to honor and thank the City of Sherman's Texas Registered Municipal Clerks for their ongoing dedication, knowledge, and tireless service.

NOW THEREFORE, I, Shawn Teamann, Mayor of the City of Sherman, Texas, by the authority vested in me, do hereby proclaim the week of May 3, 2026 as

### **MUNICIPAL CLERK'S WEEK**

In the City of Sherman, and encourage all residents to recognize the important work of the Sherman City Clerk's Office and join in celebrating their contributions to our community.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the seal of the City of Sherman to be affixed, this the 4<sup>th</sup> day of May, 2026.

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Mayor

ATTEST:





**City Council Regular Meeting**

Agenda Item No. F.1.

**Meeting Date:** 5/4/2026

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

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

**Caption:**

**INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 6931**

Appointing an Alternate Municipal Court of Record Judge for the City of Sherman, Grayson County, Texas

**Issue:**

Appointment of Jason Butscher as Alternate Municipal Court of Record Judge

**Background:**

Currently, the Sherman Municipal Court has one alternate judge, Lindsay Wozknaik, to preside over the criminal court when the presiding judge can not serve. The current alternate and presiding judge are unable to cover all the dockets this summer. Having an additional alternate judge will help prevent re-scheduling of defendants, and allows greater flexibility for the presiding judge and court staff. Jason Butscher is willing to serve as an alternate judge. He has extensive municipal experience with the City of San Angelo, and as a prosecutor for the cities of Denison, Sherman and Howe. He is currently a judge for the City of Pottsboro. He has also practiced criminal law for 30 years as a defense attorney.

**Capital Improvement Program:**

**Origination:**

Finance Department

**Financial Consideration:**

There is no financial consideration since only one judge will preside over each docket.

**Staff Recommendation:**

Staff recommends the City Council appoint Jason Butscher as Municipal Court of Record Judge

**Alternatives:**

Council could decline to appoint Jason Butscher as Alternate Judge.

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**Attachments:**

1. Ordinance No. 6931 - Alternate Municipal Court Judge Butscher (ID 501346)
2. Judge BUTSCHER CONTRACT (ID 501345)

**ORDINANCE NO. 6931**

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, APPOINTING AN ALTERNATE MUNICIPAL COURT JUDGE FOR THE CITY OF SHERMAN, GRAYSON COUNTY, TEXAS; PROVIDING FOR A REPEALER CLAUSE, 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**, it has come to the attention of the City Council of the City of Sherman, Texas, that there is a need to appoint an Alternate Municipal Court Judge to serve in the capacity of Municipal Court Judge when the regular appointed Municipal Court Judge is unable to serve; and

**WHEREAS**, Section 29.007 of the Texas Government Code authorizes the City Council to make such appointment; and

**WHEREAS**, the City Council of the City of Sherman, Texas hereby finds and determines that Mr. Jason Butscher, Attorney, possesses the qualifications and experience necessary for such position;

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

**SECTION 1.** That all of the above recitals and preambles are found to be true and correct and made a part hereof for all purposes.

**SECTION 2.** That Mr. Jason Butscher, Attorney, be and is hereby appointed to serve in the capacity of Alternate Municipal Court Judge and to have all the powers and duties of said office as conferred by Section 29.007 of the Texas Government Code.

**SECTION 3.** That all ordinances or parts of ordinances in conflict with the provisions of this ordinance are hereby repealed.

**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 the 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 5<sup>th</sup> day of May 2026.

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**SHAWN TEAMANN MAYOR**

**ATTEST:**

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**TERI FINE, CITY CLERK**

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

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**RYAN D. PITTMAN, CITY ATTORNEY**

## MUNICIPAL COURT JUDICIAL SERVICES AGREEMENT

The **City of Sherman, Texas**, a home-rule municipality (“Sherman”), and **Jason Butscher** (“Contractor”) hereby enter into this Municipal Court Judicial Services Agreement (“Agreement”). Sherman and Contractor are sometimes referred to collectively as the “parties” or individually as a “party.”

WHEREAS, the City Council of the City of Sherman, Texas (“Sherman”) has established and maintains the Sherman Municipal Court and appoints judges as may be necessary to serve the Court pursuant to Article IV, § 4 of Sherman City Charter; and

WHEREAS, Contractor desires to contract with Sherman to provide such judicial services as alternate judge for the Sherman Municipal Court under the terms and conditions of this Agreement; and

WHEREAS, Contractor represents and warrants that through education and experience, Contractor possesses the requisite skills to provide such judicial services in a professional and competent manner; and

WHEREAS, Sherman and Contractor acknowledge and agree that this Agreement is not an employment agreement and does not establish a relationship of employer and employee between Sherman and Contractor, but defines a relationship between the parties wherein the Contractor is in fact an independent contractor of Sherman; and

WHEREAS, Contractor reserves independence to act within the limits imposed by law and professional obligations such that Sherman’s objectives during the term of this Agreement will be furthered through means the Contractor considers appropriate in accordance with Contractor’s professional obligations and as may be required by the Texas Code of Judicial Conduct and other applicable rules and regulations.

NOW, THEREFORE, in consideration of the mutual agreements and covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. Scope of Services. Contractor shall provide judicial services as the alternate judge in Sherman Municipal Court and shall furnish all labor, equipment, supplies and all other items necessary to provide the services and deliverables as specified by the terms and conditions of this Agreement (collectively, “Services”). The Services include, but are not limited to, the following:
  - (a) Hearing and consideration of criminal cases and other matters scheduled and assigned to Contractor in the Sherman Municipal Court;
  - (b) Presiding over Sherman Municipal Court criminal dockets, including pretrial conferences, pretrial hearings, plea and arraignments proceedings, trials and other proceedings scheduled and assigned to Contractor in the Sherman Municipal Court;

- (c) Issuing appropriate rulings and orders in criminal cases and other matters scheduled and assigned to Contractor in the Sherman Municipal Court;
  - (d) Communicating with Sherman Municipal Court staff, judges, prosecuting and defending attorneys, defendants and other participants in cases and other matters scheduled and assigned to Contractor in the Sherman Municipal Court;
  - (e) Establishing the times and days for the court dockets.
  - (f) Performing such other functions within Sherman Municipal Court normally required of a municipal court alternate judge; and
  - (g) Providing Sherman timely updates regarding changes in the scope and nature of the Services provided hereunder that may affect operations, policies or activities of Sherman Municipal Court and making recommendations on improving the quality and efficiency of the Services provided hereunder.
  - (h) Contractor shall perform the Services at the dockets to which he/she may be scheduled
2. Term; Termination. The term of this Agreement shall commence on the Effective Date (hereinafter defined) of this Agreement and shall continue in effect until May 04, 2027, unless terminated earlier in accordance with this Agreement or the City Charter. Sherman shall have the option to extend this Agreement for additional terms of two (2) years each on the same terms and conditions by giving Contractor written notice of its intent to extend prior to the expiration of the then-current two (2) year term, provided that the City Council has re-appointed Contractor as the alternate judge in accordance with Article IV, Section 44 of the City Charter. Sherman is entitled to terminate this Agreement at any time for any reason or for no reason by giving Contractor written notice of termination, removal or non-appointment. Contractor is entitled to terminate this Agreement at any time for any reason or for no reason by giving Sherman at least thirty (30) days' prior written notice of the termination date.
3. Compensation; Billing. Sherman agrees to pay Contractor at the rate of \$1,500 per month divided by the number of courts in the month and multiplied by the number of Courts the Contractor worked as judge plus \$300.00 for each Jury Trial. No additional compensation shall be due to Contractor for any travel to or from Sherman or for travel to any hearings, trials or other proceedings.

As an appointed official, Contractor agrees to perform the service required by the position of alternate judge and is not limited to or guaranteed a preset number of hours per week or per month to perform such services. Contractor is expected to engage in those hours of work which are necessary to fulfill the obligations of Contractor's position. Contractor acknowledges that the proper performance of duties as alternate judge will often require the performance of necessary services at times and for extended periods other than as

scheduled. Contractor agrees to devote such additional time as is necessary for the full and proper performance of duties and that the compensation herein provided for includes compensation for the performance of all such Services.

4. Cooperation. Contractor acknowledges that Sherman is entitled, in its sole discretion, to contract with and/or assign other judges to provide the same or similar judicial services for Sherman Municipal Court, and Contractor agrees to fully cooperate with Sherman and any such other judges in this regard, including but not limited to, coordinating the scheduling and coverage of the dockets and other needs of Sherman Municipal Court.
5. Conflicts. Sherman recognizes that Contractor may represent clients as an attorney. During the term of this Agreement, Contractor shall not represent any person or entity or otherwise engage in the practice of law in a matter directly adverse to Sherman, in an adversarial capacity before the Sherman City Council or any of its courts, agencies, boards or commissions, or in a matter that Sherman determines is adverse to the interests of Sherman. Further, Contractor represents that Contractor does not have any personal, business or financial interests or relationships which would cause a reasonable individual with knowledge of the relevant facts to question the integrity or impartiality of Contractor in performing the Services. Contractor shall evaluate on an ongoing basis whether, in Contractor's professional judgment, a conflict may become apparent or imminent. In the event that Contractor believes a conflict may develop or has developed, Contractor shall immediately communicate with Sherman about the perceived potential conflict.
6. Professional Obligations. Contractor must complete the minimum number of hours of instruction annually in the performance of the duties of a municipal court alternate judge as required by the laws of the State of Texas and any applicable rule or statute. Contractor shall ensure that official copies of records documenting such training shall be kept and maintained at all times. The Contractor shall provide proof of current certification from the State Bar of Texas on October 1 of each year during the term of this Agreement. The City of Sherman will pay for registration fees and housing for annual TMCEC provided judge's training.
7. Entire Agreement. This Agreement contains all representations, understandings, contracts and agreements between the parties regarding the subject matter of this Agreement. This Agreement supersedes all oral or written previous and contemporaneous agreements, writings, understandings, representations or contracts between the parties regarding the subject matter of this Agreement. No amendment to this Agreement shall be made except on the written agreement of the parties, which shall not be construed to release either party from any obligation of this Agreement except as specifically provided for in such amendment.
8. No Supervisory Capacity. Contractor acknowledges that the clerks of the Sherman Municipal Court are supervised by the City Manager as administrative employees and that Municipal Court prosecutors are supervised by the City Attorney. Contractor does not serve in a supervisory role as to any of these or other employees of Sherman except with regard to judicial procedures of the court. However, he/she shall consult with the

appropriate department head or City Manager concerning needed improvements or problems that come to his/her attention through his/her service under this Agreement.

9. No Prohibited Interest. Contractor acknowledges and agrees that it is aware of, and will abide by, the no prohibited interest requirement of Sherman City Charter. Contractor acknowledges and agrees that the existence of a prohibited interest during the term of this Agreement will render this Agreement voidable.
10. Liability. To the fullest extent permitted by law, Contractor shall be fully and solely responsible and liable for Contractor's own acts and omissions and for any and all damage to Contractor's equipment and other property. Sherman assumes no such responsibility or liability. Sherman shall have no such responsibility or liability to Contractor.
11. Compliance with Laws. Contractor shall comply with all federal, state and local laws, statutes, ordinances, regulations and policies, as they exist, may be amended or in the future arising, applicable to Contractor and its work under this Agreement. If Contractor observes or is notified that the work under this Agreement is at variance with applicable laws, statutes, ordinances, regulations and policies, Contractor shall immediately notify Sherman in writing.
12. Assignment. Contractor agrees that neither this Agreement nor the work to be performed hereunder will be assigned or sublet without the prior written consent of Sherman.
13. Savings/Severability. In the event that a term, condition or provision of this Agreement is determined to be invalid, illegal, void, unenforceable or unlawful by a court of competent jurisdiction, then that term, condition or provision shall be deleted, and the remainder of the Agreement shall remain in full force and effect as if such invalid, illegal, void, unenforceable or unlawful provision had never been included in this Agreement.
14. Consideration. This Agreement is executed by the parties without coercion or duress and for substantial consideration, the sufficiency of which is forever confessed.
15. Attorneys' Fees. If either party files any action or brings any proceeding against the other arising from this Agreement, then as between Sherman and Contractor, the prevailing party shall be entitled to recover as an element of its costs of suit, and not as damages, reasonable and necessary attorneys' fees and litigation expenses both at trial and on appeal.
16. Governing Law; Venue. The laws of the State of Texas shall govern the interpretation, validity, performance and enforcement of this Agreement, without regard to conflict of law principles. This Agreement is performable in Collin County, Texas, and the exclusive venue for any action arising out of this Agreement shall be a court of appropriate jurisdiction in Collin County, Texas.
17. No Waiver. Waiver by either party of any breach of this Agreement, or the failure of either party to enforce any of the provisions of this Agreement, at any time, shall not in any way affect, limit, or waive such party's right thereafter to enforce and compel strict compliance.

18. 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.
19. Notice. Any notice provided or permitted to be given under this Agreement must be in writing and may be served by depositing the same in the United States Mail, addressed to the party to be notified, postage pre-paid and registered or certified with return receipt requested; by electronic mail, with documentation evidencing the addressee's receipt thereof; or by delivering the same in person to such party a via hand-delivery service, or to any courier service that provides a return receipt showing the date of actual delivery of the same to the addressee thereof. Notice given in accordance herewith shall be effective on receipt at the address of the addressee. For purposes of notification, the addresses of the parties shall be as follows:

If to Contractor, to: Jason Butscher  
Law Office of Jason Butscher  
500 S. Crockett  
Sherman, Texas 75090  
Email: [jasonb@butscherlaw.com](mailto:jasonb@butscherlaw.com)

If to Sherman, to: City of Sherman  
Attn: City Manager  
Sherman, Texas  
Email: [zacharyf@cityofsherman.com](mailto:zacharyf@cityofsherman.com)

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

20. Representations. Each party states that it has carefully read this Agreement, knows the contents hereof, has consulted with an attorney of its choice regarding the meaning and effect hereof and is signing the same solely of its own judgment.
21. Independent Contractor. Contractor covenants and agrees that Contractor is an independent contractor and not an officer, agent, servant or employee of Sherman; that Contractor shall have exclusive control of and exclusive right to control the details of the work performed hereunder and all persons performing the same; that the doctrine of respondent superior shall not apply as between Sherman and Contractor; and that nothing herein shall be construed as creating a partnership or joint enterprise between Sherman and Contractor. Neither Contractor nor his agents or employees shall be deemed to be an employee of Sherman for any purpose whatsoever. Contractor shall not be eligible to

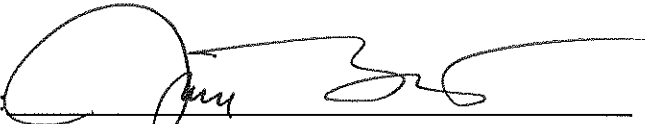
participate in any benefit program provided by Sherman for its employees. Contractor shall be exclusively responsible for the payment of his/her own taxes, withholding payments, penalties, fees, fringe benefits, contributions to insurance and pension or other deferred compensation plans, including but not limited to workers' compensation and Social Security obligations, professional fees or dues. Sherman may arrange to provide space for Contractor to use to facilitate access to the Municipal Court staff and others. The provision of space is not compensation, nor does it change the nature of the relationship from that of independent contractor. Contractor agrees to make use of the space, if any, as an accommodation to Sherman and only to conduct business in accordance with this Agreement.

22. Incorporation of Recitals. The representations, covenants and recitations set forth in the foregoing recitals of this Agreement are true and correct and are hereby incorporated into the body of this Agreement and adopted as findings of the authorized representatives of Sherman and Contractor.
23. Miscellaneous Drafting Provisions. This Agreement shall be deemed drafted equally by all parties hereto. The language of all parts of this Agreement shall be construed as a whole according to its fair meaning, and any presumption or principle that the language herein is to be construed against any party shall not apply. Headings in this Agreement are for the convenience of the parties and are not intended to be used in construing this document.
24. No Waiver of Immunity. The parties acknowledge and agree that, in executing and performing this Agreement, Sherman has not waived, nor shall be deemed to have waived, any defense or immunity, including governmental, sovereign and official immunity, that would otherwise be available to it against claims arising in the exercise of governmental powers and functions. By entering into this Agreement, the parties do not create any obligations, express or implied, other than those set forth herein
25. Chapter 2270 Certification. In accordance with Chapter 2270 of the Texas Government Code, Contractor hereby certifies that Contractor (a) does not boycott Israel; and (b) will not boycott Israel during the term of any contract with Sherman, including during the term of this Agreement.
26. Multiple Counterparts. This Agreement may be executed in a number of identical counterparts, each of which shall be deemed an original for all purposes. An electronic mail and/or facsimile signature will also be deemed to constitute an original if properly executed and delivered to the other party.

IN WITNESS WHEREOF, the parties have executed this Agreement and caused this Agreement to be effective when all the parties have signed it. The date this Agreement is signed by the last party to sign it (as indicated by the date associated with that party's signature below) will be deemed the effective date of this Agreement ("Effective Date").

**CITY OF SHERMAN, TEXAS**

By: \_\_\_\_\_  
Printed Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

By:  \_\_\_\_\_  
Printed Name: Jason Butscher  
Date: 4/22/2026



**City Council Regular Meeting**

Agenda Item No. F.2.

**Meeting Date:** 5/4/2026

**Prepared By:** Wayne Lee, Director of Engineering

**Approved By:**

**Caption:**

**INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 6932**

Temporarily Reducing the Maximum Rates of Speed on Certain Portions of U.S. Highway 75 and U.S. Highway 82 in the Corporate Limits of Sherman, Grayson County, Texas, During Construction; Providing for a Penalty Clause with a Maximum Fine of \$2,000; Declaring an Emergency; Providing for Severability; Providing for a Repealer

**Issue:**

The Texas Department of Transportation (TxDOT) is requesting speed limit changes on U.S. Highway 75 (US Hwy 75) and U.S. Highway 82 (US Hwy 82) in Sherman's city limits, for the duration of their construction activities on TxDOT Project No. C 47-18-88.

**Background:**

This project is the continued reconstruction of U.S. Highway 75.

With ongoing construction, TxDOT has deemed it necessary to modify the speed limit within the construction limits until completion of the project. The speed limit will be set at 60 MPH on the main lanes of U.S. Highway 75 from approximately SH 91 (Texoma Parkway) to approximately north of U.S. Highway 82, in both northbound and southbound directions, and on U.S. Highway 82 from approximately SH 131 (Travis Street bridge) to Loy Lake Road, in both eastbound and westbound directions.

**Capital Improvement Program:**

**Origination:**

Texas Department of Transportation

**Financial Consideration:**

None

**Staff Recommendation:**

It is recommended that TxDOT's recommended speed limits be approved for construction purposes.

**Alternatives:**

As may be directed by the City Council

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**Attachments:**

1. Ordinance No. 6932
2. Location Map

**ORDINANCE NO. 6932**

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, TEMPORARILY REDUCING THE MAXIMUM RATES OF SPEED ON CERTAIN PORTIONS OF U.S. HIGHWAY 75 AND U.S. HIGHWAY 82 IN THE CORPORATE LIMITS OF SHERMAN, GRAYSON COUNTY, TEXAS, DURING CONSTRUCTION; PROVIDING FOR A PENALTY CLAUSE WITH A MAXIMUM FINE OF \$2,000; DECLARING AN EMERGENCY; PROVIDING FOR SEVERABILITY; PROVIDING FOR A REPEALER; FINDING AND DETERMINING THAT THE MEETING AT WHICH THIS RESOLUTION IS PASSED WAS NOTICED AND IS OPEN TO THE PUBLIC AS REQUIRED BY LAW.**

WHEREAS, the Texas Department of Transportation (“TxDOT”) has asked the City of Sherman, Texas (“Sherman”), to consider reducing the maximum speed limits on designated sections of U.S. Highway 75 and U.S. Highway 82 during TxDOT’s US75 widening/reconstruction project (Project No. C 47-18-88); and

WHEREAS the City Council of the City of Sherman, Texas (“City Council”) finds that it would be advantageous and beneficial to the citizens of Sherman to establish new maximum speed limits on designated sections of U.S. Highway 75 and U.S. Highway 82 during TxDOT’s US75 widening/reconstruction project.

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

**SECTION 1.** The prima facie speed limit is hereby set at sixty (60) miles per hour for vehicles traveling on the following sections of U.S. Highway 75: from approximately 0.28 miles south of S.H. 91 (Texoma Parkway) to approximately 0.32 miles north of U.S. Highway 82 (just north of E. Pecan Grove Road). The prima facie speed limit is hereby set at sixty (60) miles per hour for vehicles traveling on the following sections of U.S. Highway 82: from approximately 300 feet east of S.H. 131 (Travis Street Bridge) to approximately 3—ft west of Loy Lake Road. Such speed limits shall be in effect from the effective date of this Ordinance until TxDOT’s US75 widening/reconstruction project (Project No. C 47-18-88) is complete.. When no special hazards exist that require a lower speed, the speed of any vehicle not in excess of the limits specified shall be lawful, but any speed in excess of the limits specified shall be prima facie evidence that the speed is not reasonable or prudent and that it is unlawful.

**SECTION 2.** Signs indicating the speed limits provided herein shall be placed at the most advantageous points to be conspicuous to approaching vehicular traffic in accordance with the Texas Uniform Manual on Traffic Control Devices, as amended. Each sign shall be permanently affixed to a stationary post or installed on permanent buildings or walls or as otherwise approved. The signs shall in no way be obstructed from view and shall comply with applicable state laws. The City Manager, or his/her authorized representative, is authorized and directed to cause to be erected such appropriate signs.

**SECTION 2.** That any person violating the provisions of this ordinance shall be guilty of a misdemeanor and, upon conviction thereof, shall be punished by a work zone fine not exceeding TWO THOUSAND AND NO/100 DOLLARS (\$2,000.00).

**SECTION 3.** That the fact that present traffic regulations are inadequate to control traffic in the area covered by this ordinance creates an emergency which is here and now declared, and all rules and regulations providing for the reading of ordinance is passed as an emergency measure and shall be in full force and effect from and after its passage and publication and after the installation of speed limit signs.

**SECTION 4.** 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 or effectiveness of the remainder of the ordinance.

**SECTION 5.** That all ordinances or parts of ordinances in conflict with the provisions of this ordinance are hereby repealed.

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

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

**INTRODUCED** on this the 4<sup>th</sup> day of May 2026.

**ADOPTED** on this the 4<sup>th</sup> day of May 2026.

**EFFECTIVE DATE** on this the 4<sup>th</sup> day of May2026.

**CITY OF SHERMAN, TEXAS**

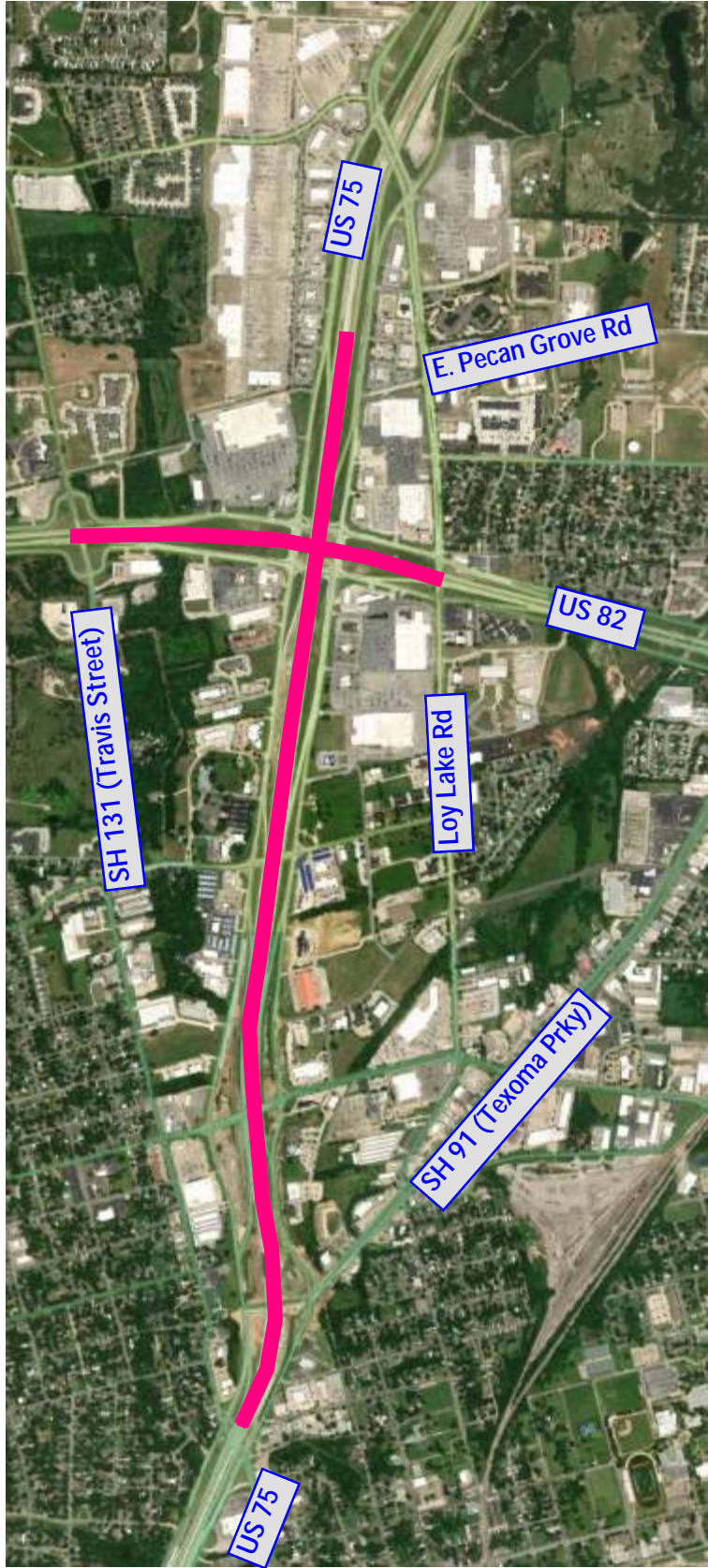
**BY:** \_\_\_\_\_  
**SHAWN TEAMANN, MAYOR**

**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**





**City Council Regular Meeting**

Agenda Item No. F.3.

**Meeting Date:** 5/4/2026

**Prepared By:** Wayne Lee, Director of Engineering

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

**Caption:**

**INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 6933**

Repealing Ordinance No. 6280; Providing a Savings/Repealing Clause, Severability Clause and an Effective Date

**Issue:**

The Texas Department of Transportation is requesting the repeal of Ordinance No. 6280.

**Background:**

As part of the ongoing U.S. Highway 75 reconstruction project, a temporary speed reduction was implemented along U.S. Highway 75 from approximately FM 1417 (Dorset Drive) to north of U.S. Highway 82, in both northbound and southbound directions, and along U.S. Highway 82 from approximately SH 131 (Travis Street bridge) to Loy Lake Road, in both eastbound and westbound directions. These limits overlapped between Segment 3 and Segment 4 project limits.

Construction within the Segment 3 project limits, from FM 1417 (Dorset Drive) to SH 91 (Texoma Parkway), is now substantially complete, and the temporary conditions requiring the reduced speed limit are no longer needed. Repeal of this ordinance will restore the Segment 3 project limits to the original posted speed limit.

**Capital Improvement Program:**

**Origination:**

Texas Department of Transportation

**Financial Consideration:**

None

**Staff Recommendation:**

It is recommended that Ordinance No. 6280 be repealed.

**Alternatives:**

As may be directed by the City Council

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**Attachments:**

1. Ordinance No. 6933
2. Ordinance No. 6280



## ORDINANCE NO. 6933

### **AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, REPEALING ORDINANCE NO. 6280; PROVIDING A SAVINGS/REPEALING 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 Council of the City of Sherman, Texas (“City Council”) previously adopted Ordinance No. 6280, which implemented and established maximum, reasonable and prudent rates of speed on certain portions of U.S. Highway 75 and U.S. Highway 82 in the corporate limits of Sherman, Grayson County, Texas; and

WHEREAS, the Texas Department of Transportation has asked the City Council to repeal Ordinance No. 6280, in its entirety; and

WHEREAS, the City Council has agreed to repeal Ordinance No. 6280, as set forth below.

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

SECTION 1: Findings Incorporated. The findings set forth above are incorporated into the body of this Ordinance as if fully set forth herein.

SECTION 2: Repeal of Ordinance No. 6280. Ordinance No. 6280 is hereby repealed, in its entirety. The effective date of the repeal of Ordinance No. 6280 shall not occur until the effective date of this Ordinance, at which time Ordinance No. 6280 shall be repealed. Such repeal shall not abate any pending prosecution and/or lawsuit or prevent any prosecution and/or lawsuit from being commenced for any violation of Ordinance No. 6280 occurring before the effective date of this Ordinance.

SECTION 3: Savings/Repealing. 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 ordinances, nor shall the repeal prevent a prosecution from being commenced for any violation if occurring prior to the repeal of the ordinances. Any remaining portions of said ordinances shall remain in full force and effect.

SECTION 4: Severability. Should any section, subsection, sentence, clause or phrase of this Ordinance be declared unconstitutional and/or invalid by a court of competent jurisdiction, it is expressly provided that any and all remaining portions of this Ordinance shall remain in full force and effect. The City Council hereby declares that it would have passed this Ordinance, and each section, subsection, clause and phrase thereof regardless of whether any one or more sections, subsections, sentences, clauses or phrases may be declared unconstitutional and/or invalid.

SECTION 5: Open Meeting. 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 6: Effective Date; Publication. This Ordinance shall become effective from and after its adoption.

**DULY PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS** on this 4<sup>th</sup> day of May, 2026.

\_\_\_\_\_  
**SHAWN TEAMANN, MAYOR**

**ATTEST:**

\_\_\_\_\_  
**TERI FINE, CITY CLERK**

**APPROVED AS TO FORM:**

**ABERNATHY, ROEDER,  
BOYD & HULLETT, P.C.**

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

**ORDINANCE NO. 6280**

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, ESTABLISHING MAXIMUM, REASONABLE AND PRUDENT RATES OF SPEED ON CERTAIN PORTIONS OF U.S. HIGHWAY 75 AND U.S. HIGHWAY 82 IN THE CORPORATE LIMITS OF SHERMAN, GRAYSON COUNTY, TEXAS; FIXING PENALTIES FOR VIOLATION THEREOF; DECLARING AN EMERGENCY; PROVIDING FOR SEVERABILITY; PROVIDING FOR A REPEALER; FINDING AND DETERMINING THAT THE MEETING AT WHICH THIS RESOLUTION IS PASSED WAS NOTICED AND IS OPEN TO THE PUBLIC AS REQUIRED BY LAW.**

WHEREAS, by authority and direction of the City Council of the City of Sherman, Texas, the Traffic and Operations Office of the Texas Department of Transportation determines the maximum, reasonable and prudent rates of speed for vehicles traveling upon the following named streets and highways and parts thereof, to facilitate the most effective use of said streets and highways and the safe and effective movement of vehicular traffic thereon;

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

**SECTION 1.** That no person shall drive a vehicle upon a public road, street and highway in the City of Sherman, Texas, at a speed greater than is reasonable and prudent under the conditions and circumstances then existing. Except when a special hazard exists that requires lower speeds for compliance with the above requirement, the limits hereinafter set out shall be lawful; but any speed in excess of the limits hereinafter set out for the streets and highways and portions thereof to which they apply shall be prima facie evidence that the speed is not reasonable or prudent:

On U.S. Highway 75 from approximately 0.15 miles south of F.M. 1417 (Dorset Drive) to approximately 0.36 miles north of U.S. Highway 82 (Loy Lake Overpass), on U.S. Highway 82 from approximately 0.5 miles west of the Travis Street Bridge to approximately 0.5 miles east of Loy Lake Road, a speed limit of sixty (60) miles per hour at all times until completion of the Texas Department of Transportation Federal Aid Project No. NH2020 (008) as evidenced, which is hereby approved by the Texas Department of Transportation.

**SECTION 2.** That any person violating the provisions of this ordinance shall be guilty of a misdemeanor and, upon conviction thereof, shall be punished by a work zone fine not exceeding TWO THOUSAND AND NO/100 DOLLARS (\$2,000.00).

**SECTION 3.** That the fact that present traffic regulations are inadequate to control traffic in the area covered by this ordinance creates an emergency which is here and now declared, and all rules and regulations providing for the reading of ordinance is passed as an emergency measure

and shall be in full force and effect from and after its passage and publication and after the installation of speed limit signs.

**SECTION 4.** 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 or effectiveness of the remainder of the ordinance.

**SECTION 5.** That all ordinances or parts of ordinances in conflict with the provisions of this ordinance are hereby repealed.

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

**INTRODUCED** on this the 3<sup>rd</sup> day of February, 2020.

**ADOPTED** on this the 3<sup>rd</sup> day of February, 2020.

**EFFECTIVE DATE** on this the 3<sup>rd</sup> day of February, 2020.

**CITY OF SHERMAN, TEXAS**

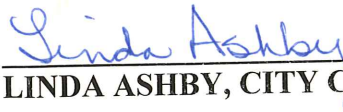
BY:



**DAVID PLYLER, MAYOR**

**ATTEST:**

BY:



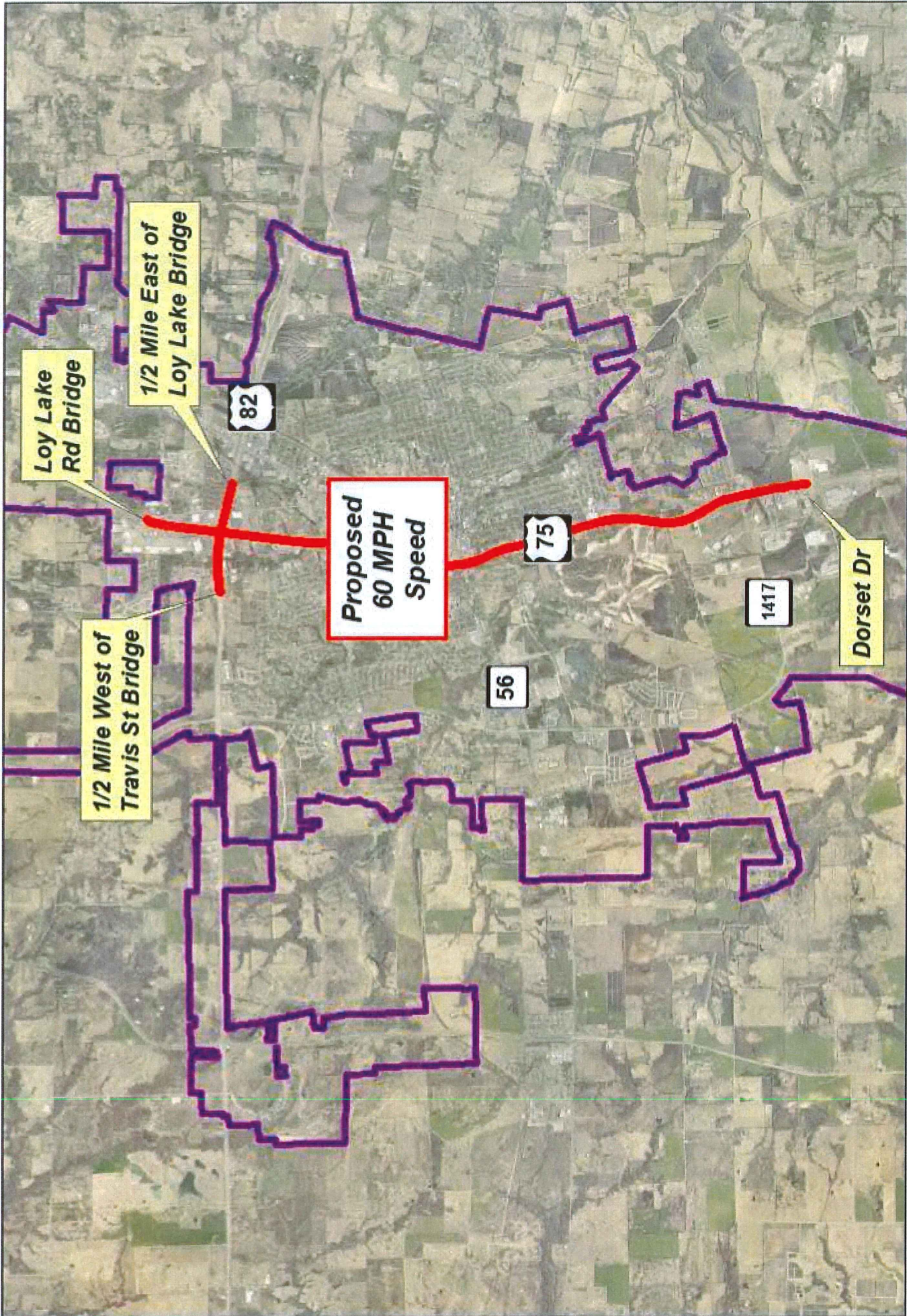
**LINDA ASHBY, CITY CLERK**

**APPROVED AS TO FORM  
AND CONTENT:**

BY:



**BRANDON S. SHELBY,  
CITY ATTORNEY**



**Proposed  
60 MPH  
Speed**

**Loy Lake  
Rd Bridge**

**1/2 Mile East of  
Loy Lake Bridge**

**1/2 Mile West of  
Travis St Bridge**

**Dorset Dr**

**82**

**75**

**56**

**1417**

**Sherman**  
ENGINEERING ARCHITECTS  
2000 W. 10TH STREET  
SHERMAN, TX 79080

**Proposed 60 MPH Speed Limit During  
Construction Of U.S. Highway 75**  
1 inch = 6,500 feet





**City Council Regular Meeting**

Agenda Item No. F.4.

**Meeting Date:** 5/4/2026

**Prepared By:** Rob Rae, Developmental Services Director

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

**Caption:**

**INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 6934**

Amending The Code Of Ordinances Of The City Of Sherman, Texas, Chapter 14 (Zoning Ordinance), Article 14.01 (General Provisions), Article 14.04 (Supplementary District Regulations), Article 14.08 (Definitions) And Article 14.10 (Use Chart); Modifying Certain Existing Regulations And Prescribing New Regulations Related To Existing Non-Conforming Structures, Accessory Dwelling Units And The Land Use Of "Machine Tools, Sales, Service, Rental, And Repair"; Defining Terms; Providing A Penalty Clause With A Maximum Fine Of \$2,000, Savings/Repealing Clause, Severability Clause And An Effective Date; Providing For The Publication Of The Caption Hereof; Finding And Determining That The Meeting At Which This Ordinance Is Passed Was Noticed And Is Open To The Public As Required By Law

**Issue:**

Amending The Code Of Ordinances Of The City Of Sherman, Texas, Chapter 14 (Zoning Ordinance), Article 14.01 (General Provisions), Article 14.04 (Supplementary District Regulations), Article 14.08 (Definitions) And Article 14.10 (Use Chart); Modifying Certain Existing Regulations And Prescribing New Regulations Related To Existing Non-Conforming Structures, Accessory Dwelling Units and Use Defintions.

**Background:**

This proposed ordinance recommends amendments to reduce the requirement for applicants to request variances or zone changes for certain requests. The following items are recommended to be amended in the zoning ordinance:

- Nonconforming Structures — To allow the Director to grant an exception for the setbacks to allow a building permit, platting, replatting, or site plan approval for an existing legally constructed nonconforming structure. This limits the need to submit variance requests to the Board of Adjustment for existing structures that were constructed in compliance with the zoning code at the time of construction.
- Accessory Dwelling Units — Allows for an accessory dwelling unit to be located in an R-6 district if the lot is 12,000 sq. ft. or greater.
- Definitions — Adding more clarity to the accessory dwelling definition; and cleaning up the definition for Machine tools, sales, service, rental and repair.

Staff presented the item to the Planning and Zoning Commission at the regular meeting on April 21, 2026. The Commission voted 6/0 to recommend City Council approve the Zoning Amendment.

**Capital Improvement Program:**

N/A

**Origination:**

Development Services

**Financial Consideration:**

None

**Staff Recommendation:**

At the April 21, 2025, regular meeting, the Planning and Zoning Commission voted 6/0 to recommend to City Council that the Ordinance be approved. Staff recommends approval.

**Alternatives:**

As directed by Council.

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**Attachments:**

1. Ordinance No. 6934

**ORDINANCE NO. 6934**

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AMENDING THE CODE OF ORDINANCES OF THE CITY OF SHERMAN, TEXAS, CHAPTER 14 (ZONING ORDINANCE), ARTICLE 14.01 (GENERAL PROVISIONS), ARTICLE 14.04 (SUPPLEMENTARY DISTRICT REGULATIONS), AND ARTICLE 14.08 (DEFINITIONS) AND ARTICLE 14.10 (USE CHART); MODIFYING CERTAIN EXISTING REGULATIONS AND PRESCRIBING NEW REGULATIONS RELATED TO EXISTING NON-CONFORMING STRUCTURES, ACCESSORY DWELLING UNITS AND THE LAND USE OF “MACHINE TOOLS, SALES, SERVICE, RENTAL, AND REPAIR”; DEFINING TERMS; PROVIDING A PENALTY CLAUSE WITH A MAXIMUM FINE OF \$2,000, SAVINGS/REPEALING CLAUSE, SEVERABILITY CLAUSE AND AN EFFECTIVE DATE; PROVIDING FOR THE PUBLICATION OF THE CAPTION HEREOF; FINDING AND DETERMINING THAT THE MEETING AT WHICH THIS ORDINANCE IS PASSED WAS NOTICED AND IS OPEN TO THE PUBLIC AS REQUIRED BY LAW**

WHEREAS, the City Council of the City of Sherman, Texas (“City Council”) finds that it is necessary to amend Chapter 14 (Zoning Ordinance) of the Code of Ordinances, City of Sherman, Texas (“Code of Ordinances”) for the purpose of modifying certain existing regulations and prescribing new regulations related to existing non-conforming structures, accessory dwelling units and the land use of “machine tools, sales, service, rental, and repair;” and

WHEREAS, the City of Sherman (“City” or “Sherman”) has complied with all legal notices and public hearings as required by law; and

WHEREAS, the City Council finds that adopting this Ordinance promotes the health, safety and morals of Sherman and is in the best interest of the citizens of Sherman.

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

SECTION 1: Findings Incorporated. The findings set forth above are incorporated into the body of this Ordinance as if fully set forth herein.

SECTION 2: Amendment to the Code of Ordinances, Chapter 14 (Zoning Ordinance). Article 14.08 (Definitions) and Article 14.10 (Use Chart) of the Code of Ordinances are amended as follows<sup>1</sup>:

**“ ARTICLE 14.01 GENERAL PROVISIONS**

...

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<sup>1</sup> Deletions are evidenced by ~~strikethrough~~; additions are *italicized*.

**Sec. 14.01.007 Nonconforming uses and structures.**

...

- (d) Continuing lawful use of property and structures. Any nonconforming use, lot or structure may be continued for definite periods of time as indicated hereinbelow subject to the board of adjustment's power of amortization:

...

(2) Structures.

- (A) Nonconforming structures may be occupied by conforming uses and may be repaired and maintained to preserve or extend their usability.
- (B) Structures conforming to all currently applicable regulations may be constructed on nonconforming lots provided that all setbacks and yard areas are observed.
- (C) Nonconforming structures may be relocated within the same lot so long as no existing nonconformity is exacerbated.
- (D) *Exception. Upon application, the Director may grant an exception to applicable setback requirements under this Chapter for a nonconforming structure provided that the Director finds the exception would not adversely affect the public health or safety. If an exception is granted under this subsection, the City may approve a building permit, plat, replat or site plan for an otherwise conforming structure or lot on the property that is the subject of the exception, notwithstanding any such applicable setback requirements. The approval of an exception under this subsection shall not expand any nonconforming rights that would not otherwise apply in the absence of the exception.*

...

**ARTICLE 14.04 SUPPLEMENTAL BUILDINGS AND STRUCTURES.**

**Sec. 14.04.002 Accessory buildings and structures.**

...

- (c) Accessory buildings.

...

- (5) An accessory building that serves as an accessory dwelling may not be located on a lot less than 12,000 square feet in area and shall be zoned R-A, R-E<sub>2</sub> or R-12 or R-6. One (1) accessory dwelling is allowed per lot.

...

## ARTICLE 14.08 DEFINITIONS

### Sec. 14.08.001 Definitions.

...

Accessory dwelling. A secondary dwelling unit established in conjunction with and clearly subordinate *in size, location and use* to a primary dwelling unit, whether a part of the same structure as the primary dwelling unit or a detached dwelling unit on the same lot. *An accessory dwelling is considered an accessory building.*

...

Machine tools, sales, service, rental, and repair. A business that *involves the sale, lease, rental, maintenance, and repair of machine tools and related industrial equipment, including incidental storage, offices, and limited on-site testing or demonstration.* *This use does not include heavy manufacturing or large-scale production.*

...”

SECTION 3: Penalty. Any person, firm, corporation or entity violating any provision of this Ordinance or the Zoning Ordinance, as they exist or may be amended, shall be deemed guilty of a misdemeanor, and on conviction thereof, shall be fined in an amount not exceeding TWO THOUSAND AND NO/100 DOLLARS (\$2,000.00) or the highest amount allowed under applicable law. A violation of any provision of this Ordinance shall constitute a separate violation for each calendar day in which it occurs. Allegation and evidence of a culpable mental state is not required for proof of any offense defined in this Ordinance. The penal provisions imposed under this Ordinance shall not preclude Sherman from filing suit to enjoin the violation. Sherman retains all legal rights and remedies available to it pursuant to local, state and federal law.

SECTION 4: Severability. Should any section, subsection, sentence, clause or phrase of this Ordinance be declared unconstitutional and/or invalid by a court of competent jurisdiction, it is expressly provided that any and all remaining portions of this Ordinance shall remain in full force and effect. The City Council hereby declares that it would have passed this Ordinance, and each section, subsection, clause or phrase thereof, regardless of whether any one or more sections, subsections, sentences, clauses or phrases is declared unconstitutional and/or invalid.

SECTION 5: Repealing/Savings. The 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 4: Open Meeting. 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: Effective Date; Publication. This Ordinance shall become effective from and after its adoption and publication as required by law. The City Clerk is directed to publish the caption of this Ordinance as required by law.

**DULY PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS** on this 4<sup>th</sup> day of May, 2026.

\_\_\_\_\_  
**SHAWN TEAMANN, MAYOR**

**ATTEST:**

\_\_\_\_\_  
**TERI FINE, CITY CLERK**

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

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



**City Council Regular Meeting**

Agenda Item No. F.5.

**Meeting Date:** 5/4/2026

**Prepared By:** Rob Rae, Developmental Services Director

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

**Caption:**

**INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 6935**

Amending Sherman's Zoning Ordinance/Code Of Ordinances Chapter 14, To Rezone A Tract Of Land Consisting Of 165 Acres Being In The Elizabeth Jones Survey, Abstract No. 625, City Of Sherman, Grayson County, Texas, Located At 2701 Block West Travis Street, Heretofore Zoned C-1 (Retail Business) District And R-6 (Single Family Residential); Rezoning And Placing The Tract In The PD (Planned Development) District Zoning Classification With A Base Zoning of C-2 (General Commercial) District, SSCGC Holdings LLC (Owner) And KFM Engineering And Design (Applicant/Surveyor) Providing For A Penalty Not To Exceed \$2,000.00; Providing A Repealing/Savings Clause, Severability Clause And An Effective Date

**Issue:**

Consideration of a Zone Change for 165 acres of land located at 2701 Block West Travis Street from C-1 (Retail Business) District and R-6 (Single Family Residential) District to PD (Planned Development) with a base zoning of C-2 (General Commercial) District.

**Background:**

The property is located in the 2701 Block West Travis Street. The owner would like a Zone Change from C-1 (Retail Business) District and R-6 (Single Family Residential) District to a Planned Development District with a base zoning of C-2 (General Commercial) District.

The applicant requested that this PD be approved to allow commercial, retail, multi-family, and data center uses by right during the P&Z Hearing.

**Last week, the developer submitted an updated request (attached). This request included removal of the Data Center use from this PD and also specific language limiting multi-family use to a maximum of 15%. The developer is requesting that these items be considered by Council prior to council action. The developer has included an updated Exhibit B and updated Site plan.**

**Capital Improvement Program:**

N/A

**Origination:**

SSCGC Holdings LLC (Owner), and KFM Engineering and Design (Applicant/Surveyor)

**Financial Consideration:**

None

**Staff Recommendation:**

At the March 24, 2026, special called 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.

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**Attachments:**

1. Ordinance No. 6935
2. Exhibit A - Survey and Legal Description
3. Exhibit B - Development Standards (P&Z Approval)
4. Exhibit C - Zoning Exhibit
5. Location Map
6. Zoning Map
7. Future Landuse Map
8. Property Notification Sign
9. Planned Development Narrative
10. Supporting Documents
11. Opposition Letter
12. Dev. Request Letter Update
13. Exhibit B - Revised Development Standards (Dev. Request)
14. Exhibit C - Zoning Exhibit (Dev. Request)

**ORDINANCE NO. 6935**

**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 165 ACRES BEING IN THE ELIZABETH JONES SURVEY, ABSTRACT NO. 625, CITY OF SHERMAN, GRAYSON COUNTY, TEXAS, LOCATED AT 2701 BLOCK WEST TRAVIS STREET, HERETOFORE ZONED C-1 (RETAIL BUSINESS) DISTRICT AND R-6 (SINGLE FAMILY RESIDENTIAL) DISTRICT; REZONING AND PLACING THE TRACT IN THE PD (PLANNED DEVELOPMENT) DISTRICT ZONING CLASSIFICATION WITH A BASE ZONING OF C-2 (GENERAL COMMERCIAL) DISTRICT, SSCGC HOLDINGS LLC (OWNER) AND KFM ENGINEERING AND DESIGN (APPLICANT/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 2701 Block West Travis Street, and all streets, roads and alleyways contiguous and/or adjacent thereto, shall be rezoned and placed as a PD (Planned Development) with a base zoning of C-2 (General Commercial) District, and that Sherman's Zoning Ordinance/Code of Ordinances, Chapter 14, is hereby amended so as to hereafter include such property.

The development plans, standards and uses of the Property shall conform to and comply with the standards, rules and regulations for development and use of land within the Planned Development District zoning classification. The Property shall be developed in compliance with

the additional requirements as set forth and/or depicted herein and in the following exhibits, each of which are attached hereto and incorporated herein by reference for all purposes:

- Exhibit B – Development Standards, and
- Exhibit C – Zoning Exhibit.

The Property shall be developed in compliance with the standards set forth herein, in Exhibit B and Exhibit C and all other ordinances, rules and regulations of Sherman, as they currently exist, may be amended or in the future arising. To the extent that any of the exhibits attached hereto are in conflict with the provisions of this Ordinance or one another, the provisions of this Ordinance, then the provisions of Exhibit B and Exhibit C shall prevail in that order.

**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 4th day of May 2026.

**ADOPTED on** this the 4th day of May 2026.

**EFFECTIVE DATE** on this the 4th day of May 2026.

**CITY OF SHERMAN, TEXAS**

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

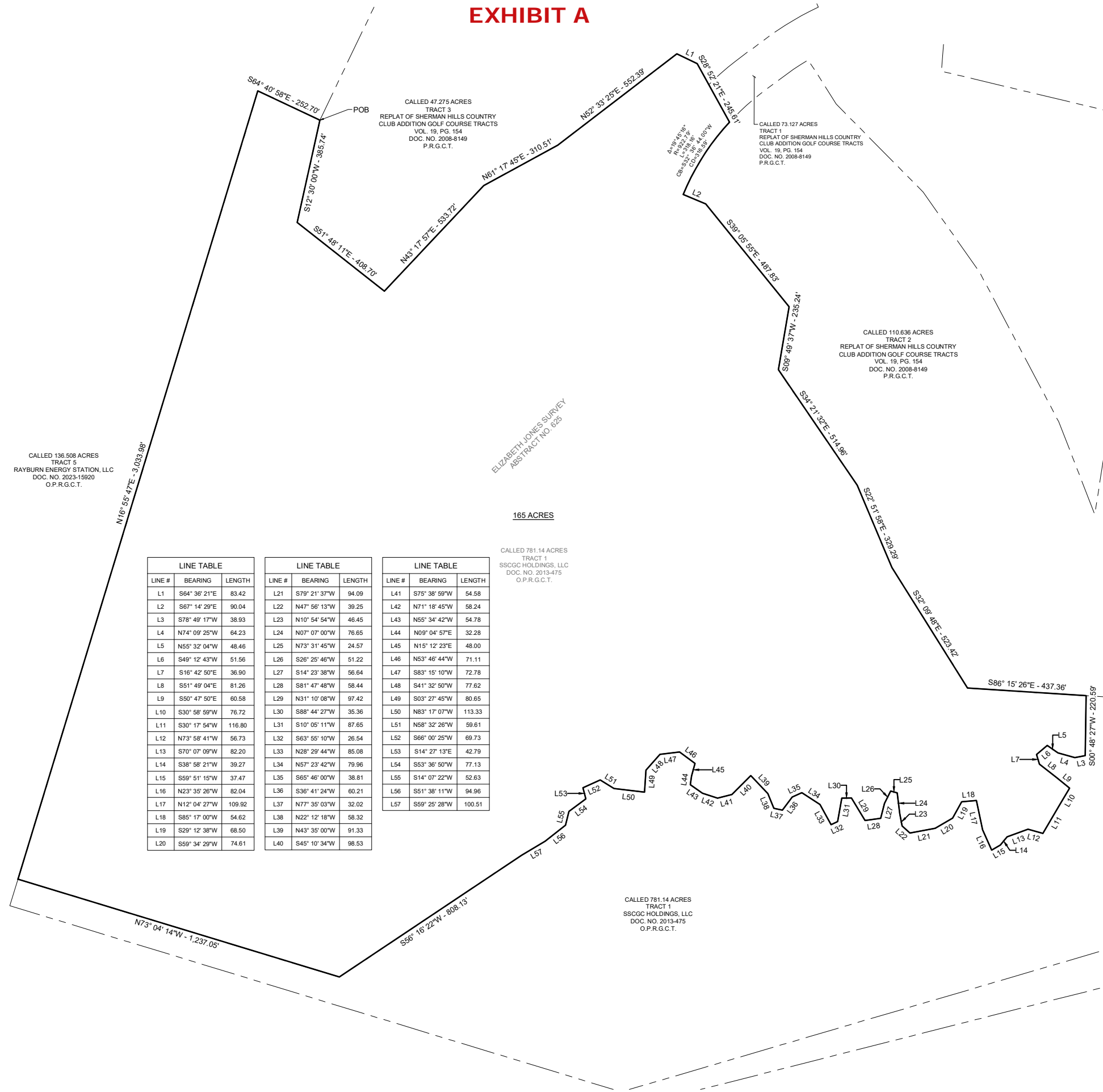
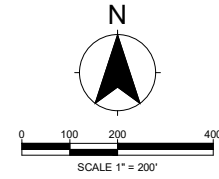
**ATTEST:**

**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



### PROPERTY DESCRIPTION

BEING A TRACT OF LAND SITUATED IN THE ELIZABETH JONES SURVEY, ABSTRACT NO. 625, IN GRAYSON COUNTY, TEXAS, AND BEING A PORTION OF A CALLED 781.14 ACRE TRACT OF LAND, DESCRIBED AS TRACT 1 IN THE DEED TO SSSCG HOLDINGS, LLC, RECORDED IN DOCUMENT NO. 2013-475, OFFICIAL PUBLIC RECORDS, GRAYSON COUNTY, TEXAS, (O.P.R.G.C.T.), AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A CALCULATED POINT ON THE NORTH LINE OF SAID 781.14 ACRE TRACT, SAME BEING THE WEST LINE OF A CALLED 47.275 ACRE TRACT, DESCRIBED AS TRACT 3, IN THE REPLAT OF SHERMAN HILLS COUNTRY CLUB ADDITION GOLF COURSE TRACTS, RECORDED IN VOLUME 19, PAGE 154, PLAT RECORDS OF GRAYSON COUNTY, TEXAS (P.R.G.C.T.), AND IN THE EAST LINE OF A CALLED 136.508 ACRE TRACT, DESCRIBED AS TRACT 5, IN THE DEED TO RAYBURN ENERGY STATION, RECORDED IN DOCUMENT NO. 2023-15920, O.P.R.G.C.T.;

THENCE WITH THE NORTH LINE OF SAID 781.14 ACRE TRACT, SAME BEING THE WEST AND SOUTH LINES OF SAID TRACT 3, THE FOLLOWING COURSES AND DISTANCES:

- SOUTH 12°30'00" WEST, A DISTANCE OF 385.74 FEET TO A CALCULATED POINT;
- SOUTH 51°48'11" EAST, A DISTANCE OF 408.70' FEET TO A CALCULATED POINT;
- NORTH 43°17'57" EAST, A DISTANCE OF 533.72 FEET TO A CALCULATED POINT;
- NORTH 61°17'45" EAST, A DISTANCE OF 310.51 FEET TO A CALCULATED POINT;
- NORTH 52°33'25" EAST, A DISTANCE OF 552.39 FEET TO A CALCULATED POINT;
- SOUTH 64°36'21" EAST, A DISTANCE OF 83.42 FEET TO A CALCULATED POINT;

THENCE SOUTH 28°52'21" EAST, PASSING AT A DISTANCE OF 88.52 FEET THE SOUTHEAST CORNER OF A CALLED 73.127 ACRE TRACT, DESCRIBED AS TRACT 1 IN SAID REPLAT OF SHERMAN HILLS COUNTRY CLUB ADDITION GOLF COURSE TRACTS, CONTINUING FOR A TOTAL DISTANCE OF 245.61 FEET TO A CALCULATED POINT OF CURVATURE ON THE NORTH LINE OF SAID 781.14 ACRE TRACT, SAME BEING THE NORTH LINE OF A CALLED 110.636 ACRE TRACT, DESCRIBED AS TRACT 2, IN SAID REPLAT OF SHERMAN HILLS COUNTRY CLUB ADDITION GOLF COURSE TRACTS;

ALONG A NON-TANGENTIAL CURVE TO THE LEFT, WITH THE EAST LINE OF SAID 781.14 ACRE TRACT, SAME BEING THE WEST LINE OF SAID TRACT 2, HAVING A RADIUS OF 922.79 FEET, AN ARC LENGTH OF 318.16 FEET, A DELTA ANGLE OF 19°45'16", AND A CHORD WHICH BEARS SOUTH 32°38'44" WEST, A DISTANCE OF 316.59 FEET TO A CALCULATED POINT OF TANGENCY;

THENCE WITH THE EAST LINE OF SAID 781.14 ACRE TRACT, SAME BEING THE WEST LINE OF SAID TRACT 2, THE FOLLOWING COURSES AND DISTANCES:

- SOUTH 67°14'29" EAST, A DISTANCE OF 90.04 FEET TO A CALCULATED POINT;
- SOUTH 39°05'55" EAST, A DISTANCE OF 487.83 FEET TO A CALCULATED POINT;
- SOUTH 09°49'37" WEST, A DISTANCE OF 235.24 FEET TO A CALCULATED POINT;
- SOUTH 34°21'32" EAST, A DISTANCE OF 514.96 FEET TO A CALCULATED POINT;
- SOUTH 22°51'58" EAST, A DISTANCE OF 329.29 FEET TO A CALCULATED POINT;
- SOUTH 32°09'48" EAST, A DISTANCE OF 523.42 FEET TO A CALCULATED POINT;
- SOUTH 86°15'28" EAST, A DISTANCE OF 437.36 FEET TO A CALCULATED POINT;

THENCE SOUTH 00°48'27" WEST, CROSSING THROUGH SAID 781.14 ACRE TRACT, A DISTANCE OF 220.59 FEET TO A CALCULATED POINT;

THENCE WITH THE MEANDERS OF A CREEK, THE FOLLOWING COURSES AND DISTANCES:

- SOUTH 78°49'17" WEST, A DISTANCE OF 38.93 FEET TO A CALCULATED POINT;
- NORTH 74°09'25" WEST, A DISTANCE OF 64.23 FEET TO A CALCULATED POINT;
- NORTH 55°32'04" WEST, A DISTANCE OF 48.46 FEET TO A CALCULATED POINT;
- SOUTH 49°12'43" WEST, A DISTANCE OF 51.56 FEET TO A CALCULATED POINT;
- SOUTH 16°42'50" EAST, A DISTANCE OF 36.90 FEET TO A CALCULATED POINT;
- SOUTH 51°49'04" EAST, A DISTANCE OF 81.26 FEET TO A CALCULATED POINT;
- SOUTH 50°47'50" EAST, A DISTANCE OF 60.58 FEET TO A CALCULATED POINT;
- SOUTH 30°58'59" WEST, A DISTANCE OF 76.72 FEET TO A CALCULATED POINT;
- SOUTH 30°17'54" WEST, A DISTANCE OF 116.80 FEET TO A CALCULATED POINT;
- NORTH 73°58'41" WEST, A DISTANCE OF 56.73 FEET TO A CALCULATED POINT;
- SOUTH 70°07'09" WEST, A DISTANCE OF 82.20 FEET TO A CALCULATED POINT;
- SOUTH 38°58'21" WEST, A DISTANCE OF 39.27 FEET TO A CALCULATED POINT;
- SOUTH 59°51'15" WEST, A DISTANCE OF 37.47 FEET TO A CALCULATED POINT;
- NORTH 23°35'28" WEST, A DISTANCE OF 82.04 FEET TO A CALCULATED POINT;
- NORTH 12°04'27" WEST, A DISTANCE OF 109.92 FEET TO A CALCULATED POINT;
- SOUTH 85°17'00" WEST, A DISTANCE OF 54.62 FEET TO A CALCULATED POINT;
- SOUTH 29°12'38" WEST, A DISTANCE OF 68.50 FEET TO A CALCULATED POINT;
- SOUTH 59°34'29" WEST, A DISTANCE OF 74.61 FEET TO A CALCULATED POINT;
- SOUTH 79°21'37" WEST, A DISTANCE OF 94.09 FEET TO A CALCULATED POINT;
- NORTH 47°56'13" WEST, A DISTANCE OF 39.25 FEET TO A CALCULATED POINT;
- NORTH 10°54'54" WEST, A DISTANCE OF 46.45 FEET TO A CALCULATED POINT;
- NORTH 07°07'00" WEST, A DISTANCE OF 76.65 FEET TO A CALCULATED POINT;
- NORTH 73°31'45" WEST, A DISTANCE OF 24.57 FEET TO A CALCULATED POINT;
- SOUTH 26°25'46" WEST, A DISTANCE OF 51.22 FEET TO A CALCULATED POINT;
- SOUTH 14°23'38" WEST, A DISTANCE OF 56.84 FEET TO A CALCULATED POINT;
- SOUTH 81°47'48" WEST, A DISTANCE OF 58.44 FEET TO A CALCULATED POINT;
- NORTH 31°10'08" WEST, A DISTANCE OF 97.42 FEET TO A CALCULATED POINT;
- SOUTH 88°44'27" WEST, A DISTANCE OF 35.36 FEET TO A CALCULATED POINT;
- SOUTH 10°05'11" WEST, A DISTANCE OF 87.65 FEET TO A CALCULATED POINT;
- SOUTH 63°55'10" WEST, A DISTANCE OF 26.54 FEET TO A CALCULATED POINT;
- NORTH 28°29'44" WEST, A DISTANCE OF 85.08 FEET TO A CALCULATED POINT;
- NORTH 57°23'42" WEST, A DISTANCE OF 79.96 FEET TO A CALCULATED POINT;

THENCE CROSSING THROUGH SAID 781.14 ACRE TRACT THE FOLLOWING COURSES AND DISTANCES:

- SOUTH 56°16'22" WEST, A DISTANCE OF 808.13 FEET TO A CALCULATED POINT;
- NORTH 73°04'14" WEST, A DISTANCE OF 1,237.05 FEET TO A CALCULATED POINT IN THE WEST LINE OF SAID 781.14 ACRE TRACT, SAME BEING THE EAST LINE OF SAID 136.508 ACRE TRACT, A DISTANCE OF 3,033.96 FEET TO A CALCULATED POINT;

THENCE NORTH 15°55'47" EAST, WITH THE WEST LINE OF SAID 781.14 ACRE TRACT, SAME BEING THE EAST LINE OF SAID 136.508 ACRE TRACT, A DISTANCE OF 3,033.96 FEET TO A CALCULATED POINT;

THENCE SOUTH 64°40'58" EAST, WITH THE NORTH LINE OF SAID 781.14 ACRE TRACT, SAME BEING A SOUTH LINE OF SAID 136.508 ACRE TRACT, A DISTANCE OF 252.70 FEET TO THE POINT OF BEGINNING, CONTAINING 165 ACRES OF LAND, MORE OR LESS.

LINE #	BEARING	LENGTH	LINE #	BEARING	LENGTH	LINE #	BEARING	LENGTH
L1	S64° 36' 21"E	83.42	L21	S79° 21' 37"W	94.09	L41	S75° 38' 59"W	54.58
L2	S67° 14' 29"E	90.04	L22	N47° 56' 13"W	39.25	L42	N71° 18' 45"W	58.24
L3	S78° 49' 17"W	38.93	L23	N10° 54' 54"W	46.45	L43	N55° 34' 42"W	54.78
L4	N74° 09' 25"W	64.23	L24	N07° 07' 00"W	76.65	L44	N09° 04' 57"E	32.28
L5	N55° 32' 04"W	48.46	L25	N73° 31' 45"W	24.57	L45	N15° 12' 23"E	48.00
L6	S49° 12' 43"W	51.56	L26	S26° 25' 46"W	51.22	L46	N53° 46' 44"W	71.11
L7	S16° 42' 50"E	36.90	L27	S14° 23' 38"W	56.64	L47	S83° 15' 10"W	72.78
L8	S51° 49' 04"E	81.26	L28	S81° 47' 48"W	58.44	L48	S41° 32' 50"W	77.62
L9	S50° 47' 50"E	60.58	L29	N31° 10' 08"W	97.42	L49	S03° 27' 45"W	80.65
L10	S30° 58' 59"W	76.72	L30	S88° 44' 27"W	35.36	L50	N83° 17' 07"W	113.33
L11	S30° 17' 54"W	116.80	L31	S10° 05' 11"W	87.65	L51	N58° 32' 26"W	59.61
L12	N73° 58' 41"W	56.73	L32	S63° 55' 10"W	26.54	L52	S66° 00' 25"W	69.73
L13	S70° 07' 09"W	82.20	L33	N28° 29' 44"W	85.08	L53	S14° 27' 13"E	42.79
L14	S38° 58' 21"W	39.27	L34	N57° 23' 42"W	79.96	L54	S53° 36' 50"W	77.13
L15	S59° 51' 15"W	37.47	L35	S65° 46' 00"W	38.81	L55	S14° 07' 22"W	52.63
L16	N23° 35' 26"W	82.04	L36	S36° 41' 24"W	60.21	L56	S51° 38' 11"W	94.96
L17	N12° 04' 27"W	109.92	L37	N77° 35' 03"W	32.02	L57	S59° 25' 28"W	100.51
L18	S85° 17' 00"W	54.62	L38	N22° 12' 18"W	58.32			
L19	S29° 12' 38"W	68.50	L39	N43° 35' 00"W	91.33			
L20	S59° 34' 29"W	74.61	L40	S45° 10' 34"W	98.53			

DATE: 2025/12/18

SCALE: 1" = 200'

DRAWN BY: GBS

CHECKED BY: JWH/RGM

REFERENCE NO.: REF.#

PROJECT NO.: 010009003

PROPERTY EXHIBIT

BEING A 165 ACRE TRACT OF LAND SITUATED IN THE ELIZABETH JONES SURVEY, ABSTRACT NO. 625 GRAYSON COUNTY, TEXAS

TOLLWAY COLLIN PARTNERS, LLC

SHERMAN 170

**SHEET**

1

OF 1



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## **EXHIBIT B - DEVELOPMENT STANDARDS**

The design, development and use of the Property shall comply with this Ordinance, Sherman's Zoning Ordinance, the Zoning Exhibit, attached hereto as Exhibit C, and the following development standards:

### **A. Base District:**

The Property shall be developed and used in accordance with the regulations applicable to the C-2 (General Commercial) district of the Zoning Ordinance, as it exists or may be amended, except as indicated as follows:

### **B. Use Chart:**

All lawful land uses permitted under the C-2 (General Commercial) district shall be allowed, except that the following land uses also shall be permitted by right, notwithstanding any statement to the contrary in the Zoning Ordinance, as it exists or may be amended:

<b>Use Type</b>	
<b>Residential Uses:</b>	
Dwelling, multifamily	P [1]
<b>Manufacturing and Industrial Uses:</b>	
Data center	P [2]
Trucking, carting, crating, express handling, and storage	P
Warehousing	P

### **Legend for Use Chart**

P - Use is permitted by right in district indicated.

[BLANK] – Use is prohibited in district indicated.

[1] – Dwelling, multifamily – Multifamily is permitted and is subject to the regulations set forth in the MF-30 (multifamily residential) district.

[2] – Data Center – Defined as: a facility whose primary service is data processing and is used to house computer systems and associated components, such as telecommunications and storage systems, including but not limited to web hosting organizations and internet service organizations. A server farm, telecom hotel, carrier hotel, telco hotel, telehouse co-location center, or any other term applicable to facilities which are used for these specified purposes shall be deemed to be a data center. (This definition shall only apply to data center as a primary use.)

### **C. District Regulations:**

#### ***Multi-family Residential District Standards:***

Multi-family Residential Development shall follow the regulations in the MF-30 district regulations as it exists or may be amended.

#### ***Commercial District Standards:***

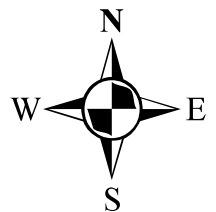
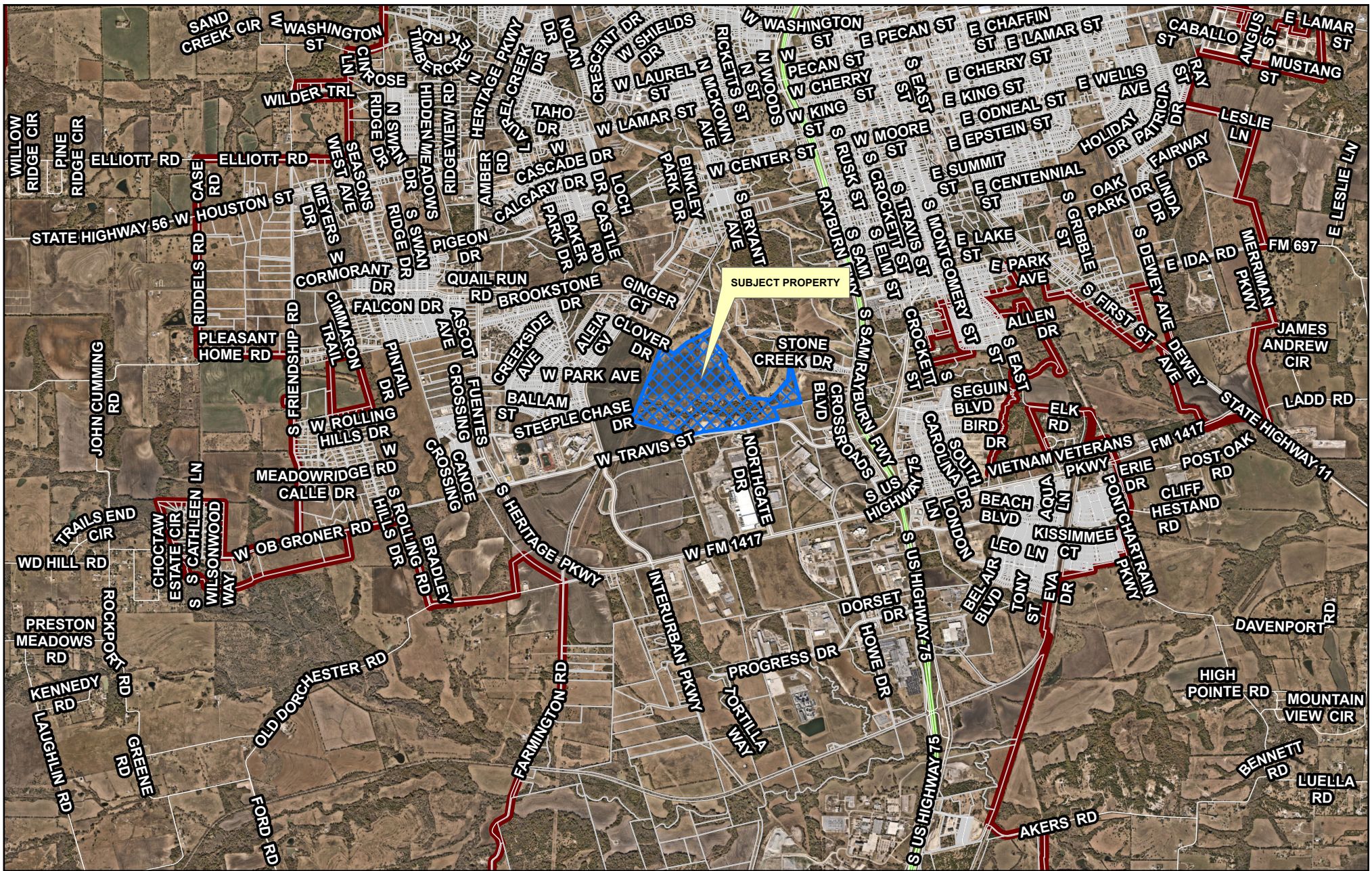
Commercial Development shall follow the regulations in the C-2 district regulations as it exists or may be amended with the following amendment(s):

Height regulations: No building shall exceed 50 feet.



**SITE EXHIBIT**  
SHERMAN 170 - REX REAL ESTATE

THE INFORMATION SHOWN IS BASED ON THE BEST INFORMATION AVAILABLE AND IS SUBJECT TO CHANGE WITHOUT NOTICE





**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**

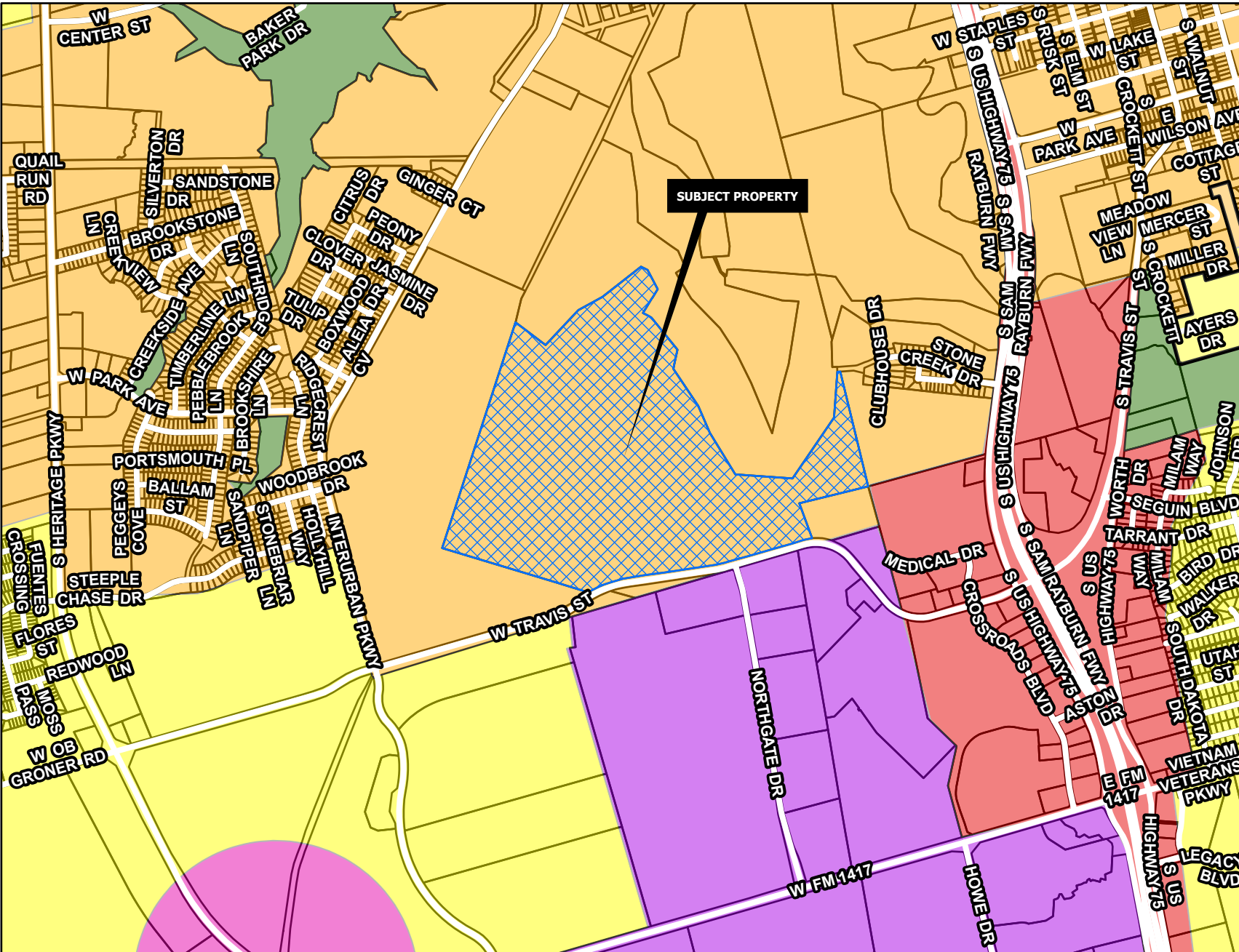
- Single-family detached
- Single-family attached
- Local/neighborhood commercial and office
- Parks and open space
- Schools and civic uses

**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.







March 12, 2026

Mr. Rob Rae  
Executive Director of Development Services  
220 W. Mulberry Street  
Sherman, TX 75090

**RE: Sherman 170-Zoning Submittal**

Mr. Rae,

Please find attached the application for re-zoning on this property. Attached you will find the application which has been executed by the landowner and a project location map.

From our correspondence, we understand the property is currently zoned R-6 and we anticipate re-zoning to Planned Development (PD) with a C-2 base zoning district. The proposed PD will allow commercial, retail, data center and multi-family uses by right (MF-30 Uses).

We believe this approach best supports the flexibility and long-term vision for the site while aligning with the City's development goals.

Please confirm receipt of the application and we will get the appropriate fees paid. We look forward to working with you on this exciting project for Sherman.

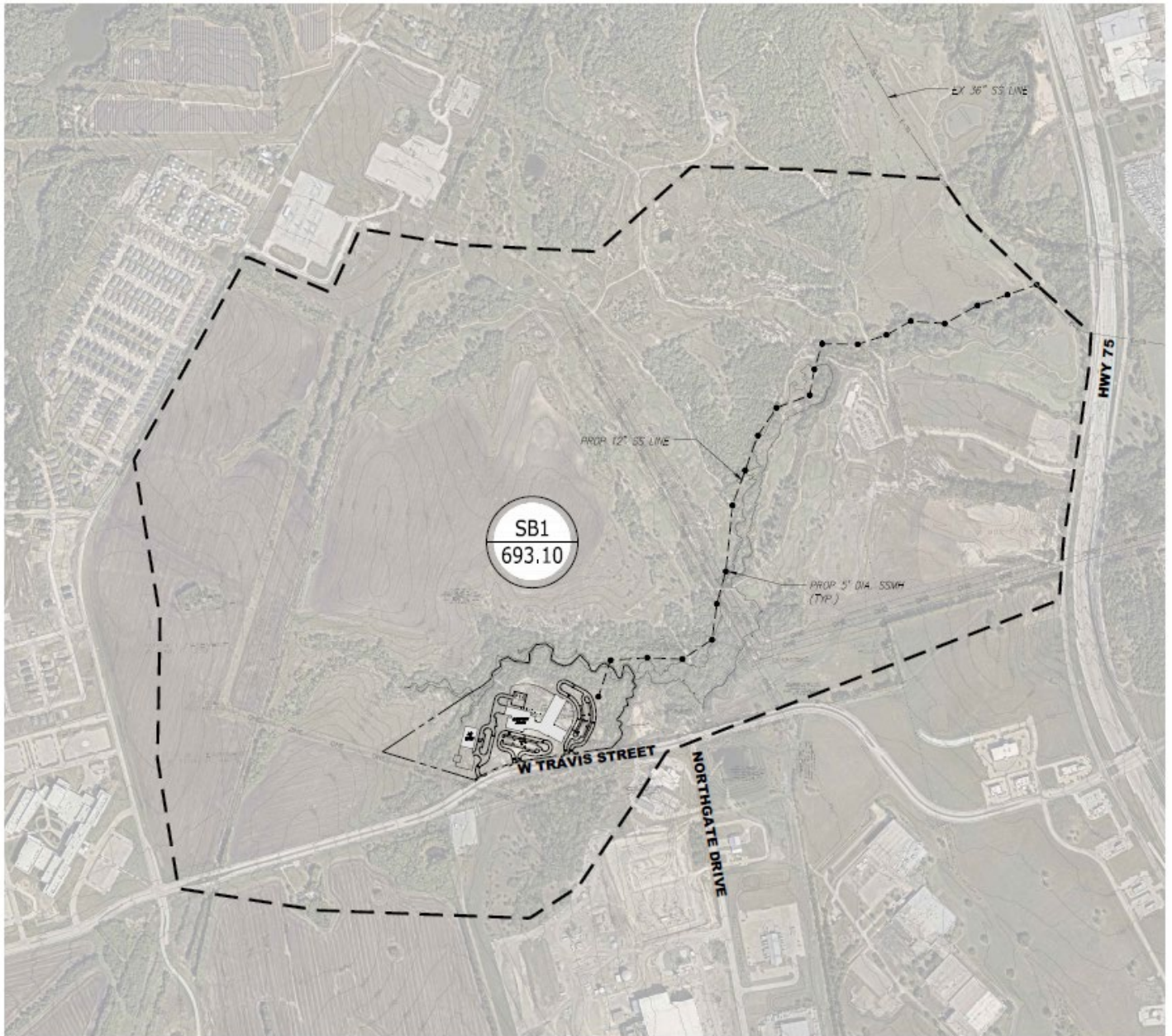
Thank you, sir.  
Sincerely,

A handwritten signature in blue ink, appearing to read 'Jim Knight', is written over a light blue circular scribble.

Jim Knight, P.E.  
FOUNDING PRINCIPAL  
KFM Engineering & Design  
TBPE #: F-20821  
TBPELS # 10194934

cc: Rex Glendenning  
Caleb Lavey

# Proposed Sewer Basin



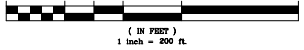
LINE NO.	BEARING	DISTANCE	MARK
1	N 101° 57' 54" E	100.00	100' ELECTRIC CASING
2	S 89° 02' 06" W	100.00	100' ELECTRIC CASING
3	N 101° 57' 54" E	100.00	100' ELECTRIC CASING
4	S 89° 02' 06" W	100.00	100' ELECTRIC CASING
5	N 101° 57' 54" E	100.00	100' ELECTRIC CASING
6	S 89° 02' 06" W	100.00	100' ELECTRIC CASING
7	N 101° 57' 54" E	100.00	100' ELECTRIC CASING
8	S 89° 02' 06" W	100.00	100' ELECTRIC CASING
9	N 101° 57' 54" E	100.00	100' ELECTRIC CASING
10	S 89° 02' 06" W	100.00	100' ELECTRIC CASING
11	N 101° 57' 54" E	100.00	100' ELECTRIC CASING
12	S 89° 02' 06" W	100.00	100' ELECTRIC CASING
13	N 101° 57' 54" E	100.00	100' ELECTRIC CASING
14	S 89° 02' 06" W	100.00	100' ELECTRIC CASING
15	N 101° 57' 54" E	100.00	100' ELECTRIC CASING
16	S 89° 02' 06" W	100.00	100' ELECTRIC CASING
17	N 101° 57' 54" E	100.00	100' ELECTRIC CASING
18	S 89° 02' 06" W	100.00	100' ELECTRIC CASING
19	N 101° 57' 54" E	100.00	100' ELECTRIC CASING
20	S 89° 02' 06" W	100.00	100' ELECTRIC CASING
21	N 101° 57' 54" E	100.00	100' ELECTRIC CASING
22	S 89° 02' 06" W	100.00	100' ELECTRIC CASING
23	N 101° 57' 54" E	100.00	100' ELECTRIC CASING
24	S 89° 02' 06" W	100.00	100' ELECTRIC CASING
25	N 101° 57' 54" E	100.00	100' ELECTRIC CASING
26	S 89° 02' 06" W	100.00	100' ELECTRIC CASING
27	N 101° 57' 54" E	100.00	100' ELECTRIC CASING
28	S 89° 02' 06" W	100.00	100' ELECTRIC CASING
29	N 101° 57' 54" E	100.00	100' ELECTRIC CASING
30	S 89° 02' 06" W	100.00	100' ELECTRIC CASING
31	N 101° 57' 54" E	100.00	100' ELECTRIC CASING
32	S 89° 02' 06" W	100.00	100' ELECTRIC CASING
33	N 101° 57' 54" E	100.00	100' ELECTRIC CASING
34	S 89° 02' 06" W	100.00	100' ELECTRIC CASING
35	N 101° 57' 54" E	100.00	100' ELECTRIC CASING
36	S 89° 02' 06" W	100.00	100' ELECTRIC CASING
37	N 101° 57' 54" E	100.00	100' ELECTRIC CASING
38	S 89° 02' 06" W	100.00	100' ELECTRIC CASING
39	N 101° 57' 54" E	100.00	100' ELECTRIC CASING
40	S 89° 02' 06" W	100.00	100' ELECTRIC CASING
41	N 101° 57' 54" E	100.00	100' ELECTRIC CASING
42	S 89° 02' 06" W	100.00	100' ELECTRIC CASING
43	N 101° 57' 54" E	100.00	100' ELECTRIC CASING
44	S 89° 02' 06" W	100.00	100' ELECTRIC CASING
45	N 101° 57' 54" E	100.00	100' ELECTRIC CASING
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53	N 101° 57' 54" E	100.00	100' ELECTRIC CASING
54	S 89° 02' 06" W	100.00	100' ELECTRIC CASING
55	N 101° 57' 54" E	100.00	100' ELECTRIC CASING
56	S 89° 02' 06" W	100.00	100' ELECTRIC CASING
57	N 101° 57' 54" E	100.00	100' ELECTRIC CASING
58	S 89° 02' 06" W	100.00	100' ELECTRIC CASING
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60	S 89° 02' 06" W	100.00	100' ELECTRIC CASING
61	N 101° 57' 54" E	100.00	100' ELECTRIC CASING
62	S 89° 02' 06" W	100.00	100' ELECTRIC CASING
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89	N 101° 57' 54" E	100.00	100' ELECTRIC CASING
90	S 89° 02' 06" W	100.00	100' ELECTRIC CASING
91	N 101° 57' 54" E	100.00	100' ELECTRIC CASING
92	S 89° 02' 06" W	100.00	100' ELECTRIC CASING
93	N 101° 57' 54" E	100.00	100' ELECTRIC CASING
94	S 89° 02' 06" W	100.00	100' ELECTRIC CASING
95	N 101° 57' 54" E	100.00	100' ELECTRIC CASING
96	S 89° 02' 06" W	100.00	100' ELECTRIC CASING
97	N 101° 57' 54" E	100.00	100' ELECTRIC CASING
98	S 89° 02' 06" W	100.00	100' ELECTRIC CASING
99	N 101° 57' 54" E	100.00	100' ELECTRIC CASING
100	S 89° 02' 06" W	100.00	100' ELECTRIC CASING



Basis of Bearings

~ Bearings are based ~  
 GRID NORTH, NAD 83  
 TEXAS STATE PLANE  
 COORDINATE SYSTEM  
 NORTH CENTRAL ZONE

GRAPHIC SCALE



Surveyor's Notes

1. The property has a total area of 164.710 acres of land.
2. There are no visible signs of encumbrances observed at the time of this survey.
3. All visible above ground indications of public utilities are depicted hereon.
4. There is no observable evidence of site use as a solid waste dump, dump or sanitary landfill.
5. There is no evidence of recent street or sidewalk construction.
6. There is no evidence of recent dirt work on the site.
7. The subject tract does not have direct access to a road.

**LEGEND**

1/2" - 1/2" LINE	1/2" STEEL ROD SET
1/4" - 1/4" LINE	1/4" STEEL ROD SET
1/8" - 1/8" LINE	1/8" STEEL ROD SET
1/16" - 1/16" LINE	1/16" STEEL ROD SET
1/32" - 1/32" LINE	1/32" STEEL ROD SET
1/64" - 1/64" LINE	1/64" STEEL ROD SET
1/128" - 1/128" LINE	1/128" STEEL ROD SET
1/256" - 1/256" LINE	1/256" STEEL ROD SET
1/512" - 1/512" LINE	1/512" STEEL ROD SET
1/1024" - 1/1024" LINE	1/1024" STEEL ROD SET
1/2048" - 1/2048" LINE	1/2048" STEEL ROD SET
1/4096" - 1/4096" LINE	1/4096" STEEL ROD SET
1/8192" - 1/8192" LINE	1/8192" STEEL ROD SET
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## Mrozinski, Tammy

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**From:** Kelsey Sullivan <kelssullivan@outlook.com>  
**Sent:** Friday, March 27, 2026 1:00 PM  
**To:** Planning  
**Subject:** No data centers!

**EXTERNAL EMAIL: -- Avoid clicking on links or files -- Be safe!**

Hello, I've been a resident my entire life. Please do not allow a data center to come to town. That will affect all the low-income residents and price us out of an area we have been our entire lives. The water consumption and high utility costs make data centers terrible for residents.  
Thanks, Kelsey Sullivan

Sent via the Samsung Galaxy S25 FE, an AT&T 5G smartphone  
Get [Outlook for Android](#)

April 23, 2026

Rob Rae, AICP  
Executive Director of Development Services  
220 W. Mulberry St.  
City of Sherman, Texas

RE: SSCGC Holdings, LLC removal of a datacenter from its request for a planned development

Dear Rob,

As you know, at the March 24, 2026 Planning and Zoning Commission meeting, SSCGC Holdings, LLC's request for a Zone Change from C-1 (Retail Business) District and R-6 (Single Family Residential) District to a Planned Development District with a base zoning of C-2 (General Commercial) District was unanimously approved by the Commission. SSCGC Holdings, LLC sincerely appreciates the Commissioners support of its request and planned use of the tract. However, after discussions with Mayor Teamann and Senior City Staff, SSCGC Holdings, LLC requests to modify the application to reflect the following changes before the item is considered by the Sherman City Council:

1. That the data center use be removed from consideration.
2. That Multifamily use will not exceed 15% (24.75 acres) of the total area of the Planned Development District.

It is requested that these modifications be noted on the agenda item so that both the City Council and any other interested parties are informed of these changes in advance of the meeting. I have also attached the updated Exhibit of the property which reflects the revised land use with correct acreage. After reviewing, please let me know if you have any questions or need any further information.

Thank you,

*William L. Magers*

Bill

## **EXHIBIT B - DEVELOPMENT STANDARDS**

The design, development and use of the Property shall comply with this Ordinance, Sherman's Zoning Ordinance, the Zoning Exhibit, attached hereto as Exhibit C, and the following development standards:

### **A. Base District:**

The Property shall be developed and used in accordance with the regulations applicable to the C-2 (General Commercial) district of the Zoning Ordinance, as it exists or may be amended, subject to the standards set forth herein, and further provided that the following land uses on the Property shall be subject to the regulations set forth in the Use Chart below, notwithstanding any statement to the contrary in the Zoning Ordinance, as it exists or may be amended:

### **B. Use Chart:**

Use Type	
<b>Residential Uses:</b>	
Dwelling, multifamily	P [1]
<b>Manufacturing and Industrial Uses:</b>	
<del>Data-center</del>	<del>P [2]</del>
Trucking, carting, crating, express handling, and storage	P
Warehousing	P

### **Legend for Use Chart**

P - Use is permitted by right in district indicated.

[BLANK] – Use is prohibited in district indicated.

[1] – Dwelling, multifamily – Multifamily is permitted and is subject to the regulations set forth in the MF-30 (multifamily residential) district.

~~[2] – Data Center – Defined as: a facility whose primary service is data processing and is used to house computer systems and associated components, such as telecommunications and storage systems, including but not limited to web hosting organizations and internet service organizations. A server farm, telecom hotel, carrier hotel, telco hotel, telehouse co-location center, or any other term applicable to facilities which are used for these specified purposes shall be deemed to be a data center. (This definition shall only apply to data center as a primary use.)~~

### **C. District Regulations:**

#### ***Multi-family Residential District Standards:***

Multi-family Residential Development shall follow the regulations in the MF-30 district regulations as it exists or may be amended.

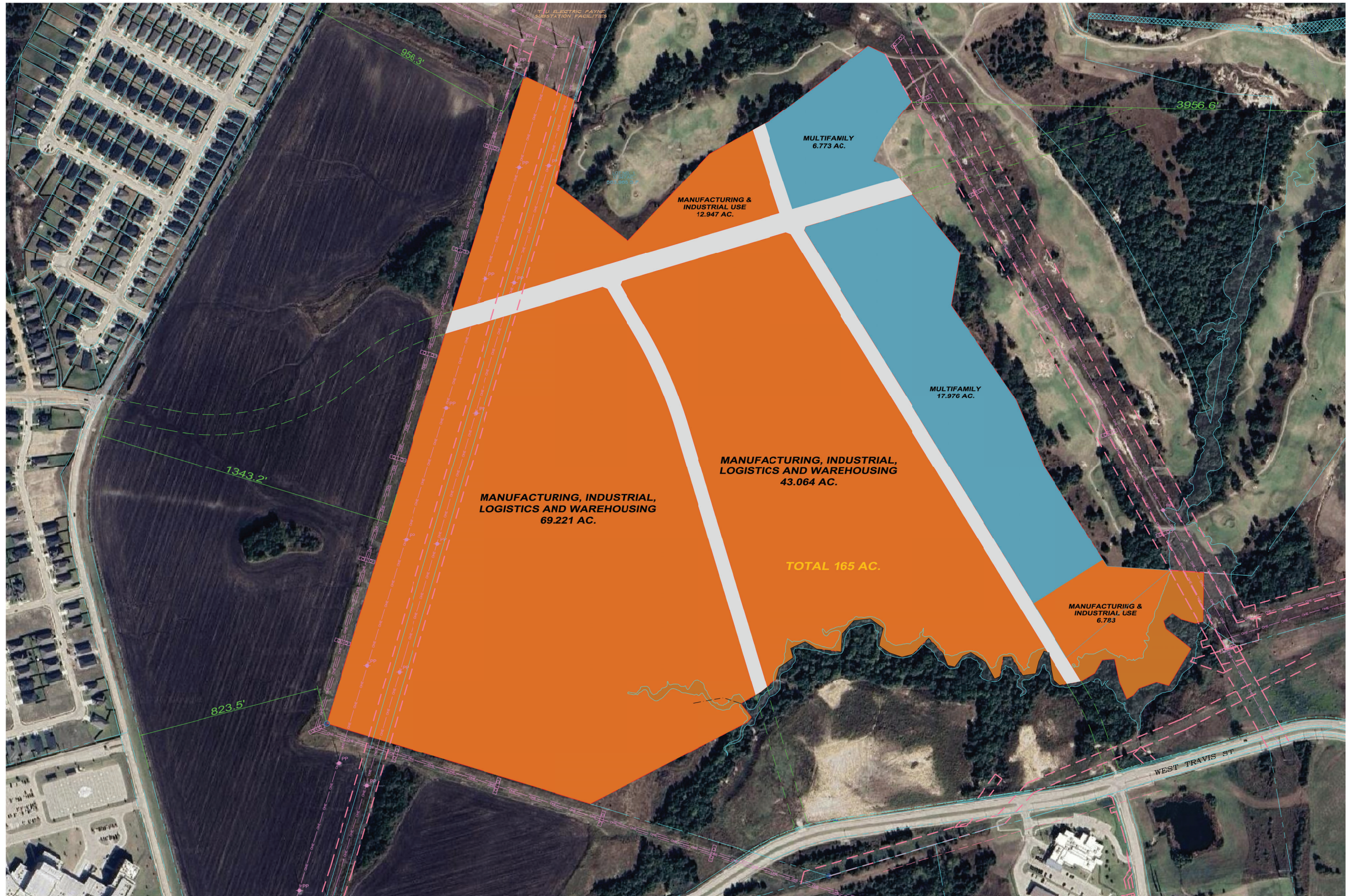
*Multifamily shall not exceed 15% (24.75 acres) of the total area of the Planned Development District.*

#### ***Commercial District Standards:***

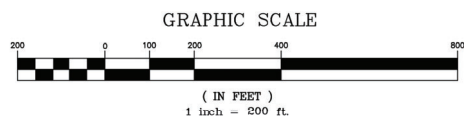
Commercial Development shall follow the regulations in the C-2 district regulations as it exists or may be amended with the following amendment(s):

Height regulations: No building shall exceed 50 feet.

EXHIBIT C - ALTERNATE ZONING EXHIBIT



This survey contains information that is proprietary to Underwood Drafting & Surveying, Inc. It is not to be published, copied, or otherwise used in any way without the written permission of Underwood Drafting & Surveying, Inc. If this information is used in any way without the written permission of Underwood Drafting & Surveying, Inc., the user assumes all liability for any and all consequences that may result.



**MANUFACTURING & INDUSTRIAL USES:  
TRUCKING, CARTING CRATING, EXPRESS  
HANDLING & STORAGE**

Sheet 1 of 1

Date	Revisions	Date
Dwn. By		
Aprvd. By		
Dwg. No.		
Scale		

Project Address  
TBD MOORE STREET  
CITY OF SHERMAN, TX

Project Name  
WEST TRAVIS C2 DEVELOPMENT

Job No. 25030230-WTC2D

**UNDERWOOD**  
DRAFTING & SURVEYING, INC.

3404 INTERURBAN ROAD  
DENISON, TEXAS 75020  
PHONE (903)465-2151  
FAX (903)465-2151



**SHERMAN CITY COUNCIL**  
**Agenda Communication Form**

**City Council Regular Meeting**

Agenda Item No. G.1.

**Meeting Date:** 5/4/2026

**Prepared By:**

**Approved By:**

**Caption:**

**Close Public Hearing**

Consider Adoption of Ordinances 6931, 6932, 6933, 6934 & 6935

**Issue:**

- F. 1. INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 6931**  
Appointing an Alternate Municipal Court of Record Judge for the City of Sherman, Grayson County, Texas
- F. 2. INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 6932**  
Temporarily Reducing the Maximum Rates of Speed on Certain Portions of U.S. Highway 75 and U.S. Highway 82 in the Corporate Limits of Sherman, Grayson County, Texas, During Construction; Providing for a Penalty Clause with a Maximum Fine of \$2,000; Declaring an Emergency; Providing for Severability; Providing for a Repealer
- F. 3. INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 6933**  
Repealing Ordinance No. 6280; Providing a Savings/Repealing Clause, Severability Clause and an Effective Date
- F. 4. INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 6934**  
Amending The Code Of Ordinances Of The City Of Sherman, Texas, Chapter 14 (Zoning Ordinance), Article 14.01 (General Provisions), Article 14.04 (Supplementary District Regulations), Article 14.08 (Definitions) And Article 14.10 (Use Chart); Modifying Certain Existing Regulations And Prescribing New Regulations Related To Existing Non-Conforming Structures, Accessory Dwelling Units And The Land Use Of "Machine Tools, Sales, Service, Rental, And Repair"; Defining Terms; Providing A Penalty Clause With A Maximum Fine Of \$2,000, Savings/Repealing Clause, Severability Clause And An Effective Date; Providing For The Publication Of The Caption Hereof; Finding And Determining That The Meeting At Which This Ordinance Is Passed Was Noticed And Is Open To The Public As Required By Law
- F. 5. INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 6935**  
Amending Sherman's Zoning Ordinance/Code Of Ordinances Chapter 14, To Rezone A Tract Of Land Consisting Of 165 Acres Being In The Elizabeth Jones Survey, Abstract No. 625, City Of Sherman, Grayson County, Texas, Located At 2701 Block West Travis Street, Heretofore Zoned C-1 (Retail Business) District And R-6 (Single Family Residential); Rezoning And Placing The Tract In The PD (Planned Development) District Zoning Classification With A Base Zoning of C-2 (General Commercial) District, SSCGC Holdings LLC (Owner) And KFM Engineering And Design (Applicant/Surveyor) Providing For A Penalty Not To Exceed

\$2,000.00; Providing A Repealing/Savings Clause, Severability Clause And An Effective Date

**Background:**

**Capital Improvement Program:**

**Origination:**

**Financial Consideration:**

**Staff Recommendation:**

**Alternatives:**

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**Attachments:**

None



**City Council Regular Meeting**

Agenda Item No. H.1.

**Meeting Date:** 5/4/2026

**Prepared By:** Teri Fine, Assistant to the City Manager

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

**Caption:**

**\* RESOLUTION NO. 7637**

Awarding a Bid to and Authorizing Execution of a Contract with Lloyd Plyler Construction, LLP, as Construction Manager-at-Risk, for Services in Connection with the Construction of the Fleet Services Facility

**Issue:**

Awarding services for Construction Manager-At-Risk (CMAR) for construction of the Fleet Services Facility

**Background:**

At the March 16, 2026 Regular City Council Meeting, Council approved City Staff to request to advertise for a Construction Manager-at-Risk (CMAR) for the Sherman Public Works Fleet Services Facility. A public request for competitive, sealed proposals for the CMAR for this project resulted in thirteen (13) responses. Based on specific scoring criteria included in the bid solicitation, City Staff recommends awarding the contract to Lloyd Plyler Construction, LLP (Plyler Construction) of Sherman, Texas. As CMAR, Plyler Construction will be responsible for estimating the total cost of the project (guaranteed maximum price "GMP") and will assume the risk of completing the project at the GMP.

This Resolution does not authorize Plyler Construction to commence construction of the Fleet Services Facility. Rather, it allows the City to continue working with Plyler Construction and Hidell and Associates to evaluate the scope and cost of this potential project. The results of this planning and evaluation work will be presented to the Council for direction on whether to move forward with the construction of the Fleet Services Facility. If Council moves forward with the project, Lloyd Plyler Construction will submit a final GMP for Council approval, which will set the final project cost. If the GMP is approved and the GMP Amendment is executed by the City and Plyler Construction, Plyler Construction would be authorized to commence construction of the Fleet Services Facility

**Capital Improvement Program:**

**Origination:**

Public Works Department

**Financial Consideration:**

Pre-Construction Phase fee of \$2,500

**Staff Recommendation:**

It is recommended that the contract with Lloyd Plyler Construction, LLP for the professional CMAR services relating to the construction of the Fleet Services Facility.

**Alternatives:**

As may be directed by the City Council

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**Attachments:**

1. Resolution No. 7637
2. Plyler Agreement
3. Plyler Verifications Form
4. Plyler COI
5. Plyler Form 1295
6. Plyler FORM CIQ
7. Plyler Cost

**RESOLUTION NO. 7637**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AWARDING A BID TO AND AUTHORIZING EXECUTION OF A CONTRACT WITH LLOYD PLYLER CONSTRUCTION, LLP, AS CONSTRUCTION MANAGER-AT-RISK (CMAR), FOR SERVICES IN CONNECTION WITH THE CONSTRUCTION OF THE FLEET SERVICES FACILITY; FINDING AND DETERMINING THAT THE MEETING AT WHICH THIS RESOLUTION IS PASSED WAS NOTICED AND IS OPEN TO THE PUBLIC AS REQUIRED BY LAW.**

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

**SECTION 1.** That the City Manager be and is hereby authorized and directed to execute a contract with Lloyd Plyler Construction, LLP, of Sherman, Texas, as Construction Manager-at-Risk (CMAR) for construction of the Fleet Services Facility in accordance with all contract documents attached hereto and made a part hereof for all purposes. Any agreements related to the purchase must be approved by the City Attorney. Funds for this purchase are being committed out of the City of Sherman's fiscal year 2026-2027 budget.

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

**DULY PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, on this the 4<sup>th</sup> day of May 2026.**

**CITY OF SHERMAN, TEXAS**

**ATTEST:**

**BY:** \_\_\_\_\_  
**TERI FINE, CITY CLERK**

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

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

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

 **AIA**® Document A133® – 2019

**Standard Form of Agreement Between Owner and Construction Manager as Constructor** where the basis of payment is the Cost of the Work Plus a Fee with a Guaranteed Maximum Price

A133 v4 (08-12-2024)

**AGREEMENT** made as of the \_\_\_\_ day of \_\_\_\_\_ in the year Two Thousand Twenty-Six (2026)

*(In words, indicate day, month, and year.)*

**BETWEEN** the Owner:

*(Name, legal status, address, and other information)*

City of Sherman  
100 S. Rusk Street  
Sherman, Texas 75090

and the Construction Manager:

*(Name, legal status, address, and other information)*

Plyler Construction  
3505 Texoma Parkway  
Sherman, TX 75090

for the following Project:

*(Name, location, and detailed description)*

ARBH File No. 6262.0035 City of Sherman/AIA for Fleet Services Facility

Fleet Services Facility  
3501 E. King Street  
Sherman, Texas 75092

The project will consist of a new facility for the City of Sherman Fleet Services department and Public Works Administration Offices. The anticipated structure will include repair bays, service offices, fleet services support spaces, and public works administration offices. The site will include vehicle parking, vehicle wash bay, fuel station and vehicle drop off and pick-up areas.

The Architect:

*(Name, legal status, address, and other information)*

Hidell and Associates Architects  
3033 Kellway Dr. Suite 120  
Carrollton, Texas 75006  
972-416-4666

The Owner and Construction Manager agree as follows.

**ADDITIONS AND DELETIONS:**

The author of this document has added information needed for its completion. The author may also have revised the text of the original AIA standard form. An *Additions and Deletions Report* that notes added information as well as revisions to the standard form text is available from the author and should be reviewed. A vertical line in the left margin of this document indicates where the author has added necessary information and where the author has added to or deleted from the original AIA text.

This document has important legal consequences. Consultation with an attorney is encouraged with respect to its completion or modification.

AIA Document A201™–2017, General Conditions of the Contract for Construction, is adopted in this document by reference. Do not use with other general conditions unless this document is modified.

Init.

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User Notes:

(909471819)

## TABLE OF ARTICLES

- 1 INITIAL INFORMATION
- 2 GENERAL PROVISIONS
- 3 CONSTRUCTION MANAGER'S RESPONSIBILITIES
- 4 OWNER'S RESPONSIBILITIES
- 5 COMPENSATION AND PAYMENTS FOR PRECONSTRUCTION PHASE SERVICES
- 6 COMPENSATION FOR CONSTRUCTION PHASE SERVICES
- 7 COST OF THE WORK FOR CONSTRUCTION PHASE
- 8 DISCOUNTS, REBATES, AND REFUNDS
- 9 SUBCONTRACTS AND OTHER AGREEMENTS
- 10 ACCOUNTING RECORDS
- 11 PAYMENTS FOR CONSTRUCTION PHASE SERVICES
- 12 DISPUTE RESOLUTION
- 13 TERMINATION OR SUSPENSION
- 14 MISCELLANEOUS PROVISIONS
- 15 SCOPE OF THE AGREEMENT

### EXHIBIT A GUARANTEED MAXIMUM PRICE AMENDMENT

### EXHIBIT B INSURANCE AND BONDS

#### ARTICLE 1 INITIAL INFORMATION

§ 1.1 This Agreement is based on the Initial Information set forth in this Section 1.1.

*(For each item in this section, insert the information or a statement such as "not applicable" or "unknown at time of execution.")*

§ 1.1.1 The Owner's program for the Project, as described in Section 4.1.1:

*(Insert the Owner's program, identify documentation that establishes the Owner's program, or state the manner in which the program will be developed.)*

Project's program has been developed and included in the project narrative.

§ 1.1.2 The Project's physical characteristics:

*(Identify or describe pertinent information about the Project's physical characteristics, such as size; location; dimensions; geotechnical reports; site boundaries; topographic surveys; traffic and utility studies; availability of public and private utilities and services; legal description of the site, etc.)*

Construction of a new fleet services and public works facility

§ 1.1.3 The Owner's budget for the Guaranteed Maximum Price, as defined in Article 6:

*(Provide total and, if known, a line item breakdown.)*

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User Notes:

(909471819)

The Owner's overall budget for the Cost of the Work is approximately Nine Million Dollars (\$9,000,000.00).

**§ 1.1.4** The Owner's anticipated design and construction milestone dates:

.1 Design phase milestone dates, if any:

.2 Construction commencement date:

The date of commencement of construction shall be established with a Notice to Proceed by the Owner.

.3 Substantial Completion date or dates:

Approximately eighteen (18) months from the date of commencement of construction.

.4 Other milestone dates:

**§ 1.1.5** The Owner's requirements for accelerated or fast-track scheduling, or phased construction, are set forth below:  
*(Identify any requirements for fast-track scheduling or phased construction.)*

**§ 1.1.6** The Owner's anticipated Sustainable Objective for the Project:  
*(Identify and describe the Owner's Sustainable Objective for the Project, if any.)*

**§ 1.1.6.1** If the Owner identifies a Sustainable Objective, the Owner and Construction Manager shall complete and incorporate AIA Document E234™–2019, Sustainable Projects Exhibit, Construction Manager as Constructor Edition, into this Agreement to define the terms, conditions and services related to the Owner's Sustainable Objective. If E234–2019 is incorporated into this agreement, the Owner and Construction Manager shall incorporate the completed E234–2019 into the agreements with the consultants and contractors performing services or Work in any way associated with the Sustainable Objective.

**§ 1.1.7** Other Project information:  
*(Identify special characteristics or needs of the Project not provided elsewhere.)*

**§ 1.1.8** The Owner identifies the following representative in accordance with Section 4.2:  
*(List name, address, and other contact information.)*

Wes Trisler, Executive Director of Operations  
City of Sherman  
100 S. Rusk Street  
Sherman, Texas 75090

**§ 1.1.9** The persons or entities, in addition to the Owner's representative, who are required to review the Construction Manager's submittals to the Owner are as follows:  
*(List name, address and other contact information.)*

§ 1.1.10 The Owner shall retain the following consultants and contractors:  
(List name, legal status, address, and other contact information.)

.1 Geotechnical Engineer:

.2 Intentionally Deleted:

.3 Other, if any:  
(List any other consultants retained by the Owner, such as a Project or Program Manager.)

Boundary and Topographic Survey  
Construction Period Materials Testing  
HVAC Test and Balance

§ 1.1.11 The Architect's representative:  
(List name, address, and other contact information.)

Aaron Babcock  
3033 Kellway Drive, Suite 120  
Carrollton, TX 75006  
972-416-4666  
ababcock@hidell.com

§ 1.1.12 The Construction Manager identifies the following representative in accordance with Article 3:  
(List name, address, and other contact information.)

David Plyler  
3505 Texoma Parkway  
Sherman, TX 75090  
903-893-6393  
dplyler@plylerbuilds.com

§ 1.1.13 The Owner's requirements for the Construction Manager's staffing plan for Preconstruction Services, as required under Section 3.1.9:  
(List any Owner-specific requirements to be included in the staffing plan.)

§ 1.1.14 The Owner's requirements for subcontractor procurement for the performance of the Work:  
(List any Owner-specific requirements for subcontractor procurement.)

Init.

§ 1.1.15 Other Initial Information on which this Agreement is based:

§ 1.2 The Owner and Construction Manager may rely on the Initial Information. Both parties, however, recognize that such information may materially change and, in that event, the Owner and the Construction Manager shall appropriately adjust the Project schedule, the Construction Manager's services, and the Construction Manager's compensation. The Owner shall adjust the Owner's budget for the Guaranteed Maximum Price and the Owner's anticipated design and construction milestones, as necessary, to accommodate material changes in the Initial Information.

§ 1.3 Neither the Owner's nor the Construction Manager's representative shall be changed without ten days' prior notice to the other party.

## ARTICLE 2 GENERAL PROVISIONS

### § 2.1 The Contract Documents

The Contract Documents consist of this Agreement, Conditions of the Contract (General, Supplementary and other Conditions), Drawings, Specifications, Addenda issued prior to execution of this Agreement, other documents listed in this Agreement, and Modifications issued after execution of this Agreement, all of which form the Contract and are as fully a part of the Contract as if attached to this Agreement or repeated herein. Upon the Owner's acceptance of the Construction Manager's Guaranteed Maximum Price proposal, the Contract Documents will also include the documents described in Section 3.2.3 and identified in the Guaranteed Maximum Price Amendment and revisions prepared by the Architect and furnished by the Owner as described in Section 3.2.8. The Contract represents the entire and integrated agreement between the parties hereto and supersedes prior negotiations, representations or agreements, either written or oral. If anything in the other Contract Documents, other than a Modification, is inconsistent with this Agreement, this Agreement shall govern. An enumeration of the Contract Documents, other than a Modification, appears in Article 15.

### § 2.2 Relationship of the Parties

The Construction Manager accepts the relationship of trust and confidence established by this Agreement and covenants with the Owner to cooperate with the Architect and exercise the Construction Manager's skill and judgment in furthering the interests of the Owner to furnish efficient construction administration, management services, and supervision; to furnish at all times an adequate supply of workers and materials; and to perform the Work in an expeditious and economical manner consistent with the Owner's interests. The Owner agrees to furnish or approve, in a timely manner, information required by the Construction Manager and to make payments to the Construction Manager in accordance with the requirements of the Contract Documents.

### § 2.3 General Conditions

§ 2.3.1 For the Preconstruction Phase, AIA Document A201™-2017, General Conditions of the Contract for Construction, shall apply as follows: Section 1.5, Ownership and Use of Documents; Section 1.7, Digital Data Use and Transmission; Section 1.8, Building Information Model Use and Reliance; Section 2.2.4, Confidential Information; Section 3.12.10, Professional Services; Section 10.3, Hazardous Materials; Section 13.1, Governing Law. The term "Contractor" as used in A201-2017 shall mean the Construction Manager.

§ 2.3.2 For the Construction Phase, the general conditions of the contract shall be as set forth in A201-2017, which document is incorporated herein by reference. The term "Contractor" as used in A201-2017 shall mean the Construction Manager.

## ARTICLE 3 CONSTRUCTION MANAGER'S RESPONSIBILITIES

The Construction Manager's Preconstruction Phase responsibilities are set forth in Sections 3.1 and 3.2, and in the applicable provisions of A201-2017 referenced in Section 2.3.1. The Construction Manager's Construction Phase responsibilities are set forth in Section 3.3. The Owner and Construction Manager may agree, in consultation with the Architect, for the Construction Phase to commence prior to completion of the Preconstruction Phase, in which case, both phases will proceed concurrently. The Construction Manager shall identify a representative authorized to act on behalf of the Construction Manager with respect to the Project.

## **§ 3.1 Preconstruction Phase**

### **§ 3.1.1 Extent of Responsibility**

The Construction Manager shall exercise reasonable care in performing its Preconstruction Services. The Owner and Architect shall be entitled to rely on, and shall not be responsible for, the accuracy, completeness, and timeliness of services and information furnished by the Construction Manager. The Construction Manager, however, does not warrant or guarantee estimates and schedules except as may be included as part of the Guaranteed Maximum Price. The Construction Manager is not required to ascertain that the Drawings and Specifications are in accordance with applicable laws, statutes, ordinances, codes, rules and regulations, or lawful orders of public authorities, but the Construction Manager shall promptly report in writing to the Architect and Owner any nonconformity discovered by or made known to the Construction Manager as a request for information in such form as the Architect may require.

**§ 3.1.2** The Construction Manager shall provide a preliminary evaluation of the Owner's program, schedule and construction budget requirements, each in terms of the other.

### **§ 3.1.3 Consultation**

**§ 3.1.3.1** The Construction Manager shall schedule and conduct meetings with the Architect and Owner to discuss such matters as procedures, progress, coordination, and scheduling of the Work.

**§ 3.1.3.2** The Construction Manager shall advise the Owner and Architect on proposed site use and improvements, selection of materials, building systems, and equipment. The Construction Manager shall also provide recommendations to the Owner and Architect, consistent with the Project requirements, on constructability; availability of materials and labor; time requirements for procurement, installation and construction; prefabrication; and factors related to construction cost including, but not limited to, costs of alternative designs or materials, preliminary budgets, life-cycle data, and possible cost reductions. The Construction Manager shall consult with the Architect regarding professional services to be provided by the Construction Manager during the Construction Phase.

**§ 3.1.3.3** The Construction Manager shall assist the Owner and Architect in establishing written protocols for the development, use, transmission, reliance, and exchange of digital data, including building information models for the Project.

### **§ 3.1.4 Project Schedule**

When Project requirements in Section 4.1.1 have been sufficiently identified, the Construction Manager shall prepare and periodically update a Project schedule for the Architect's review and the Owner's acceptance. The Construction Manager shall coordinate and integrate the Construction Manager's services, the Architect's services, other Owner consultants' services, and the Owner's responsibilities; and identify items that affect the Project's timely completion. The updated Project schedule shall include the following: submission of the Guaranteed Maximum Price proposal; components of the Work; times of commencement and completion required of each Subcontractor; ordering and delivery of products, including those that must be ordered in advance of construction; and the occupancy requirements of the Owner.

### **§ 3.1.5 Phased Construction**

The Construction Manager, in consultation with the Architect, shall provide recommendations with regard to accelerated or fast-track scheduling, procurement, and sequencing for phased construction. The Construction Manager shall take into consideration cost reductions, cost information, constructability, provisions for temporary facilities, and procurement and construction scheduling issues.

### **§ 3.1.6 Cost Estimates**

**§ 3.1.6.1** Based on the preliminary design and other design criteria prepared by the Architect, the Construction Manager shall prepare, for the Architect's review and the Owner's approval, preliminary estimates of the Cost of the Work or the cost of program requirements using area, volume, or similar conceptual estimating techniques. If the Architect or Construction Manager suggest alternative materials and systems, the Construction Manager shall provide cost evaluations of those alternative materials and systems.

**§ 3.1.6.2** As the Architect progresses with the preparation of the Schematic Design, Design Development and Construction Documents, the Construction Manager shall prepare and update, at appropriate intervals agreed to by the Owner, Construction Manager and Architect, an estimate of the Cost of the Work with increasing detail and refinement. The Construction Manager shall include in the estimate those costs to allow for the further development of the design, price escalation, and market conditions, until such time as the Owner and Construction Manager agree on a Guaranteed

Maximum Price for the Work. The estimate shall be provided for the Architect's review and the Owner's approval. The Construction Manager shall inform the Owner and Architect in the event that the estimate of the Cost of the Work exceeds the latest approved Project budget, and make recommendations for corrective action.

§ 3.1.6.3 If the Architect is providing cost estimating services as a Supplemental Service, and a discrepancy exists between the Construction Manager's cost estimates and the Architect's cost estimates, the Construction Manager and the Architect shall work together to reconcile the cost estimates.

§ 3.1.7 As the Architect progresses with the preparation of the Schematic Design, Design Development and Construction Documents, the Construction Manager shall consult with the Owner and Architect and make recommendations regarding constructability and schedules, for the Architect's review and the Owner's approval.

§ 3.1.8 The Construction Manager shall provide recommendations and information to the Owner and Architect regarding equipment, materials, services, and temporary Project facilities.

§ 3.1.9 The Construction Manager shall provide a staffing plan for Preconstruction Phase services for the Owner's review and approval.

§ 3.1.10 If the Owner identified a Sustainable Objective in Article 1, the Construction Manager shall fulfill its Preconstruction Phase responsibilities as required in AIA Document E234™-2019, Sustainable Projects Exhibit, Construction Manager as Constructor Edition, attached to this Agreement.

**§ 3.1.11 Subcontractors and Suppliers**

§ 3.1.11.1 If the Owner has provided requirements for subcontractor procurement in section 1.1.14, the Construction Manager shall provide a subcontracting plan, addressing the Owner's requirements, for the Owner's review and approval.

§ 3.1.11.2 The Construction Manager shall develop bidders' interest in the Project.

§ 3.1.11.3 The processes described in Article 9 shall apply if bid packages will be issued during the Preconstruction Phase.

**§ 3.1.12 Procurement**

The Construction Manager shall prepare, for the Architect's review and the Owner's acceptance, a procurement schedule for items that must be ordered in advance of construction. The Construction Manager shall expedite and coordinate the ordering and delivery of materials that must be ordered in advance of construction. If the Owner agrees to procure any items prior to the establishment of the Guaranteed Maximum Price, the Owner shall procure the items on terms and conditions acceptable to the Construction Manager. Upon the establishment of the Guaranteed Maximum Price, the Owner shall assign all contracts for these items to the Construction Manager and the Construction Manager shall thereafter accept responsibility for them.

**§ 3.1.13 Compliance with Laws**

The Construction Manager shall comply with applicable laws, statutes, ordinances, codes, rules and regulations, and lawful orders of public authorities applicable to its performance under this Contract, and with equal employment opportunity programs, and other programs as may be required by governmental and quasi-governmental authorities.

**§ 3.1.14 Other Preconstruction Services**

Insert a description of any other Preconstruction Phase services to be provided by the Construction Manager, or reference an exhibit attached to this document

*(Describe any other Preconstruction Phase services, such as providing cash flow projections, development of a project information management system, early selection or procurement of subcontractors, etc.)*

**§ 3.2 Guaranteed Maximum Price Proposal**

§ 3.2.1 At a time to be mutually agreed upon by the Owner and the Construction Manager, the Construction Manager shall prepare a Guaranteed Maximum Price proposal for the Owner's and Architect's review, and the Owner's acceptance. The Guaranteed Maximum Price in the proposal shall be the sum of the Construction Manager's estimate of the Cost of the

Work, the Construction Manager's contingency described in Section 3.2.4, and the Construction Manager's Fee described in Section 6.1.2.

**§ 3.2.2** To the extent that the Contract Documents are anticipated to require further development, the Guaranteed Maximum Price includes the costs attributable to such further development consistent with the Contract Documents and reasonably inferable therefrom. Such further development does not include changes in scope, systems, kinds and quality of materials, finishes, or equipment, all of which, if required, shall be incorporated by Change Order.

**§ 3.2.3** The Construction Manager shall include with the Guaranteed Maximum Price proposal a written statement of its basis, which shall include the following:

- .1 A list of the Drawings and Specifications, including all Addenda thereto, and the Conditions of the Contract;
- .2 A list of the clarifications and assumptions made by the Construction Manager in the preparation of the Guaranteed Maximum Price proposal, including assumptions under Section 3.2.2;
- .3 A statement of the proposed Guaranteed Maximum Price, including a statement of the estimated Cost of the Work organized by trade categories or systems, including allowances; the Construction Manager's contingency set forth in Section 3.2.4; and the Construction Manager's Fee;
- .4 The anticipated date of Substantial Completion upon which the proposed Guaranteed Maximum Price is based; and
- .5 A date by which the Owner must accept the Guaranteed Maximum Price.

**§ 3.2.4** In preparing the Construction Manager's Guaranteed Maximum Price proposal, the Construction Manager shall include a separately-identifiable contingency (the "Construction Contingency") for use in connection with this section. The Construction Contingency is not allocated to any particular item of the Cost of the Work and is established for the Construction Manager's use (subject to Owner approval, which shall not be unreasonably withheld), as may be required for costs incurred in the Work. All supporting documentation for all uses of the Construction Contingency shall be provided to Owner. Construction Manager shall notify the Owner and Architect, and request their approval of every expenditure from the Construction Contingency prior to commencing the work that necessitates the use of the contingency funds.

**§ 3.2.4.1** The Guaranteed Maximum Price proposal may also include a separately-identified contingency amount, an "Owner's Contingency," which is defined as a contingency fund within the Guaranteed Maximum Price established by the Owner of the Owner's exclusive use. Monies from the Owner's Contingency may be spent in the sole discretion of Owner. Construction Manager has no contractual right to require that Owner make any expenditure from the Owner's Contingency.

**§ 3.2.5** The Construction Manager shall meet with the Owner and Architect to review the Guaranteed Maximum Price proposal. In the event that the Owner or Architect discover any inconsistencies or inaccuracies in the information presented, they shall promptly notify the Construction Manager, who shall make appropriate adjustments to the Guaranteed Maximum Price proposal, its basis, or both.

**§ 3.2.6** If the Owner notifies the Construction Manager that the Owner has accepted the Guaranteed Maximum Price proposal in writing before the date specified in the Guaranteed Maximum Price proposal, the Guaranteed Maximum Price proposal shall be deemed effective without further acceptance from the Construction Manager. Following acceptance of a Guaranteed Maximum Price, the Owner and Construction Manager shall execute the Guaranteed Maximum Price Amendment amending this Agreement, a copy of which the Owner shall provide to the Architect. The Guaranteed Maximum Price Amendment shall set forth the agreed upon Guaranteed Maximum Price with the information and assumptions upon which it is based.

**§ 3.2.7** The Construction Manager shall not incur any cost to be reimbursed as part of the Cost of the Work prior to the execution of the Guaranteed Maximum Price Amendment, unless the Owner provides prior written authorization for such costs.

**§ 3.2.8** The Owner shall authorize preparation of revisions to the Contract Documents that incorporate the agreed-upon assumptions and clarifications contained in the Guaranteed Maximum Price Amendment. The Owner shall promptly furnish such revised Contract Documents to the Construction Manager. The Construction Manager shall notify the Owner

and Architect of any inconsistencies between the agreed-upon assumptions and clarifications contained in the Guaranteed Maximum Price Amendment and the revised Contract Documents.

§ 3.2.9 The Construction Manager shall not include in the Guaranteed Maximum Price any taxes from which the Owner is exempt by virtue of its status as a governmental entity. In the event that the Contractor is required to pay or bear the burden of any new federal, state, or local tax, or if any rate increase of an existing tax (except a tax on net profits), as a result of any statute, court decision, written ruling, or regulation takes effect after the contract date, the Guaranteed Maximum Price shall be increased by the amount of the new tax, or tax increase.

### § 3.3 Construction Phase

#### § 3.3.1 General

§ 3.3.1.1 For purposes of Section 8.1.2 of A201–2017, the date of commencement of the Work shall mean the date of commencement of the Construction Phase.

§ 3.3.1.2 The Construction Phase shall commence upon the Owner's execution of the Guaranteed Maximum Price Amendment or, prior to acceptance of the Guaranteed Maximum Price proposal, by written agreement of the parties. The written agreement shall set forth a description of the Work to be performed by the Construction Manager, and any insurance and bond requirements for Work performed prior to execution of the Guaranteed Maximum Price Amendment.

§ 3.3.1.3 Other than services normally associated with Construction Manager's performance of the General Conditions, Construction Manager shall not perform any portions of the Work unless it has been awarded such portion in accordance with the same procedures imposed upon all other trade contractors or subcontractors, and then, only if the Owner has determined that the Construction Manager's bid or proposed bid provides the best value for the Owner.

#### § 3.3.2 Administration

§ 3.3.2.1 The Construction Manager shall schedule and conduct meetings to discuss such matters as procedures, progress, coordination, scheduling, and status of the Work. The Construction Manager shall prepare and promptly distribute minutes of the meetings to the Owner and Architect.

§ 3.3.2.2 Upon the execution of the Guaranteed Maximum Price Amendment, the Construction Manager shall prepare and submit to the Owner and Architect a construction schedule for the Work and a submittal schedule in accordance with Section 3.10 of A201–2017.

#### § 3.3.2.3 Monthly Report

The Construction Manager shall record the progress of the Project. On a monthly basis, or otherwise as agreed to by the Owner, the Construction Manager shall submit written progress reports to the Owner and Architect, showing percentages of completion and other information required by the Owner.

#### § 3.3.2.4 Daily Logs

The Construction Manager shall keep, and make available to the Owner and Architect, a daily log containing a record for each day of weather, portions of the Work in progress, number of workers on site, identification of equipment on site, problems that might affect progress of the work, accidents, injuries, and other information required by the Owner.

#### § 3.3.2.5 Cost Control

The Construction Manager shall develop a system of cost control for the Work, including regular monitoring of actual costs for activities in progress and estimates for uncompleted tasks and proposed changes. The Construction Manager shall identify variances between actual and estimated costs and report the variances to the Owner and Architect, and shall provide this information in its monthly reports to the Owner and Architect, in accordance with Section 3.3.2.3 above.

## ARTICLE 4 OWNER'S RESPONSIBILITIES

### § 4.1 Information and Services Required of the Owner

§ 4.1.1 The Owner shall provide information with reasonable promptness, regarding requirements for and limitations on the Project, including a written program which shall set forth the Owner's objectives, constraints, and criteria, including schedule, space requirements and relationships, flexibility and expandability, special equipment, systems, sustainability and site requirements.

§ 4.1.2 The Owner, upon written request from the Construction Manager, shall provide a statement that funds are available and have been authorized for the full contract amount for the construction of the Work in accordance with the requirements of Tex. Bus. and Com. Code, Section 35.521 (n)(3), if applicable. After execution of the Guaranteed Maximum Price Amendment, the Construction Manager may request such information as set forth in A201-2017 Section 2.2.

§ 4.1.3 The Owner shall establish and periodically update the Owner's budget for the Project, including (1) the budget for the Cost of the Work as defined in Article 7, (2) the Owner's other costs, and (3) reasonable contingencies related to all of these costs.

§ 4.1.4 **Structural and Environmental Tests, Surveys and Reports.** During the Preconstruction Phase, the Owner shall furnish the following information or services with reasonable promptness. The Owner shall also furnish any other information or services under the Owner's control and relevant to the Construction Manager's performance of the Work with reasonable promptness after receiving the Construction Manager's written request for such information or services. Except to the extent that the Construction Manager knows of, or with reasonable diligence should have discovered, any inaccuracy, the Construction Manager shall be entitled to rely on the accuracy of information and services furnished by the Owner but shall exercise proper precautions relating to the safe performance of the Work.

§ 4.1.4.1 The Owner shall provide or contract for, independently of the Construction Manager, the inspection services, the testing of construction materials engineering and the verification testing services necessary for acceptance of the Work by Owner.

§ 4.1.4.2 The Owner shall furnish surveys describing physical characteristics, legal limitations and utility locations for the site of the Project, and a written legal description of the site. The surveys and legal information shall include, as applicable, grades and lines of streets, alleys, pavements and adjoining property and structures; designated wetlands; adjacent drainage; rights-of-way, restrictions, easements, encroachments, zoning, deed restrictions, boundaries and contours of the site; locations, dimensions and other necessary data with respect to existing buildings, other improvements and trees; and information concerning available utility services and lines, both public and private, above and below grade, including inverts and depths. All the information on the survey shall be referenced to a Project benchmark.

§ 4.1.4.3 The Owner, when such services are reasonably required by the Project and are requested by the Construction Manager, shall furnish services of geotechnical engineers, which may include test borings, test pits, determinations of soil bearing values, percolation tests, evaluations of hazardous materials, seismic evaluation, ground corrosion tests and resistivity tests, including necessary operations for anticipating subsoil conditions, with written reports and appropriate recommendations.

§ 4.1.5 During the Construction Phase, the Owner shall furnish information or services required of the Owner by the Contract Documents with reasonable promptness. The Owner shall also furnish any other information or services under the Owner's control and relevant to the Construction Manager's performance of the Work with reasonable promptness after receiving the Construction Manager's written request for such information or services.

§ 4.1.6 If the Owner identified a Sustainable Objective in Article 1, the Owner shall fulfill its responsibilities as required in AIA Document E234™-2019, Sustainable Projects Exhibit, Construction Manager as Constructor Edition, attached to this Agreement.

## § 4.2 Owner's Designated Representative

The Owner shall identify a representative authorized to act on behalf of the Owner with respect to the Project. The Owner's representative shall render decisions promptly and furnish information expeditiously, so as to avoid unreasonable delay in the services or Work of the Construction Manager. Except as otherwise provided in Section 4.2.1 of A201-2017, the Architect does not have such authority. The term "Owner" means the Owner or the Owner's authorized representative.

§ 4.2.1 **Legal Requirements.** The Owner shall furnish all legal and accounting services, including auditing services, that may be reasonably necessary at any time for the Project to meet the Owner's needs and interests.

**§ 4.3 Architect**

The Owner shall retain an Architect to provide services, duties and responsibilities, including any additional services requested by the Construction Manager and approved by Owner that are necessary for the Preconstruction and Construction Phase services under this Agreement. Upon request of the Construction Manager, the Owner shall provide the Construction Manager with a copy of the scope of services in the executed agreement between the Owner and the Architect, and any further modifications to the Architect’s scope of services in the agreement, from which compensation provisions may be deleted.

**ARTICLE 5 COMPENSATION AND PAYMENTS FOR PRECONSTRUCTION PHASE SERVICES**

**§ 5.1 Compensation**

**§ 5.1.1** For the Construction Manager’s Preconstruction Phase services described in Sections 3.1 and 3.2, the Owner shall compensate the Construction Manager as follows:

*(Insert amount of, or basis for, compensation and include a list of reimbursable cost items, as applicable.)*

Compensation shall be a stipulated sum of Two Thousand Five Hundred and No/100 Dollars (\$2,500.00).

**§ 5.1.2** The hourly billing rates for Preconstruction Phase services of the Construction Manager and the Construction Manager’s Consultants and Subcontractors, if any, are set forth below.

*(If applicable, attach an exhibit of hourly billing rates or insert them below.)*

Individual or Position	Rate
------------------------	------

**§ 5.1.2.1** Hourly billing rates for Preconstruction Phase services include all costs to be paid or incurred by the Construction Manager, as required by law or collective bargaining agreements, for taxes, insurance, contributions, assessments and benefits and, for personnel not covered by collective bargaining agreements, customary benefits such as sick leave, medical and health benefits, holidays, vacations and pensions, and shall remain unchanged unless the parties execute a Modification.

**§ 5.1.3** If the Preconstruction Phase services covered by this Agreement have not been completed within three hundred ( 300 ) days of the date of this Agreement, through no fault of the Construction Manager, the Construction Manager’s compensation for Preconstruction Phase services shall be equitably adjusted.

**§ 5.2 Payments**

**§ 5.2.1** Unless otherwise agreed, payments for services shall be made monthly in proportion to services performed.

**§ 5.2.2** Payments are due and payable thirty (30) days from the date the Construction Manager’s invoice is received by Owner. Amounts unpaid after the date on which payment is due shall bear interest at the rate entered below, or in the absence thereof at the legal rate prevailing from time to time at the place where the Project is located.

*(Insert rate of monthly or annual interest agreed upon.)*

The rate of interest computed in accordance with the provisions of the Texas Government Code, Section 2251.025.

**ARTICLE 6 COMPENSATION FOR CONSTRUCTION PHASE SERVICES**

**§ 6.1 Contract Sum**

**§ 6.1.1** The Owner shall pay the Construction Manager the Contract Sum in current funds for the Construction Manager’s performance of the Contract after execution of the Guaranteed Maximum Price Amendment. The Contract Sum is the Cost of the Work as defined in Article 7 plus the Construction Manager’s Fee.

**§ 6.1.2** The Construction Manager’s Fee:

*(State a lump sum, percentage of Cost of the Work or other provision for determining the Construction Manager’s Fee.)*

The fee shall be 2.30% of the Cost of the Work.

**§ 6.1.3** The method of adjustment of the Construction Manager’s Fee for changes in the Work:

If both Owner and Construction Manager agree that a material change in the scope of services has occurred, the parties will agree on an equitable adjustment in the Construction Manager's Fee.

**§ 6.1.4** Limitations, if any, on a Subcontractor's overhead and profit for increases in the cost of its portion of the Work:

Those limitations set forth in Section 7.5 of AIA Document A201-2017 as modified by Owner.

**§ 6.1.5** Rental rates for Construction Manager-owned equipment shall not exceed the standard rental rate paid at the place of the Project.

**§ 6.1.6** Liquidated damages, if any:  
*(Insert terms and conditions for liquidated damages, if any.)*

Provisions are described in the A201 – 2017 v5 (08-13-2024) General Conditions of the Contract for Construction, provided by Owner, attached hereto and incorporated herein for all purposes.

**§ 6.1.7** Other:  
*(Insert provisions for bonus, cost savings or other incentives, if any, that might result in a change to the Contract Sum.)*

If the Construction Manager completes the performance of the Work for less than the Guaranteed Maximum Price, the difference between (i) the total aggregate sum of the actual Cost of the Work plus the Construction Manager's fee and (ii) the Guaranteed Maximum Price shall inure in its entirety to the Owner's benefit.

**§ 6.2** Guaranteed Maximum Price

The Construction Manager guarantees that the Contract Sum shall not exceed the Guaranteed Maximum Price set forth in the Guaranteed Maximum Price Amendment, subject to additions and deductions by Change Order as provided in the Contract Documents. Costs which would cause the Guaranteed Maximum Price to be exceeded shall be paid by the Construction Manager without reimbursement by the Owner.

**§ 6.3** Changes in the Work

**§ 6.3.1** The Owner may, without invalidating the Contract, order changes in the Work consisting of additions, deletions or other revisions. The Owner shall issue such changes in writing. The Contract Time may be adjusted as a result of changes in the Work as agreed upon in writing by Owner.

**§ 6.3.1.1** The Architect may order minor changes in the Work as provided in Article 7 of AIA Document A201–2017, General Conditions of the Contract for Construction.

**§ 6.3.2** Adjustments to the Guaranteed Maximum Price on account of changes in the Work subsequent to the execution of the Guaranteed Maximum Price Amendment may be determined by any of the methods listed in Article 7 of AIA Document A201–2017, General Conditions of the Contract for Construction.

**§ 6.3.3** Adjustments to subcontracts awarded on the basis of a stipulated sum shall be determined in accordance with Article 7 of A201–2017, as they refer to "cost" and "fee," and not by Articles 6 and 7 of this Agreement. Adjustments to subcontracts awarded with the Owner's prior written consent on the basis of cost plus a fee shall be calculated in accordance with the terms of those subcontracts.

**§ 6.3.4** In calculating adjustments to the Guaranteed Maximum Price, the terms "cost" and "costs" as used in Article 7 of AIA Document A201–2017 shall mean the Cost of the Work as defined in Article 7 of this Agreement and the term "fee" shall mean the Construction Manager's Fee as defined in Section 6.1.2 of this Agreement.

**§ 6.3.5** Intentionally Deleted.

**ARTICLE 7 COST OF THE WORK FOR CONSTRUCTION PHASE**

**§ 7.1** Costs to Be Reimbursed

**§ 7.1.1** The term Cost of the Work shall mean costs necessarily incurred by the Construction Manager in the proper performance of the Work. The Cost of the Work shall include only the items set forth in Sections 7.1 through 7.7.

Init.

§ 7.1.2 Where, pursuant to the Contract Documents, any cost is subject to the Owner's prior approval, the Construction Manager shall obtain such approval in writing prior to incurring the cost.

§ 7.1.3 Costs shall be at rates not higher than the standard rates paid at the place of the Project, except with prior approval of the Owner.

## § 7.2 Labor Costs

§ 7.2.1 Wages or salaries of construction workers directly employed by the Construction Manager to perform minor work at the site or, with the Owner's prior approval, at off-site workshops.

§ 7.2.2 Wages or salaries of the Construction Manager's supervisory and administrative personnel when stationed at the site and performing Work, with the Owner's prior approval.

§ 7.2.2.1 Wages or salaries of the Construction Manager's supervisory and administrative personnel when performing Work and stationed at a location other than the site, but only for that portion of time required for the Work, and limited to the personnel and activities listed below:

*(Identify the personnel, type of activity and, if applicable, any agreed upon percentage of time to be devoted to the Work.)*

§ 7.2.3 Wages and salaries of the Construction Manager's supervisory or administrative personnel engaged at factories, workshops or while traveling, in expediting the production or transportation of materials or equipment required for the Work, but only for that portion of their time required for the Work.

§ 7.2.4 Costs paid or incurred by the Construction Manager, as required by law or collective bargaining agreements, for taxes, except taxes from which the Owner is exempt by virtue of its status as a governmental entity, insurance, contributions, assessments and benefits and, for personnel not covered by collective bargaining agreements, customary benefits such as sick leave, medical and health benefits, holidays, vacations and pensions, provided such costs are based on wages and salaries included in the Cost of the Work under Sections 7.2.1 through 7.2.3.

§ 7.2.5 If agreed rates for labor costs, in lieu of actual costs, are provided in this Agreement, the rates shall remain unchanged throughout the duration of this Agreement, unless the parties execute a Modification.

## § 7.3 Subcontract Costs

Payments made by the Construction Manager to trade contractors, Subcontractors, or the Construction Manager (for portions of the Work for which Construction Manager was selected under Section 3.3.1.3) in accordance with the requirements of the trade contracts or subcontracts and this Agreement.

## § 7.4 Costs of Materials and Equipment Incorporated in the Completed Construction

§ 7.4.1 Costs, including transportation and storage at the site, of materials and equipment incorporated, or to be incorporated, in the completed construction.

§ 7.4.2 Costs of materials described in the preceding Section 7.4.1 in excess of those actually installed to allow for reasonable waste and spoilage. Unused excess materials, if any, shall become the Owner's property at the completion of the Work or, at the Owner's option, shall be sold by the Construction Manager. Any amounts realized from such sales shall be credited to the Owner as a deduction from the Cost of the Work.

## § 7.5 Costs of Other Materials and Equipment, Temporary Facilities and Related Items

§ 7.5.1 Costs of transportation, storage, installation, dismantling, maintenance, and removal of materials, supplies, temporary facilities, machinery, equipment and hand tools not customarily owned by construction workers that are provided by the Construction Manager at the site and fully consumed in the performance of the Work. Costs of materials, supplies, temporary facilities, machinery, equipment, and tools, that are not fully consumed, shall be based on the cost or value of the item at the time it is first used on the Project site less the value of the item when it is no longer used at the Project site. Costs for items not fully consumed by the Construction Manager shall mean fair market value.

§ 7.5.2 Rental charges for temporary facilities, machinery, equipment, and hand tools not customarily owned by construction workers that are provided by the Construction Manager at the site, and the costs of transportation, installation, dismantling, minor repairs, and removal of such temporary facilities, machinery, equipment, and hand tools. Rates and quantities shall be subject to the Owner's prior approval. The total rental cost of any such equipment may not exceed the purchase price of any comparable item.

§ 7.5.3 Costs of removal of debris from the site of the Work and its proper and legal disposal.

§ 7.5.4 Costs of the Construction Manager's site office, including general office equipment and supplies.

§ 7.5.5 Costs of materials and equipment suitably stored off the site at a mutually acceptable location, subject to the Owner's prior approval.

## § 7.6 Miscellaneous Costs

§ 7.6.1 Premiums for that portion of insurance and bonds required by the Contract Documents that can be directly attributed to this Contract.

§ 7.6.1.1 Intentionally Deleted.

§ 7.6.1.2 Costs for insurance through a captive insurer owned or controlled by the Construction Manager, with the Owner's prior approval.

§ 7.6.2 Sales, use, or similar taxes, imposed by a governmental authority, that are related to the Work and for which the Construction Manager is liable, except this does not include taxes from which the Owner is exempt by virtue of its status as a governmental entity.

§ 7.6.3 Fees and assessments for the building permit, and for other permits, licenses, and inspections, for which the Construction Manager is required by the Contract Documents to pay.

§ 7.6.4 Intentionally Deleted.

§ 7.6.5 Royalties and license fees paid for the use of a particular design, process, or product, required by the Contract Documents.

§ 7.6.5.1 Intentionally Deleted.

§ 7.6.6 Costs for communications services, electronic equipment, and software, directly related to the Work and located at the site, with the Owner's prior approval.

§ 7.6.7 Reasonable costs of document reproductions and delivery charges.

§ 7.6.8 Deposits lost for causes other than the Construction Manager's negligence or failure to fulfill a specific responsibility in the Contract Documents.

§ 7.6.9 Legal and mediation costs, including attorneys' fees, other than those arising from disputes between the Owner and Construction Manager, reasonably incurred by the Construction Manager after the execution of this Agreement in the performance of the Work and with the Owner's prior approval, which shall not be unreasonably withheld.

§ 7.6.10 Intentionally Deleted.

§ 7.6.11 Intentionally Deleted.

## § 7.7 Other Costs and Emergencies

§ 7.7.1 Other costs incurred in the performance of the Work, with the Owner's prior approval.

§ 7.7.2 Costs incurred in taking action to prevent threatened damage, injury, or loss, in case of an emergency affecting the safety of persons and property, as provided in Article 10 of AIA Document A201-2017.

Init.

§ 7.7.3 Costs of repairing or correcting damaged or nonconforming Work executed by the Construction Manager, Subcontractors, or suppliers, provided that such damaged or nonconforming Work was not caused by the negligence of, or failure to fulfill a specific responsibility by, the Construction Manager, and only to the extent that the cost of repair or correction is not recovered by the Construction Manager from insurance, sureties, Subcontractors, suppliers, or others.

§ 7.7.4 The costs described in Sections 7.1 through 7.7 shall be included in the Cost of the Work, notwithstanding any provision of AIA Document A201–2017 or other Conditions of the Contract which may require the Construction Manager to pay such costs, unless such costs are excluded by the provisions of Section 7.9.

#### § 7.8 Related Party Transactions

§ 7.8.1 For purposes of this Section 7.8, the term "related party" shall mean (1) a parent, subsidiary, affiliate, or other entity having common ownership of, or sharing common management with, the Construction Manager; (2) any entity in which any stockholder in, or management employee of, the Construction Manager holds an equity interest in excess of ten percent in the aggregate; (3) any entity which has the right to control the business or affairs of the Construction Manager; or (4) any person, or any member of the immediate family of any person, who has the right to control the business or affairs of the Construction Manager.

§ 7.8.2 If any of the costs to be reimbursed arise from a transaction between the Construction Manager and a related party, the Construction Manager shall notify the Owner of the specific nature of the contemplated transaction, including the identity of the related party and the anticipated cost to be incurred, before any such transaction is consummated or cost incurred. If the Owner, after such notification, authorizes the proposed transaction in writing, then the cost incurred shall be included as a cost to be reimbursed, and the Construction Manager shall procure the Work, equipment, goods, or service, from the related party, as a Subcontractor, according to the terms of Article 9. If the Owner fails to authorize the transaction in writing, the Construction Manager shall procure the Work, equipment, goods, or service from some person or entity other than a related party according to the terms of Article 9.

#### § 7.9 Costs Not To Be Reimbursed

§ 7.9.1 The Cost of the Work shall not include the items listed below:

- .1 Salaries and other compensation of the Construction Manager's personnel stationed at the Construction Manager's principal office or offices other than the site office, except as specifically provided in Section 7.2, or as may be provided in Article 14;
- .2 Bonuses, profit sharing, incentive compensation, and any other discretionary payments, paid to anyone hired by the Construction Manager or paid to any Subcontractor or vendor, unless the Owner has provided prior approval;
- .3 Expenses of the Construction Manager's principal office and offices other than the site office;
- .4 Overhead and general expenses, except as may be expressly included in Sections 7.1 to 7.7;
- .5 The Construction Manager's capital expenses, including interest on the Construction Manager's capital employed for the Work;
- .6 Except as provided in Section 7.7.3 of this Agreement, costs due to the negligence of, or failure to fulfill a specific responsibility of the Contract by, the Construction Manager, Subcontractors, and suppliers, or anyone directly or indirectly employed by any of them or for whose acts any of them may be liable;
- .7 Any cost not specifically and expressly described in Sections 7.1 to 7.7;
- .8 Costs, other than costs included in Change Orders approved by the Owner, that would cause the Guaranteed Maximum Price to be exceeded; and
- .9 Costs for services incurred during the Preconstruction Phase.

#### ARTICLE 8 DISCOUNTS, REBATES, AND REFUNDS

§ 8.1 Cash discounts obtained on payments made by the Construction Manager shall accrue to the Owner if (1) before making the payment, the Construction Manager included the amount to be paid, less such discount, in an Application for Payment and received payment from the Owner, or (2) the Owner has deposited funds with the Construction Manager with which to make payments; otherwise, cash discounts shall accrue to the Construction Manager. Trade discounts, rebates, refunds, and amounts received from sales of surplus materials and equipment shall accrue to the Owner, and the Construction Manager shall make provisions so that they can be obtained.

§ 8.2 Amounts that accrue to the Owner in accordance with the provisions of Section 8.1 shall be credited to the Owner as a deduction from the Cost of the Work.

## ARTICLE 9 SUBCONTRACTS AND OTHER AGREEMENTS

§ 9.1 The Owner then has the right to review the Construction Manager's list of proposed subcontractors and suppliers in consultation with the Architect and, subject to Section 9.1.1, to object to any subcontractor or supplier. Any advice of the Architect, or approval or objection by the Owner, shall not relieve the Construction Manager of its responsibility to perform the Work in accordance with the Contract Documents. All portions of the Work, other than minor work, site clean-up, etc. ("General Conditions"), shall be performed by trade contractors or subcontractors, including Construction Manager, who have been selected using competitive bids or competitive sealed proposals in accordance with the policies and procedures approved by Owner. On all portions of the Work for which the Construction Manager does not submit a bid or proposal, the Construction Manager and the Owner shall receive and open all trade contractor and subcontractor bids or proposals in a manner that does not disclose the contents of the bid or proposal during the selection process. On any portion of the Work for which the Construction Manager submits a bid or proposal, the Owner shall receive and open the trade contractors, subcontractors and Construction Manager bids or proposals, but shall not disclose the contents of the bids or proposals until the selection process therefor is completed. All bids or proposals shall be made public after the award of the contract or within seven (7) days after the date of final selection of bids or proposals, whichever is later.

The Construction Manager shall furnish to Owner and Architect for the Owner's approval prior to any public advertisement or solicitation for a portion of the Work the evaluation criteria that the Construction Manager proposes to use in recommending qualified trade contractors or subcontractors for each portion of the Work that will provide the best value for the Owner.

§ 9.1.1 When a specific subcontractor or supplier (1) is recommended to the Owner by the Construction Manager; (2) is qualified to perform that portion of the Work; (3) has submitted a bid that conforms to the requirements of the Contract Documents without reservations or exceptions, and (4) offers the best value to the Owner, but the Owner requires that another bid be accepted, then the Construction Manager may require that a Change Order be issued to adjust the Guaranteed Maximum Price by the difference between the bid of the person or entity recommended to the Owner by the Construction Manager and the amount of the subcontract or other agreement actually signed with the person or entity designated by the Owner.

§ 9.2 Subcontracts or other agreements shall conform to the applicable payment provisions of this Agreement, and shall not be awarded on the basis of cost plus a fee without the Owner's prior written approval. If a subcontract is awarded on the basis of cost plus a fee, the Construction Manager shall provide in the subcontract for the Owner to receive the same audit rights with regard to the Subcontractor as the Owner receives with regard to the Construction Manager in Article 10.

## ARTICLE 10 ACCOUNTING RECORDS

The Construction Manager shall keep full and detailed records and accounts related to the Cost of the Work, and exercise such controls, as may be necessary for proper financial management under this Contract and to substantiate all costs incurred. The accounting and control systems shall be satisfactory to the Owner. The Owner and the Owner's auditors shall, during regular business hours and upon reasonable notice, be afforded access to, and shall be permitted to audit and copy, the Construction Manager's records and accounts, including complete documentation supporting accounting entries, books, job cost reports, correspondence, instructions, drawings, receipts, subcontracts, Subcontractor's proposals, Subcontractor's invoices, purchase orders, vouchers, memoranda, and other data relating to this Contract. The Construction Manager shall preserve these records for a period of three years after final payment, or for such longer period as may be required by law.

## ARTICLE 11 PAYMENTS FOR CONSTRUCTION PHASE SERVICES

### § 11.1 Progress Payments

§ 11.1.1 Based upon Applications for Payment submitted to the Architect by the Construction Manager, and Certificates for Payment issued by the Architect, the Owner shall make progress payments on account of the Contract Sum, to the Construction Manager, as provided below and elsewhere in the Contract Documents.

§ 11.1.2 The period covered by each Application for Payment shall be one calendar month ending on the last day of the month, or as follows:

§ 11.1.3 Provided that an Application for Payment is received by the Architect not later than the 25th day of a month, the Owner shall make payment of the amount certified by the Architect to the Construction Manager not later than the 15th day of the next month. If an Application for Payment is received by the Architect after the application date fixed above, payment of the amount certified shall be made by the Owner not later than thirty ( 30 ) days after the Architect receives the Application for Payment.

*(Federal, state or local laws may require payment within a certain period of time.)*

§ 11.1.4 With each Application for Payment, the Construction Manager shall submit payrolls, petty cash accounts, receipted invoices or invoices with check vouchers attached, and any other evidence required by the Owner or Architect to demonstrate that payments already made by the Construction Manager on account of the Cost of the Work equal or exceed progress payments already received by the Construction Manager, plus payrolls for the period covered by the present Application for Payment, less that portion of the progress payments attributable to the Construction Manager's Fee.

§ 11.1.5 Each Application for Payment shall be based on the most recent schedule of values submitted by the Construction Manager in accordance with the Contract Documents. The schedule of values shall allocate the entire Guaranteed Maximum Price among: (1) the various portions of the Work; (2) any contingency for costs that are included in the Guaranteed Maximum Price but not otherwise allocated to another line item or included in a Change Order; and (3) the Construction Manager's Fee.

§ 11.1.5.1 The schedule of values shall be prepared in such form and supported by such data to substantiate its accuracy as the Architect may require. The schedule of values shall be used as a basis for reviewing the Construction Manager's Applications for Payment.

§ 11.1.5.2 The allocation of the Guaranteed Maximum Price under this Section 11.1.5 shall not constitute a separate guaranteed maximum price for the Cost of the Work of each individual line item in the schedule of values.

§ 11.1.5.3 When the Construction Manager allocates costs from a contingency to another line item in the schedule of values, the Construction Manager shall submit supporting documentation to the Architect.

§ 11.1.6 Applications for Payment shall show the percentage of completion of each portion of the Work as of the end of the period covered by the Application for Payment. The percentage of completion shall be the lesser of (1) the percentage of that portion of the Work which has actually been completed, or (2) the percentage obtained by dividing (a) the expense that has actually been incurred by the Construction Manager on account of that portion of the Work and for which the Construction Manager has made payment or intends to make payment prior to the next Application for Payment, by (b) the share of the Guaranteed Maximum Price allocated to that portion of the Work in the schedule of values.

§ 11.1.7 In accordance with AIA Document A201-2017 and subject to other provisions of the Contract Documents, the amount of each progress payment shall be computed as follows:

§ 11.1.7.1 The amount of each progress payment shall first include:

- .1 That portion of the Guaranteed Maximum Price properly allocable to completed Work as determined by multiplying the percentage of completion of each portion of the Work by the share of the Guaranteed Maximum Price allocated to that portion of the Work in the most recent schedule of values;
- .2 That portion of the Guaranteed Maximum Price properly allocable to materials and equipment delivered and suitably stored at the site for subsequent incorporation in the completed construction or, if approved in writing in advance by the Owner, suitably stored off the site at a location agreed upon in writing;
- .3 That portion of Construction Change Directives that the Architect determines, in the Architect's professional judgment, to be reasonably justified; and
- .4 The Construction Manager's Fee, computed upon the Cost of the Work described in the preceding Sections 11.1.7.1.1 and 11.1.7.1.2 at the rate stated in Section 6.1.2 or, if the Construction Manager's Fee is stated as a fixed sum in that Section, an amount that bears the same ratio to that fixed-sum fee as the Cost of the Work included in Sections 11.1.7.1.1 and 11.1.7.1.2 bears to a reasonable estimate of the probable Cost of the Work upon its completion.

§ 11.1.7.2 The amount of each progress payment shall then be reduced by:

- .1 The aggregate of any amounts previously paid by the Owner;

- .2 The amount, if any, for Work that remains uncorrected and for which the Architect has previously withheld a Certificate for Payment as provided in Article 9 of AIA Document A201–2017;
- .3 Any amount for which the Construction Manager does not intend to pay a Subcontractor or material supplier, unless the Work has been performed by others the Construction Manager intends to pay;
- .4 For Work performed or defects discovered since the last payment application, any amount for which the Architect may withhold payment, or nullify a Certificate of Payment in whole or in part, as provided in Article 9 of AIA Document A201–2017;
- .5 The shortfall, if any, indicated by the Construction Manager in the documentation required by Section 11.1.4 to substantiate prior Applications for Payment, or resulting from errors subsequently discovered by the Owner’s auditors in such documentation; and
- .6 Retainage withheld pursuant to Section 11.1.8.

**§ 11.1.8 Retainage**

**§ 11.1.8.1** For each progress payment made prior to Substantial Completion of the Work, the Owner may withhold the following amount, as retainage, from the payment otherwise due:

*(Insert a percentage or amount to be withheld as retainage from each Application for Payment. The amount of retainage may be limited by governing law.)*

Five percent (5%) of the amount of any progress payment for the Cost of Work and Construction Manager’s Fee

**§ 11.1.8.1.1** The following items are not subject to retainage:

*(Insert any items not subject to the withholding of retainage, such as general conditions, insurance, etc.)*

**§ 11.1.8.2** Reduction or limitation of retainage, if any, shall be as follows:

*(If the retainage established in Section 11.1.8.1 is to be modified prior to Substantial Completion of the entire Work, insert provisions for such modification.)*

**§ 11.1.8.3** Except as set forth in this Section 11.1.8.3, upon Substantial Completion of the Work, the Construction Manager may submit an Application for Payment that includes the retainage withheld from prior Applications for Payment pursuant to this Section 11.1.8. The Application for Payment submitted at Substantial Completion shall not include retainage as follows:

*(Insert any other conditions for release of retainage, such as upon completion of the Owner’s audit and reconciliation, upon Substantial Completion.)*

**§ 11.1.9** If final completion of the Work is materially delayed through no fault of the Construction Manager, the Owner shall pay the Construction Manager any additional amounts in accordance with Article 9 of AIA Document A201–2017.

**§ 11.1.10** Except with the Owner’s prior written approval, the Construction Manager shall not make advance payments to suppliers for materials or equipment which have not been delivered and suitably stored at the site.

**§ 11.1.11** The Owner and the Construction Manager shall agree upon a mutually acceptable procedure for review and approval of payments to Subcontractors. All subcontracts shall provide for a five percent (5%) retainage unless otherwise agreed in writing by Owner. The Construction Manager shall execute subcontracts in accordance with those agreements.

**§ 11.1.12** In taking action on the Construction Manager’s Applications for Payment the Architect shall be entitled to rely on the accuracy and completeness of the information furnished by the Construction Manager, and such action shall not be deemed to be a representation that (1) the Architect has made a detailed examination, audit, or arithmetic verification, of the documentation submitted in accordance with Section 11.1.4 or other supporting data; (2) that the Architect has made exhaustive or continuous on-site inspections; or (3) that the Architect has made examinations to ascertain how or for what purposes the Construction Manager has used amounts previously paid on account of the Contract. Such examinations,

audits, and verifications, if required by the Owner, will be performed by the Owner's auditors acting in the sole interest of the Owner.

### § 11.2 Final Payment

§ 11.2.1 Final payment, constituting the entire unpaid balance of the Contract Sum, shall be made by the Owner to the Construction Manager when

- .1 the Construction Manager has fully performed the Contract, except for the Construction Manager's responsibility to correct Work as provided in Article 12 of AIA Document A201-2017, and to satisfy other requirements, if any, which extend beyond final payment;
- .2 the Construction Manager has submitted a final accounting for the Cost of the Work and a final Application for Payment; and
- .3 a final Certificate for Payment has been issued by the Architect in accordance with Section 11.2.2.2.

§ 11.2.2 Within 30 days of the Owner's receipt of the Construction Manager's final accounting for the Cost of the Work, the Owner shall conduct an audit of the Cost of the Work or notify the Architect that it will not conduct an audit.

§ 11.2.2.1 If the Owner conducts an audit of the Cost of the Work, the Owner shall, within 10 days after completion of the audit, submit a written report based upon the auditors' findings to the Architect.

§ 11.2.2.2 Within seven days after receipt of the written report described in Section 11.2.2.1, or receipt of notice that the Owner will not conduct an audit, and provided that the other conditions of Section 11.2.1 have been met, the Architect will either issue to the Owner a final Certificate for Payment with a copy to the Construction Manager, or notify the Construction Manager and Owner in writing of the Architect's reasons for withholding a certificate as provided in Article 9 of AIA Document A201-2017. The time periods stated in this Section 11.2.2 supersede those stated in Article 9 of AIA Document A201-2017. The Architect is not responsible for verifying the accuracy of the Construction Manager's final accounting.

§ 11.2.2.3 If the Owner's auditors' report concludes that the Cost of the Work, as substantiated by the Construction Manager's final accounting, is less than claimed by the Construction Manager, the Construction Manager shall be entitled to proceed in accordance with Article 12 without a further decision of the Architect. Pending a final resolution of the disputed amount, the Owner shall pay the Construction Manager the amount certified in the Architect's final Certificate for Payment.

§ 11.2.3 The Owner's final payment to the Construction Manager shall be made no later than 30 days after the issuance of the Architect's final Certificate for Payment as follows:

The Construction Manager shall certify to the Owner that the facility, to the best of his knowledge, has been constructed in accordance with the Architect's construction documents. The certification shall be in a form which is acceptable to the Owner and Construction Manager.

§ 11.2.4 If, subsequent to final payment, and at the Owner's request, the Construction Manager incurs costs, described in Sections 7.1 through 7.7, and not excluded by Section 7.9, to correct defective or nonconforming Work, the Owner shall reimburse the Construction Manager for such costs, and the Construction Manager's Fee applicable thereto, on the same basis as if such costs had been incurred prior to final payment, but not in excess of the Guaranteed Maximum Price.

### § 11.3 Interest

Payments due and unpaid under the Contract shall bear interest from the date payment is due at the rate stated below, or in the absence thereof, at the legal rate prevailing from time to time at the place where the Project is located.

*(Insert rate of interest agreed upon, if any.)*

The rate of interest computed in accordance with the provisions of the Texas Government Code, Section 2251.025.

## ARTICLE 12 DISPUTE RESOLUTION

### § 12.1 Initial Decision Maker

§ 12.1.1 Any Claim between the Owner and Construction Manager shall be resolved in accordance with the provisions set forth in this Article 12 and Article 15 of A201-2017.

Init.

§ 12.1.2 The Owner will serve as the Initial Decision Maker.

*(If the parties mutually agree, insert the name, address and other contact information of the Initial Decision Maker, if other than the Owner.)*

### § 12.2 Binding Dispute Resolution

For any Claim subject to, but not resolved by mediation pursuant to Article 15 of AIA Document A201–2017, the method of binding dispute resolution shall be as follows:

*(Check the appropriate box.)*

- Arbitration pursuant to Article 15 of AIA Document A201–2017
- Litigation in a court of competent jurisdiction
- Other: *(Specify)*

If the Owner and Construction Manager do not select a method of binding dispute resolution, or do not subsequently agree in writing to a binding dispute resolution method other than litigation, Claims will be resolved by litigation in a court of competent jurisdiction.

## ARTICLE 13 TERMINATION OR SUSPENSION

### § 13.1 Termination Prior to Execution of the Guaranteed Maximum Price Amendment

§ 13.1.1 If the Owner and the Construction Manager do not reach an agreement on the Guaranteed Maximum Price, the Owner may terminate this Agreement upon not less than seven days' written notice to the Construction Manager, and the Construction Manager may terminate this Agreement, upon not less than seven days' written notice to the Owner.

§ 13.1.2 In the event of termination of this Agreement pursuant to Section 13.1.1, the Construction Manager shall be compensated for Preconstruction Phase services and Work performed prior to receipt of a notice of termination, in accordance with the terms of this Agreement. In no event shall the Construction Manager's compensation under this Section exceed the compensation set forth in Section 5.1.

§ 13.1.3 Prior to the execution of the Guaranteed Maximum Price Amendment, the Owner may terminate this Agreement upon not less than seven days' written notice to the Construction Manager for the Owner's convenience and without cause, and the Construction Manager may terminate this Agreement, upon not less than seven days' written notice to the Owner, for the reasons set forth in Article 14 of A201–2017.

§ 13.1.4 In the event of termination of this Agreement pursuant to Section 13.1.3, the Construction Manager shall be equitably compensated for Preconstruction Phase services and Work performed prior to receipt of a notice of termination. In no event shall the Construction Manager's compensation under this Section exceed the compensation set forth in Section 5.1.

§ 13.1.5 If the Owner terminates the Contract pursuant to Section 13.1.3 after the commencement of the Construction Phase but prior to the execution of the Guaranteed Maximum Price Amendment, the Owner shall pay to the Construction Manager an amount calculated as follows, which amount shall be in addition to any compensation paid to the Construction Manager under Section 13.1.4:

- .1 Take the Cost of the Work incurred by the Construction Manager to the date of termination;
- .2 Add the Construction Manager's Fee computed upon the Cost of the Work to the date of termination at the rate stated in Section 6.1 or, if the Construction Manager's Fee is stated as a fixed sum in that Section, an amount that bears the same ratio to that fixed-sum Fee as the Cost of the Work at the time of termination bears to a reasonable estimate of the probable Cost of the Work upon its completion; and
- .3 Subtract the aggregate of previous payments made by the Owner for Construction Phase services.

Init.

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User Notes:

(909471819)

§ 13.1.6 The Owner shall also pay the Construction Manager fair compensation, either by purchase or rental at the election of the Owner, for any equipment owned by the Construction Manager that the Owner elects to retain and that is not otherwise included in the Cost of the Work under Section 13.1.5.1. To the extent that the Owner elects to take legal assignment of subcontracts and purchase orders (including rental agreements), the Construction Manager shall, as a condition of receiving the payments referred to in this Article 13, execute and deliver all such papers and take all such steps, including the legal assignment of such subcontracts and other contractual rights of the Construction Manager, as the Owner may require for the purpose of fully vesting in the Owner the rights and benefits of the Construction Manager under such subcontracts or purchase orders. All Subcontracts, purchase orders and rental agreements entered into by the Construction Manager will contain provisions allowing for assignment to the Owner as described above.

§ 13.1.6.1 If the Owner accepts assignment of subcontracts, purchase orders or rental agreements as described above, the Owner will reimburse the Construction Manager for all costs arising under the subcontract, purchase order or rental agreement, if those costs would have been reimbursable as Cost of the Work if the contract had not been terminated. If the Owner chooses not to accept assignment of any subcontract, purchase order or rental agreement that would have constituted a Cost of the Work had this agreement not been terminated, the Construction Manager will terminate the subcontract, purchase order or rental agreement and the Owner will pay the Construction Manager the costs which would have been reimbursable as Cost of Work.

## § 13.2 Termination or Suspension Following Execution of the Guaranteed Maximum Price Amendment

### § 13.2.1 Termination

The Contract may be terminated by the Owner or the Construction Manager as provided in Article 14 of AIA Document A201–2017.

### § 13.2.2 Termination by the Owner for Cause

§ 13.2.2.1 If the Owner terminates the Contract for cause as provided in Article 14 of AIA Document A201–2017, the amount, if any, to be paid to the Construction Manager under Article 14 of AIA Document A201–2017 shall not cause the Guaranteed Maximum Price to be exceeded, nor shall it exceed an amount calculated as follows:

- .1 Take the Cost of the Work incurred by the Construction Manager to the date of termination;
- .2 Add the Construction Manager's Fee, computed upon the Cost of the Work to the date of termination at the rate stated in Section 6.1 or, if the Construction Manager's Fee is stated as a fixed sum in that Section, an amount that bears the same ratio to that fixed-sum Fee as the Cost of the Work at the time of termination bears to a reasonable estimate of the probable Cost of the Work upon its completion;
- .3 Subtract the aggregate of previous payments made by the Owner; and
- .4 Subtract the costs and damages incurred, or to be incurred, by the Owner under Article 14 of AIA Document A201–2017.

§ 13.2.2.2 The Owner shall also pay the Construction Manager fair compensation, either by purchase or rental at the election of the Owner, for any equipment owned by the Construction Manager that the Owner elects to retain and that is not otherwise included in the Cost of the Work under Section 13.2.2.1.1. To the extent that the Owner elects to take legal assignment of subcontracts and purchase orders (including rental agreements), the Construction Manager shall, as a condition of receiving the payments referred to in this Article 13, execute and deliver all such papers and take all such steps, including the legal assignment of such subcontracts and other contractual rights of the Construction Manager, as the Owner may require for the purpose of fully vesting in the Owner the rights and benefits of the Construction Manager under such subcontracts or purchase orders.

### § 13.2.3 Termination by the Owner for Convenience

If the Owner terminates the Contract for convenience in accordance with Article 14 of AIA Document A201–2017, then the Owner shall pay the Construction Manager a termination fee as follows:

*(Insert the amount of or method for determining the fee, if any, payable to the Construction Manager following a termination for the Owner's convenience.)*

## § 13.3 Suspension

The Work may be suspended by the Owner as provided in Article 14 of AIA Document A201–2017.

## ARTICLE 14 MISCELLANEOUS PROVISIONS

§ 14.1 Terms in this Agreement shall have the same meaning as those in A201–2017. Where reference is made in this Agreement to a provision of AIA Document A201–2017 or another Contract Document, the reference refers to that provision as amended or supplemented by other provisions of the Contract Documents.

### § 14.2 Successors and Assigns

§ 14.2.1 The Owner and Construction Manager, respectively, bind themselves, their partners, successors, assigns and legal representatives to covenants, agreements, and obligations contained in the Contract Documents. Except as provided in Section 14.2.2 of this Agreement, and in Section 13.2.2 of A201–2017, neither party to the Contract shall assign the Contract as a whole without written consent of the other. If either party attempts to make an assignment without such consent, that party shall nevertheless remain legally responsible for all obligations under the Contract.

§ 14.2.2 The Owner may, without consent of the Construction Manager, assign the Contract to a lender providing construction financing for the Project, if the lender assumes the Owner's rights and obligations under the Contract Documents. The Construction Manager shall execute all consents reasonably required to facilitate the assignment.

### § 14.3 Insurance and Bonds

#### § 14.3.1 Preconstruction Phase

The Construction Manager shall maintain the following insurance for the duration of the Preconstruction Services performed under this Agreement. If any of the requirements set forth below exceed the types and limits the Construction Manager normally maintains, the Owner shall reimburse the Construction Manager for any additional cost.

§ 14.3.1.1 Commercial General Liability with policy limits of not less than one million dollars (\$ 1,000,000.00 ) for each occurrence and two million dollars (\$ 2,000,000.00 ) in the aggregate for bodily injury and property damage.

§ 14.3.1.2 Automobile Liability covering vehicles owned, and non-owned vehicles used, by the Construction Manager with policy limits of not less than one million dollars (\$ 1,000,000.00 ) per accident for bodily injury, death of any person, and property damage arising out of the ownership, maintenance and use of those motor vehicles, along with any other statutorily required automobile coverage.

§ 14.3.1.3 The Construction Manager may achieve the required limits and coverage for Commercial General Liability and Automobile Liability through a combination of primary and excess or umbrella liability insurance, provided that such primary and excess or umbrella liability insurance policies result in the same or greater coverage as the coverages required under Sections 14.3.1.1 and 14.3.1.2, and in no event shall any excess or umbrella liability insurance provide narrower coverage than the primary policy. The excess policy shall not require the exhaustion of the underlying limits only through the actual payment by the underlying insurers.

§ 14.3.1.4 Workers' Compensation at statutory limits and Employers Liability with policy limits not less than five hundred thousand dollars (\$ 500,000.00 ) each accident, five hundred thousand dollars (\$ 500,000.00 ) each employee, and five hundred thousand (\$ 500,000.00 ) policy limit.

§ 14.3.1.5 Professional Liability covering negligent acts, errors and omissions in the performance of professional services, with policy limits of not less than one million dollars (\$ 1,000,000.00 ) per claim and two million dollars (\$ 2,000,000.00 ) in the aggregate.

#### § 14.3.1.6 Other Insurance

*(List below any other insurance coverage to be provided by the Construction Manager and any applicable limits.)*

Coverage

Limits

§ 14.3.1.7 **Additional Insured Obligations.** To the fullest extent permitted by law, the Construction Manager shall cause the primary and excess or umbrella policies for Commercial General Liability and Automobile Liability to include the Owner as an additional insured for claims caused in whole or in part by the Construction Manager's negligent acts or omissions. The additional insured coverage shall be primary and non-contributory to any of the Owner's insurance policies and shall apply to both ongoing and completed operations.

Init.

§ 14.3.1.8 The Construction Manager shall provide certificates of insurance to the Owner that evidence compliance with the requirements in this Section 14.3.1.

§ 14.3.2 Construction Phase

After execution of the Guaranteed Maximum Price Amendment, the Owner and the Construction Manager shall purchase and maintain insurance as set forth in AIA Document A133™–2019, Standard Form of Agreement Between Owner and Construction Manager as Constructor where the basis of payment is the Cost of the Work Plus a Fee with a Guaranteed Maximum Price, Exhibit B, Insurance and Bonds, and elsewhere in the Contract Documents.

§ 14.3.2.1 The Construction Manager shall provide bonds as set forth in AIA Document A133™–2019 Exhibit B, and elsewhere in the Contract Documents.

§ 14.4 Notice in electronic format, pursuant to Article 1 of AIA Document A201–2017, may be given in accordance with a building information modeling exhibit, if completed, or as otherwise set forth below:

*(If other than in accordance with a building information modeling exhibit, insert requirements for delivering notice in electronic format such as name, title, and email address of the recipient and whether and how the system will be required to generate a read receipt for the transmission.)*

§ 14.5 Other provisions:

In accordance with Texas Government Code, Chapter 2271, the undersigned avers that it does not boycott Israel and will not boycott Israel during the term of this Agreement.

ARTICLE 15 SCOPE OF THE AGREEMENT

§ 15.1 This Agreement represents the entire and integrated agreement between the Owner and the Construction Manager and supersedes all prior negotiations, representations or agreements, either written or oral. This Agreement may be amended only by written instrument signed by both Owner and Construction Manager.

§ 15.2 The following documents comprise the Agreement:

- .1 This AIA Document A133™–2019, Standard Form of Agreement Between Owner and Construction Manager as Constructor where the basis of payment is the Cost of the Work Plus a Fee with a Guaranteed Maximum Price
- .2 AIA Document A133™–2019, Exhibit A, Guaranteed Maximum Price Amendment, if executed
- .3 AIA Document A133™–2019, Exhibit B, Insurance and Bonds, as modified and provided by Owner.
- .4 AIA Document A201™–2017 v5 (08-13-2024), General Conditions of the Contract for Construction, as modified and provided by Owner.
- .5 Building Information Modeling Exhibit, if completed:

.6 Other Exhibits:  
*(Check all boxes that apply.)*

AIA Document E234™–2019, Sustainable Projects Exhibit, Construction Manager as Constructor Edition, dated as indicated below:  
*(Insert the date of the E234-2019 incorporated into this Agreement.)*

[ NONE ] Supplementary and other Conditions of the Contract:

Document	Title	Date	Pages
----------	-------	------	-------

Init.

.7 Other documents, if any, listed below:


*(List here any additional documents that are intended to form part of the Contract Documents. AIA Document A201-2017 provides that the advertisement or invitation to bid, Instructions to Bidders, sample forms, the Construction Manager's bid or proposal, portions of Addenda relating to bidding or proposal requirements, and other information furnished by the Owner in anticipation of receiving bids or proposals, are not part of the Contract Documents unless enumerated in this Agreement. Any such documents should be listed here only if intended to be part of the Contract Documents.)*

This Agreement is entered into as of the day and year first written above.

City of Sherman

Plyler Construction

By: \_\_\_\_\_  
OWNER (Signature)

By:  \_\_\_\_\_  
CONSTRUCTION MANAGER (Signature)

\_\_\_\_\_  
(Printed name and title)

DAVID PLYLER PRESIDENT  
\_\_\_\_\_  
(Printed name and title)

Init.

# **Additions and Deletions Report for AIA® Document A133® – 2019**

This Additions and Deletions Report, as defined on page 1 of the associated document, reproduces below all text the author has added to the standard form AIA document in order to complete it, as well as any text the author may have added to or deleted from the original AIA text. Added text is shown underlined. Deleted text is indicated with a horizontal line through the original AIA text.

Note: This Additions and Deletions Report is provided for information purposes only and is not incorporated into or constitute any part of the associated AIA document. This Additions and Deletions Report and its associated document were generated simultaneously by AIA software at 15:48:34 on 04/23/2026.

**PAGE 1**

**A133 v4 (08-12-2024)**

**AGREEMENT** made as of the \_\_\_\_ day of \_\_\_\_\_ in the year Two Thousand Twenty-Six (2026)

...

City of Sherman  
100 S. Rusk Street  
Sherman, Texas 75090

...

Plyler Construction  
3505 Texoma Parkway  
Sherman, TX 75090

...

ARBH File No. 6262.0035 City of Sherman/AIA for Fleet Services Facility

Fleet Services Facility  
3501 E. King Street  
Sherman, Texas 75092

The project will consist of a new facility for the City of Sherman Fleet Services department and Public Works Administration Offices. The anticipated structure will include repair bays, service offices, fleet services support spaces, and public works administration offices. The site will include vehicle parking, vehicle wash bay, fuel station and vehicle drop off and pick-up areas.

...

Hidell and Associates Architects  
3033 Kellway Dr. Suite 120  
Carrollton, Texas 75006  
972-416-4666

**PAGE 2**

Project's program has been developed and included in the project narrative.

...

Construction of a new fleet services and public works facility

PAGE 3

The Owner's overall budget for the Cost of the Work is approximately Nine Million Dollars (\$9,000,000.00).

...

The date of commencement of construction shall be established with a Notice to Proceed by the Owner.

...

Approximately eighteen (18) months from the date of commencement of construction.

...

Wes Trisler, Executive Director of Operations  
City of Sherman  
100 S. Rusk Street  
Sherman, Texas 75090  
PAGE 4

.2 ~~Civil Engineer:~~Intentionally Deleted:

...

*(List any other consultants retained by the Owner, such as a Project or Program Manager.)*

Boundary and Topographic Survey  
Construction Period Materials Testing  
HVAC Test and Balance

...

Aaron Babcock  
3033 Kellway Drive, Suite 120  
Carrollton, TX 75006  
972-416-4666  
ababcock@hidell.com

...

David Plyler  
3505 Texoma Parkway  
Sherman, TX 75090  
903-893-6393  
dplyler@plylerbuilds.com  
PAGE 6

The Construction Manager shall exercise reasonable care in performing its Preconstruction Services. The Owner and Architect shall be entitled to rely on, and shall not be responsible for, the accuracy, completeness, and timeliness of services and information furnished by the Construction Manager. The Construction Manager, however, does not warrant or guarantee estimates and schedules except as may be included as part of the Guaranteed Maximum Price. The Construction Manager is not required to ascertain that the Drawings and Specifications are in accordance with applicable laws, statutes, ordinances, codes, rules and regulations, or lawful orders of public authorities, but the Construction Manager shall promptly report in writing to the Architect and Owner any nonconformity discovered by or made known to the Construction Manager as a request for information in such form as the Architect may require.

...

When Project requirements in Section 4.1.1 have been sufficiently identified, the Construction Manager shall prepare and periodically update a Project schedule for the Architect's review and the Owner's acceptance. The Construction Manager shall obtain the Architect's approval for the portion of the Project schedule relating to the performance of the Architect's services. The Project schedule shall coordinate and integrate the Construction Manager's services, the Architect's services, other Owner consultants' services, and the Owner's responsibilities; and identify items that affect the Project's timely completion. The updated Project schedule shall include the following: submission of the Guaranteed Maximum Price proposal; components of the Work; times of commencement and completion required of each Subcontractor; ordering and delivery of products, including those that must be ordered in advance of construction; and the occupancy requirements of the Owner.

...

§ 3.1.6.1 Based on the preliminary design and other design criteria prepared by the Architect, the Construction Manager shall prepare, for the Architect's review and the Owner's approval, preliminary estimates of the Cost of the Work or the cost of program requirements using area, volume, or similar conceptual estimating techniques. If the Architect or Construction Manager suggests alternative materials and systems, the Construction Manager shall provide cost evaluations of those alternative materials and systems.

PAGE 8

§ 3.2.4 In preparing the Construction Manager's Guaranteed Maximum Price proposal, the Construction Manager shall include a contingency for the Construction Manager's exclusive use to cover those costs that are included in the Guaranteed Maximum Price but not otherwise allocated to another line item or included in a Change Order, separately-identifiable contingency (the "Construction Contingency") for use in connection with this section. The Construction Contingency is not allocated to any particular item of the Cost of the Work and is established for the Construction Manager's use (subject to Owner approval, which shall not be unreasonably withheld), as may be required for costs incurred in the Work. All supporting documentation for all uses of the Construction Contingency shall be provided to Owner. Construction Manager shall notify the Owner and Architect, and request their approval of every expenditure from the Construction Contingency prior to commencing the work that necessitates the use of the contingency funds.

§ 3.2.4.1 The Guaranteed Maximum Price proposal may also include a separately-identified contingency amount, an "Owner's Contingency," which is defined as a contingency fund within the Guaranteed Maximum Price established by the Owner of the Owner's exclusive use. Monies from the Owner's Contingency may be spent in the sole discretion of Owner. Construction Manager has no contractual right to require that Owner make any expenditure from the Owner's Contingency.

PAGE 9

§ 3.2.9 The Construction Manager shall not include in the Guaranteed Maximum Price all sales, consumer, use and similar taxes for the Work provided by the Construction Manager that are legally enacted, whether or not yet effective, at the time the Guaranteed Maximum Price Amendment is executed, any taxes from which the Owner is exempt by virtue of its status as a governmental entity. In the event that the Contractor is required to pay or bear the burden of any new federal, state, or local tax, or if any rate increase of an existing tax (except a tax on net profits), as a result of any statute, court decision, written ruling, or regulation takes effect after the contract date, the Guaranteed Maximum Price shall be increased by the amount of the new tax, or tax increase.

...

§ 3.3.1.3 Other than services normally associated with Construction Manager's performance of the General Conditions, Construction Manager shall not perform any portions of the Work unless it has been awarded such portion in accordance with the same procedures imposed upon all other trade contractors or subcontractors, and then, only if the Owner has determined that the Construction Manager's bid or proposed bid provides the best value for the Owner.

PAGE 10

§ 4.1.2 ~~Prior to the execution of the Guaranteed Maximum Price Amendment, the Construction Manager may request in writing that the Owner provide reasonable evidence that the Owner has made financial arrangements to fulfill the~~

~~Owner's obligations under the Contract. The Owner, upon written request from the Construction Manager, shall provide a statement that funds are available and have been authorized for the full contract amount for the construction of the Work in accordance with the requirements of Tex. Bus. and Com. Code, Section 35.521 (n)(3), if applicable. After execution of the Guaranteed Maximum Price Amendment, the Construction Manager may request such information as set forth in A201-2017 Section 2.2.~~

§ 4.1.3 The Owner shall establish and periodically update the Owner's budget for the Project, including (1) the budget for the Cost of the Work as defined in Article 7, (2) the Owner's other costs, and (3) reasonable contingencies related to all of these costs. ~~If the Owner significantly increases or decreases the Owner's budget for the Cost of the Work, the Owner shall notify the Construction Manager and Architect. The Owner and the Architect, in consultation with the Construction Manager, shall thereafter agree to a corresponding change in the Project's scope and quality.~~

§ 4.1.4 **Structural and Environmental Tests, Surveys and Reports.** During the Preconstruction Phase, the Owner shall furnish the following information or services with reasonable promptness. The Owner shall also furnish any other information or services under the Owner's control and relevant to the Construction Manager's performance of the Work with reasonable promptness after receiving the Construction Manager's written request for such information or services. ~~The Except to the extent that the Construction Manager knows of, or with reasonable diligence should have discovered, any inaccuracy, the Construction Manager shall be entitled to rely on the accuracy of information and services furnished by the Owner but shall exercise proper precautions relating to the safe performance of the Work.~~

§ 4.1.4.1 The Owner shall ~~furnish tests, inspections, and reports, required by law and as otherwise agreed to by the parties, such as structural, mechanical, and chemical tests, tests for air and water pollution, and tests for hazardous materials provide or contract for, independently of the Construction Manager, the inspection services, the testing of construction materials engineering and the verification testing services necessary for acceptance of the Work by Owner.~~

...

§ 4.1.4.3 The Owner, when such services are ~~requested, reasonably required by the Project and are requested by the Construction Manager,~~ shall furnish services of geotechnical engineers, which may include test borings, test pits, determinations of soil bearing values, percolation tests, evaluations of hazardous materials, seismic evaluation, ground corrosion tests and resistivity tests, including necessary operations for anticipating subsoil conditions, with written reports and appropriate recommendations.

...

§ 4.2.1 **Legal Requirements.** The Owner shall furnish all ~~legal, insurance-legal~~ and accounting services, including auditing services, that may be reasonably necessary at any time for the Project to meet the Owner's needs and interests.

PAGE 11

The Owner shall retain an Architect to provide services, duties and ~~responsibilities as described in AIA Document B133™ 2019, Standard Form of Agreement Between Owner and Architect, Construction Manager as Constructor Edition, responsibilities,~~ including any additional services requested by the Construction Manager and approved by Owner that are necessary for the Preconstruction and Construction Phase services under this Agreement. ~~The Upon request of the Construction Manager, the Owner shall provide the Construction Manager with a copy of the scope of services in the executed agreement between the Owner and the Architect, and any further modifications to the Architect's scope of services in the agreement-agreement, from which compensation provisions may be deleted.~~

...

Compensation shall be a stipulated sum of Two Thousand Five Hundred and No/100 Dollars (\$2,500.00).

...

§ 5.1.3 If the Preconstruction Phase services covered by this Agreement have not been completed within ~~(—) months~~ three hundred ( 300 ) days of the date of this Agreement, through no fault of the Construction Manager, the Construction Manager's compensation for Preconstruction Phase services shall be equitably adjusted.

...

~~§ 5.2.2 Payments are due and payable upon presentation of the Construction Manager's invoice. Amounts unpaid ( ) days after the invoice date thirty (30) days from the date the Construction Manager's invoice is received by Owner. Amounts unpaid after the date on which payment is due shall bear interest at the rate entered below, or in the absence thereof at the legal rate prevailing from time to time at the principal place of business of the Construction Manager place where the Project is located.~~

...

~~%—The rate of interest computed in accordance with the provisions of the Texas Government Code, Section 2251.025.~~

...

~~The fee shall be 2.30% of the Cost of the Work.~~  
**PAGE 12**

~~If both Owner and Construction Manager agree that a material change in the scope of services has occurred, the parties will agree on an equitable adjustment in the Construction Manager's Fee.~~

...

~~Those limitations set forth in Section 7.5 of AIA Document A201-2017 as modified by Owner.~~

~~§ 6.1.5 Rental rates for Construction Manager-owned equipment shall not exceed percent (—%) of the standard rental rate paid at the place of the Project.~~

...

~~Provisions are described in the A201 – 2017 v5 (08-13-2024) General Conditions of the Contract for Construction, provided by Owner, attached hereto and incorporated herein for all purposes.~~

...

~~If the Construction Manager completes the performance of the Work for less than the Guaranteed Maximum Price, the difference between (i) the total aggregate sum of the actual Cost of the Work plus the Construction Manager's fee and (ii) the Guaranteed Maximum Price shall inure in its entirety to the Owner's benefit.~~

...

~~§ 6.3.1 The Owner may, without invalidating the Contract, order changes in the Work within the general scope of the Contract consisting of additions, deletions or other revisions. The Owner shall issue such changes in writing. The Construction Manager may be entitled to an equitable adjustment in the Contract Time. Contract Time may be adjusted as a result of changes in the Work. Work as agreed upon in writing by Owner.~~

...

~~§ 6.3.5 If no specific provision is made in Section 6.1.3 for adjustment of the Construction Manager's Fee in the case of changes in the Work, or if the extent of such changes is such, in the aggregate, that application of the adjustment provisions of Section 6.1.3 will cause substantial inequity to the Owner or Construction Manager, the Construction Manager's Fee shall be equitably adjusted on the same basis that was used to establish the Fee for the original Work, and the Guaranteed Maximum Price shall be adjusted accordingly. Intentionally Deleted.~~

**PAGE 13**

§ 7.2.1 Wages or salaries of construction workers directly employed by the Construction Manager to perform the construction of the Work ~~minor work~~ at the site or, with the Owner's prior approval, at off-site workshops.

...

§ 7.2.4 Costs paid or incurred by the Construction Manager, as required by law or collective bargaining agreements, for taxes, except taxes from which the Owner is exempt by virtue of its status as a governmental entity, insurance, contributions, assessments and benefits and, for personnel not covered by collective bargaining agreements, customary benefits such as sick leave, medical and health benefits, holidays, vacations and pensions, provided such costs are based on wages and salaries included in the Cost of the Work under Sections 7.2.1 through 7.2.3.

...

Payments made by the Construction Manager to ~~Subcontractors-trade contractors, Subcontractors, or the Construction Manager (for portions of the Work for which Construction Manager was selected under Section 3.3.1.3)~~ in accordance with the requirements of the trade contracts or subcontracts and this Agreement.

PAGE 14

§ 7.5.2 Rental charges for temporary facilities, machinery, equipment, and hand tools not customarily owned by construction workers that are provided by the Construction Manager at the site, and the costs of transportation, installation, dismantling, minor repairs, and removal of such temporary facilities, machinery, equipment, and hand tools. Rates and quantities of ~~equipment owned by the Construction Manager, or a related party as defined in Section 7.8,~~ shall be subject to the Owner's prior approval. The total rental cost of any such equipment may not exceed the purchase price of any comparable item.

...

§ 7.6.1.1 ~~Costs for self insurance, for either full or partial amounts of the coverages required by the Contract Documents, with the Owner's prior approval.~~ Intentionally Deleted.

...

§ 7.6.2 Sales, use, or similar taxes, imposed by a governmental authority, that are related to the Work and for which the Construction Manager is ~~liable.~~ liable, except this does not include taxes from which the Owner is exempt by virtue of its status as a governmental entity.

...

§ 7.6.4 ~~Fees of laboratories for tests required by the Contract Documents; except those related to defective or nonconforming Work for which reimbursement is excluded under Article 13 of AIA Document A201-2017 or by other provisions of the Contract Documents, and which do not fall within the scope of Section 7.7.3.~~ Intentionally Deleted.

...

§ 7.6.5.1 ~~The cost of defending suits or claims for infringement of patent rights arising from requirements of the Contract Documents, payments made in accordance with legal judgments against the Construction Manager resulting from such suits or claims, and payments of settlements made with the Owner's consent, unless the Construction Manager had reason to believe that the required design, process, or product was an infringement of a copyright or a patent, and the Construction Manager failed to promptly furnish such information to the Architect as required by Article 3 of AIA Document A201-2017. The costs of legal defenses, judgments, and settlements shall not be included in the Cost of the Work used to calculate the Construction Manager's Fee or subject to the Guaranteed Maximum Price.~~ Intentionally Deleted.

...

§ 7.6.7 ~~Costs~~ Reasonable costs of document reproductions and delivery charges.

...

~~§ 7.6.9 Legal, mediation and arbitration~~ Legal and mediation costs, including attorneys' fees, other than those arising from disputes between the Owner and Construction Manager, reasonably incurred by the Construction Manager after the execution of this Agreement in the performance of the Work and with the Owner's prior approval, which shall not be unreasonably withheld.

~~§ 7.6.10 Expenses incurred in accordance with the Construction Manager's standard written personnel policy for relocation and temporary living allowances of the Construction Manager's personnel required for the Work, with the Owner's prior approval.~~ Intentionally Deleted.

~~§ 7.6.11 That portion of the reasonable expenses of the Construction Manager's supervisory or administrative personnel incurred while traveling in discharge of duties connected with the Work.~~ Intentionally Deleted.

PAGE 16

~~§ 9.1 Those portions of the Work that the Construction Manager does not customarily perform with the Construction Manager's own personnel shall be performed under subcontracts or other appropriate agreements with the Construction Manager. The Owner may designate specific persons from whom, or entities from which, the Construction Manager shall obtain bids. The Construction Manager shall obtain bids from Subcontractors, and from suppliers of materials or equipment fabricated especially for the Work, who are qualified to perform that portion of the Work in accordance with the requirements of the Contract Documents. The Construction Manager shall deliver such bids to the Architect and Owner with an indication as to which bids the Construction Manager intends to accept. The Owner then has the right to review the Construction Manager's list of proposed subcontractors and suppliers in consultation with the Architect and, subject to Section 9.1.1, to object to any subcontractor or supplier. Any advice of the Architect, or approval or objection by the Owner, shall not relieve the Construction Manager of its responsibility to perform the Work in accordance with the Contract Documents. The Construction Manager shall not be required to contract with anyone to whom the Construction Manager has reasonable objection. All portions of the Work, other than minor work, site clean-up, etc. ("General Conditions"), shall be performed by trade contractors or subcontractors, including Construction Manager, who have been selected using competitive bids or competitive sealed proposals in accordance with the policies and procedures approved by Owner. On all portions of the Work for which the Construction Manager does not submit a bid or proposal, the Construction Manager and the Owner shall receive and open all trade contractor and subcontractor bids or proposals in a manner that does not disclose the contents of the bid or proposal during the selection process. On any portion of the Work for which the Construction Manager submits a bid or proposal, the Owner shall receive and open the trade contractors, subcontractors and Construction Manager bids or proposals, but shall not disclose the contents of the bids or proposals until the selection process therefor is completed. All bids or proposals shall be made public after the award of the contract or within seven (7) days after the date of final selection of bids or proposals, whichever is later.~~

The Construction Manager shall furnish to Owner and Architect for the Owner's approval prior to any public advertisement or solicitation for a portion of the Work the evaluation criteria that the Construction Manager proposes to use in recommending qualified trade contractors or subcontractors for each portion of the Work that will provide the best value for the Owner.

~~§ 9.1.1 When a specific subcontractor or supplier (1) is recommended to the Owner by the Construction Manager; (2) is qualified to perform that portion of the Work; and (3) has submitted a bid that conforms to the requirements of the Contract Documents without reservations or exceptions, and (4) offers the best value to the Owner, but the Owner requires that another bid be accepted, then the Construction Manager may require that a Change Order be issued to adjust the Guaranteed Maximum Price by the difference between the bid of the person or entity recommended to the Owner by the Construction Manager and the amount of the subcontract or other agreement actually signed with the person or entity designated by the Owner.~~

PAGE 17

~~§ 11.1.3 Provided that an Application for Payment is received by the Architect not later than the 25th day of a month, the Owner shall make payment of the amount certified by the Architect to the Construction Manager not later than the 15th day of the next month. If an Application for Payment is received by the Architect after the application date fixed~~

above, payment of the amount certified shall be made by the Owner not later than thirty ( 30 ) days after the Architect receives the Application for Payment.

PAGE 18

Five percent (5%) of the amount of any progress payment for the Cost of Work and Construction Manager's Fee

...

§ 11.1.11 The Owner and the Construction Manager shall agree upon a mutually acceptable procedure for review and approval of payments to ~~Subcontractors, and the percentage of retainage held on Subcontracts, and the Subcontractors.~~ All subcontracts shall provide for a five percent (5%) retainage unless otherwise agreed in writing by Owner. The Construction Manager shall execute subcontracts in accordance with those agreements.

PAGE 19

§ 11.2.2.3 If the Owner's auditors' report concludes that the Cost of the Work, as substantiated by the Construction Manager's final accounting, is less than claimed by the Construction Manager, the Construction Manager shall be entitled to ~~request mediation of the disputed amount without seeking an initial decision pursuant to Article 15 of AIA Document A201-2017. A request for mediation shall be made by the Construction Manager within 30 days after the Construction Manager's receipt of a copy of the Architect's final Certificate for Payment. Failure to request mediation within this 30-day period shall result in the substantiated amount reported by the Owner's auditors becoming binding on the Construction Manager. proceed in accordance with Article 12 without a further decision of the Architect.~~ Pending a final resolution of the disputed amount, the Owner shall pay the Construction Manager the amount certified in the Architect's final Certificate for Payment.

§ 11.2.3 The Owner's final payment to the Construction Manager shall be made no later than 30 days after the issuance of the Architect's final Certificate for ~~Payment, or Payment~~ as follows:

The Construction Manager shall certify to the Owner that the facility, to the best of his knowledge, has been constructed in accordance with the Architect's construction documents. The certification shall be in a form which is acceptable to the Owner and Construction Manager.

§ 11.2.4 If, subsequent to final payment, and at the Owner's request, the Construction Manager incurs costs, described in Sections 7.1 through 7.7, and not excluded by Section 7.9, to correct defective or nonconforming Work, the Owner shall reimburse the Construction Manager for such costs, and the Construction Manager's Fee applicable thereto, on the same basis as if such costs had been incurred prior to final payment, but not in excess of the Guaranteed Maximum Price. ~~If adjustments to the Contract Sum are provided for in Section 6.1.7, the amount of those adjustments shall be recalculated, taking into account any reimbursements made pursuant to this Section 11.2.4 in determining the net amount to be paid by the Owner to the Construction Manager.~~

...

~~%—The rate of interest computed in accordance with the provisions of the Texas Government Code, Section 2251.025.~~

...

§ 12.1.1 Any Claim between the Owner and Construction Manager shall be resolved in accordance with the provisions set forth in this Article 12 and Article 15 of A201-2017. ~~However, for Claims arising from or relating to the Construction Manager's Preconstruction Phase services, no decision by the Initial Decision Maker shall be required as a condition precedent to mediation or binding dispute resolution, and Section 12.1.2 of this Agreement shall not apply.~~

§ 12.1.2 ~~The Architect-Owner will serve as the Initial Decision Maker pursuant to Article 15 of AIA Document A201-2017 for Claims arising from or relating to the Construction Manager's Construction Phase services, unless the parties appoint below another individual, not a party to the Agreement, to serve as the Initial Decision Maker. (If the parties mutually agree, insert the name, address and other contact information of the Initial Decision Maker, if other than the Architect.)~~Owner.

PAGE 20

[ X ] Litigation in a court of competent jurisdiction

PAGE 21

§ 13.1.6.1 If the Owner accepts assignment of subcontracts, purchase orders or rental agreements as described above, the Owner will reimburse or indemnify the Construction Manager for all costs arising under the subcontract, purchase order or rental agreement, if those costs would have been reimbursable as Cost of the Work if the contract had not been terminated. If the Owner chooses not to accept assignment of any subcontract, purchase order or rental agreement that would have constituted a Cost of the Work had this agreement not been terminated, the Construction Manager will terminate the subcontract, purchase order or rental agreement and the Owner will pay the Construction Manager the costs ~~necessarily incurred by the Construction Manager because of such termination which would have been~~ reimbursable as Cost of Work.

...

The Work may be suspended by the Owner as provided in Article 14 of AIA Document A201-2017; ~~in such case, the Guaranteed Maximum Price and Contract Time shall be increased as provided in Article 14 of AIA Document A201-2017, except that the term "profit" shall be understood to mean the Construction Manager's Fee as described in Sections 6.1 and 6.3.5 of this Agreement.~~ A201-2017.

PAGE 22

§ 14.3.1.1 Commercial General Liability with policy limits of not less than one million dollars (\$ 1,000,000.00) for each occurrence and two million dollars (\$ 2,000,000.00) in the aggregate for bodily injury and property damage.

§ 14.3.1.2 Automobile Liability covering vehicles owned, and non-owned vehicles used, by the Construction Manager with policy limits of not less than one million dollars (\$ 1,000,000.00) per accident for bodily injury, death of any person, and property damage arising out of the ownership, maintenance and use of those motor vehicles, along with any other statutorily required automobile coverage.

...

§ 14.3.1.4 Workers' Compensation at statutory limits and Employers Liability with policy limits not less than five hundred thousand dollars (\$ 500,000.00) each accident, five hundred thousand dollars (\$ 500,000.00) each employee, and five hundred thousand (\$ 500,000.00) policy limit.

§ 14.3.1.5 Professional Liability covering negligent acts, errors and omissions in the performance of professional services, with policy limits of not less than one million dollars (\$ 1,000,000.00) per claim and two million dollars (\$ 2,000,000.00) in the aggregate.

PAGE 23

In accordance with Texas Government Code, Chapter 2271, the undersigned avers that it does not boycott Israel and will not boycott Israel during the term of this Agreement.

...

.1 This AIA Document A133™-2019, Standard Form of Agreement Between Owner and Construction Manager as Constructor where the basis of payment is the Cost of the Work Plus a Fee with a Guaranteed Maximum Price

...

.3 AIA Document A133™-2019, Exhibit B, Insurance and Bonds and Bonds, as modified and provided by Owner.

.4 AIA Document A201™-2017, A201™-2017 v5 (08-13-2024), General Conditions of the Contract for Construction, as modified and provided by Owner.

...

## ***Certification of Document's Authenticity*** ***AIA® Document D401™ – 2003***

I, Christopher C. Zillmer/blg, hereby certify, to the best of my knowledge, information and belief, that I created the attached final document simultaneously with its associated Additions and Deletions Report and this certification at 15:48:34 on 04/23/2026 under Order No. 20250128167 from AIA Contract Documents software and that in preparing the attached final document I made no changes to the original text of AIA® Document A133™ – 2019, Standard Form of Agreement Between Owner and Construction Manager as Constructor where the basis of payment is the Cost of the Work Plus a Fee with a Guaranteed Maximum Price, other than those additions and deletions shown in the associated Additions and Deletions Report.

 /blg

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*(Signed)*

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*(Title)*

April 23, 2026

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*(Dated)*

# AIA® Document A133® – 2019 Exhibit B

## **Insurance and Bonds**

A133-2019 Exhibit B v1 (09-10-2020)

This Insurance and Bonds Exhibit is part of the Agreement, between the Owner and the Construction Manager, dated the \_\_\_\_\_ day of \_\_\_\_\_ in the year Two Thousand Twenty-Six (2026)  
*(In words, indicate day, month and year.)*

for the following **PROJECT:**  
*(Name and location or address)*

ARBH File No. 6262.0035 City of Sherman/AIA for Fleet Services Facility

Fleet Services Facility  
503 E. King Street  
Sherman, Texas 75090

The project will consist of a new facility for the City of Sherman Fleet Services department and Public Works Administration Offices. The anticipated structure will include repair bays, service offices, fleet services support spaces, and public works administration offices. The site will include vehicle parking, vehicle wash bay, fuel station and vehicle drop off and pick-up areas.

**THE OWNER:**  
*(Name, legal status, and address)*

City of Sherman  
100 S. Rusk Street  
Sherman, Texas 75090

**THE CONSTRUCTION MANAGER:**  
*(Name, legal status, and address)*

Plyler Construction  
3505 Texoma Parkway  
Sherman, TX 75090

### **TABLE OF ARTICLES**

- B.1 GENERAL**
- B.2 OWNER'S INSURANCE**
- B.3 CONSTRUCTION MANAGER'S INSURANCE AND BONDS**
- B.4 SPECIAL TERMS AND CONDITIONS**

### **ARTICLE B.1 GENERAL**

The Owner and Construction Manager shall purchase and maintain insurance, and provide bonds, as set forth in this Exhibit. As used in this Exhibit, the term General Conditions

**ADDITIONS AND DELETIONS:**  
The author of this document has added information needed for its completion. The author may also have revised the text of the original AIA standard form. An *Additions and Deletions Report* that notes added information as well as revisions to the standard form text is available from the author and should be reviewed. A vertical line in the left margin of this document indicates where the author has added necessary information and where the author has added to or deleted from the original AIA text.

This document has important legal consequences. Consultation with an attorney is encouraged with respect to its completion or modification.

This document is intended to be used in conjunction with AIA Document A201™–2017, General Conditions of the Contract for Construction. Article 11 of A201™–2017 contains additional insurance provisions.

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refers to AIA Document A201™–2017, General Conditions of the Contract for Construction.

**ARTICLE B.2 OWNER'S INSURANCE**

**§ B.2.1 General**

Prior to commencement of the Work, the Owner shall secure the insurance required under section B.2.3, and, upon the Construction Manager's request, provide evidence thereof by a certificate of insurance reasonably acceptable to the Construction Manager.

**§ B.2.2 Liability Insurance**

The Owner shall be responsible for purchasing and maintaining the Owner's usual general liability insurance, at Owner's discretion.

**§ B.2.3 Required Property Insurance**

**§ B.2.3.1** Unless this obligation is placed on the Construction Manager pursuant to Section B.3.3.2.1, the Owner shall provide and maintain, from an insurance company or insurance companies lawfully authorized to issue insurance in Texas, property insurance written on a builder's risk "all-risks" completed value or equivalent policy form and sufficient to cover the total value of the entire Project on a replacement cost basis. The Owner's property insurance coverage shall be no less than the amount of the initial Contract Sum, plus the value of subsequent Modifications and labor performed and materials or equipment supplied by others. The property insurance shall be maintained until Substantial Completion and thereafter as provided in Section B.2.3.1.3, unless otherwise provided in the Contract Documents or otherwise agreed in writing by the parties to this Agreement. This insurance shall include the interests of the Owner, Construction Manager, Subcontractors, and Sub-subcontractors in the Project as insureds. Loss, if any, shall be adjusted with, and made payable to, the Owner on behalf of all insureds as their interests may appear. The Owner may satisfy this obligation by enrolling the Project in a consortium or agency of the State of Texas that provides coverages of the types and in the amounts set forth herein.

**§ B.2.3.1.1 Causes of Loss.** The insurance required by this Section B.2.3.1 shall provide coverage for direct physical loss or damage, and shall not exclude the risks of fire, explosion, theft, vandalism, malicious mischief, collapse, earthquake, flood, or windstorm. The insurance shall also provide coverage for ensuing loss or resulting damage from error, omission, or deficiency in construction methods, design, specifications, workmanship, or materials. Sub-limits, if any, are as follows:

*(Indicate below the cause of loss and any applicable sub-limit.)*

Cause of Loss	Sub-Limit
---------------	-----------

**§ B.2.3.1.2 Specific Required Coverages.** The insurance required by this Section B.2.3.1 shall provide coverage for loss or damage to falsework and other temporary structures, and to building systems from testing and startup. The insurance shall also cover debris removal, including demolition occasioned by enforcement of any applicable legal requirements, and reasonable compensation for the Architect's and Construction Manager's services and expenses required as a result of such insured loss, including claim preparation expenses. Sub-limits, if any, are as follows:

*(Indicate below type of coverage and any applicable sub-limit for specific required coverages.)*

Coverage	Sub-Limit
----------	-----------

**§ B.2.3.1.3** Unless the parties agree otherwise, upon Substantial Completion, the Owner shall continue the insurance required by Section B.2.3.1 until expiration of the period for correction of the Work set forth in Section 12.2.2 of the General Conditions.

**§ B.2.3.1.4 Deductibles and Self-Insured Retentions.** If the insurance required by this Section B.2.3 is subject to deductibles or self-insured retentions, the Owner shall be responsible for all loss not covered because of such deductibles or retentions.

**§ B.2.3.2 Occupancy or Use Prior to Substantial Completion.** The Owner's occupancy or use of any completed or partially completed portion of the Work prior to Substantial Completion shall not commence until the insurance

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company or companies providing the insurance under Section B.2.3.1 have consented in writing to the continuance of coverage. Notwithstanding the foregoing, any partial occupancy or use by Owner that would cause cancellation, lapse, or reduction of insurance does not constitute an event of default by Owner hereunder.

**§ B.2.3.3 Insurance for Existing Structures**

If the Work involves remodeling an existing structure or constructing an addition to an existing structure, the Owner shall provide and maintain, until the expiration of the period for correction of Work as set forth in Section 12.2.2 of the General Conditions, "all-risks" property insurance, on a replacement cost basis, protecting the existing structure against direct physical loss or damage from the causes of loss identified in Section B.2.3.1, notwithstanding the undertaking of the Work. The Owner shall be responsible for all co-insurance penalties.

**§ B.2.4 Optional Extended Property Insurance.**

The Owner may, but shall not be required to, provide and maintain the insurance selected and described below. *(Select the types of insurance the Owner is required to purchase and maintain by placing an X in the box(es) next to the description(s) of selected insurance. For each type of insurance selected, indicate applicable limits of coverage or other conditions in the fill point below the selected item.)*

- § B.2.4.1 Loss of Use, Business Interruption, and Delay in Completion Insurance**, to reimburse the Owner for loss of use of the Owner's property, or the inability to conduct normal operations due to a covered cause of loss.
  
- § B.2.4.2 Ordinance or Law Insurance**, for the reasonable and necessary costs to satisfy the minimum requirements of the enforcement of any law or ordinance regulating the demolition, construction, repair, replacement or use of the Project.
  
- § B.2.4.3 Expediting Cost Insurance**, for the reasonable and necessary costs for the temporary repair of damage to insured property, and to expedite the permanent repair or replacement of the damaged property.
  
- § B.2.4.4 Extra Expense Insurance**, to provide reimbursement of the reasonable and necessary excess costs incurred during the period of restoration or repair of the damaged property that are over and above the total costs that would normally have been incurred during the same period of time had no loss or damage occurred.
  
- § B.2.4.5 Civil Authority Insurance**, for losses or costs arising from an order of a civil authority prohibiting access to the Project, provided such order is the direct result of physical damage covered under the required property insurance.
  
- § B.2.4.6 Ingress/Egress Insurance**, for loss due to the necessary interruption of the insured's business due to physical prevention of ingress to, or egress from, the Project as a direct result of physical damage.
  
- § B.2.4.7 Soft Costs Insurance**, to reimburse the Owner for costs due to the delay of completion of the Work, arising out of physical loss or damage covered by the required property insurance: including

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construction loan fees; leasing and marketing expenses; additional fees, including those of architects, engineers, consultants, attorneys and accountants, needed for the completion of the construction, repairs, or reconstruction; and carrying costs such as property taxes, building permits, additional interest on loans, realty taxes, and insurance premiums over and above normal expenses.

**§ B.2.5 Other Optional Insurance.**

The Owner shall purchase and maintain the insurance selected below.

*(Select the types of insurance the Owner is required to purchase and maintain by placing an X in the box(es) next to the description(s) of selected insurance.)*

**§ B.2.5.1 Cyber Security Insurance** for loss to the Owner due to data security and privacy breach, including costs of investigating a potential or actual breach of confidential or private information. *(Indicate applicable limits of coverage or other conditions in the fill point below.)*

**§ B.2.5.2 Other Insurance**  
*(List below any other insurance coverage to be provided by the Owner and any applicable limits.)*

Coverage

Limits

**ARTICLE B.3 CONSTRUCTION MANAGER'S INSURANCE AND BONDS**

**§ B.3.1 General**

**§ B.3.1.1 Certificates of Insurance.** The Construction Manager shall provide certificates of insurance acceptable to the Owner on an ACORD form evidencing compliance with the requirements in this Article B.3 at the following times: (1) prior to commencement of the Work; (2) upon renewal or replacement of each required policy of insurance; and (3) upon the Owner's written request. An additional certificate evidencing continuation of commercial liability coverage, including coverage for completed operations, shall be submitted with the final Application for Payment and thereafter upon renewal or replacement of such coverage until the expiration of the periods required by Section B.3.2.1 and Section B.3.3.1. The certificates will show the Owner as an additional insured on the Construction Manager's Commercial General Liability and excess or umbrella liability policy or policies. At Owner's request, the Construction Manager shall provide Owner a copy of the policies of insurance required hereunder. Owner's failure to require the submission of the certificates of insurance, or any of them, shall not excuse the Construction Manager of its obligation to procure and maintain the insurance required herein.

**§ B.3.1.2 Deductibles and Self-Insured Retentions.** The Construction Manager shall disclose to the Owner any deductible or self-insured retentions applicable to any insurance required to be provided by the Construction Manager.

**§ B.3.1.3 Additional Insured Obligations.** The Construction Manager shall cause the commercial general liability coverage to include (1) the Owner, the Architect, and the Architect's consultants as additional insureds for claims caused in whole or in part by the Construction Manager's negligent acts or omissions during the Construction Manager's operations; and (2) the Owner as an additional insured for claims caused in whole or in part by the Construction Manager's negligent acts or omissions for which loss occurs during completed operations. The additional insured coverage shall be primary and non-contributory to any of the Owner's general liability insurance policies and shall apply to both ongoing and completed operations. To the extent commercially available, the additional insured coverage shall be no less than that provided by Insurance Services Office, Inc. (ISO) forms CG 20 10 07 04, CG 20 37 07 04, and, with respect to the Architect and the Architect's consultants, CG 20 32 07 04.

**§ B.3.2 Construction Manager's Required Insurance Coverage**

**§ B.3.2.1** The Construction Manager shall purchase and maintain the following types and limits of insurance from an insurance company or insurance companies lawfully authorized to issue insurance in Texas having a financial rating of B+VI or better as assigned by the A.M. BEST Company or equivalent. The Construction Manager shall maintain

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the required insurance until the expiration of the period for correction of Work as set forth in Section 12.2.2 of the General Conditions, unless a different duration is stated below:

*(If the Construction Manager is required to maintain insurance for a duration other than the expiration of the period for correction of Work, state the duration.)*

With respect to the Construction Manager's completed operations coverage, the duration shall continue through the end of any required maintenance of completed operations.

**§ B.3.2.2 Commercial General Liability**

**§ B.3.2.2.1** Commercial General Liability insurance for the Project written on an occurrence form with policy limits of not less than One Million Dollars (\$ 1,000,000.00 ) each occurrence, Two Million Dollars (\$ 2,000,000.00 ) general aggregate, and Two Million Dollars (\$ 2,000,000.00 ) aggregate for products-completed operations hazard, providing coverage for claims including

- .1 damages because of bodily injury, sickness or disease, including occupational sickness or disease, and death of any person;
- .2 personal injury and advertising injury;
- .3 damages because of physical damage to or destruction of tangible property, including the loss of use of such property;
- .4 bodily injury or property damage arising out of completed operations; and
- .5 the Construction Manager's indemnity obligations under Section 3.18 of the General Conditions.

**§ B.3.2.2.2** The Construction Manager's Commercial General Liability policy under this Section B.3.2.2 shall not contain an exclusion or restriction of coverage for the following:

- .1 Claims by one insured against another insured, if the exclusion or restriction is based solely on the fact that the claimant is an insured, and there would otherwise be coverage for the claim.
- .2 Claims for property damage to the Construction Manager's Work arising out of the products-completed operations hazard where the damaged Work or the Work out of which the damage arises was performed by a Subcontractor.
- .3 Claims for bodily injury other than to employees of the insured.
- .4 Claims for indemnity under Section 3.18 of the General Conditions arising out of injury to employees of the insured.
- .5 Claims or loss excluded under a prior work endorsement or other similar exclusionary language.
- .6 Claims or loss due to physical damage under a prior injury endorsement or similar exclusionary language.
- .7 Claims related to residential, multi-family, or other habitational projects, if the Work is to be performed on such a project.
- .8 Claims related to roofing, if the Work involves roofing.
- .9 Claims related to exterior insulation finish systems (EIFS), synthetic stucco or similar exterior coatings or surfaces, if the Work involves such coatings or surfaces.
- .10 Claims related to earth subsidence or movement, where the Work involves such hazards.
- .11 Claims related to explosion, collapse and underground hazards, where the Work involves such hazards.

**§ B.3.2.3** Automobile Liability covering vehicles owned, hired and non-owned vehicles used, by the Construction Manager, with policy limits of not less than Five Hundred Thousand Dollars (\$ 500,000.00 ) per accident, for bodily injury, death of any person, and property damage arising out of the ownership, maintenance and use of those motor vehicles along with any other statutorily required automobile coverage.

**§ B.3.2.4** The Construction Manager may achieve the required limits and coverage for Commercial General Liability and Automobile Liability through a combination of primary and excess or umbrella liability insurance, provided such primary and excess or umbrella insurance policies result in the same or greater coverage as the coverages required under Section B.3.2.2 and B.3.2.3, and in no event shall any excess or umbrella liability insurance provide narrower coverage than the primary policy. The excess policy shall not require the exhaustion of the underlying limits only through the actual payment by the underlying insurers.

**§ B.3.2.5** Workers' Compensation at statutory limits.

§ B.3.2.6 Employers' Liability with policy limits not less than Five Hundred Thousand Dollars ( \$ 500,000.00 ) each accident, Five Hundred Thousand Dollars ( \$ 500,000.00 ) each employee, and Five Hundred Thousand Dollars ( \$ 500,000.00 ) policy limit.

§ B.3.2.7 Intentionally Deleted.

§ B.3.2.8 If the Construction Manager is required to furnish professional services as part of the Work, the Construction Manager shall procure Professional Liability insurance covering performance of the professional services, with policy limits of not less than One Million Dollars ( \$ 1,000,000.00 ) per claim and One Million Dollars ( \$ 1,000,000.00 ) in the aggregate.

§ B.3.2.9 If the Work involves the transport, dissemination, use, or release of pollutants, the Construction Manager shall procure Pollution Liability insurance, with policy limits of not less than One Million Dollars ( \$ 1,000,000.00 ) per claim and One Million Dollars ( \$ 1,000,000.00 ) in the aggregate.

§ B.3.2.10 Coverage under Sections B.3.2.8 and B.3.2.9 may be procured through a Combined Professional Liability and Pollution Liability insurance policy, with combined policy limits of not less than One Million Dollars ( \$ 1,000,000.00 ) per claim and One Million Dollars ( \$ 1,000,000.00 ) in the aggregate.

§ B.3.2.11 Intentionally Deleted.

§ B.3.2.12 Intentionally Deleted.

### § B.3.3 Construction Manager's Other Insurance Coverage

§ B.3.3.1 Insurance selected and described in this Section B.3.3 shall be purchased from an insurance company or insurance companies lawfully authorized to issue insurance in Texas having a financial rating of B+VI or better as assigned by the A.M. BEST Company or equivalent. The Construction Manager shall maintain the required insurance until the expiration of the period for correction of Work as set forth in Section 12.2.2 of the General Conditions, unless a different duration is stated below:

*(If the Construction Manager is required to maintain any of the types of insurance selected below for a duration other than the expiration of the period for correction of Work, state the duration.)*

Umbrella or Excess Liability insurance with a minimum limit of \$2,000,000.00.

§ B.3.3.2 The Construction Manager shall purchase and maintain the following types and limits of insurance in accordance with Section B.3.3.1.

*(Select the types of insurance the Construction Manager is required to purchase and maintain by placing an X in the box(es) next to the description(s) of selected insurance. Where policy limits are provided, include the policy limit in the appropriate fill point.)*

- [ X ] § B.3.3.2.1 Property insurance of the same type and scope satisfying the requirements identified in Section B.2.3, which, if selected in this Section B.3.3.2.1, relieves the Owner of the responsibility to purchase and maintain such insurance except insurance required by Section B.2.3.1.3 and Section B.2.3.3. The Construction Manager shall comply with all obligations of the Owner under Section B.2.3 except to the extent provided below. The Construction Manager shall disclose to the Owner the amount of any deductible, and the Owner shall be responsible for losses within the deductible. Upon request, the Construction Manager shall provide the Owner with a copy of the property insurance policy or policies required. The Owner shall adjust and settle the loss with the insurer and be the trustee of the proceeds of the property insurance in accordance with Article 11 of the General Conditions unless otherwise set forth below:
- (Where the Construction Manager's obligation to provide property insurance differs from the Owner's obligations as described under Section B.2.3, indicate such differences in the space below. Additionally, if a party other than the Owner will be responsible for adjusting and settling a loss with the insurer and acting as the trustee of the proceeds of property insurance in accordance with Article 11 of the General Conditions, indicate the responsible party below.)*

- [ ] § B.3.3.2.2. Intentionally Deleted.
- [ ] § B.3.3.2.3 **Asbestos Abatement Liability Insurance**, with policy limits of not less than (\$ ) per claim and (\$ ) in the aggregate, for liability arising from the encapsulation, removal, handling, storage, transportation, and disposal of asbestos-containing materials.
- [ ] § B.3.3.2.4 Insurance for physical damage to property while it is in storage and in transit to the construction site on an "all-risks" completed value form.
- [ ] § B.3.3.2.5 Property insurance on an "all-risks" completed value form, covering property owned by the Construction Manager and used on the Project, including scaffolding and other equipment.
- [ ] § B.3.3.2.6 **Other Insurance**  
(List below any other insurance coverage to be provided by the Construction Manager and any applicable limits.)

Coverage	Limits
----------	--------

**§ B.3.4 Performance Bond and Payment Bond**

The Construction Manager shall provide surety bonds, from a company or companies lawfully authorized to issue surety bonds in Texas, as follows:

*(Specify type and penal sum of bonds.)*

Type	Penal Sum (\$0.00)
Payment Bond	In the total amount of the Cost of the Work, as modified during the term of construction
Performance Bond	In the total amount of the Cost of the Work, as modified during the term of construction

Payment and Performance Bonds shall be AIA Document A312™, Payment Bond and Performance Bond, or contain provisions identical to AIA Document A312™ or as required by the Texas Government Code, current as of the date of this Agreement.

**ARTICLE B.4 SPECIAL TERMS AND CONDITIONS**

Special terms and conditions that modify this Insurance and Bonds Exhibit, if any, are as follows:

Without limiting any of the other obligations or liabilities of the Construction Manager, the Construction Manager shall require each subcontractor of every tier performing work under the Contract, at the subcontractor's own expense, to maintain during the term of the engagement of such subcontractor the types and limits of insurance set forth above that are appropriate with the work being performed. All subcontractors' liability insurance shall name the Construction Manager as an additional insured.

# Additions and Deletions Report for AIA® Document A133® – 2019 Exhibit B

This Additions and Deletions Report, as defined on page 1 of the associated document, reproduces below all text the author has added to the standard form AIA document in order to complete it, as well as any text the author may have added to or deleted from the original AIA text. Added text is shown underlined. Deleted text is indicated with a horizontal line through the original AIA text.

Note: This Additions and Deletions Report is provided for information purposes only and is not incorporated into or constitute any part of the associated AIA document. This Additions and Deletions Report and its associated document were generated simultaneously by AIA software at 15:46:14 on 04/23/2026.

PAGE 1

A133-2019 Exhibit B v1 (09-10-2020)

This Insurance and Bonds Exhibit is part of the Agreement, between the Owner and the Construction Manager, dated the \_\_\_\_\_ day of \_\_\_\_\_ in the year Two Thousand Twenty-Six (2026)

...

*(Name and location or address)*

ARBH File No. 6262.0035 City of Sherman/AIA for Fleet Services Facility

Fleet Services Facility

503 E. King Street

Sherman, Texas 75090

The project will consist of a new facility for the City of Sherman Fleet Services department and Public Works Administration Offices. The anticipated structure will include repair bays, service offices, fleet services support spaces, and public works administration offices. The site will include vehicle parking, vehicle wash bay, fuel station and vehicle drop off and pick-up areas.

...

City of Sherman

100 S. Rusk Street

Sherman, Texas 75090

...

Plyler Construction

3505 Texoma Parkway

Sherman, TX 75090

PAGE 2

Prior to commencement of the Work, the Owner shall secure the ~~insurance, and provide evidence of the coverage, required under this Article B.2 insurance required under section B.2.3,~~ and, upon the Construction Manager's request, provide a copy of the property insurance policy or policies required by Section B.2.3. The copy of the policy or policies provided shall contain all applicable conditions, definitions, exclusions, and endorsements evidence thereof by a certificate of insurance reasonably acceptable to the Construction Manager.

...

The Owner shall be responsible for purchasing and maintaining the Owner's usual general liability ~~insurance insurance, at Owner's discretion.~~

...

**§ B.2.3.1** Unless this obligation is placed on the Construction Manager pursuant to Section B.3.3.2.1, the Owner shall ~~purchase~~ provide and maintain, from an insurance company or insurance companies lawfully authorized to issue insurance in the jurisdiction where the Project is located, ~~Texas~~, property insurance written on a builder's risk "all-risks" completed value or equivalent policy form and sufficient to cover the total value of the entire Project on a replacement cost basis. The Owner's property insurance coverage shall be no less than the amount of the initial Contract Sum, plus the value of subsequent Modifications and labor performed and materials or equipment supplied by others. The property insurance shall be maintained until Substantial Completion and thereafter as provided in Section B.2.3.1.3, unless otherwise provided in the Contract Documents or otherwise agreed in writing by the parties to this Agreement. This insurance shall include the interests of the Owner, Construction Manager, Subcontractors, and Sub-subcontractors in the Project as insureds. ~~This insurance shall include the interests of mortgagees as loss payees.~~ Loss, if any, shall be adjusted with, and made payable to, the Owner on behalf of all insureds as their interests may appear. The Owner may satisfy this obligation by enrolling the Project in a consortium or agency of the State of Texas that provides coverages of the types and in the amounts set forth herein.

...

**§ B.2.3.1.3** Unless the parties agree otherwise, upon Substantial Completion, the Owner shall continue the insurance required by Section B.2.3.1 ~~or, if necessary, replace the insurance policy required under Section B.2.3.1 with property insurance written for the total value of the Project that shall remain in effect until expiration of the period for correction of the Work set forth in Section 12.2.2 of the General Conditions.~~

...

**§ B.2.3.2 Occupancy or Use Prior to Substantial Completion.** The Owner's occupancy or use of any completed or partially completed portion of the Work prior to Substantial Completion shall not commence until the insurance company or companies providing the insurance under Section B.2.3.1 have consented in writing to the continuance of coverage. ~~The Owner and the Construction Manager shall take no action with respect to partial occupancy or use~~ Notwithstanding the foregoing, any partial occupancy or use by Owner that would cause cancellation, lapse, or reduction of insurance, unless they agree otherwise in writing, insurance does not constitute an event of default by Owner hereunder.

**PAGE 3**

If the Work involves remodeling an existing structure or constructing an addition to an existing structure, the Owner shall ~~purchase~~ provide and maintain, until the expiration of the period for correction of Work as set forth in Section 12.2.2 of the General Conditions, "all-risks" property insurance, on a replacement cost basis, protecting the existing structure against direct physical loss or damage from the causes of loss identified in Section B.2.3.1, notwithstanding the undertaking of the Work. The Owner shall be responsible for all co-insurance penalties.

...

The Owner ~~shall purchase~~ may, but shall not be required to, provide and maintain the insurance selected and described below.

**PAGE 4**

**§ B.3.1.1 Certificates of Insurance.** The Construction Manager shall provide certificates of insurance acceptable to the Owner on an ACORD form evidencing compliance with the requirements in this Article B.3 at the following times: (1) prior to commencement of the Work; (2) upon renewal or replacement of each required policy of insurance; and (3) upon the Owner's written request. An additional certificate evidencing continuation of commercial liability coverage, including coverage for completed operations, shall be submitted with the final Application for Payment and thereafter upon renewal or replacement of such coverage until the expiration of the periods required by Section B.3.2.1 and Section B.3.3.1. The certificates will show the Owner as an additional insured on the Construction Manager's Commercial General Liability and excess or umbrella liability policy or policies. At Owner's request, the Construction Manager shall provide Owner a copy of the policies of insurance required hereunder. Owner's failure to

require the submission of the certificates of insurance, or any of them, shall not excuse the Construction Manager of its obligation to procure and maintain the insurance required herein.

...

**§ B.3.1.3 Additional Insured Obligations.** ~~To the fullest extent permitted by law, the~~ The Construction Manager shall cause the commercial general liability coverage to include (1) the Owner, the Architect, and the Architect's consultants as additional insureds for claims caused in whole or in part by the Construction Manager's negligent acts or omissions during the Construction Manager's operations; and (2) the Owner as an additional insured for claims caused in whole or in part by the Construction Manager's negligent acts or omissions for which loss occurs during completed operations. The additional insured coverage shall be primary and non-contributory to any of the Owner's general liability insurance policies and shall apply to both ongoing and completed operations. To the extent commercially available, the additional insured coverage shall be no less than that provided by Insurance Services Office, Inc. (ISO) forms CG 20 10 07 04, CG 20 37 07 04, and, with respect to the Architect and the Architect's consultants, CG 20 32 07 04.

...

**§ B.3.2.1** The Construction Manager shall purchase and maintain the following types and limits of insurance from an insurance company or insurance companies lawfully authorized to issue insurance in ~~the jurisdiction where the Project is located.~~ Texas having a financial rating of B+VI or better as assigned by the A.M. BEST Company or equivalent. The Construction Manager shall maintain the required insurance until the expiration of the period for correction of Work as set forth in Section 12.2.2 of the General Conditions, unless a different duration is stated below:

PAGE 5

With respect to the Construction Manager's completed operations coverage, the duration shall continue through the end of any required maintenance of completed operations.

...

**§ B.3.2.2.1** Commercial General Liability insurance for the Project written on an occurrence form with policy limits of not less than One Million Dollars (\$ 1,000,000.00 ) each occurrence, Two Million Dollars (\$ 2,000,000.00 ) general aggregate, and Two Million Dollars (\$ 2,000,000.00 ) aggregate for products-completed operations hazard, providing coverage for claims including

...

**§ B.3.2.3** Automobile Liability covering vehicles owned, hired and non-owned vehicles used, by the Construction Manager, with policy limits of not less than Five Hundred Thousand Dollars (\$ 500,000.00 ) per accident, for bodily injury, death of any person, and property damage arising out of the ownership, maintenance and use of those motor vehicles along with any other statutorily required automobile coverage.

PAGE 6

**§ B.3.2.6** Employers' Liability with policy limits not less than Five Hundred Thousand Dollars (\$ 500,000.00 ) each accident, Five Hundred Thousand Dollars (\$ 500,000.00 ) each employee, and Five Hundred Thousand Dollars (\$ 500,000.00 ) policy limit.

**§ B.3.2.7** ~~Jones Act, and the Longshore & Harbor Workers' Compensation Act, as required, if the Work involves hazards arising from work on or near navigable waterways, including vessels and docks~~ Intentionally Deleted.

**§ B.3.2.8** If the Construction Manager is required to furnish professional services as part of the Work, the Construction Manager shall procure Professional Liability insurance covering performance of the professional services, with policy limits of not less than One Million Dollars (\$ 1,000,000.00 ) per claim and One Million Dollars (\$ 1,000,000.00 ) in the aggregate.

§ B.3.2.9 If the Work involves the transport, dissemination, use, or release of pollutants, the Construction Manager shall procure Pollution Liability insurance, with policy limits of not less than One Million Dollars (\$ 1,000,000.00 ) per claim and One Million Dollars (\$ 1,000,000.00 ) in the aggregate.

§ B.3.2.10 Coverage under Sections B.3.2.8 and B.3.2.9 may be procured through a Combined Professional Liability and Pollution Liability insurance policy, with combined policy limits of not less than One Million Dollars (\$ 1,000,000.00 ) per claim and One Million Dollars (\$ 1,000,000.00 ) in the aggregate.

§ B.3.2.11 Insurance for maritime liability risks associated with the operation of a vessel, if the Work requires such activities, with policy limits of not less than (\$ ) per claim and (\$ ) in the aggregate. Intentionally Deleted.

§ B.3.2.12 Insurance for the use or operation of manned or unmanned aircraft, if the Work requires such activities, with policy limits of not less than (\$ ) per claim and (\$ ) in the aggregate. Intentionally Deleted.

...

§ B.3.3.1 Insurance selected and described in this Section B.3.3 shall be purchased from an insurance company or insurance companies lawfully authorized to issue insurance in the jurisdiction where the Project is located, Texas having a financial rating of B+VI or better as assigned by the A.M. BEST Company or equivalent. The Construction Manager shall maintain the required insurance until the expiration of the period for correction of Work as set forth in Section 12.2.2 of the General Conditions, unless a different duration is stated below:

...

Umbrella or Excess Liability insurance with a minimum limit of \$2,000,000.00.

...

§ B.3.3.2.1 Property insurance of the same type and scope satisfying the requirements identified in Section B.2.3, which, if selected in this Section B.3.3.2.1, relieves the Owner of the responsibility to purchase and maintain such insurance except insurance required by Section B.2.3.1.3 and Section B.2.3.3. The Construction Manager shall comply with all obligations of the Owner under Section B.2.3 except to the extent provided below. The Construction Manager shall disclose to the Owner the amount of any deductible, and the Owner shall be responsible for losses within the deductible. Upon request, the Construction Manager shall provide the Owner with a copy of the property insurance policy or policies required. The Owner shall adjust and settle the loss with the insurer and be the trustee of the proceeds of the property insurance in accordance with Article 11 of the General Conditions unless otherwise set forth below:

PAGE 7

§ B.3.3.2.2. Intentionally Deleted.

§ B.3.3.2.2 Railroad Protective Liability Insurance, with policy limits of not less than (\$ ) per claim and (\$ ) in the aggregate, for Work within fifty (50) feet of railroad property.

§ B.3.3.2.3 Asbestos Abatement Liability Insurance, with policy limits of not less than (\$ ) per claim and (\$ ) in the aggregate, for liability arising from the encapsulation, removal, handling, storage, transportation, and disposal of asbestos-containing materials.

...

The Construction Manager shall provide surety bonds, from a company or companies lawfully authorized to issue surety bonds in the jurisdiction where the Project is located, Texas, as follows:

...

Payment Bond

In the total amount of the Cost of the Work, as

Performance Bond

modified during the term of construction  
In the total amount of the Cost of the Work, as  
modified during the term of construction

Payment and Performance Bonds shall be AIA Document A312™, Payment Bond and Performance Bond, or contain provisions identical to AIA Document ~~A312™~~, A312™ or as required by the Texas Government Code, current as of the date of this Agreement.

...

Without limiting any of the other obligations or liabilities of the Construction Manager, the Construction Manager shall require each subcontractor of every tier performing work under the Contract, at the subcontractor's own expense, to maintain during the term of the engagement of such subcontractor the types and limits of insurance set forth above that are appropriate with the work being performed. All subcontractors' liability insurance shall name the Construction Manager as an additional insured.



# AIA® Document A133® – 2019 Exhibit B

## Insurance and Bonds

A133-2019 Exhibit B v1 (09-10-2020)

This Insurance and Bonds Exhibit is part of the Agreement, between the Owner and the Construction Manager, dated the \_\_\_\_\_ day of \_\_\_\_\_ in the year Two Thousand Twenty-Six (2026)  
*(In words, indicate day, month and year.)*

for the following **PROJECT:**  
*(Name and location or address)*

ARBH File No. 6262.0035 City of Sherman/AIA for Fleet Services Facility

Fleet Services Facility  
503 E. King Street  
Sherman, Texas 75090

The project will consist of a new facility for the City of Sherman Fleet Services department and Public Works Administration Offices. The anticipated structure will include repair bays, service offices, fleet services support spaces, and public works administration offices. The site will include vehicle parking, vehicle wash bay, fuel station and vehicle drop off and pick-up areas.

**THE OWNER:**  
*(Name, legal status, and address)*

City of Sherman  
100 S. Rusk Street  
Sherman, Texas 75090

**THE CONSTRUCTION MANAGER:**  
*(Name, legal status, and address)*

Plyler Construction  
3505 Texoma Parkway  
Sherman, TX 75090

### TABLE OF ARTICLES

- B.1 GENERAL
- B.2 OWNER'S INSURANCE
- B.3 CONSTRUCTION MANAGER'S INSURANCE AND BONDS
- B.4 SPECIAL TERMS AND CONDITIONS

### ARTICLE B.1 GENERAL

The Owner and Construction Manager shall purchase and maintain insurance, and provide bonds, as set forth in this Exhibit. As used in this Exhibit, the term General Conditions

**ADDITIONS AND DELETIONS:**  
The author of this document has added information needed for its completion. The author may also have revised the text of the original AIA standard form. An *Additions and Deletions Report* that notes added information as well as revisions to the standard form text is available from the author and should be reviewed. A vertical line in the left margin of this document indicates where the author has added necessary information and where the author has added to or deleted from the original AIA text.

This document has important legal consequences. Consultation with an attorney is encouraged with respect to its completion or modification.

This document is intended to be used in conjunction with AIA Document A201™–2017, General Conditions of the Contract for Construction. Article 11 of A201™–2017 contains additional insurance provisions.

refers to AIA Document A201™–2017, General Conditions of the Contract for Construction.

**ARTICLE B.2 OWNER'S INSURANCE**

**§ B.2.1 General**

Prior to commencement of the Work, the Owner shall secure the insurance required under section B.2.3, and, upon the Construction Manager's request, provide evidence thereof by a certificate of insurance reasonably acceptable to the Construction Manager.

**§ B.2.2 Liability Insurance**

The Owner shall be responsible for purchasing and maintaining the Owner's usual general liability insurance, at Owner's discretion.

**§ B.2.3 Required Property Insurance**

**§ B.2.3.1** Unless this obligation is placed on the Construction Manager pursuant to Section B.3.3.2.1, the Owner shall provide and maintain, from an insurance company or insurance companies lawfully authorized to issue insurance in Texas, property insurance written on a builder's risk "all-risks" completed value or equivalent policy form and sufficient to cover the total value of the entire Project on a replacement cost basis. The Owner's property insurance coverage shall be no less than the amount of the initial Contract Sum, plus the value of subsequent Modifications and labor performed and materials or equipment supplied by others. The property insurance shall be maintained until Substantial Completion and thereafter as provided in Section B.2.3.1.3, unless otherwise provided in the Contract Documents or otherwise agreed in writing by the parties to this Agreement. This insurance shall include the interests of the Owner, Construction Manager, Subcontractors, and Sub-subcontractors in the Project as insureds. Loss, if any, shall be adjusted with, and made payable to, the Owner on behalf of all insureds as their interests may appear. The Owner may satisfy this obligation by enrolling the Project in a consortium or agency of the State of Texas that provides coverages of the types and in the amounts set forth herein.

**§ B.2.3.1.1 Causes of Loss.** The insurance required by this Section B.2.3.1 shall provide coverage for direct physical loss or damage, and shall not exclude the risks of fire, explosion, theft, vandalism, malicious mischief, collapse, earthquake, flood, or windstorm. The insurance shall also provide coverage for ensuing loss or resulting damage from error, omission, or deficiency in construction methods, design, specifications, workmanship, or materials. Sub-limits, if any, are as follows:

*(Indicate below the cause of loss and any applicable sub-limit.)*

Cause of Loss	Sub-Limit
---------------	-----------

**§ B.2.3.1.2 Specific Required Coverages.** The insurance required by this Section B.2.3.1 shall provide coverage for loss or damage to falsework and other temporary structures, and to building systems from testing and startup. The insurance shall also cover debris removal, including demolition occasioned by enforcement of any applicable legal requirements, and reasonable compensation for the Architect's and Construction Manager's services and expenses required as a result of such insured loss, including claim preparation expenses. Sub-limits, if any, are as follows:

*(Indicate below type of coverage and any applicable sub-limit for specific required coverages.)*

Coverage	Sub-Limit
----------	-----------

**§ B.2.3.1.3** Unless the parties agree otherwise, upon Substantial Completion, the Owner shall continue the insurance required by Section B.2.3.1 until expiration of the period for correction of the Work set forth in Section 12.2.2 of the General Conditions.

**§ B.2.3.1.4 Deductibles and Self-Insured Retentions.** If the insurance required by this Section B.2.3 is subject to deductibles or self-insured retentions, the Owner shall be responsible for all loss not covered because of such deductibles or retentions.

**§ B.2.3.2 Occupancy or Use Prior to Substantial Completion.** The Owner's occupancy or use of any completed or partially completed portion of the Work prior to Substantial Completion shall not commence until the insurance

company or companies providing the insurance under Section B.2.3.1 have consented in writing to the continuance of coverage. Notwithstanding the foregoing, any partial occupancy or use by Owner that would cause cancellation, lapse, or reduction of insurance does not constitute an event of default by Owner hereunder.

**§ B.2.3.3 Insurance for Existing Structures**

If the Work involves remodeling an existing structure or constructing an addition to an existing structure, the Owner shall provide and maintain, until the expiration of the period for correction of Work as set forth in Section 12.2.2 of the General Conditions, "all-risks" property insurance, on a replacement cost basis, protecting the existing structure against direct physical loss or damage from the causes of loss identified in Section B.2.3.1, notwithstanding the undertaking of the Work. The Owner shall be responsible for all co-insurance penalties.

**§ B.2.4 Optional Extended Property Insurance.**

The Owner may, but shall not be required to, provide and maintain the insurance selected and described below. *(Select the types of insurance the Owner is required to purchase and maintain by placing an X in the box(es) next to the description(s) of selected insurance. For each type of insurance selected, indicate applicable limits of coverage or other conditions in the fill point below the selected item.)*

- § B.2.4.1 Loss of Use, Business Interruption, and Delay in Completion Insurance**, to reimburse the Owner for loss of use of the Owner's property, or the inability to conduct normal operations due to a covered cause of loss.
  
- § B.2.4.2 Ordinance or Law Insurance**, for the reasonable and necessary costs to satisfy the minimum requirements of the enforcement of any law or ordinance regulating the demolition, construction, repair, replacement or use of the Project.
  
- § B.2.4.3 Expediting Cost Insurance**, for the reasonable and necessary costs for the temporary repair of damage to insured property, and to expedite the permanent repair or replacement of the damaged property.
  
- § B.2.4.4 Extra Expense Insurance**, to provide reimbursement of the reasonable and necessary excess costs incurred during the period of restoration or repair of the damaged property that are over and above the total costs that would normally have been incurred during the same period of time had no loss or damage occurred.
  
- § B.2.4.5 Civil Authority Insurance**, for losses or costs arising from an order of a civil authority prohibiting access to the Project, provided such order is the direct result of physical damage covered under the required property insurance.
  
- § B.2.4.6 Ingress/Egress Insurance**, for loss due to the necessary interruption of the insured's business due to physical prevention of ingress to, or egress from, the Project as a direct result of physical damage.
  
- § B.2.4.7 Soft Costs Insurance**, to reimburse the Owner for costs due to the delay of completion of the Work, arising out of physical loss or damage covered by the required property insurance: including

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construction loan fees; leasing and marketing expenses; additional fees, including those of architects, engineers, consultants, attorneys and accountants, needed for the completion of the construction, repairs, or reconstruction; and carrying costs such as property taxes, building permits, additional interest on loans, realty taxes, and insurance premiums over and above normal expenses.

**§ B.2.5 Other Optional Insurance.**

The Owner shall purchase and maintain the insurance selected below.

*(Select the types of insurance the Owner is required to purchase and maintain by placing an X in the box(es) next to the description(s) of selected insurance.)*

**§ B.2.5.1 Cyber Security Insurance** for loss to the Owner due to data security and privacy breach, including costs of investigating a potential or actual breach of confidential or private information. *(Indicate applicable limits of coverage or other conditions in the fill point below.)*

**§ B.2.5.2 Other Insurance**  
*(List below any other insurance coverage to be provided by the Owner and any applicable limits.)*

**Coverage**

**Limits**

**ARTICLE B.3 CONSTRUCTION MANAGER'S INSURANCE AND BONDS**

**§ B.3.1 General**

**§ B.3.1.1 Certificates of Insurance.** The Construction Manager shall provide certificates of insurance acceptable to the Owner on an ACORD form evidencing compliance with the requirements in this Article B.3 at the following times: (1) prior to commencement of the Work; (2) upon renewal or replacement of each required policy of insurance; and (3) upon the Owner's written request. An additional certificate evidencing continuation of commercial liability coverage, including coverage for completed operations, shall be submitted with the final Application for Payment and thereafter upon renewal or replacement of such coverage until the expiration of the periods required by Section B.3.2.1 and Section B.3.3.1. The certificates will show the Owner as an additional insured on the Construction Manager's Commercial General Liability and excess or umbrella liability policy or policies. At Owner's request, the Construction Manager shall provide Owner a copy of the policies of insurance required hereunder. Owner's failure to require the submission of the certificates of insurance, or any of them, shall not excuse the Construction Manager of its obligation to procure and maintain the insurance required herein.

**§ B.3.1.2 Deductibles and Self-Insured Retentions.** The Construction Manager shall disclose to the Owner any deductible or self-insured retentions applicable to any insurance required to be provided by the Construction Manager.

**§ B.3.1.3 Additional Insured Obligations.** The Construction Manager shall cause the commercial general liability coverage to include (1) the Owner, the Architect, and the Architect's consultants as additional insureds for claims caused in whole or in part by the Construction Manager's negligent acts or omissions during the Construction Manager's operations; and (2) the Owner as an additional insured for claims caused in whole or in part by the Construction Manager's negligent acts or omissions for which loss occurs during completed operations. The additional insured coverage shall be primary and non-contributory to any of the Owner's general liability insurance policies and shall apply to both ongoing and completed operations. To the extent commercially available, the additional insured coverage shall be no less than that provided by Insurance Services Office, Inc. (ISO) forms CG 20 10 07 04, CG 20 37 07 04, and, with respect to the Architect and the Architect's consultants, CG 20 32 07 04.

**§ B.3.2 Construction Manager's Required Insurance Coverage**

**§ B.3.2.1** The Construction Manager shall purchase and maintain the following types and limits of insurance from an insurance company or insurance companies lawfully authorized to issue insurance in Texas having a financial rating of B+VI or better as assigned by the A.M. BEST Company or equivalent. The Construction Manager shall maintain

Init.

the required insurance until the expiration of the period for correction of Work as set forth in Section 12.2.2 of the General Conditions, unless a different duration is stated below:

*(If the Construction Manager is required to maintain insurance for a duration other than the expiration of the period for correction of Work, state the duration.)*

With respect to the Construction Manager's completed operations coverage, the duration shall continue through the end of any required maintenance of completed operations.

#### **§ B.3.2.2 Commercial General Liability**

**§ B.3.2.2.1** Commercial General Liability insurance for the Project written on an occurrence form with policy limits of not less than One Million Dollars (\$ 1,000,000.00 ) each occurrence, Two Million Dollars (\$ 2,000,000.00 ) general aggregate, and Two Million Dollars (\$ 2,000,000.00 ) aggregate for products-completed operations hazard, providing coverage for claims including

- .1 damages because of bodily injury, sickness or disease, including occupational sickness or disease, and death of any person;
- .2 personal injury and advertising injury;
- .3 damages because of physical damage to or destruction of tangible property, including the loss of use of such property;
- .4 bodily injury or property damage arising out of completed operations; and
- .5 the Construction Manager's indemnity obligations under Section 3.18 of the General Conditions.

**§ B.3.2.2.2** The Construction Manager's Commercial General Liability policy under this Section B.3.2.2 shall not contain an exclusion or restriction of coverage for the following:

- .1 Claims by one insured against another insured, if the exclusion or restriction is based solely on the fact that the claimant is an insured, and there would otherwise be coverage for the claim.
- .2 Claims for property damage to the Construction Manager's Work arising out of the products-completed operations hazard where the damaged Work or the Work out of which the damage arises was performed by a Subcontractor.
- .3 Claims for bodily injury other than to employees of the insured.
- .4 Claims for indemnity under Section 3.18 of the General Conditions arising out of injury to employees of the insured.
- .5 Claims or loss excluded under a prior work endorsement or other similar exclusionary language.
- .6 Claims or loss due to physical damage under a prior injury endorsement or similar exclusionary language.
- .7 Claims related to residential, multi-family, or other habitational projects, if the Work is to be performed on such a project.
- .8 Claims related to roofing, if the Work involves roofing.
- .9 Claims related to exterior insulation finish systems (EIFS), synthetic stucco or similar exterior coatings or surfaces, if the Work involves such coatings or surfaces.
- .10 Claims related to earth subsidence or movement, where the Work involves such hazards.
- .11 Claims related to explosion, collapse and underground hazards, where the Work involves such hazards.

**§ B.3.2.3** Automobile Liability covering vehicles owned, hired and non-owned vehicles used, by the Construction Manager, with policy limits of not less than Five Hundred Thousand Dollars (\$ 500,000.00 ) per accident, for bodily injury, death of any person, and property damage arising out of the ownership, maintenance and use of those motor vehicles along with any other statutorily required automobile coverage.

**§ B.3.2.4** The Construction Manager may achieve the required limits and coverage for Commercial General Liability and Automobile Liability through a combination of primary and excess or umbrella liability insurance, provided such primary and excess or umbrella insurance policies result in the same or greater coverage as the coverages required under Section B.3.2.2 and B.3.2.3, and in no event shall any excess or umbrella liability insurance provide narrower coverage than the primary policy. The excess policy shall not require the exhaustion of the underlying limits only through the actual payment by the underlying insurers.

**§ B.3.2.5** Workers' Compensation at statutory limits.

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§ B.3.2.6 Employers' Liability with policy limits not less than Five Hundred Thousand Dollars (\$ 500,000.00 ) each accident, Five Hundred Thousand Dollars (\$ 500,000.00 ) each employee, and Five Hundred Thousand Dollars (\$ 500,000.00 ) policy limit.

§ B.3.2.7 Intentionally Deleted.

§ B.3.2.8 If the Construction Manager is required to furnish professional services as part of the Work, the Construction Manager shall procure Professional Liability insurance covering performance of the professional services, with policy limits of not less than One Million Dollars (\$ 1,000,000.00 ) per claim and One Million Dollars (\$ 1,000,000.00 ) in the aggregate.

§ B.3.2.9 If the Work involves the transport, dissemination, use, or release of pollutants, the Construction Manager shall procure Pollution Liability insurance, with policy limits of not less than One Million Dollars (\$ 1,000,000.00 ) per claim and One Million Dollars (\$ 1,000,000.00 ) in the aggregate.

§ B.3.2.10 Coverage under Sections B.3.2.8 and B.3.2.9 may be procured through a Combined Professional Liability and Pollution Liability insurance policy, with combined policy limits of not less than One Million Dollars (\$ 1,000,000.00 ) per claim and One Million Dollars (\$ 1,000,000.00 ) in the aggregate.

§ B.3.2.11 Intentionally Deleted.

§ B.3.2.12 Intentionally Deleted.

### § B.3.3 Construction Manager's Other Insurance Coverage

§ B.3.3.1 Insurance selected and described in this Section B.3.3 shall be purchased from an insurance company or insurance companies lawfully authorized to issue insurance in Texas having a financial rating of B+VI or better as assigned by the A.M. BEST Company or equivalent. The Construction Manager shall maintain the required insurance until the expiration of the period for correction of Work as set forth in Section 12.2.2 of the General Conditions, unless a different duration is stated below:

*(If the Construction Manager is required to maintain any of the types of insurance selected below for a duration other than the expiration of the period for correction of Work, state the duration.)*

Umbrella or Excess Liability insurance with a minimum limit of \$2,000,000.00.

§ B.3.3.2 The Construction Manager shall purchase and maintain the following types and limits of insurance in accordance with Section B.3.3.1.

*(Select the types of insurance the Construction Manager is required to purchase and maintain by placing an X in the box(es) next to the description(s) of selected insurance. Where policy limits are provided, include the policy limit in the appropriate fill point.)*

- § B.3.3.2.1 Property insurance of the same type and scope satisfying the requirements identified in Section B.2.3, which, if selected in this Section B.3.3.2.1, relieves the Owner of the responsibility to purchase and maintain such insurance except insurance required by Section B.2.3.1.3 and Section B.2.3.3. The Construction Manager shall comply with all obligations of the Owner under Section B.2.3 except to the extent provided below. The Construction Manager shall disclose to the Owner the amount of any deductible, and the Owner shall be responsible for losses within the deductible. Upon request, the Construction Manager shall provide the Owner with a copy of the property insurance policy or policies required. The Owner shall adjust and settle the loss with the insurer and be the trustee of the proceeds of the property insurance in accordance with Article 11 of the General Conditions unless otherwise set forth below:

*(Where the Construction Manager's obligation to provide property insurance differs from the Owner's obligations as described under Section B.2.3, indicate such differences in the space below.*

*Additionally, if a party other than the Owner will be responsible for adjusting and settling a loss with the insurer and acting as the trustee of the proceeds of property insurance in accordance with Article 11 of the General Conditions, indicate the responsible party below.)*

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- [ ] § B.3.3.2.2. Intentionally Deleted.
- [ ] § B.3.3.2.3 Asbestos Abatement Liability Insurance, with policy limits of not less than (\$ ) per claim and (\$ ) in the aggregate, for liability arising from the encapsulation, removal, handling, storage, transportation, and disposal of asbestos-containing materials.
- [ ] § B.3.3.2.4 Insurance for physical damage to property while it is in storage and in transit to the construction site on an "all-risks" completed value form.
- [ ] § B.3.3.2.5 Property insurance on an "all-risks" completed value form, covering property owned by the Construction Manager and used on the Project, including scaffolding and other equipment.
- [ ] § B.3.3.2.6 Other Insurance  
(List below any other insurance coverage to be provided by the Construction Manager and any applicable limits.)

Coverage	Limits
----------	--------

**§ B.3.4 Performance Bond and Payment Bond**

The Construction Manager shall provide surety bonds, from a company or companies lawfully authorized to issue surety bonds in Texas, as follows:  
(Specify type and penal sum of bonds.)

Type	Penal Sum (\$0.00)
Payment Bond	In the total amount of the Cost of the Work, as modified during the term of construction
Performance Bond	In the total amount of the Cost of the Work, as modified during the term of construction

Payment and Performance Bonds shall be AIA Document A312™, Payment Bond and Performance Bond, or contain provisions identical to AIA Document A312™ or as required by the Texas Government Code, current as of the date of this Agreement.

**ARTICLE B.4 SPECIAL TERMS AND CONDITIONS**

Special terms and conditions that modify this Insurance and Bonds Exhibit, if any, are as follows:

Without limiting any of the other obligations or liabilities of the Construction Manager, the Construction Manager shall require each subcontractor of every tier performing work under the Contract, at the subcontractor's own expense, to maintain during the term of the engagement of such subcontractor the types and limits of insurance set forth above that are appropriate with the work being performed. All subcontractors' liability insurance shall name the Construction Manager as an additional insured.

# Additions and Deletions Report for AIA® Document A133® – 2019 Exhibit B

This Additions and Deletions Report, as defined on page 1 of the associated document, reproduces below all text the author has added to the standard form AIA document in order to complete it, as well as any text the author may have added to or deleted from the original AIA text. Added text is shown underlined. Deleted text is indicated with a horizontal line through the original AIA text.

Note: This Additions and Deletions Report is provided for information purposes only and is not incorporated into or constitute any part of the associated AIA document. This Additions and Deletions Report and its associated document were generated simultaneously by AIA software at 15:46:14 on 04/23/2026.

PAGE 1

A133-2019 Exhibit B v1 (09-10-2020)

This Insurance and Bonds Exhibit is part of the Agreement, between the Owner and the Construction Manager, dated the \_\_\_\_\_ day of \_\_\_\_\_ in the year Two Thousand Twenty-Six (2026)

...

*(Name and location or address)*

ARBH File No. 6262.0035 City of Sherman/AIA for Fleet Services Facility

Fleet Services Facility

503 E. King Street

Sherman, Texas 75090

The project will consist of a new facility for the City of Sherman Fleet Services department and Public Works Administration Offices. The anticipated structure will include repair bays, service offices, fleet services support spaces, and public works administration offices. The site will include vehicle parking, vehicle wash bay, fuel station and vehicle drop off and pick-up areas.

...

City of Sherman

100 S. Rusk Street

Sherman, Texas 75090

...

Plyler Construction

3505 Texoma Parkway

Sherman, TX 75090

PAGE 2

Prior to commencement of the Work, the Owner shall secure the ~~insurance, and provide evidence of the coverage, required under this Article B.2 insurance required under section B.2.3,~~ and, upon the Construction Manager's request, provide a copy of the property insurance policy or policies required by Section B.2.3. The copy of the policy or policies provided shall contain all applicable conditions, definitions, exclusions, and endorsements evidence thereof by a certificate of insurance reasonably acceptable to the Construction Manager.

...

The Owner shall be responsible for purchasing and maintaining the Owner's usual general liability ~~insurance insurance,~~ at Owner's discretion.

...

§ B.2.3.1 Unless this obligation is placed on the Construction Manager pursuant to Section B.3.3.2.1, the Owner shall ~~purchase~~ provide and maintain, from an insurance company or insurance companies lawfully authorized to issue insurance in the jurisdiction where the Project is located, ~~Texas~~, property insurance written on a builder's risk "all-risks" completed value or equivalent policy form and sufficient to cover the total value of the entire Project on a replacement cost basis. The Owner's property insurance coverage shall be no less than the amount of the initial Contract Sum, plus the value of subsequent Modifications and labor performed and materials or equipment supplied by others. The property insurance shall be maintained until Substantial Completion and thereafter as provided in Section B.2.3.1.3, unless otherwise provided in the Contract Documents or otherwise agreed in writing by the parties to this Agreement. This insurance shall include the interests of the Owner, Construction Manager, Subcontractors, and Sub-subcontractors in the Project as insureds. ~~This insurance shall include the interests of mortgagees as loss payees.~~ Loss, if any, shall be adjusted with, and made payable to, the Owner on behalf of all insureds as their interests may appear. The Owner may satisfy this obligation by enrolling the Project in a consortium or agency of the State of Texas that provides coverages of the types and in the amounts set forth herein.

...

§ B.2.3.1.3 Unless the parties agree otherwise, upon Substantial Completion, the Owner shall continue the insurance required by Section B.2.3.1 ~~or, if necessary, replace the insurance policy required under Section B.2.3.1 with property insurance written for the total value of the Project that shall remain in effect until expiration of the period for correction of the Work set forth in Section 12.2.2 of the General Conditions.~~

...

§ B.2.3.2 **Occupancy or Use Prior to Substantial Completion.** The Owner's occupancy or use of any completed or partially completed portion of the Work prior to Substantial Completion shall not commence until the insurance company or companies providing the insurance under Section B.2.3.1 have consented in writing to the continuance of coverage. ~~The Owner and the Construction Manager shall take no action with respect to partial occupancy or use~~ Notwithstanding the foregoing, any partial occupancy or use by Owner that would cause cancellation, lapse, or reduction of insurance, unless they agree otherwise in writing, insurance does not constitute an event of default by Owner hereunder.

PAGE 3

If the Work involves remodeling an existing structure or constructing an addition to an existing structure, the Owner shall ~~purchase~~ provide and maintain, until the expiration of the period for correction of Work as set forth in Section 12.2.2 of the General Conditions, "all-risks" property insurance, on a replacement cost basis, protecting the existing structure against direct physical loss or damage from the causes of loss identified in Section B.2.3.1, notwithstanding the undertaking of the Work. The Owner shall be responsible for all co-insurance penalties.

...

The Owner ~~shall purchase~~ may, but shall not be required to, provide and maintain the insurance selected and described below.

PAGE 4

§ B.3.1.1 **Certificates of Insurance.** The Construction Manager shall provide certificates of insurance acceptable to the Owner on an ACORD form evidencing compliance with the requirements in this Article B.3 at the following times: (1) prior to commencement of the Work; (2) upon renewal or replacement of each required policy of insurance; and (3) upon the Owner's written request. An additional certificate evidencing continuation of commercial liability coverage, including coverage for completed operations, shall be submitted with the final Application for Payment and thereafter upon renewal or replacement of such coverage until the expiration of the periods required by Section B.3.2.1 and Section B.3.3.1. The certificates will show the Owner as an additional insured on the Construction Manager's Commercial General Liability and excess or umbrella liability policy or policies. At Owner's request, the Construction Manager shall provide Owner a copy of the policies of insurance required hereunder. Owner's failure to

require the submission of the certificates of insurance, or any of them, shall not excuse the Construction Manager of its obligation to procure and maintain the insurance required herein.

...

**§ B.3.1.3 Additional Insured Obligations.** ~~To the fullest extent permitted by law, the~~ The Construction Manager shall cause the commercial general liability coverage to include (1) the Owner, the Architect, and the Architect's consultants as additional insureds for claims caused in whole or in part by the Construction Manager's negligent acts or omissions during the Construction Manager's operations; and (2) the Owner as an additional insured for claims caused in whole or in part by the Construction Manager's negligent acts or omissions for which loss occurs during completed operations. The additional insured coverage shall be primary and non-contributory to any of the Owner's general liability insurance policies and shall apply to both ongoing and completed operations. To the extent commercially available, the additional insured coverage shall be no less than that provided by Insurance Services Office, Inc. (ISO) forms CG 20 10 07 04, CG 20 37 07 04, and, with respect to the Architect and the Architect's consultants, CG 20 32 07 04.

...

**§ B.3.2.1** The Construction Manager shall purchase and maintain the following types and limits of insurance from an insurance company or insurance companies lawfully authorized to issue insurance ~~in the jurisdiction where the Project is located.~~ Texas having a financial rating of B+VI or better as assigned by the A.M. BEST Company or equivalent. The Construction Manager shall maintain the required insurance until the expiration of the period for correction of Work as set forth in Section 12.2.2 of the General Conditions, unless a different duration is stated below:

PAGE 5

With respect to the Construction Manager's completed operations coverage, the duration shall continue through the end of any required maintenance of completed operations.

...

**§ B.3.2.2.1** Commercial General Liability insurance for the Project written on an occurrence form with policy limits of not less than One Million Dollars (\$ 1,000,000.00 ) each occurrence, Two Million Dollars (\$ 2,000,000.00 ) general aggregate, and Two Million Dollars (\$ 2,000,000.00 ) aggregate for products-completed operations hazard, providing coverage for claims including

...

**§ B.3.2.3** Automobile Liability covering vehicles owned, hired and non-owned vehicles used, by the Construction Manager, with policy limits of not less than Five Hundred Thousand Dollars (\$ 500,000.00 ) per accident, for bodily injury, death of any person, and property damage arising out of the ownership, maintenance and use of those motor vehicles along with any other statutorily required automobile coverage.

PAGE 6

**§ B.3.2.6** Employers' Liability with policy limits not less than Five Hundred Thousand Dollars (\$ 500,000.00 ) each accident, Five Hundred Thousand Dollars (\$ 500,000.00 ) each employee, and Five Hundred Thousand Dollars (\$ 500,000.00 ) policy limit.

**§ B.3.2.7** ~~Jones Act, and the Longshore & Harbor Workers' Compensation Act, as required, if the Work involves hazards arising from work on or near navigable waterways, including vessels and docks.~~ Intentionally Deleted.

**§ B.3.2.8** If the Construction Manager is required to furnish professional services as part of the Work, the Construction Manager shall procure Professional Liability insurance covering performance of the professional services, with policy limits of not less than One Million Dollars (\$ 1,000,000.00 ) per claim and One Million Dollars (\$ 1,000,000.00 ) in the aggregate.

§ B.3.2.9 If the Work involves the transport, dissemination, use, or release of pollutants, the Construction Manager shall procure Pollution Liability insurance, with policy limits of not less than One Million Dollars (\$ 1,000,000.00 ) per claim and One Million Dollars (\$ 1,000,000.00 ) in the aggregate.

§ B.3.2.10 Coverage under Sections B.3.2.8 and B.3.2.9 may be procured through a Combined Professional Liability and Pollution Liability insurance policy, with combined policy limits of not less than One Million Dollars (\$ 1,000,000.00 ) per claim and One Million Dollars (\$ 1,000,000.00 ) in the aggregate.

§ B.3.2.11 ~~Insurance for maritime liability risks associated with the operation of a vessel, if the Work requires such activities, with policy limits of not less than (\$ ) per claim and (\$ ) in the aggregate.~~Intentionally Deleted.

§ B.3.2.12 ~~Insurance for the use or operation of manned or unmanned aircraft, if the Work requires such activities, with policy limits of not less than (\$ ) per claim and (\$ ) in the aggregate.~~Intentionally Deleted.

...

§ B.3.3.1 Insurance selected and described in this Section B.3.3 shall be purchased from an insurance company or insurance companies lawfully authorized to issue insurance in ~~the jurisdiction where the Project is located, Texas~~ having a financial rating of B+VI or better as assigned by the A.M. BEST Company or equivalent. The Construction Manager shall maintain the required insurance until the expiration of the period for correction of Work as set forth in Section 12.2.2 of the General Conditions, unless a different duration is stated below:

...

Umbrella or Excess Liability insurance with a minimum limit of \$2,000,000.00.

...

§ B.3.3.2.1 Property insurance of the same type and scope satisfying the requirements identified in Section B.2.3, which, if selected in this Section B.3.3.2.1, relieves the Owner of the responsibility to purchase and maintain such insurance except insurance required by Section B.2.3.1.3 and Section B.2.3.3. The Construction Manager shall comply with all obligations of the Owner under Section B.2.3 except to the extent provided below. The Construction Manager shall disclose to the Owner the amount of any deductible, and the Owner shall be responsible for losses within the deductible. Upon request, the Construction Manager shall provide the Owner with a copy of the property insurance policy or policies required. The Owner shall adjust and settle the loss with the insurer and be the trustee of the proceeds of the property insurance in accordance with Article 11 of the General Conditions unless otherwise set forth below:

PAGE 7

§ B.3.3.2.2. Intentionally Deleted.

~~§ B.3.3.2.2 Railroad Protective Liability Insurance, with policy limits of not less than (\$ ) per claim and (\$ ) in the aggregate, for Work within fifty (50) feet of railroad property.~~

~~§ B.3.3.2.3 Asbestos Abatement Liability Insurance, with policy limits of not less than (\$ ) per claim and (\$ ) in the aggregate, for liability arising from the encapsulation, removal, handling, storage, transportation, and disposal of asbestos-containing materials.~~

...

The Construction Manager shall provide surety bonds, from a company or companies lawfully authorized to issue surety bonds in ~~the jurisdiction where the Project is located, Texas,~~ as follows:

...

Payment Bond

In the total amount of the Cost of the Work, as

Performance Bond

modified during the term of construction  
In the total amount of the Cost of the Work, as  
modified during the term of construction

Payment and Performance Bonds shall be AIA Document A312™, Payment Bond and Performance Bond, or contain provisions identical to AIA Document ~~A312™~~, A312™ or as required by the Texas Government Code, current as of the date of this Agreement.

...

Without limiting any of the other obligations or liabilities of the Construction Manager, the Construction Manager shall require each subcontractor of every tier performing work under the Contract, at the subcontractor's own expense, to maintain during the term of the engagement of such subcontractor the types and limits of insurance set forth above that are appropriate with the work being performed. All subcontractors' liability insurance shall name the Construction Manager as an additional insured.



AGENCY CUSTOMER ID: \_\_\_\_\_

LOC #: \_\_\_\_\_



## ADDITIONAL REMARKS SCHEDULE

Page 1 of 1

AGENCY Marsh & McLennan Agency, LLC		NAMED INSURED Lloyd Plyler Construction LP dba Plyler Construction, dba Plyler Fabrication dba Lloyd Plyler Construction, LLP P.O. Box 2406 Sherman TX 75091	
POLICY NUMBER		EFFECTIVE DATE:	
CARRIER	NAIC CODE		

### ADDITIONAL REMARKS

**THIS ADDITIONAL REMARKS FORM IS A SCHEDULE TO ACORD FORM,  
FORM NUMBER: 25 FORM TITLE: CERTIFICATE OF LIABILITY INSURANCE**

Additional Insured Form #CA7450 Edition 09/24 Applies to the Business Auto Policy  
Waiver of Subrogation Form #CG7578.3 Edition 02/19 Applies to the General Liability Policy  
Waiver of Subrogation Form #CA7450 Edition 09/24 Applies to the Business Auto Policy  
Waiver of Subrogation Form #WC420304B Edition 06/14 Applies to the Workers Compensation Policy

The general liability and auto liability policies include a blanket additional insured endorsement to the certificate holder only when there is a written contract between the named insured and the certificate holder that requires such wording.

The general liability, auto liability, and workers compensation policies include a blanket waiver of subrogation endorsement to the certificate holder when there is a written contract between the named insured and the certificate holder that requires such status.

The general liability policy contains an endorsement with primary and non-contributory wording that may apply only when there is a written contract between the named insured and the certificate holder that requires such wording.

The umbrella policy includes as an insured any person or organization included as an additional insured in any scheduled underlying insurance.

The umbrella policy schedule of underlying policies include the General Liability, Auto Liability and Workers Compensation Employers Liability.

Notice of Cancellation form #L7447.6 Edition 10/17 applies to the General Liability policy.

Notice of Cancellation form #L7447.6 Edition 10/17 applies to the Automobile Liability policy.

Notice of Cancellation form #WC420601 Edition 01/94 applies to the Workers Compensation policy.

The General Liability, Automobile Liability, and Worker's Compensation policies includes a blanket notice of cancellation endorsement only when there is a written contract between the named insured and the certificate holder that requires such notice, providing for (30) days' advance written notice to the holder if the policy is canceled by the company, or 10 days' written notice before the policy is canceled for nonpayment of premium. The endorsement does not provide for notice of cancellation to the certificate holder if the named insured requests cancellation.

Certificate Holder includes Hidell and Associates Architects

Project: Fleet Services and Public Works Facility

# CERTIFICATE OF INTERESTED PARTIES

FORM 1295

1 of 1

Complete Nos. 1 - 4 and 6 if there are interested parties.  
Complete Nos. 1, 2, 3, 5, and 6 if there are no interested parties.

## OFFICE USE ONLY CERTIFICATION OF FILING

Certificate Number:  
2026-1452305

Date Filed:  
04/23/2026

Date Acknowledged:

1 Name of business entity filing form, and the city, state and country of the business entity's place of business.

Lloyd Plyler Construction, LLP  
Sherman, TX United States

2 Name of governmental entity or state agency that is a party to the contract for which the form is being filed.

City of Sherman

3 Provide the identification number used by the governmental entity or state agency to track or identify the contract, and provide a description of the services, goods, or other property to be provided under the contract.

RFP 2026-10 CMAR Fleet Service  
General Construction RFP 2026-10 CMAR Fleet Services Building

4	Name of Interested Party	City, State, Country (place of business)	Nature of interest (check applicable)	
			Controlling	Intermediary
	Plyler, Ronald	Sherman, TX United States	X	
	Plyler, Richard	Sherman, TX United States	X	
	Plyler, Michael	Sherman, TX United States	X	

5 Check only if there is NO Interested Party.


### 6 UNSWORN DECLARATION

My name is R. David Plyler, Jr. and my date of birth is 12/04/1965.

My address is 3505 Texoma Parkway, Sherman, TX, 75091, USA.  
(city) (state) (zip code) (country)

I declare under penalty of perjury that the foregoing is true and correct.

Executed in Grayson County, State of Texas, on the 23rd day of April, 20 26.  
(month) (year)

  
\_\_\_\_\_  
Signature of authorized agent of contracting business entity  
(Declarant)

**CONFLICT OF INTEREST QUESTIONNAIRE**  
 For vendor doing business with local governmental entity

**FORM CIQ**

This questionnaire reflects changes made to the law by H.B. 23, 84th Leg., Regular Session.  
 This questionnaire is being filed in accordance with Chapter 176, Local Government Code, by a vendor who has a business relationship as defined by Section 176.001(1-a) with a local governmental entity and the vendor meets requirements under Section 176.006(a).  
 By law this questionnaire must be filed with the records administrator of the local governmental entity not later than the 7th business day after the date the vendor becomes aware of facts that require the statement to be filed. See Section 176.006(a-1), Local Government Code.  
 A vendor commits an offense if the vendor knowingly violates Section 176.006, Local Government Code. An offense under this section is a misdemeanor.

**OFFICE USE ONLY**

Date Received

**1** Name of vendor who has a business relationship with local governmental entity.

Lloyd Plyler Construction, LLP

**2**  Check this box if you are filing an update to a previously filed questionnaire. (The law requires that you file an updated completed questionnaire with the appropriate filing authority not later than the 7th business day after the date on which you became aware that the originally filed questionnaire was incomplete or inaccurate.)

**3** Name of local government officer about whom the information is being disclosed.

\_\_\_\_\_  
 Name of Officer

**4** Describe each employment or other business relationship with the local government officer, or a family member of the officer, as described by Section 176.003(a)(2)(A). Also describe any family relationship with the local government officer. Complete subparts A and B for each employment or business relationship described. Attach additional pages to this Form CIQ as necessary.

A. Is the local government officer or a family member of the officer receiving or likely to receive taxable income, other than investment income, from the vendor?

Yes  No

B. Is the vendor receiving or likely to receive taxable income, other than investment income, from or at the direction of the local government officer or a family member of the officer AND the taxable income is not received from the local governmental entity?

Yes  No

**5** Describe each employment or business relationship that the vendor named in Section 1 maintains with a corporation or other business entity with respect to which the local government officer serves as an officer or director, or holds an ownership interest of one percent or more.

No relationship exists.

**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** David Plyler  
 \_\_\_\_\_  
 Name of signatory

  
 \_\_\_\_\_  
 Signature

4/13/2026  
 \_\_\_\_\_  
 Date

EXHIBIT F

AFFIDAVIT OF OWNERSHIP OR CONTROL

Orig. Dept.: \_\_\_\_\_

File/I.D. No.: \_\_\_\_\_

INSTRUCTION: Entities using an assumed name should disclose such fact to avoid rejection of the affidavit. The following format is recommended: Corporate/Legal Name d.b.a. Assumed Name.

Document 00455

AFFIDAVIT OF OWNERSHIP OR CONTROL

BEFORE ME, the undersigned authority, on this day personally appeared

David Plyler \_\_\_\_\_ (Full Name, hereafter "Affiant"),

President \_\_\_\_\_ (state title/capacity with Contracting Entity) of

Lloyd Plyler Construction, LLP \_\_\_\_\_ (Contracting Entity's Corporate/Legal Name)

("Contracting Entity"), who being by me duly sworn on oath stated as follows:

1. Affiant is authorized to give this affidavit and has personal knowledge of the facts and matters herein stated.

2. Contracting Entity seeks to do business with the City in connection with

Fleet Services and Public Works Facility RFP No. CMAR2026-10

(describe project or matter) which is expected to be in an amount that exceeds \$50,000.

3. The following information is submitted in connection with the proposal, submission or bid of Contracting Entity in connection with the above described project or matter.

4. Contracting Entity is organized as a business entity as noted below (check box as applicable):

FOR PROFIT ENTITY:

- SOLE PROPRIETORSHIP
- CORPORATION
- PARTNERSHIP
- LIMITED PARTNERSHIP
- JOINT VENTURE
- LIMITED LIABILITY COMPANY
- OTHER (Specify type in space below)

NON-PROFIT ENTITY:

- NON-PROFIT CORPORATION
- UNINCORPORATED ASSOCIATION

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**AFFIDAVIT OF  
OWNERSHIP OR CONTROL**

Orig. Dept.: \_\_\_\_\_

File/I.D. No.: \_\_\_\_\_

5. The information shown below is true and correct for the Contracting Entity and all owners of 5% or more of the Contracting Entity and, where the Contracting Entity is a non-profit entity, the required information has been shown for each officer. (NOTE: In all cases, use full names, local business and residence addresses and telephone numbers. Do not use post office boxes for any address. Inclusion of e-mail addresses is optional, but recommended. Attach additional sheets as needed.)

**Contracting Entity**

Name: Lloyd Plyler Construction, LLP

Business Address (No./Street)	<u>3505 Texoma Parkway</u>
(City/State/Zip Code)	<u>Sherman, TX 75091</u>
Telephone Number	<u>( 903 ) 893-6393</u>
Email Address (optional)	<u>dplyler@plylerbuilds.com</u>
Residence Address (No./Street)	_____
(City/State/Zip Code)	_____
Telephone Number	<u>( 903 ) 893-6393</u>
Email Address (optional)	_____

**5% Owner(s) or More** (IF NONE, STATE "NONE.")

Name: David Plyler

Business Address (No./Street)	<u>3505 Texoma Parkway</u>
(City/State/Zip Code)	<u>Sherman, TX 75091</u>
Telephone Number	<u>( 903 ) 821-7149</u>
Email Address (optional)	<u>dplyler@plylerbuilds.com</u>
Residence Address (No./Street)	_____
(City/State/Zip Code)	_____
Telephone Number	<u>( _____ ) _____</u>
Email Address (optional)	_____

**6. *Optional Information***

Contracting Entity and/or \_\_\_\_\_ (Name of Owner or Non-Profit Officer) is actively protesting, challenging or appealing the accuracy and/or amount of taxes levied against \_\_\_\_\_ (Contracting Entity, Owner or Non-Profit Officer) as follows:

Orig. Dept.: \_\_\_\_\_

File/I.D. No.: \_\_\_\_\_

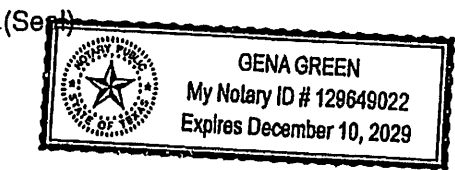
**AFFIDAVIT OF OWNERSHIP OR CONTROL**

Name of Debtor: \_\_\_\_\_  
Tax Account Nos. \_\_\_\_\_  
Case or File Nos. \_\_\_\_\_  
Attorney/Agent Name \_\_\_\_\_  
Attorney/Agent Phone No. (\_\_\_\_\_) \_\_\_\_\_  
Tax Years \_\_\_\_\_  
Status of Appeal (Describe) \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Affiant certifies that he or she is duly authorized to submit the above information on behalf of the Contracting Entity, that Affiant is associated with the Contracting Entity in the capacity noted above and has personal knowledge of the accuracy of the information provided herein, and that the information provided herein is true and correct to the best of Affiant's knowledge and belief.

Lloyd Plyler Construction, LLP  
\_\_\_\_\_  
Affiant *Lloyd Plyler*

SWORN TO AND SUBSCRIBED before me this 13th day of April, 2026.



*Gena Green*  
\_\_\_\_\_  
Notary Public

**NOTE:**  
This affidavit constitutes a **government record** as defined by Section 37.01 of the Texas Penal Code. Submission of a false government record is punishable as provided in Section 37.10 of the Texas Penal Code. Attach additional pages if needed to supply the required names and addresses.

END OF DOCUMENT

**PROPOSAL**

**Construction Manager-at-Risk**

**for**

**City of Sherman**

**Construction Manager at Risk for PUBLIC WORKS FLEET SERVICES**

**FACILITY**

**RFP No. CMAR-2026-10**

**Submitted by:**

**Having examined the Request for Proposal, the undersigned proposes to furnish Construction Management-At-Risk services as required for this project as follows:**

**Pre-Construction Phase Fee, Construction Phase Fee and General Conditions shall be based on the scope as defined in the project narrative.**

**Pre-Construction Phase Fee, Construction Phase Fee and General Conditions shall be based on the following project schedule:**

**Preconstruction   6   months**

**Construction  12  months**

- 1. Pre-Construction Phase Fee:** To include personnel expense, project estimates, preliminary project schedules, value engineering, constructability reviews, pre-planning, overhead and profit, and other services through the pre-construction phase of the Project.

**Pre-Construction Phase Fee: \$  2,500.00  .**

- 2. Construction Phase Fee:** Identify a Construction Phase Fee Percentage and dollars of the construction budget for all home office expenses and any other expenses not included in the Allowable General Conditions Costs identified in Exhibit 'A', including all overhead and profit.

**Construction Phase Fee Percentage: %  2.3  .**

**Construction Phase Fee Dollars: \$  184,000.00\*  .**

\*Based on \$8,000,000.00 per Addendum Number 1.

**3. Not-To-Exceed General Conditions Costs:**

**General Conditions Percentage:** % 4.7 .

**General Conditions Dollars:** \$ 383,430.00 .

**Monthly General Conditions Dollars:** \$ \$31,952.00 .

Using the not-to-exceed General Conditions identified above, list all project management, bonds, insurance, field office and office supplies costs for the Project(s).

**Allowable General Conditions Line Items (see list below):**

On Site Management Staff	subtotal \$	194,840.00
Bonds and Insurance	subtotal \$	89,774.00
Temporary Project Utilities	subtotal \$	60,380.00
Field Office & Office Supplies	subtotal \$	38,436.00
Total	\$	383,430.00


**Estimated On-Site Project Management Staff and Rates:**

<u>Position</u>	<u>Quantity</u>	<u>Months</u>	<u>Monthly Salary Rate</u>
Project Executive Project Manager			
Superintendent(s) Asst. Superintendents Project Engineer(s) Fields/Office Engineers(s)	1	12	\$13,541.67
Field Support Staff Scheduler			
Safety Manager	1	3	\$1,800.00

**4. Addenda: Acknowledgement of Addenda to this RFP (if applicable).**

No. 1 x 4/8/26 No. 2 x 4/10/26 No. 3 \_\_\_\_\_ No. 4 \_\_\_\_\_ No. 5 \_\_\_\_\_

**Respectfully Submitted and Certified By:**

David Plyler  
(Printed Name)  
  
(Authorized Signature)

President  
(Title)  
April 14, 2026  
(Date)



**City Council Regular Meeting**

Agenda Item No. H.2.

**Meeting Date:** 5/4/2026

**Prepared By:** Nic Emmons, Assistant Police Chief

**Approved By:**

**Caption:**

**\* RESOLUTION NO. 7638**

Authorizing Submission of a Grant Application for the Catalytic Converter Theft Prevention Grant for FY 26-27 for the Sherman Police Department

**Issue:**

Seeking approval to submit an application to the Motor Vehicle Crime Prevention Authority for the Flock Safe City Program through the 2026-2027 Catalytic Converter Theft Prevention Grant and approval to accept if awarded.

**Background:**

The State of Texas has issued a grant designed to help law enforcement respond to, recover, and lower motor vehicle thefts and parts theft. Quick response to these crimes allows for the best opportunity to catch offenders. Flock Safe City is a program designed to help law enforcement respond quickly by providing a Drone First Responder (DFR) as well as ALPR cameras and live video to enhance a coordinated response.

**Capital Improvement Program:**

**Origination:**

Sherman Police Department

**Financial Consideration:**

This grant requires the agency to cash match 20% of the funds. If awarded, the Motor Vehicle Crime Prevention Authority would fund \$466,750.00 and the City's portion would be \$93,350.00.

**Staff Recommendation:**

The staff recommends approval of the grant application.

**Alternatives:**

As may be directed by council

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**Attachments:**

1. Resolution No. 7638
2. Quote\_20260330\_135220
3. FY2027\_RFA\_Catalytic\_Converter\_Theft\_Prevention\_Grant



**RESOLUTION NO. 7638**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING SUBMISSION OF A GRANT APPLICATION FOR THE CATALYTIC CONVERTER THEFT PREVENTION GRANT FY 26-27 FOR THE SHERMAN POLICE DEPARTMENT. FINDING AND DETERMINING THAT THE MEETING AT WHICH THIS RESOLUTION IS PASSED WAS NOTICED AND IS OPEN TO THE PUBLIC AS REQUIRED BY LAW.**

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

**SECTION 1.** That the City Manager be and is hereby authorized, subject to all contract documents being properly completed and approved as to form and content by City Attorney, to submit a grant application for the Catalytic Converter Theft Prevention Grant, FY2026-2027 with an estimated cost of \$93,350.00, for the Sherman Police Department.

**SECTION 2.** That the City Manager is hereby authorized to apply for, accept, reject, alter, or terminate a grant; the Chief Financial Officer is hereby authorized to submit financial and/or performance reports or alter a grant.

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

**DULY PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS on this the 4<sup>th</sup> day of May 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. PITMANN, CITY ATTORNEY**

## Flock Safety + TX - Sherman PD

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Flock Group Inc.  
1170 Howell Mill Rd, Suite 210  
Atlanta, GA 30318

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MAIN CONTACT:  
Austin Mashaw  
austin.mashaw@flocksafety.com  
+17703750598

Created Date: 03/30/2026  
Expiration Date: 12/31/2026  
Quote Number: Q-196143  
PO Number:

# flock safety

## Budgetary Quote

This document is for informational purposes only. Pricing is subject to change.

Bill To: 2600 West Travis Street Sherman, Texas 75092

Ship To: 2600 W. Travis St Sherman, Texas 75092

Billing Company Name: TX - Sherman PD

Subscription Term: 12 Months

Billing Contact Name:

Payment Terms: Net 30

Billing Email Address:

Retention Period: 30 Days

Billing Phone:

Billing Frequency: Annual Plan - First Year Invoiced at Signing.

### Hardware and Software Products

Annual recurring amounts over subscription term

Item	Cost	Quantity	Total
<b>Flock Safety Platform</b>			<b>\$455,000.00</b>
<b>Flock Safety Flock OS</b>			
FlockOS Premium Solution	Included	1	Included
FlockOS Premium	Included	1	Included
Flock911 - GovWorx	Included	1	Included
<b>Flock Safety LPR Products</b>			
Solar Long-Range LPR, fka Solar Falcon LR	Included	8	Included
<b>Flock Safety Drone Hardware and Services</b>			
Flock Aerodome DFR - Radar	Included	1	Included
Flock911 for Aerodome	Included	1	Included
Flock DFR - M4TD + Dock 3 (2 System Set)	Included	2	Included
<b>Flock Safety Video Products</b>			
Community Partnership Video Camera	Included	10	Included
<b>Flock Safety Platform Add Ons</b>			
Flock Safety - FlockOS® - Freeform Add-On	Included	1	Included
Flock FreeForm™ - Included Integrated Video Streams	Included	1	Included

### Professional Services and One Time Purchases

Item	Cost	Quantity	Total
<b>One Time Fees</b>			
<b>Flock Safety Professional Services</b>			
Professional Services - MASH Tested Pole Implementation Fee - Non-Coastal Region	\$1,250.00	8	\$10,000.00
Video Camera Professional Services - Standard Implementation Fee	\$750.00	1	\$750.00
Professional Services - Flock911 Implementation Fee	\$1,000.00	1	\$1,000.00

<b>Subtotal Year 1:</b>	\$466,750.00
<b>Annual Recurring Subtotal:</b>	\$455,000.00
<b>Estimated Tax:</b>	\$0.00
<b>Contract Total:</b>	\$466,750.00

*Taxes shown above are provided as an estimate. Actual taxes are the responsibility of the Customer. This is not an invoice – this document is a non-binding proposal for informational purposes only. Pricing is subject to change.*

Billing Schedule	Amount (USD)
<b>Year 1</b>	
At Contract Signing	\$466,750.00
<b>Annual Recurring after Year 1</b>	\$455,000.00
<b>Contract Total</b>	\$466,750.00

\*Tax not included

## Product and Services Description

FlockOS Features	Description
FlockOS Premium Solution	FlockOS Premium Solution
Solar Long-Range LPR, fka Solar Falcon LR	Law enforcement grade, long range and high vehicle speed license plate recognition camera with Vehicle Fingerprint™ technology (proprietary machine learning software) and real-time alerts for unlimited users, with LTE. Solar Power only
Flock Aerodome DFR - Radar	Drone as First Responder (DFR) 2.0 detect and avoid capabilities for operations up to 400 ft according to agreed-upon UASFM altitudes. Includes FAA regulatory services and installation.
Flock911 for Aerodome	Flock911 enables users to access live 911 calls directly within the FlockOS™ software, delivering real-time situational context that ensures faster, safer, and more efficient responses to calls for service.
Community Partnership Video Camera	Designed to enhance community safety, the Flock Community Partnership Camera is a solar-powered video camera, cellular-enabled solution provided to businesses. With an LED deterrent light, it deters crime while reinforcing collaboration between businesses and law enforcement
FlockOS Premium	FlockOS Premium provides agencies with the tools, training, and regional support needed to establish and operate a full-scale, future-ready crime operations center. It includes all features of FlockOS Plus while streamlining RTCC implementation and coordination without added complexity.
Flock911 - GovWorx	Flock911 enables users to access live 911 calls directly within the FlockOS™ software, delivering real-time situational context that ensures faster, safer, and more efficient responses to calls for service.
Professional Services - MASH Tested Pole Implementation Fee - Non-Coastal Region	MASH tested pole that meets DOT crashworthiness requirements. Includes materials, installation, and maintenance.
Video Camera Professional Services - Standard Implementation Fee	One-time Professional Services engagement. Includes site and safety assessment, camera setup and testing, and shipping and handling in accordance with the Flock Safety Standard Implementation Service Brief.
Flock Safety - FlockOS® - Freeform Add-On	AI-powered software add-on to the Flock Safety Platform that adds the ability for users to search using plain language across LPR images and video footage (from FreeForm-enabled devices) with built-in safeguards ensuring ethical and compliant usage.
Professional Services - Flock911 Implementation Fee	One-time Professional Services engagement to set up Flock911.
Flock FreeForm™ - Included Integrated Video Streams	Baseline allocation of FreeForm-enabled third-party video streams included with a FreeForm license.
Flock DFR - M4TD + Dock 3 (2 System Set)	Drone as First Responder (DFR) 2.0 system, including hardware, software, and services. Hardware includes two M4D series drones, two cameras, batteries, and two contact-charging Dock 3's. Software includes remote piloting, air traffic awareness, spectator view, mobile app, flight logging, mission reporting, and community engagement dashboard. Services include FAA regulatory services, SOP development, training, and ongoing support.



## Motor Vehicle Crime Prevention Authority

### Fiscal Year 2027 Request for Applications – Catalytic Converter Theft Prevention Grant March 16, 2026

#### Notice of Request for Applications

The Motor Vehicle Crime Prevention Authority (MVCPA) has authorized the issuance of the Fiscal Year 2027 (FY 2027) Request for Applications (RFA). Senate Bill 224 provides that, “The money deposited to the credit of the general revenue fund for coordinated regulatory and law enforcement activities intended to detect and prevent catalytic converter theft in this state... may be appropriated to the Authority for the activities required by this section.” To implement SB 224, the MVCPA is providing Catalytic Converter Theft Prevention Grants to local law enforcement taskforces and agencies to combat Catalytic Converter Theft.

Eligible applicants may request funds for program operation by submission of an application consistent with the information, including the requirements and conditions stated in this RFA. This RFA is posted in the Texas Register for at least thirty (30) days prior to the due date for Applications.

**All applications submitted will be for FY 2027.** If **previously** awarded an FY 2026 Catalytic Converter Theft Prevention Grant, the MVCPA may provide a FY 2027 grant subject to availability of funding and grantee’s positive program performance.

#### Due Date

Grant Applications from eligible applicants must be completely submitted on-line at <https://MVCPA.tamu.edu> on or before **5:00 PM, May 8, 2026**. **First time applicants must establish an account and perform account setup steps prior to an application being able to be submitted.**

The required Resolution and any optional supporting documents must be scanned and submitted as attachments to the application at <https://MVCPA.tamu.edu> on or before **5:00 PM, May 8, 2026**.

#### Applicable Authority and Rules

Motor Vehicle Crime Prevention Authority grant programs are governed by the following statutes, rules, standards and guidelines:

- Texas Transportation Code Chapter 1006 (<https://statutes.capitol.texas.gov/Docs/TN/htm/TN.1006.htm>)
- Texas Administrative Code (TAC): Title 43; Part 3; Chapter 57 ([https://texas-sos.appianportalsgov.com/rules-and-meetings?interface=SEARCH\\_TAC](https://texas-sos.appianportalsgov.com/rules-and-meetings?interface=SEARCH_TAC))
- Texas Grant Management Standards (TxGMS) as promulgated by the Texas Comptroller of Public Accounts (<https://comptroller.texas.gov/purchasing/grant-management/>)
- The current Motor Vehicle Crime Prevention Authority Grant Administrative Manual and any subsequent adopted grantee instruction manuals ([https://www.txdmv.gov/sites/default/files/body-files/MVCPA\\_2025\\_Grant\\_Administrative\\_Manual.pdf](https://www.txdmv.gov/sites/default/files/body-files/MVCPA_2025_Grant_Administrative_Manual.pdf))

This Request for Applications issued on March 16, 2026.

### **Eligible Applicants**

Only Texas law enforcement agencies through their city or county are eligible to apply for the FY 2027 Catalytic Converter Theft Prevention Grant funding.

### **Application Category**

**New Grant** – These are potentially annual grants subject to available legislative funding. A 20 % Cash Match is required for this application. Applicants meeting eligibility requirements may submit a new grant application to the priority established by the MVCPA in the FY 2027 RFA. New applicants shall email MVCPA at [GrantsMVCPA@txdmv.gov](mailto:GrantsMVCPA@txdmv.gov) from an official governmental agency email account to request an account and that access be established.

### **Grant Type**

**Reimbursement** – This is a total program budget reimbursement grant. Applicants that are awarded grants will expend local (agency) funds and then will be reimbursed quarterly, subject to compliance with standard and special conditions as contained in the Statement of Grant Award (SGA), at the agreed rate for all allowable, reasonable, and necessary program costs incurred.

### **Grant Term**

The FY 2027 grant cycle is a one (1) year funding cycle to begin on September 1, 2026, and end August 31, 2027. Subject to availability of funding and grantee's positive program performance, the MVCPA may provide a FY 2028 grant using the same on-line application systems and prorated budget values as originally submitted. No obligations or expenses may be incurred or made outside of the grant period(s).

### **Method of Application**

Grant Applications from eligible applicants shall be completely submitted on-line at <https://MVCPA.tamu.edu> on or before 5:00 PM, May 8, 2026. All forms will be completed on-line. The Resolution and all supporting documents must be submitted as attachments.

### **Resolution Required**

A Resolution (Order or Ordinance) by the applicant governing body is required to make application for these funds. The resolution shall provide that the governing body applies for the funds for the purpose provided in statute (SB 224 and this RFA) and agrees to return the grant funds in the event of loss or misuse and designate the officials that the governing body chooses as its agents to make uniform assurances and administer the grant if awarded.

Only the governing body that submits an application needs to adopt and submit a Resolution. Participating jurisdictions in multi-agency taskforces shall agree and commit to the grant through Interlocal Cooperation Contract or agreements as provided under Texas Local Government Code Chapter 362, Texas Government Code Chapter 791, and TxGMS.

In the event a governing body has delegated the application authority to a city manager, chief of police, sheriff or other official, then applicants must submit on-line a copy of the delegation order (documentation) along with the Resolution signed by the official. A sample Resolution is attached as Appendix A.

### **Program Category**

To be eligible for consideration for funding, a law enforcement taskforce grant application must be designed to support one or more of the following MVCPA program categories (43 TAC §57.14):

**Law Enforcement, Detection, and Apprehension** - provide financial assistance to support law enforcement agencies for economic motor vehicle theft, including, but not limited to, theft of a catalytic converter attached to a motor vehicle, and fraud-related motor vehicle crime enforcement teams (referred to as taskforces). Taskforces will develop organized methods to combat economic motor vehicle theft, including, but not limited to, theft of a catalytic converter attached to a motor vehicle, burglary of a motor vehicle and fraud-related motor vehicle crime through the enforcement of law. This may include recovery of vehicles, clearance of cases, arrest of law violators, and disruption of organized motor vehicle crime. This category includes the development of uniform programs to prevent stolen motor vehicles and stolen catalytic converters from entering Mexico or being removed from Texas through outbound seaports.

**Prosecution/Adjudication/Conviction** - provide financial support for taskforces to work with prosecutors and the judiciary to implement programs designed to reduce the incidence of catalytic converter theft.

**Prevention, Anti-Theft Devices and Automobile Registration** - provide financial support for taskforces to work with organizations and communities to reduce the incidence of catalytic converter theft. The application shall demonstrate how financial support will assist motor vehicle owners to reduce catalytic converter theft.

**Reduction of the Sale of Stolen Vehicles or Parts** - provide financial support for taskforces to work with businesses, organizations, and communities to reduce the sale of catalytic converters. Applicants will develop organized methods to combat the sale of stolen catalytic converters using any of the following: vehicle identification number (VIN) inspections; inspections of motor vehicle part and component distribution enterprises; parts labeling and etching methods; and means to detect the fraudulent sale of stolen catalytic converters.

**Educational Programs and Marketing** - provide financial support for taskforces to work with individuals, businesses, organizations, and communities to assist motor vehicle owners in detecting and preventing catalytic converter theft. Develop and provide specialized training or education program(s) to the public on detecting and preventing catalytic converter theft, law enforcement on interdiction and prosecution, and government officials on detecting and preventing catalytic converter theft in this state.

#### **Priority Funding**

The MVCPA enabling statute provides that “The authority shall allocate grant funds primarily based on the number of motor vehicles stolen in, or the motor vehicle burglary or theft rate across, and the number of fraud-related motor vehicle crimes committed in the state rather than based on geographic distribution.” (Tex. Transp. Code §1006.151(c); SB 224). In addition, the following grant features will be given priority consideration in evaluating new grant applications:

**Continuing Funded Programs in Compliance with MVCPA Grant Conditions** - Applications that provide for the continuation of existing programs that currently meet the program and fiscal reporting conditions of the MVCPA grant program. Applicants must provide the ongoing need and their progress and impactful performance toward detecting and preventing catalytic converter theft. The applicant must describe the experience and qualifications of investigators used in the program and how utilization of grant inventory and resources for continued operation of these specialized investigative grant programs are useful for state and local governments.

**Programs to Combat Organized Catalytic Converter Crime** - Applications for detecting and preventing catalytic converter theft enforcement teams that introduce, increase, or expand efforts to detect and prevent theft of catalytic converters by organized crime.

**Border and Port Security** - Applications that provide specific initiatives to identify and prevent stolen catalytic converters from crossing the border with Mexico using automatic license plate readers, training of local state and federal personnel in the identification of stolen vehicles, and bridge and port inspections.

**Use of Technology** - Applications that incorporate automatic license plate reader programs, surveillance equipment, and other uses of technology to increase the number of stolen catalytic converters recovered and the number of persons arrested for catalytic converter crimes.

**Theft of Parts from a Motor Vehicle** - Applications that incorporate a reasonable, objective plan to combat and prevent the theft of catalytic converters.

**Dedicated Prosecutors** - Applications that incorporate a dedicated prosecutor to increase the priority of catalytic converter theft prosecutions and decrease the number of repeat offenders through successful and timely prosecution efforts.

### **Supporting Documents**

Documents that provide evidence of local support or commitment from other officials or agencies for the application may be submitted following the same instructions as the Resolution. Interagency agreements shall be submitted prior to payments being authorized if an award is made. MVCPA recommends that interagency agreements be completed after award determinations are made to ensure correct amounts are reflected in those agreements. All interagency agreements must meet the conditions and elements required in the TxGMS.

### **Supplanting Prohibited**

Grant funds provided by the Authority under this RFA shall not be used to supplant federal, state or local funds that otherwise would be available for the same purposes (43 Texas Administrative Code §57.9). Supplanting means the replacement of other funds with MVCPA grant funds. This shall include using existing resources already available to a program activity as cash match.

### **Cash Match Requirement**

All applications for programs must provide at least a twenty (20%) percent cash match (Texas Administrative Code Title 43 §57.36). Multijurisdictional agencies must provide details for the method of cash match in intergovernmental agreements (Texas Government Code, Chapter 791). Cash match must meet the requirements provided in TxGMS.

### Formulas to calculate cash match:

1. Total MVCPA grant funds requested multiplied by percentage of match required = Total Amount of Cash Match Required
2. Total Program Cost minus Total Cash Match Required = Total Authority Grant Request

**NICB in Lieu of Cash** - Applicants may enter into formal agreements with the National Insurance Crime Bureau (NICB) to work on grant funded activities. The amount of salary and other direct costs related to the work on grant activity provided by the NICB may be counted and reported as in lieu of cash match. Time certifications are required to be made by the employee for these positions as required by TXGMS. Applicants must meet the obligation expressed as cash match in the event NICB cannot meet its obligation.

### **In-Kind Match**

Only include in-kind match if necessary for the local jurisdiction. In-kind match may be used to: 1) reflect the total level of jurisdictions' effort/costs to combat catalytic converter theft; 2) reflect how the grant program fits into jurisdictions'

operation; 3) effectively operate a single program with multiple funding streams; and/or 4) contributions from the applicant or third parties that are for grant funded activity. Costs in detail line items shall not be split between in-kind match and grant funding. For example, the entire salary of an officer shall be placed in one expense type rather than split between grant and in-kind.

### Reporting and Webinar Attendance Requirements

Applicants that are awarded grants will be required to provide:

- **Quarterly Progress Reports** - The MVCPA requires the submission of quarterly progress reports to demonstrate progress toward meeting goals and activities provided in the grant application. These include: 1) Monthly progress toward meeting statutorily required performance measures; 2) Monthly progress recorded on the Goals, Strategies and Activities report; and 3) Quarterly Summary and Success section. Grantees designated as Border/Port Security grants are required to complete additional sections required by the Texas Legislature.
- **Quarterly Financial Reports** - Reports of actual expenses incurred are required to request funds. All expenditures must be in accordance with local policies and procedures and grant requirements. Grantees shall review all expenditures, ensure all applicable regulations are followed, and maintain documentation that is accurate and complete. All expenses must be supported by appropriate documentation.
- **Microsoft Teams Attendance: One grant representative** from the applicant agency is required to attend a monthly session via **Teams** that includes information on MVCPA grant administration. **One law enforcement officer** is also required to attend the monthly information sharing and networking sessions on law enforcement issues and other MVCPA issues critical to the successful operation of MVCPA taskforces.

### Funding Requirements and Conditions

- a. State Funds Availability - All awards by the MVCPA are subject to availability of state funds.
- b. Right of Refusal - The Authority reserves the right to reject any or all of the applications submitted.
- c. Awards - Publishing the RFA does not legally obligate the Authority to fund any programs.
- d. Partial Funding - The Authority may choose to offer funds for all, or any portion of a program submitted in an application.
- e. Substitution - The Authority may offer alternative funding sources, special conditions, or alternative program elements in response to submitted Applications.
- f. Application Required - Registration for on-line access is required. The MVCPA is not responsible for applicants that cannot complete the registration and application process on time.
- g. No Alternative Application Submission - Paper applications and requests for funding are not accepted in lieu of the on-line grant application process.
- h. Review Criteria - Authority staff and any designated MVCPA Board member(s) will review each grant using subjective and objective tools and comparative analysis. The weight given to each section or combination of sections is at the sole discretion of the Authority.
- i. Questions and Clarification - During the review period, the applicant may be contacted by Authority staff to ask questions or to seek clarification regarding information provided in the application. Failure to promptly respond will not disqualify an applicant, but information that is submitted after the review period may not be considered.
- j. Final Selection - The Authority may select and award programs that best meet the statutory and legislative purposes of SB 224 and that reflect its current priorities. No appeal may be made regarding the Authority's decisions.
- k. Changes in Application - If an applicant proposes changes to be made in the program type or participation of jurisdictions after an award is determined, then the Authority will review the changes and may make modifications (including the amount) or cancel the award as deemed appropriate by the Authority.
- l. Delayed Start - An applicant that is awarded a grant and does not begin operations within 30 days of the

issuance of the Statement of Grant Award is considered terminated.

- m. Application instructions - the MVCPA will provide additional details and instructions in the on-line application system that are incorporated by reference as part of this RFA and which must be followed during the application and award process.
- n. Program Income - is defined in the TxGMS. Current grantees carrying forward program income to future years will follow the new rules established by the Texas Comptroller and MVCPA Grant Administrative Manual.
- o. TCOLE Certification Required - The Primary Law Enforcement Grantee must attest compliance with TCOLE licensing requirements for peace officers.

**Selection Process:**

Eligible applications will be reviewed. Grant award decisions by MVCPA are final and not subject to judicial review. Applications that do not meet the stated requirements of this RFA and that are not eligible for review will be notified within ten (10) working days after the due date.

**Application Workshop**

Potential applicants are **required** to attend the in person “Motor Vehicle Crime Prevention Authority Grant Application Workshop” which has been scheduled for: **April 8, 2026 from 8:00 AM - 5:00 PM** at:

Eilan Hotel & Spa  
18603 La Cantera Terrace  
San Antonio, Texas 78256  
Phone #: 210-598-2900  
Website: [www.eilanhotel.com](http://www.eilanhotel.com)

The informational session will provide details on the grant Application process including grant eligibility requirements, completing the various Application sections, and the grant cycle timeline. At least one representative of the potential grant applicant should be present at this workshop.

**Contact Person**

William Diggs, MVCPA Director,  
Texas Motor Vehicle Crime Prevention Authority 4000 Jackson Avenue  
Austin, Texas 78731  
(512) 465-1485  
[GrantsMVCPA@txdmv.gov](mailto:GrantsMVCPA@txdmv.gov)

Issued in Austin, Texas on March 15, 2026, William Diggs, MVCPA Director

## **MVCPA Application Checklist**

Each Applicant must:

- 1) Complete the on-line Application on or before **5:00 PM, May 8, 2026.**
- 2) Complete the Resolution with the city or county and attach with other supporting documents on or before **5:00 PM, May 8, 2026.**

**Appendix A**

**Updated Sample Motor Vehicle Crime Prevention Authority Resolution**

Applicants must use the language below to meet the minimum legal elements to execute an agreement with the MVCPA through the grant application process. Cities and counties not wanting to use the sample below must address all the legal elements contained herein.

2027 [Blank] City / County Resolution or Order or Ordinance

**Motor Vehicle Crime Prevention Authority**

**2027 Blank City / County Resolution**

**Catalytic Converter Theft Prevention Grant Program**

WHEREAS, under the provisions of the Texas Transportation Code Chapter 1006 and Texas Administrative Code Title 43; Part 3; Chapter 57, entities are eligible to receive grants from the Motor Vehicle Crime Prevention Authority to provide financial support to law enforcement taskforces and agencies for economic motor vehicle theft, including catalytic converter theft; and

WHEREAS, this grant program will assist this jurisdiction to combat catalytic converter theft; and

WHEREAS, [GOVERNMENTAL ENTITY] has agreed that in the event of loss or misuse of the grant funds, [GOVERNMENTAL ENTITY] agrees and assures that the grant funds will be returned in full to the Motor Vehicle Crime Prevention Authority.

NOW THEREFORE, BE IT RESOLVED and ordered that [TITLE], is designated as the Authorized Official to apply for, accept, decline, modify, or cancel the grant application for the Motor Vehicle Crime Prevention Authority Grant Program and all other necessary documents to accept said grant; and

BE IT FURTHER RESOLVED that [TITLE] is designated as the Program Director and [TITLE] is designated as the Financial Officer for this grant.

Adopted this \_\_\_\_\_ day of \_\_\_\_\_, 2026.

\_\_\_\_\_

NAME:

TITLE: County Judge / Mayor / City Manager



**City Council Regular Meeting**

Agenda Item No. I.1.

**Meeting Date:** 5/4/2026

**Prepared By:** Teri Fine, Assistant to the City Manager

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

**Caption:**

**OTHER BUSINESS**

Consider Approval of the Annexation Scheduling Plan for the Proposed Annexation of Approximately 183.681 Acres Of Land Generally Located East Of US 75 And South Of Tate Circle And In The City Of Sherman's Extraterritorial Jurisdiction; And Directing The Department Of Engineering Services To Develop A Service Plan For The Area To Be Annexed Upon Approval Of The Annexation Scheduling Plan

**Issue:**

To consider approval of the schedule for annexation of approximately 183.681 acres of land generally located east of US 75 and south of Tate Circle adjacent to the Sherman City Limits, and in the City's extraterritorial jurisdiction (ETJ), in accordance with state law and the City Charter

**Background:**

The property owner, Sherman Lakes JV, LLC, has requested annexation into the city limits of approximately 183.681 acres of land generally located east of US 75 and south of Tate Circle and in the City of Sherman's Extraterritorial Jurisdiction. City staff recommends the public hearing on the request to annex be held at the July 6, 2026 meeting and that action on the Annexation Ordinance be taken at the same meeting. Additionally, Council will consider approval of the developer's application for Planned Development approval at that same meeting.

**Capital Improvement Program:**

N/A

**Origination:**

Letter from Sherman Lakes JV, LLC, Will Stolz and Stacey Capogrossi

**Financial Consideration:**

A cost benefit analysis will be prepared prior to final action on this item.

**Staff Recommendation:**

City Staff recommends that the public hearing on the intent to annex be held at the July 6, 2026 regular meeting and that action on the Annexation Ordinance be taken at the same meeting.

**Alternatives:**

None Proposed

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**Attachments:**

1. Annexation Schedule - Sherman Lakes(5130090.1)
2. Annexation Request
3. Survey
4. Legal Description
5. Location Map

**ANNEXATION SCHEDULING PLAN**

**Annexation of approximately 183.681 acres of land adjacent to the city limits,  
Generally located east of US 75 and south of Tate Circle  
more commonly known as Sherman Lakes.**

- Monday, May 04, 2026 .....City Council sets public hearing date and accepts annexation application.
- Wednesday, May 06, 2026 .....Send written notice via certified mail to the owner of the right-of-way of a street, highway, alley, or other public way or of a railway line, spur, or roadbed that is: (1) contiguous and runs parallel to the municipality's boundaries; and (2) contiguous to the area being annexed under Subchapter C-3, C-4, C-5, or D, through the owner's registered agent (as identified in the Texas Secretary of State's database), if applicable, as described in Section 43.1056 of the Local Government Code. If the owner of a ROW proposed to be annexed is a governmental entity, the entity may specify the location at which a municipality must deliver notice. If the ROW owner objects in writing to the annexation before the date of the proposed annexation, then the City cannot annex the Property.
- Wednesday, June 24, 2026 .....Send written notice via certified mail, RRR, to property owner(s) in area to be annexed, public or private entities that provide services in the area and any railroads that have ROW in the area to be annexed. Send written notice via certified mail, RRR, to each public school district in the area to be annexed. Such notices must contain the details described in Section 43.0561 of the Local Government Code. Provide draft of proposed annexation service plan agreement in accordance with Section 43.0672 of the Local Government Code. If subject area is appraised for ad valorem tax purposes as land for agricultural or wildlife management use, offer and document offer in writing (see Section 212.172(b-1) of the Local Government Code) to make a development/annexation agreement as required by Section 43.016 of the Local Government Code
- Thursday, June 25, 2026.....Publish notice of public hearing in the City's official newspaper. Obtain required affidavit of publication from newspaper. Post notice of public hearing on City's website and keep posting up until the date of the hearing.
- Tuesday, June 30, 2026 .....Post notice of public hearing as required by Open Meetings Act.
- Monday, July 6, 2026 .....Hold public hearing. (Regular Council Meeting)
- Monday, July 6, 2026 .....Adopt ordinance, but **only if** property owner(s) have signed annexation service plan agreement in accordance with Section 43.0672 of the Local Government Code. (Regular Council Meeting)Ju

March 4, 2026

Amber Doan  
Engineering Coordinator  
City of Sherman  
220 W. Mulberry Street  
Sherman, TX 75090

Dear Mrs. Doan,

We are requesting annexation to the City of Sherman so that we can receive City services including but not limited to water and sewer. Please see the following information for Sherman Lakes JV, LLC and the included Operating Agreement and Survey Boundary.

**Property Owner Information:**

Sherman Lakes JV, LLC  
12645 Birmingham Highway  
Alpharetta, GA 30004


Will Stolz  
404-550-0084  
[will@stolzpartners.com](mailto:will@stolzpartners.com)

Stacey Capogrossi  
678-656-1047  
stacey@stolzparters.com

**Property Identifier:**

Parcel 1: 128709, 3.42 acres, Tate Circle  
Parcel 2: 128820, 17.3 acres, 1101 Stark Lane  
Parcel 3: 128733, 162.82 acres, Tate Circle  
Nearest Intersection: Tate Circle and Biggerstaff Road

Sincerely,



I. William Stolz

DESCRIPTION

BEING A 183.681 ACRE TRACT OF LAND SITUATED IN THE BENJAMIN LINDSEY SURVEY, ABSTRACT NUMBER 733 & THE HENRY TUCKER SURVEY, ABSTRACT NO. 227, BEING ALL OF THAT TRACT OF LAND DESCRIBED TO LANDHORN, LLC BY DEED WITHOUT WARRANTY...

BEGINNING AT A 1/2-INCH REBAR FOUND FOR THE WESTERMOST SOUTHWEST CORNER OF SAID FIRST-REFERENCED LONGHORN, LLC TRACT AND THE NORTHWEST CORNER OF THAT TRACT OF LAND DESCRIBED TO ERNESTO L. ROMERO GUERRERO, ET UX, BY GENERAL WARRANTY DEED...

THENCE, NORTH 73 DEGREES 09 MINUTES 29 SECONDS WEST, OVER, ACROSS, AND UPON SAID DALLAS AREA RAPID TRANSIT TRACT, A DISTANCE OF 100.10 FEET TO A POINT FOR CORNER ON THE WEST RIGHT-OF-WAY LINE OF SAID DALLAS AREA RAPID TRANSIT TRACT...

THENCE, NORTH 13 DEGREES 52 MINUTES 37 SECONDS EAST, WITH THE WEST RIGHT-OF-WAY LINE OF SAID DALLAS AREA RAPID TRANSIT TRACT, THE EAST RIGHT-OF-WAY LINE OF SAID EAST SHEPHERD ROAD, AND THE EAST LINE OF SAID CITY OF SHERMAN CITY LIMITS...

THENCE, SOUTH 73 DEGREES 08 MINUTES 19 SECONDS EAST, DEPARTING THE WEST RIGHT-OF-WAY LINE OF SAID DALLAS AREA RAPID TRANSIT TRACT, THE EAST RIGHT-OF-WAY LINE OF SAID EAST SHEPHERD ROAD, AND THE EAST LINE OF SAID CITY OF SHERMAN CITY LIMITS...

THENCE, SOUTH 73 DEGREES 08 MINUTES 19 SECONDS EAST, DEPARTING THE EAST RIGHT-OF-WAY LINE OF SAID DALLAS AREA RAPID TRANSIT TRACT, WITH THE NORTH RIGHT-OF-WAY LINE OF SAID TATE CIRCLE, AND A NORTH LINE OF SAID FIRST-REFERENCED LONGHORN, LLC TRACT...

THENCE, IN AN EASTERLY DIRECTION, WITH THE CURVING NORTH RIGHT-OF-WAY LINE OF TATE CIRCLE, AND A NORTH LINE OF SAID FIRST-REFERENCED LONGHORN, LLC TRACT, ALONG SAID CURVE TO THE LEFT, AN ARC LENGTH OF 196.08 FEET, TO A 1/2-INCH REBAR FOUND FOR CORNER...

THENCE, IN A SOUTHERLY DIRECTION, WITH THE CURVING NORTH RIGHT-OF-WAY LINE OF TATE CIRCLE, AND A NORTH LINE OF SAID FIRST-REFERENCED LONGHORN, LLC TRACT, ALONG SAID CURVE TO THE RIGHT, AN ARC LENGTH OF 153.53 FEET, TO A POINT FOR CORNER...

THENCE, SOUTH 69 DEGREES 59 MINUTES 02 SECONDS EAST, CONTINUING WITH THE NORTH RIGHT-OF-WAY LINE OF SAID TATE CIRCLE, AND A NORTH LINE OF SAID FIRST-REFERENCED LONGHORN, LLC TRACT, A DISTANCE OF 82.64 FEET TO A 1/2-INCH REBAR FOUND FOR CORNER...

THENCE, SOUTH 01 DEGREES 57 MINUTES 18 SECONDS EAST, WITH AN EAST RIGHT-OF-WAY LINE OF SAID TATE CIRCLE, AND AN EAST LINE OF SAID FIRST-REFERENCED LONGHORN, LLC TRACT, A DISTANCE OF 13.42 FEET TO A 1/2-INCH REBAR FOUND FOR CORNER...

THENCE, SOUTH 69 DEGREES 15 MINUTES 13 SECONDS EAST, WITH THE NORTH RIGHT-OF-WAY LINE OF SAID TATE CIRCLE, AND A NORTH LINE OF SAID FIRST-REFERENCED LONGHORN, LLC TRACT, A DISTANCE OF 413.28 FEET TO A 1/2-INCH REBAR FOUND FOR CORNER...

THENCE, SOUTH 88 DEGREES 01 MINUTES 40 SECONDS EAST, WITH THE NORTH RIGHT-OF-WAY LINE OF SAID TATE CIRCLE, AND A NORTH LINE OF SAID FIRST-REFERENCED LONGHORN, LLC TRACT, A DISTANCE OF 329.75 FEET TO A 5/8-INCH REBAR FOUND FOR CORNER...

THENCE, SOUTH 87 DEGREES 26 MINUTES 53 SECONDS EAST, CONTINUING WITH THE NORTH RIGHT-OF-WAY LINE OF SAID TATE CIRCLE, AND A NORTH LINE OF SAID FIRST-REFERENCED LONGHORN, LLC TRACT, A DISTANCE OF 22.21 FEET TO A 5/8-INCH REBAR FOUND FOR CORNER...

THENCE, SOUTH 76 DEGREES 37 MINUTES 05 SECONDS EAST, CONTINUING WITH THE NORTH RIGHT-OF-WAY LINE OF SAID TATE CIRCLE, AND A NORTH LINE OF SAID FIRST-REFERENCED LONGHORN, LLC TRACT, A DISTANCE OF 295.83 FEET TO A POINT FOR CORNER...

THENCE, SOUTH 00 DEGREES 41 MINUTES 36 SECONDS EAST, WITH AN EAST RIGHT-OF-WAY LINE OF SAID TATE CIRCLE, AND AN EAST LINE OF SAID FIRST-REFERENCED LONGHORN, LLC TRACT, A DISTANCE OF 48.70 FEET TO A 1/2-INCH REBAR FOUND FOR THE EASTERMOST SOUTHEAST CORNER OF SAID FIRST-REFERENCED LONGHORN, LLC TRACT AND A NORTH CORNER OF SAID FIRST-REFERENCED LONGHORN, LLC TRACT...

THENCE, SOUTH 82 DEGREES 17 MINUTES 07 SECONDS EAST, WITH THE SOUTH RIGHT-OF-WAY LINE OF SAID TATE CIRCLE, AND A NORTH LINE OF SAID FIRST-REFERENCED LONGHORN, LLC TRACT, A DISTANCE OF 363.02 FEET TO A "PK" NAIL FOUND FOR THE NORTHWEST CORNER OF THAT TRACT OF LAND DESCRIBED TO TONY GLENN BRYANT & MELDIE ANN BRYANT BY GENERAL WARRANTY DEED...

THENCE, SOUTH 00 DEGREES 19 MINUTES 15 SECONDS EAST, DEPARTING THE SOUTH RIGHT-OF-WAY LINE OF SAID TATE CIRCLE, WITH AN EAST LINE OF SAID FIRST-REFERENCED LONGHORN, LLC TRACT AND THE WEST LINE OF SAID BRYANT TRACT, A DISTANCE OF 233.33 FEET TO A 1/2-INCH REBAR FOUND FOR THE SOUTHWEST CORNER OF SAID BRYANT TRACT AND THE WESTERMOST NORTHWEST CORNER OF SAID JAMIE MORROW TRACT...

THENCE, SOUTH 82 DEGREES 16 MINUTES 22 SECONDS EAST, WITH A NORTH LINE OF SAID JAMIE MORROW TRACT AND THE SOUTH LINE OF SAID BRYANT TRACT, A DISTANCE OF 228.67 FEET TO A 1/2-INCH REBAR CAPPED "SARTIN" FOUND FOR THE SOUTHEAST CORNER OF SAID BRYANT TRACT AND AN INTERIOR "ELL" CORNER OF SAID JAMIE MORROW TRACT...

THENCE, NORTH 00 DEGREES 12 MINUTES 29 SECONDS WEST, WITH A WEST LINE OF SAID JAMIE MORROW TRACT AND THE EAST LINE OF SAID BRYANT TRACT, A DISTANCE OF 233.42 FEET TO A "PK" NAIL FOUND FOR THE NORTHEAST CORNER OF SAID BRYANT TRACT AND THE NORTHEAST CORNER OF SAID JAMIE MORROW TRACT...

THENCE, SOUTH 84 DEGREES 05 MINUTES 38 SECONDS EAST, WITH THE SOUTH RIGHT-OF-WAY LINE OF SAID TATE CIRCLE AND A NORTH LINE OF SAID JAMIE MORROW TRACT, A DISTANCE OF 99.19 FEET TO A POINT FOR A NORTHEAST CORNER OF SAID JAMIE MORROW TRACT, AND THE NORTHWEST CORNER OF THAT TRACT OF LAND DESCRIBED TO CARLA MARIETTA GASEN BY SPECIAL WARRANTY DEED...

THENCE, SOUTH 01 DEGREES 55 MINUTES 01 SECONDS EAST, DEPARTING THE SOUTH RIGHT-OF-WAY LINE OF SAID TATE CIRCLE, WITH AN EAST LINE OF SAID JAMIE MORROW TRACT AND THE WEST LINE OF SAID GASEN TRACT, A DISTANCE OF 240.85 FEET TO A 1/2-INCH REBAR FOUND FOR THE SOUTHWEST CORNER OF SAID GASEN TRACT AND AN INTERIOR "ELL" CORNER OF SAID JAMIE MORROW TRACT...

THENCE, NORTH 88 DEGREES 02 MINUTES 24 SECONDS EAST, WITH A NORTH LINE OF SAID JAMIE MORROW TRACT AND THE SOUTH LINE OF SAID GASEN TRACT, A DISTANCE OF 196.37 FEET TO A POINT FOR THE SOUTHEAST CORNER OF SAID GASEN TRACT, SAID POINT LYING IN THE APPROXIMATE CENTERLINE OF BIGGESTSTAFF ROAD (VARIABLE WIDTH RIGHT-OF-WAY)...

THENCE, SOUTH 01 DEGREES 15 MINUTES 53 SECONDS EAST, WITH AN EAST LINE OF SAID JAMIE MORROW TRACT AND ALONG THE APPROXIMATE CENTERLINE OF SAID BIGGESTSTAFF ROAD, A DISTANCE OF 137.26 FEET TO A POINT FOR AN EXTERIOR "ELL" CORNER OF SAID JAMIE MORROW TRACT, AND THE NORTHEAST CORNER OF THAT TRACT OF LAND DESCRIBED TO REX MORROW & WIFE, JENNIFER MORROW BY GENERAL WARRANTY DEED...

THENCE, SOUTH 87 DEGREES 28 MINUTES 27 SECONDS WEST, DEPARTING THE APPROXIMATE CENTERLINE OF SAID BIGGESTSTAFF ROAD, WITH THE NORTH LINE OF SAID REX MORROW TRACT AND A SOUTH LINE OF SAID JAMIE MORROW TRACT, A DISTANCE OF 184.88 FEET TO A 1/2-INCH REBAR FOUND FOR THE NORTHWEST CORNER OF SAID REX MORROW TRACT AND AN INTERIOR "ELL" CORNER OF SAID JAMIE MORROW TRACT...

THENCE, SOUTH 01 DEGREES 45 MINUTES 42 SECONDS EAST, WITH AN EAST LINE OF SAID JAMIE MORROW TRACT AND THE WEST LINE OF SAID REX MORROW TRACT, A DISTANCE OF 236.93 FEET TO A 1/2-INCH REBAR CAPPED "SARTIN" FOUND FOR THE SOUTHWEST CORNER OF SAID REX MORROW TRACT AND AN INTERIOR "ELL" CORNER OF SAID JAMIE MORROW TRACT...

THENCE, SOUTH 76 DEGREES 58 MINUTES 10 SECONDS EAST, WITH A SOUTH LINE OF SAID JAMIE MORROW TRACT AND THE SOUTH LINE OF SAID REX MORROW TRACT, A DISTANCE OF 198.99 FEET TO A "PK" NAIL FOUND FOR THE SOUTHEAST CORNER OF SAID REX MORROW TRACT AND A NORTH CORNER OF SAID JAMIE MORROW TRACT, SAID POINT LYING IN THE APPROXIMATE CENTERLINE OF SAID BIGGESTSTAFF ROAD...

THENCE, SOUTH 01 DEGREES 11 MINUTES 45 SECONDS EAST, WITH AN EAST LINE OF SAID JAMIE MORROW TRACT AND ALONG THE APPROXIMATE CENTERLINE OF SAID BIGGESTSTAFF ROAD, A DISTANCE OF 280.90 FEET TO A 1/2-INCH REBAR FOUND FOR THE NORTHWEST CORNER OF THAT TRACT OF LAND DESCRIBED TO HOMER BULLARD & SANDRA BULLARD BY ASSUMPTION WARRANTY DEED...

THENCE, SOUTH 00 DEGREES 35 MINUTES 54 SECONDS WEST, WITH AN EAST LINE OF SAID JAMIE MORROW TRACT AND THE WEST LINE OF SAID BULLARD TRACT, A DISTANCE OF 512.01 FEET TO A 1/2-INCH REBAR FOUND FOR THE SOUTHWEST CORNER OF SAID BULLARD TRACT, THE NORTHEAST CORNER OF SAID SECOND REFERENCED BILLY ROBERTS TRACT, SAID POINT LYING ON THE NORTH LINE OF SAID FIRST REFERENCED BILLY ROBERTS TRACT...

THENCE, NORTH 88 DEGREES 09 MINUTES 16 SECONDS EAST, WITH THE NORTH LINE OF SAID FIRST REFERENCED BILLY ROBERTS TRACT AND THE SOUTH LINE OF SAID BULLARD TRACT, A DISTANCE OF 764.41 FEET TO A POINT FOR THE SOUTHEAST CORNER OF SAID BULLARD TRACT AND THE NORTHEAST CORNER OF SAID FIRST REFERENCED BILLY ROBERTS TRACT, SAID POINT LYING ON THE WEST LINE OF THAT TRACT OF LAND DESCRIBED TO MATTHEW A. WADE & MONICA M. WADE BY WARRANTY DEED...

THENCE, SOUTH 01 DEGREES 10 MINUTES 49 SECONDS WEST, WITH AN EAST LINE OF SAID FIRST REFERENCED BILLY ROBERTS TRACT AND THE WEST LINE OF SAID WADE TRACT, THE WEST LINE OF THAT TRACT OF LAND DESCRIBED TO WELDON GHAD ROPER BY SPECIAL WARRANTY DEED...

THENCE, SOUTH 01 DEGREES 10 MINUTES 49 SECONDS WEST, WITH AN EAST LINE OF SAID FIRST REFERENCED BILLY ROBERTS TRACT AND THE WEST LINE OF SAID WADE TRACT, THE WEST LINE OF THAT TRACT OF LAND DESCRIBED TO WELDON GHAD ROPER BY SPECIAL WARRANTY DEED...

THENCE, NORTH 86 DEGREES 11 MINUTES 19 SECONDS WEST, WITH A SOUTH LINE OF SAID FIRST REFERENCED BILLY ROBERTS TRACT AND THE WEST LINE OF SAID GRAHAM TRACT, A DISTANCE OF 156.47 FEET TO A 1/2-INCH REBAR FOUND FOR THE NORTHWEST CORNER OF SAID GRAHAM TRACT...

THENCE, SOUTH 02 DEGREES 16 MINUTES 03 SECONDS WEST, WITH AN EAST LINE OF SAID FIRST REFERENCED BILLY ROBERTS TRACT AND THE WEST LINE OF THAT TRACT OF LAND DESCRIBED TO KIM JOSEPH LEA BY GENERAL WARRANTY DEED...

THENCE, NORTH 87 DEGREES 06 MINUTES 18 SECONDS WEST, WITH A SOUTH LINE OF SAID FIRST REFERENCED BILLY ROBERTS TRACT AND THE NORTH LINE OF SAID NOVELLA CRIFE TRACT, AND THE NORTH LINE OF THAT TRACT OF LAND DESCRIBED TO EARL CRIFE BY GENERAL WARRANTY DEED...

THENCE, SOUTH 00 DEGREES 00 MINUTES 01 SECONDS EAST, WITH AN EAST LINE OF SAID FIRST REFERENCED BILLY ROBERTS TRACT AND THE WEST LINE OF SAID EARL CRIFE TRACT AND THE WEST LINE OF THAT TRACT OF LAND DESCRIBED TO EARL CRIFE BY GENERAL WARRANTY DEED...

THENCE, SOUTH 01 DEGREES 02 DEGREES 00 MINUTES 01 SECONDS EAST, WITH AN EAST LINE OF SAID FIRST REFERENCED BILLY ROBERTS TRACT AND THE WEST LINE OF SAID EARL CRIFE TRACT, A DISTANCE OF 286.28 FEET TO A POINT FOR THE SOUTHERNMOST SOUTHEAST CORNER OF THE HEREIN DESCRIBED TRACT...

THENCE, SOUTH 89 DEGREES 07 MINUTES 15 SECONDS WEST, DEPARTING THE EAST LINE OF SAID FIRST REFERENCED BILLY ROBERTS TRACT, OVER, ACROSS AND UPON SAID FIRST REFERENCED BILLY ROBERTS TRACT, A DISTANCE OF 70.01 FEET TO A POINT FOR CORNER...

THENCE, NORTH 01 DEGREES 42 MINUTES 32 SECONDS WEST, CONTINUING THROUGH SAID FIRST REFERENCED BILLY ROBERTS TRACT, A DISTANCE OF 208.10 FEET TO A POINT FOR CORNER...

THENCE, SOUTH 89 DEGREES 07 MINUTES 15 SECONDS WEST, CONTINUING THROUGH SAID FIRST REFERENCED BILLY ROBERTS TRACT, A DISTANCE OF 289.23 FEET TO A POINT FOR CORNER, SAID POINT LYING ON THE WEST LINE OF SAID FIRST REFERENCED BILLY ROBERTS TRACT AND ON THE EAST LINE OF SAID "TRACT ONE"...

THENCE, SOUTH 00 DEGREES 27 MINUTES 24 SECONDS WEST, WITH THE EAST LINE OF SAID "TRACT ONE" AND THE WEST LINE OF SAID FIRST REFERENCED BILLY ROBERTS TRACT, A DISTANCE OF 238.91 FEET TO A POINT FOR CORNER, SAID POINT LYING ON THE SOUTH LINE OF SAID "TRACT ONE" TRACT AND THE NORTH LINE OF A CALLED 16.02 ACRE TRACT OF LAND DESCRIBED TO SCOTT REAGAN SHADDEN AND WIFE, TAMELA JO SHADDEN BY WARRANTY DEED...

THENCE, SOUTH 89 DEGREES 09 MINUTES 50 SECONDS WEST, WITH THE SOUTH LINE OF SAID "TRACT ONE" AND THE NORTH LINE OF SAID 16.02 ACRE TRACT AND THE NORTH LINE OF A CALLED 18.90 ACRE TRACT DESCRIBED TO SCOTT REAGAN SHADDEN AND WIFE, TAMELA JO SHADDEN BY WARRANTY DEED...

THENCE, NORTH 06 DEGREES 12 MINUTES 18 SECONDS EAST, WITH A WEST LINE OF SAID "TRACT ONE" AND THE EAST LINE OF SAID BLOCK 1, A DISTANCE OF 1,206.12 FEET TO A 1/2-INCH REBAR FOUND FOR THE NORTHEAST CORNER OF SAID BLOCK 1...

THENCE, SOUTH 89 DEGREES 24 MINUTES 29 SECONDS WEST, WITH A SOUTH LINE OF SAID "TRACT ONE" AND THE NORTH LINE OF SAID BLOCK 1, A DISTANCE OF 674.40 FEET TO A 1/2-INCH REBAR FOUND FOR THE SOUTHERNMOST SOUTHWEST CORNER OF SAID "TRACT ONE" AND THE EASTERMOST SOUTHEAST CORNER OF THAT TRACT OF LAND DESCRIBED TO MICHAEL S. BLOUNT & BRANDY M. BLOUNT BY SPECIAL WARRANTY DEED...

THENCE, NORTH 01 DEGREES 17 MINUTES 19 SECONDS WEST, DEPARTING THE NORTH LINE OF SAID BLOCK 1, WITH THE WEST LINE OF SAID "TRACT ONE" AND THE EAST LINE OF SAID BLOUNT TRACT, A DISTANCE OF 681.59 FEET TO A 1/2-INCH REBAR FOUND FOR THE NORTHWEST CORNER OF SAID "TRACT ONE" AND THE SOUTHWEST CORNER OF SAID FIRST-REFERENCED LONGHORN, LLC TRACT...

THENCE, NORTH 01 DEGREES 28 MINUTES 38 SECONDS WEST, WITH A WEST LINE OF SAID FIRST-REFERENCED LONGHORN, LLC TRACT AND THE EAST LINE OF SAID BLOUNT TRACT, A DISTANCE OF 444.48 FEET TO A POINT FOR CORNER, SAID POINT LYING IN THE APPROXIMATE CENTERLINE OF A CREEK...

THENCE, NORTH 54 DEGREES 10 MINUTES 44 SECONDS WEST, ALONG THE APPROXIMATE CENTERLINE OF SAID CREEK, A DISTANCE OF 136.66 FEET TO A POINT FOR CORNER...

THENCE, SOUTH 82 DEGREES 54 MINUTES 46 SECONDS WEST, ALONG THE APPROXIMATE CENTERLINE OF SAID CREEK, A DISTANCE OF 36.08 FEET TO A POINT FOR CORNER...

THENCE, NORTH 72 DEGREES 17 MINUTES 13 SECONDS WEST, ALONG THE APPROXIMATE CENTERLINE OF SAID CREEK, A DISTANCE OF 63.27 FEET TO A POINT FOR CORNER...

THENCE, NORTH 36 DEGREES 59 MINUTES 54 SECONDS WEST, ALONG THE APPROXIMATE CENTERLINE OF SAID CREEK, A DISTANCE OF 77.39 FEET TO A POINT FOR CORNER...

THENCE, NORTH 20 DEGREES 43 MINUTES 25 SECONDS WEST, ALONG THE APPROXIMATE CENTERLINE OF SAID CREEK, A DISTANCE OF 44.49 FEET TO A POINT FOR CORNER...

THENCE, SOUTH 39 DEGREES 50 MINUTES 44 SECONDS WEST, ALONG THE APPROXIMATE CENTERLINE OF SAID CREEK, A DISTANCE OF 40.41 FEET TO A POINT FOR CORNER...

THENCE, NORTH 68 DEGREES 10 MINUTES 08 SECONDS WEST, ALONG THE APPROXIMATE CENTERLINE OF SAID CREEK, A DISTANCE OF 37.90 FEET TO A POINT FOR CORNER...

THENCE, NORTH 42 DEGREES 09 MINUTES 44 SECONDS WEST, ALONG THE APPROXIMATE CENTERLINE OF SAID CREEK, A DISTANCE OF 47.32 FEET TO A POINT FOR CORNER...

THENCE, NORTH 85 DEGREES 17 MINUTES 01 SECONDS WEST, ALONG THE APPROXIMATE CENTERLINE OF SAID CREEK, A DISTANCE OF 44.30 FEET TO A POINT FOR CORNER...

THENCE, SOUTH 56 DEGREES 44 MINUTES 58 SECONDS WEST, ALONG THE APPROXIMATE CENTERLINE OF SAID CREEK, A DISTANCE OF 89.02 FEET TO A POINT FOR CORNER...

THENCE, NORTH 74 DEGREES 11 MINUTES 40 SECONDS WEST, ALONG THE APPROXIMATE CENTERLINE OF SAID CREEK, A DISTANCE OF 47.32 FEET TO A POINT FOR CORNER...

THENCE, NORTH 23 DEGREES 48 MINUTES 11 SECONDS WEST, ALONG THE APPROXIMATE CENTERLINE OF SAID CREEK, A DISTANCE OF 71.75 FEET TO A POINT FOR CORNER...

THENCE, NORTH 02 DEGREES 48 MINUTES 10 SECONDS EAST, ALONG THE APPROXIMATE CENTERLINE OF SAID CREEK, A DISTANCE OF 47.46 FEET TO A POINT FOR CORNER...

THENCE, NORTH 48 DEGREES 06 MINUTES 05 SECONDS EAST, ALONG THE APPROXIMATE CENTERLINE OF SAID CREEK, A DISTANCE OF 54.57 FEET TO A POINT FOR CORNER...

THENCE, NORTH 02 DEGREES 36 MINUTES 03 SECONDS EAST, ALONG THE APPROXIMATE CENTERLINE OF SAID CREEK, A DISTANCE OF 52.20 FEET TO A POINT FOR CORNER...

THENCE, SOUTH 87 DEGREES 17 MINUTES 04 SECONDS EAST, DEPARTING THE APPROXIMATE CENTERLINE OF SAID CREEK, OVER, ACROSS AND UPON SAID SECOND-REFERENCED LONGHORN, LLC TRACT, A DISTANCE OF 99.93 FEET TO A 1/2-INCH REBAR CAPPED "RRLS 4709" FOUND FOR CORNER...

THENCE, NORTH 08 DEGREES 38 MINUTES 06 SECONDS EAST, CONTINUING THROUGH SAID SECOND-REFERENCED LONGHORN, LLC TRACT, A DISTANCE OF 72.28 FEET TO A 1/2-INCH REBAR FOUND FOR CORNER...

THENCE, NORTH 03 DEGREES 39 MINUTES 54 SECONDS EAST, CONTINUING THROUGH SAID SECOND-REFERENCED LONGHORN, LLC TRACT, A DISTANCE OF 29.80 FEET TO A 1/2-INCH REBAR FOUND FOR CORNER, SAID POINT LYING ON A SOUTH LINE OF THAT SAME TRACT OF LAND DESCRIBED TO JANICE DELANO & BRIAN DELANO, BY WARRANTY DEED...

THENCE, NORTH 58 DEGREES 50 MINUTES 56 SECONDS WEST, CONTINUING THROUGH SAID JANICE DELANO TRACT, A DISTANCE OF 55.09 FEET TO A 1/2-INCH REBAR FOUND FOR CORNER...

THENCE, SOUTH 88 DEGREES 40 MINUTES 40 SECONDS WEST, CONTINUING THROUGH SAID JANICE DELANO TRACT, A DISTANCE OF 342.48 FEET TO A 1/2-INCH REBAR FOUND FOR A COMMON CORNER OF SAID JANICE DELANO TRACT AND THAT SAME TRACT OF LAND DESCRIBED TO JASON ATKINS BY WARRANTY DEED...

THENCE, NORTH 01 DEGREES 19 MINUTES 20 SECONDS WEST, WITH A WEST LINE OF SAID JANICE DELANO TRACT AND AN EAST LINE OF SAID ATKINS TRACT, A DISTANCE OF 397.46 FEET TO A POINT FOR CORNER, SAID POINT LYING IN THE APPROXIMATE CENTERLINE OF SAID CREEK...

THENCE, NORTH 23 DEGREES 24 MINUTES 04 SECONDS EAST, ALONG THE CENTERLINE OF SAID CREEK, A DISTANCE OF 64.27 FEET TO A POINT FOR CORNER...

THENCE, NORTH 10 DEGREES 39 MINUTES 25 SECONDS EAST, ALONG THE CENTERLINE OF SAID CREEK, A DISTANCE OF 109.85 FEET TO A POINT FOR CORNER...

THENCE, NORTH 09 DEGREES 34 MINUTES 20 SECONDS WEST, ALONG THE CENTERLINE OF SAID CREEK, A DISTANCE OF 54.95 FEET TO A POINT FOR CORNER...

THENCE, NORTH 50 DEGREES 22 MINUTES 18 SECONDS EAST, ALONG THE CENTERLINE OF SAID CREEK, A DISTANCE OF 55.21 FEET TO A POINT FOR CORNER...

THENCE, SOUTH 67 DEGREES 18 MINUTES 19 SECONDS EAST, ALONG THE CENTERLINE OF SAID CREEK, A DISTANCE OF 25.80 FEET TO A POINT FOR CORNER...

THENCE, SOUTH 29 DEGREES 10 MINUTES 00 SECONDS EAST, ALONG THE CENTERLINE OF SAID CREEK, A DISTANCE OF 47.36 FEET TO A POINT FOR CORNER...

THENCE, SOUTH 33 DEGREES 46 MINUTES 39 SECONDS EAST, ALONG THE CENTERLINE OF SAID CREEK, A DISTANCE OF 52.41 FEET TO A POINT FOR CORNER...

THENCE, NORTH 70 DEGREES 58 MINUTES 18 SECONDS EAST, ALONG THE CENTERLINE OF SAID CREEK, A DISTANCE OF 42.67 FEET TO A POINT FOR CORNER...

THENCE, NORTH 21 DEGREES 27 MINUTES 48 SECONDS EAST, ALONG THE CENTERLINE OF SAID CREEK, A DISTANCE OF 115.02 FEET TO A POINT FOR CORNER...

THENCE, SOUTH 46 DEGREES 13 MINUTES 52 SECONDS EAST, ALONG THE CENTERLINE OF SAID CREEK, A DISTANCE OF 95.28 FEET TO A POINT FOR CORNER...

THENCE, NORTH 46 DEGREES 55 MINUTES 08 SECONDS EAST, ALONG THE CENTERLINE OF SAID CREEK, A DISTANCE OF 80.30 FEET TO A POINT FOR CORNER...

THENCE, NORTH 11 DEGREES 08 MINUTES 44 SECONDS EAST, ALONG THE CENTERLINE OF SAID CREEK, A DISTANCE OF 96.61 FEET TO A POINT FOR CORNER...

THENCE, NORTH 48 DEGREES 12 MINUTES 05 SECONDS EAST, ALONG THE CENTERLINE OF SAID CREEK, A DISTANCE OF 83.67 FEET TO A POINT FOR CORNER...

THENCE, NORTH 38 DEGREES 57 MINUTES 03 SECONDS EAST, ALONG THE CENTERLINE OF SAID CREEK, A DISTANCE OF 61.00 FEET TO A POINT FOR CORNER...

THENCE, NORTH 30 DEGREES 23 MINUTES 03 SECONDS WEST, ALONG THE CENTERLINE OF SAID CREEK, A DISTANCE OF 48.54 FEET TO A POINT FOR CORNER...

THENCE, NORTH 07 DEGREES 50 MINUTES 29 SECONDS EAST, ALONG THE CENTERLINE OF SAID CREEK, A DISTANCE OF 87.58 FEET TO A POINT FOR CORNER...

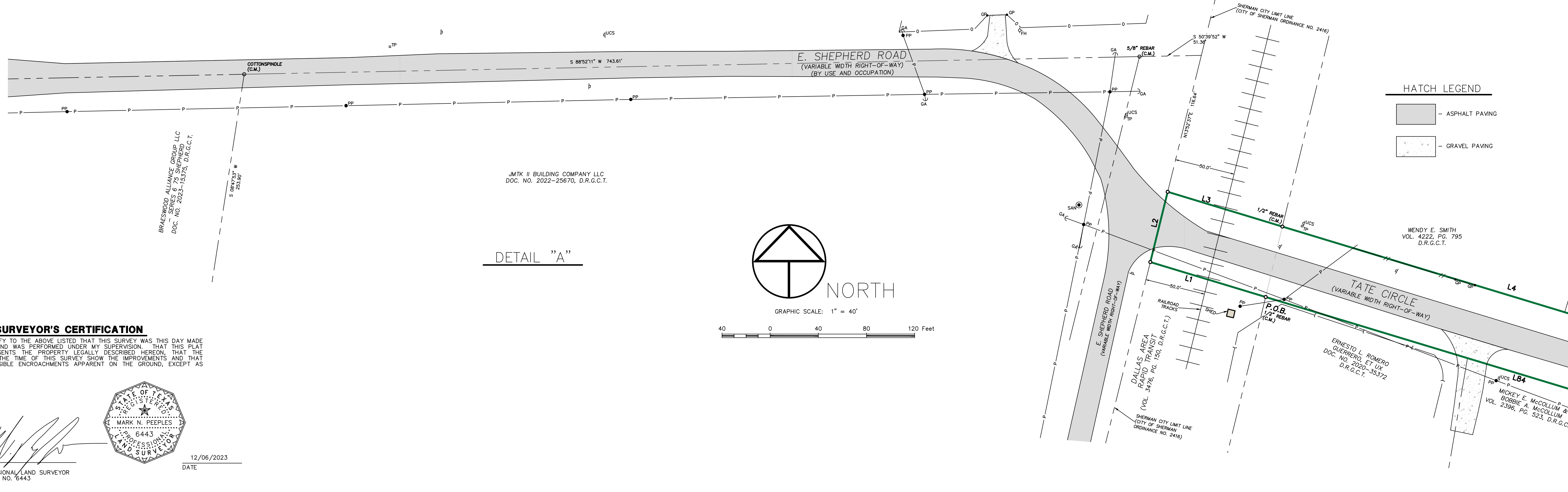
THENCE, NORTH 26 DEGREES 43 MINUTES 55 SECONDS EAST, ALONG THE CENTERLINE OF SAID CREEK, A DISTANCE OF 75.70 FEET TO A POINT FOR CORNER...

THENCE, NORTH 00 DEGREES 41 MINUTES 32 SECONDS WEST, ALONG THE CENTERLINE OF SAID CREEK, A DISTANCE OF 46.66 FEET TO A POINT FOR AN INTERIOR "ELL" CORNER OF SAID FIRST-REFERENCED LONGHORN, LLC TRACT AND A NORTHEAST CORNER OF THAT TRACT OF LAND DESCRIBED TO MICKEY E. MCCOLLUM & BERBIE A. MCCOLLUM BY DEED...

THENCE, SOUTH 89 DEGREES 18 MINUTES 28 SECONDS WEST, WITH A SOUTH LINE OF SAID FIRST-REFERENCED LONGHORN, LLC TRACT, WITH THE SOUTH RIGHT-OF-WAY LINE OF SAID TATE CIRCLE, AND A NORTH LINE OF SAID MCCOLLUM TRACT, A DISTANCE OF 80.51 FEET TO A 1/2-INCH REBAR FOUND FOR CORNER AND BEING THE BEGINNING OF A CURVE TO THE RIGHT, HAVING A RADIUS OF 703.20 FEET, A CENTRAL ANGLE OF 17 DEGREES 30 MINUTES 44 SECONDS AND A CHORD BEARING AND DISTANCE OF NORTH 81 DEGREES 59 MINUTES 43 SECONDS WEST, 214.09 FEET...

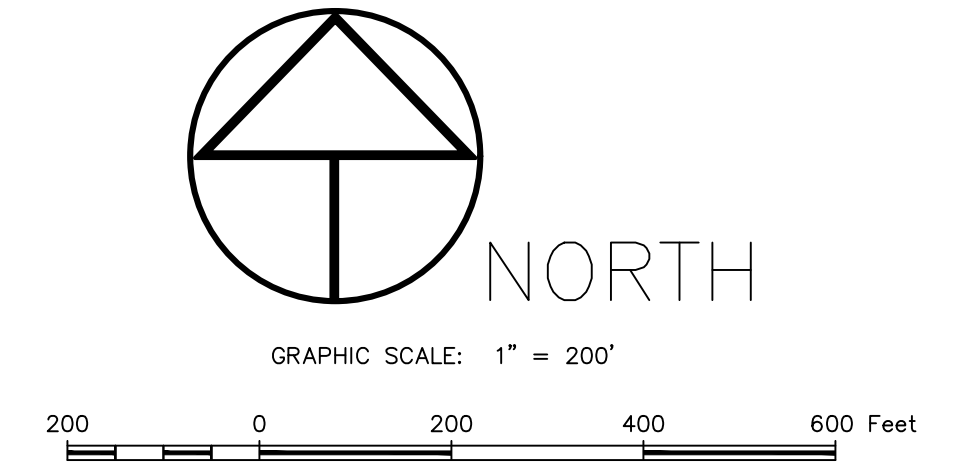
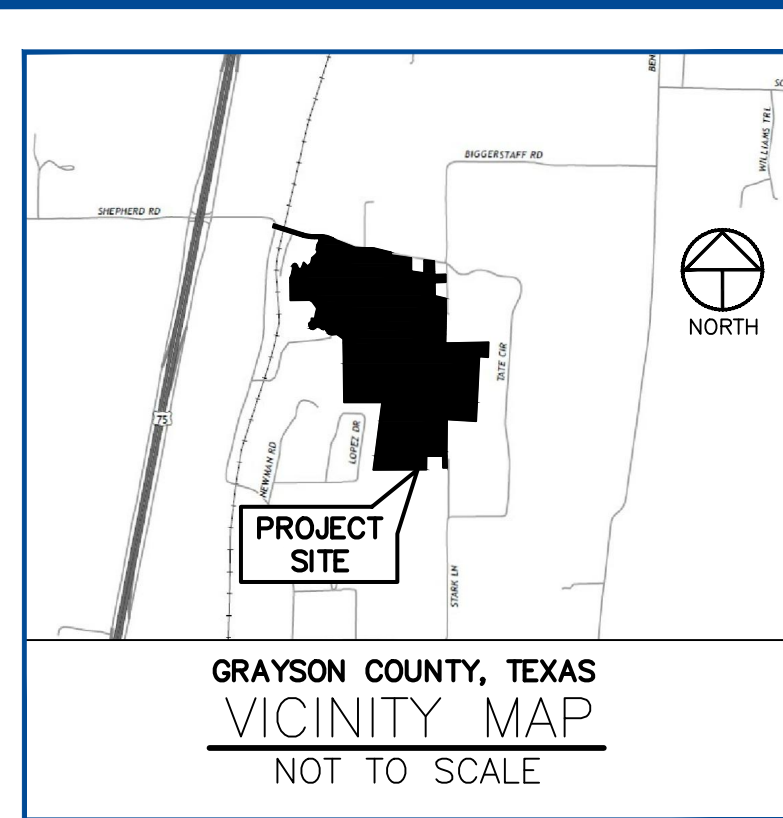
CURVE TO THE NORTHWESTERLY DIRECTION, WITH THE CURVING SOUTHWEST RIGHT-OF-WAY LINE OF SAID TATE CIRCLE, ALONG SAID CURVE TO THE RIGHT, AN ARC LENGTH OF 214.93 FEET, TO A 1/2-INCH REBAR FOUND FOR CORNER...

THENCE, NORTH 73 DEGREES 09 MINUTES 29 SECONDS WEST, WITH A SOUTH LINE OF SAID FIRST-REFERENCED LONGHORN, LLC TRACT, THE SOUTH RIGHT-OF-WAY LINE OF SAID TATE CIRCLE, A DISTANCE OF 397.71 FEET TO THE POINT OF BEGINNING AND CONTAINING 183.681 ACRES OR 8,001,128 SQUARE FEET OF LAND, MORE OR LESS...



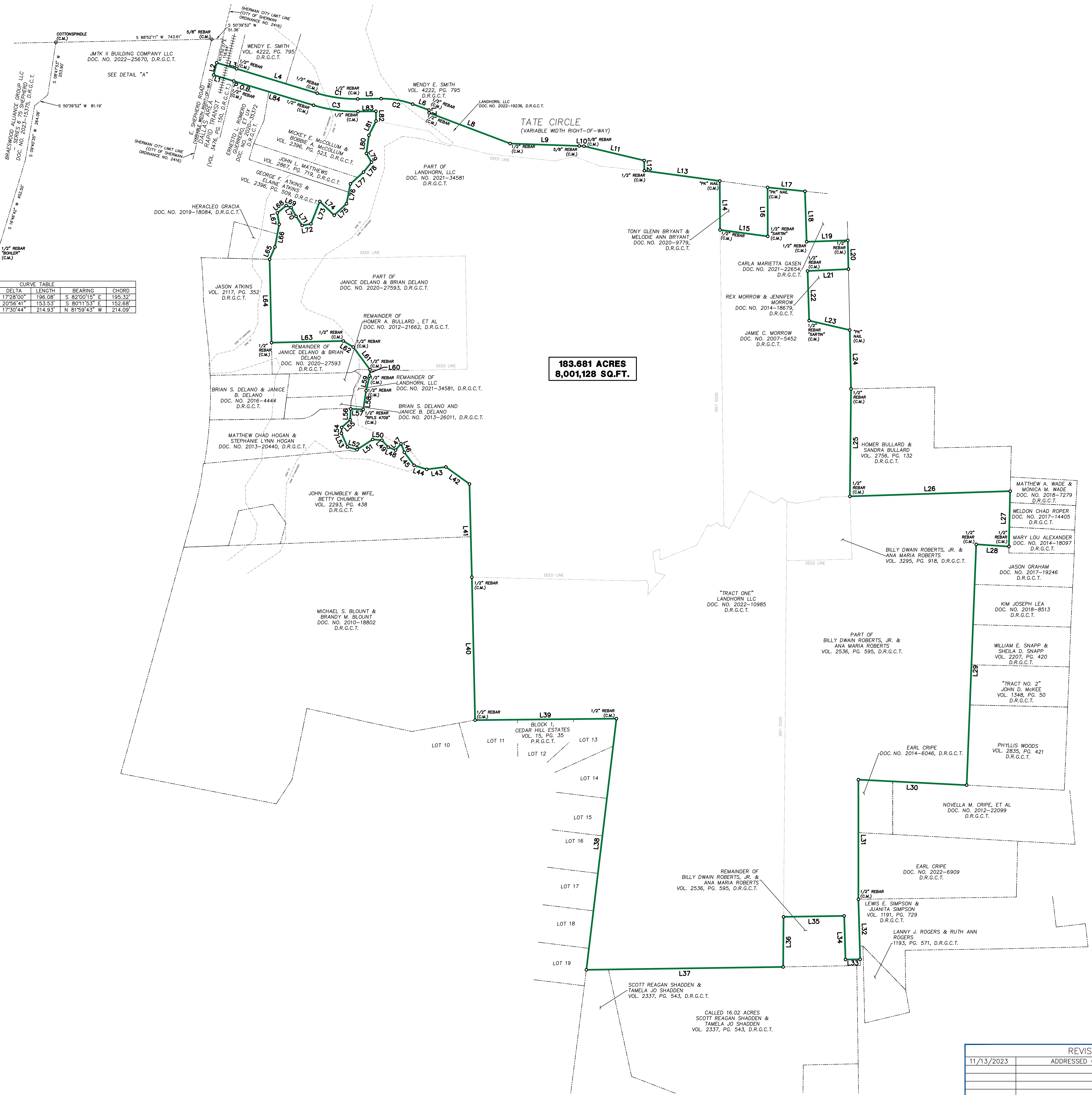
SURVEYOR'S CERTIFICATION
I DO HEREBY CERTIFY TO THE ABOVE LISTED THAT THIS SURVEY WAS THIS DAY MADE ON THE GROUND AND WAS PERFORMED UNDER MY SUPERVISION...
MARK N. PEOPLES
REGISTERED PROFESSIONAL LAND SURVEYOR
TEXAS REGISTRATION NO. 6443
12/06/2023

WINDROSE LAND SURVEYING & PLATING
1955 LAKEWAY DRIVE, SUITE 220 | LEWISVILLE, TX 75057 | 214.217.2544
FIRM REGISTRATION NO. 10194331 | WINDROSSERVICES.COM
ANNEXATION EXHIBIT OF 183.681 ACRES SITUATED IN THE B. LINDSEY SURVEY, ABSTRACT NO. 733 & THE H. TUCKER SURVEY, ABSTRACT NO. 1217 GRAYSON COUNTY, TEXAS
FIELD BY: BLG/DW CHECKED BY: MNP JOB NO. D57926
DRAWN BY: BU DATE: 12/06/2023 SHEET NO. 2 OF 2



LINE	BEARING	DISTANCE
L1	N 73°09'29" W	100.19
L2	N 13°52'37" E	60.06
L3	S 73°08'19" E	89.51
L4	S 23°08'19" E	401.80
L5	S 89°19'48" E	111.64
L6	S 69°59'02" E	82.64
L7	S 07°58'18" E	13.42
L8	S 69°15'13" E	413.28
L9	S 88°01'40" E	329.75
L10	S 87°35'53" E	22.21
L11	S 76°37'05" E	295.83
L12	S 00°41'36" E	48.70
L13	S 82°17'03" E	383.02
L14	S 00°19'15" E	233.33
L15	S 82°16'22" E	229.67
L16	N 00°12'29" W	233.42
L17	S 84°05'38" E	179.19
L18	S 01°55'01" E	240.85
L19	N 88°02'24" E	186.37
L20	S 01°15'53" E	137.36
L21	S 87°28'27" W	194.88
L22	S 01°42'42" E	236.93
L23	S 76°58'10" E	198.99
L24	S 01°11'45" E	280.90
L25	S 00°35'54" W	512.01
L26	N 88°09'18" E	764.41
L27	S 01°10'29" W	264.00
L28	N 88°11'19" W	156.27
L29	S 02°18'03" W	1,148.97
L30	N 87°06'18" W	517.18
L31	S 00°00'01" E	570.40
L32	S 01°42'35" E	286.28
L33	S 89°07'15" W	70.01
L34	N 01°40'39" W	208.10
L35	S 89°07'15" W	289.23
L36	S 00°27'24" W	238.91
L37	S 89°05'50" E	938.73
L38	N 06°50'18" E	1,206.12
L39	S 89°24'29" W	674.40
L40	N 01°17'19" W	681.59
L41	N 01°28'38" W	444.48
L42	N 54°10'44" W	138.66
L43	S 82°54'46" E	82.06
L44	N 72°17'13" W	83.27
L45	N 36°59'54" W	77.39
L46	N 20°43'25" W	44.49
L47	S 89°50'44" W	40.41
L48	N 68°10'08" W	37.90
L49	N 42°09'44" W	44.91
L50	N 85°17'01" W	44.30
L51	S 86°44'58" W	89.02
L52	N 74°11'40" W	47.39
L53	N 53°48'11" E	71.75
L54	N 02°48'10" E	27.46
L55	N 48°06'05" E	54.57
L56	N 02°36'03" E	52.20
L57	S 87°17'04" E	59.93
L58	N 08°38'00" E	90.27
L59	N 13°21'51" E	72.28
L60	N 03°39'54" E	29.80
L61	N 86°25'17" W	135.08
L62	N 88°01'56" W	53.09
L63	S 88°40'40" W	342.48
L64	N 01°19'20" W	397.48
L65	N 03°24'04" E	64.27
L66	N 10°39'25" E	109.85
L67	N 09°34'20" W	54.95
L68	N 00°22'18" E	55.21
L69	S 87°18'19" E	25.80
L70	S 29°10'00" E	47.38
L71	S 33°46'39" E	52.41
L72	N 79°58'18" E	42.67
L73	N 21°27'48" E	115.02
L74	S 46°13'50" E	95.28
L75	N 46°55'08" E	80.30
L76	N 11°08'44" E	96.61
L77	N 48°17'09" E	83.67
L78	N 38°57'03" E	61.00
L79	N 30°23'03" W	48.54
L80	N 07°20'29" E	87.58
L81	N 26°43'55" E	75.70
L82	N 00°41'32" W	46.68
L83	S 88°19'28" W	85.51
L84	N 73°09'29" W	397.71

CURVE	RADIUS	DELTA	LENGTH	BEARING	CHORD
C1	643.20'	1728°00'	196.08'	S 82°00'15" E	195.32'
C2	420.00'	20°56'41"	153.53'	S 80°11'53" E	152.68'
C3	703.20'	17°30'44"	214.93'	N 81°59'43" W	214.09'



- LEGEND OF ABBREVIATIONS**
- D.R.G.C.T. DEED RECORDS, GRAYSON COUNTY, TEXAS
  - P.R.G.C.T. PLAT RECORDS, GRAYSON COUNTY, TEXAS
  - C.M. CONTROLLING MONUMENT
  - VOL. VOLUME
  - PG. PAGE
  - DOC. NO. DOCUMENT NUMBER
  - SQ. FT. SQUARE FEET
  - P.O.B. POINT OF BEGINNING

- GENERAL NOTES:**
- THIS SURVEY WAS PREPARED WITHOUT THE BENEFIT OF A COMMITMENT FOR TITLE INSURANCE. THEREFORE, LANDMENTS, AGREEMENTS OR OTHER DOCUMENTS EITHER RECORDED OR UNRECORDED MAY EXIST THAT AFFECT THE SUBJECT PROPERTY THAT ARE NOT SHOWN ON THIS SURVEY.
  - ALL BEARINGS AND DISTANCES ARE SURFACE AND WERE BASED ON THE TEXAS STATE PLANE COORDINATE SYSTEM NORTH CENTRAL ZONE (4302) NAD 83 USING A SCALE FACTOR OF 1.0002.
  - ACCORDING TO THE FEDERAL EMERGENCY MANAGEMENT AGENCY (FEMA) FLOOD INSURANCE RATE MAP FROM 2014, PORTION OF THIS TRACT APPEARS TO BE WITHIN UNSHADED ZONE "C" & ZONE "X". THIS DETERMINATION WAS DONE BY GRAPHIC FOOTING AND IS APPROXIMATE ONLY AND HAS NOT BEEN FIELD VERIFIED. THIS FLOOD STATEMENT DOES NOT MEAN THAT THE PROBABILITY OF FLOODING THEREON WILL BE SMALL FROM EXCESSIVE RAINFALL OR WIND-GENERATED FLOODS AND WILL OCCUR AND FLOOD HEIGHTS MAY BE INCREASED BY MAN-MADE OR NATURAL CAUSES. THIS FLOOD STATEMENT SHALL NOT CREATE LIABILITY ON THE PART OF WINDROSE LAND SERVICES.

REVISIONS		
DATE	ADDRESSED CLIENT COMMENTS	BY
11/13/2023		BJ

**WINDROSE**  
 LAND SURVEYING & PLATTING  
 1955 LAKEWAY DRIVE, SUITE 220 | LEWISVILLE, TX 75057 | 214.217.2544  
 FIRM REGISTRATION NO. 10194331 | WINDROSESERVICES.COM

ANNEXATION EXHIBIT OF  
 183.681 ACRES  
 SITUATED IN THE  
 B. LINDSEY SURVEY, ABSTRACT NO. 733 &  
 THE H. TUCKER SURVEY, ABSTRACT NO. 1217  
 GRAYSON COUNTY, TEXAS

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 FILED BY: BLG/DW CHECKED BY: MNP JOB NO. D57926  
 DRAWN BY: BJ DATE: 11/13/2023 SHEET NO. 1 OF 2

BEING A 183.681 ACRE OR 8,001,128 SQUARE FEET TRACT OF LAND SITUATED IN THE BENJAMIN LINDSEY SURVEY, ABSTRACT NUMBER 733 & THE HENRY TUCKER SURVEY, ABSTRACT NUMBER 1217, BEING ALL OF THAT TRACT OF LAND DESCRIBED TO LANDHORN, LLC BY DEED WITHOUT WARRANTY RECORDED IN DOCUMENT NUMBER 2022-19236 DEED RECORDS, GRAYSON COUNTY, TEXAS (D.R.G.C.T.), BEING A PORTION OF THAT TRACT OF LAND DESCRIBED TO JANICE DELANO & BRIAN DELANO, BY WARRANTY DEED RECORDED IN DOCUMENT NUMBER 2020-27593 (D.R.G.C.T.), BEING A PORTION OF THAT TRACT OF LAND DESCRIBED TO LANDHORN, LLC BY SPECIAL WARRANTY DEED RECORDED IN DOCUMENT NUMBER 2021-34581, (D.R.G.C.T.), BEING ALL OF THAT TRACT OF LAND DESCRIBED TO JAMIE C. MORROW BY GENERAL WARRANTY DEED RECORDED IN DOCUMENT NUMBER 2007-5452 (D.R.G.C.T.) BEING A PORTION OF THAT TRACT OF LAND DESCRIBED TO BILLY DWAIN ROBERTS JR. & WIFE, ANA MARIA ROBERTS BY WARRANTY DEED RECORDED IN VOLUME 2536, PAGE 595 (D.R.G.C.T.) BEING ALL OF THAT TRACT OF LAND DESCRIBED TO BILLY DWAIN ROBERTS JR. & WIFE, ANA MARIA ROBERTS BY WARRANTY DEED RECORDED IN VOLUME 3295, PAGE 918 (D.R.G.C.T.) AND BEING ALL OF THAT TRACT OF LAND DESCRIBED AS "TRACT ONE" TO LANDHORN LLC BY GENERAL WARRANTY DEED RECORDED IN DOCUMENT NUMBER 2022-10985 (D.R.G.C.T.), BEING A PORTION OF THAT TRACT OF LAND DESCRIBED TO DALLAS AREA RAPID TRANSIT IN CORRECTION DEED RECORDED IN VOLUME 3476, PAGE 150, (D.R.G.C.T.) AND BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS: (BEARINGS AND DISTANCES ARE BASED ON THE STATE PLANE COORDINATE SYSTEM, TEXAS NORTH CENTRAL ZONE (4202), NORTH AMERICAN DATUM OF 1983 (NAD83) (US FOOT) WITH A COMBINED SCALE FACTOR OF 1.00012);

BEGINNING AT A 1/2-INCH IRON ROD FOUND (1/2-INCH FIR) FOR THE WESTERNMOST SOUTHWEST CORNER OF SAID FIRST-REFERENCED LONGHORN, LLC TRACT AND THE NORTHWEST CORNER OF THAT TRACT OF LAND DESCRIBED TO ERNESTO L. REMERO GUERRERO, ET UX, BY GENERAL WARRANTY DEED RECORDED IN DOCUMENT NUMBER 2020-35372 (D.R.G.C.T.), SAID POINT LYING AT THE INTERSECTION OF THE SOUTH RIGHT-OF-WAY LINE OF TATE CIRCLE (VARIABLE WIDTH RIGHT-OF-WAY) AND THE EAST RIGHT-OF-WAY LINE OF SAID DALLAS AREA RAPID TRANSIT TRACT (VARIABLE WIDTH RIGHT-OF-WAY);

THENCE NORTH 73 DEGREES 09 MINUTES 29 SECONDS WEST, OVER, ACROSS, AND UPON SAID DALLAS AREA RAPID TRANSIT TRACT, A DISTANCE OF 100.10 FEET TO A POINT FOR CORNER ON THE WEST RIGHT-OF-WAY LINE OF SAID DALLAS AREA RAPID TRANSIT TRACT AND THE EAST RIGHT-OF-WAY LINE OF EAST SHEPHERD ROAD (VARIABLE WIDTH RIGHT-OF-WAY), SAID POINT LYING ON THE EAST LINE OF SHERMAN CITY LIMITS, AS DESCRIBED IN CITY OF SHERMAN ORDINANCE NO. 2416;

THENCE NORTH 13 DEGREES 52 MINUTES 37 SECONDS EAST, WITH THE WEST RIGHT-OF-WAY LINE OF SAID DALLAS AREA RAPID TRANSIT TRACT, THE EAST RIGHT-OF-WAY LINE OF SAID EAST SHEPHERD ROAD, AND THE EAST LINE OF SAID CITY OF SHERMAN CITY LIMITS, A DISTANCE OF 60.06 FEET TO A POINT FOR CORNER;

THENCE SOUTH 73 DEGREES 08 MINUTES 19 SECONDS EAST, DEPARTING THE WEST RIGHT-OF-WAY LINE OF SAID DALLAS AREA RAPID TRANSIT TRACT, THE EAST RIGHT-OF-WAY LINE OF SAID EAST SHEPHERD ROAD, AND THE EAST LINE OF SAID CITY OF SHERMAN CITY LIMITS, OVER, ACROSS, AND UPON SAID DALLAS AREA RAPID TRANSIT TRACT, A DISTANCE OF 99.51 FEET TO A 1/2-INCH FIR FOR THE WESTERNMOST NORTHWEST CORNER OF SAID FIRST-REFERENCED LONGHORN, LLC TRACT, AND LYING AT THE INTERSECTION OF THE NORTH RIGHT-OF-WAY LINE OF SAID TATE CIRCLE AND THE EAST RIGHT-OF-WAY LINE OF SAID DALLAS AREA RAPID TRANSIT TRACT;

THENCE SOUTH 73 DEGREES 08 MINUTES 19 SECONDS EAST, DEPARTING THE EAST RIGHT-OF-WAY LINE OF SAID DALLAS AREA RAPID TRANSIT TRACT, WITH THE NORTH RIGHT-OF-WAY LINE OF SAID TATE CIRCLE, AND A NORTH LINE OF SAID FIRST-REFERENCED LONGHORN, LLC TRACT, A DISTANCE OF 401.60 FEET TO A 1/2-INCH FIR FOR CORNER AND BEING THE BEGINNING OF A CURVE TO THE LEFT, HAVING A RADIUS OF 643.20 FEET, A CENTRAL ANGLE OF 17 DEGREES 28

MINUTES 00 SECONDS, AND A CHORD BEARING AND DISTANCE OF SOUTH 82 DEGREES 00 MINUTES 15 SECONDS EAST, 195.32 FEET;

THENCE IN AN EASTERLY DIRECTION, WITH THE CURVING NORTH RIGHT-OF-WAY LINE OF TATE CIRCLE, AND A NORTH LINE OF SAID FIRST-REFERENCED LONGHORN, LLC TRACT, ALONG SAID CURVE TO THE LEFT, AN ARC LENGTH OF 196.08 FEET, TO A 1/2-INCH FIR FOUND FOR CORNER;

THENCE NORTH 89 DEGREES 19 MINUTES 48 SECONDS EAST, CONTINUING WITH THE NORTH RIGHT-OF-WAY LINE OF SAID TATE CIRCLE, AND A NORTH LINE OF SAID FIRST-REFERENCED LONGHORN, LLC TRACT, A DISTANCE OF 111.64 FEET TO A POINT FOR CORNER, SAID POINT BEING THE BEGINNING OF A CURVE TO THE RIGHT, HAVING A RADIUS OF 420.00 FEET, A CENTRAL ANGLE OF 20 DEGREES 56 MINUTES 41 SECONDS, AND A CHORD BEARING AND DISTANCE OF SOUTH 80 DEGREES 11 MINUTES 53 SECONDS EAST, 152.68 FEET;

THENCE IN A SOUTHERLY DIRECTION, WITH THE CURVING NORTH RIGHT-OF-WAY LINE OF TATE CIRCLE, AND A NORTH LINE OF SAID FIRST-REFERENCED LONGHORN, LLC TRACT, ALONG SAID CURVE TO THE RIGHT, AN ARC LENGTH OF 153.53 FEET, TO A POINT FOR CORNER;

THENCE SOUTH 69 DEGREES 59 MINUTES 02 SECONDS EAST, CONTINUING WITH THE NORTH RIGHT-OF-WAY LINE OF SAID TATE CIRCLE, AND A NORTH LINE OF SAID FIRST-REFERENCED LONGHORN, LLC TRACT, A DISTANCE OF 82.64 FEET TO A 1/2-INCH FIR FOR CORNER;

THENCE SOUTH 01 DEGREES 57 MINUTES 18 SECONDS EAST, WITH AN EAST RIGHT-OF-WAY LINE OF SAID TATE CIRCLE, AND AN EAST LINE OF SAID FIRST-REFERENCED LONGHORN, LLC TRACT, A DISTANCE OF 13.42 FEET TO A 1/2-INCH FIR FOR CORNER;

THENCE SOUTH 69 DEGREES 15 MINUTES 13 SECONDS EAST, WITH THE NORTH RIGHT-OF-WAY LINE OF SAID TATE CIRCLE, AND A NORTH LINE OF SAID FIRST-REFERENCED LONGHORN, LLC TRACT, A DISTANCE OF 413.28 FEET TO A 1/2-INCH FIR FOR CORNER;

THENCE SOUTH 88 DEGREES 01 MINUTES 40 SECONDS EAST, WITH THE NORTH RIGHT-OF-WAY LINE OF SAID TATE CIRCLE, AND A NORTH LINE OF SAID FIRST-REFERENCED LONGHORN, LLC TRACT, A DISTANCE OF 329.75 FEET TO A 5/8-INCH FIR FOR CORNER;

THENCE SOUTH 87 DEGREES 26 MINUTES 53 SECONDS EAST, CONTINUING WITH THE NORTH RIGHT-OF-WAY LINE OF SAID TATE CIRCLE, AND A NORTH LINE OF SAID FIRST-REFERENCED LONGHORN, LLC TRACT, A DISTANCE OF 22.21 FEET TO A 5/8-INCH FIR FOR CORNER;

THENCE SOUTH 76 DEGREES 37 MINUTES 05 SECONDS EAST, CONTINUING WITH THE NORTH RIGHT-OF-WAY LINE OF SAID TATE CIRCLE, AND A NORTH LINE OF SAID FIRST-REFERENCED LONGHORN, LLC TRACT, A DISTANCE OF 295.83 FEET TO A POINT FOR CORNER;

THENCE SOUTH 00 DEGREES 41 MINUTES 36 SECONDS EAST, WITH AN EAST RIGHT-OF-WAY LINE OF SAID TATE CIRCLE, AND AN EAST LINE OF SAID FIRST-REFERENCED LONGHORN, LLC TRACT, A DISTANCE OF 48.70 FEET TO A 1/2-INCH FIR FOR THE EASTERNMOST SOUTHEAST CORNER OF SAID FIRST-REFERENCED LONGHORN, LLC TRACT AND A NORTH CORNER OF SAID FIRST-REFERENCED LANDHORN, LLC TRACT;

THENCE SOUTH 82 DEGREES 17 MINUTES 07 SECONDS EAST, WITH THE SOUTH RIGHT-OF-WAY LINE OF SAID TATE CIRCLE, AND A NORTH LINE OF SAID FIRST-REFERENCED LANDHORN, LLC TRACT, A DISTANCE OF 363.02 FEET TO A "PK" NAIL FOUND FOR THE NORTHWEST CORNER OF THAT TRACT OF LAND DESCRIBED TO TONY GLENN BRYANT & MELODIE ANN BRYANT BY GENERAL WARRANTY DEED RECORDED IN DOCUMENT NUMBER 2020-9779 (D.R.G.C.T.);

THENCE SOUTH 00 DEGREES 19 MINUTES 15 SECONDS EAST, DEPARTING THE SOUTH RIGHT-OF-WAY LINE OF SAID TATE CIRCLE, WITH AN EAST LINE OF SAID FIRST-REFERENCED LANDHORN,

LLC TRACT AND THE WEST LINE OF SAID BRYANT TRACT, A DISTANCE OF 233.33 FEET TO A 1/2-INCH FIR FOR THE SOUTHWEST CORNER OF SAID BRYANT TRACT AND THE WESTERNMOST NORTHWEST CORNER OF SAID JAMIE MORROW TRACT;

THENCE SOUTH 82 DEGREES 16 MINUTES 22 SECONDS EAST, WITH A NORTH LINE OF SAID JAMIE MORROW TRACT AND THE SOUTH LINE OF SAID BRYANT TRACT, A DISTANCE OF 229.67 FEET TO A 1/2-INCH CAPPED IRON ROD STAMPED "SARTIN" FOUND FOR THE SOUTHEAST CORNER OF SAID BRYANT TRACT AND AN INTERIOR "ELL" CORNER OF SAID JAMIE MORROW TRACT;

THENCE NORTH 00 DEGREES 12 MINUTES 29 SECONDS WEST, WITH A WEST LINE OF SAID JAMIE MORROW TRACT AND THE EAST LINE OF SAID BRYANT TRACT, A DISTANCE OF 233.42 FEET TO A "PK" NAIL FOUND FOR THE NORTHEAST CORNER OF SAID BRYANT TRACT AND THE NORTHERNMOST NORTHWEST CORNER OF SAID JAMIE MORROW TRACT, SAID POINT LYING ON THE SOUTH RIGHT-OF-WAY LINE OF SAID TATE CIRCLE;

THENCE SOUTH 84 DEGREES 05 MINUTES 38 SECONDS EAST, WITH THE SOUTH RIGHT-OF-WAY LINE OF SAID TATE CIRCLE AND A NORTH LINE OF SAID JAMIE MORROW TRACT, A DISTANCE OF 179.19 FEET TO A POINT FOR A NORTHEAST CORNER OF SAID JAMIE MORROW TRACT, AND THE NORTHWEST CORNER OF THAT TRACT OF LAND DESCRIBED TO CARLA MARIETTA GASEN BY SPECIAL WARRANTY DEED RECORDED IN DOCUMENT NUMBER 2021-22654 (D.R.G.C.T.);

THENCE SOUTH 01 DEGREES 55 MINUTES 01 SECONDS EAST, DEPARTING THE SOUTH RIGHT-OF-WAY LINE OF SAID TATE CIRCLE, WITH AN EAST LINE OF SAID JAMIE MORROW TRACT AND THE WEST LINE OF SAID GASEN TRACT, A DISTANCE OF 240.85 FEET TO A 1/2-INCH FIR FOR THE SOUTHWEST CORNER OF SAID GASEN TRACT AND AN INTERIOR "ELL" CORNER OF SAID JAMIE MORROW TRACT;

THENCE NORTH 88 DEGREES 02 MINUTES 24 SECONDS EAST, WITH A NORTH LINE OF SAID JAMIE MORROW TRACT AND THE SOUTH LINE OF SAID GASEN TRACT, A DISTANCE OF 196.37 FEET TO A POINT FOR THE SOUTHEAST CORNER OF SAID GASEN TRACT, SAID POINT LYING IN THE APPROXIMATE CENTERLINE OF BIGGERSTAFF ROAD (VARIABLE WIDTH RIGHT-OF-WAY);

THENCE SOUTH 01 DEGREES 15 MINUTES 53 SECONDS EAST, WITH AN EAST LINE OF SAID JAMIE MORROW TRACT AND ALONG THE APPROXIMATE CENTERLINE OF SAID BIGGERSTAFF ROAD, A DISTANCE OF 137.36 FEET TO A POINT FOR AN EXTERIOR "ELL" CORNER OF SAID JAMIE MORROW TRACT, AND THE NORTHEAST CORNER OF THAT TRACT OF LAND DESCRIBED TO REX MORROW & WIFE, JENNIFER MORROW BY GENERAL WARRANTY DEED RECORDED IN DOCUMENT NUMBER 2014-18679 (D.R.G.C.T.);

THENCE SOUTH 87 DEGREES 28 MINUTES 27 SECONDS WEST, DEPARTING THE APPROXIMATE CENTERLINE OF SAID BIGGERSTAFF ROAD, WITH THE NORTH LINE OF SAID REX MORROW TRACT AND A SOUTH LINE OF SAID JAMIE MORROW TRACT, A DISTANCE OF 194.88 FEET TO A 1/2-INCH FIR FOR THE NORTHWEST CORNER OF SAID REX MORROW TRACT AND AN INTERIOR "ELL" CORNER OF SAID JAMIE MORROW TRACT;

THENCE SOUTH 01 DEGREES 45 MINUTES 42 SECONDS EAST, WITH AN EAST LINE OF SAID JAMIE MORROW TRACT AND THE WEST LINE OF SAID REX MORROW TRACT, A DISTANCE OF 236.93 FEET TO A 1/2-INCH CAPPED IRON ROD STAMPED "SARTIN" FOUND FOR THE SOUTHWEST CORNER OF SAID REX MORROW TRACT AND AN INTERIOR "ELL" CORNER OF SAID JAMIE MORROW TRACT;

THENCE SOUTH 76 DEGREES 58 MINUTES 10 SECONDS EAST, WITH A SOUTH LINE OF SAID JAMIE MORROW TRACT AND THE SOUTH LINE OF SAID REX MORROW TRACT, A DISTANCE OF 198.99 FEET TO A "PK" NAIL FOUND FOR THE SOUTHEAST CORNER OF SAID REX MORROW TRACT, AND A NORTHEAST CORNER OF SAID JAMIE MORROW TRACT, SAID POINT LYING IN THE APPROXIMATE CENTERLINE OF SAID BIGGERSTAFF ROAD;

THENCE SOUTH 01 DEGREES 11 MINUTES 45 SECONDS EAST, WITH AN EAST LINE OF SAID JAMIE MORROW TRACT AND ALONG THE APPROXIMATE CENTERLINE OF SAID BIGGERSTAFF ROAD, A DISTANCE OF 280.90 FEET TO A 1/2-INCH FIR FOR THE NORTHWEST CORNER OF THAT TRACT OF LAND DESCRIBED TO HOMER BULLARD & SANDRA BULLARD BY ASSUMPTION WARRANTY DEED RECORDED IN VOLUME 2756, PAGE 132 (D.R.G.C.T.);

THENCE SOUTH 00 DEGREES 35 MINUTES 54 SECONDS WEST, WITH AN EAST LINE OF SAID JAMIE MORROW TRACT AND THE WEST LINE OF SAID BULLARD TRACT, A DISTANCE OF 512.01 FEET TO A 1/2-INCH FIR FOR THE SOUTHWEST CORNER OF SAID BULLARD TRACT, THE NORTHEAST CORNER OF SAID SECOND REFERENCED BILLY ROBERTS TRACT, SAID POINT LYING ON THE NORTH LINE OF SAID FIRST REFERENCED BILLY ROBERTS TRACT;

THENCE NORTH 88 DEGREES 09 MINUTES 16 SECONDS EAST, WITH THE NORTH LINE OF SAID FIRST REFERENCED BILLY ROBERTS TRACT AND THE SOUTH LINE OF SAID BULLARD TRACT, A DISTANCE OF 764.41 FEET TO A POINT FOR THE SOUTHEAST CORNER OF SAID BULLARD TRACT AND THE NORTHERNMOST NORTHEAST CORNER OF SAID FIRST REFERENCED BILLY ROBERTS TRACT, SAID POINT LYING ON THE WEST LINE OF THAT TRACT OF LAND DESCRIBED TO MATTHEW A. WADE & MONICA M. WADE BY WARRANTY DEED RECORDED IN DOCUMENT NUMBER 2018-7279 (D.R.G.C.T.);

THENCE SOUTH 01 DEGREES 10 MINUTES 29 SECONDS WEST, WITH AN EAST LINE OF SAID FIRST REFERENCED BILLY ROBERTS TRACT AND THE WEST LINE OF SAID WADE TRACT, THE WEST LINE OF THAT TRACT OF LAND DESCRIBED TO WELDON CHAD ROPER BY SPECIAL WARRANTY DEED RECORDED IN DOCUMENT NUMBER 2017-14405 (D.R.G.C.T.), THE WEST LINE OF THAT TRACT OF LAND DESCRIBED TO MARY LOU ALEXANDER BY GENERAL WARRANTY DEED RECORDED IN DOCUMENT NUMBER 2014-18097, A DISTANCE OF 264.00 FEET TO A 1/2-INCH FIR FOR AN EXTERIOR "ELL" CORNER OF SAID FIRST REFERENCED BILLY ROBERTS TRACT AND THE NORTHERNMOST NORTHEAST CORNER OF THAT TRACT OF LAND DESCRIBED TO JASON GRAHAM BY GENERAL WARRANTY DEED RECORDED IN DOCUMENT NUMBER 2017-19246 (D.R.G.C.T.);

THENCE NORTH 86 DEGREES 11 MINUTES 19 SECONDS WEST, WITH A SOUTH LINE OF SAID FIRST REFERENCED BILLY ROBERTS TRACT AND A NORTH LINE OF SAID GRAHAM TRACT, A DISTANCE OF 156.47 FEET TO A 1/2-INCH FIR FOR THE NORTHWEST CORNER OF SAID GRAHAM TRACT;

THENCE SOUTH 02 DEGREES 16 MINUTES 03 SECONDS WEST, WITH AN EAST LINE OF SAID FIRST REFERENCED BILLY ROBERTS TRACT AND THE WEST LINE OF THAT TRACT OF LAND DESCRIBED TO KIM JOSEPH LEA BY GENERAL WARRANTY DEED RECORDED IN DOCUMENT NUMBER 2018-8513 (D.R.G.C.T.), THE WEST LINE OF THAT TRACT OF LAND DESCRIBED TO WILLIAM E. SNAPP & SHEILA D. SNAPP BY GENERAL WARRANTY RECORDED IN VOLUME 2207, PAGE 420 (D.R.G.C.T.), THE WEST LINE OF THAT TRACT OF LAND DESCRIBED AS "TRACT NO. 2" TO JOHN D. McKEE BY WARRANTY DEED RECORDED IN VOLUME 1348, PAGE 50, THE WEST LINE OF THAT TRACT OF LAND DESCRIBED TO PHYLLIS WOODS BY GENERAL WARRANTY DEED RECORDED IN VOLUME 2835, PAGE 421 (D.R.G.C.T.) A DISTANCE OF 1,148.97 FEET TO A POINT FOR CORNER, SAID POINT LYING ON THE NORTH LINE OF THAT TRACT OF LAND DESCRIBED TO NOVELLA M. CRIPE, ET AL BY WARRANTY DEED RECORDED IN DOCUMENT NUMBER 2012-22099 (D.R.G.C.T.);

THENCE NORTH 87 DEGREES 06 MINUTES 18 SECONDS WEST, WITH A SOUTH LINE OF SAID FIRST REFERENCED BILLY ROBERTS TRACT AND THE NORTH LINE OF SAID NOVELLA CRIPE TRACT, AND THE NORTH LINE OF THAT TRACT OF LAND DESCRIBED TO EARL CRIPE BY GENERAL WARRANTY DEED RECORDED IN DOCUMENT NUMBER 2014-6046 (D.R.G.C.T.), A DISTANCE OF 517.18 FEET TO A POINT FOR THE NORTHWEST CORNER OF SAID EARL CRIPE TRACT AND AN INTERIOR "ELL" CORNER OF SAID FIRST REFERENCED BILLY ROBERTS TRACT;

THENCE SOUTH 00 DEGREES 00 MINUTES 01 SECONDS EAST, WITH AN EAST LINE OF SAID FIRST REFERENCED BILLY ROBERTS TRACT AND THE WEST LINE OF SAID EARL CRIPE TRACT AND THE WEST LINE OF THAT TRACT OF LAND DESCRIBED TO EARL CRIPE BY GENERAL WARRANTY DEED

RECORDED IN DOCUMENT NUMBER 2022-6909 (D.R.G.C.T.), A DISTANCE OF 570.40 FEET TO A 1/2-INCH FIR FOR THE SOUTHWEST CORNER OF SAID SECOND REFERENCED EARL CRIFE TRACT AND BEING THE NORTHWEST CORNER OF THAT TRACT OF LAND DESCRIBED TO LEWIS E. SIMPSON & JUANITA SIMPSON BY DEED RECORDED IN VOLUME 1191, PAGE 729 (D.R.G.C.T.);

THENCE SOUTH 01 DEGREES 42 MINUTES 35 SECONDS EAST, WITH AN EAST LINE OF SAID FIRST REFERENCED BILLY ROBERTS TRACT AND THE WEST LINE OF SAID SIMPSON TRACT, A DISTANCE OF 286.28 FEET TO A POINT FOR THE SOUTHERNMOST SOUTHEAST CORNER OF THE HEREIN DESCRIBED TRACT;

THENCE SOUTH 89 DEGREES 07 MINUTES 15 SECONDS WEST, DEPARTING THE EAST LINE OF SAID FIRST REFERENCED BILLY ROBERTS TRACT, OVER, ACROSS AND UPON SAID FIRST REFERENCED BILLY ROBERTS TRACT, A DISTANCE OF 70.01 FEET TO A POINT FOR CORNER;

THENCE NORTH 01 DEGREES 42 MINUTES 32 SECONDS WEST, CONTINUING THROUGH SAID FIRST REFERENCED BILLY ROBERTS TRACT, A DISTANCE OF 208.10 FEET TO A POINT FOR CORNER;

THENCE SOUTH 89 DEGREES 07 MINUTES 15 SECONDS WEST, CONTINUING THROUGH SAID FIRST REFERENCED BILLY ROBERTS TRACT, A DISTANCE OF 289.23 FEET TO A POINT FOR CORNER, SAID POINT LYING ON THE WEST LINE OF SAID FIRST REFERENCED BILLY ROBERTS TRACT AND ON THE EAST LINE OF SAID "TRACT ONE";

THENCE SOUTH 00 DEGREES 27 MINUTES 24 SECONDS WEST, WITH THE EAST LINE OF SAID "TRACT ONE" AND THE WEST LINE OF SAID FIRST REFERENCED BILLY ROBERTS TRACT, A DISTANCE OF 238.91 FEET TO A POINT FOR CORNER, SAID POINT LYING ON THE SOUTH LINE OF SAID "TRACT ONE" TRACT AND THE NORTH LINE OF A CALLED 16.02 ACRE TRACT OF LAND DESCRIBED TO SCOTT REAGAN SHADDEN AND WIFE, TAMELA JO SHADDEN BY WARRANTY DEED RECORDED IN VOLUME 2337, PAGE 543 (D.R.G.C.T.);

THENCE SOUTH 89 DEGREES 09 MINUTES 50 SECONDS WEST, WITH THE SOUTH LINE OF SAID "TRACT ONE" AND THE NORTH LINE OF SAID 16.02 ACRE TRACT AND THE NORTH LINE OF A CALLED 18.90 ACRE TRACT DESCRIBED TO SCOTT REAGAN SHADDEN AND WIFE, TAMELA JO SHADDEN BY WARRANTY DEED RECORDED IN VOLUME 2337, PAGE 543 (D.R.G.C.T.), A DISTANCE OF 938.73 FEET TO A POINT FOR THE WESTERNMOST NORTHWEST CORNER OF SAID 18.90 ACRE TRACT AND THE SOUTHWEST CORNER OF SAID "TRACT ONE", SAID POINT LYING ON THE EAST LINE OF BLOCK 1, CEDAR HILL ESTATES ADDITION, AN ADDITION TO THE CITY OF SHERMAN, GRAYSON COUNTY, TEXAS ACCORDING TO THE PLAT THEREOF RECORDED IN VOLUME 15, PAGE 35, PLAT RECORDS GRAYSON COUNTY, TEXAS;

THENCE NORTH 06 DEGREES 50 MINUTES 18 SECONDS EAST, WITH A WEST LINE OF SAID "TRACT ONE" AND THE EAST LINE OF SAID BLOCK 1, A DISTANCE OF 1,206.12 FEET TO A 1/2-INCH FIR FOR THE NORTHEAST CORNER OF SAID BLOCK 1;

THENCE SOUTH 89 DEGREES 24 MINUTES 29 SECONDS WEST, WITH A SOUTH LINE OF SAID "TRACT ONE" AND THE NORTH LINE OF SAID BLOCK 1, A DISTANCE OF 674.40 FEET TO A 1/2-INCH FIR FOR THE SOUTHERNMOST SOUTHWEST CORNER OF SAID "TRACT ONE" AND THE EASTERNMOST SOUTHEAST CORNER OF THAT TRACT OF LAND DESCRIBED TO MICHAEL S. BLOUNT & BRANDY M. BLOUNT BY SPECIAL WARRANTY DEED RECORDED IN 2010-18802 (D.R.G.C.T.);

THENCE NORTH 01 DEGREES 17 MINUTES 19 SECONDS WEST, DEPARTING THE NORTH LINE OF SAID BLOCK 1, WITH THE WEST LINE OF SAID "TRACT ONE" AND THE EAST LINE OF SAID BLOUNT TRACT, A DISTANCE OF 681.59 FEET TO A 1/2-INCH FIR FOR THE NORTHWEST CORNER OF SAID "TRACT ONE" AND THE SOUTHWEST CORNER OF SAID FIRST-REFERENCED LANDHORN, LLC TRACT;

THENCE NORTH 01 DEGREES 28 MINUTES 38 SECONDS WEST, WITH A WEST LINE OF SAID FIRST-REFERENCED LANDHORN, LLC TRACT AND THE EAST LINE OF SAID BLOUNT TRACT, A DISTANCE OF 444.48 FEET TO A POINT FOR CORNER, SAID POINT LYING IN THE APPROXIMATE CENTERLINE OF A CREEK;

THENCE NORTH 54 DEGREES 10 MINUTES 44 SECONDS WEST, ALONG THE APPROXIMATE CENTERLINE OF SAID CREEK, A DISTANCE OF 138.66 FEET TO A POINT FOR CORNER;

THENCE SOUTH 82 DEGREES 54 MINUTES 46 SECONDS WEST, ALONG THE APPROXIMATE CENTERLINE OF SAID CREEK, A DISTANCE OF 92.06 FEET TO A POINT FOR CORNER;

THENCE NORTH 72 DEGREES 17 MINUTES 13 SECONDS WEST, ALONG THE APPROXIMATE CENTERLINE OF SAID CREEK, A DISTANCE OF 63.27 FEET TO A POINT FOR CORNER;

THENCE NORTH 36 DEGREES 59 MINUTES 54 SECONDS WEST, ALONG THE APPROXIMATE CENTERLINE OF SAID CREEK, A DISTANCE OF 77.39 FEET TO A POINT FOR CORNER;

THENCE NORTH 20 DEGREES 43 MINUTES 25 SECONDS WEST, ALONG THE APPROXIMATE CENTERLINE OF SAID CREEK, A DISTANCE OF 44.49 FEET TO A POINT FOR CORNER;

THENCE SOUTH 39 DEGREES 50 MINUTES 44 SECONDS WEST, ALONG THE APPROXIMATE CENTERLINE OF SAID CREEK, A DISTANCE OF 40.41 FEET TO A POINT FOR CORNER;

THENCE NORTH 68 DEGREES 10 MINUTES 08 SECONDS WEST, ALONG THE APPROXIMATE CENTERLINE OF SAID CREEK, A DISTANCE OF 37.90 FEET TO A POINT FOR CORNER;

THENCE NORTH 42 DEGREES 09 MINUTES 44 SECONDS WEST, ALONG THE APPROXIMATE CENTERLINE OF SAID CREEK, A DISTANCE OF 44.91 FEET TO A POINT FOR CORNER;

THENCE NORTH 85 DEGREES 17 MINUTES 01 SECONDS WEST, ALONG THE APPROXIMATE CENTERLINE OF SAID CREEK, A DISTANCE OF 44.30 FEET TO A POINT FOR CORNER;

THENCE SOUTH 56 DEGREES 44 MINUTES 58 SECONDS WEST, ALONG THE APPROXIMATE CENTERLINE OF SAID CREEK, A DISTANCE OF 89.02 FEET TO A POINT FOR CORNER;

THENCE NORTH 74 DEGREES 11 MINUTES 40 SECONDS WEST, ALONG THE APPROXIMATE CENTERLINE OF SAID CREEK, A DISTANCE OF 47.32 FEET TO A POINT FOR CORNER;

THENCE NORTH 23 DEGREES 48 MINUTES 11 SECONDS WEST, ALONG THE APPROXIMATE CENTERLINE OF SAID CREEK, A DISTANCE OF 71.75 FEET TO A POINT FOR CORNER;

THENCE NORTH 02 DEGREES 48 MINUTES 10 SECONDS EAST, ALONG THE APPROXIMATE CENTERLINE OF SAID CREEK, A DISTANCE OF 27.46 FEET TO A POINT FOR CORNER;

THENCE NORTH 48 DEGREES 06 MINUTES 05 SECONDS EAST, ALONG THE APPROXIMATE CENTERLINE OF SAID CREEK, A DISTANCE OF 54.57 FEET TO A POINT FOR CORNER;

THENCE NORTH 02 DEGREES 36 MINUTES 03 SECONDS EAST, ALONG THE APPROXIMATE CENTERLINE OF SAID CREEK, A DISTANCE OF 52.20 FEET TO A POINT FOR CORNER;

THENCE SOUTH 87 DEGREES 17 MINUTES 04 SECONDS EAST, DEPARTING THE APPROXIMATE CENTERLINE OF SAID CREEK, OVER, ACROSS AND UPON SAID SECOND-REFERENCED LONGHORN, LLC TRACT, A DISTANCE OF 59.93 FEET TO A 1/2-INCH CAPPED IRON ROD SATMPED "RPLS 4709" FOUND FOR CORNER;

THENCE NORTH 08 DEGREES 38 MINUTES 06 SECONDS EAST, CONTINUING THROUGH SAID SECOND-REFERENCED LONGHORN, LLC TRACT, A DISTANCE OF 90.27 FEET TO A 1/2-INCH FIR FOR CORNER;

THENCE NORTH 13 DEGREES 21 MINUTES 51 SECONDS EAST, CONTINUING THROUGH SAID SECOND-REFERENCED LONGHORN, LLC TRACT, A DISTANCE OF 72.28 FEET TO A 1/2-INCH FIR FOR CORNER;

THENCE NORTH 03 DEGREES 39 MINUTES 54 SECONDS EAST, CONTINUING THROUGH SAID SECOND-REFERENCED LONGHORN, LLC TRACT, A DISTANCE OF 29.80 FEET TO A 1/2-INCH FIR FOR CORNER, SAID POINT LYING ON A SOUTH LINE OF THAT SAME TRACT OF LAND DESCRIBED TO JANICE DELANO & BRIAN DELANO, BY WARRANTY DEED RECORDED IN DOCUMENT NUMBER 2020-27593 (D.R.G.C.T.) AND ON A NORTH LINE OF SAID SECOND-REFERENCED LONGHORN, LLC TRACT;

THENCE NORTH 36 DEGREES 25 MINUTES 17 SECONDS WEST, OVER, ACROSS AND UPON SAID JANICE DELANO TRACT, A DISTANCE OF 135.06 FEET TO A 1/2-INCH FIR FOR CORNER;

THENCE NORTH 58 DEGREES 50 MINUTES 56 SECONDS WEST, CONTINUING THROUGH SAID JANICE DELANO TRACT, A DISTANCE OF 55.09 FEET TO A 1/2-INCH FIR FOR CORNER;

THENCE SOUTH 88 DEGREES 40 MINUTES 40 SECONDS WEST, CONTINUING THROUGH SAID JANICE DELANO TRACT, A DISTANCE OF 342.48 FEET TO A 1/2-INCH FIR FOR A COMMON CORNER OF SAID JANICE DELANO TRACT AND THAT SAME TRACT OF LAND DESCRIBED TO JASON ATKINS BY WARRANTY DEED RECORDED IN VOLUME 2117, PAGE 352 ( D.R.G.C.T.);

THENCE NORTH 01 DEGREES 19 MINUTES 20 SECONDS WEST, WITH A WEST LINE OF SAID JANICE DELANO TRACT AND AN EAST LINE OF SAID ATKINS TRACT, A DISTANCE OF 397.46 FEET TO A POINT FOR CORNER, SAID POINT LYING IN THE APPROXIMATE CENTERLINE OF A CREEK;

THENCE NORTH 23 DEGREES 24 MINUTES 04 SECONDS EAST, ALONG THE CENTERLINE OF SAID CREEK, A DISTANCE OF 64.27 FEET TO A POINT FOR CORNER;

THENCE NORTH 10 DEGREES 39 MINUTES 25 SECONDS EAST, ALONG THE CENTERLINE OF SAID CREEK, A DISTANCE OF 109.85 FEET TO A POINT FOR CORNER;

THENCE NORTH 09 DEGREES 34 MINUTES 20 SECONDS WEST, ALONG THE CENTERLINE OF SAID CREEK, A DISTANCE OF 54.95 FEET TO A POINT FOR CORNER;

THENCE NORTH 50 DEGREES 22 MINUTES 18 SECONDS EAST, ALONG THE CENTERLINE OF SAID CREEK, A DISTANCE OF 55.21 FEET TO A POINT FOR CORNER;

THENCE SOUTH 67 DEGREES 18 MINUTES 19 SECONDS EAST, ALONG THE CENTERLINE OF SAID CREEK, A DISTANCE OF 25.80 FEET TO A POINT FOR CORNER;

THENCE SOUTH 29 DEGREES 10 MINUTES 00 SECONDS EAST, ALONG THE CENTERLINE OF SAID CREEK, A DISTANCE OF 47.36 FEET TO A POINT FOR CORNER;

THENCE SOUTH 33 DEGREES 46 MINUTES 39 SECONDS EAST, ALONG THE CENTERLINE OF SAID CREEK, A DISTANCE OF 52.41 FEET TO A POINT FOR CORNER;

THENCE NORTH 79 DEGREES 58 MINUTES 18 SECONDS EAST, ALONG THE CENTERLINE OF SAID CREEK, A DISTANCE OF 42.67 FEET TO A POINT FOR CORNER;

THENCE NORTH 21 DEGREES 27 MINUTES 48 SECONDS EAST, ALONG THE CENTERLINE OF SAID CREEK, A DISTANCE OF 115.02 FEET TO A POINT FOR CORNER;

THENCE SOUTH 46 DEGREES 13 MINUTES 52 SECONDS EAST, ALONG THE CENTERLINE OF SAID CREEK, A DISTANCE OF 95.28 FEET TO A POINT FOR CORNER;

THENCE NORTH 46 DEGREES 55 MINUTES 08 SECONDS EAST, ALONG THE CENTERLINE OF SAID CREEK, A DISTANCE OF 80.30 FEET TO A POINT FOR CORNER;

THENCE NORTH 11 DEGREES 08 MINUTES 44 SECONDS EAST, ALONG THE CENTERLINE OF SAID CREEK, A DISTANCE OF 96.61 FEET TO A POINT FOR CORNER;

THENCE NORTH 48 DEGREES 12 MINUTES 05 SECONDS EAST, ALONG THE CENTERLINE OF SAID CREEK, A DISTANCE OF 83.67 FEET TO A POINT FOR CORNER;

THENCE NORTH 38 DEGREES 57 MINUTES 03 SECONDS EAST, ALONG THE CENTERLINE OF SAID CREEK, A DISTANCE OF 61.00 FEET TO A POINT FOR CORNER;

THENCE NORTH 30 DEGREES 23 MINUTES 03 SECONDS WEST, ALONG THE CENTERLINE OF SAID CREEK, A DISTANCE OF 48.54 FEET TO A POINT FOR CORNER;

THENCE NORTH 07 DEGREES 50 MINUTES 29 SECONDS EAST, ALONG THE CENTERLINE OF SAID CREEK, A DISTANCE OF 87.58 FEET TO A POINT FOR CORNER;

THENCE NORTH 26 DEGREES 43 MINUTES 55 SECONDS EAST, ALONG THE CENTERLINE OF SAID CREEK, A DISTANCE OF 75.70 FEET TO A POINT FOR CORNER;

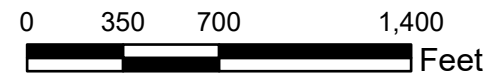
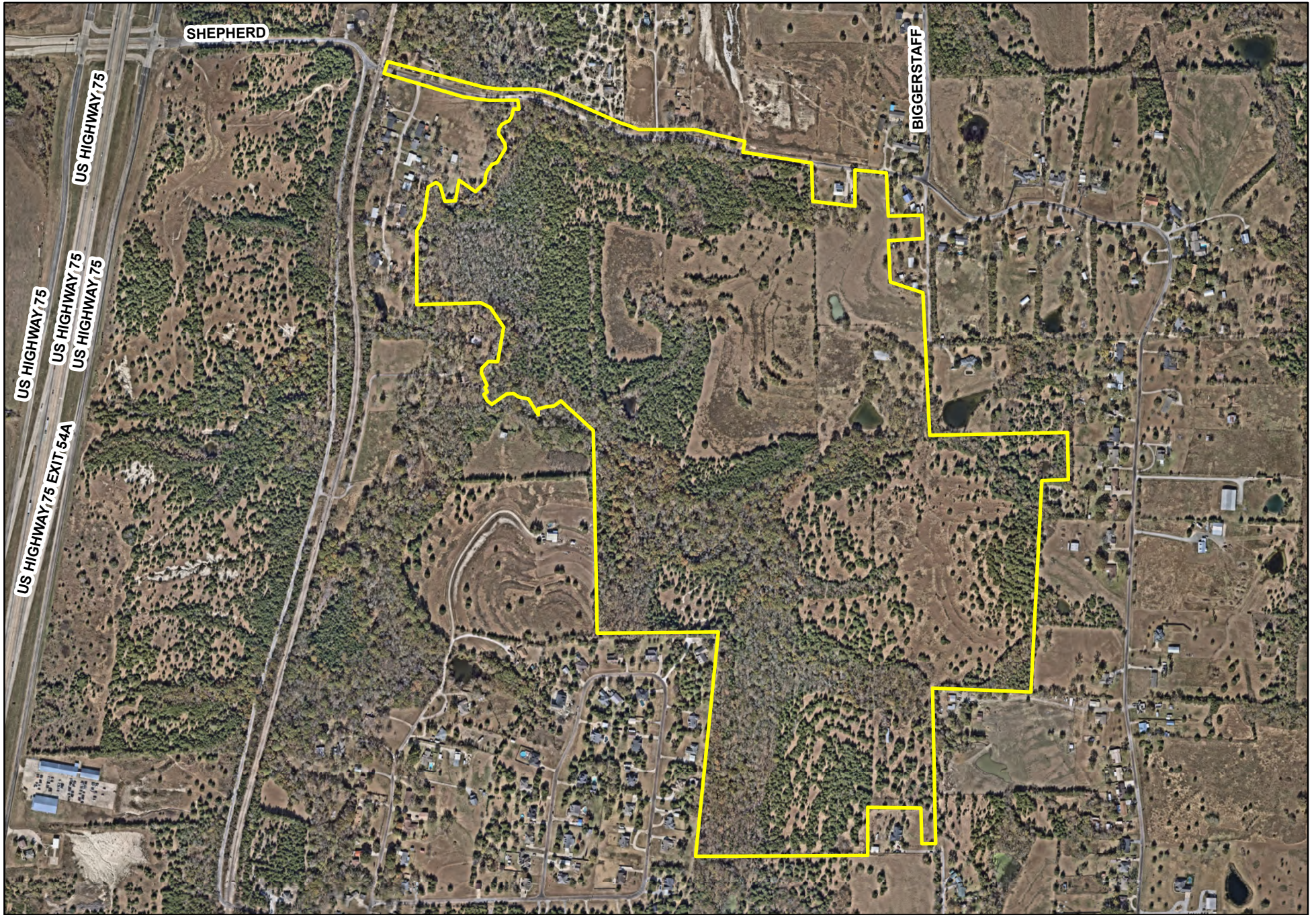
THENCE NORTH 00 DEGREES 41 MINUTES 32 SECONDS WEST, ALONG THE CENTERLINE OF SAID CREEK, A DISTANCE OF 46.66 FEET TO A POINT FOR AN INTERIOR "ELL" CORNER OF SAID FIRST-REFERENCED LONGHORN, LLC TRACT AND A NORTHEAST CORNER OF THAT TRACT OF LAND DESCRIBED TO MICKEY E. McCOLLUM & BOBBIE A. McCOLLUM BY DEED RECORDED IN VOLUME 2396, PAGE 523 (D.R.G.C.T.), SAID POINT LYING ON THE SOUTH RIGHT-OF-WAY LINE OF SAID TATE CIRCLE;

THENCE SOUTH 89 DEGREES 18 MINUTES 28 SECONDS WEST, WITH A SOUTH LINE OF SAID FIRST-REFERENCED LONGHORN, LLC TRACT, WITH THE SOUTH RIGHT-OF-WAY LINE OF SAID TATE CIRCLE, AND A NORTH LINE OF SAID McCOLLUM TRACT A DISTANCE OF 85.51 FEET TO A 1/2-INCH FIR FOR CORNER AND BEING THE BEGINNING OF A CURVE TO THE RIGHT, HAVING A RADIUS OF 703.20 FEET, A CENTRAL ANGLE OF 17 DEGREES 30 MINUTES 44 SECONDS AND A CHORD BEARING AND DISTANCE OF NORTH 81 DEGREES 59 MINUTES 43 SECONDS WEST, 214.09 FEET;

THENCE IN A NORTHWESTERLY DIRECTION, WITH THE CURVING SOUTHWEST RIGHT-OF-WAY LINE OF SAID TATE CIRCLE, ALONG SAID CURVE TO THE RIGHT, AN ARC LENGTH OF 214.93 FEET, TO A 1/2-INCH FIR FOR CORNER;

THENCE NORTH 73 DEGREES 09 MINUTES 29 SECONDS WEST, WITH A SOUTH LINE OF SAID FIRST-REFERENCED LONGHORN, LLC TRACT, THE SOUTH RIGHT-OF-WAY LINE OF SAID TATE CIRCLE, A DISTANCE OF 397.71 FEET TO THE POINT OF BEGINNING AND CONTAINING 183.681 ACRES OR 8,001,128 SQUARE FEET OF LAND, MORE OR LESS

# Annexation - Sherman Lakes





**City Council Regular Meeting**

Agenda Item No. I.2.

**Meeting Date:** 5/4/2026

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

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

**Caption:**

**\* OTHER BUSINESS**

Approve the Investment Reports for the Quarter Ended March 31, 2026

**Issue:**

To approve the Investment Reports for the Quarter Ended March 31, 2026

**Background:**

The total operating portfolio book value of about \$60.6 million increased by \$19.7 million from the previous quarter primarily due to deposits to Local Government Investment Pools, purchases of U.S. Agency and U.S. Treasury securities and State of Texas political subdivision obligations, and from calls and maturities. The underlying investments were adequately diversified among five different types of securities. The portfolio's weighted-average maturity of 397 days decreased from 400 days last quarter. The portfolio yield of 3.88% was 20 basis points above our benchmark 1-year Constant Maturity Treasury Index of 3.68%. Book value approximated market value.

The debt proceeds portfolio balance of \$65.4 million decreased by \$8 million due to withdrawals for project payments. The portfolio includes Local Government Investment Pools and a U.S. Agency. The portfolio's weighted-average maturity of 15 days increased from 9 days from the previous quarter. The portfolio yield of 3.75% was 1 basis point above the benchmark yield for this portfolio, the 4-week Constant Maturity Index of 3.74%. Book value approximated market value.

**Capital Improvement Program:**

**Origination:**

Finance Department

**Financial Consideration:**

None

**Staff Recommendation:**

Staff recommends the Council approve the Investment Reports as presented.

**Alternatives:**

The Council could make suggestions and request more frequent reporting.

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**Attachments:**

1. 2026-03-31 Investment Report w\_Memo

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**DATE:** April 20, 2026

**TO:** The City of Sherman Investment Committee  
Councilman Juston Dobbs  
Deputy Mayor Pam Howeth  
Zachary Flores, City Manager

**FROM:** Mary Lawrence, Chief Financial Officer *ml*

**SUBJECT:** Investment Reports for the Quarter Ended March 31, 2026.

Enclosed is a copy of the quarterly investment reports for March 31, 2026. As of that date, the City followed all applicable state laws and internal policies for the portfolio.

The total operating portfolio book value of about \$60.6 million increased by \$19.7 million from the previous quarter primarily due to deposits to Local Government Investment Pools, purchases of U.S. Agency and U.S. Treasury securities and State of Texas political subdivision obligations, and from calls and maturities. The underlying investments were adequately diversified among five different types of securities. The portfolio's weighted-average maturity of 397 days decreased from 400 days last quarter. The portfolio yield of 3.88% was 20 basis points above our benchmark 1-year Constant Maturity Treasury Index of 3.68%. Book value approximated market value.

The debt proceeds portfolio balance of \$65.4 million decreased by \$8 million due to withdrawals for project payments. The portfolio includes Local Government Investment Pools and a U.S. Agency. The portfolio's weighted-average maturity of 15 days increased from 9 days from the previous quarter. The portfolio yield of 3.75% was 1 basis point above the benchmark yield for this portfolio, the 4-week Constant Maturity Index of 3.74%. Book value approximated market value.

The investment reports will be on the May 4, 2026, City Council agenda for their review and approval. Please call me if you have any questions about this item.

attachment (as stated above)



**CITY OF SHERMAN, TEXAS  
INVESTMENT PORTFOLIO SUMMARY  
For the Quarter Ending March 31, 2026**

Total Portfolio Summary			
	Current Quarter 3/31/2026	Prior Quarter 12/31/2025	Change From Prior Quarter
Book Value	\$ 60,633,162	\$ 40,922,105	\$ 19,711,056
Market Value	\$ 60,660,083	\$ 41,081,284	\$ 19,578,819
Weighted Average Maturity - Days	397	400	(3)
Weighted Average Yield	3.88%	4.04%	-0.16%
Earned Income	\$ 486,364	\$ 469,736	\$ 16,628
Earned Income - Year-to-Date	\$ 956,100	\$ 469,736	\$ 486,364

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

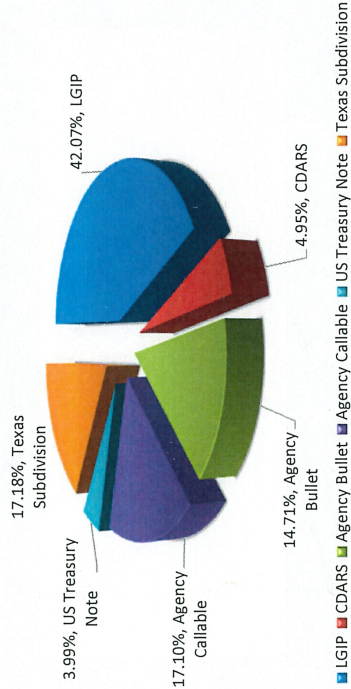
As of March 31, 2026, the City's portfolio had a book value of \$60.6 million and a market value of \$60.7 million. Of this amount, approximately \$25.5 million was held in Local Government Investment Pools (LGIP), \$3 million was held in Certificates of Deposit (CD), \$19.3 million was held in U.S. Agency Securities, \$2.4 million was held in U.S. Treasury Notes and \$10.4 million was held in State of Texas political subdivision obligations.

The portfolio value increased by \$19.7 million from the previous quarter due to deposits of \$10 million to Local Government Investment Pools and purchases of \$7.9 million of U.S. Agency Securities, \$1.5 million of U.S. Treasury Notes and \$2.4 million of State of Texas political subdivision obligations. There were also maturities of \$1.6 million of State of Texas political subdivision obligations and a call of \$0.8 of US Agency Securities.

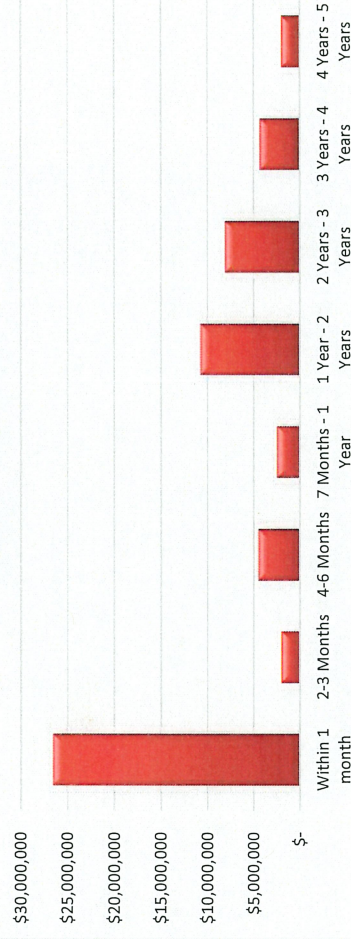
The weighted average yield of the portfolio was 3.88%, which is 20 basis points more than the 1-year Constant Maturity Treasury Index of 3.68%, and 16 basis points less than the previous quarter.

The weighted average maturity of the portfolio decreased from 400 days at December 31, 2025, to 397 days at March 31, 2026.

**Portfolio by Security Type**



**Maturity Time Frame**



*Mary Lawrence*

Mary Lawrence, Chief Financial Officer and City of Sherman Investment Officer

*Jana Walker*

Jana Walker, Controller and City of Sherman Investment Officer

CUSIP	Settlement Date	Security Type	Security Description	CPN Rate	Maturity Date	Credit Rating	Par Value	Purchase Price	Original Cost	Book Value	Market Price	Market Value	Days to Maturity	YTM
TexPool		LGP	TexPool		4/1/2026	AAA	\$ 5,008,514	100.00	\$ 5,008,514	\$ 5,008,514	100.00	\$ 5,008,514	1	3.69%
TexPool Prime		LGP	TexPool Prime		4/1/2026	AAA	9,014,753	100.00	9,014,753	9,014,753	100.00	9,014,753	1	3.83%
TexStar		LGP	TexSTAR		4/1/2026	AAA	8,811,821	100.00	8,811,821	8,811,821	100.00	8,811,821	1	3.68%
LOGIC		LGP	LOGIC		4/1/2026	AAA	2,001,870	100.00	2,001,870	2,001,870	100.00	2,001,870	1	3.82%
TexPool ARPA		LGP	TexPool ARPA		4/1/2026	AAA	671,997	100.00	671,997	671,997	100.00	671,997	1	3.69%
CDARS 1031524233	07/16/25	CDARS	Bank of Texas	4.01%	7/16/2026		2,000,000	100.00	2,000,000	2,000,000	100.00	2,000,000	107	4.09%
CDARS 1032488192	1/2/2026	CDARS	Bank of Texas	3.42%	12/30/2027		1,000,000	100.00	1,000,000	1,000,000	100.00	1,000,000	639	3.48%
313385VA1	09/23/25	Agency Bullet	FHLBND	0.00%	4/2/2026	AA+	980,476	98.05	980,476	989,793	99.98	999,800	2	3.80%
3130AMMJB	10/15/25	Texas Subdivision	Midland TX ISD	5.00%	5/1/2026	Aaa	1,006,650	100.665	1,006,650	1,001,052	100.09	1,000,880	31	3.75%
537096Z1	06/06/21	Agency Callable	FHLB	1.50%	6/9/2026	AA+	1,000,000	100.00	1,000,000	1,000,000	99.57	995,690	70	0.40%
876448DY4	01/19/24	Texas Subdivision	Little Elm TX ISD	0.00%	8/15/2026	AA+	480,000	89.228	428,294	472,462	98.53	472,930	137	4.50%
4637778E5	01/24/23	Texas Subdivision	Tarrant TX Regl Water Dist	0.75%	9/1/2026	AA	400,000	89.195	356,780	395,035	98.75	394,992	154	4.00%
3133ER996	02/07/23	Texas Subdivision	Irving Tx Table	1.47%	9/15/2026	AA	600,000	91.000	549,467	593,011	98.97	593,826	168	4.18%
3133ET16T9	12/24/24	Agency Bullet	FFCB	4.25%	9/24/2026	AA+	1,000,000	99.954	999,540	999,873	100.20	1,002,040	177	4.28%
91282CJT9	02/02/26	Agency Bullet	FHLBND	0.00%	10/9/2026	AA+	1,500,000	97.610	1,464,154	1,472,572	98.09	1,471,365	192	3.57%
3133ET16T9	02/02/24	US Treasury Note	US Treasury	4.00%	1/15/2027	AA+	1,000,000	99.585	995,703	998,840	100.20	1,001,970	290	4.16%
798765MK6	01/20/26	Agency Callable	FFCB	3.60%	4/9/2027	AA+	1,500,000	100.000	1,500,000	1,500,000	99.84	1,497,600	374	3.60%
53A0	03/26/25	Texas Subdivision	San Marcos TX	1.24%	8/15/2027	AA	500,000	93.580	467,910	481,508	96.56	482,780	502	4.09%
1164753A0	01/24/24	Texas Subdivision	Brownsville TXD USR	1.48%	9/1/2027	AA+	1,210,000	90.040	1,089,484	1,162,518	96.53	1,168,025	519	4.50%
429335NL2	03/20/26	Texas Subdivision	Hidalgo County TX Drain Dist #1	3.84%	9/1/2027	AA-	1,500,000	99.982	1,499,730	1,499,735	99.98	1,499,625	519	3.85%
3130ANUM0	03/26/25	Agency Bullet	FHLB	1.55%	9/15/2027	AA+	1,500,000	94.250	1,413,717	1,449,046	96.83	1,452,420	533	4.02%
882669CS1	01/20/26	Texas Subdivision	TXSGEN	1.612%	2/1/2028	AA+	935,000	96.140	898,909	902,365	95.89	896,534	672	3.60%
052404QJ2	02/06/25	Texas Subdivision	Austin Texas Community College Dist	1.58%	2/1/2028	AA+	800,000	92.453	739,624	762,876	95.83	766,624	672	4.30%
31424WSY9	01/03/25	Agency Bullet	FAMCA	4.36%	3/3/2028	AA+	1,000,000	100.000	1,000,000	1,000,000	100.86	1,008,600	703	4.36%
3133ETBA4	03/27/25	Agency Bullet	FFCB	3.88%	3/27/2028	AA+	1,000,000	99.870	998,738	999,162	99.96	999,620	727	3.92%
91282CBZ3	03/24/26	US Treasury Note	US Treasury	2.02%	4/30/2028	AA+	1,500,000	94.707	1,420,598	1,421,228	94.90	1,423,530	761	3.90%
248415XT3	07/10/24	Texas Subdivision	Denison TX ISD	2.02%	8/1/2028	AAA	975,000	91.204	889,239	925,751	95.85	934,567	854	4.41%
3130B9SJ0	03/11/26	Agency Bullet	FHLMC	3.85%	9/11/2028	AA+	1,000,000	100.000	1,000,000	1,000,000	99.51	985,130	895	3.85%
3130B9YN4	03/25/26	Agency Callable	FHLB	4.00%	9/25/2028	AA+	1,000,000	100.000	1,000,000	1,000,000	99.89	998,920	909	4.00%
3134HBDW8	03/27/25	Agency Callable	FHLMC	4.30%	9/27/2028	AA+	1,370,000	99.900	1,368,630	1,369,025	99.89	1,368,534	911	4.33%
2350368C7	02/06/25	Texas Subdivision	DFW TX Intl Arprt Rev	1.93%	11/1/2028	A1	430,000	91.660	394,138	405,177	94.63	406,896	946	4.48%
3130B04R7	02/22/24	Agency Callable	FHLB	4.65%	2/16/2029	AA+	1,000,000	100.000	1,000,000	1,000,000	100.42	1,004,240	1,053	4.65%
3134HCB65	03/23/26	Agency Callable	FHLMC	4.00%	3/23/2029	AA+	1,000,000	100.000	1,000,000	1,000,000	99.53	995,310	1,088	4.00%
261149AV0	02/06/25	Texas Subdivision	Downtown Dallas TA	0.00%	8/15/2029	A+	2,100,000	81.690	1,715,448	1,813,179	86.48	1,816,080	1,233	4.52%
3133ERR29	01/02/25	Agency Bullet	FFCB	4.38%	1/2/2030	AA+	1,000,000	100.000	1,000,000	1,000,000	101.30	1,013,020	1,373	4.38%
3130B4WP2	02/07/25	Agency Callable	FHLB	4.50%	2/7/2030	AA+	1,500,000	100.000	1,500,000	1,500,000	100.46	1,506,870	1,409	4.50%
3134HCPY9	01/21/26	Agency Callable	FHLMC	4.03%	10/21/2030	AA+	1,000,000	100.000	1,000,000	1,000,000	99.20	992,030	1,665	4.03%
3130B96R6	01/20/26	Agency Callable	FHLB	3.82%	1/17/2031	AA+	1,000,000	100.000	1,000,000	1,000,000	99.07	990,680	1,753	3.82%

**Total** \$ 61,308,955 \$ 60,186,184 \$ 60,633,162 \$ 60,660,083

CUSIP	Settle Date	Security Description	Maturity Date	Market Value 12/31/2025	Change in Market Value	Market Value 3/31/2026
TexPool		TexPool		\$ 7,917,260	\$ (2,908,746)	\$ 5,008,514
TexPool Prime		TexPool Prime		\$ -	9,014,753	\$ 9,014,753
TexStar		TexStar		6,736,237	2,075,584	\$ 8,811,821
LOGIC		LOGIC		-	2,001,870	\$ 2,001,870
TexPool ARPA		TexPool ARPA		665,923	6,074	\$ 671,997
CDARS 1028340563		Bank of Texas	1/2/2026	1,000,000	(1,000,000)	\$ -
CDARS 1031524233		Bank of Texas	7/16/2026	2,000,000	-	\$ 2,000,000
CDARS 1032488192		Bank of Texas	12/30/2027	-	1,000,000	\$ 1,000,000
79625GFC2	4/13/2022	San Antonio Tx Elec & Gas TXBI	2/1/2026	349,811	(349,811)	\$ -
232769JW0	9/2/2022	Cypress-Fairbanks TX Ind Sch	2/15/2026	500,755	(500,755)	\$ -
283822TK0	9/23/2025	El Paso Water & Sewer	3/1/2026	746,730	(746,730)	\$ -
313385VA1	9/23/2025	FHLBDN	4/2/2026	990,950	8,850	\$ 999,800
5977833U1	10/15/2025	Midland TX ISD	5/1/2026	1,003,650	(2,770)	\$ 1,000,880
3130AMMJ8	6/6/2021	FHLB	6/9/2026	991,090	4,600	\$ 995,690
5370962Z1	1/19/2024	Little Elm TX ISD	8/15/2026	468,514	4,416	\$ 472,930
876448DY4	1/24/2023	Tarrant Tx Regl Water Dist	9/1/2026	392,432	2,560	\$ 394,992
4637778E5	2/7/2023	Irving Tx Table	9/15/2026	591,342	2,484	\$ 593,826
3133ERP96	12/24/2024	FFCB	9/24/2026	1,004,420	(2,380)	\$ 1,002,040
313385J80	2/2/2026	FHLBDN	10/9/2026	-	1,471,365	\$ 1,471,365
91282CJT9	2/2/2024	US Treasury	1/15/2027	1,004,800	(2,830)	\$ 1,001,970
3133ET6T9	1/20/2026	FFCB	4/9/2027	-	1,497,600	\$ 1,497,600
798765MK6	3/26/2025	San Marcos TX	8/15/2027	481,555	1,225	\$ 482,780
1164753A0	1/24/2024	Brownsville TXD USR	9/1/2027	1,168,969	(944)	\$ 1,168,025
429335NL2	3/20/2026	Hidalgo County TX Drain Dist #1	9/1/2027	-	1,499,625	\$ 1,499,625
3130ANUM0	3/26/2025	FHLB	9/15/2027	1,450,920	1,500	\$ 1,452,420
882669CS1	1/20/2026	TXSGEN	2/1/2028	-	896,534	\$ 896,534
3130B4B42	12/23/2024	FHLB	12/23/2027	749,948	(749,948)	\$ -
052404QJ2	2/6/2025	Austin Texas Community College Dist	2/1/2028	767,608	(984)	\$ 766,624
31424WSY9	1/3/2025	FAMCA	3/3/2028	1,015,920	(7,320)	\$ 1,008,600
3133ETBA4	3/27/2025	FFCB	3/27/2028	1,006,010	(6,390)	\$ 999,620
91282CBZ3	3/24/2026	US Treasury	4/30/2028	-	1,423,530	\$ 1,423,530
248415XT3	7/10/2024	Denison TX ISD	8/1/2028	935,620	(1,053)	\$ 934,567
3130B9SJ0	3/11/2026	FHLMC	9/11/2028	-	995,130	\$ 995,130
3130B9YN4	3/25/2026	FHLB	9/25/2028	-	998,920	\$ 998,920
3134HBDW8	3/27/2025	FHLMC	9/27/2028	1,370,699	(2,165)	\$ 1,368,534
2350368C7	2/6/2025	DFW TX Intl Arpt Rev	11/1/2028	408,410	(1,514)	\$ 406,896
3130B04R7	2/22/2024	FHLB	2/16/2029	1,010,010	(5,770)	\$ 1,004,240
3134HCB65	3/23/2026	FHLMC	3/23/2029	-	995,310	\$ 995,310
261149AV0	2/6/2025	Downtown Dallas TA	8/15/2029	1,809,633	6,447	\$ 1,816,080
3133ERR29	1/2/2025	FFCB	1/2/2030	1,022,670	(9,650)	\$ 1,013,020
3130B4WP2	2/7/2025	FHLB	2/7/2030	1,519,380	(12,510)	\$ 1,506,870
3134HCPY9	1/21/2026	FHLMC	10/21/2030	-	992,030	\$ 992,030
3130B96R6	1/20/2026	FHLB	1/17/2031	-	990,680	\$ 990,680
<b>Total</b>				<b>\$ 41,081,264</b>	<b>\$ 19,578,819</b>	<b>\$ 60,660,083</b>

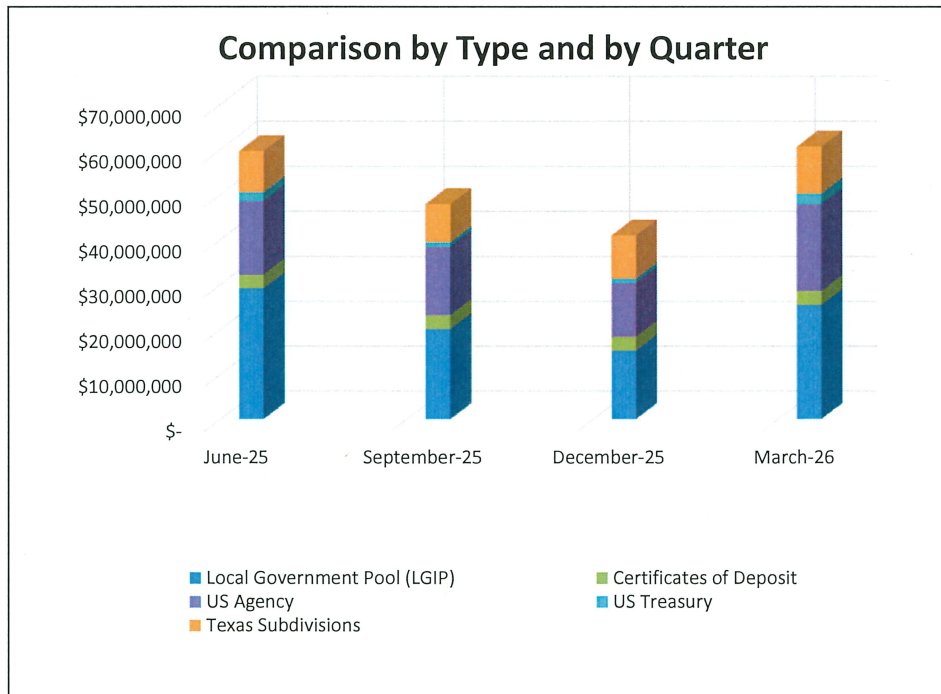
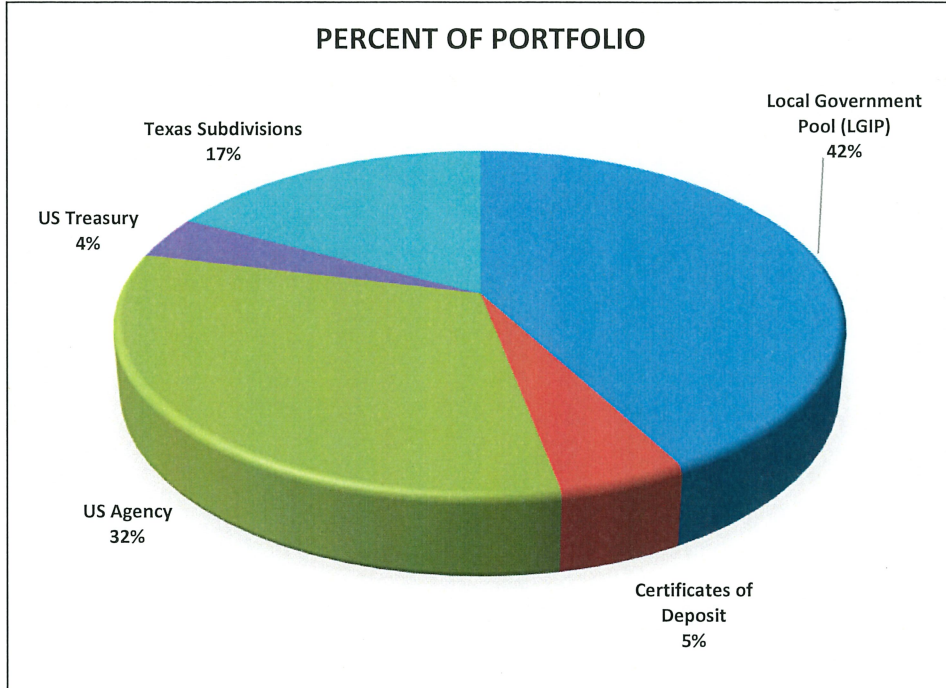


CITY OF SHERMAN, TX  
Investment Transaction Report  
As of 3/31/2026

Trade Date	Settle Date	CUSIP	Security Description	Coupon	Maturity Date	Call Date	Par Value	Principal Amount	Interest Purchased/Received	Total Amount	YTM
<b>Maturities, Calls and Withdrawals</b>											
	1/4/2024	CDARS 1028340563	Bank of Texas	4.40%	1/2/2026		\$ 1,000,000	\$ 1,000,000	121	\$ 1,000,121	4.50%
	4/13/2024	79625GFC2	San Antonio Tx Elec & Gas TXBI	3.15%	2/1/2026		350,000	350,000	5,505	355,505	3.15%
	9/2/2022	232769JW0	Cypress-Fairbanks TX Ind Sch	5.00%	2/15/2026		500,000	500,000	12,500	512,500	3.52%
	10/29/2025	283822TK0	El Paso Water & Sewer	1.04%	3/1/2026		750,000	750,000	3,889	753,889	3.59%
	11/1/2025	3130B4B42	FHLB	4.63%	12/23/2027	2/19/2026	750,000	750,000	5,395	755,395	4.63%
	3/18/2026	TexPool	TexPool				7,000,000	7,000,000		7,000,000	3.69%
<b>Purchases</b>											
	1/2/2026	CDARS 1032488192	Bank of Texas	3.42%	12/30/2027		1,000,000	1,000,000	8,353	1,008,353	3.48%
	1/20/2026	3133ET6T9	FFCB	3.60%	4/9/2027		1,500,000	1,500,000	-	1,500,000	3.60%
	1/20/2026	882669CS1	TXSGEN	1.61%	2/1/2028		935,000	898,909	7,536	906,445	3.60%
	1/20/2026	3130B96R6	FHLB	3.82%	1/17/2031		1,000,000	1,000,000	-	1,000,000	3.82%
	1/21/2026	3134HCPY9	FHLMC	4.03%	10/21/2030		1,000,000	1,000,000	-	1,000,000	4.03%
	2/2/2026	313385J80	FHLBDN	0.00%	10/9/2026		1,500,000	1,464,154	-	1,464,154	3.57%
	3/11/2026	3130B9SJ0	FHLMC	3.85%	9/11/2028		1,000,000	1,000,000	-	1,000,000	3.85%
	3/20/2026	429335NL2	Hidalgo County TX Drain Dist #1	3.84%	9/1/2027		1,500,000	1,499,730	-	1,499,730	3.85%
	3/23/2026	3134HCB65	FHLMC	4.00%	3/23/2029		1,000,000	1,000,000	-	1,000,000	4.00%
	3/24/2026	91282CBZ3	US Treasury	1.25%	4/30/2028		1,500,000	1,420,598	-	1,420,598	3.90%
	3/25/2026	3130B9YN4	FHLB	4.00%	9/25/2028		1,000,000	1,000,000	-	1,000,000	4.00%
	1/15/2026	TexPool	TexPool				3,000,000	3,000,000	-	3,000,000	3.69%
	1/20/2026	TexSTAR	TexSTAR				2,000,000	2,000,000	-	2,000,000	3.68%
	1/29/2026	TexPool	TexPool				1,000,000	1,000,000	-	1,000,000	3.69%
	3/10/2026	TexPool Prime	TexPool Prime				2,000,000	2,000,000	-	2,000,000	3.83%
	3/18/2026	TexPool Prime	TexPool Prime				7,000,000	7,000,000	-	7,000,000	3.83%
	3/23/2026	LOGIC	LOGIC				2,000,000	2,000,000	-	2,000,000	3.82%
<b>Income Payments</b>											
	3/31/2026	TexPool	TexPool		4/1/2026				91,255	91,255	3.69%
	3/31/2026	TexPool Prime	TexPool Prime		4/1/2026				14,753	14,753	3.83%
	3/31/2026	TexStar	TexSTAR		4/1/2026				75,583	75,583	3.68%
	3/31/2026	LOGIC	LOGIC		4/1/2026				1,869	1,869	3.82%
	3/31/2026	TexPool ARPA	TexPool ARPA		4/1/2026				6,073	6,073	3.69%
	3/31/2026	CDARS 1031524233	Bank of Texas		7/16/2026				19,801	19,801	4.09%
	3/1/2026	876448DY4	Tarrant Tx Regl Water Dist		9/1/2026				1,500	1,500	4.00%
	3/15/2026	4637778E5	Irving Tx Table		9/15/2026				4,395	4,395	4.18%
	3/31/2026	3133ERP96	FFCB		9/24/2026				21,250	21,250	4.28%
	1/15/2026	91282CJT9	US Treasury		1/15/2027				20,000	20,000	4.16%
	2/28/2026	798765MK6	San Marcos TX		8/15/2027				3,100	3,100	4.09%
	3/31/2026	1164753A0	Brownsville TXD USR		9/1/2027				8,936	8,936	4.50%
	3/31/2026	3130ANUM0	FHLB		9/15/2027				11,625	11,625	4.02%
	2/1/2026	052404QJ2	Austin Texas Community College Dist		2/1/2028				6,320	6,320	4.30%
	3/3/2026	31424WSY9	FAMCA		3/3/2028				21,800	21,800	4.36%
	3/31/2026	3133ETBA4	FFCB		3/27/2028				19,375	19,375	3.92%
	2/1/2026	248415XT3	Denison TX ISD		8/1/2028				9,838	9,838	4.41%
	3/31/2026	3134HBDW8	FHLMC		9/27/2028				29,455	29,455	4.33%
	2/16/2026	3130B04R7	FHLB		2/16/2029				23,250	23,250	4.65%
	1/2/2026	3133ERR29	FFCB		1/2/2030				21,875	21,875	4.38%
	2/7/2026	3130B4WP2	FHLB		2/7/2030				33,750	33,750	4.50%

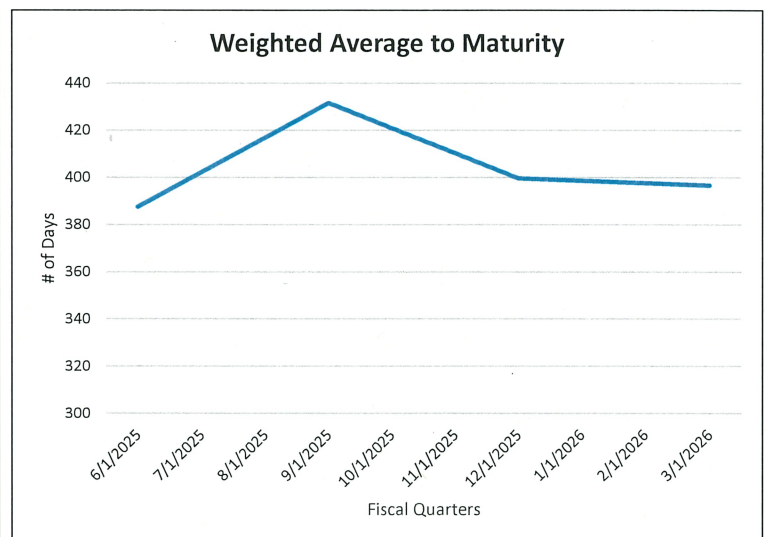
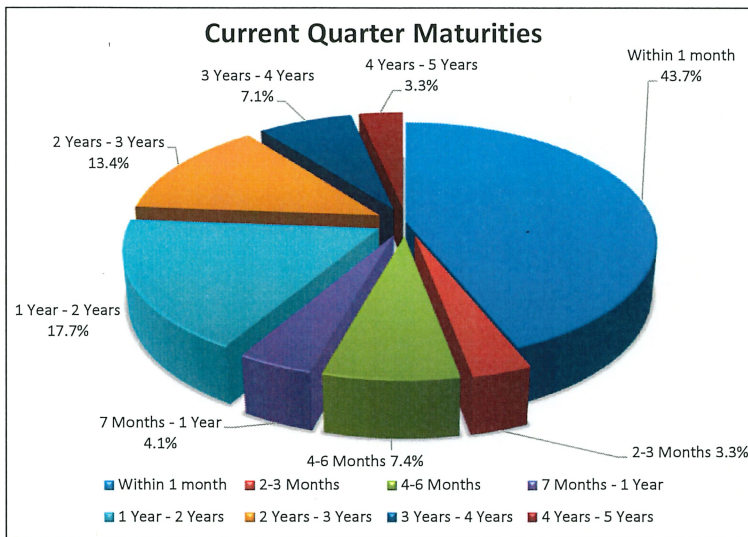
Total \$ 489,102

Cash/Investment Type	Balance 6/30/2025	Balance 9/30/2025	Balance 12/31/2025	Balance 3/31/2026	Percent of Portfolio	Portfolio Cap
Local Government Pool (LGIP)	\$ 29,205,612	\$ 20,141,094	\$ 15,319,420	\$ 25,508,955	42%	50.00%
Certificates of Deposit	3,000,000	3,000,000	3,000,000	3,000,000	5%	50.00%
US Agency	16,290,094	15,280,298	12,048,598	19,289,470	32%	50.00%
US Treasury	1,997,748	998,112	998,476	2,420,068	4%	50.00%
Texas Subdivisions	9,126,542	8,490,744	9,555,612	10,414,668	17%	50.00%
<b>Total</b>	<b>\$ 59,619,996</b>	<b>\$ 47,910,248</b>	<b>\$ 40,922,105</b>	<b>\$ 60,633,162</b>	<b>100.00%</b>	

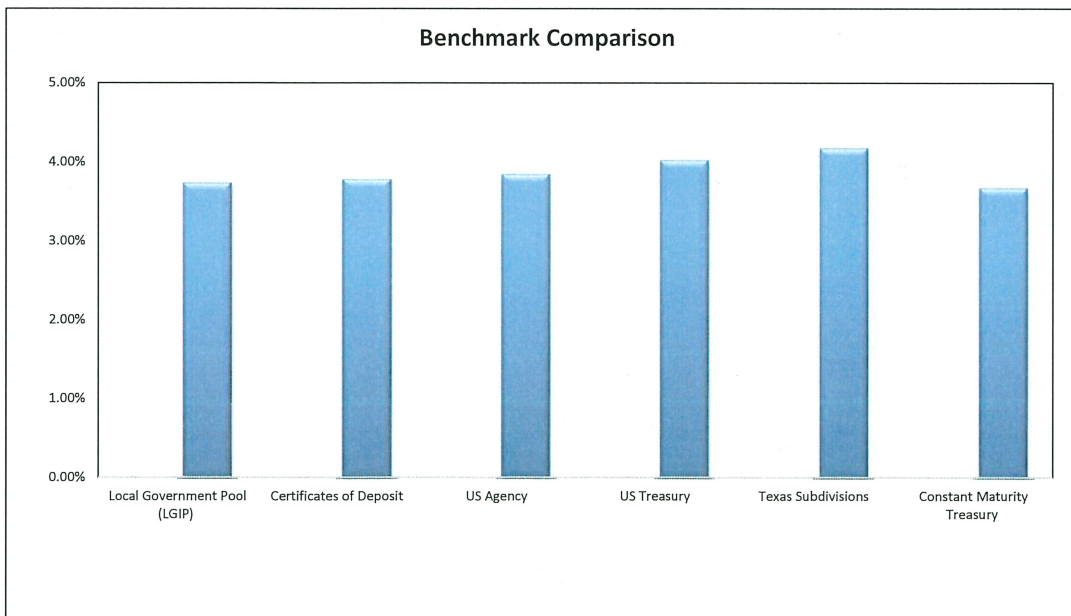


Maturity Time Frame	Balance 6/30/2025	Balance 9/30/2025	Balance 12/31/2025	Balance 3/31/2026	Percent of Portfolio
Within 1 month	\$ 33,539,213	\$ 20,141,094	\$ 16,319,420	\$ 26,508,748	43.7%
2-3 Months	99,537	-	1,597,467	2,001,052	3.3%
4-6 Months	1,000,000	2,594,182	2,994,601	4,460,381	7.4%
7 Months - 1 Year	2,854,317	6,417,911	4,448,546	2,471,411	4.1%
1 Year - 2 Years	4,922,626	5,550,265	4,821,088	10,757,210	17.7%
2 Years - 3 Years	9,278,251	7,535,731	5,449,049	8,121,180	13.4%
3 Years - 4 Years	3,676,610	3,171,065	2,791,933	4,313,179	7.1%
4 Years - 5 Years	4,249,442	2,500,000	2,500,000	2,000,000	3.3%
	<b>\$ 59,619,996</b>	<b>\$ 47,910,248</b>	<b>\$ 40,922,105</b>	<b>\$ 60,633,162</b>	<b>100.00%</b>

Liquidity Indicator					Maximum Allowable
Weighted Average Maturity	387.49	431.70	399.69	396.63	500.00



Date Received/ Purchased	CUSIP	Security Description	Coupon	YTM	Interest Purchased/ Received	Accrued Interest/ Amortization	Income Earned
3/31/2026	TexPool	TexPool		3.69%	\$ 91,255	\$ -	\$ 91,255
3/31/2026	TexPool Prime	TexPool Prime		3.83%	14,753	-	14,753
3/31/2026	TexStar	TexSTAR		3.68%	75,583	-	75,583
3/31/2026	LOGIC	LOGIC		3.82%	1,869	-	1,869
3/31/2026	TexPool ARPA	TexPool ARPA		3.69%	6,073	-	6,073
3/31/2026	CDARS 1028340563	Bank of Texas	4.40%	4.50%	121	-	121
3/31/2026	CDARS 1031524233	Bank of Texas	4.01%	4.09%	19,801	-	19,801
3/31/2026	CDARS 1032488192	Bank of Texas	3.42%	3.48%	8,353	-	8,353
3/31/2026	2350368C7	DFW TX Intl Arpt Rev	1.93%	4.48%		4,477	4,477
3/31/2026	3130AMMJ8	FHLB	1.50%	0.40%	-	3,750	3,750
2/19/2026	3130B4B42	FHLB	4.63%	4.63%	5,395	(674)	4,721
2/1/2026	79625GFC2	San Antonio Tx Elec & Gas TXBI	3.15%	3.15%	5,505	(4,555)	950
2/15/2026	232769JW0	Cypress-Fairbanks TX Ind Sch	5.00%	3.52%	12,500	(10,238)	2,262
3/1/2026	283822TK0	El Paso Water & Sewer	1.04%	3.59%	3,889	825	4,714
3/31/2026	313385VA1	FHLBDN	0.00%	3.80%	-	9,297	9,297
3/31/2026	5977833U1	Midland TX ISD	5.00%	3.75%	-	9,446	9,446
3/31/2026	5370962Z1	Little Elm TX ISD	0.00%	4.50%	-	5,025	5,025
3/1/2026	876448DY4	Tarrant Tx Regl Water Dist	0.75%	4.00%	1,500	2,249	3,749
3/15/2026	4637778E5	Irving Tx Table	1.47%	4.18%	4,395	1,547	5,942
3/31/2026	3133ERP96	FFCB	4.25%	4.28%	21,250	(10,559)	10,691
1/15/2026	91282CJT9	US Treasury	4.00%	4.16%	20,000	(9,636)	10,364
2/28/2026	798765MK6	San Marcos TX	1.24%	4.09%	3,100	1,812	4,912
3/31/2026	1164753A0	Brownsville TXD USR	1.48%	4.50%	8,936	3,895	12,831
3/31/2026	3130ANUM0	FHLB	1.55%	0.40%	11,625	2,922	14,547
2/1/2026	052404QJ2	Austin Texas Community College D	1.58%	4.30%	6,320	1,895	8,215
3/3/2026	31424WSY9	FAMCA	4.36%	4.36%	21,800	(10,900)	10,900
3/31/2026	3133ETBA4	FFCB	3.88%	3.92%	19,375	(9,582)	9,793
2/1/2026	248415XT3	FHLBDN	2.02%	4.41%	9,838	364	10,202
3/31/2026	3134HBDW8	FHLMC	4.30%	4.33%	29,455	(14,630)	14,825
2/16/2026	3130B04R7	FHLB	4.65%	4.65%	23,250	(11,625)	11,625
3/31/2026	261149AV0	Downtown Dallas TA	0.00%	4.52%	-	21,246	21,246
1/2/2026	3133ERR29	FFCB	4.38%	4.38%	21,875	(10,938)	10,937
2/7/2026	3130B4WP2	FHLB	4.50%	4.50%	33,750	(16,965)	16,785
3/31/2026	3130B9SJ0	FHLMC	3.85%	3.85%	-	2,032	2,032
3/31/2026	3134HCPY9	FHLMC	4.03%	4.03%	-	7,715	7,715
3/31/2026	3133ET6T9	FFCB	3.60%	3.60%	-	10,500	10,500
3/31/2026	3130B96R6	FHLB	3.82%	3.82%	-	7,428	7,428
3/31/2026	429335NL2	Hidalgo County TX Drain Dist #1	3.84%	3.85%	-	1,605	1,605
3/31/2026	3134HCB65	FHLMC	4.00%	4.00%	-	778	778
3/31/2026	3130B9YN4	FHLB	4.00%	4.00%	-	556	556
3/31/2026	91282CBZ3	US Treasury	1.25%	3.90%	-	932	932
3/31/2026	313385J80	FHLBDN	0.00%	3.57%	-	8,417	8,417
2/28/2026	882669CS1	TXSGEN	1.61%	3.60%	7,536	(1,149)	6,387
					<b>\$ 489,102</b>	<b>\$ (2,738)</b>	<b>\$ 486,364</b>





**CITY OF SHERMAN, TEXAS**  
**DEBT PROCEEDS PORTFOLIO SUMMARY**  
*For the Quarter Ending March 31, 2026*

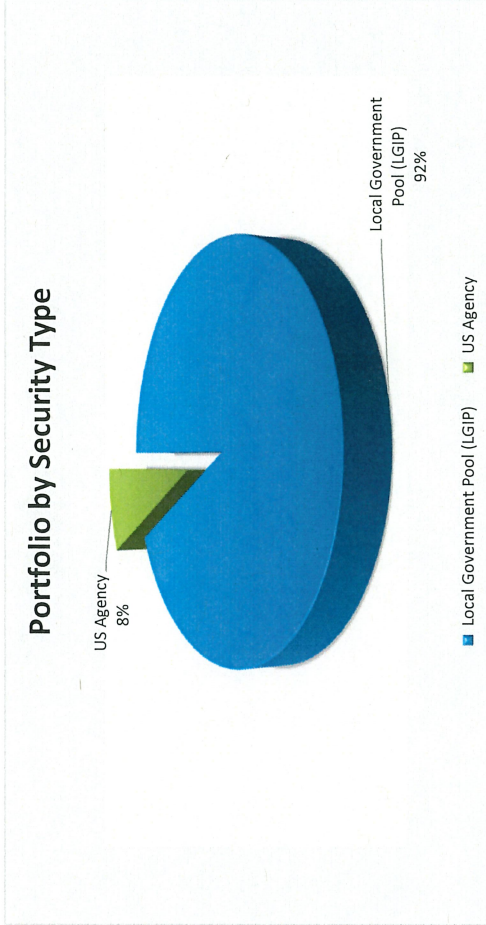
Total Portfolio Summary			
	Current Quarter 3/31/2026	Prior Quarter 12/31/2025	Change From Prior Quarter
Book Value	\$ 65,401,171	\$ 73,427,514	\$ (8,026,343)
Market Value	\$ 65,398,786	\$ 73,425,214	\$ (8,026,428)
Weighted Average Maturity - Days	15	9	6
Weighted Average Yield	3.75%	3.98%	-0.23%
Earned Income	\$ 659,982	\$ 740,264	\$ (80,283)
Earned Income - Year-to-Date	\$ 1,400,246	\$ 740,264	\$ 659,982

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

As of March 31, 2026, the City of Sherman's debt proceeds portfolio had a book value of about \$65.4 million, which approximates the market value. Of this amount, \$60.5 million was held in Local Government Investment Pools (LGIP) and \$4.9 million was held in U.S. Agency Securities.

The portfolio value decreased by \$8 million from the previous quarter due to draws for project payments of \$13 million offset by a deposit in Local Government Investment Pools of \$4.2 million for 2026 Tax Note proceeds and interest.

The weighted average yield on the portfolio was 3.75%, 1 basis point above the 4-week Constant Maturity Treasury Index of 3.74%, and 23 basis points below the previous quarter.



*Mary Lawrence*

Mary Lawrence, Chief Financial Officer and City of Sherman Investment Officer

*Jana Walker*

Jana Walker, Controller and City of Sherman Investment Officer



Name/CUSIP	Debt Issuance	Settlement Date	Security Type	Security Description	Maturity Date	Par Value	Purchase Price	Original Cost	Book Value	Market Price	Market Value	Days to Maturity	YTM
TexPool	2023 Certificates of Obligation		LGIP	TexPool	4/1/2026	\$ 17,565,135	100.00	\$ 17,565,135	\$ 17,565,135	100.00	\$ 17,565,135	1	3.69%
TexPool	2024 Certificates of Obligation		LGIP	TexPool	4/1/2026	9,203,468	100.00	9,203,468	9,203,468	100.00	9,203,468	1	3.69%
TexPool Prime	2024 Certificates of Obligation		LGIP	TexPool Prime	4/1/2026	12,017,454	100.00	12,017,454	12,017,454	100.00	12,017,454	1	3.83%
TexPool	2025 Tax Notes		LGIP	TexPool	4/1/2026	1,078,837	100.00	1,078,837	1,078,837	100.00	1,078,837	1	3.69%
TexPool Prime	2025 Certificates of Obligation		LGIP	TexPool Prime	4/1/2026	18,969,824	100.00	18,969,824	18,969,824	100.00	18,969,824	1	3.83%
TexPool	2026 Tax Notes		LGIP	TexPool	4/1/2026	1,658,518	100.00	1,658,518	1,658,518	100.00	1,658,518	1	3.69%
313385J64	2023 Certificates of Obligation	3/2/26	US Agency	FHLBDN	10/7/2026	5,000,000	97.88	4,894,150	4,907,935	98.11	4,905,550	190	3.59%
<b>Total</b>						<b>\$ 65,493,236</b>		<b>\$ 65,387,386</b>	<b>\$ 65,401,171</b>		<b>\$ 65,398,786</b>		

CUSIP	Security Type / Description	Maturity Date	Market Value 12/31/2025	Change in Market Value	Market Value 3/31/2026
TexPool 2023 CO	LGIP		\$ 20,846,150	\$ (3,281,015)	\$ 17,565,135
TexPool 2024 CO	LGIP		21,028,553	(11,825,085)	9,203,468
TexPool Prime 2024 CO	LGIP		-	12,017,454	12,017,454
TexPool 2025 Tax notes	LGIP		1,449,357	(370,520)	1,078,837
TexPool 2025 CO	LGIP		25,103,454	(25,103,454)	-
TexPool Prime 2025 CO	LGIP		-	18,969,824	18,969,824
TexPool 2026 Tax notes	LGIP		-	1,658,518	1,658,518
3130B8FC1 - FHLB 2023 CO	US Agency	4/28/2026	4,997,700	(4,997,700)	-
313385J64 - FHLBDN 2023 CO	US Agency	10/7/2026	-	4,905,550	4,905,550
<b>Total</b>			<b>\$ 73,425,214</b>	<b>\$ (8,026,428)</b>	<b>\$ 65,398,786</b>

Settle Date	Name	Security Description	Coupon	Maturity Date	Call Date	Par Value	Price	Principal Amount	Interest Purchased/Received	Total Amount	YTM
<b>Project Payments/Draws</b>											
1/21/2026	TexPool 2025 CO	LGIP				55,532		55,532	-	55,532	
1/28/2026	TexPool 2023 CO	LGIP				979,042	\$	979,042	\$	979,042	
1/28/2026	TexPool 2025 CO	LGIP				1,695,024		1,695,024	-	1,695,024	
2/26/2026	TexPool 2025 CO	LGIP				1,932,649		1,932,649	-	1,932,649	
2/27/2026	TexPool 2023 CO	LGIP				776,290		776,290	-	776,290	
3/27/2026	TexPool 2023 CO	LGIP				1,859,394		1,859,394	-	1,859,394	
3/30/2026	TexPool Prime 2025 CO	LGIP				2,662,321		2,662,321	-	2,662,321	
3/31/2026	TexPool 2025 Tax Notes	LGIP				439,620		439,620	-	439,620	
3/31/2026	TexPool 2026 Tax Notes	LGIP				2,618,380		2,618,380	-	2,618,380	
<b>Maturities and Calls</b>											
1/28/2026	3130B8FC1 - FHLB 2023 CO	US Agency		4/28/2026	1/28/2026	5,000,000		5,000,000	46,689	5,046,689	3.82%
3/18/2026	TexPool 2024 CO	LGIP				12,000,000		12,000,000	-	12,000,000	
3/18/2026	TexPool 2025 CO	LGIP				21,601,283		21,601,283	-	21,601,283	
<b>Deposits/Purchases</b>											
1/15/2026	TexPool 2026 Tax Notes	US Agency		10/7/2026		4,244,562		4,244,562	-	4,244,562	
3/2/2026	313385J64 - FHLBDN 2023 CO	US Agency				5,000,000		4,894,150	-	4,894,150	3.59%
3/18/2026	TexPool 2023 CO	LGIP				152,539		152,539	-	152,539	
3/18/2026	TexPool Prime 2024 CO	LGIP				12,000,000		12,000,000	-	12,000,000	
3/18/2026	TexPool Prime 2025 CO	LGIP				21,601,283		21,601,283	-	21,601,283	
<b>Income Payments</b>											
1/31/2026	Texpool 2023 CO	LGIP							65,287	65,287	3.71%
1/31/2026	Texpool 2024 CO	LGIP							66,257	66,257	3.71%
1/31/2026	TexPool 2025 Tax Notes	LGIP							4,628	4,628	3.71%
1/31/2026	TexPool 2025 CO	LGIP							78,350	78,350	3.71%
1/31/2026	Texpool 2026 Tax Notes	LGIP							7,297	7,297	3.71%
2/28/2026	Texpool 2023 CO	LGIP							56,121	56,121	3.68%
2/28/2026	Texpool 2024 CO	LGIP							59,560	59,560	3.68%
2/28/2026	TexPool 2025 Tax Notes	LGIP							4,262	4,262	3.68%
2/28/2026	TexPool 2025 CO	LGIP							65,766	65,766	3.68%
2/28/2026	Texpool 2026 Tax Notes	LGIP							12,005	12,005	3.68%
3/31/2026	Texpool 2023 CO	LGIP							59,763	59,763	3.67%
3/31/2026	Texpool 2024 CO	LGIP							49,098	49,098	3.67%
3/31/2026	Texpool Prime 2024 CO	LGIP							17,454	17,454	3.79%
3/31/2026	TexPool 2025 Tax Notes	LGIP							4,677	4,677	3.67%
3/31/2026	TexPool 2025 CO	LGIP							36,920	36,920	3.67%
3/31/2026	TexPool Prime 2025 CO	LGIP							30,861	30,861	3.79%
3/31/2026	Texpool 2026 Tax Notes	LGIP							13,035	13,035	3.67%
<b>Total</b>										\$	<b>678,030</b>



CITY OF SHERMAN, TX  
Comparison by Type  
As of 3/31/2026

Cash / Investment Type	Balance 6/30/2025	Balance 9/30/2025	Balance 12/31/2025	Balance 3/31/2026	Percent of Portfolio	Portfolio Cap
Local Government Pool (LGIP)	\$ 85,420,491	\$ 71,046,444	\$ 68,427,514	\$ 60,493,236	92.50%	100.00%
US Agency	5,928,567	5,992,857	5,000,000	4,907,935	7.50%	100.00%
US Treasury	-	-	-	-	0.00%	100.00%
<b>Total</b>	<b>\$ 91,349,058</b>	<b>\$ 77,039,301</b>	<b>\$ 73,427,514</b>	<b>\$ 65,401,171</b>	<b>100.00%</b>	



CITY OF SHERMAN, TX  
 Portfolio by Maturity  
 As of 3/31/2026

Maturity Time Frame	Balance	Balance	Balance	Balance	Balance	Percent of Portfolio	Maximum Allowable
	6/30/2025	9/30/2025	12/31/2025	3/31/2026			
Within 1 month	\$ 85,420,491	\$ 77,039,301	\$ 68,427,514	\$ 60,493,236		92.5%	100%
2 months - 1 year	5,928,567	-	5,000,000	4,907,935		7.5%	
1 year - 2 years	-	-	-	-		0.0%	
2 years - 3 years	-	-	-	-		0.0%	
3 years - 4 years	-	-	-	-		0.0%	
	<b>\$ 91,349,058</b>	<b>\$ 77,039,301</b>	<b>\$ 73,427,514</b>	<b>\$ 65,401,171</b>			

Liquidity Indicator

Weighted Average Maturity	7.55	1.70	8.97	15.18
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Date Received/ Purchased	Name	Security Description	Coupon	YTM	Interest Purchased/ Received	Accrued Interest/ Amortization	Income Earned
1/31/2026	Texpool 2023 CO	LGIP		3.71%	\$ 65,287	\$ -	\$ 65,287
1/31/2026	Texpool 2024 CO	LGIP		3.71%	66,257	-	66,257
1/31/2026	TexPool 2025 Tax Notes	LGIP		3.71%	4,628	-	4,628
1/31/2026	TexPool 2025 CO	LGIP		3.71%	78,350	-	78,350
1/31/2026	Texpool 2026 Tax Notes	LGIP		3.71%	7,297	-	7,297
2/28/2026	Texpool 2023 CO	LGIP		3.68%	56,121	-	56,121
2/28/2026	Texpool 2024 CO	LGIP		3.68%	59,560	-	59,560
2/28/2026	TexPool 2025 Tax Notes	LGIP		3.68%	4,262	-	4,262
2/28/2026	TexPool 2025 CO	LGIP		3.68%	65,766	-	65,766
2/28/2026	Texpool 2026 Tax Notes	LGIP		3.68%	12,005	-	12,005
3/31/2026	Texpool 2023 CO	LGIP		3.67%	59,763	-	59,763
3/31/2026	Texpool 2024 CO	LGIP		3.67%	49,098	-	49,098
3/31/2026	Texpool Prime 2024 CO	LGIP		3.79%	17,454	-	17,454
3/31/2026	TexPool 2025 Tax Notes	LGIP		3.67%	4,677	-	4,677
3/31/2026	TexPool 2025 CO	LGIP		3.67%	36,920	-	36,920
3/31/2026	TexPool Prime 2025 CO	LGIP		3.79%	30,861	-	30,861
3/31/2026	Texpool 2026 Tax Notes	LGIP		3.67%	13,035	-	13,035
3/31/2026	3130B8FC1 - FHLB 2023 CO	US Agency		3.82%	46,689	(31,833)	14,856
3/31/2026	313385J64 - FHLBDN 2023 CO	US Agency		3.59%	-	13,785	13,785
					<b>\$ 678,030</b>	<b>\$ (18,048)</b>	<b>\$ 659,982</b>

