

**CITY OF SHERMAN
CITY COUNCIL REGULAR MEETING AGENDA
COUNCIL CHAMBERS OF THE CITY HALL
220 WEST MULBERRY STREET
SHERMAN, TEXAS
MONDAY, SEPTEMBER 19, 2022
5:00 P.M.**

- A. 1. CALL TO ORDER, QUORUM DETERMINED, MEETING DECLARED OPEN**
- A. 2. PLEDGE OF ALLEGIANCE LED BY COUNCIL MEMBER DARON HOLLAND**
- A. 3. INVOCATION BY COUNCIL MEMBER DARON HOLLAND**
- A. 4. APPROVE MINUTES OF THE REGULAR CITY COUNCIL MEETINGS OF AUGUST 15, 2022, AND SEPTEMBER 6, 2022.**

Citizen Comments

B. 1. CITIZEN COMMENTS

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

Consent Agenda

C. 1. CONSENT AGENDA

Asterisked (*) items are considered to be routine and will be enacted in one motion without discussion unless a Council Member or a citizen requests a specific item be discussed and voted on separately

Public Hearing

D. 1. INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 6527

Amending Chapter 13 of the Code of Ordinances, entitled "Utilities", Article 13.08, entitled "Utility Billing", at Sections 13.08.005 and 13.08.006, Revising Rates for Water and Sewer Services; and Article 13.07, entitled "Water, Sewers, and Sewage Disposal", at Section 13.07.072; Revising Allowances for Inaccurate Meters; Providing for Inclusion in the Code of Ordinances; Providing for Severability; Providing for a Repealer

D. 2. INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 6528

Approving a Negotiated Settlement between the Atmos Cities Steering Committee ("ACSC") and Atmos Energy Corp., Mid-Tex Division, Regarding the Company's 2022 Rate Review Mechanism Filing; Declaring Existing Rates to be Unreasonable; Adopting Tariffs that Reflect Rate Adjustments Consistent with the Negotiated Settlement; Finding the Rates to be Set by the Attached Settlement Tariffs to be Just and Reasonable and in the Public Interest; Approving an Attachment Establishing a Benchmark for Pensions and Retiree Medical Benefits; Requiring the Company to Reimburse ACSC's Reasonable Ratemaking Expenses; Adopting a Savings Clause; Declaring an Effective Date; Requiring Delivery of this Ordinance to the Company and the ACSC's Legal Council

Close Public Hearing and Consider Adoption of Ordinances

D. 3. ADOPTION OF ORDINANCES

Consider Adoption of Ordinance Numbers 6527 & 6528.

Resolutions

E. 1. RESOLUTION NO. 6957

Amending the 2021-2022 Budget of the City of Sherman, Texas, Appropriating and Allocating Additional Funds for the Period of October 1, 2021 through September 30, 2022

E. 2. * RESOLUTION NO. 6958

Authorizing Submission of an Application for a Grant Awarded by the Texas Department of Transportation under the Routine Airport Maintenance Program to Fund Improvements at the Sherman Municipal Airport; Designating the City Manager as the Authorized Official to Accept, Reject, Alter or Terminate the Grant on Behalf of the City

E. 3. * RESOLUTION NO. 6959

Authorizing the City Manager to Execute a Contract with The Sherman Museum for Expenditure of a Portion of the Funds Collected by the City of the Hotel-Motel Occupancy Tax

Other Business

F. 1. * OTHER BUSINESS

Consider Request of St. Mary's Catholic School to Temporarily Close Certain Streets for the "Run Run Rudolph 5K and Family Fun Run/Walk" on Saturday, December 3, 2022

G. COUNCIL COMMENTS

Executive Session

H. 1. EXECUTIVE SESSION

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

Tex. Gov't Code § 551.071	Seeking the advice of its attorney about pending or contemplated litigation, settlement offers or any matter in which the duty of the attorney to the City Council under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with the Texas Open Meetings Act.
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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.
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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.
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Tex. Gov't Code § 551.074	Deliberating the appointment, employment, evaluation, reassignment, duties, discipline or dismissal of a public officer or employee; or to hear a complaint or charge against an officer or employee unless the officer or employee who is the subject of the deliberation or hearing requests a public hearing.
Tex. Gov't Code § 551.076	Deliberating the deployment, or specific occasions for implementation, of security personnel or devices or a security audit.
Tex. Gov't Code § 551.087	Discussing or deliberating commercial or financial information that the City has received from a business prospect that the City seeks to have locate, stay or expand in or near the City and with which the City is conducting economic development negotiations; or deliberating the offer of a financial or other incentive to a business prospect.
Tex. Gov't Code § 551.089	Deliberating security assessments or deployments relating to information resources technology, network security information, or the deployment or specific occasions for implementation of security personnel, critical infrastructure or security devices.

The Council reconvenes into General Session

I. 1. OPEN MEETING

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

J. ADJOURNMENT

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 Friday, September 16, 2022 at 4:00 p.m., and said time of posting was 72 hours before said meeting was convened or called to order.

Dated this 16th day of September 2022.
City of Sherman, Texas

City Clerk

The above agenda schedule represents an estimate of the order for the indicated items and is subject to change at any time.

All agenda items are subject to final action by the City Council.

An unscheduled closed executive session may be held if the discussion of any of the above agenda items concerns the purchase, exchange, lease or value of real property; the appointment, employment, evaluation, reassignment, duties, discipline or dismissal of a public officer or employee; the deployment or use of security personnel or equipment; or requires consultations with the City Attorney.

At the discretion of the City Council, non-agenda items under the headings of "Citizens Requests", "Media Questions", and "Council Concerns" may be presented to the Council for informational purposes; however, by law, the Council shall not discuss, deliberate, or vote upon such matters except that a statement of specific factual information, a recitation of existing policy, and deliberations concerning the placing of the subject on a subsequent agenda may take place.

The City Attorney has approved the Executive Session items on this agenda.

PERSONS WITH DISABILITIES, WHO PLAN TO ATTEND THIS MEETING AND WHO MAY NEED ASSISTANCE, ARE REQUESTED TO CONTACT LINDA ASHBY AT (903) 892-7204, TWO (2) WORKING DAYS PRIOR TO THE MEETING SO THAT APPROPRIATE ARRANGEMENTS CAN BE MADE.

Mayor

David Plyler

Deputy Mayor

Pamela L. Howeth

Council Members

Henry Marroquin, Council-At-Large, PL #1
Juston Dobbs, Council-At-Large, PL #2
Shawn C. Teamann, Council – District #1

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



SHERMAN CITY COUNCIL

Agenda Communication Form

City Council Regular Meeting

A. 4.

Meeting Date: 09/19/2022

Approved By: Robby Hefton, City Manager

Caption:

**APPROVE MINUTES OF THE REGULAR CITY COUNCIL MEETINGS OF AUGUST 15, 2022,
AND SEPTEMBER 6, 2022.**

Attachments

August 15, 2022

Additional Slide for Res 6940

Floodplain Ordinance Update

Impact Fee Presentation

September 6, 2022

Impact Fee Minor Update

STATE OF TEXAS §
 August 15, 2022
COUNTY OF GRAYSON §

BE IT REMEMBERED THAT A Regular Meeting of the City Council of the City of Sherman, Grayson County, Texas was begun and held in the Council Chambers of City Hall on August 15, 2022.

MEMBERS PRESENT: MAYOR DAVID PLYLER; DEPUTY MAYOR PAM HOWETH.
 COUNCIL MEMBERS DOBBS, HOLLAND, MARROQUIN,
 STEVENSON.

MEMBERS ABSENT: COUNCIL MEMBER TEAMANN.

CALL TO ORDER

Mayor Plyler called the meeting to order at 5:00 p.m. The Pledge of Allegiance and Invocation were led by Council Member Juston Dobbs.

CALL TO ORDER

APPROVE MINUTES

The Council reviewed the Minutes of the Regular City Council Meetings of August 1, 2022, and the Called Meeting of the Tax Increment Financing Board #3 of August 1, 2022. Council Member Stevenson moved to approve the Minutes, as presented; Second by Council Member Holland; All present voted AYE.
MOTION CARRIED.

APPROVE MINUTES

CITIZEN'S COMMENTS

There were no citizen's comments.

CITIZEN'S COMMENTS

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.

CONSENT AGENDA

The Council reviewed the Consent Agenda. Deputy Mayor Howeth moved to approve the Consent Agenda, as presented. Second by Council Member Stevenson. All present voted AYE.

CONSENT AGENDA

Double Asterisk (**) items are considered to be routine and will be enacted in one motion, subject to the Staff Review Letter, without discussion unless a Council Member or a citizen requests a specific item be discussed and voted on separately.

CONSENT AGENDA

The Council reviewed the Consent Agenda. Deputy Mayor Howeth moved to approve the Consent Agenda, subject to the Staff Review Letter. Second by Council Member Dobbs. All present voted AYE.

PUBLIC HEARING

CAPITAL IMPROVEMENT PROGRAM 2022-2027

Mary Lawrence, Director of Finance, explained that the Capital Improvement Program was developed through information discussed at the Budget Work Session. A Public Hearing was then

PUBLIC HEARING

**CAPITAL
IMPROVEMENT
PROGRAM**

COUNCIL MINUTES – AUGUST 15, 2022

held at the August 1, 2022 City Council Meeting. The proposed CIP is unchanged from this last meeting. Approval of the Plan will be by Resolution later during this meeting.

No citizens appeared before the City Council to discuss the Capital Improvement Program for 2022-2027.

Mayor Plyler introduced Ordinance No. 6508 and called for a public hearing:

**ORD 6508
ANNUAL BUDGET**

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, ADOPTING A BUDGET AND PROVIDING FOR THE APPROPRIATION OF FUNDS FOR OPERATING AND CAPITAL EXPENDITURES FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2022, AND ENDING SEPTEMBER 30, 2023; DECLARING THAT THIS BUDGET WILL RAISE MORE TOTAL PROPERTY TAXES THAN LAST YEAR'S BUDGET BY \$2,760,000 AND 14%, AND OF THAT AMOUNT \$476,000 IS TAX REVENUE TO BE RAISED FROM NEW PROPERTY ADDED TO THE TAX ROLL THIS YEAR; PROVIDING A SAVINGS/REPEALING CLAUSE, SEVERABILITY CLAUSE AND AN EFFECTIVE DATE; PROVIDING FOR THE PUBLICATION OF THE CAPTION HEREOF.

Ms. Lawrence said this is the second and final Public Hearing on the Budget this year. The proposed Budget remains unchanged from the last Public Hearing of August 1, 2022.

Adoption of the Budget will be by Ordinance, later in the meeting.

No citizens appeared before the City Council to discuss Ordinance No. 6508.

Mayor Plyler introduced Ordinance No. 6509 and called for a public hearing:

**ORD 6509
AD VALOREM TAXES**

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, PROVIDING FOR THE LEVY OF AD VALOREM TAXES FOR THE CITY OF SHERMAN, TEXAS, FOR THE TAX YEAR 2022; DISTRIBUTING THE SAME AMONG THE VARIOUS FUNDS; PROVIDING FOR A PENALTY AND INTEREST FOR FAILURE TO PAY THE TAXES LEVIED WITHIN THE TIME PROVIDED BY LAW; PROVIDING FOR A LIEN OF ALL REAL AND PERSONAL PROPERTY TO SECURE PAYMENT OF TAXES DUE THEREOF; PROVIDING A PENALTY CLAUSE, SAVINGS/REPEALING CLAUSE, SEVERABILITY CLAUSE AND AN EFFECTIVE DATE.

Ms. Lawrence said this Public Hearing is required for the Council to consider adoption of the tax rate tonight. The proposed tax rate is \$0.466932 per \$100 valuation, a decrease from the current year's tax rate of \$0.489. The M&O rate is about \$0.265, and the debt rate is about \$0.205. The tax rate will generate almost \$22 million in property taxes.

No citizens appeared before the City Council to discuss Ordinance No. 6509.

Mayor Plyler introduced Ordinance No. 6510 and called for a public hearing:

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AMENDING CHAPTER 9 OF THE CODE OF ORDINANCES, ENTITLED "PERSONNEL", ARTICLE 9.05, ENTITLED "CIVIL SERVICE FOR FIREFIGHTERS AND POLICE OFFICERS", AT SECTION 9.05.026, ENTITLED "AUTHORIZED NUMBER OF POSITIONS", TO REVISE THE NUMBER OF AUTHORIZED POSITIONS IN THE POLICE DEPARTMENT AND FIRE DEPARTMENT; PROVIDING FOR INCLUSION IN THE CODE OF ORDINANCES; PROVIDING FOR SEVERABILITY; PROVIDING FOR A REPEALER.

ORD 6510
POLICE & FIRE
AUTHORIZED
POSITIONS

Zach Flores, Executive Director of Public Safety, said this stays in line with the City's Charter and Civil Service rules, and reflects the number of positions that will be funded in FY 2023. This would give the Police Department 78 positions, and the Fire Department 93 positions.

No citizens appeared before the City Council to discuss Ordinance No. 6510.

Mayor Plyler introduced Ordinance No. 6511 and called for a public hearing:

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, APPROVING THE 2022-23 ANNUAL SERVICE AND ASSESSMENT PLAN UPDATE FOR THE BEL AIR VILLAGE PUBLIC IMPROVEMENT DISTRICT.

ORD 6511
BEL AIR VILLAGE
SERVICE &
ASSESSMENT
PLAN UPDATE

Clint Philpott, Assistant City Manager, said this approved the Annual Service Plan for Bel Air Village Public Improvement District, and details the assessment for each lot, as it's sold and developed. There will be a contract to assess the fee through the Appraisal District.

The Plan includes about \$9.1 million in public infrastructure, streets, water, sewer, drainage, that qualifies for reimbursement. He said, to date, they have spent nearly \$8 million of that amount, on infrastructure.

Josh Hart, Representative for Muny Cap, who serves as the Public Improvement District Administrator for the Bel Air Village, said the annual update is required by Chapter 372 of the Local Government Code. The update addresses any changes to the improvement budget.

He said there were a few line item changes, but if there were costs above the \$9.1 million cost and the assessments, the cost would be carried by the developer, and would not result in any increases in assessments to property owners.

Mr. Hart said this was the second annual update report, however last year there were no building permits issued, so no funds were collected.

COUNCIL MINUTES – AUGUST 15, 2022

This year, through the end of June, there were 86 building permits issued, so there will be 86 properties assessed during this upcoming tax cycle. He felt that the builders would probably be the ones responsible for paying the assessments by January 31, 2023.

The report also addresses any changes to the assessment methodology. Mr. Hart said there had been no changes to this methodology.

He also addressed parcel subdivisions, and said there was a Phase One plat recorded in June 2021. This plat subdivided the 333 residential lots, within Phase One, of which there are 327 residential units. Of these, 86 actually have building permits issued.

He reiterated that this report updates the improvement cost budget, establishes an annual budget for the upcoming cycle, and allocates the amounts to be billed to each property.

No other citizens appeared before the City Council to discuss Ordinance No. 6511.

Mayor Plyler introduced Ordinance No. 6512 and called for a public hearing:

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AMENDING CHAPTER 3 (BUILDING REGULATIONS), ARTICLE 3.12 (FLOOD DAMAGE PREVENTION) OF THE CODE OF ORDINANCES, CITY OF SHERMAN, TEXAS; ESTABLISHING NEW REGULATIONS DESIGNED TO MINIMIZE FLOOD LOSSES; DEFINING TERMS; DELEGATING AUTHORITY TO THE FLOODPLAIN ADMINISTRATOR; REQUIRING A FLOODPLAIN DEVELOPMENT PERMIT; SETTING FORTH VARIANCES PROCEDURES; ESTABLISHING FLOOD HAZARD REDUCTION STANDARDS; ADOPTING FLOOD INSURANCE RATE MAPS; PROVIDING FOR INCLUSION IN THE CODE OF ORDINANCES; PROVIDING A SAVINGS/REPEALING CLAUSE, SEVERABILITY CLAUSE AND AN EFFECTIVE DATE.

**ORD 6512
FLOODPLAIN
DEVELOPMENT**

Mr. Philpott said in 2017, the City hired Halff Associates to look at the Post Oak Creek Drainage Basin, and to update the current data on the maps, with more accurate information. The study was complete in 2018, and was submitted to FEMA for adoption.

In 2022, FEMA has officially accepted the City's data, updated the maps, and are expected to publish those maps next month. Part of their requirement was that the City review the Floodplain Ordinance, which is what this public hearing is about.

The City again worked with Halff to update the Floodplain Ordinance.

Audrey Giesler, Civil Engineer, Halff Associates, presented the proposed updates to the Floodplain Ordinance. Several definitions were either removed or added to the ordinance and there were several section changes.

Mr. Philpott said the Engineering Department has already been doing a lot of the items discussed, but the ordinance just “added some teeth.”

Ms. Giesler said they did add a new section that deals with violations. These violations include developing in a floodplain without a floodplain development permit; failure to return a property to previous state after developing without a floodplain development permit; and deviating from the regulations in Article 3.12 without first obtaining a variance.

She addressed one comment from FEMA and outlined the final wording that was proposed for the ordinance, along with a clause that allows the City’s enforcement.

Mr. Philpott presented map changes for Site 8A, which was constructed in 2000. The previous map didn’t account for the flood control dam, so with construction of the dam, the floodplain on the backside of the dam got considerably larger. Downstream of the dam, the floodplain got narrower, as expected. He said the map was representing risk, but it was representing it incorrectly. The maps are now more accurate, however, Mr. Philpott said the maps don’t mean “you won’t flood, ever.” It just means that these are the areas of highest risk.

He also presented a map of the Archer Street Apartment area. He addressed an area that grew and an area on the backside that got smaller. Mr. Philpott said creeks tend to move over a period of time, and this creek has shifted to the north.

After the 2007 flood, the City actually sent representatives to knock on doors to ask if residents flooded. The City can attest that, that area does flood. FEMA’s map showed it being outside the flood zone.

He said there were also areas where FEMA stopped their study on tributaries, and the City extended it farther up the creek to be more accurate. He felt this would be a more accurate, better model for use by the City.

No other citizens appeared before the City Council to discuss Ordinance No. 6512.

Mayor Plyler introduced Ordinance No. 6513 and called for a public hearing:

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, ORDERING AN ELECTION OF THE QUALIFIED VOTERS OF THE CITY OF SHERMAN, TEXAS, ON THE 8TH DAY OF NOVEMBER, 2022, FOR THE PURPOSE OF ELECTING TWO (2) DISTRICT CITY COUNCIL MEMBERS FOR SAID CITY; PROVIDING THAT SAID ELECTION SHALL BE HELD JOINTLY WITH GRAYSON COUNTY, TEXAS; DESIGNATING ELECTION PRECINCTS; APPOINTING ELECTION OFFICIALS; PROVIDING FOR NOTICE OF SAID ELECTION; PROVIDING FOR THE USE OF DIRECT RECORDING ELECTRONIC VOTING EQUIPMENT; PROVIDING FOR EARLY VOTING.

ORD 6513
REGULAR ELECTION

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Linda Ashby, City Clerk, explained that this fulfills a requirement by the State for calling the Regular Municipal Election for November 8, 2022.

No citizens appeared before the City Council to discuss Ordinance No. 6513.

Mayor Plyler introduced Ordinance No. 6514 and called for a public hearing:

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AMENDING SECTION 12, ORDINANCE NO. 2280 SO AS TO INCLUDE CERTAIN PROPERTY WITHIN THE R-1 (ONE-FAMILY RESIDENTIAL) DISTRICT LOCATED AT 715 NORTH ELM STREET, BEING LOT 18, L.C. CHAPMAN'S ADDITION (DP CAPSTONE LLC, OWNER; AUSTIN HOOVER, REPRESENTATIVE; HD DESIGN BUILD, DESIGNER; AND SARTIN SURVEYING, LLC, SURVEYOR); PROVIDING A PENALTY NOT TO EXCEED \$2,000.00; PROVIDING A REPEALING/SAVINGS CLAUSE, SEVERABILITY CLAUSE AND AN EFFECTIVE DATE.

**ORD 6514
ZONE CHANGE
(715 N. ELM ST)**

Rob Rae, Director of Development Services, said this was for rezoning from a C-1 District to an R-1 District, for a single-family home. The owners originally got a Specific Use Permit to build a single-family home, but that has expired.

The property is under construction and the building official has inspected it and determined that construction can continue. The Planning and Zoning Commission recommended approval of the Zone Change, subject to the Staff Review Letter.

No citizens appeared before the City Council to discuss Ordinance No. 6514.

Mayor Plyler introduced Ordinance No. 6515 and called for a public hearing:

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AMENDING SECTION 8, SUBSECTION (5)(A), ORDINANCE NO. 2280, SO AS TO GRANT A SPECIFIC USE PERMIT TO ALLOW A MONTESSORI SCHOOL, GRADES 3-12 IN A C-1 (RETAIL BUSINESS) DISTRICT/O-1.1 (F.M. HIGHWAY 1417) OVERLAY DISTRICT AT 5615 NORTH FM 1417 (HERITAGE PARKWAY), BEING 3.00 ACRES IN THE JOHN GOODE SURVEY, ABSTRACT NO. 468 (GREGG HOLBROOK, OWNER; BAYLEE KOWERT, APPLICANT; AND HELVEY-WAGNER SURVEYING, INC, SURVEYOR) PROVIDING THAT THIS SPECIFIC USE PERMIT SHALL BE GRANTED SUBJECT TO CERTAIN CONDITIONS; PROVIDING A PENALTY NOT TO EXCEED \$2,000.00.

**ORD 6515
SUP FOR
MONTESSORI
SCHOOL
(5615 N. FM 1417)**

Mr. Rae said this is for a Specific Use Permit to allow a Montessori School in a C-1 District. The school would temporarily be located in the Leap of Faith Church, which they would be subleasing.

The Planning and Zoning Commission recommended approval of the Specific Use, subject to the Staff Review Letter.

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Baylee Kowert, 5615 N. FM 1417

Ms. Kowert is the applicant and was available to answer any questions that the Council might have.

No other citizens appeared before the City Council to discuss Ordinance No. 6515.

Mayor Plyler handed the meeting over to Deputy Mayor Howeth for the next three agenda items, for transparency purposes.

Deputy Mayor Howeth introduced Ordinance No. 6516 and called for a public hearing:

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AMENDING SECTION 12, ORDINANCE NO. 2280, SO AS TO INCLUDE CERTAIN PROPERTY WITHIN THE R-1 (ONE-FAMILY RESIDENTIAL) DISTRICT LOCATED AT 2305 AND 2615 GRAYSTONE DRIVE, BEING 19.95 ACRES IN THE SAMUEL M. McGLOTHLIN SURVEY, ABSTRACT NO. 811 (LLOYD PLYLER CONSTRUCTION LLP, OWNER; TERRIN BERTHOLF, B & H DEVELOPMENT, LLC, PROSPECTIVE BUYER/REPRESENTATIVE; AND MANHARD ENGINEERING, SURVEYOR/ENGINEER); PROVIDING A PENALTY NOT TO EXCEED \$2,000.00; PROVIDING A REPEALING/SAVINGS CLAUSE, SEVERABILITY CLAUSE AND AN EFFECTIVE DATE.

ORD 6516
ZONE CHANGE
(2305 & 2615
GRAYSTONE DR)

Mr. Rae said Ordinance 6516 and 6517 are connected. The first is a zone change from a C-2 (Commercial) District to an R-1 (Single-Family) District. The applicant is proposing to build 99 single-family homes.

The Planning and Zoning Commission recommended approval of the Zone Change, subject to the Staff Review Letter.

No citizens appeared before the City Council to discuss Ordinance No. 6516.

Deputy Mayor Howeth introduced Ordinance No. 6517 and called for a public hearing:

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AMENDING SECTION 8, SUBSECTION (5)(A), ORDINANCE NO. 2280, SO AS TO GRANT A SPECIFIC USE PERMIT TO ALLOW PATIO HOMES IN AN R-1 (ONE-FAMILY RESIDENTIAL) DISTRICT AT 2305 AND 2615 GRAYSTONE DRIVE, BEING 19.95 ACRES IN THE SAMUEL M. McGLOTHLIN SURVEY, ABSTRACT NO. 811 (LLOYD PLYLER CONSTRUCTION LLP, OWNER; TERRIN BERTHOLF, B & H DEVELOPMENT, LLC, PROSPECTIVE BUYER/REPRESENTATIVE; AND MANHARD ENGINEERING, SURVEYOR/ENGINEER) PROVIDING THAT THIS SPECIFIC USE PERMIT SHALL BE GRANTED SUBJECT TO CERTAIN CONDITIONS; PROVIDING A PENALTY NOT TO EXCEED \$2,000.00.

ORD 6517
SUP FOR
PATIO HOMES
(2305 & 2615
GRAYSTONE DR)

Mr. Rae said the applicant plans to develop patio homes on the 99 lots, which would be 50-foot lots. They are proposing to include 12% open space. The requirement for this development, by ordinance, would be 10%. They plan to provide a wet pond and a

COUNCIL MINUTES – AUGUST 15, 2022

trail surrounding the pond and connecting throughout the neighborhood.

The Planning and Zoning Commission recommended approval of the Specific Use Permit, subject to the Staff Review Letter.

Terrin Bertholf, B&H Development, is the prospective buyer/representative, and he explained that the development will consist of 99 patio homes, 34,000 square feet of park space, a pond, walking trails around the park and pond, and a row of evergreen trees.

They are currently talking with various national and regional homebuilders to determine which one can fit the site best with the quality they are wanting.

He said he is agreeable to everything in the Staff Review Letter, and is already talking with City staff about how to handle certain items. He said one item in the letter mentions the widening of Graystone Road, from 19 feet to 24 feet on the frontage of the property.

He was available to answer any questions the Council might have.

Thad Thompson, 3706 Heatherwood Lane

Mr. Thompson said he was not opposed to the project, but wanted to give them some information.

From the U.S. Department of Transportation Rail Crossing Database, there are eight trains on that crossing daily. There is also a drainage ditch running parallel to the railroad crossing with 22 feet headwalls on the east end and 24 feet headwalls on the west end. He thought this culvert was on the BNSF right-of-way.

He said, in order to widen the road more than 22 feet at that culvert, the City would need permission from the railroad and would have to pay for the widening. He said it is basically a one-lane road now. The culvert drops off three feet on each side.

He said this new project would put 99 units; 200 cars; 400 people; 200 children, with at least 200 of them school-age; from three to six school busses, twice daily; on this road. He asked that the widening of the road and culvert be included with the subdivision so it will be sufficient to handle the increased traffic from the subdivision.

He asked about the size and cost of the new homes in this subdivision, and asked who will be able to afford them. He said a \$375,000 home with a conventional loan would be \$1,610 monthly, about \$9,000 in real estate taxes, and at least \$2,000 in home owner's insurance. He said it would cost about \$2,500 monthly to "live in one of these homes."

Robby Hefton, City Manager, said with this project, and the one to the south, Graystone Drive will be improved, most likely through the City of Sherman. The developer has agreed to pay for the improvements, widening it to 24 feet. He said there may be a need

for the road to be wider than 24 feet, so the staff may propose that the developer put funds into escrow for the City to use, along with any other funds from the southern development, to widen the road.

He said Mr. Thompson's concerns would be handled by the City staff or consulting engineer at the right time. The developer has agreed to pay for these improvements, and will be escrowing these funds, then the City will determine the scope of the project on Graystone Drive, in the upcoming months.

Mr. Philpott said even widening the road would require coordination with the railroad and they would also look at the drainage culvert.

Alec Anderson, 2512 Village Road

Mr. Anderson said crews recently repaired East Graystone Drive and did a really good job. He urged them to hire a structural engineer to work with the steel reinforcements.

He asked about the 8" waterline that would be coming in and expressed concern about the water pressure and sewage with 99 new patio homes.

Mr. Philpott said the City is in the process of doing a master water and sewer plan, and a large part of that is the water model. The information about any new development is forwarded to the consultants and they run an analysis on the project. The water has recently been calibrated and they are 95% finished. They can now plug projects into the model and determine what effects it will have on the water pressure all over Sherman.

Mary Anderson, 2512 Village Road

Ms. Anderson expressed her concern about the train, which runs around 7:00 a.m., and blocks Graystone Drive, Dripping Springs Road, and North Baker Road. She said 99 new homes will greatly increase the traffic. As it is now, she said it blocks the streets for 15 minutes. She added that North Baker Road is also gravel since the new blacktop was laid on it.

She also expressed concern that there were no sidewalks and people would walk in the street. She said that would add a lot of cars for an area with no sidewalks.

No other citizens appeared before the City Council to discuss Ordinance No. 6517.

Deputy Mayor Howeth introduced Ordinance No. 6518 and called for a public hearing:

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AMENDING SECTION 12, ORDINANCE NO. 2280, SO AS TO INCLUDE CERTAIN PROPERTY WITHIN THE R-1 (ONE-FAMILY RESIDENTIAL) DISTRICT, LOCATED AT 1016 EAST CHERRY STREET, BEING A PORTION OF LOT 3, BLOCK 2 OF HAZELWOOD AND VADEN ADDITION (AXALT DENISON TX HOLDINGS, LLC, OWNER; CHRISTOPHER WYATT, REPRESENTATIVE AND CBG SURVEYING TEXAS LLC,

ORD 6518
ZONE CHANGE
(1016 E. CHERRY ST)

SURVEYOR); PROVIDING A PENALTY NOT TO EXCEED \$2,000.00; PROVIDING A REPEALING/SAVINGS CLAUSE, SEVERABILITY CLAUSE AND AN EFFECTIVE DATE.

Mr. Rae said this request was for a zone change from a C-1 to an R-1, for a single-family home. The Planning and Zoning Commission recommended approval of the Zone Change, subject to the Staff Review Letter.

Christopher Wyatt, 4308 Ridgewood Road, Melissa, Texas

Mr. Wyatt said he was the owner of the property, and it has always been a single-family residence, and is surrounded by single-family residences. He said it has been zoned commercial, but should be zoned residential again.

No other citizens appeared before the City Council to discuss Ordinance No. 6518.

The Public Hearing was closed.

Deputy Mayor Howeth handed the meeting back over to Mayor Plyler

OTHER BUSINESS

PROVIDING FOR THE RATIFICATION OF THE PROPERTY TAX INCREASE

PROPERTY TAX INCREASE

Ms. Lawrence said the State has requirements for adopting the Budget and the Property Tax Ordinance. This item is related to the adoption of the Budget, but is required to be a separate vote. It is required if the adoption of the Budget will require raising more property taxes.

She said, even though the rate is decreasing, the amount of revenue the City will be receiving is increasing, therefore this is required by the Texas Local Government Code.

The ratification of this item should be by Motion and Order, with the prescribed wording, and a record vote of each Council Member.

ACTION TAKEN.

Motion by Council Member Holland to ratify the Property Tax increase reflected in the Budget, as presented. Second by Council Member Marroquin.

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

VOTING NAY: None.

MOTION CARRIED.

ADOPTION OF ORDINANCES

Ordinance 6508

**ORD 6508
ANNUAL BUDGET**

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, ADOPTING A BUDGET AND PROVIDING FOR THE APPROPRIATION OF FUNDS FOR OPERATING AND CAPITAL EXPENDITURES FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2022, AND ENDING SEPTEMBER 30, 2023; DECLARING THAT THIS BUDGET WILL RAISE MORE TOTAL PROPERTY TAXES THAN

LAST YEAR'S BUDGET BY \$2,760,000 AND 14%, AND OF THAT AMOUNT \$476,000 IS TAX REVENUE TO BE RAISED FROM NEW PROPERTY ADDED TO THE TAX ROLL THIS YEAR; PROVIDING A SAVINGS/REPEALING CLAUSE, SEVERABILITY CLAUSE AND AN EFFECTIVE DATE; PROVIDING FOR THE PUBLICATION OF THE CAPTION HEREOF.

ACTION TAKEN.

Motion by Deputy Mayor Howeth to adopt Ordinance No. 6508, as presented. Second by Council Member Stevenson.

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

VOTING NAY: None.

MOTION CARRIED.

Ordinance 6509

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, PROVIDING FOR THE LEVY OF AD VALOREM TAXES FOR THE CITY OF SHERMAN, TEXAS, FOR THE TAX YEAR 2022; DISTRIBUTING THE SAME AMONG THE VARIOUS FUNDS; PROVIDING FOR A PENALTY AND INTEREST FOR FAILURE TO PAY THE TAXES LEVIED WITHIN THE TIME PROVIDED BY LAW; PROVIDING FOR A LIEN OF ALL REAL AND PERSONAL PROPERTY TO SECURE PAYMENT OF TAXES DUE THEREOF; PROVIDING A PENALTY CLAUSE, SAVINGS/REPEALING CLAUSE, SEVERABILITY CLAUSE AND AN EFFECTIVE DATE.

ORD 6509

AD VALOREM TAXES

ACTION TAKEN.

Motion by Deputy Mayor Howeth that the Property Tax Rate be increased by the adoption of a Tax Rate of \$.469932 per \$100, which is effectively a 13% increase in the Tax Rate, as presented. Second by Council Member Dobbs.

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

VOTING NAY: None.

MOTION CARRIED.

Mayor Plyler again turned the meeting over to Deputy Mayor Howeth

Ordinance 6510

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AMENDING CHAPTER 9 OF THE CODE OF ORDINANCES, ENTITLED "PERSONNEL", ARTICLE 9.05, ENTITLED "CIVIL SERVICE FOR FIREFIGHTERS AND POLICE OFFICERS", AT SECTION 9.05.026, ENTITLED "AUTHORIZED NUMBER OF POSITIONS", TO REVISE THE NUMBER OF AUTHORIZED POSITIONS IN THE POLICE DEPARTMENT AND FIRE DEPARTMENT; PROVIDING FOR INCLUSION IN THE CODE OF ORDINANCES; PROVIDING FOR SEVERABILITY; PROVIDING FOR A REPEALER.

ORD 6510

**POLICE & FIRE
AUTHORIZED
POSITIONS**

Ordinance 6511

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, APPROVING THE 2022-23 ANNUAL SERVICE AND ASSESSMENT PLAN UPDATE FOR THE BEL AIR VILLAGE PUBLIC IMPROVEMENT DISTRICT.

ORD 6511

**BEL AIR VILLAGE
SERVICE &
ASSESSMENT
PLAN UPDATE**

Ordinance 6512

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AMENDING CHAPTER 3 (BUILDING REGULATIONS), ARTICLE 3.12 (FLOOD DAMAGE PREVENTION) OF THE CODE OF ORDINANCES, CITY OF SHERMAN, TEXAS; ESTABLISHING NEW REGULATIONS DESIGNED TO MINIMIZE FLOOD LOSSES; DEFINING TERMS; DELEGATING AUTHORITY TO THE FLOODPLAIN ADMINISTRATOR; REQUIRING A FLOODPLAIN DEVELOPMENT PERMIT; SETTING FORTH VARIANCES PROCEDURES; ESTABLISHING FLOOD HAZARD REDUCTION STANDARDS; ADOPTING FLOOD INSURANCE RATE MAPS; PROVIDING FOR INCLUSION IN THE CODE OF ORDINANCES; PROVIDING A SAVINGS/REPEALING CLAUSE, SEVERABILITY CLAUSE AND AN EFFECTIVE DATE.

ORD 6512
FLOODPLAIN
DEVELOPMENT

Ordinance 6513

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, ORDERING AN ELECTION OF THE QUALIFIED VOTERS OF THE CITY OF SHERMAN, TEXAS, ON THE 8TH DAY OF NOVEMBER, 2022, FOR THE PURPOSE OF ELECTING TWO (2) DISTRICT CITY COUNCIL MEMBERS FOR SAID CITY; PROVIDING THAT SAID ELECTION SHALL BE HELD JOINTLY WITH GRAYSON COUNTY, TEXAS; DESIGNATING ELECTION PRECINCTS; APPOINTING ELECTION OFFICIALS; PROVIDING FOR NOTICE OF SAID ELECTION; PROVIDING FOR THE USE OF DIRECT RECORDING ELECTRONIC VOTING EQUIPMENT; PROVIDING FOR EARLY VOTING.

ORD 6513
REGULAR ELECTION

Ordinance 6514

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS AMENDING SECTION 12, ORDINANCE NO. 2280 SO AS TO INCLUDE CERTAIN PROPERTY WITHIN THE R-1 (ONE-FAMILY RESIDENTIAL) DISTRICT LOCATED AT 715 NORTH ELM STREET, BEING LOT 18, L.C. CHAPMAN'S ADDITION (DP CAPSTONE LLC, OWNER; AUSTIN HOOVER, REPRESENTATIVE; HD DESIGN BUILD, DESIGNER; AND SARTIN SURVEYING, LLC, SURVEYOR); PROVIDING A PENALTY NOT TO EXCEED \$2,000.00; PROVIDING A REPEALING/SAVINGS CLAUSE, SEVERABILITY CLAUSE AND AN EFFECTIVE DATE.

ORD 6514
ZONE CHANGE
(715 N. ELM ST)

Ordinance 6515

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AMENDING SECTION 8, SUBSECTION (5)(A), ORDINANCE NO. 2280, SO AS TO GRANT A SPECIFIC USE PERMIT TO ALLOW A MONTESSORI SCHOOL, GRADES 3-12 IN A C-1 (RETAIL BUSINESS) DISTRICT/O-1.1 (F.M. HIGHWAY 1417) OVERLAY DISTRICT AT 5615 NORTH FM 1417 (HERITAGE PARKWAY), BEING 3.00 ACRES IN THE JOHN GOODE SURVEY, ABSTRACT NO. 468 (GREGG HOLBROOK, OWNER; BAYLEE KOWERT, APPLICANT; AND HELVEY-WAGNER SURVEYING, INC, SURVEYOR) PROVIDING THAT THIS SPECIFIC USE PERMIT SHALL BE GRANTED SUBJECT TO CERTAIN CONDITIONS; PROVIDING A PENALTY NOT TO EXCEED \$2,000.00.

ORD 6515
SUP FOR
MONTESSORI
SCHOOL
(5615 N. FM 1417)

Ordinance 6516

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AMENDING SECTION 12, ORDINANCE NO. 2280, SO AS TO INCLUDE CERTAIN PROPERTY WITHIN THE R-1 (ONE-FAMILY RESIDENTIAL) DISTRICT LOCATED AT 2305 AND 2615 GRAYSTONE DRIVE, BEING 19.95 ACRES IN THE SAMUEL M. McGLOTHLIN SURVEY, ABSTRACT NO. 811 (LLOYD PLYLER CONSTRUCTION LLP, OWNER; TERRIN BERTHOLF, B & H DEVELOPMENT, LLC, PROSPECTIVE BUYER/REPRESENTATIVE; AND MANHARD ENGINEERING, SURVEYOR/ENGINEER); PROVIDING A PENALTY NOT TO EXCEED \$2,000.00; PROVIDING A REPEALING/SAVINGS CLAUSE, SEVERABILITY CLAUSE AND AN EFFECTIVE DATE.

ORD 6516
ZONE CHANGE
(2305 & 2615
GRAYSTONE DR)

Ordinance 6517

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AMENDING SECTION 8, SUBSECTION (5)(A), ORDINANCE NO. 2280, SO AS TO GRANT A SPECIFIC USE PERMIT TO ALLOW PATIO HOMES IN AN R-1 (ONE-FAMILY RESIDENTIAL) DISTRICT AT 2305 AND 2615 GRAYSTONE DRIVE, BEING 19.95 ACRES IN THE SAMUEL M. McGLOTHLIN SURVEY, ABSTRACT NO. 811 (LLOYD PLYLER CONSTRUCTION LLP, OWNER; TERRIN BERTHOLF, B & H DEVELOPMENT, LLC, PROSPECTIVE BUYER/REPRESENTATIVE; AND MANHARD ENGINEERING, SURVEYOR/ENGINEER) PROVIDING THAT THIS SPECIFIC USE PERMIT SHALL BE GRANTED SUBJECT TO CERTAIN CONDITIONS; PROVIDING A PENALTY NOT TO EXCEED \$2,000.00.

ORD 6517
SUP FOR
PATIO HOMES
(2305 & 2615
GRAYSTONE DR)

Ordinance 6518

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AMENDING SECTION 12, ORDINANCE NO. 2280, SO AS TO INCLUDE CERTAIN PROPERTY WITHIN THE R-1 (ONE-FAMILY RESIDENTIAL) DISTRICT, LOCATED AT 1016 EAST CHERRY STREET, BEING A PORTION OF LOT 3, BLOCK 2 OF HAZELWOOD AND VADEN ADDITION (AXALT DENISON TX HOLDINGS, LLC, OWNER; CHRISTOPHER WYATT, REPRESENTATIVE AND CBG SURVEYING TEXAS LLC, SURVEYOR); PROVIDING A PENALTY NOT TO EXCEED \$2,000.00; PROVIDING A REPEALING/SAVINGS CLAUSE, SEVERABILITY CLAUSE AND AN EFFECTIVE DATE.

ORD 6518
ZONE CHANGE
(1016 E. CHERRY ST)

ACTION TAKEN.

Motion by Council Member Stevenson to adopt Ordinance Nos. 6510, 6511, 6512, 6513, 6514, 6515, 6516, 6517, and 6518, as presented. Second by Council Member Holland.

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

VOTING NAY: None.

MOTION CARRIED.

Deputy Mayor Howeth handed the meeting back over to Mayor Plyler

RESOLUTION NO. 6938 – APPROVING AND ADOPTING A FIVE-YEAR CAPITAL IMPROVEMENT PROGRAM FOR THE CITY OF SHERMAN, TEXAS

RES 6938
CIP

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, APPROVING AND ADOPTING A FIVE-YEAR CAPITAL IMPROVEMENT PROGRAM FOR THE CITY OF SHERMAN, TEXAS.

Ms. Lawrence said this resolution would adopt the Five-Year Capital Improvement Program, that was discussed earlier. The notice was advertised and the public hearing was held, and now the staff recommends adoption of the resolution.

ACTION TAKEN.

Motion by Deputy Mayor Howeth to approve Resolution No. 6938, as presented. Second by Council Member Dobbs.

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

VOTING NAY: None.

MOTION CARRIED.

RESOLUTION NO. 6939 – AWARDING A BID TO AND AUTHORIZING EXECUTION OF A CONTRACT WITH THE PUBLIC RESTROOM COMPANY FOR THE PURCHASE AND INSTALLATION OF SITE IMPROVEMENTS FOR THE MARTIN LUTHER KING PARK RESTROOM REPLACEMENT PROJECT

RES 6939
MLK PARK
RESTROOM
REPLACEMENT

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AWARDING A BID TO AND AUTHORIZING EXECUTION OF A CONTRACT WITH THE PUBLIC RESTROOM COMPANY FOR THE PURCHASE AND INSTALLATION OF SITE IMPROVEMENTS FOR THE MARTIN LUTHER KING PARK RESTROOM REPLACEMENT PROJECT.

Theresa Hutchinson, Parks and Recreation Manager, said this would authorize a contract with Public Restroom Company to replace the restroom at MLK Park. The company scored the highest on the City's scoring criteria, and were also the lowest bid.

ACTION TAKEN.

Motion by Council Member Dobbs to approve Resolution No. 6939, as presented. Second by Council Member Holland.

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

VOTING NAY: None.

MOTION CARRIED.

RESOLUTION NO. 6940 – AUTHORIZING EXECUTION OF A MASTER DEVELOPMENT AGREEMENT BETWEEN THE CITY OF SHERMAN AND SHERMAN HICKORY HILL, LLC, FOR THE CONSTRUCTION OF PUBLIC FACILITIES OF THE PLANNED DEVELOPMENT KNOWN AS HICKORY HILL, BEING AN APPROXIMATE 150.434-ACRE RESIDENTIAL DEVELOPMENT WEST OF CARRIAGE ESTATES ROAD IN THE CITY OF SHERMAN, TEXAS

RES 6940
SHERMAN HICKORY
HILL MASTER
DEVELOPMENT
AGREEMENT

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING EXECUTION OF A MASTER DEVELOPMENT AGREEMENT BETWEEN THE CITY OF SHERMAN AND SHERMAN HICKORY HILL, LLC, FOR THE CONSTRUCTION OF PUBLIC FACILITIES OF THE PLANNED DEVELOPMENT

KNOWN AS HICKORY HILL, BEING AN APPROXIMATE 150.434-ACRE RESIDENTIAL DEVELOPMENT WEST OF CARRIAGE ESTATES ROAD IN THE CITY OF SHERMAN, TEXAS.

Mr. Philpott said this was another step for this development. Earlier this summer, the Council approved a request for an annexation and this development. This is a Master Development Agreement on some of the infrastructure costs that will be shared on the development.

The agreement outlines who pays for what, including the dedication of over 20 acres of park land. The City is responsible for the off-site sewer, and will also expand all four lanes of Lamberth Road, through Carriage Estates.

There will be a shared cost with the developer, on the extension of a portion of Lamberth Road and Friendship Road, through the development. It will also include two lanes, concrete curb and gutter, similar to Moore Street. The City will be responsible for some of the park improvements and dedication for some of the internal streets.

They hope to start construction later this year. An engineering contract will be brought to the Council in the future for consideration. They will also have the contract for Lamberth and Friendship Roads, and there will probably be a reimbursement agreement. Hopefully, all the construction will be done at the same time.

Mr. Hefton added that the sewer line on the south end, that will extend from the existing sewer main that runs down Sand Creek, to the south end of the development, will also be the City's responsibility.

He said, this agreement is about infrastructure in and adjacent to the Hickory Hill Development, but the project is larger than that, and extends from Lamberth Road, eastward to Shady Oaks, and then to the off-site sewer.

Mr. Philpott said the staff is working to make sure the sewer line has the ability to also serve the property to the north.

ACTION TAKEN.

Motion by Council Member Stevenson to approve Resolution No. 6940, as presented. Second by Deputy Mayor Howeth.
VOTING AYE: Dobbs, Holland, Howeth, Marroquin, Stevenson.
VOTING NAY: None.
MOTION CARRIED.

RESOLUTION NO. 6941 – AUTHORIZING EXECUTION OF A RELOCATION AGREEMENT WITH ATMOS ENERGY CORPORATION FOR THE RELOCATION OF A HIGH-PRESSURE TRANSMISSION GAS LINE

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING EXECUTION OF RELOCATION

**RES 6941
ATMOS RELOCATION
OF HIGH-PRESSURE
TRANSMISSION
GAS LINE**

AGREEMENT WITH ATMOS ENERGY CORPORATION, FOR RELOCATION OF A HIGH-PRESSURE TRANSMISSION GAS LINE. CONSENT AGENDA.

RESOLUTION NO. 6942 – AUTHORIZING EXECUTION OF A CONTRACT WITH BUSINESS ESSENTIALS FOR FURNITURE FOR THE NEW SHERMAN POLICE DEPARTMENT HEADQUARTERS

RES 6942
POLICE DEPT
FURNITURE

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING EXECUTION OF A CONTRACT WITH BUSINESS ESSENTIALS FOR FURNITURE FOR THE NEW SHERMAN POLICE DEPARTMENT HEADQUARTERS. CONSENT AGENDA.

RESOLUTION NO. 6943 – AUTHORIZING EXECUTION OF A JOINT ELECTION AGREEMENT WITH GRAYSON COUNTY, TEXAS, TO HOLD A JOINT ELECTION ON NOVEMBER 8, 2022

RES 6943
JOINT ELECTION
AGREEMENT

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING EXECUTION OF A JOINT ELECTION AGREEMENT WITH GRAYSON COUNTY, TEXAS, TO HOLD A JOINT ELECTION ON NOVEMBER 8, 2022. CONSENT AGENDA.

RESOLUTION NO. 6944 – AUTHORIZING THE EXECUTION OF A MUTUAL AID AGREEMENT WITH THE CITY OF DURANT, OKLAHOMA

RES 6944
MUTUAL AID
AGREEMENT
WITH DURANT,
OKLAHOMA

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING THE EXECUTION OF A MUTUAL AID AGREEMENT WITH THE CITY OF DURANT, OKLAHOMA. CONSENT AGENDA.

RESOLUTION NO. 6945 – AUTHORIZING EXECUTION OF AN EASEMENT TO ONCOR ELECTRIC DELIVERY COMPANY, LLC FOR THE INSTALLATION OF OVERHEAD AND UNDERGROUND ELECTRIC SUPPLY FOR THE NEW CITY OF SHERMAN POLICE STATION HEADQUARTERS

RES 6945
POLICE DEPT
INSTALLATION OF
ELECTRIC SUPPLY

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING EXECUTION OF AN EASEMENT TO ONCOR ELECTRIC DELIVERY COMPANY, LLC FOR THE INSTALLATION OF OVERHEAD AND/OR UNDERGROUND ELECTRIC SUPPLY FOR THE NEW CITY OF SHERMAN POLICE STATION HEADQUARTERS. CONSENT AGENDA.

RESOLUTION NO. 6946 – AUTHORIZING THE CONTRACTING OF UNIFORMS SERVICES FOR MULTIPLE DEPARTMENTS FROM CINTAS THROUGH THE OMNIA PARTNERS PURCHASING COOPERATIVE

RES 6946
ANNUAL UNIFORM
CONTRACT

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING THE CONTRACTING OF UNIFORMS SERVICES FOR MULTIPLE DEPARTMENTS FROM CINTAS THROUGH THE OMNIA PARTNERS PURCHASING COOPERATIVE. CONSENT AGENDA.

OTHER BUSINESS

RECEIVE A PRESENTATION FROM KIMLEY-HORN AND ASSOCIATES ON THE AMENDMENT TO THE ROADWAY, WATER, WASTEWATER LAND USE ASSUMPTIONS, CAPITAL IMPROVEMENTS PLAN, AND IMPACT FEE STUDY AND THE AMENDMENT OF THE IMPACT FEE ORDINANCE

**AMENDMENT TO
ROADWAY, WATER,
WASTEWATER LAND
USE, CIP, IMPACT
FEES**

Mr. Rae said in 2020, the City Council approved Ordinance 6326, establishing a Water, Wastewater, Roadway Impact Fee. The Impact Fee went into effect on June 7, 2021, and they began collecting the fee. From June 7, 2021 until June 7, 2022, there was a grace period for any properties that had already been platted, and they did not pay Impact Fees. The grace period ended on June 7, 2022, and the City has been collecting Impact Fees on any new standard commercial development.

Since the passage of Impact Fees, Mr. Rae said there has been “an explosion of growth,” and a lot of changes in the infrastructure needs. Because of this, the City contracted with Kimley-Horn to update the study.

He introduced April Escamilla, Engineer, Kimley-Horn and Associates, to present proposed amendments to the study. She addressed the process and the role the City Council would play in the adoption process.

Components of the Impact Fee include the service area, the land use assumptions, the Capital Improvement Plan, a maximum fee calculation, and sample calculations.

Service areas of the Impact Fee are for the roadway, water, and wastewater. Boundaries must be established for each service area. The service area boundary for water and wastewater is the entire City. The service area for the roadway is a six mile trip length limit, is limited to the corporate limits of the City, and cannot include the ETJ.

They proposed extending the water and wastewater service areas to the ETJ. There are four service areas for the roadway, that extend to the City limits and not the ETJ. They are making a minor update to service areas three and four for roadways. The revised limits follow Post Oak Creek, which Mr. Rae said is a more natural boundary. Previously the boundary was FM 1417.

Ms. Escamilla also presented a list of proposed projects for the water and wastewater systems, and presented a map of each roadway service area. She discussed the maximum fee calculation per service area, and how it was determined.

Ms. Escamilla compared the 2020 adopted Impact Fee and the proposed 2022 “Minor Update” fee in each of the areas. The CIAC will also make their recommendation to the Council. She explained how the sample calculations were determined for the various land uses.

The study calculates the maximum Impact Fee, while the actual collection rate will be set in the ordinance, by the City Council. The

COUNCIL MINUTES – AUGUST 15, 2022

CIAC will discuss their recommendations to Council on August 30, 2022, and the City Council will hold a public hearing on September 6, 2022.

Mr. Hefton said no decision was needed tonight, and the Council should entertain the CIAC recommendations first. He added that they can choose anything between zero and the maximum allowable. If the Council takes no action, to change the current rate that the City's charging, they still have to revise and update the ordinance that sets the maximum. That will still require action at a future meeting.

He asked if the Council "was leaning" a certain way towards increasing the fee. He reiterated the current maximum amounts. He said the amount Sherman is charging is considerably lower than our other peer cities. Also, the program was adopted in 2021, but had a year's grace period, so very little revenue has been received from the program. Therefore, it's hard to determine the impact that the fee has had.

Mayor Plyler verified that there will be Council action to adopt the maximum allowed, but they can adopt or change the actual fee at any time. "No action" would be to not change the fee that is already being collected.

Mr. Philpott said the Council definitely wanted to adopt the updated study, because it includes areas that have recently been annexed and need to be included for the Impact Fees.

Council Member Stevenson said he would like to see information about averaging across all four areas versus not averaging. He asked if there would be economic incentives for builders to build in some areas and not in others.

Deputy Mayor Howeth said she was glad they adopted Impact Fees when they did, because with the recent growth, she didn't know what they would have done about needed infrastructure. She did feel it needed to be re-evaluated, but did not feel that she had enough information to decide now. She felt the Impact Fee would need to be changed.

Mr. Hefton said the staff could make some assumptions. He mentioned some of the infrastructure that would be needed for Texas Instruments alone. He did say they couldn't determine the impact that this infrastructure would have yet, especially since there are several large developments in the works.

Council Member Teamann said the Impact Fees just started being charged in June 2022. Mr. Hefton said they started being charged in June 2021, for those that didn't already have something platted. There was a rush to get projects platted before the fee went into effect. He said Impact Fees have raised only about \$200,000, since they have been implemented.

COUNCIL MINUTES – AUGUST 15, 2022

Council Member Stevenson asked if the staff felt that Impact Fees had deterred single-family homebuilders from coming to Sherman. Mr. Hefton said the staff has not seen that.

Mayor Plyler confirmed that the CIAC was composed of local citizens.

Mr. Hefton clarified that the allowable maximum increased because the projected cost of infrastructure and the population increased. Council Member Dobbs said it seemed like the Council was conservative when Impact Fees began in 2020, but things have changed substantially and the City has a lot more leverage now. Council Member Stevenson said the Council wanted Impact Fees, but they didn't want "to scare anyone away" by having them.

CONSIDER SCHEDULING A JOINT MEETING OF THE CITY COUNCIL AND THE COMPREHENSIVE PLAN PROJECT MANAGER FOR 11:00 A.M. ON THURSDAY, SEPTEMBER 22, 2022 TO REVIEW THE COMPREHENSIVE PLAN AND ZONING ORDINANCE UPDATES

Mr. Rae said Ryan Pittman, City Attorney, would not be available to attend a meeting on September 22, 2022. He asked Council Members if they wanted to change the date of the meeting. The alternative date for the meeting is September 21, 2022.

Mr. Hefton said half of the meeting will be about the Comprehensive Plan, and the other half will be about the Zoning and Development Ordinances. He did not want to spend the bulk of the meeting on the legal issues of the zoning ordinances, but on the zoning changes that would be presented.

Council Member Dobbs said he could not attend a meeting on September 21, 2022.

ACTION TAKEN.

Motion by Council Member Stevenson to schedule a Joint Meeting with the City Council and the Comprehensive Plan Project Manager, on September 22, 2022, at 11:00 a.m., to review the Draft 2022 Comprehensive Plan and Trails Master Plan and Zoning Ordinance Updates, as presented. Second by Deputy Mayor Howeth.

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

VOTING NAY: None.

MOTION CARRIED.

FINAL PLAT APPROVAL OF BAKERSFIELD ADDITION LOT 1, BLOCK 1, BEING 13.564 ACRES IN THE ELIZABETH JONES SURVEY, ABSTRACT NO. 625; JOHN ADCOCK, OWNER; CHARLIE MOUSSA, PREMIER MULTIFAMILY DEVELOPMENT, DEVELOPER; AND PACHECO KOCH CONSULTING ENGINEERS, SURVEYOR (4001 OB GRONER ROAD)

The City Council approved the Final Plat of Bakersfield Addition, Lot 1, Block 1, a 13.564 acre tract, located at 4001 O.B. Groner Road. The owner would like to plat the property into one lot for a multi-family residential development.

SCHEDULE JOINT MEETING WITH COUNCIL & COMPREHENSIVE PLAN PROJECT MGMR (SEPT. 22, 2022)

APPROVE FINAL PLAT BAKERSFIELD ADDITION (4001 O.B. GRONER RD)

COUNCIL MINUTES – AUGUST 15, 2022

The Planning and Zoning Commission recommended approval of the Final Plat, subject to the Staff Review Letter.
CONSENT AGENDA, SUBJECT TO STAFF REVIEW LETTER.

REPLAT APPROVAL OF OPEL ADDITION, PHASE TWO, BEING PART OF THE G.B. PILANT SURVEY, ABSTRACT NO. 963 AND BEING ALL OF LOTS 2 AND 3 OF OPEL ADDITION, CONSISTING OF 2.170 ACRES; BERANEA CRUZ, OWNER AND HELVEY-WAGNER SURVEYING INC., SURVEYOR (912 AND 916 SOUTH GRIBBLE STREET)

The City Council approved the Replat of Opel Addition, Phase Two, a 2.170 acre tract, located at 912 and 916 South Gribble Street. The owner would like to plat the property into two lots for residential development.

APPROVE REPLAT
OPEL ADDITION
PHASE 2
(912 & 916 S. GRIBBLE)

The Planning and Zoning Commission recommended approval of the Replat, subject to the Staff Review Letter.
CONSENT AGENDA, SUBJECT TO STAFF REVIEW LETTER.

REPLAT APPROVAL OF LOTS 8 & 9, BLOCK 1, PRESTON CLUB THE CLASSICS – PHASE THREE, BEING PART OF THE DANIEL BICKENBACK SURVEY, ABSTRACT NO. 128 AND BEING ALL OF LOTS 8 AND 9, BLOCK 1, PRESTON CLUB THE CLASSICS-PHASE THREE, CONSISTING OF 0.452 ACRES; WUI DEVELOPMENTS LLC, OWNER AND HELVEY-WAGNER SURVEYING INC., SURVEYOR (112 AND 128 ROBERTS RUN)

The City Council approved the Replat of Lots 8 and 9, Block 1, Preston Club The Classics – Phase Three, a 0.452 acre tract, located at 112 and 128 Roberts Run.

APPROVE REPLAT
PRESTON CLUB
THE CLASSICS-
PHASE THREE
(112 & 128 ROBERTS
RUN)

The Planning and Zoning Commissions recommended approval of the Replat, subject to the Staff Review Letter.
CONSENT AGENDA, SUBJECT TO STAFF REVIEW LETTER.

REPLAT APPROVAL OF GRAYSON CHIN BAPTIST CHURCH ADDITION, BEING PART OF THE G.B. PILANT SURVEY, ABSTRACT NO. 963, AND BEING ALL OF LOTS 1, 2, 3, & 4 AND A 20' ALLEY IN BLOCK 4, W. ELLIOTT'S ADDITION CONSISTING OF 0.685 ACRES; GRAYSON CHIN BAPTIST CHURCH, OWNER; REVEREND KHEN CHUM, REPRESENTATIVE; J. VOLK CONSULTING, ENGINEER; AND COPLEY LAND SURVEYING, SURVEYOR (527 SOUTH WILLOW STREET AND 909 EAST KING STREET)

The City Council approved the Replat of Grayson Chin Baptist Church Addition, a 0.685 acre tract, located at 527 South Willow and 909 East King Streets.

APPROVE REPLAT
GRAYSON CHIN
BAPTIST CHURCH
ADDITION
(527 S. WILLOW &
909 E. KING STS)

The Planning and Zoning Commission recommended approval of the Replat, subject to the Staff Review Letter.
CONSENT AGENDA, SUBJECT TO STAFF REVIEW LETTER.

FINAL PLAT APPROVAL OF USOW SHERMAN ADDITION, BEING 2.814 ACRES IN THE G.W. McGLOTHLIN SURVEY, ABSTRACT NO. 827 AND THE S. McGLOTHLIN SURVEY, ABSTRACT NO. 808; H. BLUME LOE, JR., OWNERS AND HELVEY-WAGNER SURVEYING, INC., SURVEYOR (2450 NORTH FRISCO ROAD)

APPROVE FINAL PLAT
USOW SHERMAN
ADDITION
(2450 N. FRISCO RD)

COUNCIL MINUTES – AUGUST 15, 2022

The City Council approved the Final Plat of USOW Sherman Addition, a 2.814 acre tract, located at 2450 North Frisco Road. The owner would like to plat the property into one lot for commercial development.

The Planning and Zoning Commission recommended approval of the Final Plat, subject to the Staff Review Letter.

CONSENT AGENDA, SUBJECT TO STAFF REVIEW LETTER.

REPLAT APPROVAL OF 903 BREWER'S ADDITION, BEING 11.111 ACRES AND ALSO BEING LOTS 1 AND 2, BLOCK 1 NORTHGATE BUSINESS PARK, PHASE 1; SEDCO, OWNER; KENT SHARP, REPRESENTATIVE; AND UNDERWOOD DRAFTING & SURVEYING, SURVEYOR (3231 NORTHGATE DRIVE)

The City Council approved the Replat of 903 Brewer's Addition, a 11.111 acre tract, located at 3231 Northgate Drive. The owner would like to plat the property into one lot for commercial development.

The Planning and Zoning Commission recommended approval of the Replat, subject to the Staff Review Letter.

CONSENT AGENDA, SUBJECT TO STAFF REVIEW LETTER.

REPLAT APPROVAL OF JUAREZ ADDITION, BEING 0.161 ACRES IN THE J.B. McANAIR SURVEY, ABSTRACT NO 763; HANNAH AND DANIEL JUAREZ, OWNERS AND COPLEY LAND SURVEYING, SURVEYOR (407 EAST COLLEGE STREET)

The City Council approved the Replat of Juarez Addition, a 0.161 acre tract, located at 407 East College Street. The owner would like to plat the property into one lot for residential development.

The Planning and Zoning Commission recommended approval of the Replat, subject to the Staff Review Letter.

CONSENT AGENDA, SUBJECT TO STAFF REVIEW LETTER.

FINAL PLAT APPROVAL OF TEXAS INSTRUMENTS SHERMAN ADDITION, BEING 559.333 ACRES IN THE M.G. FELERS SURVEY, ABSTRACT 427, THE C.S. DALE SURVEY, ABSTRACT NO. 356, THE WILLIAM MARTIN SURVEY, ABSTRACT 765, THE HEIRS OF SHERROD DUNMAN SURVEY, ABSTRACT NO. 329, THE JOHN CHRONISTER SURVEY, ABSTRACT NO. 248 AND THE JAMES A. FOSTER SURVEY, ABSTRACT NO. 418; TEXAS INSTRUMENTS INCORPORATED, OWNER; PATRICK BRAUN, PACHECO KOCH, REPRESENTATIVE; AND RINGLEY & ASSOCIATES, INC., SURVEYOR (501 WEST SHEPHERD DRIVE)

The City Council approved the Final Plat of Texas Instruments Sherman Addition, a 559.333 acre tract, located at 501 West Shepherd Drive. The owner would like to plat the property into one lot for commercial development.

The Planning and Zoning Commission recommended approval of the Final Plat, subject to the Staff Review Letter.

CONSENT AGENDA, SUBJECT TO STAFF REVIEW LETTER.

APPROVE REPLAT
903 BREWER'S
ADDITION
(3231 NORTHGATE DR)

APPROVE REPLAT
JUAREZ ADDITON
(407 E. COLLEGE ST)

APPROVE FINAL PLAT
(501 W. SHEPHERD DR)

REPLAT OF LOT 2 OF INDEPENDENCE SQUARE ADDITION, SECTION 3, BEING 8.93 ACRES IN THE J.B. McANAIR SURVEY, ABSTRACT NO. 763, AND BEING ALL OF LOT 2 OF THE REPLAT OF LOT 3, BLOCK 2, INDEPENDENCE SQUARE ADDITION, SECTION 3; RUSSELL SPEARS, POST OAK LIQUIDATING TRUST, OWNERS; BRAD TIDWELL, OAK VIEW CAPITAL PARTNERS, DEVELOPER; AND UNDERWOOD SURVEYING, SURVEYOR (2100-2200 BLOCKS NORTH TRAVIS STREET)

APPROVE REPLAT
INDEPENDENCE
SQUARE ADDITION
(2100-2200 BLOCKS
N. TRAVIS ST)

The City Council approved the Replat of Lot 2 of Independence Square Addition, Section 3, an 8.93 acre tract, located in the 2100 to 2200 blocks of North Travis Street. The owner would like to plat the property into two lots for commercial development.

The Planning and Zoning Commission recommended that the Replat be approved, subject to the Staff Review Letter.
CONSENT AGENDA, SUBJECT TO STAFF REVIEW LETTER.

REPLAT APPROVAL OF KING STREET ADDITION, BEING PART OF THE G.B. PILANT SURVEY, ABSTRACT NO. 963 AND BEING ALL OF LOT 5 AND THE NORTH 25 FT. OF LOT 6, C.L. STOWES ADDITION, CONSISTING OF 0.321 ACRES; TIMBER REALTY MANAGEMENT LLC, OWNER AND HELVEY-WAGNER SURVEYING INC., SURVEYOR (602 SOUTH CHARLES STREET)

APPROVE REPLAT
KING STREET
ADDITION
(602 S. CHARLES ST)

The City Council approved the Replat of King Street Addition, a 0.321 acre tract, located at 602 South Charles Street). The owner would like to plat the property into one lot for residential development.

The Planning and Zoning Commission recommended approval of the Replat, subject to the Staff Review Letter.
CONSENT AGENDA, SUBJECT TO STAFF REVIEW LETTER.

REPLAT APPROVAL OF LOTS 17 & 18, BLOCK 1, PRESTON CLUB THE CLASSICS – PHASE THREE, BEING PART OF THE J.M. THOMAS SURVEY, ABSTRACT NO. 1234 AND BEING ALL OF LOTS 17 AND 18, BLOCK 1, PRESTON CLUB THE CLASSICS-PHASE THREE, CONSISTING OF 0.798 ACRES; WUI DEVELOPMENTS LLC, OWNER AND HELVEY-WAGNER SURVEYING INC., SURVEYOR (252 AND 268 ROBERTS RUN)

APPROVE REPLAT
PRESTON CLUB
THE CLASSICS
PHASE THREE
(252 & 268 ROBERTS
RUN)

The City Council approved the Replat of Lots 17 and 18, Block 1, Preston Club The Classics – Phase Three, a 0.798 acre tract, located at 252 and 268 Roberts Run. The owner would like to plat the property into one lot for residential development and dedicate 0.152 acres of the property for right-of-way purposes.

The Planning and Zoning Commission recommended approval of the Replat, subject to the Staff Review Letter.
CONSENT AGENDA, SUBJECT TO STAFF REVIEW LETTER.

COUNCIL COMMENTS
UPCOMING FESTIVALS

UPCOMING FESTIVALS

Council Member Marroquin said the Arts Fest would be held on the Municipal Grounds on September 17, 2022, and the Hispanic Heritage Festival would be held the following weekend, on September 10, 2022 on the Municipal Grounds. He invited everyone to attend both festivals.

DOWNTOWN CITY PARKING LOT

Deputy Mayor Howeth thanked the Street Department for redoing the parking lot, across from Old Iron Post Restaurant. She said it looks great.

DOWNTOWN CITY
PARKING LOT

MARTIN LUTHER KING PARK RESTROOMS

Daron Holland thanked the Parks Department for moving forward with the restrooms at Martin Luther King Park

MARTIN LUTHER
KING PARK
RESTROOMS

ANNOUNCEMENTS

Mayor Plyler announced the following:

- The Sherman Public Library will host Midnight Madness game night on August 19, 2022. Games and food for those 18 and older.
- Still a few days left for Dino Days at the Sherman Museum, with the exhibit closing on August 20, 2022.
- Bonus Hot Summer Nights concert on September 29, 2022, at 7 p.m. Come see Jo Dee Messina.

ANNOUNCEMENTS

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

THE CITY COUNCIL WILL NOW HOLD AN EXECUTIVE SESSION PURSUANT TO THE PROVISIONS OF THE OPEN MEETINGS LAW, CHAPTER 551, GOVERNMENT CODE, VERNONS TEXAS CODES ANNOTATED, IN ACCORDANCE WITH THE AUTHORITY CONTAINED IN THE FOLLOWING SECTIONS.

EXECUTIVE SESSION

TEX. GOV'T CODE § 551.071 --

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

TEX. GOV'T CODE § 551.072 --

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

TEX. GOV'T CODE § 551.073 --

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

TEX. GOV'T CODE § 551.074 --

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

SUBJECT OF THE DELIBERATION OR HEARING REQUESTS A
PUBLIC HEARING

TEX. GOV'T CODE § 551.076 –

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

TEX. GOV'T CODE § 551.087 –

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

TEX. GOV'T CODE § 551.089 --

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

Mayor Plyler said the Executive Session was not needed.

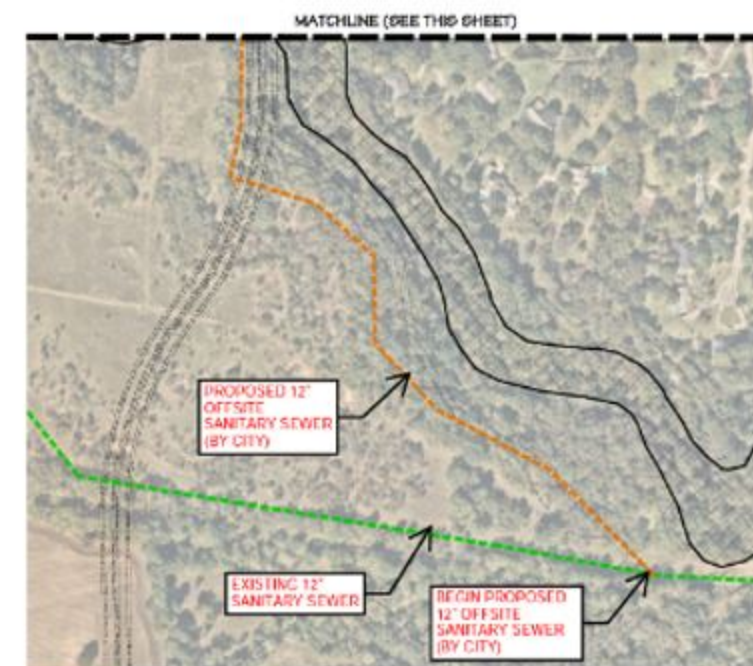
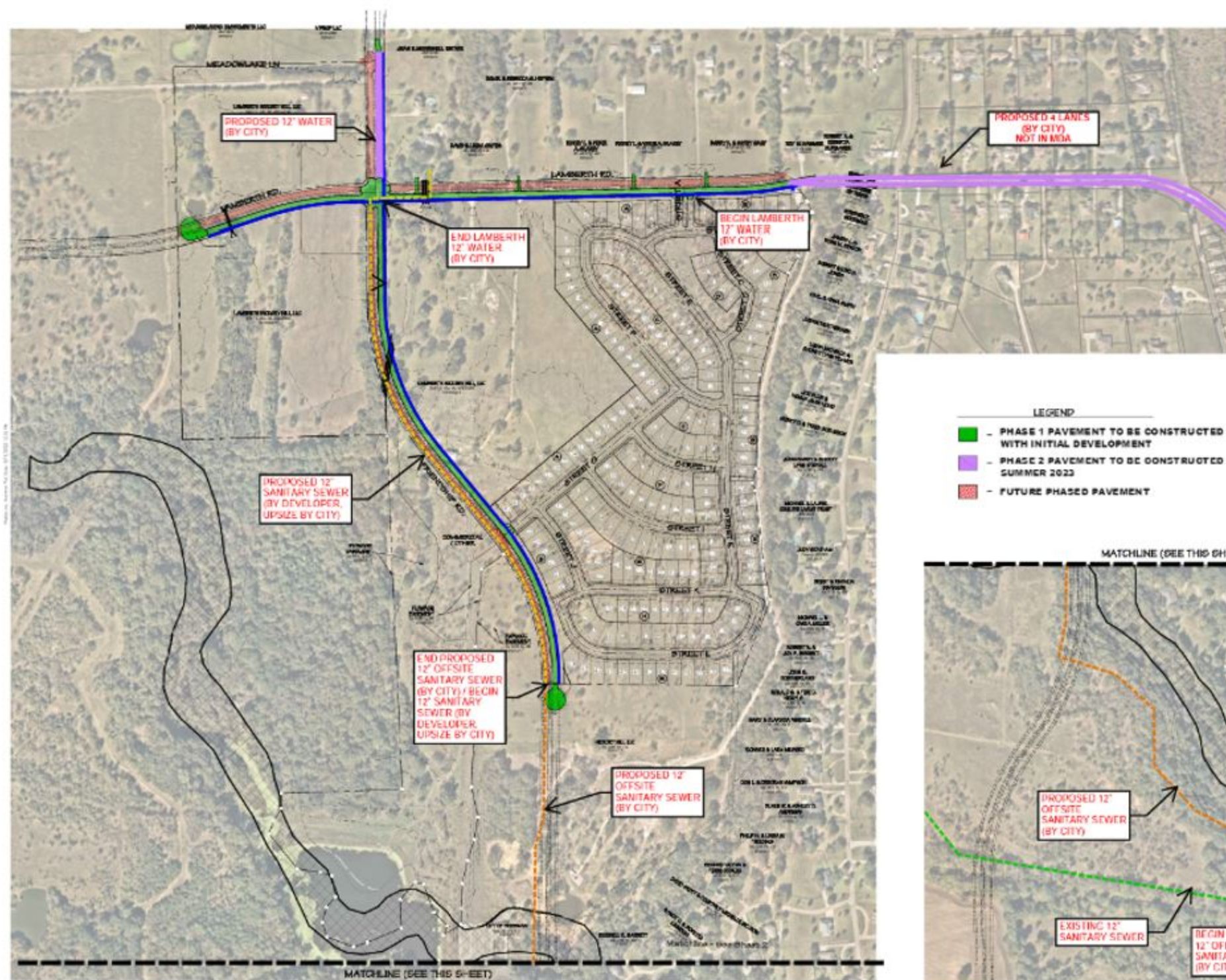
ADJOURNMENT

On Motion duly made and carried, the meeting adjourned at
6:27 p.m.

ADJOURNMENT

MAYOR

CITY CLERK

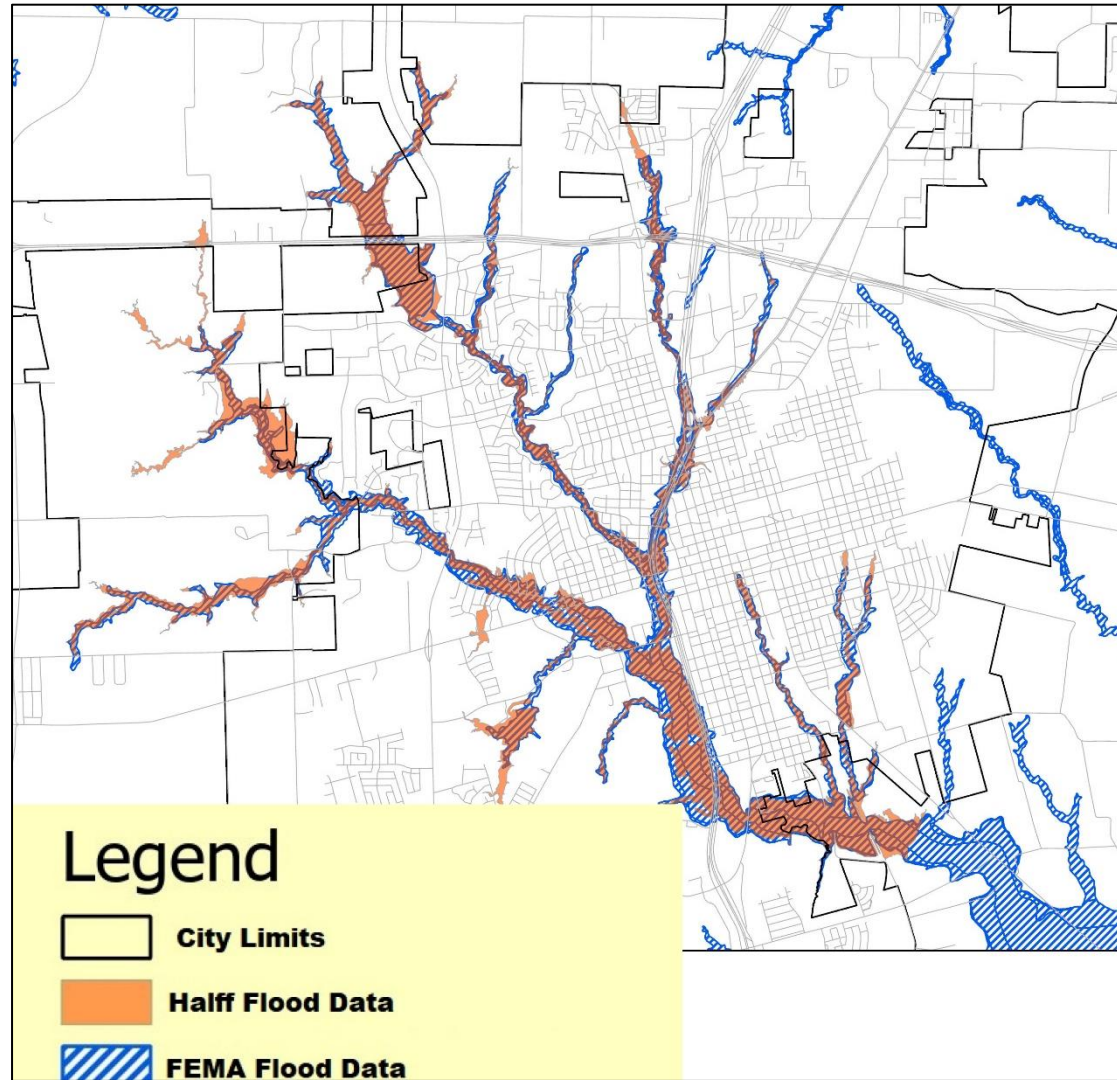


UPDATES TO ARTICLE 3.12

CITY OF SHERMAN FLOODPLAIN ORDINANCE

CITY OF SHERMAN
CITY COUNCIL MEETING
AUGUST 15, 2022

LIMITS OF UPDATED HALFF MODEL



ARTICLE 3.12 UPDATE | DEFINITIONS

■ Definitions Removed:

- Area of future conditions flood hazard
 - *City does not require or reference future condition analysis*

■ Definitions Added:

- Conditional Letter of Map Amendment
- Conditional Letter of Map Revision
- Critical facilities
- Elevation certificate
- Federal Emergency Management Agency (FEMA)
- Flood or flooding
- Floodplain or flood-prone area
- Known flood hazard
- Letter of Map Amendment
- Letter of Map Revision
- National Flood Insurance Program
- Nonresidential Structure
- Physical Map Revision
- Residential Structure

ARTICLE 3.12 UPDATE | SECTION CHANGES

■ Section 3.12.042

- Floodplain Administrator Responsibilities
 - must maintain a variance record
 - must review and respond to all CLOMR/LOMR requests on behalf of the City
- City may require an additional third-party review fee for complex projects.

■ Section 3.12.043

- Floodplain development permits (issued by City) required for all development in Special Flood Hazard Areas
- Models now may be required for development in Special Flood Hazard Areas to prove no adverse impacts.

■ Section 3.12.044

- Variances shall be handled by the Board of Adjustments as established in City Ordinance.

ARTICLE 3.12 UPDATE | SECTION CHANGES

■ Section 3.12.045

- New section
- Defines violations of Article 3.12 and allows for enforcement

■ Violations include:

- Developing in a floodplain without a floodplain development permit
- Failure to return a property to previous state after developing without a floodplain development permit
- Deviating from the regulations in Article 3.12 without obtaining a variance, first.

- Enforcement outlined in Article 1.01, Section 1.01.009.

■ Section 3.12.072

- Manufactured homes must be built 3 feet above base flood.
 - This is a FEMA standard that cannot be altered due to the usual presence of utilities underneath the manufactured home structure.
- Manufactured homes must be securely anchored to avoid floatation, collapse, or other movement.

ARTICLE 3.12 UPDATE | COMMENT FROM FEMA

■ Draft wording:

The areas of special flood hazard identified by FEMA in the current scientific and engineering report entitled, “The Flood Insurance Study for Grayson County, Texas and Incorporated Areas” dated September 1, 2022, with accompanying flood insurance rate maps, and any updates or revisions thereto, as well as areas which have not yet been delineated on the FEMA maps but are known to constitute a special flood hazard area, are hereby adopted by reference and declared to be a part of this Article.



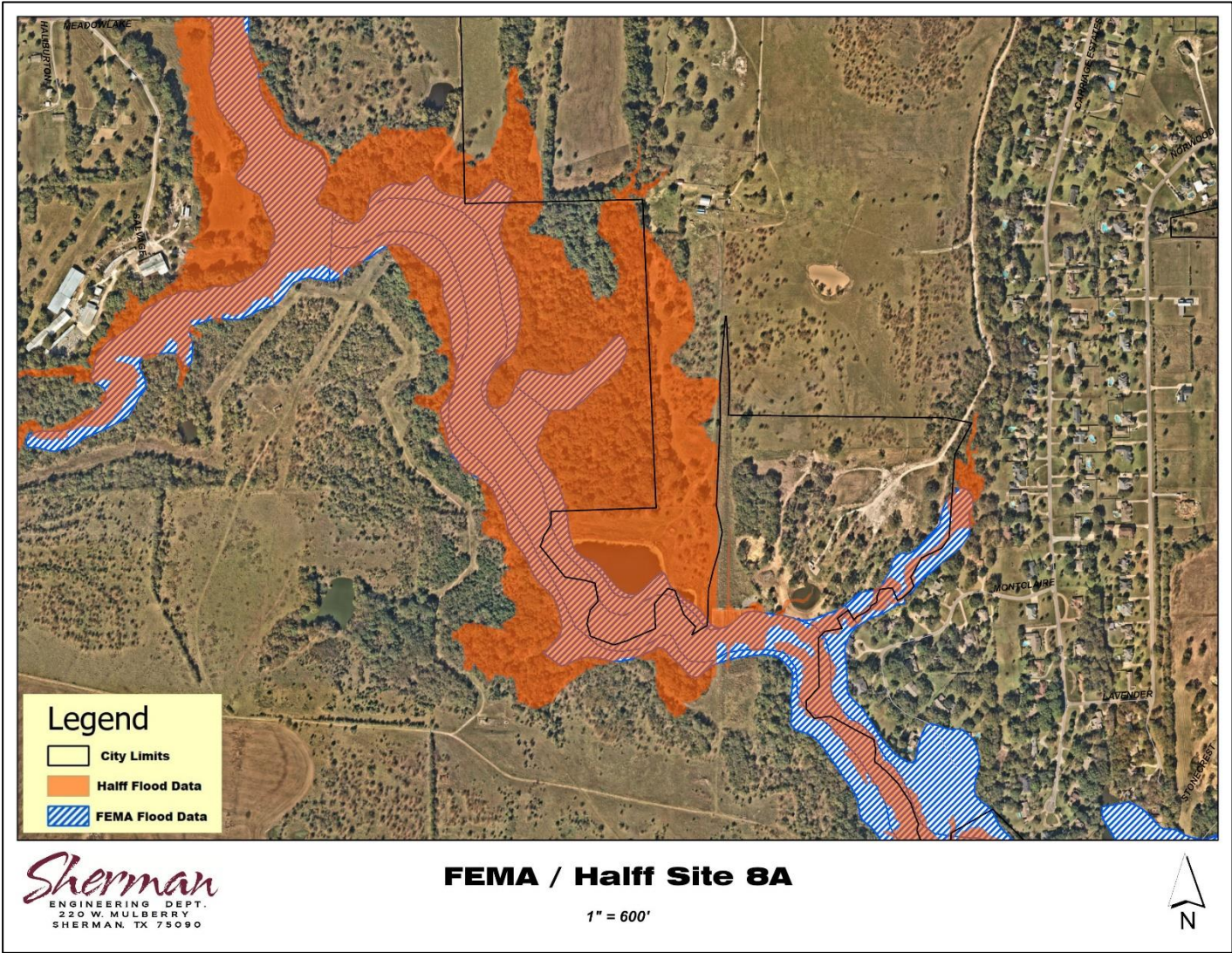
■ Final wording:

The areas of special flood hazard identified by FEMA in the current scientific and engineering report entitled, “The Flood Insurance Study for Grayson County, Texas and Incorporated Areas” dated September 1, 2022, with accompanying flood insurance rate maps, and any updates or revisions thereto, as well as areas which have not yet been delineated on the FEMA maps but are known to constitute a known flood hazard area, are hereby adopted by reference and declared to be a part of this Article.

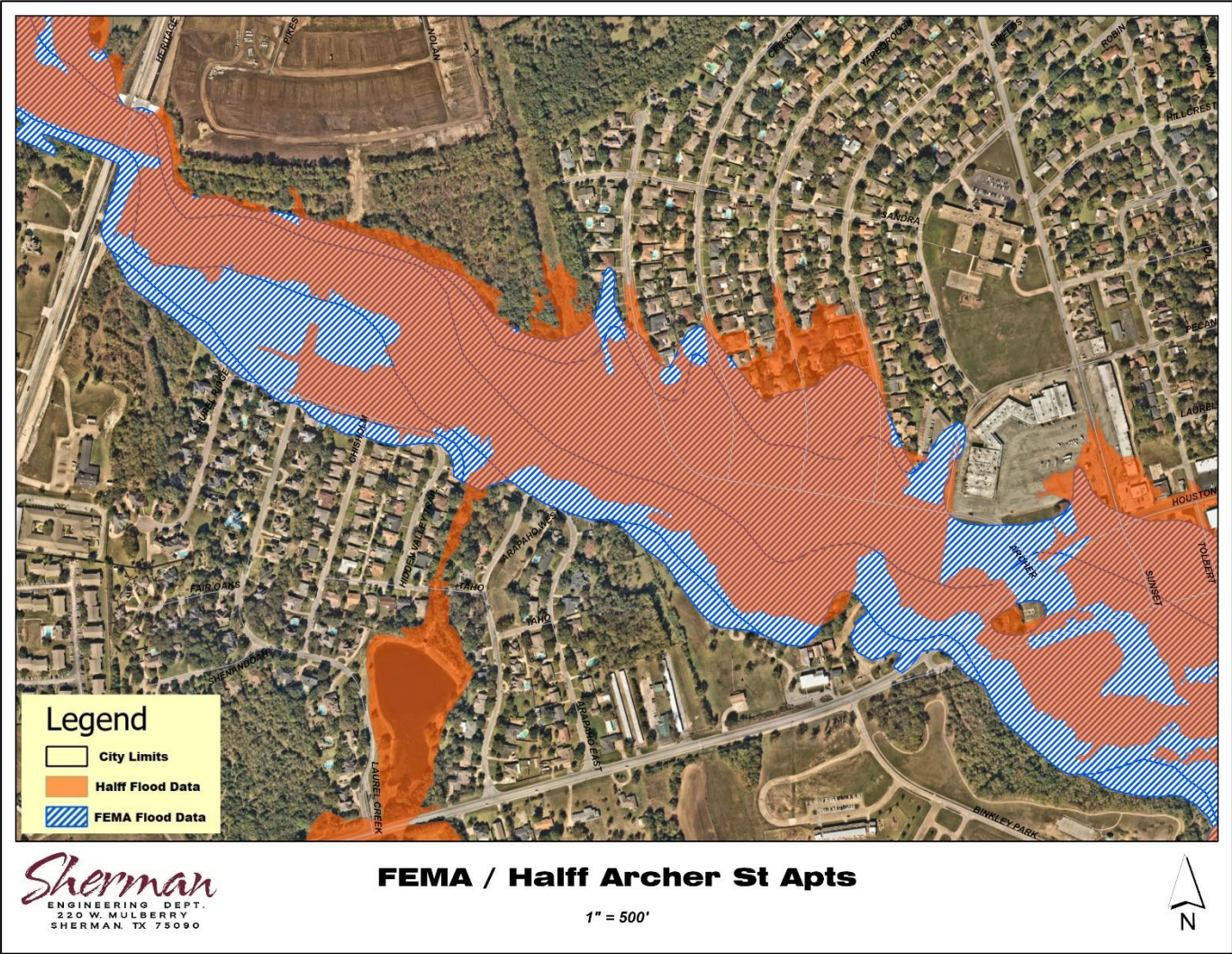
Add new definition:

Known Flood Hazard Area – a local area with a historic tendency of flooding or other drainage-related challenges that is not documented in Flood Insurance Rate Maps.

EXAMPLE OF MAP CHANGES



EXAMPLE OF MAP CHANGES



QUESTIONS?



Impact Fee Minor Update

City of Sherman City Council Work Session

August 15, 2022



Overview

Impact Fee Process

Role of City Council

Updates to Impact Fee Components

Comparisons

Today's Actions

Schedule

Impact Fee Update Process



We are here in process

Planning
Step

Land Use
Assumptions

Impact Fee Capital
Improvements Plan

Analysis
Step

Calculation of
Maximum
Assessable
Impact Fee

Policy
Step

Establishing the
Impact Fee

Adoption

Amend Impact Fee
Ordinance

Role of the City Council

During the Adoption Process



Land Use Assumptions (LUA)

Review LUA and CIAC Comments

Impact Fee Capital Improvements Plan (CIP)

Review Impact Fee CIP and CIAC Comments

Impact Fees

Review Impact Fee and Provide Impact Fee Recommendation

Impact Fee Components



- Service Area
- Land Use Assumptions
- Capital Improvements Plan
- Maximum Fee Calculation
- Results: Sample Calculations

Service Areas



Establish the boundary to which funds can be collected and specify areas to be served by the IF CIP

Roadway



Water



Wastewater



Service Areas



Funds collected within a service area must be spent on projects within the same service area within 10 years

Roadway

6 mile trip length limit

Service Area:
**Limited to Corporate Limits
and cannot include the ETJ**

Water

Service Area:
City Wide

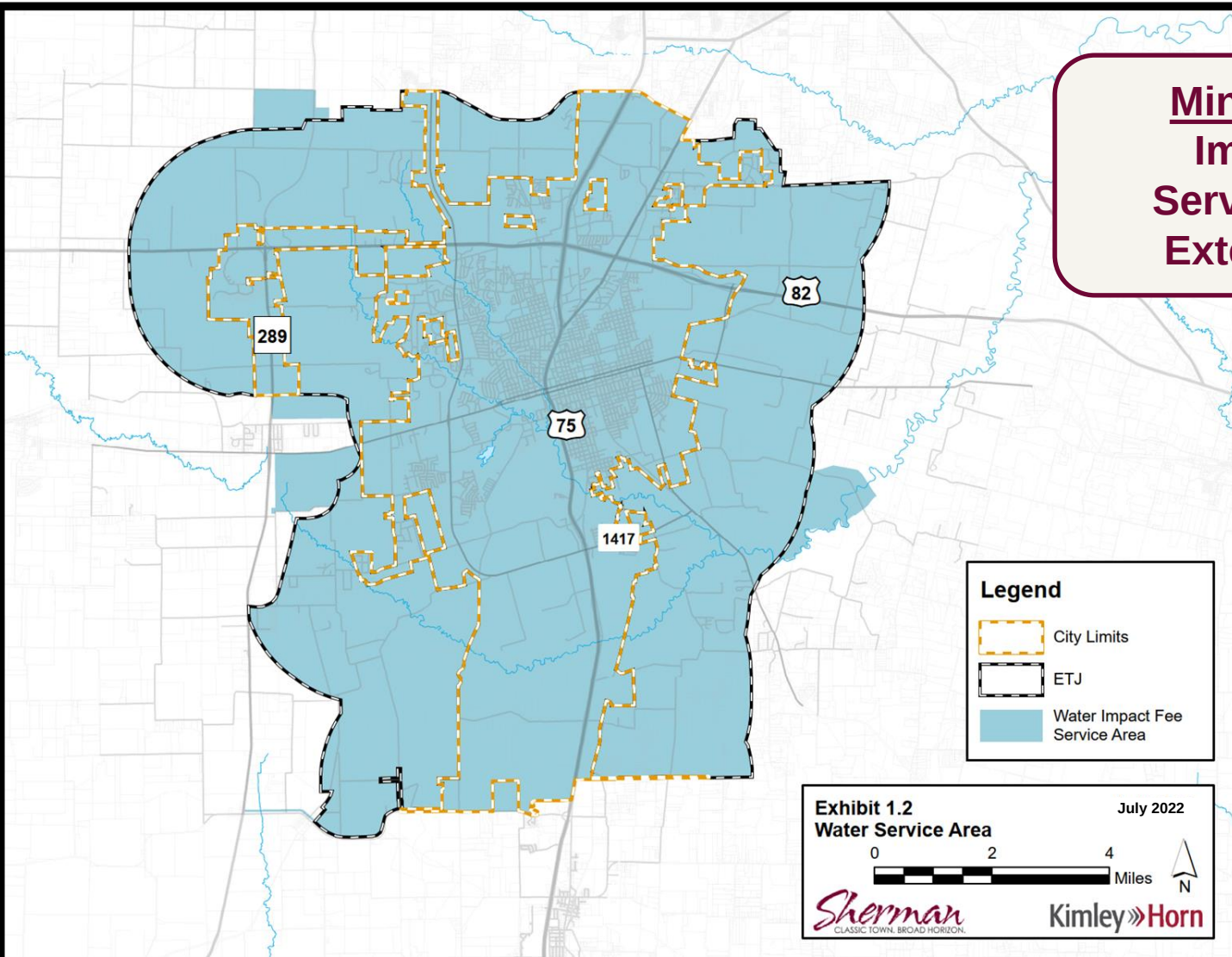
Wastewater

Service Area:
City Wide

Service Areas Water



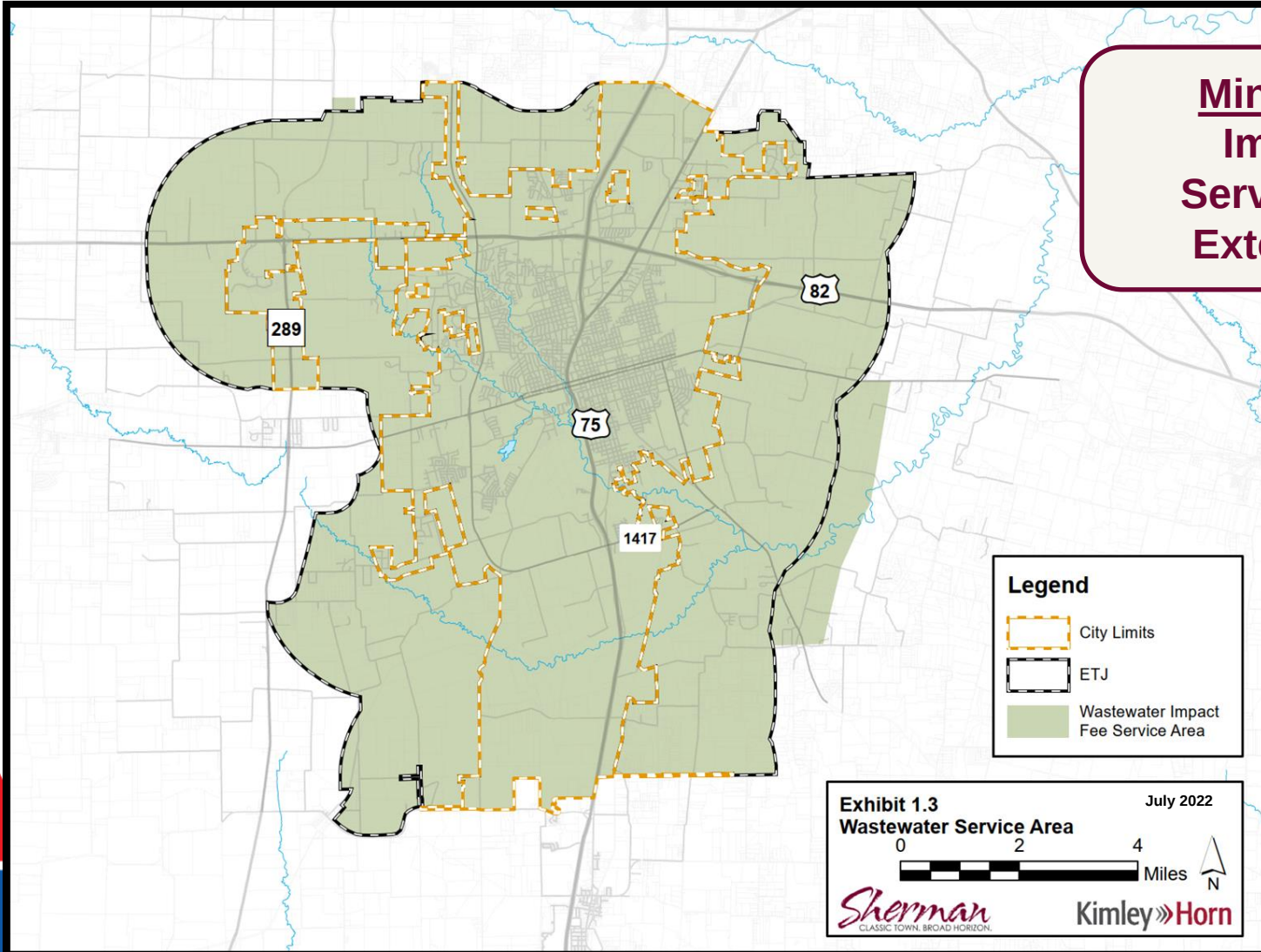
**Minor Update
Impact Fee
Service Area to
Extend to ETJ**



Service Areas Wastewater



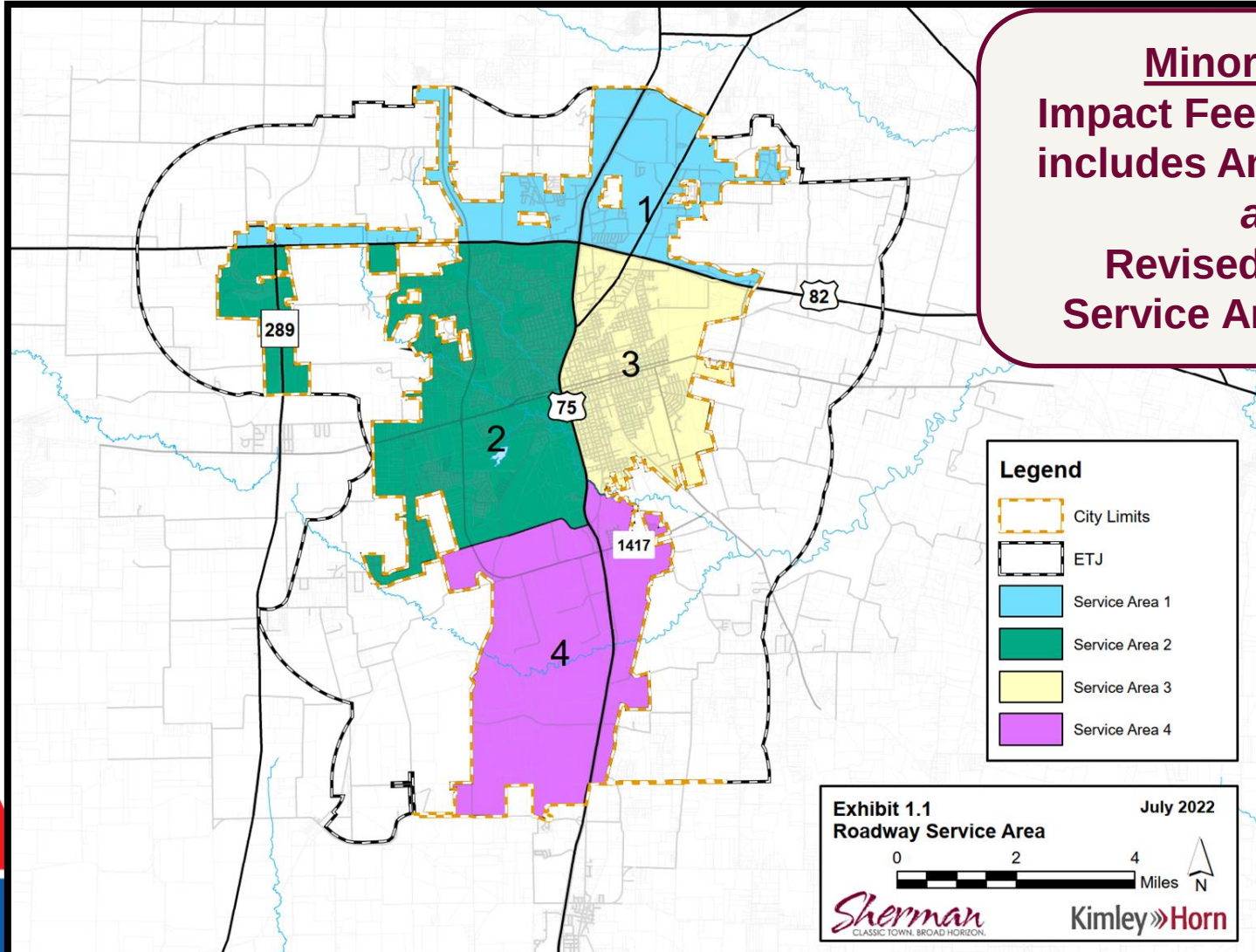
**Minor Update
Impact Fee
Service Area to
Extend to ETJ**



Service Areas Roadway



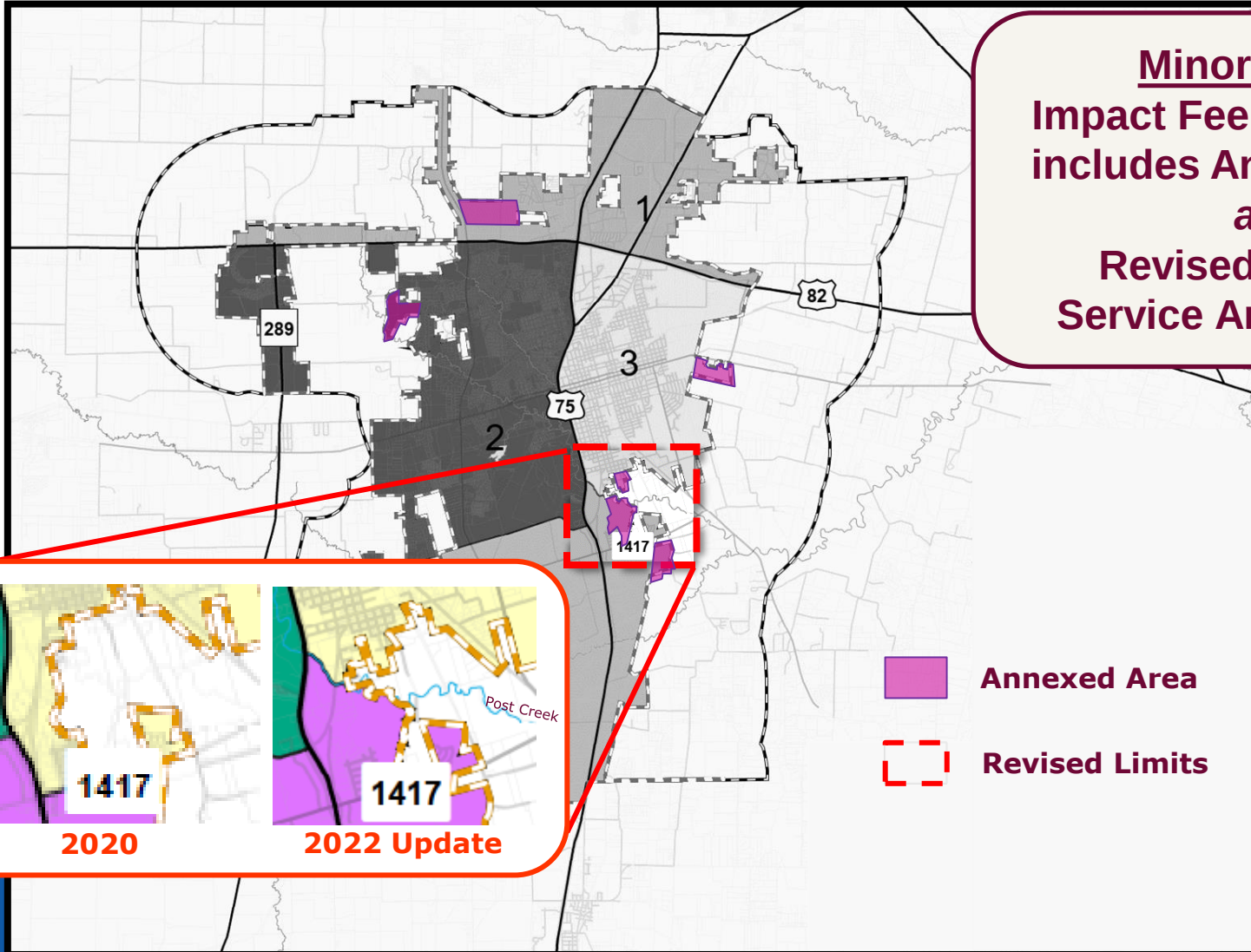
Minor Update
Impact Fee Service Area
includes Annexed Areas
and
Revised Limits to
Service Areas 3 and 4



Service Areas Roadway



Minor Update
Impact Fee Service Area
includes Annexed Areas
and
Revised Limits to
Service Areas 3 and 4



 **Annexed Area**
 **Revised Limits**

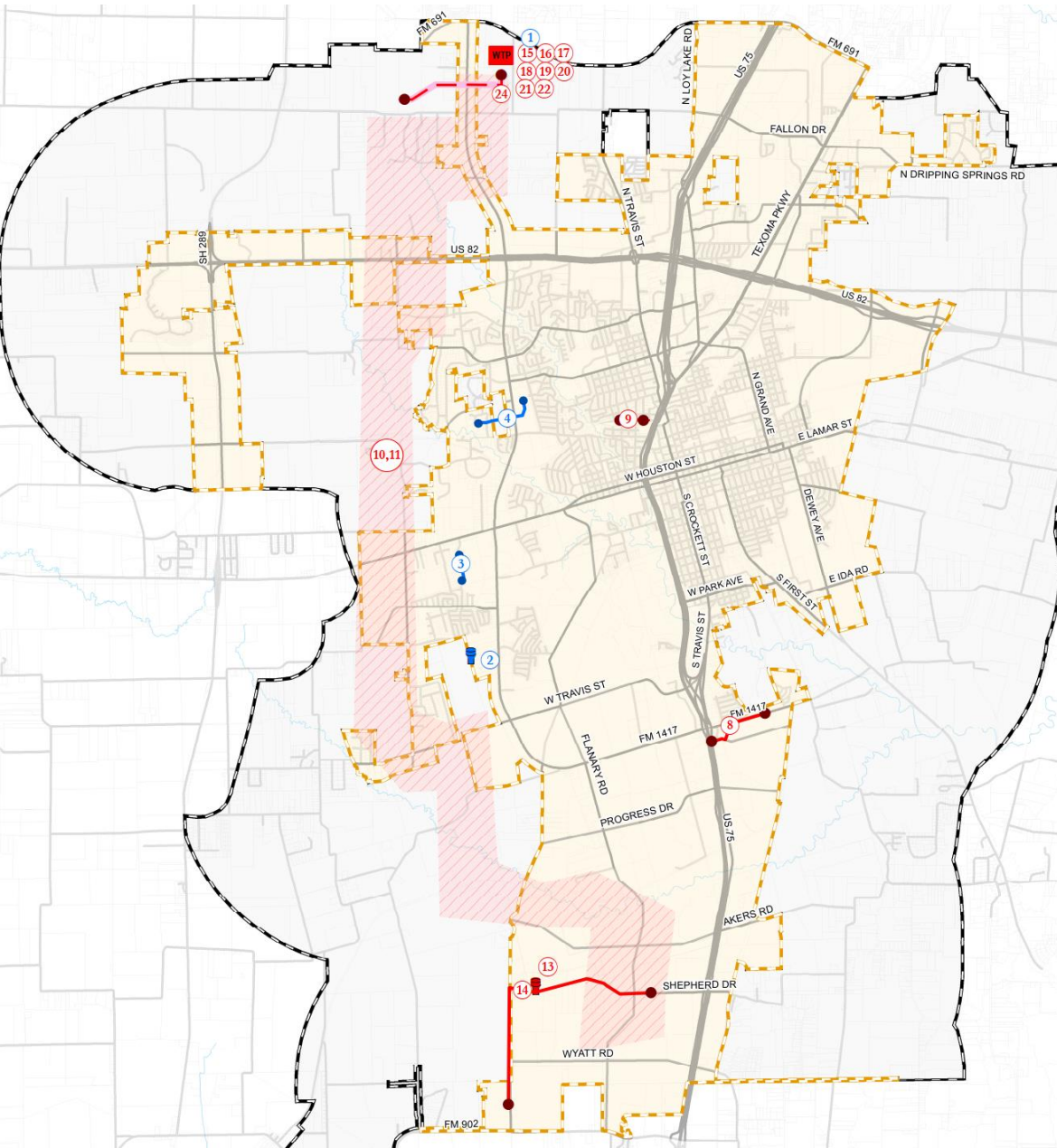
Land Use Assumptions



	2020*					2022 Minor Update				
Service Area	Residential Units		Employment Units			Residential Units		Employment Units		
	Single Family	Multifamily	Basic Sq Ft	Service Sq Ft	Retail Sq Ft	Single Family	Multifamily	Basic Sq Ft	Service Sq Ft	Retail Sq Ft
1	550	521	154,000	77,000	889,000	1,427	1,480	154,000	1,166,000	1,978,000
2	1,250	938	98,000	5,000	535,000	2,553	1,556	98,000	5,000	535,000
3	100	-	66,000	3,000	136,000	977	409	66,000	3,000	136,000
4	1,200	3,200	971,000	2,274,000	2,296,000	3,502	8,184	6,071,000	2,274,000	3,069,000
City Total	<u>3,100</u>	<u>4,659</u>	<u>1,289,000</u>	<u>2,359,000</u>	<u>3,856,000</u>	<u>8,459</u>	<u>11,629</u>	<u>6,389,000</u>	<u>3,448,000</u>	<u>5,718,000</u>

* 2020 Impact Fee Study Considered: 70 Single Family Units in ETJ for Water and Wastewater Service Areas, respectively

Impact Fee CIP Water



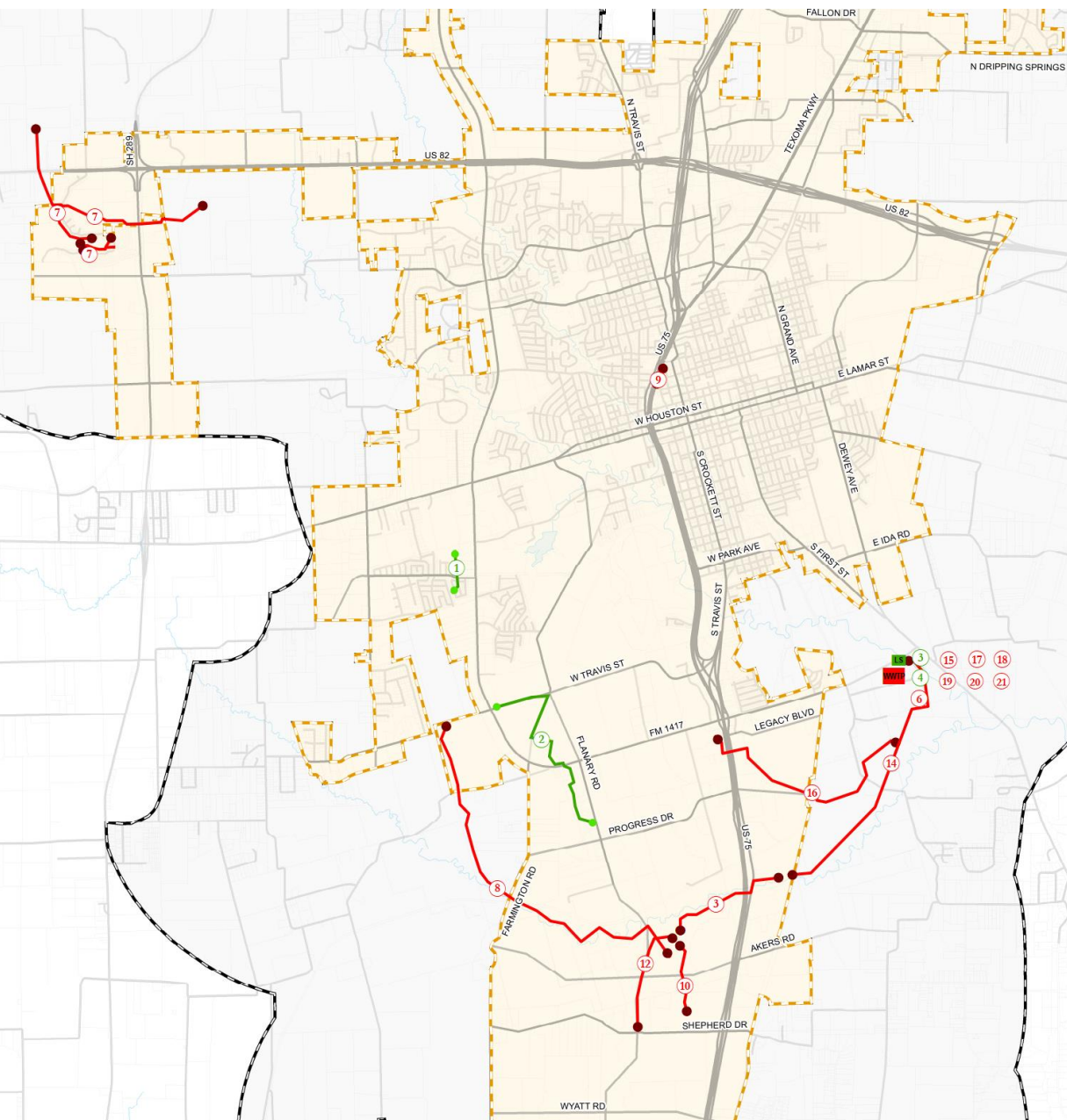
Existing Facility or Facility Under Construction

Project Number	Project Description
1	Water Treatment Plant 10 MGD Expansion
2	Southwest Elevated Storage Tank
3	Swan Ridge Water
4	Taylor/Washington Street Water Line
5	Water Impact Fee Study (Not Shown on Map)

Proposed 2020-2030 Facilities

Project Number	Project Description
6	NTMWD Raw Water Line Phase I (Off Map)
7	NTMWD LTPS Electrical Ph I (Off Map)
8	Legacy Surface Water Line (Bel Air)
9	Fairview Elevated Tank Balance Line
10	36" Line 1A Water Line Down Future Friendship ROW
11	36" Line 1B Water Line Down Future Friendship ROW
12	36" Low Head Water Transmission Line (Off Map)
13	2MG ET for Industrial & 36" Transmission Water Line
14	Shepard/Farmington (Marilee) Water Line
15	WTP Expansion - 5 MGD UF/RO Addition
16	WTP Expansion - 30 MGD Building with 10 MGD UF/RO
17	WTP Expansion - 10 MGD UF/RO Addition
18	WTP Expansion - 5 MGD UF/RO Addition
19	WTP Expansion - LSP Station and Clearwell Expansion
20	WTP Expansion - HSP Station Expansion
21	100 MG Earthen Lined Terminal Storage Reservoir
22	Terminal Reservoir 10 MGD Pump Station
23	LTPS 25MGD Raw Water Pump #1 (Off Map)
24	WTP Concentrate Discharge
25	Water Hydraulic Study (Not Shown on Map)
26	Water Upsizing (Not Shown on Map)

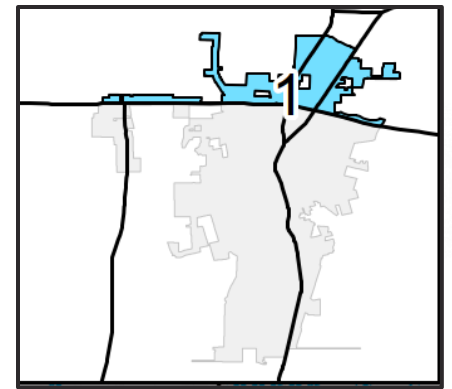
Impact Fee CIP Wastewater



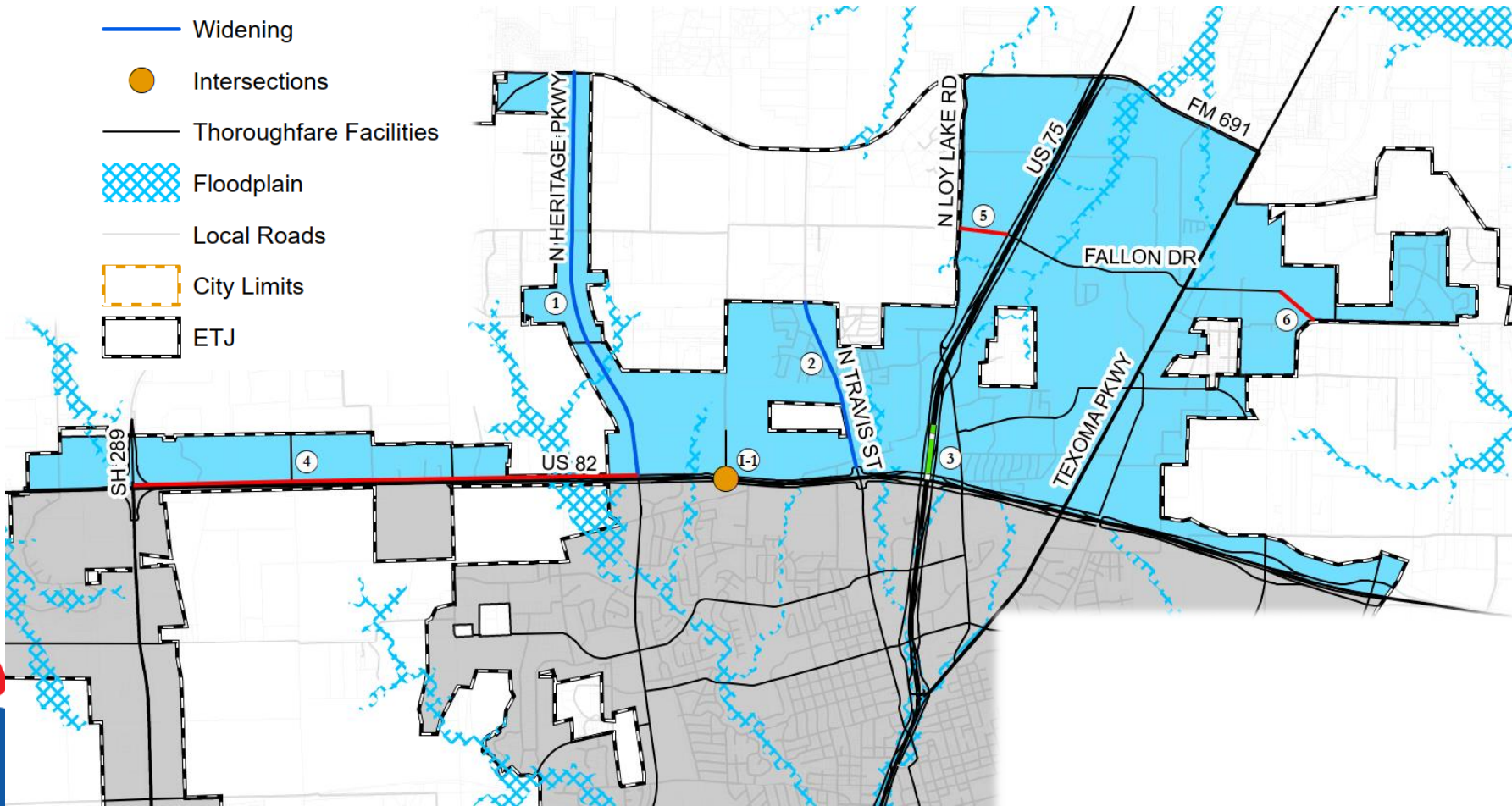
Existing Facility or Facility Under Construction	
Project Number	Project Description
1	Swan Ridge Wastewater Line
2	Moore St. Sewer/SW SS Main
3	WWTP Storm Water System and Lift Station
4	Expand Lab Facility at WWTP
5	Wastewater Impact Fee Study (Not Shown on Map)
Proposed 2020-2030 Facilities	
Project Number	Project Description
6	WWTP Effluent Reuse Line
7	Northwest Sewer Expansion Project and Lift Station
8	Southwest Sewer Line Extension
9	Upsize 8" Sanitary Sewer Line on Texoma Prkwy to 15"; Sycamore to Evergreen
10	Upsize 24" Sanitary Sewer Line West of Texas Instruments to 42"
11	Upsize 36" Sanitary Sewer Line South of Choctaw Creek to 48"
12	Upsize 15" Sanitary Sewer Line near Shepherd Place Development to 21"
13	Upsize 42" Sanitary Sewer Line along Post Oak to 60"
14	Upsize 42" Sanitary Sewer Line along Choctaw Creek to 54"
15	Post Oak WWTP 24 MGD Expansion
16	Upsize 21" Sanitary Sewer Line near Bel Air Village Development to 30"
17	WWTP Expansion Preliminary Design
18	WWTP Electrical System, Switchgear, ATS
19	WWTP Enhanced Treatment System for Industrial Users
20	WWTP Trickling Filters
21	WWTP - 4MGD Membrane Bioreactor with Sludge Handling
22	Wastewater Treatability Study
23	Wastewater System Study
24	Wastewater Upsizing

Impact Fee CIP

Roadway Service Area 1

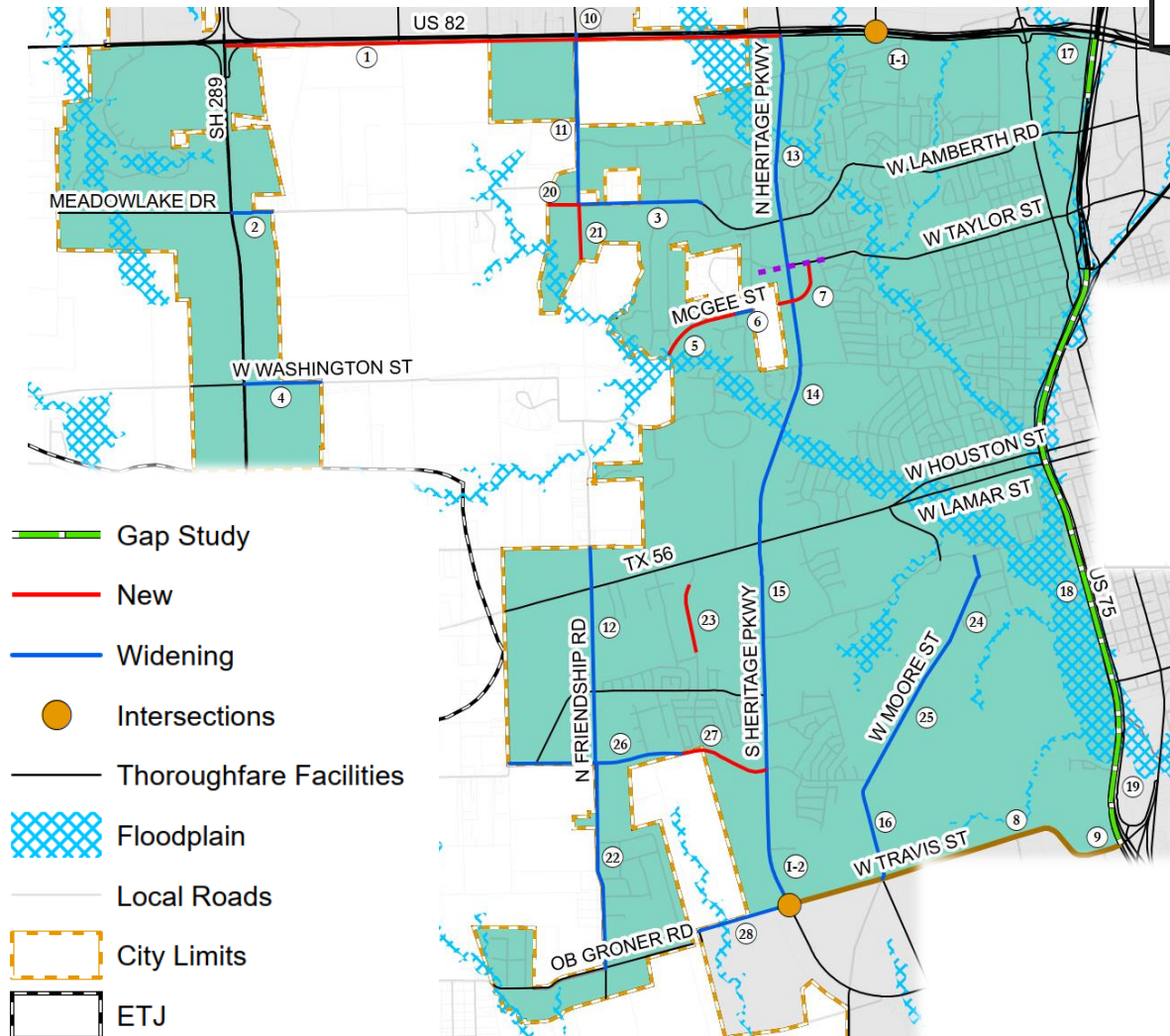


-  Gap Study
-  New
-  Widening
-  Intersections
-  Thoroughfare Facilities
-  Floodplain
-  Local Roads
-  City Limits
-  ETJ



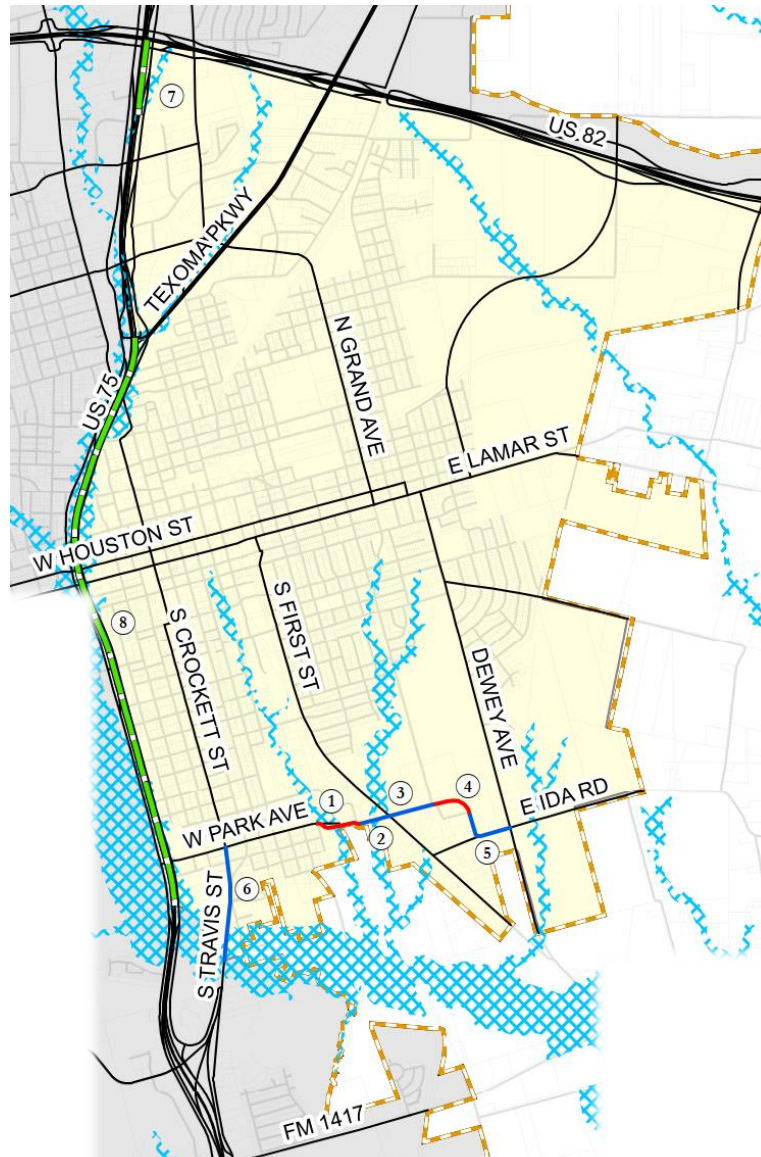
Impact Fee CIP

Roadway Service Area 2

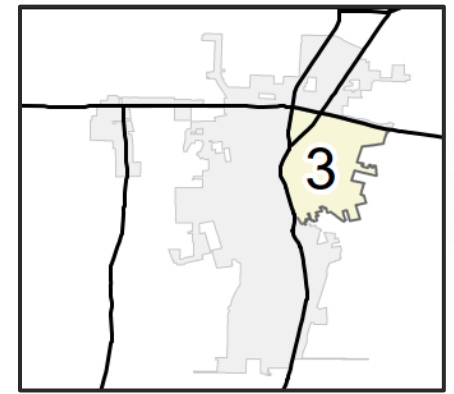


Impact Fee CIP

Roadway Service Area 3

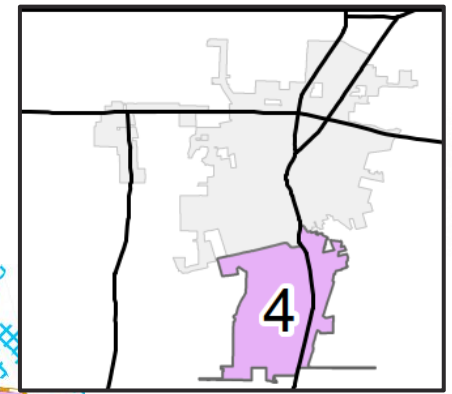
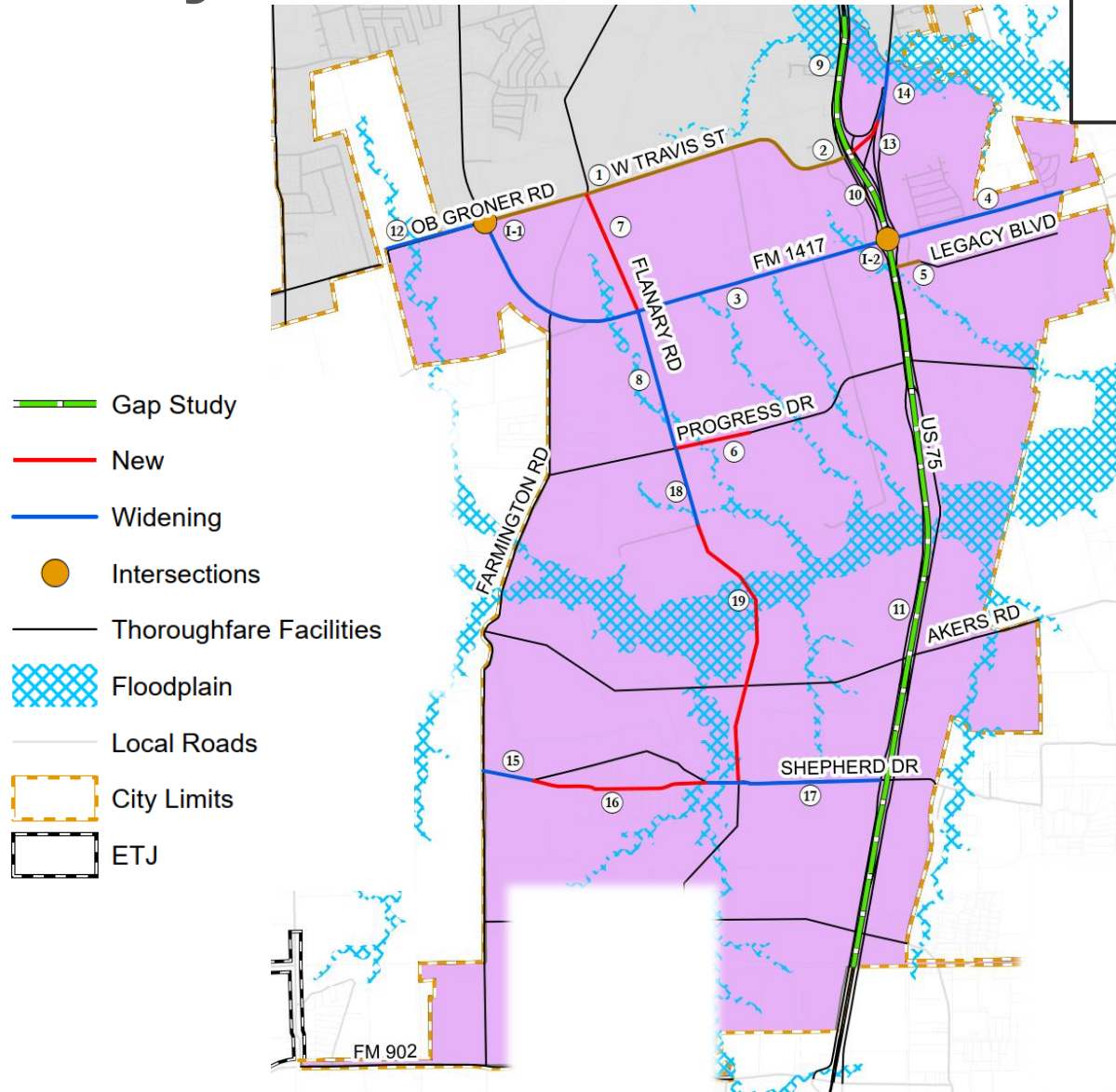


- Gap Study
- New
- Widening
- Intersections
- Thoroughfare Facilities
- Floodplain
- Local Roads
- City Limits
- ETJ



Impact Fee CIP

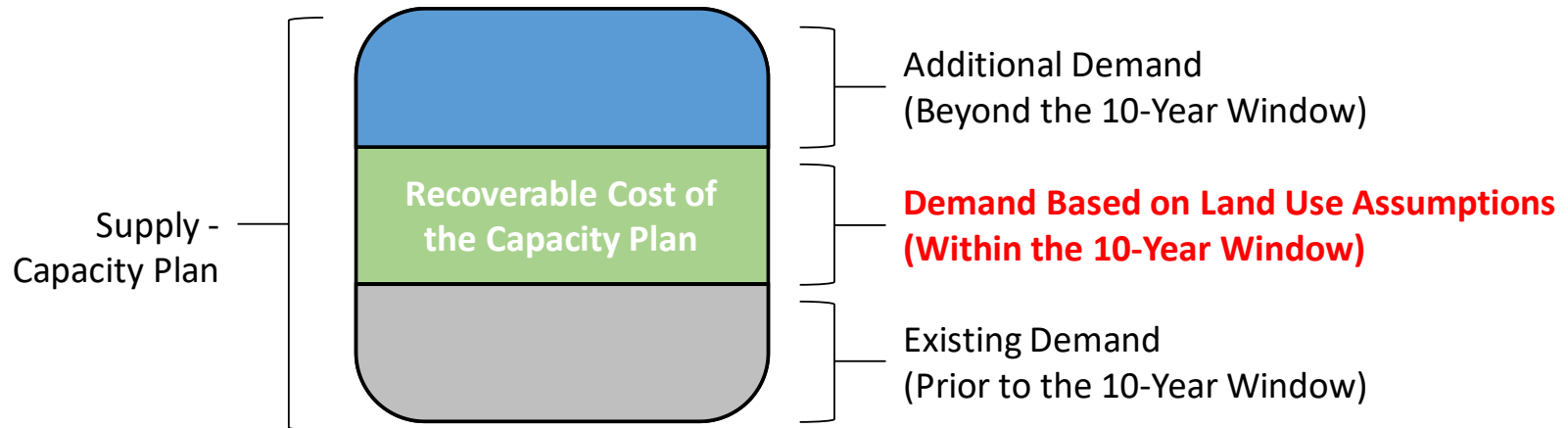
Roadway Service Area 4



Maximum Fee Calculation



$$\text{Maximum Impact Fee Per Service Unit} = \frac{\text{Recoverable Cost of CP (\$)}}{\text{New Service Units of Demand}}$$



Maximum Fee Calculation



Determine the maximum assessable fee per service unit:

Max Fee Assessable Fee Calculation Components	Roadway			
	Service Area 1	Service Area 2	Service Area 3	Service Area 4
Cost of Total Impact Fee CIP Attributable to Growth	\$14,333,571			
Percent of Fee Recoverable (from Chapter 395)	50%			
Recoverable Cost of Total Impact Fee CIP	\$7,166,786			
Recoverable Cost of Total Impact Fee CIP + Financing*	\$9,343,338			
Service Units	24,607			
Max Assessable Impact Fee per Service Unit*	\$380 / vehicle-mile			
Max Assessable Impact Fee per Single Family*	\$1,129			

Maximum Fee Calculation



Determine the maximum assessable fee per service unit:

Max Fee Assessable Fee Calculation Components	Water	Wastewater
Cost of Total Impact Fee CIP Attributable to Growth	\$300,093,666	\$86,023,400
Financing (Debt Service)*	\$91,138,446	\$26,125,307
Pre Credit Recoverable Cost for Impact Fee	\$391,232,113	\$112,148,707
Percent of Fee Recoverable (from Chapter 395)	50%	50%
Recoverable Cost of Total Impact Fee CIP	\$195,616,056	\$56,074,353
10-Year Additional SFEs	28,739	26,096
Max Assessable Impact Fee per Single Family*	\$6,807 (3/4-inch Base Meter)	\$2,149 (3/4-inch Base Meter)

Impact Fee Comparison: 2020 Adopted and 2022 Maximum



Impact Fee		2020 Adopted	
		Maximum Assessable	Adopted (% of Max.)
Water		\$4,478	\$1,000 (22.3%)
Wastewater		\$657	\$500 (76%)
Roadway	SA1	\$374	\$336.70 (90%)
	SA2	\$527	\$336.70 (63.9%)
	SA3	\$748	\$336.70 (45%)
	SA4	\$608	\$336.70 (55.4%)

Adopted Collection Rates Reduced by 75% for:

- Residential in SA3
- Recreational
- Religious Institutes
- Non-Profit 501(c)(3) and owner of building
- Dining Uses
- Other Retail
- Commercial uses that generate sales tax.

Impact Fee Comparison: 2020 Adopted and 2022 Maximum



Impact Fee		2020 Adopted		2022 Minor Update	
		Maximum Assessable	Adopted (% of Max.)	Maximum Assessable	CIAC Recommendation to Council
Water		\$4,478	\$1,000 (22.3%)	\$6,807	TBD
Wastewater		\$657	\$500 (76%)	\$2,149	TBD
Roadway	SA1	\$374	\$336.70 (90%)	\$380	TBD
	SA2	\$527	\$336.70 (63.9%)	\$1,250	TBD
	SA3	\$748	\$336.70 (45%)	\$987	TBD
	SA4	\$608	\$336.70 (55.4%)	\$793	TBD

Results: Sample Calculations



Determine the maximum assessable fee per service unit:

LAND USE	DEVELOPMENT UNITS	NUMBER OF UNITS	SERVICE UNITS	SA 1	SA 2	SA 3	SA 4	Water	WW	TOTAL (SA 4)
Single-Family Detached Housing (ITE #210)	Dwelling Units	1	2.97	\$1,129	\$3,715	\$2,931	\$2,355	\$6,807 (3/4")	\$2,149 (3/4")	\$11,311
Multi-Family (Mid-Rise) Housing (ITE #221)	Dwelling Units	250	1.32	\$125,400	\$412,830	\$325,710	\$261,690	\$79,438 (3")	\$25,079 (3")	\$366,207
Office (ITE #710)	5,000 Square Feet	5	3.45	\$6,555	\$21,580	\$17,026	\$13,679	\$11,368 (1")	\$3,589 (1")	\$28,636
Industrial (ITE #110)	50,000 Square Feet	50	3.16	\$60,040	\$197,658	\$155,946	\$125,294	\$79,438 (3")	\$25,079 (3")	\$229,811
Retail Strip Center (ITE #820)	10,000 Square Feet	10	7.03	\$26,714	\$87,945	\$69,386	\$55,748	\$36,281 (2")	\$11,454 (2")	\$103,483



Overall Fee Decisions

- This study calculates the *maximum* impact fee. The actual collection rate will be set based on the ordinance, but cannot exceed the maximum.
- Council should consider the following decisions on policy:
 - **Impact Fee Setting**
 - What percent of the calculated fee should be set? Average Cost?
 - Should the fee be similar to 2020 Adopted?
 - Should the fee be the same in all Roadway Service Areas?
 - Should there be different fees for residential and non-residential?



Comparisons

Actual rates collected for:

LAND USE	2020 ADOPTED SHERMAN (SA 4)	2022 UPDATE SHERMAN (SA 4)	ANNA	MELISSA	PRINCETON	CELINA	MCKINNEY	PROSPER
Single-Family Detached Housing (ITE #210)	\$2,500	\$11,311	\$11,210	\$5,382	\$9,904	\$11,378	\$8,207	\$9,307
Multi-Family (Mid-Rise) Housing (ITE #221)	\$146,106	\$366,207	\$498,149	\$436,793	\$542,578	\$672,800	\$660,815	\$1,090,533
Office (ITE #710)	\$8,313	\$28,636	\$34,123	\$24,077	\$29,719	\$41,480	\$20,918	\$29,201
Industrial (ITE #110)	\$88,194	\$229,811	\$218,993	\$159,110	\$198,984	\$251,445	\$147,830	\$329,133
Retail Strip Center (ITE #820)	\$31,665	\$103,483	\$123,262	\$63,229	\$64,774	\$116,464	\$74,500	\$64,876

Next Steps



- Consider comments from CIAC on Impact Fee Study
- Consider comments from CIAC on Impact Fee

Schedule



- August 15: City Council Review Impact Fee Study
- August 16: CIAC Review Impact Fee Study; Formulate Comments
- August 30: CIAC Comments to Council
- September 6: Council Public Hearing

Questions?

April.Escamilla@kimley-horn.com



BACKUP SLIDES

What items **are** and **are not** payable with Impact Fees?



Components that **can** be paid for through an impact fee program:

- ✓ Construction cost of capital improvements on the Impact Fee CIP
 - Roadway to thoroughfare standard
 - Upsized water/wastewater line
 - Traffic signals, bridges, sidewalks, etc.
- ✓ Survey and Engineering fees
- ✓ Land acquisition costs, including court awards
- ✓ Debt Service of Impact Fee CIP
- ✓ Planning Studies

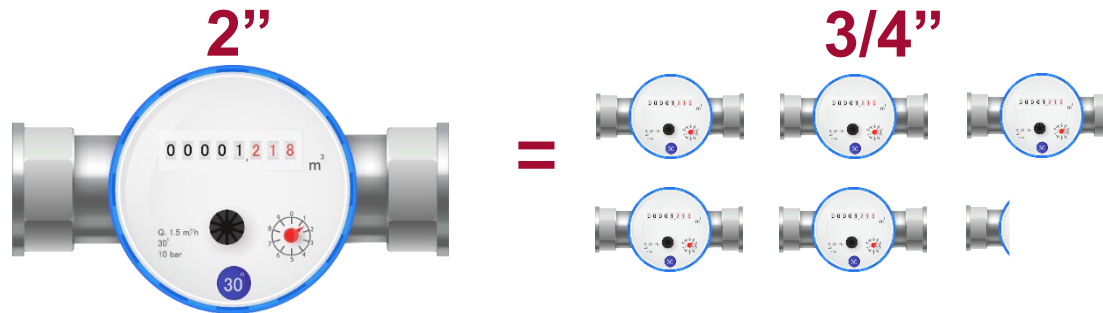
Components that **cannot** be paid for through an impact fee program:

- 6 Projects not included in the Impact Fee CIP
- 6 Repair, operation, and maintenance of existing facilities
- 6 Upgrades to serve existing development
- 6 Administrative costs of operating the impact fee program

Service Units: Water and Wastewater



Service Units: Water and Wastewater



Service Units: Roadway



Two Variables

Trip Generation

**ITE Trip Generation Manual
10th Edition**

Trip Length

**National Household Travel
Survey**

**Legal Requirements from
Chapter 395**



Service Units: Roadway



ITE Land Use	Single-Family Detached Housing (ITE # 210)
Trips	0.99 Vehicles (PM Peak) (ITE Trip Generation)
X Trip Length	3.00 Miles
Vehicle-Miles	2.97 Vehicle-Miles



ITE Land Use	Shopping Center (ITE #820)
Trips	2.51 Vehicles (PM Peak) (ITE Trip Generation)
Reduction for Pass-by Trips	34% (ITE Trip Generation Handbook) 3.81 Vehicles (PM Peak)
X Trip Length	2.80 Miles
Vehicle-Miles**	7.03 Vehicle-Miles

September 6, 2022

**MEMBERS PRESENT: MAYOR DAVID PLYLER; DEPUTY MAYOR PAM HOWETH.
COUNCIL MEMBERS DOBBS, HOLLAND, MARROQUIN,
STEVENSON, TEAMANN.**

CALL TO ORDER

CALL TO ORDER

**“UNITED WAY OF GRAYSON COUNTY, 80TH ANNIVERSARY” –
SEPTEMBER 2022**

**UNITED WAY OF
GRAYSON COUNTY
80TH ANNIVERSARY**

“PROSTATE CANCER AWARENESS MONTH” – SEPTEMBER 2022

**PROSTATE CANCER
AWARENESS MONTH**

CITIZEN'S COMMENTS

CITIZEN'S COMMENTS

CONSENT AGENDA

1

CONSENT AGENDA

Double Asterisked (**) items are considered to be routine and will be enacted in one motion, subject to Staff Review Letter, without discussion unless a Council Member or a citizen requests a specific item be discussed and voted on separately.

The Council reviewed the Consent Agenda. Deputy Mayor Howeth moved to approve the Consent Agenda, subject to the Staff Review Letter. Second by Council Member Holland. All present voted AYE.

Mayor Plyler introduced Ordinance No. 6519 and called for a public hearing:

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AMENDING SECTION 8, SUBSECTION (5)(A), ORDINANCE NO. 2280, SO AS TO GRANT A SPECIFIC USE PERMIT TO ALLOW A GROUND MOUNTED SOLAR UNIT IN AN R-1 (ONE-FAMILY RESIDENTIAL) DISTRICT AT 1523 EAST WELLS AVENUE, BEING ALL OF LOT 14, AND A PORTION OF LOT 12, BLOCK 3, OF J.C. LINNSTEADT'S ADDITION CONSISTING OF 0.236 ACRES (CYNTHIA BECK, OWNER; SYNAPTIC SOLAR LLC, SOLAR INSTALLATION COMPANY; WYSSING CONSULTING, ENGINEER; AND PRESTON TRAIL LAND SURVEYING, SURVEYOR) PROVIDING THAT THIS SPECIFIC USE PERMIT SHALL BE GRANTED SUBJECT TO CERTAIN CONDITIONS; PROVIDING A PENALTY NOT TO EXCEED \$2,000.00.

Rob Rae, Director of Development Services, said this Specific Use Permit would allow a ground-mounted solar panel unit in a R-1 District. The Planning and Zoning Commission recommended approval of the Specific Use Permit, subject to the Staff Review Letter.

No citizens appeared before the City Council to discuss Ordinance No. 6519.

Mayor Plyler introduced Ordinance No. 6520 and called for a public hearing:

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AMENDING SECTION 8, SUBSECTION (5)(A), ORDINANCE NO. 2280, SO AS TO GRANT A SPECIFIC USE PERMIT TO ALLOW WHOLESALE CONSTRUCTION AND BUILDING MATERIAL SALES AND OUTDOOR STORAGE IN A C-2 (GENERAL COMMERCIAL) DISTRICT AT 3601 NORTH TRAVIS STREET, BEING LOT ONE (1), BLOCK ONE (1) OF COVEY ADDITION CONSISTING OF 6.624 ACRES AND ALSO BEING 4.71 ACRES IN THE J.B. McANAI SURVEY, ABSTRACT 763 (PAAGE LTD, OWNER; JOE JOHNSON, HBJ ARCHITECTS, REPRESENTATIVE; AND PRESTON TRAIL LAND SURVEYING, SURVEYOR) PROVIDING THAT THIS SPECIFIC USE PERMIT SHALL BE GRANTED SUBJECT TO CERTAIN CONDITIONS; PROVIDING A PENALTY NOT TO EXCEED \$2,000.00.

Mr. Rae said this Specific Use Permit would allow wholesale construction building material sales at the location that was formally Goins Lumber. The new company is Beacon Roofing Products.

CONSENT AGENDA

ORD 6519
SUP FOR GROUND-
MOUNTED SOLAR
PANEL UNIT
(1523 E. WELLS)

ORD 6520
SUP FOR WHOLESALE
BLDG SALES &
OUTDOOR STORAGE
(3601 N. TRAVIS)

COUNCIL MINUTES – SEPTEMBER 6, 2022

The Planning and Zoning Commission recommended approval of the Specific Use Permit, subject to the Staff Review Letter, with the condition that the areas indicating fencing would be a wood fence and not a chain link fence. Those conditions have been added to the ordinance.

A representative was available if Council Members had any questions.

No other citizens appeared before the City Council to discuss Ordinance No. 6520.

Mayor Plyler introduced Ordinance No. 6521 and called for a public hearing:

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AMENDING SECTION 12, ORDINANCE NO. 2280, SO AS TO INCLUDE CERTAIN PROPERTY WITHIN THE R-1 (ONE-FAMILY RESIDENTIAL) DISTRICT LOCATED AT 615 SOUTH HAZELWOOD STREET, BEING LOT 2, BLOCK 7, C.L. STOWE ADDITION (JONATHON HAMMER AND HELVEY – WAGNER SURVEYING INC., SURVEYOR); PROVIDING A PENALTY NOT TO EXCEED \$2,000.00; PROVIDING A REPEALING/SAVINGS CLAUSE, SEVERABILITY CLAUSE AND AN EFFECTIVE DATE.

ORD 6521
ZONE CHANGE
(615 S. HAZELWOOD)

Mr. Rae said this was for a zone change from a C-1 to an R-1 District, so the property owner can continue the use of a single-family home. The Planning and Zoning Commission recommended approval of the zone change.

No citizens appeared before the City Council to discuss Ordinance No. 6521.

Mayor Plyler introduced Ordinance No. 6522 and called for a public hearing:

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AMENDING ORDINANCE NO. 6326 AND CHAPTER 13 (UTILITIES), ARTICLE 13. 11 (IMPACT FEES) OF THE CODE OF ORDINANCES, CITY OF SHERMAN, TEXAS, WHICH ESTABLISHED LAND USE ASSUMPTIONS, CAPITAL IMPROVEMENTS PLANS AND IMPACT FEES TO BE ASSESSED BY THE CITY OF SHERMAN, TEXAS; UPDATING THE LAND USE ASSUMPTIONS, CAPITAL IMPROVEMENTS PLAN AND IMPACT FEES FOR WATER, WASTEWATER, AND ROADWAY TO BE ASSESSED; AMENDING PROCEDURES FOR THE ASSESSMENT, COLLECTION, COMPUTATION, EXPENDITURE, REFUND AND GENERAL ADMINISTRATION OF IMPACT FEES; PROVIDING FOR THE ESTABLISHMENT OF ACCOUNTS FOR IMPACT FEES; PROVIDING FOR INCLUSION IN THE CODE OF ORDINANCES; PROVIDING FOR REPEALING AND SEVERABILITY CLAUSES; PROVIDING A PENALTY NOT TO EXCEED \$500.

ORD 6522
IMPACT FEES

Mr. Rae reminded the Council that April Escamilla, Engineer, Kimley-Horn and Associates, gave a presentation at the last Council Meeting on impact fees. She was in attendance at this meeting to answer any questions the Council might have.

Since the last meeting, the Capital Improvement Advisory Committee (CIAC) has met, and are required to meet every six months, to review impact fees, and to provide impact fee recommendations. He presented a chart with the impact fees that were adopted in 2020, and the newly recommended changes for 2022.

After review, the CIAC recommended that 75% of the newly maximum assessable fee be adopted by the Council. In addition, the 2020 fee included some special conditions for certain uses, for a reduction of 75% for residential in Area 3, which is south of Hwy 82 and east of Hwy 75. There was also a reduction of 75% for recreational uses, religious institutes, non-profits, dining uses, and other retail and commercial uses that generate sales tax. The CIAC recommended reducing that reduction to 50%.

He also outlined the maximum assessable fees that would be allowed by State law. The four “sub-areas” are for roadway impact fees, and apply to certain districts. The water and wastewater rates apply to the entire City and service area.

Mr. Rae also compared the CIAC’s proposed rates to other comparable cities. For single-family, he said Sherman is currently assessing \$2,500, which is \$1,000 roadway, \$1,000 water, and \$500 wastewater. With that maximum, the possible total number could be \$11,311, in area 4, and the CIAC’s recommendation would be \$8,484, in that area. That puts Sherman’s impact fees at generally the same rate as other peer cities.

Based on the CIAC’s recommendations, the land use assumptions, and the Capital Improvement Program, Mr. Rae presented some potential options for the Council to consider. Currently the City assesses \$1,000 for roadway, \$1,000 for water, and \$500 for wastewater, for a single-family equivalent of \$2,500.

He presented options for \$5,000 single-family equivalent and \$8,000 single-family equivalent. These options put the fee at the same rate for all service areas. The CIAC’s recommendation of 75% of the allowable maximum would be \$7,563 for Area 1; \$9,503 for Area 2, \$8,915 for Area 3, and \$8,484 for Area 4, all based on a single-family equivalent.

Mr. Rae said staff is looking to Council tonight to approve the land use assumptions; the roadway, water, and wastewater capital improvement plan; the impact fee calculations, as presented at the last Council Meeting; and a motion to approve the ordinance as written, or with additional comments, whatever the Council determines.

Robby Hefton, City Manager, said the Council can discuss the item after the Public Hearing, but as a staff, he said they feel they are “very low on the scale.” He said it is unusual for cities the size of Sherman, not to have impact fees, and most developers are used to these types of fees.

He added that, these fees, only recuperate a small percentage of the actual cost of this infrastructure, the roadways, and the water and sewer infrastructure that is constructed. Impact fees are not intended to pay for most of the cost, but to reimburse the City for development activities that are driving these increased costs.

He said the Council will need approval of the ordinance for the changes that were developed during the plan update, and to decide on the timing and the actual rate for the impact fees.

No citizens appeared before the City Council to discuss Ordinance No. 6522.

Mayor Plyler introduced Ordinance No. 6523 and called for a public hearing:

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AMENDING CHAPTER 1, ENTITLED "GENERAL PROVISIONS" AT ARTICLE 1.07, ENTITLED "AVIATION", TO DELETE SECTIONS 1.07.003 ENTITLED "CITY COUNTY AIRPORT ZONING BOARD", TO DELETE SECTION 1.07.092 ENTITLED "USE OF AIRPORT RESTRICTED", TO AMEND SECTION 1.07.093 ENTITLED "GENERAL RULES AND REGULATIONS", TO AMEND SECTION 1.07.096 ENTITLED "AIRCRAFT OPERATION RULES", TO AMEND SECTION 1.07.097 ENTITLED "FUELING, FLAMMABLE FLUIDS, AND FIRE SAFETY", TO AMEND SECTION 1.07.098 ENTITLED "LEASE OF AIRPORT PROPERTY AND CONSTRUCTION ON AIRPORT"; PROVIDING FOR INCLUSION IN THE CODE OF ORDINANCES; PROVIDING FOR SEVERABILITY; PROVIDING FOR A REPEALER CLAUSE.

ORD 6523
AIRPORT RULES

Mary Lawrence, Director of Finance, said the Airport Advisory Board has suggested some changes to the Aviation section of the Code of Ordinances, to eliminate some sections and to clarify others.

Some of the changes were outdated or overly burdensome. They clarified how hangar rates were set and expectations for construction requirements at the Airport.

No citizens appeared before the City Council to discuss Ordinance No. 6523.

Mayor Plyler introduced Ordinance No. 6524 and called for a public hearing:

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING THE CITY'S PARTICIPATION IN THE TEXAS ENTERPRISE ZONE PROGRAM PURSUANT TO THE TEXAS ENTERPRISE ZONE ACT, CHAPTER 2303, TEXAS GOVERNMENT CODE; DESCRIBING AVAILABILITY OF CERTAIN LOCAL INCENTIVES; DESIGNATING A LIASION FOR COMMUNICATION WITH INTERESTED PARTIES; AND NOMINATING GLOBAL WAFERS AMERICA, LLC TO THE OFFICE OF THE GOVERNOR ECONOMIC DEVELOPMENT & TOURISM THROUGH THE ECONOMIC DEVELOPMENT BANK FOR DESIGNATION AS A QUALIFIED BUSINESS AND ENTERPRISE

ORD 6524
ENTERPRISE ZONE
PROGRAM FOR
GLOBALWAFERS
(GLOBITECH)

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

Ms. Lawrence said GlobalWafers, a parent company of GlobiTech, is applying for the Texas Enterprise Zone Program for the GlobalWafers America plant that will be located in the industrial park.

The program is a State sales tax refund program designed to encourage private investment and job creation. This will allow them to apply for the Enterprise Zone designation. There's no cost to the City for the program, which is fully funded by the State. They are required to have City support through adoption of the ordinance to apply.

A representative was available if Council Members had any questions.

No other citizens appeared before the City Council to discuss Ordinance No. 6524.

Mayor Plyler introduced Ordinance No. 6525 and called for a public hearing:

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, DESIGNATING CITY OF SHERMAN INDUSTRIAL REINVESTMENT ZONE NO. 13; PROVIDING ELIGIBILITY OF THE ZONE FOR COMMERCIAL-INDUSTRIAL TAX ABATEMENTS; CONTAINING FINDINGS THAT THE AREA DESCRIBED QUALIFIES FOR DESIGNATION AS A TAX ABATEMENT REINVESTMENT ZONE PURSUANT TO CHAPTER 312 OF THE TEXAS TAX CODE AND THAT THE IMPROVEMENTS PROPOSED BY THE LAND'S OWNER, BROADSTONE HHH TEXAS LLC, ARE FEASIBLE AND PRACTICABLE AND OF BENEFIT TO THE LAND AND THE CITY; AUTHORIZING THE CITY MANAGER TO NEGOTIATE WRITTEN AGREEMENTS WITH THE OWNERS OF ANY TAXABLE REAL AND TANGIBLE PERSONAL PROPERTY LOCATED WITHIN THE DESIGNATED ZONE. AUTHORIZING THE CITY MANAGER TO TAKE ALL OTHER ACTIONS NECESSARY TO EFFECTUATE THE SAME; PROVIDING A REPEALING CLAUSE AND SEVERABILITY CLAUSE.

ORD 6525
TIRZ #13
(SUNNY DELIGHT)

Ms. Lawrence said Sunny Delight approached the City about a tax abatement on their project to add two new manufacturing lines at their existing plant.

This ordinance establishes the Reinvestment Zone, and is the first step in the City granting a tax abatement. The City will create the tax abatement agreement according to the tax abatement matrix.

The plant is actually leased from Broadstone HHH Texas and the equipment is owned by Sunny Delight, so there will be two tax abatement agreements because of the two owners.

A representative was available if Council Members had any questions.

COUNCIL MINUTES – SEPTEMBER 6, 2022

No citizens appeared before the City Council to discuss Ordinance No. 6525.

Mayor Plyler introduced Ordinance No. 6526 and called for a public hearing:

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, DECLARING AS ELECTED THE UNOPPOSED CANDIDATES FOR THE OFFICE OF CITY COUNCIL MEMBER FOR DISTRICT 1 AND FOR DISTRICT 3; FINDING THAT ALL NECESSARY AND REQUIRED LEGAL CONDITIONS HAVE BEEN SATISFIED; PROVIDING THAT THE NOVEMBER 8, 2022 REGULAR MUNICIPAL ELECTION FOR CITY COUNCIL SHALL NOT BE HELD; PROVIDING FOR POSTING OF THIS ORDINANCE ON ELECTION DAY, NOVEMBER 8, 2022; PROVIDING A REPEALER CLAUSE; PROVIDING A SEVERABILITY CLAUSE; PROVIDING AN EFFECTIVE DATE.

**ORD 6526
CANCEL CITY
COUNCIL ELECTION
FOR NOVEMBER
2022**

Linda Ashby, City Clerk, said there are no contested races on the ballot, so the City can actually cancel the Election.

No citizens appeared before the City Council to discuss Ordinance No. 6526.

The Public Hearing was closed.

ADOPTION OF ORDINANCES

Ordinance No. 6502 (Tabled at July 18, 2022 Regular City Council Meeting)

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AMENDING SECTION 8, SUBSECTION (5)(A), ORDINANCE NO. 2280, SO AS TO GRANT A SPECIFIC USE PERMIT TO ALLOW AN EARLY LEARNING & TUTORING CENTER (SCHOOL NURSERY, KINDERGARTEN, OR DAYCARE FOR CHILDREN) IN AN R-1 (ONE-FAMILY RESIDENTIAL) DISTRICT, ON PROPERTY LOCATED AT 1817 GLENWAY DRIVE, BEING LOT NINE (9), BLOCK ONE (1) OF THE PEPPERTREE ADDITION (LUKE SCHEIBMEIR, OWNER; COLLEEN BOWLING, TENANT; AND DAVID FITE SURVEYING, SURVEYOR) PROVIDING THAT THIS SPECIFIC USE PERMIT SHALL BE GRANTED SUBJECT TO CERTAIN CONDITIONS; PROVIDING A PENALTY NOT TO EXCEED \$2,000.00; PROVIDING A REPEALING/SAVINGS CLAUSE, SEVERABILITY CLAUSE AND AN EFFECTIVE DATE.

**ORD 6502
SUP FOR EARLY
LEARNING/ TUTORING
CENTER
(1817 GLENWAY DR)**

ACTION TAKEN.

Motion by Council Member Stevenson to remove Ordinance No. 6502, from table for discussion. Second by Council Member Teamann.

VOTING AYE: Dobbs, Holland, Howeth, Marroquin, Stevenson, Teamann

VOTING NAY: None.

MOTION CARRIED TO REMOVE FROM TABLE.

Mr. Rae said, since the meeting in July that this ordinance was originally considered, the applicant has since acquired another location. They are requesting that half of their use will be at the new location.

COUNCIL MINUTES – SEPTEMBER 6, 2022

They want to continue to get the Specific Use Permit for a day care at this location, but with only half of the activity that they originally proposed.

Originally, they ask for an early learning center, or preschool, which would have a maximum of 12 students. It would now be half of that amount.

Council Member Teamann said their letter stated that they only needed it until April 2023. Mr. Rae confirmed that they said they're trying to find a bigger and better location.

ACTION TAKEN.

Motion by Council Member Teamann to adopt Ordinance Nos. 6502, 6519, 6520, 6521, 6523, 6524, 6525, and 6526, as presented. Second by Council Member Stevenson.

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

VOTING NAY: None.

MOTION CARRIED.

Ordinance 6519

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AMENDING SECTION 8, SUBSECTION (5)(A), ORDINANCE NO. 2280, SO AS TO GRANT A SPECIFIC USE PERMIT TO ALLOW A GROUND MOUNTED SOLAR UNIT IN AN R-1 (ONE-FAMILY RESIDENTIAL) DISTRICT AT 1523 EAST WELLS AVENUE, BEING ALL OF LOT 14, AND A PORTION OF LOT 12, BLOCK 3, OF J.C. LINNSTEADT'S ADDITION CONSISTING OF 0.236 ACRES (CYNTHIA BECK, OWNER; SYNAPTIC SOLAR LLC, SOLAR INSTALLATION COMPANY; WYSSING CONSULTING, ENGINEER; AND PRESTON TRAIL LAND SURVEYING, SURVEYOR) PROVIDING THAT THIS SPECIFIC USE PERMIT SHALL BE GRANTED SUBJECT TO CERTAIN CONDITIONS; PROVIDING A PENALTY NOT TO EXCEED \$2,000.00.

ORD 6519
SUP FOR GROUND-
MOUNTED SOLAR
PANEL UNIT
(1523 E. WELLS)

Ordinance 6520

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AMENDING SECTION 8, SUBSECTION (5)(A), ORDINANCE NO. 2280, SO AS TO GRANT A SPECIFIC USE PERMIT TO ALLOW WHOLESALE CONSTRUCTION AND BUILDING MATERIAL SALES AND OUTDOOR STORAGE IN A C-2 (GENERAL COMMERCIAL) DISTRICT AT 3601 NORTH TRAVIS STREET, BEING LOT ONE (1), BLOCK ONE (1) OF COVEY ADDITION CONSISTING OF 6.624 ACRES AND ALSO BEING 4.71 ACRES IN THE J.B. McANAI SURVEY, ABSTRACT 763 (PAAGE LTD, OWNER; JOE JOHNSON, HBJ ARCHITECTS, REPRESENTATIVE; AND PRESTON TRAIL LAND SURVEYING, SURVEYOR) PROVIDING THAT THIS SPECIFIC USE PERMIT SHALL BE GRANTED SUBJECT TO CERTAIN CONDITIONS; PROVIDING A PENALTY NOT TO EXCEED \$2,000.00.

ORD 6520
SUP FOR WHOLESALE
BLDG SALES &
OUTDOOR STORAGE
(3601 N. TRAVIS)

Ordinance 6521

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AMENDING SECTION 12, ORDINANCE NO. 2280, SO AS TO INCLUDE CERTAIN PROPERTY WITHIN THE R-1

ORD 6521
ZONE CHANGE
(615 S. HAZELWOOD)

(ONE-FAMILY RESIDENTIAL) DISTRICT LOCATED AT 615 SOUTH HAZELWOOD STREET, BEING LOT 2, BLOCK 7, C.L. STOWE ADDITION (JONATHON HAMMER AND HELVEY – WAGNER SURVEYING INC., SURVEYOR); PROVIDING A PENALTY NOT TO EXCEED \$2,000.00; PROVIDING A REPEALING/SAVINGS CLAUSE, SEVERABILITY CLAUSE AND AN EFFECTIVE DATE.

Ordinance 6523

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AMENDING CHAPTER 1, ENTITLED “GENERAL PROVISIONS” AT ARTICLE 1.07, ENTITLED “AVIATION”, TO DELETE SECTIONS 1.07.003 ENTITLED “CITY COUNTY AIRPORT ZONING BOARD”, TO DELETE SECTION 1.07.092 ENTITLED “USE OF AIRPORT RESTRICTED”, TO AMEND SECTION 1.07.093 ENTITLED “GENERAL RULES AND REGULATIONS”, TO AMEND SECTION 1.07.096 ENTITLED “AIRCRAFT OPERATION RULES”, TO AMEND SECTION 1.07.097 ENTITLED “FUELING, FLAMMABLE FLUIDS, AND FIRE SAFETY”, TO AMEND SECTION 1.07.098 ENTITLED “LEASE OF AIRPORT PROPERTY AND CONSTRUCTION ON AIRPORT”; PROVIDING FOR INCLUSION IN THE CODE OF ORDINANCES; PROVIDING FOR SEVERABILITY; PROVIDING FOR A REPEALER CLAUSE.

ORD 6523
AIRPORT RULES

Ordinance 6524

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING THE CITY’S PARTICIPATION IN THE TEXAS ENTERPRISE ZONE PROGRAM PURSUANT TO THE TEXAS ENTERPRISE ZONE ACT, CHAPTER 2303, TEXAS GOVERNMENT CODE; DESCRIBING AVAILABILITY OF CERTAIN LOCAL INCENTIVES; DESIGNATING A LIASION FOR COMMUNICATION WITH INTERESTED PARTIES; AND NOMINATING GLOBAL WAFERS AMERICA, LLC TO THE OFFICE OF THE GOVERNOR ECONOMIC DEVELOPMENT & TOURISM THROUGH THE ECONOMIC DEVELOPMENT BANK FOR DESIGNATION AS A QUALIFIED BUSINESS AND ENTERPRISE PROJECT; PROVIDING A REPEALING/SAVINGS CLAUSE, SEVERABILITY CLAUSE AND AN EFFECTIVE DATE.

ORD 6524
ENTERPRISE ZONE
PROGRAM FOR
GLOBALWAFERS
(GLOBITECH)

Ordinance 6525

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, DESIGNATING CITY OF SHERMAN INDUSTRIAL REINVESTMENT ZONE NO. 13; PROVIDING ELIGIBILITY OF THE ZONE FOR COMMERCIAL-INDUSTRIAL TAX ABATEMENTS; CONTAINING FINDINGS THAT THE AREA DESCRIBED QUALIFIES FOR DESIGNATION AS A TAX ABATEMENT REINVESTMENT ZONE PURSUANT TO CHAPTER 312 OF THE TEXAS TAX CODE AND THAT THE IMPROVEMENTS PROPOSED BY THE LAND’S OWNER, BROADSTONE HHH TEXAS LLC, ARE FEASIBLE AND PRACTICABLE AND OF BENEFIT TO THE LAND AND THE CITY; AUTHORIZING THE CITY MANAGER TO NEGOTIATE WRITTEN AGREEMENTS WITH THE OWNERS OF ANY TAXABLE REAL AND TANGIBLE PERSONAL PROPERTY LOCATED WITHIN THE DESIGNATED ZONE. AUTHORIZING THE CITY MANAGER TO TAKE ALL OTHER ACTIONS NECESSARY TO EFFECTUATE THE SAME; PROVIDING A REPEALING CLAUSE AND SEVERABILITY CLAUSE.

ORD 6525
TIRZ #13
(SUNNY DELIGHT)

Ordinance 6526

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, DECLARING AS ELECTED THE UNOPPOSED CANDIDATES FOR THE OFFICE OF CITY COUNCIL MEMBER FOR DISTRICT 1 AND FOR DISTRICT 3; FINDING THAT ALL NECESSARY AND REQUIRED LEGAL CONDITIONS HAVE BEEN SATISFIED; PROVIDING THAT THE NOVEMBER 8, 2022 REGULAR MUNICIPAL ELECTION FOR CITY COUNCIL SHALL NOT BE HELD; PROVIDING FOR POSTING OF THIS ORDINANCE ON ELECTION DAY, NOVEMBER 8, 2022; PROVIDING A REPEALER CLAUSE; PROVIDING A SEVERABILITY CLAUSE; PROVIDING AN EFFECTIVE DATE.

ORD 6526
CANCEL CITY
COUNCIL ELECTION
FOR NOVEMBER
2022

Ordinance 6522

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AMENDING ORDINANCE NO. 6326 AND CHAPTER 13 (UTILITIES), ARTICLE 13. 11 (IMPACT FEES) OF THE CODE OF ORDINANCES, CITY OF SHERMAN, TEXAS, WHICH ESTABLISHED LAND USE ASSUMPTIONS, CAPITAL IMPROVEMENTS PLANS AND IMPACT FEES TO BE ASSESSED BY THE CITY OF SHERMAN, TEXAS; UPDATING THE LAND USE ASSUMPTIONS, CAPITAL IMPROVEMENTS PLAN AND IMPACT FEES FOR WATER, WASTEWATER, AND ROADWAY TO BE ASSESSED; AMENDING PROCEDURES FOR THE ASSESSMENT, COLLECTION, COMPUTATION, EXPENDITURE, REFUND AND GENERAL ADMINISTRATION OF IMPACT FEES; PROVIDING FOR THE ESTABLISHMENT OF ACCOUNTS FOR IMPACT FEES; PROVIDING FOR INCLUSION IN THE CODE OF ORDINANCES; PROVIDING FOR REPEALING AND SEVERABILITY CLAUSES; PROVIDING A PENALTY NOT TO EXCEED \$500.

ORD 6522
IMPACT FEES

Council Member Stevenson asked if there was an infill exemption for impact fees. Mr. Rae said there was, but just for residential development in Service Area 3.

Council Member Teamann confirmed that the Council needed to adopt the rate study with the maximum allowable impact fee, and consider whether or not they wanted to change the fee. There were three options presented, and in the past, the Council discussed not changing the fee.

He said the fee was originally approved, but has not been charged until June 2022. Mr. Hefton said the original fee set the effective date for June 2022.

Mr. Rae clarified that the City started collecting fees on June 7, 2021, however, there was a year's grace period for any properties that were platted before that date. That grace period ended on June 7, 2022, at which time impact fees were collected for all new construction.

Council Member Teamann said the majority of impact fees began being collected in June 2022. Mr. Rae confirmed, for those projects that were already platted.

Council Member Teamann said the industrial water users do factor in these fees, and there's a substantial cost that's absorbed by the rates of those users. He felt that the maximum impact fee would be a "double fee for the same usage."

Mr. Hefton didn't feel it was double, but for entities that are subject to the fee, there is a credit given. They won't pay the fee if they are the one extending the service. They will get a credit toward their impact fee, for any amount they contributed. They wouldn't be charged double, with the impact fee and any infrastructure they are putting in.

He said the impact fee is meant to recapture, what amounts to a small percentage, of the actual cost of expanding the water plant, extending roads, or building a new sewer plant. The rates are designed to pay for most of the cost, but the fees reimburse the City for any cost the City is paying toward the construction of that list of capital projects.

The Council will also be approving the modification to the plan that also modifies the list of capital projects. Many of these projects were not on "the City's radar" two years ago, when the plan was adopted. Therefore, the Council will also need to adopt the findings of the study, even if they decide not to change the rates that are being charged.

Council Member Teamann said the water rates will still pay for the projects, but the maximum fee still includes those projects. Council Member Stevenson said the maximum has increased because the cost has increased. Mr. Hefton added that the portion of costs have increased at a greater rate than the portion of what it is spread over. Council Member Stevenson said if the rate is left the same, the City would be receiving proportionally less than they were when the rate was originally set; and it was already set "very low."

Council Member Teamann said the more homes that are built, the more the City will collect. So the more Sherman grows, the more money the City makes and it's going to the same projects.

Council Member Stevenson added that, if the City gets 1,000 new homes, they will also have extra infrastructure, so the cost still increases.

Mr. Hefton said the staff has to "project" what projects will be needed in the next ten years, and what the cost of those projects will be. He said it's a lot of "educated guesswork" based on the best information available today.

Mayor Plyler directed Council to the impact fee collection proposed options. He asked what Proposed Option 1 would be percentage wise, based on the CIAC recommendation. Mr. Hefton said it would be about 60%, and would be \$5,000 single-family equivalent, which is about double what is currently being charged. The City is currently charging \$2,500 single-family equivalent. He added that the round numbers on Option 1 and 2, assume that the same rate

is being charged for all four service areas on the roadway fee. Even at the \$5,000 Option 1, it is still lower than the lowest peer City. Melissa is at \$5,382. The average of the peer cities is over \$8,000.

Council Member Stevenson did say he thought a grace period, like was done originally, was important for developers with projects already “in the pipeline” or with financing set up.

Mr. Rae said that the proposed ordinance says the effective date of any changes in the collection rate, would be January 1, 2023, which would give time for projects that were already in the works, to get their building permits pulled so they could be under the old collection rates.

Council Member Dobbs asked if the projects that the Council has been discussing in the last few months, would be grandfathered in. Mr. Rae said they would only be grandfathered in if they got their building permits prior to January 1, 2023, as the ordinance is written now.

Mr. Hefton said a large number of the lots currently being developed are in Planned Developments, which are being built in phases. They aren’t pulling all the permits at one time, but are taking them down as they go. Therefore, some portion of those would probably be grandfathered, and some would not.

Council Member Teamann felt this was a big project with many parts, and agreed that the Council needed to adopt the rate study. However, changing the fee is more of a timing issue and he felt since the City just started charging three months ago, it’s not the appropriate time to change the fee. He also didn’t want to take away the discounts for underserved areas.

Council Member Stevenson agreed, and asked about infill exemptions. Mayor Plyler said those exemptions can be left in the ordinance.

Deputy Mayor Howeth said there was also something done to encourage infill construction, since the infrastructure is already there. She confirmed that, generally, this wouldn’t apply for infill development. However, costs for the Water Plant would apply to everyone because that infrastructure serves everyone.

Council Member Stevenson agreed that the exemptions should be left in the ordinance. But because the cost has increased, he felt the Option 1, \$5,000 fee would be best. Mayor Plyler reiterated that this was 50% to 60% of the CIAC recommendation.

Mr. Hefton said if the Council agreed to change the fee, did they want the roadway fee to be the same for every service area or not. Council Member Stevenson asked if there was a benefit for the City of having a more equal distribution for the roadway fee.

Clint Philpott, Assistant City Manager, said for a single-family permit, it might impact the project, but for a multi-family permit, the best location will be selected, not really impacted by the roadway

fee. Mr. Hefton said it might not be “that much of a driver” on the location of development.

Council Member Teamann felt that local builders would get hit the hardest with impact fees. He asked if the fee could be changed for a single-family permit versus building in a Planned Developments that was in a Tax Increment Reinvestment Zone. He was advised that they can’t change the fee in a TIRZ versus a single-family. Mr. Hefton said, every service area has to have the same charge.

Mayor Plyler verified that the typical impact fee right now on a home would be \$2,500, and if Option 1 is adopted, it would be \$5,000.

Council Member Teamann said, he was opposed to a rate increase, but asked that if they did increase the fee, it be “pushed out” a year to give the developer the same opportunity they had when impact fees were originally approved.

Mayor Plyler felt it was a different situation now. The City just started charging, because they allowed a year’s grace period.

Council Member Dobbs asked why many of the peer cities were increasing their impact fees so quickly. Mr. Hefton said that every City with an impact fee should be doing an analysis periodically. Statutorily, a City is required to do that at least every five years. He said if the City is changing as rapidly as Sherman, they are probably doing the analysis every year. Projects change rapidly in a fast growing City.

Council Member Dobbs said Sherman seemed to be pretty far behind the other cities, and probably needed to make adjustments. Council Member Stevenson said an impact fee isn’t a fee, it’s a cost recovery, for a proportion of the costs. He added that the costs have increased. If the Council doesn’t cover the cost, the money has to come from somewhere. If it doesn’t come from impact fees, it might have to come from a rate increase.

Deputy Mayor Howeth said impact fees affect areas that are growing and if the City doesn’t use impact fees, then the cost will be passed to all citizens.

Mr. Hefton said, before impact fees, there were only a few ways for the City to get cost recovery. Cost recovery can come from utility rates, which pay for capital and operating costs; and for the General Fund, it comes from the property tax rate. The sales tax rate is maxed out, so the property tax rate helps fund roadways. Without impact fees, the costs go to either property tax rates or utility rates.

Council Member Teamann said if the City is giving away incentives to big development, then it’s counterproductive to charge the average developer an impact fee. He felt that if the City was going to increase impact fees, they should stop all incentives in planned developments. No more roads, water, sewer for the developer, let

them cover their own costs. He felt that the City was “charging the little guy and giving the big guy incentives.”

Mr. Hefton said the starting point to figure an impact fee is 50% of the cost, and it is then reduced to recovering about 15% of the cost. Impact fees are not intended to recover all of the City’s costs, or even a majority of the costs. It is intended to recognize that there is some impact of a development, on the City’s cost, and the impact should be borne by those that are driving that impact.

Council Member Dobbs asked if there was any correlation to higher impact fees and a more quality product. Mr. Hefton said, on a \$300,000 house, a \$3,000 impact fee is 1% of the cost, which is currently about the cost of inflation on building materials. He said the City hasn’t seen that charging the impact fee, especially at the level Sherman is charging, has made any decision-making impact on where they will build or how big a house they will build.

ACTION TAKEN.

Motion by Deputy Mayor Howeth to adopt Ordinance No. 6522, approving the Land Use Assumptions, Roadway, Water, and Wastewater Capital Improvement Plan, and the Impact Fee Calculation at 60%, instead of the 75%, and keep the exemptions that are already in place.

Mr. Hefton said the effective date of January 1, 2023, was already built into the ordinance. He also clarified that it will be a different fee for every Service Area.

RESTATEMENT OF MOTION.

Motion by Deputy Mayor Howeth to adopt Ordinance No. 6522, approving the Land Use Assumptions, Roadway, Water, and Wastewater Capital Improvement Plan, and the Impact Fee Calculation at 60%, instead of the 75%, and keep the exemptions that are already in place. Second by Council Member Stevenson.

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

VOTING NAY: Teamann.

MOTION CARRIED.

**RESOLUTION NO. 6947 – REPEALING AND REPLACING
RESOLUTION NO. 6851; ESTABLISHING SALARY STRUCTURES
AND INCENTIVE/CERTIFICATION PAY SCHEDULES FOR
FIREFIGHTERS AND POLICE OFFICERS; ESTABLISHING SPECIAL
LONGEVITY PAY SCHEDULES FOR NEWLY HIRED FIREFIGHTERS
AND POLICE OFFICERS**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
SHERMAN, TEXAS, REPEALING AND REPLACING RESOLUTION
NO. 6851; ESTABLISHING SALARY STRUCTURES AND
INCENTIVE/CERTIFICATION PAY SCHEDULES FOR
FIREFIGHTERS AND POLICE OFFICERS; ESTABLISHING SPECIAL
LONGEVITY PAY SCHEDULES FOR NEWLY HIRED FIREFIGHTERS
AND POLICE OFFICERS; PROVIDING FOR AN EFFECTIVE DATE.**

**RES 6947
POLICE & FIRE
SALARY STRUCTURES**

Jason Jeffcoat, Police Chief, briefed the Council on a request to incentivize newly hired police officers, in an attempt to recruit officers that are already certified.

Sherman does currently have a lateral transfer program, bringing in officers at a higher level of pay if they meet certain criteria. This puts officers on the street in about 12 weeks, as opposed to 17 to 19 weeks, with the traditional Field Training Officer program.

He explained that when an officer with no experience is hired, it typically takes about 40 weeks before the officer is effective on the streets. He discussed the process and timeframe for hiring an officer.

For a certified officer, which is generally an officer with over two years of experience and that meets the lateral transfer requirements, it takes about 12 weeks to get them on the street.

Chief Jeffcoat said it usually costs about \$57,000 to send an officer to the Academy, including salary, insurance, uniforms, and all costs.

He presented an incentive program to try and entice certified officers to apply with the Sherman Department. The proposed incentive program includes three levels with the first for certified officers with 0-2 years of experience. They would receive a \$2,500 incentive to apply in Sherman. The incentive would be paid over a year, with the first \$1,000 paid on completion of the FTO training and the second \$1,500 paid on completion of the first year. There is also a “clawback” clause that if they leave within a year, they would be required to pay the incentive back.

The next incentive would be for certified officers with 2-4 years of experience. They would receive a \$7,500 incentive, to be paid in stages, with the final payment upon completion of the second year. This incentive also has a clawback clause.

The final incentive would be for certified officers with over four years of experience. This incentive would be \$15,000, to be paid in stages, with the final payment upon completion of the second year. This incentive also has a clawback clause.

He felt this program would entice experienced officers from other cities or counties to consider a move to the Sherman Department.

Chief Jeffcoat said even with these incentives, hiring an officer with over four years of experience would still save the City over \$27,000. They will also get an officer with experience, that can be on the street within 12 weeks. Mr. Hefton clarified that the \$27,000 savings is per officer.

Council Member Stevenson asked if the program would be more effective if the bonus was higher. Chief Jeffcoat said some cities in other States are offering \$20,000 to \$30,000, but he has not seen that in Texas. Council Member Stevenson said even if the incentive

increases up to \$20,000, the City would still be saving \$22,000 per officer.

Deputy Mayor Howeth asked if there would be resentment about the incentive from the other officers, who are already employed. Chief Jeffcoat said they had presented this to the officers to “get their buy-in,” and the officers just want help on the street.

Mr. Hefton clarified, that the officers still come in as patrolmen, no matter how much experience they have. He added that the proposed resolution doesn’t include an amount of incentive, but just provides that there will be an incentive. He said if the Council approves this resolution, then the staff would determine the incentive. He said he understood that the Council was open to a higher incentive than was presented.

Council Member Marroquin felt the incentive should also be more if the officers were bilingual.

Chief Jeffcoat said there is an incentive for bilingual officers, at \$200 per month. He said another resolution would be required to increase that incentive.

Council Member Teamann asked if the City would begin seeing a “revolving door” if a nearby City started offering a similar incentive. Chief Jeffcoat said that would be built into the clawback clause.

ACTION TAKEN.

Motion by Council Member Stevenson to approve Resolution No. 6947, as presented. Second by Council Member Teamann. VOTING AYE: Dobbs, Holland, Howeth, Marroquin, Stevenson, Teamann.

VOTING NAY: None.

MOTION CARRIED.

RESOLUTION NO. 6948 – AUTHORIZING THE PURCHASE OF PELCO SECURITY CAMERAS FOR THE CITY OF SHERMAN FROM SCHNEIDER ELECTRIC THROUGH THE GENERAL SERVICES ADMINISTRATION (GSA) UNDER CONTRACT # GS-07F-9323S

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING PURCHASE OF PELCO SECURITY CAMERAS FOR THE CITY OF SHERMAN FROM SCHNEIDER ELECTRIC THROUGH THE GENERAL SERVICES ADMINISTRATION (GSA) UNDER CONTRACT # GS-07F-9323S.

**RES 6948
SECURITY CAMERAS
FOR CITY FACILITIES**

Ms. Lawrence said this resolution was authorization to purchase security cameras. About 70% of these cameras will be used at the Water Treatment Plant and the Wastewater Treatment Plan. It also includes the software to manage the cameras.

ACTION TAKEN.

Motion by Council Member Dobbs to approve Resolution No. 6948, as presented. Second by Council Member Teamann.

COUNCIL MINUTES – SEPTEMBER 6, 2022

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

VOTING NAY: None.

MOTION CARRIED.

RESOLUTION NO. 6949 – AWARDING A BID TO AND AUTHORIZING EXECUTION OF A CONTRACT WITH W-INDUSTRIES OF TEXAS, LLC, BASED ON AN INVITATION TO BID FOR THE EMERGENCY POWER GENERATION WATER TREATMENT PLANT EMERGENCY GENERATOR

**RES 6949
WATER TREATMENT
PLANT EMERGENCY
GENERATOR**

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AWARDING A BID TO AND AUTHORIZING EXECUTION OF A CONTRACT WITH W-INDUSTRIES OF TEXAS, LLC, BASED ON AN INVITATION TO BID FOR THE EMERGENCY POWER GENERATION WATER TREATMENT PLANT EMERGENCY GENERATOR.

Tom Pruitt, Utility Engineer, said this resolution would award the bid for the emergency power generation Water Treatment Plant emergency generator, to the low bidder. There is a long lead time on the purchase.

ACTION TAKEN.

Motion by Council Member Stevenson to approve Resolution No. 6949, as presented. Second by Council Member Holland.

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

VOTING NAY: None.

MOTION CARRIED.

RESOLUTION NO. 6950 – AUTHORIZING EXECUTION OF A PROFESSIONAL SERVICES AGREEMENT WITH HUITT-ZOLLARS, INC. FOR DEVELOPMENT PLAN REVIEWS

**RES 6950
DEVELOPMENT
PLAN REVIEWS**

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS AUTHORIZING EXECUTION OF A PROFESSIONAL SERVICES AGREEMENT WITH HUITT-ZOLLARS, INC. FOR DEVELOPMENT PLAN REVIEWS.

Wayne Lee, Director of Engineering, said, because of the recent unprecedented growth in Sherman, the Engineering staff needs some assistance to provide the timely review of development plan reviews.

This contract will allow the staff to use Huitt-Zollars to help reduce the lead time on reviewing and providing comments on submitted plans. Their assistance will be on an as-needed basis, with an hourly charge, for about a year.

ACTION TAKEN.

Motion by Deputy Mayor Howeth to approve Resolution No. 6950, as presented. Second by Council Member Dobbs.

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

VOTING NAY: None.

MOTION CARRIED.

RESOLUTION NO. 6951 – AUTHORIZING SUBMISSION OF A GRANT APPLICATION TO THE OFFICE OF THE GOVERNOR CRIMINAL JUSTICE DIVISION TO FUND THE PURCHASE OF BULLET-RESISTANT SHIELDS FOR THE SHERMAN POLICE DEPARTMENT; DESIGNATING THE CITY MANAGER AS THE AUTHORIZED OFFICIAL TO ACCEPT, REJECT, ALTER OR TERMINATE THE GRANT ON BEHALF OF THE CITY

RES 6951
GRANT FOR
BULLET RESISTANT
SHIELDS FOR
POLICE DEPT

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING SUBMSISION OF A GRANT APPLICATION TO THE OFFICE OF THE GOVERNOR – CRIMINAL JUSTICE DIVISION TO FUND THE PURCHASE OF BULLET-RESISTANT SHIELDS FOR THE SHERMAN POLICE DEPARTMENT; DESIGNATING THE CITY MANAGER AS THE AUTHORIZED OFFICIAL TO ACCEPT, REJECT, ALTER OR TERMINATE THE GRANT ON BEHALF OF THE CITY.

Ms. Lawrence said this resolution applies to Resolution 6952, which is already approved. This resolution authorizes the grant for bullet resistant shields for the Police Department, and the other one is for training to use the shields. The City would receive both grants or none at all.

ACTION TAKEN.

Motion by Council Member Holland to approve Resolution No. 6951, as presented. Second by Council Member Stevenson.

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

VOTING NAY: None.

MOTION CARRIED.

RESOLUTION NO. 6952 – AUTHORIZING SUBMISSION OF A GRANT APPLICATION TO THE OFFICE OF THE GOVERNOR-CRIMINAL JUSTICE DIVISION TO FUND THE COST FOR OFFICERS OF THE SHERMAN POLICE DEPARTMENT TO ATTEND ADVANCED LAW ENFORCEMENT RAPID RESPONSE TRAINING (ALERRT); DESIGNATING THE CITY MANAGER AS THE AUTHORIZED OFFICIAL TO ACCEPT, REJECT, ALTER OR TERMINATE THE GRANT ON BEHALF OF THE CITY

RES 6952
GRANT FOR TRAINING
FOR BULLET
RESISTANT SHIELDS
FOR POLICE DEPT

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING SUBMISSION OF A GRANT APPLICATION TO THE OFFICE OF THE GOVERNOR – CRIMINAL JUSTICE DIVISION TO FUND THE COSTS FOR OFFICERS OF THE SHERMAN POLICE DEPARTMENT TO ATTEND ADVANCED LAW ENFORCEMENT RAPID RESPONSE TRAINING (ALERRT); DESIGNATING THE CITY MANAGER AS THE AUTHORIZED OFFICIAL TO ACCEPT, REJECT, ALTER OR TERMINATE THE GRANT ON BEHALF OF THE CITY.

CONSENT AGENDA.

RESOLUTION NO. 6953 – AUTHORIZING THE LEASE OF AN AVPN CIRCUIT FOR 911 SERVICE CONNECTION AT NEW PD HEADQUARTERS FROM AT&T THROUGH THE TEXAS DIR AGREEMENT

RES 6953
POLICE DEPT
911 CONNECTION

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING THE LEASE OF AN AVPN CIRCUIT FOR 911 SERVICE CONNECTION WITH A 36 MONTH

SERVICE AGREEMENT FROM AT&T THROUGH THE TEXAS DIR AGREEMENT.
CONSENT AGENDA.

RESOLUTION NO. 6954 – AUTHORIZING EXECUTION OF A PROPERTY ASSESSMENT AND COLLECTION INTERLOCAL AGREEMENT FOR THE BEL AIR VILLAGE PUBLIC IMPROVEMENT DISTRICT BETWEEN THE CITY OF SHERMAN, TEXAS, AND GRAYSON COUNTY

RES 6954
BEL AIR VILLAGE
PROPERTY
ASSESSMENT

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING EXECUTION OF A PROPERTY ASSESSMENT AND COLLECTION INTERLOCAL AGREEMENT FOR THE BEL AIR VILLAGE PUBLIC IMPROVEMENT DISTRICT BETWEEN THE CITY OF SHERMAN, TEXAS, AND GRAYSON COUNTY.

CONSENT AGENDA.

RESOLUTION NO. 6955 – ADOPTING AN INVESTMENT POLICY FOR THE CITY OF SHERMAN

RES 6955
INVESTMENT POLICY

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, ADOPTING AN INVESTMENT POLICY FOR THE CITY OF SHERMAN.

CONSENT AGENDA.

RESOLUTION NO. 6956 – AUTHORIZING THE CITY MANAGER TO NEGOTIATE, FINALIZE, AND EXECUTE AN ADMINISTRATIVE SERVICES AGREEMENT FOR THIRD PARTY ADMINISTRATION OF THE CITY'S HEALTH PLAN

RES 6956
EMPLOYEE HEALTH
CARE PLAN

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING THE CITY MANAGER TO NEGOTIATE, FINALIZE, AND EXECUTE AN ADMINISTRATIVE SERVICES AGREEMENT WITH HEALTH PLANS, INC. FOR ADMINISTRATION SERVICES.

CONSENT AGENDA.

REQUEST TO ADVERTISE
REQUEST TO ADVERTISE FOR THE ANNUAL SUPPLY OF TIRES FOR ON-ROAD AND OFF-ROAD FLEET EQUIPMENT

REQUEST TO ADV
ANNUAL SUPPLY
OF TIRES

The City Council approved the request to advertise for the annual supply of tires for on-road and off-road fleet equipment. The City contracts annually for this service which establishes a price agreement for the purchase of a variety of tires for fleet, including cars, trucks, trailers, and construction equipment.

CONSENT AGENDA.

PAYMENT APPROVAL
AUTHORIZING THE PAYMENT OF A LEASE AGREEMENT WITH MOTOROLA SOLUTIONS CREDIT COMPANY LLC FOR WATCHGUARD VIDEO SYSTEMS USED BY THE POLICE DEPARTMENT FOR DASH AND BODY CAMERAS

PAYMENT APPROVAL
POLICE DASH &
BODY CAMERAS

The City Council approved the payment of a lease agreement with Motorola Solutions Credit Company LLC, for Watchguard Video Systems, which is used by the Police Department for Dash and Body Cameras, and includes software and equipment.

Funds in the amount of \$92,795.52 will be paid from CIP funds, budgeted in the current fiscal year.
CONSENT AGENDA.

OTHER BUSINESS

RECEIVE SEMI-ANNUAL REPORT ON THE SHERMAN CULTURAL DISTRICT

SHERMAN CULTURAL DISTRICT UPDATE

Heidi Rushing, Outgoing President of the Sherman Cultural District Board, presented their semi-annual report on activities of the organization.

She said the organization is eligible annually to apply for a grant from the Texas Commission on the Arts. This year they decided to focus on supporting existing cultural events. They partnered with the Sherman Jazz Museum and the Jazz and More Society to apply for a grant to support the Sherman Jazz Classic, in the marketing and promotion of the three-day event.

Their annual fundraiser is the Sher-Town Taco Tour, which is normally held in July. Because of the excessive heat, the event was rescheduled for October 11, 2022.

She said several board members have reached the end of their term and new members will be coming on board. Ginger Nye will serve as the new president for the upcoming year, and there will be five new members serving on the board.

CONSIDER REQUEST OF DOWNTOWN SHERMAN NOW TO TEMPORARILY CLOSE CERTAIN STREETS FOR THE “STROLL ON THE SQUARE & TEXOMA’S BEST BITES” ON SATURDAY, OCTOBER 1, 2022

**CLOSE STREETS FOR “STROLL ON THE SQUARE & TEXOMA’S BEST BITES”
(OCT. 1, 2022)**

The City Council approved the request from Downtown Sherman NOW to temporarily close certain streets for the “Stroll on the Square & Texoma’s Best Bites” on October 1, 2022 from 12:00 p.m. until 11:00 p.m.

Businesses will offer wine samples inside their downtown locations, and restaurants and caterers will be situated outside on the closed streets, and on the sidewalks, offering free samples of food. Downtown stores will be open for shopping and musicians will be inside stores on the Courthouse Square and on the sidewalks.

The Wine Stroll is limited to 600 participants and will follow all Texas Alcoholic Beverage Commission rules.

The Street Department will provide barricades and cones and the Solid Waste Department will provide waste receptacles. Downtown Sherman NOW will coordinate with the Police Department for security officers as necessary. They have also been advised that emergency vehicle accessibility must be maintained throughout the closed streets at all times.

CONSENT AGENDA.

FINAL PLAT APPROVAL OF CHRISTMAN COURT ADDITION, BEING 0.382 ACRES IN THE J.B. McANAIR SURVEY, ABSTRACT NO. 763; COURTNEY LEE MITCHELL AND IAN SHANE CHRISTMAN, OWNERS AND PRESTON TRAIL LAND SURVEYING, SURVEYOR (1010 NORTH WOODS STREET)

APPROVE FINAL PLAT
CHRISTMAN COURT
ADDITION
(1010 N. WOODS ST)

The City Council approved the Final Plat of Christman Court Addition, a 0.382 acre tract, located at 1010 North Woods Street. The property is zoned R-1 (One-Family Residential) District and the owner would like to plat the property into one lot for residential development.

The Planning and Zoning Commission recommended that the Final Plat be approved, subject to the Staff Review Letter.
CONSENT AGENDA, SUBJECT TO STAFF REVIEW LETTER.

FINAL PLAT APPROVAL OF ALISA PETERS ADDITION, BEING 0.281 ACRES IN THE SAMUEL BLAGG SURVEY, ABSTRACT NO. 56; ALISA PETERS, OWNER AND PRESTON TRAIL LAND SURVEYING, SURVEYOR (527 SOUTH RUSK STREET)

APPROVE FINAL PLAT
ALISA PETERS
ADDITION
(527 S. RUSK ST)

The City Council approved the Final Plat of the Alisa Peters Addition, a 0.281 acre tract, located at 527 South Rusk Street. The property is zoned R-1 (One-Family Residential) District, and the owner would like to plat the property into one lot for residential development.

The Planning and Zoning Commission recommended that the Final Plat be approved, subject to the Staff Review Letter.
CONSENT AGENDA, SUBJECT TO STAFF REVIEW LETTER.

FINAL PLAT APPROVAL OF BEL-AIR VILLAGE PHASE 2 (SINGLE-FAMILY), BEING 119.806 ACRES IN THE SHARROD DUNMAN SURVEY, ABSTRACT NO. 329; RONNY GUERRERO, OWNER AND KIMLEY-HORN & ASSOCIATES, SURVEYOR/ENGINEER (300-1000 BLOCKS FM 1417 (VIETNAM VETERANS PARKWAY))

APPROVE FINAL PLAT
BEL AIR VILLAGE,
PHASE 2
(300-1000 BLOCKS
FM 1417)

The City Council approved the Final Plat of Bel Air Village, Phase 2, a 119.806 acre tract, located in the 300 to 1000 blocks of FM 1417. The property is zoned PD (Planned Development), and the owner would like to plat the property into 561 lots for residential development.

The Planning and Zoning Commission recommended that the Final Plat be approved, subject to the Staff Review Letter.
CONSENT AGENDA, SUBJECT TO STAFF REVIEW LETTER.

REPLAT APPROVAL OF LOTS 1 AND 2 MILLER'S POST-OAK SUBDIVISION, BEING A PART OF PRESTON KITCHEN SURVEY, ABSTRACT 667, AND BEING ALL OF LOTS 1 AND 2 OF MILLER'S POST-OAK SUBDIVISION CONSISTING OF 1.021 ACRES; W.T. AND NANCY PINE, OWNERS AND UNDERWOOD SURVEYING, SURVEYOR (132 MILLER DRIVE & 2421 SOUTH CROCKETT STREET)

APPROVE REPLAT
MILLER'S POST-
OAK SUBDIVISION
(132 MILLER DR &
2421 S. CROCKETT ST)

The City Council approved the Replat of Lots 1 and 2, Miller's Post-Oak Subdivision, a 1.021 acre tract, located at 132 Miller Drive and 2421 South Crockett Street. The property is zoned R-1 (One-Family Residential) District, and the owner would like to replat the property into two lots for residential development.

The Planning and Zoning Commission recommended that the Replat be approved, subject to the Staff Review Letter.
CONSENT AGENDA, SUBJECT TO STAFF REVIEW LETTER.

REPLAT APPROVAL OF CHAFFIN'S FIRST ADDITION, BLOCK 11, LOT 19R, BEING 0.164 ACRES IN THE J.B. McANAIR SURVEY, ABSTRACT NO. 763 AND BEING LOTS 19 AND 20, BLOCK 11, CHAFFIN'S FIRST ADDITION; UBER GALAVIZ AND NORBERTO GALARZA, OWNERS AND SURDUKAN SURVEYING INC., SURVEYOR (810 EAST HOUSTON STREET)

APPROVE REPLAT
CHAFFIN'S FIRST
ADDITION
(810 E. HOUSTON ST)

The City Council approved the Replat of Chaffin's First Addition, Block 11, Lot 19R, a 0.164 acre tract, located at 810 East Houston Street. The property is zoned R-1 (One-Family Residential) District, and the owner would like to replat the property into one 50' wide lot for residential development.

The Planning and Zoning Commission recommended that the Replat be approved, subject to the Staff Review Letter.
CONSENT AGENDA, SUBJECT TO STAFF REVIEW LETTER.

REPLAT APPROVAL OF ARREDONDO ADDITION, LOT 1, BEING A PART OF LOTS 8 AND 10, BLOCK FOUR OF ROBERT A. KINGS ADDITION IN THE SAMUEL BLAGG SURVEY, ABSTRACT NO. 56, CONSISTING OF 0.162 ACRES; OSCAR ARREDONDO, OWNER AND PRESTON TRAIL LAND SURVEYING, SURVEYOR (801 SOUTH WALNUT STREET)

APPROVE REPLAT
ARREDONDO
ADDITION
(801 S. WALNUT ST)

The City Council approved the Replat of Arredondo Addition, Lot 1, a 0.162 acre tract, located at 801 South Walnut Street). The property is zoned R-2 (Multi-Family Residential) District, and the owner would like to replat the property into one 50.4' wide lot for residential development.

The Planning and Zoning Commission recommended that the Replat be approved, subject to the Staff Review Letter.
CONSENT AGENDA, SUBJECT TO STAFF REVIEW LETTER.

FINAL PLAT APPROVAL OF CARROLL ADDITION, BEING 0.642 ACRES AND BEING PART OF THE G.B. PILANT SURVEY, ABSTRACT NO. 963; CRUZ AND EMMA ALVA, OWNER; MARK KERR, REPRESENTATIVE; AND HELVEY-WAGNER SURVEYING INC., SURVEYOR (313 AND 319 SOUTH DEWEY AVENUE)

APPROVE FINAL PLAT
(313 & 319 S.
DEWEY AVE)

The City Council approved the Final Plat of Carroll Addition, a 0.642 acre tract, located at 313 and 319 South Dewey Avenue. The property is zoned C-1 (Retail Business) District, and the owner would like to plat the property into two lots for commercial development. He would also like a Variance to allow an 11' front setback for an existing residential structure.

The Planning and Zoning Commission recommended that the Final Plat be approved, subject to the Staff Review Letter.
CONSENT AGENDA, SUBJECT TO STAFF REVIEW LETTER.

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

MAIN STREET ADVISORY BOARD (1)

ACTION TAKEN.

Motion by Deputy Mayor Howeth to appoint Preston Davis to the Main Street Advisory Board, for a term from September 7, 2022 to September 7, 2024, as presented. Second by Council Member Stevenson.

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

VOTING NAY: None.

MOTION CARRIED.

MAIN STREET
ADVISORY BOARD

COUNCIL COMMENTS

SHERMAN CULTURAL DISTRICT BOARD

Council Member Holland thanked Ms. Rushing for her service on the Sherman Cultural District Board and said she had been a foundation of the board since the beginning.

SHERMAN CULTURAL
DISTRICT BOARD

PARKS DEPARTMENT SURVEY

Deputy Mayor Howeth reminded citizens that the Parks Department has a survey about the needs for a Community Center. She asked everyone to complete the survey about whether the City needs to build a Community Center, and if so, what it should incorporate.

PARKS DEPT
SURVEY

THANKS TO CITY STAFF

Council Member Stevenson thanked the City staff and employees for all they do. He said many attend the Council Meetings every other week. He said many times, that's a long night, and he thanked them for attending.

THANKS TO
CITY STAFF

HISPANIC FESTIVAL

Council Member Marroquin said the annual Hispanic Festival will be held this weekend on the Municipal Grounds, from 1:00 p.m. until 7:00 p.m. There will be food and entertainment for everyone.

HISPANIC FESTIVAL

THANKS TO MS. RUSHING

Mayor Plyler thanked Ms. Rushing for her service to the Sherman Cultural District Board.

THANKS TO
MS. RUSHING

ANNOUNCEMENTS

Mayor Plyler announced the following:

- Arts Fest will be held on September 17, 2022, at Kidd-Key Park. There will be hundreds of vendors, activities for the kids, and live music.
- A bonus Hot Summer Nights concert will be held on September 29, 2022, at 7 p.m., with Jo Dee Messina.
- Downtown Sherman NOW will host their annual Stroll on the Square on October 1, 2022, supporting the downtown business owners.

ANNOUNCEMENTS

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

EXECUTIVE SESSION

THE CITY COUNCIL WILL NOW HOLD AN EXECUTIVE SESSION PURSUANT TO THE PROVISIONS OF THE OPEN MEETINGS LAW, CHAPTER 551, GOVERNMENT CODE, VERNONS TEXAS CODES ANNOTATED, IN ACCORDANCE WITH THE AUTHORITY CONTAINED IN THE FOLLOWING SECTIONS.

TEX. GOV'T CODE § 551.071 --

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

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

(A) Purchase of Real Property

TEX. GOV'T CODE § 551.073 --

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

TEX. GOV'T CODE § 551.074 --

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

TEX. GOV'T CODE § 551.076 --

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

TEX. GOV'T CODE § 551.087 --

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

TEX. GOV'T CODE § 551.089 --

DELIBERATING SECURITY ASSESSMENTS OR DEPLOYMENTS RELATING TO INFORMATION RESOURCES TECHNOLOGY,

COUNCIL MINUTES – SEPTEMBER 6, 2022

NETWORK SECURITY INFORMATION, OR THE DEPLOYMENT OR SPECIFIC OCCASIONS FOR IMPLEMENTATION OF SECURITY PERSONNEL, CRITICAL INFRASTRUCTURE OR SECURITY DEVICES

On Motion duly made and carried, the Open Meeting recessed and reconvened in Executive Session at 6:22 p.m.

On Motion duly made and carried, the Executive Session recessed at 6:47 p.m. and reconvened in Open Meeting.

OPEN MEETING

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

OPEN MEETING

ADJOURNMENT

On Motion duly made and carried, the meeting adjourned at 6:48 p.m.

ADJOURNMENT

MAYOR

CITY CLERK



Impact Fee Minor Update

City of Sherman City Council Public Hearing

September 6, 2022

Impact Fee Comparison: 2020 Adopted and 2022 Maximum



Impact Fee		2020 Adopted		2022 Minor Update	
		Maximum Assessable	Adopted (% of Max.)	Maximum Assessable	CIAC Recommendation to Council
Water		\$4,478	\$1,000 (22.3%)	\$6,807	\$5,105 (75% of Max)
Wastewater		\$657	\$500 (76%)	\$2,149	\$1,612 (75% of Max)
Roadway	SA1	\$374	\$336.70 (90%)	\$380	\$285 (75% of Max)
	SA2	\$527	\$336.70 (63.9%)	\$1,250	\$938 (75% of Max)
	SA3	\$748	\$336.70 (45%)	\$987	\$740 (75% of Max)
	SA4	\$608	\$336.70 (55.4%)	\$793	\$595 (75% of Max)

Impact Fee Comparison: 2020 Adopted and 2022 Maximum



Impact Fee		2020 Adopted		2022 Minor Update	
		Maximum Assessable	Adopted (% of Max.)	Maximum Assessable	CIAC Recommendation to Council
Water		\$4,478	\$1,000 (22.3%)	\$6,807	\$5,105 (75% of Max)
Wastewater		\$657	\$500 (76%)	\$2,149	\$1,612 (75% of Max)
Roadway	SA1	<u>CIAC Recommended</u> <u>Collection Rates Reduced by 50% for:</u> - Residential in SA3 - Recreational - Religious Institutes - Non-Profit 501(c)(3) and owner of building - Dining Uses - Other Retail - Commercial uses that generate sales tax.		\$380	\$285 (75% of Max)
	SA2			\$1,250	\$938 (75% of Max)
	SA3			\$987	\$740 (75% of Max)
	SA4			\$793	\$595 (75% of Max)

Results:

Sample Calculations



Max Assessable Impact fee

Determine the maximum assessable fee per service unit:

LAND USE	DEVELOPMENT UNITS	NUMBER OF UNITS	SERVICE UNITS	SA 1	SA 2	SA 3	SA 4	Water	WW	TOTAL (SA 4)
Single-Family Detached Housing (ITE #210)	Dwelling Units	1	2.97	\$1,129	\$3,715	\$2,931	\$2,355	\$6,807 (3/4")	\$2,149 (3/4")	\$11,311
Multi-Family (Mid-Rise) Housing (ITE #221)	Dwelling Units	250	1.32	\$125,400	\$412,830	\$325,710	\$261,690	\$79,438 (3")	\$25,079 (3")	\$366,207
Office (ITE #710)	5,000 Square Feet	5	3.45	\$6,555	\$21,580	\$17,026	\$13,679	\$11,368 (1")	\$3,589 (1")	\$28,636
Industrial (ITE #110)	50,000 Square Feet	50	3.16	\$60,040	\$197,658	\$155,946	\$125,294	\$79,438 (3")	\$25,079 (3")	\$229,811
Retail Strip Center (ITE #820)	10,000 Square Feet	10	7.03	\$26,714	\$87,945	\$69,386	\$55,748	\$36,281 (2")	\$11,454 (2")	\$103,483

Results:

Sample Calculations



CIAC Recommended

Determine the maximum assessable fee per service unit:

LAND USE	DEVELOPMENT UNITS	NUMBER OF UNITS	SERVICE UNITS	SA 1	SA 2	SA 3	SA 4	Water	WW	TOTAL (SA 4)
Single-Family Detached Housing (ITE #210)	Dwelling Units	1	2.97	\$846	\$2,786	\$2,198	\$1,767	\$5,105 (3/4")	\$1,612 (3/4")	\$8,484
Multi-Family (Mid-Rise) Housing (ITE #221)	Dwelling Units	250	1.32	\$94,050	\$309,540	\$244,200	\$196,350	\$59,578 (3")	\$18,809 (3")	\$274,737 Or \$1,099/ unit
Office (ITE #710)	5,000 Square Feet	5	3.45	\$4,916	\$16,180	\$12,765	\$10,264	\$8,526 (1")	\$2,692 (1")	\$21,482
Industrial (ITE #110)	50,000 Square Feet	50	3.16	\$45,030	\$148,204	\$116,920	\$94,010	\$59,578 (3")	\$18,809 (3")	\$172,397
Retail Strip Center (ITE #820)	10,000 Square Feet	10	7.03	\$20,035	\$65,941	\$52,022	\$41,828	\$27,211 (2")	\$8,591 (2")	\$77,630



Comparisons

Actual rates collected for:

LAND USE	2020 SHERMAN (SA 4) ADOPTED	2022 UPDATE SHERMAN (SA 4) MAX	2022 UPDATE SHERMAN (SA 4) CIAC RECOMMENDED	ANNA	MELISSA	PRINCETON	CELINA	MCKINNEY	PROSPER
Single-Family Detached Housing (ITE #210)	\$2,500	\$11,311	\$8,484	\$11,210	\$5,382	\$9,904	\$11,378	\$8,207	\$9,307
Multi-Family (Mid-Rise) Housing (ITE #221)	\$146,106	\$366,207	\$274,737 Or \$1,099/ unit	\$498,149	\$436,793	\$542,578	\$672,800	\$660,815	\$1,090,533
Office (ITE #710)	\$8,313	\$28,636	\$21,482	\$34,123	\$24,077	\$29,719	\$41,480	\$20,918	\$29,201
Industrial (ITE #110)	\$88,194	\$229,811	\$172,397	\$218,993	\$159,110	\$198,984	\$251,445	\$147,830	\$329,133
Retail Strip Center (ITE #820)	\$31,665	\$103,483	\$77,630	\$123,262	\$63,229	\$64,774	\$116,464	\$74,500	\$64,876

Impact Fee Collection



- Current (Rdwy/Water/WW):
 - \$1,000/\$1,000/\$500 = \$2,500 SFE
- Proposed Option 1
 - \$1,000/\$3,000/\$1,000 = \$5,000 SFE
- Proposed Option 2
 - \$1,000/\$5,000/\$2,000 = \$8,000 SFE
- CIAC Recommendation (75% of Max)
 - Area 1: \$846/\$5,105/\$1,612 = \$7,563 SFE
 - Area 2: \$2,786/\$5,105/\$1,612 = \$9,503 SFE
 - Area 3: \$2,198/\$5,105/\$1,612 = \$8,915 SFE
 - Area 4: \$1,767/\$5,105/\$1,612 = \$8,484 SFE

SFE = Single-family Equivalent

Council Action



- Staff recommends the following action:
- Motion to approve the land use assumptions, roadway, water, and wastewater capital improvements plan and impact fee calculations as presented.
- Motion to approve Ordinance No. 6522 as written or with additional conditions as Council determines.



City Council Regular Meeting

C. 1.

Meeting Date: 09/19/2022

Approved By: Robby Hefton, City Manager

Caption:

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

Issue:

E. 2. * RESOLUTION NO. 6958

Authorizing Submission of an Application for a Grant Awarded by the Texas Department of Transportation under the Routine Airport Maintenance Program to Fund Improvements at the Sherman Municipal Airport; Designating the City Manager as the Authorized Official to Accept, Reject, Alter or Terminate the Grant on Behalf of the City

E. 3. * RESOLUTION NO. 6959

Authorizing the City Manager to Execute a Contract with The Sherman Museum for Expenditure of a Portion of the Funds Collected by the City of the Hotel-Motel Occupancy Tax

F. 1. * OTHER BUSINESS

Consider Request of St. Mary's Catholic School to Temporarily Close Certain Streets for the "Run Run Rudolph 5K and Family Fun Run/Walk" on Saturday, December 3, 2022



SHERMAN CITY COUNCIL

Agenda Communication Form

City Council Regular Meeting

D. 1.

Meeting Date: 09/19/2022

Prepared By: Mary Lawrence, Director of Finance

Approved By: Robby Hefton, City Manager

Caption:

INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 6527

Amending Chapter 13 of the Code of Ordinances, entitled "Utilities", Article 13.08, entitled "Utility Billing", at Sections 13.08.005 and 13.08.006, Revising Rates for Water and Sewer Services; and Article 13.07, entitled "Water, Sewers, and Sewage Disposal", at Section 13.07.072; Revising Allowances for Inaccurate Meters; Providing for Inclusion in the Code of Ordinances; Providing for Severability; Providing for a Repealer

Issue:

Adoption of rate schedule as presented in Attachment A and clarifying allowances for inaccurate meters.

Background:

At the July 19, 2021 meeting, the City Council directed staff to implement the rate schedule as presented by Willdan Financial Services. The first year of the rate schedule was implemented in the fiscal year 2021-2022. At the June 7, 2022 budget workshop, Willdan updated the City Council and recommended the City continue the rate schedule as originally presented. Staff prepared a budget with the second year of the rate schedule. Council approved the fiscal year 2022-2023 budget on August 16, 2022.

This ordinance implements the second year by increasing water rates by 3% and the sewer rates by 7%, for an average increase of 4.6% in the overall utility rates. The rate increase will take effect October 1, 2022.

Origination:

City Council

Financial Consideration:

The rate increase is expected to generate about \$900,000.00 per year

Staff Recommendation:

Staff recommends adoption of the ordinance

Alternatives:

Since the Council directed the staff to bring back these proposed rate increases, no alternatives are offered by staff.

Attachments

Ordinance No. 6527

Water and Sewer Rate Schedule

ORDINANCE NO. 6527

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AMENDING CHAPTER 13 OF THE CODE OF ORDINANCES, ENTITLED “UTILITIES”, ARTICLE 13.08, ENTITLED “UTILITY BILLING”, AT SECTIONS 13.08.005 AND 13.08.006, REVISING RATES FOR WATER AND SEWER SERVICES; AND ARTICLE 13.07, ENTITLED “WATER, SEWERS AND SEWAGE DISPOSAL”, AT SECTION 13.07.072, REVISING ALLOWANCES FOR INACCURATE METERS; PROVIDING FOR INCLUSION IN THE CODE OF ORDINANCES; PROVIDING FOR SEVERABILITY; PROVIDING FOR A REPEALER; FINDING AND DETERMINING THAT THE MEETING AT WHICH THIS ORDINANCE IS PASSED WAS NOTICED AND IS OPEN TO THE PUBLIC AS REQUIRED BY LAW.

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

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

Sec. 13.08.005 Water rates

(a) Water furnished by the city to a customer, other than any customer who dwells or resides in a multiunit dwelling within the city limits shall be charged for at the following rates for the fiscal year beginning October 1, 2024 ~~2021~~ 2022 for the first fifteen hundred (1,500) gallons of water used according to meter size and unit of measurement of the meter register:

Meter Sizes (in inches)	Minimum Monthly Amount <u>Oct 1, 2024</u> <u>2022</u>
5/8 or 3/4	\$23.48 <u>\$24.18</u>
1	\$46.32 <u>\$47.71</u>
1-1/2	\$93.07 <u>\$95.86</u>
2	\$158.56 <u>\$163.32</u>
3	\$345.69 <u>\$356.06</u>
4	\$607.62 <u>\$625.85</u>
6	\$1,356.08 <u>\$1,396.76</u>
8	\$2,403.90 <u>\$2,476.02</u>
10	\$3,751.10 <u>\$3,863.63</u>

(b) Volume charge. Except as noted below, the charge for all water consumed in excess of the minimum fifteen hundred (1,500) gallons shall be billed at a rate of ~~three dollars and thirty-seven~~

~~cents (\$3.37)~~ *three dollars and forty-seven cents (\$3.47)* per one thousand (1,000) gallons of water used for the rates beginning October 1, ~~2021~~ *2022*. Water meters utilized for lawn sprinkling systems shall be charged according to meter size plus the consumption rate of ~~three dollars and thirty-seven cents (\$3.37)~~ *three dollars and forty-seven cents (\$3.47)* per one thousand (1,000) gallons of water used in excess of the minimum fifteen hundred (1,500) gallons during months of July through October, beginning October 1, ~~2021~~ *2022*. During the billing months of November through June of any fiscal year, such water sprinkler meters shall be billed a minimum monthly charge as would be billed to a 5/8-inch or 3/4-inch meter.

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

Gallons Calculation Beginning October 1, ~~2021~~ *2022*:

(number of units X ~~\$23.48~~ *\$24.18*) +

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

~~\$3.37~~ *\$3.47* = Billing

(d) All customers whose combined average daily use for the past twelve (12) months exceeds 700,000 gallons per day shall be charged for water consumption at the same rates as stated in the above subsections. Customers that qualify for this subsection shall receive a rebate, to be paid annually, calculated as follows:

Water Rebate = Total annual water revenues for previous twelve (12) months X .05.

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

SECTION 2. That Chapter 13, Article 13.08, Section 13.08.006 of the Code of Ordinances of the City of Sherman, Texas, be and is hereby amended so that such section shall read as follows:

Sec. 13.08.006 Sewer charges

(a) All persons using the sanitary sewer system and lines of the city shall be charged as follows:
 (1) Sewage charges. The sewage charge will be based upon the amount of water used. Each sanitary sewer system customer, except multiunit dwelling complexes, shall be charged for sewage at the following rates:

Amount

\$ ~~8.68~~ \$9.29

Page 3 of 4

SECTION 4. That it is the intention of the City Council of the City of Sherman, Texas, that the provisions of this ordinance shall become a part of the Code of Ordinances of the City of Sherman, Texas, and that sections of this ordinance may be renumbered or re-lettered to accomplish such intention.

SECTION 5. That the provisions of this ordinance are severable and the invalidity of any word, phrase or part of this ordinance shall not affect the validity of effectiveness of the remainder of the ordinance.

SECTION 6. That all ordinances or parts of ordinances in conflict with the provisions of this ordinance are hereby repealed.

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.

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

INTRODUCED on this the 19th day of September, 2022.

ADOPTED on this the 19th day of September, 2022.

EFFECTIVE DATE on this the 19th day of September, 2022.

CITY OF SHERMAN, TEXAS

BY:

DAVID PLYLER, MAYOR

ATTEST:

BY:

LINDA ASHBY, CITY CLERK

APPROVED AS TO FORM

AND CONTENT:

**THE LAW FIRM OF ABERNATHY,
ROEDER, BOYD & HULLETT, P.C.**

BY:

RYAN D. PITTMAN, CITY ATTORNEY

**CITY OF SHERMAN
WATER/WASTEWATER COST OF SERVICE MODEL**

Current Effective Oct-21 Effective Oct-22 Effective Oct-23 Effective Oct-24 Effective Oct-25

City Rate Plan -- Five Year Summary
Scen: 2021 07 19 Scenario II -- Uniform Adj.

1 Water Monthly Rates and Charges

RESW		Residential											
<u>Customer Service Charge</u>													
	5/8 X 3/4"	\$	22.80	\$	23.48	\$	24.19	\$	24.91	\$	25.66	\$	26.43
	1"		44.97		46.32		47.71		49.14		50.61		52.13
	1 1/2"		90.36		93.07		95.86		98.74		101.70		104.75
	2"		153.94		158.56		163.31		168.21		173.26		178.46
	3"		335.62		345.69		356.06		366.74		377.74		389.08
	4"		589.92		607.62		625.85		644.62		663.96		683.88
	6"		1,316.58		1,356.08		1,396.76		1,438.66		1,481.82		1,526.28
	8"		2,333.88		2,403.90		2,476.01		2,550.29		2,626.80		2,705.61
	10"		3,641.84		3,751.10		3,863.63		3,979.54		4,098.92		4,221.89
<u>Volume Rate/1,000 Gal</u>													
	1,500	Above	3.27		3.37		3.47		3.57		3.68		3.79
COMW		Commercial											
<u>Customer Service Charge</u>													
	5/8 X 3/4"	\$	22.80	\$	23.48	\$	24.19	\$	24.91	\$	25.66	\$	26.43
	1"		44.97		46.32		47.71		49.14		50.61		52.13
	1 1/2"		90.36		93.07		95.86		98.74		101.70		104.75
	2"		153.94		158.56		163.31		168.21		173.26		178.46
	3"		335.62		345.69		356.06		366.74		377.74		389.08
	4"		589.92		607.62		625.85		644.62		663.96		683.88
	6"		1,316.58		1,356.08		1,396.76		1,438.66		1,481.82		1,526.28
	8"		2,333.88		2,403.90		2,476.01		2,550.29		2,626.80		2,705.61
	10"		3,641.84		3,751.10		3,863.63		3,979.54		4,098.92		4,221.89
<u>Volume Rate/1,000 Gal</u>													
	1,500	Above	3.27		3.37		3.47		3.57		3.68		3.79

**CITY OF SHERMAN
WATER/WASTEWATER COST OF SERVICE MODEL**

Current Effective Oct-21 Effective Oct-22 Effective Oct-23 Effective Oct-24 Effective Oct-25

**City Rate Plan -- Five Year Summary
Scen: 2021 07 19 Scenario II -- Uniform Adj.**

APT,MHP,MLTW Multi-Family

Customer Service Charge

5/8 X 3/4"	\$	22.80	\$	23.48	\$	24.19	\$	24.91	\$	25.66	\$	26.43
1"		44.97		46.32		47.71		49.14		50.61		52.13
1 1/2"		90.36		93.07		95.86		98.74		101.70		104.75
2"		153.94		158.56		163.31		168.21		173.26		178.46
3"		335.62		345.69		356.06		366.74		377.74		389.08
4"		589.92		607.62		625.85		644.62		663.96		683.88
6"		1,316.58		1,356.08		1,396.76		1,438.66		1,481.82		1,526.28
8"		2,333.88		2,403.90		2,476.01		2,550.29		2,626.80		2,705.61
10"		3,641.84		3,751.10		3,863.63		3,979.54		4,098.92		4,221.89

Volume Rate/1,000 Gal

1,500	Above	3.27	3.37	3.47	3.57	3.68	3.79
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FHMW Hydrants

Customer Service Charge

5/8 X 3/4"	\$	22.80	\$	23.48	\$	24.19	\$	24.91	\$	25.66	\$	26.43
1"		44.97		46.32		47.71		49.14		50.61		52.13
1 1/2"		90.36		93.07		95.86		98.74		101.70		104.75
2"		153.94		158.56		163.31		168.21		173.26		178.46
3"		335.62		345.69		356.06		366.74		377.74		389.08
4"		589.92		607.62		625.85		644.62		663.96		683.88
6"		1,316.58		1,356.08		1,396.76		1,438.66		1,481.82		1,526.28
8"		2,333.88		2,403.90		2,476.01		2,550.29		2,626.80		2,705.61
10"		3,641.84		3,751.10		3,863.63		3,979.54		4,098.92		4,221.89

Volume Rate/1,000 Gal

1,500	Above	3.27	3.37	3.47	3.57	3.68	3.79
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INDW Industrial

Customer Service Charge

5/8 X 3/4"	\$	22.80	\$	23.48	\$	24.19	\$	24.91	\$	25.66	\$	26.43
1"		44.97		46.32		47.71		49.14		50.61		52.13
1 1/2"		90.36		93.07		95.86		98.74		101.70		104.75
2"		153.94		158.56		163.31		168.21		173.26		178.46
3"		335.62		345.69		356.06		366.74		377.74		389.08
4"		589.92		607.62		625.85		644.62		663.96		683.88
6"		1,316.58		1,356.08		1,396.76		1,438.66		1,481.82		1,526.28
8"		2,333.88		2,403.90		2,476.01		2,550.29		2,626.80		2,705.61
10"		3,641.84		3,751.10		3,863.63		3,979.54		4,098.92		4,221.89

Volume Rate/1,000 Gal

1,500	Above	3.27	3.37	3.47	3.57	3.68	3.79
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CITY OF SHERMAN WATER/WASTEWATER COST OF SERVICE MODEL													
		Current	Effective Oct-21	Effective Oct-22	Effective Oct-23	Effective Oct-24	Effective Oct-25						
City Rate Plan -- Five Year Summary Scen: 2021 07 19 Scenario II -- Uniform Adj.													
OUTSW	Outside												
	Customer Service Charge												
	5/8 X 3/4"	\$	45.60	\$	46.97	\$	48.38	\$	49.83	\$	51.32	\$	52.86
	1"		89.94		92.64		95.42		98.28		101.23		104.27
	1 1/2"		180.72		186.14		191.73		197.48		203.40		209.50
	2"		307.88		317.12		326.63		336.43		346.52		356.92
	3"		671.24		691.38		712.12		733.48		755.49		778.15
	4"		1,179.84		1,215.24		1,251.69		1,289.24		1,327.92		1,367.76
	6"		2,633.16		2,712.15		2,793.52		2,877.33		2,963.64		3,052.55
	8"		4,667.76		4,807.79		4,952.03		5,100.59		5,253.61		5,411.21
	Volume Rate/1,000 Gal												
	1,500	Above	6.54	6.74	6.94	7.15	7.36	7.58					
WHO1W	Knollwood												
	Customer Service Charge												
	5/8 X 3/4"	\$	22.80	\$	23.48	\$	24.19	\$	24.91	\$	25.66	\$	26.43
	1"		44.97		46.32		47.71		49.14		50.61		52.13
	1 1/2"		90.36		93.07		95.86		98.74		101.70		104.75
	2"		153.94		158.56		163.31		168.21		173.26		178.46
	3"		335.62		345.69		356.06		366.74		377.74		389.08
	4"		589.92		607.62		625.85		644.62		663.96		683.88
	6"		1,316.58		1,356.08		1,396.76		1,438.66		1,481.82		1,526.28
	8"		2,333.88		2,403.90		2,476.01		2,550.29		2,626.80		2,705.61
	Volume Rate/1,000 Gal												
	1,500	Above	3.27	3.37	3.47	3.57	3.68	3.79					
WHO2W	Gunter-Marilee												
	Volume Rate/1,000 Gal												
	-	Above	3.43	3.54	3.64	3.75	3.86	3.98					
WHO3W	Dorchester												
	Volume Rate/1,000 Gal												
	-	Above	1.53	1.58	1.62	1.67	1.72	1.77					
RW01	Panda-Sherman Raw Water												
	Customer Service Charge												
		\$	24,448.00	\$	25,181.44	\$	25,936.88	\$	26,714.99	\$	27,516.44	\$	28,341.93
	Volume Rate/1,000 Gal												
	-	Above	0.72	0.74	0.77	0.79	0.81	0.84					

**CITY OF SHERMAN
WATER/WASTEWATER COST OF SERVICE MODEL**

Current Effective Oct-21 Effective Oct-22 Effective Oct-23 Effective Oct-24 Effective Oct-25

*City Rate Plan -- Five Year Summary
Scen: 2021 07 19 Scenario II -- Uniform Adj.*

2

Wastewater Monthly Rates and Charges

RESWW	Residential										
	<u>Customer Service Charge</u>	\$	8.19	\$	8.68	\$	9.29	\$	9.94	\$	10.64
	<u>Volume Rate/1,000 Gal</u>										
	1,500		3.48		3.69		3.95		4.22		4.52
	9,000										4.84
COMWW	Commercial										
	<u>Customer Service Charge</u>		8.19		8.68		9.29		9.94		10.64
	<u>Volume Rate/1,000 Gal</u>										
	1,500		3.48		3.69		3.95		4.22		4.52
	Above										4.84
APT,MHP,MLTWW	Multi-Family										
	<u>Customer Service Charge</u>		8.19		8.68		9.29		9.94		10.64
	<u>Volume Rate/1,000 Gal</u>										
	1,500		3.48		3.69		3.95		4.22		4.52
	Above										4.84
INDWW	Industrial										
	<u>Customer Service Charge</u>		8.19		8.68		9.29		9.94		10.64
	<u>Volume Rate/1,000 Gal</u>										
	1,500		3.48		3.69		3.95		4.22		4.52
	Above										4.84

			CITY OF SHERMAN WATER/WASTEWATER COST OF SERVICE MODEL					
			Current	Effective Oct-21	Effective Oct-22	Effective Oct-23	Effective Oct-24	Effective Oct-25
<i>City Rate Plan -- Five Year Summary</i>								
<i>Scen: 2021 07 19 Scenario II -- Uniform Adj.</i>								
OUTSWW	Outside							
	<u>Customer Service Charge</u>		16.38	17.36	18.58	19.88	21.27	22.76
	<u>Volume Rate/1,000 Gal</u>							
	1,500	9,000	6.96	7.38	7.89	8.45	9.04	9.67
WHO1WW	Howe							
	<u>Customer Service Charge</u>		8.19	8.68	9.29	9.94	10.64	11.38
	<u>Volume Rate/1,000 Gal</u>							
	1,500	Above	3.48	3.69	3.95	4.22	4.52	4.84
	Knollwood							
	<u>Customer Service Charge</u>		8.19	8.68	9.29	9.94	10.64	11.38
	<u>Volume Rate/1,000 Gal</u>							
	1,500	Above	3.48	3.69	3.95	4.22	4.52	4.84



SHERMAN CITY COUNCIL

Agenda Communication Form

City Council Regular Meeting

D. 2.

Meeting Date: 09/19/2022

Prepared By: Ryan D. Pittman, City Attorney

Approved By: Robby Hefton, City Manager

Caption:

INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 6528

Approving a Negotiated Settlement between the Atmos Cities Steering Committee ("ACSC") and Atmos Energy Corp., Mid-Tex Division, Regarding the Company's 2022 Rate Review Mechanism Filing; Declaring Existing Rates to be Unreasonable; Adopting Tariffs that Reflect Rate Adjustments Consistent with the Negotiated Settlement; Finding the Rates to be Set by the Attached Settlement Tariffs to be Just and Reasonable and in the Public Interest; Approving an Attachment Establishing a Benchmark for Pensions and Retiree Medical Benefits; Requiring the Company to Reimburse ACSC's Reasonable Ratemaking Expenses; Adopting a Savings Clause; Declaring an Effective Date; Requiring Delivery of this Ordinance to the Company and the ACSC's Legal Council

Issue:

Ratification of a Negotiated Settlement between Atmos Cities Steering Committee ("ACSC") and Atmos Energy Corp., Mid-Tex Division ("Atmos Mid-Tex" or "Company")

Background:

The Rate Review Mechanism ("RRM") tariff was approved by ACSC Cities as part of the settlement agreement to resolve the Atmos Mid-Tex 2007 system-wide rate filing at the Railroad Commission. The RRM allows cities to conduct a more comprehensive review of all the information regarding changes to Atmos's revenues and expenses, as well as its invested capital. In 2018, the City adopted a renewed RRM tariff for an additional five years. ACSC and Atmos have reached a negotiated resolution addressing Atmos's eighth filing (the 2022 RRM rate increase) pursuant to the renewed RRM tariff.

The Ordinance reflects a negotiated settlement of Atmos's 2022 RRM filing, a rate increase of \$115 million from ACSC Cities, approximately \$26.3 million less than what the Company would have been entitled to receive under the Gas Reliability Infrastructure Program ("GRIP"), the statute that allows Atmos to bypass the City's rate regulatory authority to increase its rates annually to recover capital investments. The settlement includes an effective date of October 1, 2022. The settlement also produces a result that is better than what would have been expected if the Company had appealed its case to the Railroad Commission. The Ordinance includes the new tariffs, a revised schedule for Pensions and Benefits, and an average bill comparison.

The ACSC General Counsel recommends the City adopt the proposed ordinance approving the negotiated settlement agreement resolving the 2021 RRM filing and implementing the rate changes to take effect December 1, 2021.

Origination:

Thomas Brocato, General Counsel to the ACSC, at Lloyd Gosselink Rochelle & Townsend, P.C.

Financial Consideration:

Approval of this ordinance will result in rates that implement a \$115 million increase in Atmos's revenues effective October 1, 2022, and a monthly increase of \$4.60 or about 6.71% for the average residential customer, and a monthly increase of \$14.34 or about 4.29% for the average commercial customer.

Staff Recommendation:

It is recommended that the City Council adopt the ordinance and approve the Negotiated Settlement with Atmos Mid-Tex.

Alternatives:

As the ACSC Negotiation Team has negotiated the most beneficial settlement, no other alternatives are recommended.

Attachments

Ordinance No. 6528

Tariffs

Pension Benchmark

Average Bill

Staff Report

ORDINANCE NO. 6528

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, APPROVING A NEGOTIATED SETTLEMENT BETWEEN THE ATMOS CITIES STEERING COMMITTEE (“ACSC”) AND ATMOS ENERGY CORP., MID-TEX DIVISION REGARDING THE COMPANY’S 2022 RATE REVIEW MECHANISM FILING; DECLARING EXISTING RATES TO BE UNREASONABLE; ADOPTING TARIFFS THAT REFLECT RATE ADJUSTMENTS CONSISTENT WITH THE NEGOTIATED SETTLEMENT; FINDING THE RATES TO BE SET BY THE ATTACHED SETTLEMENT TARIFFS TO BE JUST AND REASONABLE AND IN THE PUBLIC INTEREST; APPROVING AN ATTACHMENT ESTABLISHING A BENCHMARK FOR PENSIONS AND RETIREE MEDICAL BENEFITS; REQUIRING THE COMPANY TO REIMBURSE ACSC’S REASONABLE RATEMAKING EXPENSES; ADOPTING A SAVINGS CLAUSE; DECLARING AN EFFECTIVE DATE; REQUIRING DELIVERY OF THIS ORDINANCE TO THE COMPANY AND THE ACSC’S LEGAL COUNSEL; FINDING AND DETERMINING THAT THE MEETING AT WHICH THIS ORDINANCE IS PASSED WAS NOTICED AND IS OPEN TO THE PUBLIC AS REQUIRED BY LAW.

WHEREAS, the City of Sherman, Texas (“City”) is a gas utility customer of Atmos Energy Corp., Mid-Tex Division (“Atmos Mid-Tex” or “Company”), and a regulatory authority with an interest in the rates, charges, and services of Atmos Mid-Tex; and

WHEREAS, the City is a member of the Atmos Cities Steering Committee (“ACSC”), a coalition of similarly-situated cities served by Atmos Mid-Tex (“ACSC Cities”) that have joined together to facilitate the review of, and response to, natural gas issues affecting rates charged in the Atmos Mid-Tex service area; and

WHEREAS, ACSC and the Company worked collaboratively to develop a Rate Review Mechanism (“RRM”) tariff that allows for an expedited rate review process by ACSC Cities as a substitute to the Gas Reliability Infrastructure Program (“GRIP”) process instituted by the Legislature, and that will establish rates for the ACSC Cities based on the system-wide cost of serving the Atmos Mid-Tex Division; and

WHEREAS, the current RRM tariff was adopted by the City in a rate ordinance in 2018; and

WHEREAS, on about April 1, 2022, Atmos Mid-Tex filed its 2022 RRM rate request with ACSC Cities based on a test year ending December 31, 2021; and

WHEREAS, ACSC coordinated its review of the Atmos Mid-Tex 2022 RRM filing through its Executive Committee, assisted by ACSC's attorneys and consultants, to resolve issues identified in the Company's RRM filing; and

WHEREAS, the Executive Committee, as well as ACSC's counsel and consultants, recommend that ACSC Cities approve an increase in base rates for Atmos Mid-Tex of \$115 million on a system-wide basis with an Effective Date of October 1, 2022; and

WHEREAS, ACSC agrees that Atmos plant-in-service is reasonable; and

WHEREAS, with the exception of approved plant-in-service, ACSC is not foreclosed from future reasonableness evaluation of costs associated with incidents related to gas leaks; and

WHEREAS, the attached tariffs (Attachment 1) implementing new rates are consistent with the recommendation of the ACSC Executive Committee, are agreed to by the Company, and are just, reasonable, and in the public interest; and

WHEREAS, the settlement agreement sets a new benchmark for pensions and retiree medical benefits (Attachment 2); and

WHEREAS, the RRM Tariff contemplates reimbursement of ACSC's reasonable expenses associated with RRM applications;

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

SECTION 1. That the findings set forth in this Ordinance are hereby in all things approved.

SECTION 2. That, without prejudice to future litigation of any issue identified by ACSC, the City Council finds that the settled amount of an increase in revenues of \$115 million on a system-wide basis represents a comprehensive settlement of gas utility rate issues affecting the rates, operations, and services offered by Atmos Mid-Tex within the municipal limits arising from Atmos Mid-Tex's 2022 RRM filing, is in the public interest, and is consistent with the City's authority under Section 103.001 of the Texas Utilities Code.

SECTION 3. That despite finding Atmos Mid-Tex's plant-in-service to be reasonable, ACSC is not foreclosed in future cases from evaluating the reasonableness of costs associated with incidents involving leaks of natural gas.

SECTION 4. That the existing rates for natural gas service provided by Atmos Mid-Tex are unreasonable. The new tariffs attached hereto and incorporated herein as Attachment 1, are just and reasonable, and are designed to allow Atmos Mid-Tex to recover annually an additional \$115 million on a system-wide basis, over the amount allowed under currently approved rates. Such tariffs are hereby adopted.

SECTION 5. That the ratemaking treatment for pensions and retiree medical benefits in Atmos Mid-Tex's next RRM filing shall be as set forth on Attachment 2, attached hereto and incorporated herein.

SECTION 6. That Atmos Mid-Tex shall reimburse the reasonable ratemaking expenses of ACSC in processing the Company's 2022 RRM filing.

SECTION 7. That to the extent any resolution or ordinance previously adopted by the Council is inconsistent with this Ordinance, it is hereby repealed.

SECTION 8. That the meeting at which this Ordinance was approved was in all things conducted in strict compliance with the Texas Open Meetings Act, Texas Government Code, Chapter 551.

SECTION 9. That if any one or more sections or clauses of this Ordinance is adjudged to be unconstitutional or invalid, such judgment shall not affect, impair, or invalidate the remaining provisions of this Ordinance, and the remaining provisions of the Ordinance shall be interpreted as if the offending section or clause never existed.

SECTION 10. That consistent with the City Ordinance that established the RRM process, this Ordinance shall become effective from and after its passage with rates authorized by attached tariffs to be effective for bills rendered on or after October 1, 2022.

SECTION 11. That a copy of this Ordinance shall be sent to Atmos Mid-Tex, care of Chris Felan, Vice President of Rates and Regulatory Affairs Mid-Tex Division, Atmos Energy Corporation, 5420 LBJ Freeway, Suite 1862, Dallas, Texas 75240, and to Thomas Brocato, General Counsel to ACSC, at Lloyd Gosselink Rochelle & Townsend, P.C., 816 Congress Avenue, Suite 1900, Austin, Texas 78701.

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

INTRODUCED on this the 19th day of September, 2022.

ADOPTED on this the 19th day of September, 2022.

EFFECTIVE DATE on this the 19th day of September, 2022.

CITY OF SHERMAN, TEXAS

BY:

DAVID PLYLER, MAYOR

ATTEST:

BY: _____
LINDA ASHBY, CITY CLERK

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

BY: _____
RYAN D. PITTMAN, CITY ATTORNEY

**MID-TEX DIVISION
ATMOS ENERGY CORPORATION**

RATE SCHEDULE:	R – RESIDENTIAL SALES	
APPLICABLE TO:	ALL CUSTOMERS IN THE MID-TEX DIVISION UNDER THE RRM TARIFF	
EFFECTIVE DATE:	Bills Rendered on or after 10/01/2022	

Application

Applicable to Residential Customers for all natural gas provided at one Point of Delivery and measured through one meter.

Type of Service

Where service of the type desired by Customer is not already available at the Point of Delivery, additional charges and special contract arrangements between Company and Customer may be required prior to service being furnished.

Monthly Rate

Customer's monthly bill will be calculated by adding the following Customer and Ccf charges to the amounts due under the riders listed below:

Charge	Amount
Customer Charge per Bill	\$ 21.55 per month
Rider CEE Surcharge	\$ 0.05 per month ¹
Total Customer Charge	\$ 21.60 per month
Commodity Charge – All <u>Ccf</u>	\$0.36223 per Ccf

Gas Cost Recovery: Plus an amount for gas costs and upstream transportation costs calculated in accordance with Part (a) and Part (b), respectively, of Rider GCR.

Weather Normalization Adjustment: Plus or Minus an amount for weather normalization calculated in accordance with Rider WNA.

Franchise Fee Adjustment: Plus an amount for franchise fees calculated in accordance with Rider FF. Rider FF is only applicable to customers inside the corporate limits of any incorporated municipality.

Tax Adjustment: Plus an amount for tax calculated in accordance with Rider TAX.

Surcharges: Plus an amount for surcharges calculated in accordance with the applicable rider(s).

Agreement

An Agreement for Gas Service may be required.

Notice

Service hereunder and the rates for services provided are subject to the orders of regulatory bodies having jurisdiction and to the Company's Tariff for Gas Service.

¹Reference Rider CEE - Conservation and Energy Efficiency as approved in GUD 10170. Surcharge billing effective July 1, 2022.

**MID-TEX DIVISION
ATMOS ENERGY CORPORATION**

RATE SCHEDULE:	C – COMMERCIAL SALES	
APPLICABLE TO:	ALL CUSTOMERS IN THE MID-TEX DIVISION UNDER THE RRM TARIFF	
EFFECTIVE DATE:	Bills Rendered on or after 10/01/2022	

Application

Applicable to Commercial Customers for all natural gas provided at one Point of Delivery and measured through one meter and to Industrial Customers with an average annual usage of less than 30,000 Ccf.

Type of Service

Where service of the type desired by Customer is not already available at the Point of Delivery, additional charges and special contract arrangements between Company and Customer may be required prior to service being furnished.

Monthly Rate

Customer's monthly bill will be calculated by adding the following Customer and Ccf charges to the amounts due under the riders listed below:

Charge	Amount
Customer Charge per Bill	\$ 63.50 per month
Rider CEE Surcharge	(\$ 0.01) per month ¹
Total Customer Charge	\$ 63.49 per month
Commodity Charge – All Ccf	\$ 0.14137 per Ccf

Gas Cost Recovery: Plus an amount for gas costs and upstream transportation costs calculated in accordance with Part (a) and Part (b), respectively, of Rider GCR.

Weather Normalization Adjustment: Plus or Minus an amount for weather normalization calculated in accordance with Rider WNA.

Franchise Fee Adjustment: Plus an amount for franchise fees calculated in accordance with Rider FF. Rider FF is only applicable to customers inside the corporate limits of any incorporated municipality.

Tax Adjustment: Plus an amount for tax calculated in accordance with Rider TAX.

Surcharges: Plus an amount for surcharges calculated in accordance with the applicable rider(s).

Agreement

An Agreement for Gas Service may be required.

Notice

Service hereunder and the rates for services provided are subject to the orders of regulatory bodies having jurisdiction and to the Company's Tariff for Gas Service.

¹ Reference Rider CEE - Conservation and Energy Efficiency as approved in GUD 10170. Surcharge billing effective July 1, 2022.

**MID-TEX DIVISION
ATMOS ENERGY CORPORATION**

RATE SCHEDULE:	I – INDUSTRIAL SALES	
APPLICABLE TO:	ALL CUSTOMERS IN THE MID-TEX DIVISION UNDER THE RRM TARIFF	
EFFECTIVE DATE:	Bills Rendered on or after 10/01/2022	

Application

Applicable to Industrial Customers with a maximum daily usage (MDU) of less than 3,500 MMBtu per day for all natural gas provided at one Point of Delivery and measured through one meter. Service for Industrial Customers with an MDU equal to or greater than 3,500 MMBtu per day will be provided at Company's sole option and will require special contract arrangements between Company and Customer.

Type of Service

Where service of the type desired by Customer is not already available at the Point of Delivery, additional charges and special contract arrangements between Company and Customer may be required prior to service being furnished.

Monthly Rate

Customer's monthly bill will be calculated by adding the following Customer and MMBtu charges to the amounts due under the riders listed below:

Charge	Amount
Customer Charge per Meter	\$ 1,204.50 per month
First 0 MMBtu to 1,500 MMBtu	\$ 0.4939 per MMBtu
Next 3,500 MMBtu	\$ 0.3617 per MMBtu
All MMBtu over 5,000 MMBtu	\$ 0.0776 per MMBtu

Gas Cost Recovery: Plus an amount for gas costs and upstream transportation costs calculated in accordance with Part (a) and Part (b), respectively, of Rider GCR.

Franchise Fee Adjustment: Plus an amount for franchise fees calculated in accordance with Rider FF. Rider FF is only applicable to customers inside the corporate limits of any incorporated municipality.

Tax Adjustment: Plus an amount for tax calculated in accordance with Rider TAX.

Surcharges: Plus an amount for surcharges calculated in accordance with the applicable rider(s).

Curtailment Overpull Fee

Upon notification by Company of an event of curtailment or interruption of Customer's deliveries, Customer will, for each MMBtu delivered in excess of the stated level of curtailment or interruption, pay Company 200% of the midpoint price for the Katy point listed in *Platts Gas Daily* published for the applicable Gas Day in the table entitled "Daily Price Survey."

Replacement Index

In the event the "midpoint" or "common" price for the Katy point listed in *Platts Gas Daily* in the table entitled "Daily Price Survey" is no longer published, Company will calculate the applicable imbalance fees utilizing a daily price index recognized as authoritative by the natural gas industry and most closely approximating the applicable index.

**MID-TEX DIVISION
ATMOS ENERGY CORPORATION**

RATE SCHEDULE:	I – INDUSTRIAL SALES	
APPLICABLE TO:	ALL CUSTOMERS IN THE MID-TEX DIVISION UNDER THE RRM TARIFF	
EFFECTIVE DATE:	Bills Rendered on or after 10/01/2022	

Agreement

An Agreement for Gas Service may be required.

Notice

Service hereunder and the rates for services provided are subject to the orders of regulatory bodies having jurisdiction and to the Company's Tariff for Gas Service.

Special Conditions

In order to receive service under Rate I, Customer must have the type of meter required by Company. Customer must pay Company all costs associated with the acquisition and installation of the meter.

**MID-TEX DIVISION
ATMOS ENERGY CORPORATION**

RATE SCHEDULE:	T – TRANSPORTATION	
APPLICABLE TO:	ALL CUSTOMERS IN THE MID-TEX DIVISION UNDER THE RRM TARIFF	
EFFECTIVE DATE:	Bills Rendered on or after 10/01/2022	

Application

Applicable, in the event that Company has entered into a Transportation Agreement, to a customer directly connected to the Atmos Energy Corp., Mid-Tex Division Distribution System (Customer) for the transportation of all natural gas supplied by Customer or Customer's agent at one Point of Delivery for use in Customer's facility.

Type of Service

Where service of the type desired by Customer is not already available at the Point of Delivery, additional charges and special contract arrangements between Company and Customer may be required prior to service being furnished.

Monthly Rate

Customer's bill will be calculated by adding the following Customer and MMBtu charges to the amounts and quantities due under the riders listed below:

Charge	Amount
Customer Charge per Meter	\$ 1,204.50 per month
First 0 MMBtu to 1,500 MMBtu	\$ 0.4939 per MMBtu
Next 3,500 MMBtu	\$ 0.3617 per MMBtu
All MMBtu over 5,000 MMBtu	\$ 0.0776 per MMBtu

Upstream Transportation Cost Recovery: Plus an amount for upstream transportation costs in accordance with Part (b) of Rider GCR.

Retention Adjustment: Plus a quantity of gas as calculated in accordance with Rider RA.

Franchise Fee Adjustment: Plus an amount for franchise fees calculated in accordance with Rider FF. Rider FF is only applicable to customers inside the corporate limits of any incorporated municipality.

Tax Adjustment: Plus an amount for tax calculated in accordance with Rider TAX.

Surcharges: Plus an amount for surcharges calculated in accordance with the applicable rider(s).

Imbalance Fees

All fees charged to Customer under this Rate Schedule will be charged based on the quantities determined under the applicable Transportation Agreement and quantities will not be aggregated for any Customer with multiple Transportation Agreements for the purposes of such fees.

Monthly Imbalance Fees

Customer shall pay Company the greater of (i) \$0.10 per MMBtu, or (ii) 150% of the difference per MMBtu between the highest and lowest "midpoint" price for the Katy point listed in *Platts Gas Daily* in the table entitled "Daily Price Survey" during such month, for the MMBtu of Customer's monthly Cumulative Imbalance, as defined in the applicable Transportation Agreement, at the end of each month that exceeds 10% of Customer's receipt quantities for the month.

**MID-TEX DIVISION
ATMOS ENERGY CORPORATION**

RATE SCHEDULE:	T – TRANSPORTATION	
APPLICABLE TO:	ALL CUSTOMERS IN THE MID-TEX DIVISION UNDER THE RRM TARIFF	
EFFECTIVE DATE:	Bills Rendered on or after 10/01/2022	

Curtailment Overpull Fee

Upon notification by Company of an event of curtailment or interruption of Customer's deliveries, Customer will, for each MMBtu delivered in excess of the stated level of curtailment or interruption, pay Company 200% of the midpoint price for the Katy point listed in *Platts Gas Daily* published for the applicable Gas Day in the table entitled "Daily Price Survey."

Replacement Index

In the event the "midpoint" or "common" price for the Katy point listed in *Platts Gas Daily* in the table entitled "Daily Price Survey" is no longer published, Company will calculate the applicable imbalance fees utilizing a daily price index recognized as authoritative by the natural gas industry and most closely approximating the applicable index.

Agreement

A transportation agreement is required.

Notice

Service hereunder and the rates for services provided are subject to the orders of regulatory bodies having jurisdiction and to the Company's Tariff for Gas Service.

Special Conditions

In order to receive service under Rate T, customer must have the type of meter required by Company. Customer must pay Company all costs associated with the acquisition and installation of the meter.

**MID-TEX DIVISION
ATMOS ENERGY CORPORATION**

RIDER:	WNA – WEATHER NORMALIZATION ADJUSTMENT	
APPLICABLE TO:	ALL CUSTOMERS IN THE MID-TEX DIVISION UNDER THE RRM TARIFF	
EFFECTIVE DATE:	Bills Rendered on or after 10/01/2022	

Provisions for Adjustment

The Commodity Charge per Ccf (100 cubic feet) for gas service set forth in any Rate Schedules utilized by the cities of the Mid-Tex Division service area for determining normalized winter period revenues shall be adjusted by an amount hereinafter described, which amount is referred to as the "Weather Normalization Adjustment." The Weather Normalization Adjustment shall apply to all temperature sensitive residential and commercial bills based on meters read during the revenue months of November through April. The five regional weather stations are Abilene, Austin, Dallas, Waco, and Wichita Falls.

Computation of Weather Normalization Adjustment

The Weather Normalization Adjustment Factor shall be computed to the nearest one-hundredth cent per Ccf by the following formula:

$$WNAF_i = R_i \frac{(HSF_i \times (NDD-ADD))}{(BL_i + (HSF_i \times ADD))}$$

Where

i = any particular Rate Schedule or billing classification within any such particular Rate Schedule that contains more than one billing classification

$WNAF_i$ = Weather Normalization Adjustment Factor for the i^{th} rate schedule or classification expressed in cents per Ccf

R_i = Commodity Charge rate of temperature sensitive sales for the i^{th} schedule or classification.

HSF_i = heat sensitive factor for the i^{th} schedule or classification divided by the average bill count in that class

NDD = billing cycle normal heating degree days calculated as the simple ten-year average of actual heating degree days.

ADD = billing cycle actual heating degree days.

BL_i = base load sales for the i^{th} schedule or classification divided by the average bill count in that class

The Weather Normalization Adjustment for the j th customer in i th rate schedule is computed as:

$$WNA_i = WNAF_i \times q_{ij}$$

Where q_{ij} is the relevant sales quantity for the j th customer in i th rate schedule.

**MID-TEX DIVISION
ATMOS ENERGY CORPORATION**

RIDER:	WNA – WEATHER NORMALIZATION ADJUSTMENT	
APPLICABLE TO:	ALL CUSTOMERS IN THE MID-TEX DIVISION UNDER THE RRM TARIFF	
EFFECTIVE DATE:	Bills Rendered on or after 10/01/2022	

Base Use/Heat Use Factors

Weather Station	<u>Residential</u>		<u>Commercial</u>	
	Base use <u>Ccf</u>	Heat use <u>Ccf/HDD</u>	Base use <u>Ccf</u>	Heat use <u>Ccf/HDD</u>
Abilene	10.58	0.1422	88.85	0.6666
Austin	9.90	0.1372	233.56	0.7819
Dallas	14.17	0.1938	186.38	0.9394
Waco	10.07	0.1308	140.10	0.7170
Wichita Falls	11.43	0.1398	131.57	0.5610

Weather Normalization Adjustment (WNA) Report

On or before June 1 of each year, the company posts on its website at atmosenergy.com/mtx-wna, in Excel format, a *Weather Normalization Adjustment (WNA) Report* to show how the company calculated its WNAs factor during the preceding winter season. Additionally, on or before June 1 of each year, the company files one hard copy and an Excel version of the *WNA Report* with the Railroad Commission of Texas' Gas Services Division, addressed to the Director of that Division.

ATMOS ENERGY CORP., MID-TEX DIVISION
PENSIONS AND RETIREE MEDICAL BENEFITS FOR CITIES APPROVAL
TEST YEAR ENDING DECEMBER 31, 2021

Line No.	Description	Shared Services		Mid-Tex Direct			Adjustment Total
		Pension Account Plan	Post-Employment Benefit Plan	Pension Account Plan	Supplemental Executive Benefit Plan	Post-Employment Benefit Plan	
	(a)	(b)	(c)	(d)	(e)	(f)	(g)
1	Proposed Benefits Benchmark - Fiscal Year 2022 Willis Towers Watson Report as adjusted (1) (2) (3)	\$ 1,715,323	\$ 982,708	\$ 3,137,022	\$ 313,319	\$ (341,412)	
2	Allocation to Mid-Tex	44.72%	44.72%	76.88%	100.00%	76.88%	
3	Proposed Benefits Benchmark Costs Allocated to Mid-Tex (Ln 1 x Ln 2)	\$ 767,038	\$ 439,436	\$ 2,411,882	\$ 313,319	\$ (262,493)	
4	O&M and Capital Allocation Factor	100.00%	100.00%	100.00%	100.00%	100.00%	
5	Proposed Benefits Benchmark Costs to Approve (Ln 3 x Ln 4) (3)	\$ 767,038	\$ 439,436	\$ 2,411,882	\$ 313,319	\$ (262,493)	\$ 3,669,182
6							
7							
8	Summary of Costs to Approve (1):						
9							
10	O&M Expense Factor (WP_F-2.3, Ln 2)	79.88%	79.88%	38.60%	11.00%	38.60%	
11							
12							
13	Total Pension Account Plan	\$ 612,700		\$ 931,100			\$ 1,543,800
14	Total Post-Employment Benefit Plan		\$ 351,016			\$ (101,335)	249,681
15	Total Supplemental Executive Benefit Plan				\$ 34,465		34,465
16	Total (Ln 13 + Ln 14 + Ln 15)	\$ 612,700	\$ 351,016	\$ 931,100	\$ 34,465	\$ (101,335)	\$ 1,827,946

18 Notes:

19 1. Studies not applicable to Mid-Tex or Shared Services are omitted.

20 2. Mid-Tex is proposing that the Fiscal Year 2022 Willis Towers Watson actuarial amounts shown on WP_F-2.3 and WP_F-2.3.1, be approved by the RRM Cities as the benchmark amounts to be used to calculate the regulatory asset or liability for future periods. The benchmark amount approved by the RRM Cities for future periods includes only the expense amount.

21 3. SSU amounts exclude cost centers which do not allocate to Mid-Tex for rate making purposes.

ATMOS ENERGY CORP., MID-TEX DIVISION
AVERAGE BILL COMPARISON - BASE RATES
TEST YEAR ENDING DECEMBER 31, 2021

Line No.						Current	Proposed	Change
1	Rate R @ 43.8 Ccf							
2	Customer charge					\$ 20.85		
3	Consumption charge	43.8	CCF	X \$ 0.27979	=	12.25		
4	Rider GCR Part A	43.8	CCF	X \$ 0.35744	=	15.66		
5	Rider GCR Part B	43.8	CCF	X \$ 0.35918	=	15.73		
6	Subtotal					\$ 64.49		
7	Rider FF & Rider TAX			X 0.06408	=	4.13		
8	Total					<u>\$ 68.62</u>		
9								
10	Customer charge						\$ 21.55	
11	Consumption charge	43.8	CCF	X \$ 0.36223	=		15.87	
12	Rider GCR Part A	43.8	CCF	X \$ 0.35744	=		15.66	
13	Rider GCR Part B	43.8	CCF	X \$ 0.35918	=		15.73	
14	Subtotal						\$ 68.81	
15	Rider FF & Rider TAX			X 0.06408	=		4.41	
16	Total						<u>\$ 73.22</u>	\$ 4.60
17								6.71%
18								
19	Rate C @ 345.7 Ccf							
20	Customer charge					\$ 56.50		
21	Consumption charge	345.7	CCF	X \$ 0.12263	=	42.39		
22	Rider GCR Part A	345.7	CCF	X \$ 0.35744	=	123.56		
23	Rider GCR Part B	345.7	CCF	X \$ 0.26532	=	91.71		
24	Subtotal					\$ 314.16		
25	Rider FF & Rider TAX			X 0.06408	=	20.13		
26	Total					<u>\$ 334.29</u>		
27								
28	Customer charge						\$ 63.50	
29	Consumption charge	345.7	CCF	X \$ 0.14137	=		48.87	
30	Rider GCR Part A	345.7	CCF	X \$ 0.35744	=		123.56	
31	Rider GCR Part B	345.7	CCF	X \$ 0.26532	=		91.71	
32	Subtotal						\$ 327.64	
33	Rider FF & Rider TAX			X 0.06408	=		20.99	
34	Total						<u>\$ 348.63</u>	\$ 14.34
35								4.29%

**ATMOS ENERGY CORP., MID-TEX DIVISION
AVERAGE BILL COMPARISON - BASE RATES
TEST YEAR ENDING DECEMBER 31, 2021**

Line No.									
36	Rate I @ 4278 MMBTU						Current	Proposed	Change
37	Customer charge					\$ 1,054.75			
38	Consumption charge	1,500	MMBTU	X \$ 0.4330	=	649.50			
39	Consumption charge	2,778	MMBTU	X \$ 0.3171	=	880.80			
40	Consumption charge	0	MMBTU	X \$ 0.0680	=	-			
41	Rider GCR Part A	4,278	MMBTU	X \$ 3.4906	=	14,931.86			
42	Rider GCR Part B	4,278	MMBTU	X \$ 0.5485	=	2,346.33			
43	Subtotal					\$ 19,863.24			
44	Rider FF & Rider TAX		\$ 19,863.24	X 0.06408	=	1,272.82			
45	Total					<u>\$ 21,136.06</u>			
46									
47	Customer charge						\$ 1,204.50		
48	Consumption charge	1,500	MMBTU	X \$ 0.4939	=	740.85			
49	Consumption charge	2,778	MMBTU	X \$ 0.3617	=	1,004.69			
50	Consumption charge	0	MMBTU	X \$ 0.0776	=	-			
51	Rider GCR Part A	4,278	MMBTU	X \$ 3.4906	=	14,931.86			
52	Rider GCR Part B	4,278	MMBTU	X \$ 0.5485	=	2,346.33			
53	Subtotal					\$ 20,228.23			
54	Rider FF & Rider TAX		\$ 20,228.23	X 0.06408	=	1,296.21			
55	Total					<u>\$ 21,524.44</u>	\$ 388.38		
56									1.84%
57	Rate T @ 4278 MMBTU						Current	Proposed	Change
58	Customer charge					\$ 1,054.75			
59	Consumption charge	1,500	MMBTU	X \$ 0.4330	=	649.50			
60	Consumption charge	2,778	MMBTU	X \$ 0.3171	=	880.80			
61	Consumption charge	0	MMBTU	X \$ 0.0680	=	-			
62	Rider GCR Part B	4,278	MMBTU	X \$ 0.5485	=	2,346.33			
63	Subtotal					\$ 4,931.38			
64	Rider FF & Rider TAX		\$ 4,931.38	X 0.06408	=	316.00			
65	Total					<u>\$ 5,247.38</u>			
66									
67	Customer charge						\$ 1,204.50		
68	Consumption charge	1,500	MMBTU	X \$ 0.4939	=	740.85			
69	Consumption charge	2,778	MMBTU	X \$ 0.3617	=	1,004.69			
70	Consumption charge	0	MMBTU	X \$ 0.0776	=	-			
71	Rider GCR Part B	4,278	MMBTU	X \$ 0.5485	=	2,346.33			
72	Subtotal					\$ 5,296.37			
73	Rider FF & Rider TAX		\$ 5,296.37	X 0.06408	=	339.39			
74	Total					<u>\$ 5,635.76</u>	\$ 388.38		
75									7.40%

July 28, 2022

MODEL STAFF REPORT FOR RESOLUTION OR ORDINANCE

BACKGROUND AND SUMMARY

The City, along with 181 other Mid-Texas cities served by Atmos Energy Corporation, Mid-Tex Division (“Atmos Mid-Tex” or “Company”), is a member of the Atmos Cities Steering Committee (“ACSC”). In 2007, ACSC and Atmos Mid-Tex settled a rate application filed by the Company pursuant to Section 104.301 of the Texas Utilities Code for an interim rate adjustment commonly referred to as a GRIP filing (arising out of the Gas Reliability Infrastructure Program legislation). That settlement created a substitute rate review process, referred to as Rate Review Mechanism (“RRM”), as a substitute for future filings under the GRIP statute.

Since 2007, there have been several modifications to the original RRM Tariff. The most recent iteration of an RRM Tariff was reflected in an ordinance adopted by ACSC members in 2018. On or about April 1, 2022, the Company filed a rate request pursuant to the RRM Tariff adopted by ACSC members. The Company claimed that its cost-of-service in a test year ending December 31, 2021, entitled it to additional system-wide revenues of \$141.3 million.

Application of the standards set forth in ACSC’s RRM Tariff reduces the Company’s request to \$115 million, \$83.26 million of which would be applicable to ACSC members. ACSC’s consultants concluded that the system-wide deficiency under the RRM regime should be \$95.8 million instead of the claimed \$141.3 million.

The Executive Committee recommends a settlement at \$115 million. The Effective Date for new rates is October 1, 2022. ACSC members should take action approving the Resolution/Ordinance before September 30, 2022.

RATE TARIFFS

Atmos generated rate tariffs attached to the Resolution/Ordinance will generate \$115 million in additional revenues. Atmos also prepared a Proof of Revenues supporting the settlement figures. ACSC consultants have agreed that Atmos' Proof of Revenues is accurate.

BILL IMPACT

The impact of the settlement on average residential rates is an increase of \$4.60 on a monthly basis, or 6.7 percent. The increase for average commercial usage will be \$14.34 or 4.3 percent. Atmos provided bill impact comparisons containing this figures.

SUMMARY OF ACSC'S OBJECTION TO THE UTILITIES CODE SECTION 104.301 GRIP PROCESS

ACSC strongly opposed the GRIP process because it constitutes piecemeal ratemaking by ignoring declining expenses and increasing revenues while rewarding the Company for increasing capital investment on an annual basis. The GRIP process does not allow any review of the reasonableness of capital investment and does not allow cities to participate in the Railroad Commission's review of annual GRIP filings or allow recovery of Cities' rate case expenses. The Railroad Commission undertakes a mere administrative review of GRIP filings (instead of a full hearing) and rate increases go into effect without any material adjustments. In ACSC's view, the GRIP process unfairly raises customers' rates without any regulatory oversight. In contrast, the RRM process has allowed for a more comprehensive rate review and annual evaluation of expenses and revenues, as well as capital investment.

RRM SAVINGS OVER GRIP

While residents outside municipal limits must pay rates governed by GRIP, there are some cities served by Atmos Mid-Tex that chose to remain under GRIP rather than adopt RRM. Additionally, the City of Dallas adopted a variation of RRM which is referred to as DARR. When

new rates become effective on October 1, 2022, ACSC residents will maintain an economic monthly advantage over GRIP and DARR rates.

Comparison to Other Mid-Tex Rates (Residential)

	<u>Average Bill</u>	<u>Compared to RRM Cities</u>
RRM Cities:	\$73.22	-
DARR:	\$71.96	(\$1.26)
ATM Cities:	\$78.72	\$5.50
Environs:	\$78.53	\$5.31

Note: DARR rate is as-filed 1/22/22. Also note that DARR uses a test year ending in September rather than December.

EXPLANATION OF “BE IT RESOLVED” PARAGRAPHS:

1. This section approves all findings in the Resolution/Ordinance.
2. This section adopts the RRM rate tariffs and finds the adoption of the new rates to be just, reasonable, and in the public interest.
3. This section makes it clear that Cities may challenge future costs associated with gas leaks like the explosion in North Dallas or the evacuation in Georgetown.
4. This section finds that existing rates are unreasonable. Such finding is a necessary predicate to establishment of new rates. The new tariffs will permit Atmos Mid-Tex to recover an additional \$115 million from ACSC Cities.
5. This section approves an exhibit that establishes a benchmark for pensions and retiree medical benefits to be used in future rate cases or RRM filings.
6. This section requires the Company to reimburse the City for expenses associated with review of the RRM filing, settlement discussions, and adoption of the Resolution/Ordinance approving new rate tariffs.
7. This section repeals any resolution or ordinance that is inconsistent with the Resolution/Ordinance.

8. This section finds that the meeting was conducted in compliance with the Texas Open Meetings Act, Texas Government Code, Chapter 551.
9. This section is a savings clause, which provides that if any section is later found to be unconstitutional or invalid, that finding shall not affect, impair, or invalidate the remaining provisions of this Resolution/Ordinance. This section further directs that the remaining provisions of the Resolution/Ordinance are to be interpreted as if the offending section or clause never existed.
10. This section provides for an effective date upon passage.
11. This section directs that a copy of the signed Resolution/Ordinance be sent to a representative of the Company and legal counsel for ACSC.

CONCLUSION

The Legislature's GRIP process allowed gas utilities to receive annual rate increases associated with capital investments. The RRM process has proven to result in a more efficient and less costly (both from a consumer rate impact perspective and from a ratemaking perspective) than the GRIP process. Given Atmos Mid-Tex's claim that its historic cost of service should entitle it to recover \$141.3 million in additional system-wide revenues, the RRM settlement at \$115 million for ACSC Cities reflects substantial savings to ACSC Cities. Settlement at \$115 million is fair and reasonable. The ACSC Executive Committee consisting of city employees of 18 ACSC members urges all ACSC members to pass the Resolution/Ordinance before September 30, 2022. New rates become effective October 1, 2022.



City Council Regular Meeting

D. 3.

Meeting Date: 09/19/2022

Approved By: Robby Hefton, City Manager

Caption:

ADOPTION OF ORDINANCES

Consider Adoption of Ordinance Numbers 6527 & 6528.

Issue:

E. 1. INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 6527

Amending Chapter 13 of the Code of Ordinances, entitled "Utilities", Article 13.08, entitled "Utility Billing", at Sections 13.08.005 and 13.08.006, Revising Rates for Water and Sewer Services; and Article 13.07, entitled "Water, Sewers, and Sewage Disposal", at Section 13.07.072; Revising Allowances for Inaccurate Meters; Providing for Inclusion in the Code of Ordinances; Providing for Severability; Providing for a Repealer

E. 2. INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 6528

Approving a Negotiated Settlement between the Atmos Cities Steering Committee ("ACSC") and Atmos Energy Corp., Mid-Tex Division, Regarding the Company's 2022 Rate Review Mechanism Filing; Declaring Existing Rates to be Unreasonable; Adopting Tariffs that Reflect Rate Adjustments Consistent with the Negotiated Settlement; Finding the Rates to be Set by the Attached Settlement Tariffs to be Just and Reasonable and in the Public Interest; Approving an Attachment Establishing a Benchmark for Pensions and Retiree Medical Benefits; Requiring the Company to Reimburse ACSC's Reasonable Ratemaking Expenses; Adopting a Savings Clause; Declaring an Effective Date; Requiring Delivery of this Ordinance to the Company and the ACSC's Legal Council



SHERMAN CITY COUNCIL

Agenda Communication Form

City Council Regular Meeting

E. 1.

Meeting Date: 09/19/2022

Prepared By: Mary Lawrence, Director of Finance

Approved By: Robby Hefton, City Manager

Caption:

RESOLUTION NO. 6957

Amending the 2021-2022 Budget of the City of Sherman, Texas, Appropriating and Allocating Additional Funds for the Period of October 1, 2021 through September 30, 2022

Issue:

Appropriating additional funds to increase the fiscal year (FY) 2021-2022 budget for year-end expenditure reconciliation

Background:

Annually when applicable, the staff requests a year-end budget reconciliation of projected revenues and expenditures in order to ensure that our final year-end expenses are not greater than what we are authorized to spend. Additional revenues of about \$6.6 million include about \$2.3 million of American Rescue Plan Act (ARPA) grant revenue, sales tax of about \$2.4 million, and interfund revenue of about \$1.0 million. Additional expenditures of \$8.6 million includes premium pay and early implementation of the FY2023 cost-of-living adjustment for employees, partially funded by the ARPA grant, of about \$1.6 million, development-related expenses of about \$0.6 million, additional fleet costs of about \$0.9 million, costs to complete Lamberth Road drainage of about \$1.2 million and land purchased for additional water storage of about \$1.3 million funded by the ARPA grant.

This year, the amendment is needed to appropriate additional funding and reflect some of the additional revenue in the following funds:

Description	Revenue	Expenditure
General Fund		
Sales Tax	\$ 2,360,000	\$ -
ARPA Grant	947,000	
Premium Pay/COLA		1,584,460
Group Insurance		150,000
Development Incentives		417,000
Engineering Fees		25,000
Legal Service		119,000
Information Technology		140,000
Fleet/Equipment		237,960
Police Technology Equipment		159,000

Police Vehicle Rentals		57,000
Ambulance Medical Supplies		35,000
Fire Vehicle Repairs		50,000
Development Professional Fees		199,000
Pavement Condition Study		97,000
Environmental Abatement		25,000
Parks Maintenance Supplies		63,000
Mowers for New Crew		28,000
Elevator Replacement		124,000
Vehicle Fuel and Repairs		255,789
Total General Fund	3,307,000	3,766,209

Utility Fund

Fleet/Equipment		41,666
Vehicle Fuel and Repairs		60,621
Total Utility Fund	-	102,287

Solid Waste Fund

Fleet/Equipment		50,887
Vehicle Fuel and Repairs		254,758
Total Solid Waste Fund	-	305,645

Utility Improvement Fund

ARPA Grant	1,294,000	
WTP Land Purchase for Storage		1,294,000

Stormwater Fund

Lamberth Road		1,200,000
Vehicle Fuel and Repairs		832
Total Stormwater Fund		1,200,832

Airport Fund

Fuel Sales	133,000	
Hangar Rentals	44,000	
Fuel		160,000
Building Repairs		11,000
Total Airport Fund	177,000	171,000

Hotel Tax Fund

Hotel Tax	120,000	
ARPA Grant	6,000	
Premium Pay/COLA		26,000
Concerts		120,000
Total Hotel Tax Fund	126,000	146,000

Information Technology Fund

Information Technology Revenue	140,000	
ARPA Grant	15,000	
Premium Pay/COLA		18,000
Air Conditioner		7,000
Communications		7,000
Total Information Technology Fund	155,000	32,000

Equipment Service Center

Equipment Service Revenue	572,000	
Fuel		500,000
Repairs		72,000
Total Equipment Service Center	572,000	572,000

Fleet Replacement Fund

Fleet Replacement Revenue	331,000	
Property Tax	698,000	
Debt Proceeds	477,000	
Agent Fees		46,000
Debt Service		698,000
Fleet		565,000
Total Fleet Replacement Fund	1,506,000	1,309,000

Debt Service Fund

Property Tax	(651,000)	
Debt Service		(651,000)
Total Debt Service Fund	(651,000)	(651,000)

9-1-1 Fund

Technology for New PD		200,000
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Employee Insurance Fund

Employer Premiums		150,000
Health Claims	150,000	
Total Employee Insurance Fund	150,000	150,000

Total Amendment	\$ 6,636,000	\$ 8,597,973
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Origination:

Director of Finance

Financial Consideration:

This budget amendment will increase revenues by about \$6.6 million, with total authorized expenditures increasing by about \$8.6 million across a wide variety of categories reflecting the City's continuing growth. In the General Fund, the net effect of this amendment is a net decrease in reserves of about \$0.5 million.

Staff Recommendation:

The staff recommends approval of this resolution.

Alternatives:

No viable alternatives exist for approval of this budget amendment.

Attachments

Resolution No. 6957

Fund Statements - Budget Amendment 2021-2022

RESOLUTION NO. 6957

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AMENDING THE 2021-2022 BUDGET OF THE CITY OF SHERMAN, TEXAS, APPROPRIATING AND ALLOCATING ADDITIONAL FUNDS FOR THE PERIOD OF OCTOBER 1, 2021, THROUGH SEPTEMBER 30, 2022; 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 2021-2022 budget of the City of Sherman, Texas, be amended as shown below, appropriating and/or allocating the below-described funds in the amounts indicated:

Description	Revenue	Expenditure
General Fund		
Sales Tax	\$ 2,360,000	\$ -
ARPA Grant	947,000	
Premium Pay/COLA		1,584,460
Group Insurance		150,000
Development Incentives		417,000
Engineering Fees		25,000
Legal Service		119,000
Information Technology		140,000
Fleet/Equipment		237,960
Police Technology Equipment		159,000
Police Vehicle Rentals		57,000
Ambulance Medical Supplies		35,000
Fire Vehicle Repairs		50,000
Development Professional Fees		199,000
Pavement Condition Study		97,000
Environmental Abatement		25,000
Parks Maintenance Supplies		63,000
Mowers for New Crew		28,000
Elevator Replacement		124,000
Vehicle Fuel and Repairs		255,789
Total General Fund	3,307,000	3,766,209
Utility Fund		
Fleet/Equipment		41,666
Vehicle Fuel and Repairs		60,621
Total Utility Fund	-	102,287

Solid Waste Fund		
Fleet/Equipment		50,887
Vehicle Fuel and Repairs		254,758
Total Solid Waste Fund	-	305,645
Utility Improvement Fund		
ARPA Grant	1,294,000	
WTP Land Purchase for Storage		1,294,000
Stormwater Fund		
Lamberth Road		1,200,000
Vehicle Fuel and Repairs		832
Total Stormwater Fund		1,200,832
Airport Fund		
Fuel Sales	133,000	
Hangar Rentals	44,000	
Fuel		160,000
Building Repairs		11,000
Total Airport Fund	177,000	171,000
Hotel Tax Fund		
Hotel Tax	120,000	
ARPA Grant	6,000	
Premium Pay/COLA		26,000
Concerts		120,000
Total Hotel Tax Fund	126,000	146,000
Information Technology Fund		
Information Technology Revenue	140,000	
ARPA Grant	15,000	
Premium Pay/COLA		18,000
Air Conditioner		7,000
Communications		7,000
Total Information Technology Fund	155,000	32,000
Equipment Service Center		
Equipment Service Revenue	572,000	
Fuel		500,000
Repairs		72,000
Total Equipment Service Center	572,000	572,000

Fleet Replacement Fund		
Fleet Replacement Revenue	331,000	
Property Tax	698,000	
Debt Proceeds	477,000	
Agent Fees		46,000
Debt Service		698,000
Fleet		565,000
Total Fleet Replacement Fund	1,506,000	1,309,000
Debt Service Fund		
Property Tax	(651,000)	
Debt Service		(651,000)
9-1-1 Fund		
Technology for New PD		200,000
Employee Insurance Fund		
Employer Premiums		150,000
Health Claims	150,000	
Total Amendment	\$ 6,636,000	\$ 8,597,973

SECTION 2. That it is 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 19th day of September, 2022.

CITY OF SHERMAN, TEXAS

BY: _____
DAVID PLYLER, MAYOR

ATTEST:

BY: _____
LINDA ASHBY, CITY CLERK

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

BY: _____
RYAN D. PITTMAN, CITY ATTORNEY

City of Sherman
GENERAL FUND

	Adjusted Budget 2021-2022	Amendment	Amended Budget 2021-2022	Projected 2021-2022
Beginning Fund Balance	\$ 10,892,343		\$ 10,892,343	\$ 13,004,657
Revenues				
Property Tax	11,697,400	-	11,697,400	11,848,400
Sales Tax	21,495,000	2,360,000	23,855,000	23,855,000
Franchise Tax	2,798,000	-	2,798,000	3,021,000
Other Taxes	165,125	-	165,125	165,025
Fines & Penalties	448,600	-	448,600	371,000
Recreation	285,600	-	285,600	335,000
Licenses & Permits	811,500	-	811,500	1,136,200
Rentals	29,550	-	29,550	10,700
Cemetery	221,100	-	221,100	219,600
Sales & Service	1,872,491	-	1,872,491	1,239,812
Ambulance Service	1,252,200	-	1,252,200	1,402,400
Interest Income	80,000	-	80,000	60,000
Grant Revenue	36,800	947,000	983,800	991,921
Intergovernmental	231,407	-	231,407	232,949
Miscellaneous Revenue	201,700	-	201,700	1,080,525
Total Revenues	41,626,473	3,307,000	44,933,473	45,969,532
Transfers In	3,358,139		3,358,139	3,358,139
Total Revenues and Transfers In	44,984,612	3,307,000	48,291,612	49,327,671
Total Funds Available	55,876,955			62,332,328
Expenditures				
Personnel	31,338,960	1,734,460	33,073,420	33,081,880
Supplies	2,067,234	115,000	2,182,234	2,054,291
Repair & Maintenance	2,122,516	50,000	2,172,516	2,214,828
Utilities	1,098,070	-	1,098,070	1,082,370
Information Technology	1,041,100	140,000	1,181,100	1,180,775
Services & Charges	3,508,698	939,000	4,447,698	4,411,373
Vehicle Usage	1,966,490	255,789	2,222,279	2,165,007
Capital Expenses	529,499	294,000	823,499	808,291
Fleet Services & Charges	783,698	237,960	1,021,658	1,021,658
Transfers Out	1,410,000	-	1,410,000	1,410,000
Total Expenditures	45,866,266	3,766,209	49,632,475	49,430,473
Excess Revenues over Expenditures	(881,654)	(459,209)	(1,340,863)	(102,802)
Ending Fund Balance	\$ 10,010,689		\$ 9,551,480	\$ 12,901,855

City of Sherman
UTILITY FUND

	Adjusted Budget 2021-2022	Amendment	Amended Budget 2021-2022	Projected 2021-2022
Beginning Reserve	\$ 2,628,975		\$ 2,628,975	\$ 4,157,410
Revenues				
Water Sales	15,694,000	-	15,694,000	15,821,000
Sewer Sales	8,614,000	-	8,614,000	8,344,000
Laboratory	140,000	-	140,000	123,270
Service Charges & Penalties	610,000	-	610,000	655,000
Charges for Services	201,000	-	201,000	168,200
Interest Income	25,000	-	25,000	25,000
Intergovernmental	1,608,488	-	1,608,488	1,608,488
Miscellaneous Revenue	81,000	-	81,000	251,479
Total Revenues	26,973,488		26,973,488	26,996,437
Transfers In	183,000	-	183,000	183,000
Total Revenues and Transfers In	27,156,488	-	27,156,488	27,179,437
Total Funds Available	29,785,463	-	29,785,463	31,336,847
Expenditures				
Personnel	6,978,640	-	6,978,640	6,890,710
Supplies	1,632,456	-	1,632,456	1,734,759
Repair & Maintenance	2,531,506	-	2,531,506	2,553,931
Utilities	1,646,370	-	1,646,370	1,638,500
Information Technology	293,540	-	293,540	332,940
Debt Service	7,117,205	-	7,117,205	6,982,496
Services & Charges	2,088,565	-	2,088,565	1,819,950
Vehicle Usage	467,900	60,622	528,522	579,624
Fleet Services & Charges	346,791	41,666	388,457	388,457
Capital Expenses	444,051	-	444,051	288,150
Total Expenditures	23,547,023	102,288	23,649,311	23,209,517
Transfers Out	2,426,000		2,426,000	2,426,000
Total Expenditures and Transfers Out	25,973,023	102,288	26,075,311	25,635,517
Excess Revenues over Expenditures	1,183,465	(102,288)	1,081,177	1,543,920
Ending Reserve	\$ 3,812,440		\$ 3,710,152	\$ 5,701,330

City of Sherman
SOLID WASTE FUND

	Adjusted Budget 2021-2022	Amendment	Amended Budget 2021-2022	Projected 2021-2022
Beginning Fund Balance	\$ 853,746		\$ 853,746	\$ 1,140,350
Revenues				
Solid Waste Service	7,464,000	-	7,464,000	7,379,000
Service Charges & Penalties	140,000	-	140,000	125,000
Interest Income	1,800	-	1,800	1,950
Miscellaneous Revenue	728,000	-	728,000	788,708
Transfers In	-	-	-	-
Total Revenues	8,333,800	-	8,333,800	8,294,658
Total Funds Available	9,187,546	-	9,187,546	9,435,008
Expenditures				
Personnel	1,970,220	-	1,970,220	1,932,640
Supplies	327,651	-	327,651	318,015
Repair & Maintenance	58,844	-	58,844	58,844
Utilities	49,550	-	49,550	37,220
Information Technology	86,510	-	86,510	98,120
Services & Charges	2,389,286	-	2,389,286	2,193,478
Vehicle Usage	1,175,640	254,758	1,430,398	1,295,457
Capital Expenses	164,134	-	164,134	228,000
Fleet Services & Charges	554,897	50,887	605,784	605,784
Transfers Out	1,115,139	-	1,115,139	1,115,139
Total Expenditures	7,891,871	305,645	8,197,516	7,882,697
Excess Revenues over Expenditures	441,929	(305,645)	136,284	411,961
Ending Fund Balance	\$ 1,295,675		\$ 990,030	\$ 1,552,311

City of Sherman
UTILITY IMPROVEMENT FUND

	Adjusted Budget 2021-2022	Amendment	Amended Budget 2021-2022	Projected 2021-2022
Beginning Fund Balance	\$ 870,541		\$ 870,541	\$ 1,545,528
Revenues				
Intergovernmental	-			410,000
Interest Income	12,000	-	12,000	28,000
Miscellaneous Revenue	-	-	-	-
Transfers In	825,000	-	825,000	-
Grant Revenue	4,675,000	1,294,000	5,969,000	2,547,750
Total Revenues	5,512,000	1,294,000	6,806,000	2,985,750
Total Funds Available	6,382,541	1,294,000	7,676,541	4,531,278
(1) Texoma Pkwy sewer overflow relief	-	-	-	13,375
(1) Preston Club Water Line	-	-	-	3,000
(1) Replace EDR process with RO at WTP (Engineering)	50,000	-	50,000	-
(1) Replace inverted siphon sewer line (Eng)	65,000	-	65,000	-
(1) Refurbish Rex Cruz EST-Eng	75,000	-	75,000	-
(1) Security Upgrades at WWTP	100,000	-	100,000	-
(1) Backwash tank at WTP	250,000	-	250,000	-
(1) Refurbish flocculation/sedimentation basin at WTP	250,000	-	250,000	27,471
(1) Replace Southside industrial sewer	250,000	-	250,000	-
(1) Concentrate Disposal Phase II Yr 1	400,000	-	400,000	-
(1) WWTP Main Switchgear & Electrical Upgrade	500,000	-	500,000	-
(1) Post Oak Creek Sanitary Sewer Improvements	600,000	-	600,000	-
(1) WWTP Control Building Expansion-Construction	1,260,000	-	1,260,000	-
(1) Northwest Sewer	1,823,000	-	1,823,000	-
(1) Bel Air Blvd Utilities Ph I	300,000	-	300,000	-
(1) Shepherd Utilities	400,000	-	400,000	6,493
(1) WTP Backup Generator - Engineering	-	-	-	34,043
(1) WWTP Backup Generator Engineering	-	-	-	22,400
(1) Legacy Waterline - Ph I	400,000	-	400,000	-
(1) Texoma Pump Station Backup Generator	900,000	-	900,000	-
(1) Legacy Waterline - Construction Ph II & III	1,500,000	-	1,500,000	-
(2) Replace Texoma Pkwy 12" water line	2,500,000	-	2,500,000	2,500,000
(2) Ida Road ground storage tank repair	3,000,000	-	3,000,000	983,000
(2) Heritage Ranch Lift Station	1,000,000	-	1,000,000	-
(2) WTP Land purchase	-	1,294,000	1,294,000	2,547,750
(2) WTP Backup Generator Construction	1,000,000	-	1,000,000	-
(3) AWIA Security Upgrades @ WTP	200,000	-	200,000	200,000
(3) WWTP Fencing/Gate Repairs	-	-	-	70,000
(3) Primary Clarifier #1 Rehab Engineering	-	-	-	9,419
(3) WWTP Fine Screen Rehab	-	-	-	50,000
(3) WTP Flow Meter Improvement	-	-	-	100,000
(3) Texoma Pkwy 12" main engineering	-	-	-	142,870
(3) Brine Line Phase II Engineering (City Funds)	-	-	-	8,000
(3) Abandon GST & pump station - High Country & Preston Club	50,000	-	50,000	50,000
(3) Upgrade water system at High Country	60,000	-	60,000	60,000
(3) Yearly Stream Bank Stabilization	100,000	-	100,000	100,000
(3) WWTP Headworks Pump	145,000	-	145,000	145,000
(3) Utility oversizing/annual replacements	200,000	-	200,000	200,000
(3) Lamberth Rd box culvert and manhole replacement	-	-	-	65,823
(3) Arapaho Sewer	-	-	-	210,000
GTUA Funding	(11,123,000)	-	(11,123,000)	(106,782)
Total Expenditures	6,255,000	1,294,000	7,549,000	7,441,862
Excess Revenues over Expenditures	(743,000)	-	(743,000)	(4,456,112)
Ending Fund Balance	\$ 127,541		\$ 127,541	\$ (2,910,584)

City of Sherman
STORMWATER FUND

	Adjusted Budget 2021-2022	Amendment	Amended Budget 2021-2022	Projected 2021-2022
Beginning Fund Balance	\$ 36,570		\$ 1,486,570	\$ 1,524,698
Revenues				
Sales & Service	452,000	-	452,000	450,000
Fines & Penalties	-	-	-	5,000
Grant Revenue	250,000	-	250,000	1,718
Interest Income	1,500	-	1,500	1,000
Total Revenues	703,500	-	703,500	457,718
Total Funds Available	740,070	-	2,190,070	1,982,416
Expenditures				
Personnel	104,490	-	104,490	77,660
Supplies	4,109	-	4,109	4,109
Repair & Maintenance	51,500	-	51,500	61,500
Information Technology	3,090	-	3,090	3,510
Services & Charges	3,540	-	3,540	3,540
Capital Expenses	250,000	1,200,000	1,450,000	1,450,000
Vehicle Usage	-	832	832	7,230
Transfers Out	269,000	-	269,000	269,000
Total Expenditures	685,729	1,200,832	1,886,561	1,876,549
Excess Revenues over Expenditures	17,771	(1,200,832)	(1,183,061)	(1,418,831)
Ending Fund Balance	\$ 54,341		\$ 303,509	\$ 105,867

City of Sherman
MUNICIPAL AIRPORT FUND

	Adjusted Budget 2021-2022	Amendment	Amended Budget 2021-2022	Projected 2021-2022
Beginning Fund Balance	\$ 86,387		\$ 86,387	\$ 58,747
Revenues				
Interest Income	200	-	200	250
Rentals	87,000	44,000	131,000	131,000
Sales & Service	380,000	133,000	513,000	513,000
Grant Revenue	50,000	-	50,000	29,000
Miscellaneous Revenue	-	-	-	-
Total Revenues	517,200	177,000	694,200	673,250
Total Funds Available	603,587	177,000	780,587	731,997
Expenditures				
Supplies	326,250	160,000	486,250	486,200
Repair & Maintenance	8,995	11,000	19,995	19,170
Services & Charges	135,980	-	135,980	135,820
Utilities	9,820	-	9,820	10,410
Vehicle Usage	-	-	-	-
Capital Expenses	100,000	-	100,000	76,000
Total Expenditures	581,045	171,000	752,045	727,600
Excess Revenues over Expenditures	(63,845)	6,000	(57,845)	(54,350)
Ending Fund Balance	\$ 22,542		\$ 28,542	\$ 4,397

City of Sherman
HOTEL/MOTEL TAX FUND

	Adjusted Budget 2021-2022	Amendment	Amended Budget 2021-2022	Projected 2021-2022
Beginning Fund Balance	\$ (27,376)		\$ (27,376)	\$ 8,755
Revenues				
Hotel-Motel Taxes	569,000	120,000	689,000	689,000
Fines & Penalties	-	-	-	-
Miscellaneous Revenue	-	-	-	-
Interest Income	-	-	-	20
Sales & Service	40,000	-	40,000	65,000
Rentals	20,000	-	20,000	24,000
Grant Revenue	-	6,000	6,000	5,886
Transfers In	260,000	-	260,000	260,000
Total Revenues	889,000	126,000	1,015,000	1,043,906
Total Funds Available	861,624	126,000	987,624	1,052,661
Expenditures				
Personnel	198,360	26,000	224,360	225,710
Supplies	22,400	-	22,400	27,550
Repair & Maintenance	33,500	-	33,500	25,000
Utilities	29,210	-	29,210	27,570
Information Technology	13,910	-	13,910	15,770
Services & Charges	427,500	120,000	547,500	536,300
Vehicle Usage	-	-	-	-
Capital Expenses	5,000	-	5,000	-
Transfers Out	107,000	-	107,000	107,000
Total Expenditures	836,880	146,000	982,880	964,900
Excess Revenues over Expenditures	52,120	(20,000)	32,120	79,006
Ending Fund Balance	\$ 24,744		\$ 4,744	\$ 87,761

City of Sherman
INFORMATION TECHNOLOGY FUND

	Adjusted Budget 2021-2022	Amendment	Amended Budget 2021-2022	Projected 2021-2022
Beginning Fund Balance	\$ 250,859		\$ 250,859	\$ 125,564
Revenues				
Technology Services:				
General Fund	1,041,100	140,000	1,181,100	1,180,775
Stormwater	3,090	-	3,090	3,510
Tourism	13,910	-	13,910	15,770
Equipment Services Fund	46,350	-	46,350	52,570
Utility Fund	293,540	-	293,540	332,940
Solid Waste Fund	86,510	-	86,510	98,120
Interest Income	-	-	-	200
Grant Revenue	-	15,000	15,000	15,064
Miscellaneous Revenue	-	-	-	300
Total Revenues	1,484,500	155,000	1,639,500	1,699,249
Total Funds Available	1,735,359	155,000		1,824,813
Expenditures				
Personnel	812,700	18,000	830,700	829,800
Supplies	76,874	-	76,874	76,409
Repair & Maintenance	176,546	7,000	183,546	183,545
Utilities	35,710	7,000	42,710	42,620
Services & Charges	325,043	-	325,043	323,382
Capital Expenses	227,929	-	227,929	227,929
Total Expenditures	1,654,802	32,000	1,686,802	1,683,685
Excess Revenues over Expenditures	(170,302)	123,000	(47,302)	15,564
Ending Fund Balance	\$ 80,557		\$ 125,564	\$ 141,128

City of Sherman
EQUIPMENT SERVICES FUND

	Adjusted Budget 2021-2022	Amendment	Amended Budget 2021-2022	Projected 2021-2022
Beginning Fund Balance	\$ 6,295		\$ 6,295	\$ (3,984)
Revenues				
Internal Service Revenue	3,610,030	572,000	4,182,030	4,182,030
Interest Income	-	-	-	-
Grant Revenue	-	-	-	26,719
Miscellaneous Revenue	-	-	-	600
Total Revenues	3,610,030	572,000	4,182,030	4,209,349
Total Funds Available	3,616,325	572,000	4,188,325	4,205,365
Expenditures				
Personnel	1,101,660	-	1,101,660	1,103,090
Supplies	869,615	500,000	1,369,615	1,370,214
Repair & Maintenance	1,152,843	72,000	1,224,843	1,225,318
Utilities	14,840	-	14,840	14,940
Information Technology	46,350	-	46,350	52,570
Services & Charges	371,724	-	371,724	327,324
Capital Expenses	53,000	-	53,000	53,000
Fleet Services & Charges	-	-	-	-
Vehicle Usage	-	-	-	-
Total Expenditures	3,610,032	572,000	4,182,032	4,146,456
Excess Revenues over Expenditures	(2)	-	(2)	62,893
Ending Fund Balance	\$ 6,293		\$ 6,293	\$ 58,909

City of Sherman
FLEET REPLACEMENT FUND

	Adjusted Budget 2021-2022	Amendment	Amended Budget 2021-2022	Projected 2021-2022
Beginning Fund Balance	\$ 1,515,706		\$ 1,515,706	\$ 1,421,678
Revenues				
Fleet Replacement Revenue	1,865,386	331,000	2,196,386	2,195,899
Property Tax	-	698,000	698,000	698,333
Interest Income	200	-	200	2,500
Debt Proceeds	1,434,352	477,000	1,911,352	1,911,034
Miscellaneous Revenue	-	-	-	-
Total Revenues	3,299,938	1,506,000	4,805,938	4,807,766
Total Funds Available	4,815,644	1,506,000	6,321,644	6,229,444
Expenditures				
Debt Service	758,984	698,000	1,456,984	1,456,768
Supplies	-	-	-	8,652
Services & Charges	-	46,000	46,000	45,892
Capital Expenses	4,006,627	565,000	4,571,627	4,562,553
Total Expenditures	4,765,611	1,309,000	6,074,611	6,073,865
Excess Revenues over Expenditures	(1,465,673)	197,000	(1,268,673)	(1,266,099)
Ending Fund Balance	\$ 50,033		\$ 247,033	\$ 155,579

City of Sherman
DEBT SERVICE FUND

	Adjusted Budget 2021-2022	Amendment	Amended Budget 2021-2022	Projected 2021-2022
Beginning Fund Balance	\$ 87,366		\$ 87,366	\$ 58,714
Revenues				
Property Tax	6,455,000	(651,000)	5,804,000	5,804,000
Transfers In	1,069,000	-	1,069,000	1,069,000
Total Revenues	7,524,000	(651,000)	6,873,000	6,873,000
Total Funds Available	7,611,366	(651,000)	6,960,366	6,931,714
Expenditures				
Debt Service	7,516,297	(651,000)	6,865,297	6,864,889
Services & Charges	7,000	-	7,000	5,250
Total Expenditures	7,523,297	(651,000)	6,872,297	6,870,139
Excess Revenues over Expenditures	703	-	703	2,861
Ending Fund Balance	\$ 88,069		\$ 88,069	\$ 61,575

City of Sherman
EMERGENCY 9-1-1 FUND

	Adjusted Budget 2021-2022	Amendment	Amended Budget 2021-2022	Projected 2021-2022
Beginning Fund Balance	\$ 211,323		\$ 327,339	\$ 437,935
Revenues				
Sales & Service	294,000	-	294,000	300,000
Interest Income	1,000	-	1,000	1,000
Total Revenues	295,000	-	295,000	301,000
Total Funds Available	506,323	-	622,339	738,935
Expenditures				
Personnel	108,300	-	108,300	108,312
Supplies	-	-	-	-
Repair & Maintenance	-	-	-	-
Services & Charges	180,673	-	180,673	84,000
Capital Expenses	116,016	200,000	316,016	525,674
Total Expenditures	404,989	200,000	604,989	717,986
Excess Revenues over Expenditures	(109,989)	(200,000)	(309,989)	(416,986)
Ending Fund Balance	\$ 101,334		\$ 17,350	\$ 20,949

City of Sherman
EMPLOYEE INSURANCE FUND
2022-2023 Annual Budget

	Adjusted Budget 2021-2022	Amendment	Amended Budget 2021-2022	Projected 2021-2022
Beginning Fund Balance	\$ 374,093		\$ 374,093	\$ 511,656
Revenues				
Employer Contributions	4,294,170	150,000	4,444,170	4,443,150
Employee Contributions	960,000	-	960,000	975,000
Retiree Contributions	211,000	-	211,000	200,000
COBRA Contributions	-	-	-	5,000
Miscellaneous Revenue	-	-	-	-
Interest Income	-	-	-	2,500
Total Revenues	5,465,170	150,000	5,615,170	5,625,650
Total Funds Available	5,839,263	150,000	5,989,263	6,137,306
Expenditures				
Health Insurance Claims	4,300,000	150,000	4,450,000	4,450,000
Administration & Premiums	1,125,000	-	1,125,000	1,125,000
Life Insurance Premiums	42,000	-	42,000	37,000
Transfers Out	-	-	-	-
Total Expenditures	5,467,000	150,000	5,617,000	5,612,000
Excess Revenues over Expenditures	(1,830)	-	(1,830)	13,650
Ending Fund Balance	\$ 372,263		\$ 372,263	\$ 525,306



SHERMAN CITY COUNCIL

Agenda Communication Form

City Council Regular Meeting

E. 2.

Meeting Date: 09/19/2022

Prepared By: Jana Garner, Grants Coordinator

Approved By: Robby Hefton, City Manager

Caption:

*** RESOLUTION NO. 6958**

Authorizing Submission of an Application for a Grant Awarded by the Texas Department of Transportation under the Routine Airport Maintenance Program to Fund Improvements at the Sherman Municipal Airport; Designating the City Manager as the Authorized Official to Accept, Reject, Alter or Terminate the Grant on Behalf of the City

Issue:

Seeking approval to apply for a grant from the Texas Department of Transportation (TxDOT), under the Routine Airport Maintenance Program (RAMP), for improvements at the Sherman Municipal Airport. In addition, requesting designation of the City Manager as the authorized official to accept, reject, alter or terminate the grant on behalf of the City.

Background:

TxDOT offers a matching grant each year for airport improvements such as pavement, signage, drainage, lighting, utility infrastructure, fencing, fuel systems, hangars, security, and other routine maintenance. Improvements must be completed by August 31, 2023 unless otherwise approved by the State.

Origination:

Finance Department

Financial Consideration:

The City will be reimbursed 50% of eligible expenses, up to a maximum reimbursement of \$50,000.00. The expenses will be paid from the Airport Fund.

Staff Recommendation:

City staff recommends submitting the grant application to TxDOT under the Routine Airport Maintenance Program.

Alternatives:

The Council could decline this grant opportunity.

Attachments

Resolution No. 6958

RAMP Agreement

RESOLUTION NO. 6958

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING SUBMISSION OF AN APPLICATION FOR A GRANT AWARDED BY THE TEXAS DEPARTMENT OF TRANSPORTATION UNDER THE ROUTINE AIRPORT MAINTENANCE PROGRAM TO FUND IMPROVEMENTS AT THE SHERMAN MUNICIPAL AIRPORT; DESIGNATING THE CITY MANAGER AS THE AUTHORIZED OFFICIAL TO ACCEPT, REJECT, ALTER OR TERMINATE THE GRANT ON BEHALF OF THE CITY; FINDING AND DETERMINING THAT THE MEETING AT WHICH THIS RESOLUTION IS PASSED WAS NOTICED AND IS OPEN TO THE PUBLIC AS REQUIRED BY LAW.

WHEREAS, the City Council of the City of Sherman, Texas, finds it to be in the best interest of the citizens of Sherman, Texas, to seek grant funds for improvements at the Sherman Municipal Airport; and

WHEREAS, the City Council understands the expected total grant application is estimated at Fifty Thousand Dollars and No Cents (\$50,000.00); and there is a fifty percent (50%) match required by the Texas Department of Transportation; and

WHEREAS, the City Council designates the City Manager as the grantee's authorized official, who is given the power to accept, reject, alter or terminate the grant on behalf of the City;

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

SECTION 1. That the City Manager be and is hereby authorized and directed, subject to all documents being properly completed and approved as to form and content by the City Attorney, to submit a grant application with the Texas Department of Transportation to fund airport maintenance and improvements under the Routine Airport Maintenance Program.

SECTION 2. That the City Manager be and is hereby designated as the City of Sherman's authorized official to accept, reject, alter or terminate the grant on behalf of the City.

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 19th day of September, 2022.

CITY OF SHERMAN, TEXAS

BY: _____
DAVID PLYLER, MAYOR

ATTEST:

BY: _____
LINDA ASHBY, CITY CLERK

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

BY: _____
RYAN D. PITTMAN, CITY ATTORNEY

**TEXAS DEPARTMENT OF TRANSPORTATION
GRANT FOR ROUTINE AIRPORT MAINTENANCE PROGRAM
(State Assisted Airport Routine Maintenance)**

TxDOT Project ID: M2301SHRM

Part I - Identification of the Project

TO: The City of Sherman, Texas

FROM: The State of Texas, acting through the Texas Department of Transportation

This Grant is made between the Texas Department of Transportation, (hereinafter referred to as the "State"), on behalf of the State of Texas, and the City of Sherman, Texas, (hereinafter referred to as the "Sponsor").

This Grant Agreement is entered into between the State and the Sponsor shown above, under the authority granted and in compliance with the provisions of the Transportation Code Chapter 21.

The project is for **airport maintenance** at the SHERMAN - SHERMAN MUNI Airport.

Part II - Offer of Financial Assistance

1. For the purposes of this Grant, the annual routine maintenance project cost, Amount A, is estimated as found on Attachment A, Scope of Services, attached hereto and made a part of this grant agreement.

State financial assistance granted will be used solely and exclusively for airport maintenance and other incidental items as approved by the State. Actual work to be performed under this agreement is found on Attachment A, Scope of Services. State financial assistance, Amount B, will be for fifty percent (50%) of the eligible project costs for this project or \$50,000.00, whichever is less, per fiscal year and subject to availability of state appropriations.

Scope of Services, Attachment A, of this Grant, may be amended, subject to availability of state funds, to include additional approved airport maintenance work. Scope amendments require submittal of an Amended Scope of Services, Attachment A.

Services will not be accomplished by the State until receipt of Sponsor's share of project costs.

Only work items as described in Attachment A, Scope of Services of this Grant are reimbursable under this grant.

Work shall be accomplished by August 31, 2023, unless otherwise approved by the State.

2. The State shall determine fair and eligible project costs for work scope. Sponsor's share of estimated project costs, Amount C, shall be as found on Attachment A and any amendments.

It is mutually understood and agreed that if, during the term of this agreement, the State determines that there is an overrun in the estimated annual routine maintenance costs, the State may increase the grant to cover the amount of the overrun within the above stated percentages and subject to the maximum amount of state funding.

The State will not authorize expenditures in excess of the dollar amounts identified in this Agreement and any amendments, without the consent of the Sponsor.

3. Sponsor, by accepting this Grant certifies and, upon request, shall furnish proof to the State that it has sufficient funds to meet its share of the costs. The Sponsor grants to the State the right to audit any books and records of the Sponsor to verify expended funds.

Upon execution of this Agreement and written demand by the State, the Sponsor's financial obligation (Amount C) shall be due in cash and payable in full to the State. State may request the Sponsor's financial obligation in partial payments. Should the Sponsor fail to pay their obligation, either in whole or in part, within 30 days of written demand, the State may exercise its rights under Paragraph V-3. Likewise, should the State be unwilling or unable to pay its obligation in a timely manner, the failure to pay shall be considered a breach and the Sponsor may exercise any rights and remedies it has at law or equity.

The State shall reimburse or credit the Sponsor, at the financial closure of the project, any excess funds provided by the Sponsor which exceed Sponsor's share (Amount C).

4. The Sponsor specifically agrees that it shall pay any project costs which exceed the amount of financial participation agreed to by the State. It is further agreed that the Sponsor will reimburse the State for any payment or payments made by the State which are in excess of the percentage of financial assistance (Amount B) as stated in Paragraph II-1.

5. Scope of Services may be accomplished by State contracts or through local contracts of the Sponsor as determined appropriate by the State. All locally contracted work must be approved by the State for scope and reasonable cost. Reimbursement requests for locally contracted work shall be submitted on forms provided by the State and shall include copies of the invoices for materials or services. Payment shall be made for no more than 50% of allowable charges.

The State will not participate in funding for force account work conducted by the Sponsor.

6. This Grant shall terminate upon completion of the scope of services.

Part III - Sponsor Responsibilities

1. In accepting this Grant, if applicable, the Sponsor guarantees that:
 - a. it will, in the operation of the facility, comply with all applicable state and federal laws, rules, regulations, procedures, covenants and assurances required by the State in connection with this Grant; and
 - b. the Airport or navigational facility which is the subject of this Grant shall be controlled by the Sponsor for a period of at least 20 years; and
 - c. consistent with safety and security requirements, it shall make the airport or air navigational facility available to all types, kinds and classes of aeronautical use without discrimination between such types, kinds and classes and shall provide adequate public access during the period of this Grant; and
 - d. it shall not grant or permit anyone to exercise an exclusive right for the conduct of aeronautical activity on or about an airport landing area. Aeronautical activities include, but are not limited to scheduled airline flights, charter flights, flight instruction, aircraft sales, rental and repair, sale of aviation petroleum products and aerial applications. The landing area consists of runways or landing strips, taxiways, parking aprons, roads, airport lighting and navigational aids; and
 - e. through the fence access shall be reviewed and approved by the State; and

- f. it shall not permit non-aeronautical use of airport facilities, unless noted on an approved Airport Layout Plan, without prior approval of the State/FAA. This includes but is not limited to: the process of land disposal, any changes to the aeronautical or non-aeronautical land uses of the airport, land's deeded use from non-aeronautical to aeronautical, requests of concurrent use of land, interim use of land, approval of a release from obligations from the State/FAA, any of which will require 18 months, or longer; and
- g. the Sponsor shall submit to the State annual statements of airport revenues and expenses when requested; and
- h. all fees collected for the use of the airport shall be reasonable and nondiscriminatory. The proceeds from such fees shall be used solely for the development, operation and maintenance of the airport or navigational facility; and
- i. an Airport Fund shall be established by resolution, order or ordinance in the treasury of the Sponsor, or evidence of the prior creation of an existing airport fund or properly executed copy of the resolution, order, or ordinance creating such a fund, shall be submitted to the State. The fund may be an account as part of another fund, but must be accounted for in such a manner that all revenues, expenses, retained earnings, and balances in the account are discernible from other types of moneys identified in the fund as a whole. All fees, charges, rents, and money from any source derived from airport operations must be deposited in the Airport Fund and shall not be diverted to the general revenue fund or another revenue fund of the Sponsor. All expenditures from the Airport Fund shall be solely for airport purposes. Sponsor shall be ineligible for a subsequent grant or loan by the State unless, prior to such subsequent grant or loan, Sponsor has complied with the requirements of this subparagraph; and
- j. the Sponsor shall operate runway lighting at least at low intensity from sunset to sunrise; and
- k. insofar as it is reasonable and within its power, Sponsor shall adopt and enforce zoning regulations to restrict the height of structures and use of land adjacent to or in the immediate vicinity of the airport to heights and activities compatible with normal airport operations as provided in Tex. Loc. Govt. Code Ann. Sections 241.001 et seq. (Vernon and Vernon Supp.). Sponsor shall also acquire and retain aviation easements or other property interests in or rights to use of land or airspace, unless sponsor can show that acquisition and retention of such interest will be impractical or will result in undue hardship to Sponsor. Sponsor shall be ineligible for a subsequent grant or loan by the State unless Sponsor has, prior to subsequent approval of a grant or loan, adopted and passed an airport hazard zoning ordinance or order approved by the State.

1. mowing services will not be eligible for state financial assistance. Sponsor will be responsible for 100% of any mowing services.
2. The Sponsor, to the extent of its legal authority to do so, shall save harmless the State, the State's agents, employees or contractors from all claims and liability due to activities of the Sponsor, the Sponsor's agents or employees performed under this agreement. The Sponsor, to the extent of its legal authority to do so, shall also save harmless the State, the State's agents, employees or contractors from any and all expenses, including attorney fees which might be incurred by the State in litigation or otherwise resisting claim or liabilities which might be imposed on the State as the result of those activities by the Sponsor, the Sponsor's agents or employees.
3. The Sponsor's acceptance of this Offer and ratification and adoption of this Grant shall be evidenced by execution of this Grant by the Sponsor. The Grant shall comprise a contract, constituting the obligations and rights of the State of Texas and the Sponsor with respect to the accomplishment of the project and the operation and maintenance of the airport.

If it becomes unreasonable or impractical to complete the project, the State may void this agreement and release the Sponsor from any further obligation of project costs.

4. Upon entering into this Grant, Sponsor agrees to name an individual, as the Sponsor's Authorized Representative, who shall be the State's contact with regard to this project. The Representative shall receive all correspondence and documents associated with this grant and shall make or shall acquire approvals and disapprovals for this grant as required on behalf of the Sponsor, and coordinate schedule for work items as required.
5. By the acceptance of grant funds for the maintenance of eligible airport buildings, the Sponsor certifies that the buildings are owned by the Sponsor. The buildings may be leased but if the lease agreement specifies that the lessee is responsible for the upkeep and repairs of the building no state funds shall be used for that purpose.
6. Sponsor shall request reimbursement of eligible project costs on forms provided by the State. All reimbursement requests are required to include a copy of the invoices for the materials or services. The reimbursement request will be submitted no more than once a month.
7. The Sponsor's acceptance of this Agreement shall comprise a Grant Agreement, as provided by the Transportation Code, Chapter 21, constituting the contractual obligations and rights of the State of Texas and the Sponsor with respect to the accomplishment of the airport maintenance and compliance with the assurances and conditions as provided. Such Grant Agreement shall become effective upon the State's written Notice to Proceed issued following execution of this agreement.

Part IV - Nomination of the Agent

1. The Sponsor designates the State as the party to receive and disburse all funds used, or to be used, in payment of the costs of the project, or in reimbursement to either of the parties for costs incurred.
2. The State shall, for all purposes in connection with the project identified above, be the Agent of the Sponsor. The Sponsor grants the State a power of attorney to act as its agent to perform the following services:
 - a. accept, receive, and deposit with the State any and all project funds granted, allowed, and paid or made available by the Sponsor, the State of Texas, or any other entity;
 - b. enter into contracts as necessary for execution of scope of services;
 - c. if State enters into a contract as Agent: exercise supervision and direction of the project work as the State reasonably finds appropriate. Where there is an irreconcilable conflict or difference of opinion, judgment, order or direction between the State and the Sponsor or any service provider, the State shall issue a written order which shall prevail and be controlling;
 - d. receive, review, approve and pay invoices and payment requests for services and materials supplied in accordance with the State approved contracts;
 - e. obtain an audit as may be required by state regulations; the State Auditor may conduct an audit or investigation of any entity receiving funds from TxDOT directly under this contract or indirectly through a subcontract under this contract. Acceptance of funds directly under this contract or indirectly through a subcontract under this contract acts as acceptance of the authority of the State Auditor, under the direction of the legislative audit committee, to conduct an audit or investigation in connection with those funds. An entity that is the subject of an audit or investigation must provide the state auditor with access to any information the state auditor considers relevant to the investigation or audit.
 - f. reimburse sponsor for approved contract maintenance costs no more than once a month.

Part V - Recitals

1. This Grant is executed for the sole benefit of the contracting parties and is not intended or executed for the direct or incidental benefit of any third party.
2. It is the intent of this grant to not supplant local funds normally utilized for airport maintenance, and that any state financial assistance offered under this grant be in addition to those local funds normally dedicated for airport maintenance.

3. This Grant is subject to the applicable provisions of the Transportation Code, Chapters 21 and 22, and the Airport Zoning Act, Tex. Loc. Govt. Code Ann. Sections 241.001 et seq. (Vernon and Vernon Supp.). Failure to comply with the terms of this Grant or with the rules and statutes shall be considered a breach of this contract and will allow the State to pursue the remedies for breach as stated below.
 - a. Of primary importance to the State is compliance with the terms and conditions of this Grant. If, however, after all reasonable attempts to require compliance have failed, the State finds that the Sponsor is unwilling and/or unable to comply with any of the terms of this Grant, the State, may pursue any of the following remedies: (1) require a refund of any financial assistance money expended pursuant to this Grant, (2) deny Sponsor's future requests for aid, (3) request the Attorney General to bring suit seeking reimbursement of any financial assistance money expended on the project pursuant to this Grant, provided however, these remedies shall not limit the State's authority to enforce its rules, regulations or orders as otherwise provided by law, (4) declare this Grant null and void, or (5) any other remedy available at law or in equity.
 - b. Venue for resolution by a court of competent jurisdiction of any dispute arising under the terms of this Grant, or for enforcement of any of the provisions of this Grant, is specifically set by Grant of the parties in Travis County, Texas.
4. The State reserves the right to amend or withdraw this Grant at any time prior to acceptance by the Sponsor. The acceptance period cannot be greater than 30 days after issuance unless extended by the State.
5. This Grant constitutes the full and total understanding of the parties concerning their rights and responsibilities in regard to this project and shall not be modified, amended, rescinded or revoked unless such modification, amendment, rescission or revocation is agreed to by both parties in writing and executed by both parties.
6. All commitments by the Sponsor and the State are subject to constitutional and statutory limitations and restrictions binding upon the Sponsor and the State (including Sections 5 and 7 of Article 11 of the Texas Constitution, if applicable) and to the availability of funds which lawfully may be applied.

Part VI - Acceptances

Sponsor

The City of Sherman, Texas, does ratify and adopt all statements, representations, warranties, covenants, agreements, and all terms and conditions of this Grant.

The City of Sherman, Texas

Sponsor

Sponsor Signature

City Manager

Sponsor Title

Date

Acceptance of the State

Executed by and approved for the Texas Transportation Commission for the purpose and effect of activating and/or carrying out the orders, established policies or work programs and grants heretofore approved and authorized by the Texas Transportation Commission.

STATE OF TEXAS

TEXAS DEPARTMENT OF TRANSPORTATION

Signature

Title

Date

Attachment A

Scope of Services
TxDOT Project ID: M2301SHRM

Eligible Scope Item	Estimated Costs Amount A	State Share Amount B	Sponsor Share Amount C
GENERAL MAINTENANCE	\$100,000.00	\$50,000.00	\$50,000.00
TOTAL	\$100,000.00	\$50,000.00	\$50,000.00

Sponsor Signature

City Manager

Sponsor Title

Date

GENERAL MAINTENANCE: As needed, Sponsor may contract for services / purchase materials for routine maintenance / improvement of airport pavements, signage, drainage, AWOS systems, approach aids, lighting systems, utility infrastructure, fencing, herbicide / application, sponsor owned and operated fuel systems, hangars, terminal buildings and security systems; professional services for environmental compliance, approved project design. Special projects to be determined and added by amendment.

Only work items as described in Attachment A, Scope of Services of this Grant are reimbursable under this grant.

CERTIFICATION OF AIRPORT FUND

TxDOT Project ID:

M2301SHRM

The City of Sherman, Texas, does certify that an Airport Fund has been established for the Sponsor, and that all fees, charges, rents, and money from any source derived from airport operations will be deposited for the benefit of the Airport Fund and will not be diverted for other general revenue fund expenditures or any other special fund of the Sponsor and that all expenditures from the Fund will be solely for airport purposes. The fund may be an account as part of another fund, but must be accounted for in such a manner that all revenues, expenses, retained earnings, and balances in the account are discernible from other types of moneys identified in the fund as a whole.

Sponsor Signature

City Manager

Sponsor Title

Date

Certification of State Single Audit Requirements

I, Robby Hefton, do certify that the City of Sherman, Texas, will comply with all requirements of the State of Texas Single Audit Act if the City of Sherman, Texas, spends or receives more than the threshold amount in any grant funding sources during the most recently audited fiscal year. And in following those requirements, the City of Sherman, Texas, will submit the report to the audit division of the Texas Department of Transportation. If your entity did not meet the threshold in grant receivables or expenditures, please submit a letter indicating that your entity is not required to have a State Single Audit performed for the most recent audited fiscal year.

Sponsor Signature

City Manager
Sponsor Title

Date

DESIGNATION OF SPONSOR'S AUTHORIZED REPRESENTATIVE

TxDOT Project ID: M2301SHRM

The City of Sherman, Texas, designates,
, Robby Hefton as the Sponsor's authorized
(Name, Title)

representative, who shall receive all correspondence and documents associated with this grant and who shall make or shall acquire approvals and disapprovals for this grant as required on behalf of the Sponsor.

Sponsor Signature

City Manager

Sponsor Title

Date

DESIGNATED REPRESENTATIVE

First Name, Last Name

Title

Address

Phone Number

Email Address



SHERMAN CITY COUNCIL

Agenda Communication Form

City Council Regular Meeting

E. 3.

Meeting Date: 09/19/2022

Prepared By: Terrence Steele, Assistant City Manager

Approved By: Robby Hefton, City Manager

Caption:

*** RESOLUTION NO. 6959**

Authorizing the City Manager to Execute a Contract with The Sherman Museum for Expenditure of a Portion of the Funds Collected by the City of the Hotel-Motel Occupancy Tax

Issue:

To distribute a portion of the Hotel-Motel Occupancy Tax funds received by the City of Sherman to The Sherman Museum (Museum)

Background:

Staff recommends that the City enter into a twelve (12) month contract with the Museum to cover the period from October 1, 2022, through September 30, 2023. The proposed funding level maintains the Museum's quarterly support at \$12,500.00, an annual contribution of \$50,000.00. The contract includes an option for an additional \$20,000.00 to be paid during the contract period for operating expenses only upon proof of the Museum's matching \$20,000.00. These contract terms are unchanged from the current (fiscal year 2021-2022) contract with the Museum.

Origination:

City Manager's Office

Financial Consideration:

The proposed contract provides for payment of \$12,500.00 per quarter for the fiscal year 2022-2023 budget, a total allocation of \$50,000.00 from the Hotel-Motel Occupancy Tax Fund revenues, as well as an option for an additional \$20,000.00 matching amount.

Staff Recommendation:

The staff recommends granting the City Manager authority to execute a contract with The Sherman Museum in the funding amount established by the Council.

Alternatives:

As directed by the City Council

Attachments

Resolution No. 6959

Request Letter

Contract

RESOLUTION NO. 6959

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING THE CITY MANAGER TO EXECUTE A CONTRACT WITH THE SHERMAN MUSEUM FOR EXPENDITURE OF A PORTION OF THE FUNDS COLLECTED BY THE CITY OF THE HOTEL-MOTEL OCCUPANCY TAX; 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, Chapter 351 of the Texas Tax Code authorizes the City to collect and levy an occupancy tax on hotels and motels; and

WHEREAS, said Chapter specifies the purposes for which such tax receipts may be utilized; and

WHEREAS, such stated purposes include the promotion of tourism, the advertisement of the City and its vicinity, and the promotion and improvement of the arts and humanities within the community;

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

SECTION 1. That the City Manager be and is hereby authorized and directed, subject to all contract documents being properly completed and approved as to form and content by the City Attorney and subject to budget approval, to execute a contract with The Sherman Museum, with Exhibit "A" attached, in accordance with the terms and provisions of all contract documents attached hereto and made a part hereof for all purposes.

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

DULY PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, on this the 19th day of September, 2022.

CITY OF SHERMAN, TEXAS

BY:

DAVID PLYLER, MAYOR

ATTEST:

BY: _____
LINDA ASHBY, CITY CLERK

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

BY: _____
RYAN D. PITTMAN, CITY ATTORNEY



April 20, 2022

Terrance Steele, Assistant City Manager
City of Sherman
220 W. Mulberry Street
Sherman, TX 75090

Re: Request for renewal of funds

Dear Mr. Steele,

The Sherman Museum staff and the Board of Trustees are requesting that the city again provide funding for the Sherman Museum of \$50,000.00 for the upcoming year with the \$20,000.00 matching funds proviso. This has worked well for the museum though our fund-raising and donations from generous donors and sponsors.

Two of our employees, Brianna Teel and Jeff Goodman, have moved on to full-time positions in other museums. I fully feel that the both of these employees gained valuable experience from working at our Museum and that this was a very positive benefit in their acquiring full time positions. A young Sherman SISD graduate has been recently hired as a museum assistant.

The 3rd annual Queso Cookoff, sponsored by 903 Brewery, will be held at the Brewery on May 28th. Our annual major fund raiser, **Dino Days**, is scheduled to open June 1st and last through mid-August. This will be the 11th year of having a dinosaur and meteorite exhibit for the citizens of Sherman, Grayson County and visitors to this area!

We are delighted to be a part of the downtown Sherman community. We are excited about the growth of tourism occurring in our city, especially in the downtown Sherman area. Thank you for your continued support of the Museum.

Sincerely,


Dickie Gerig, President
Board of Trustees

The Sherman Museum is a 501c(3) organization and meets all conditions necessary to make gifts deductible for income tax purposes.

**CONTRACT BETWEEN
CITY OF SHERMAN AND THE SHERMAN MUSEUM**

THIS CONTRACT is made and entered by and between the **CITY OF SHERMAN**, a municipal corporation of the State of Texas (hereinafter called "CITY"), and **THE SHERMAN MUSEUM**, a non-profit corporation of the State of Texas (hereinafter called "MUSEUM"), for the limited purpose of providing funds to the MUSEUM for a twelve (12) month period.

WHEREAS, Chapter 351 of the Texas Tax Code authorizes a city to levy and collect an occupancy tax on hotels and motels; and

WHEREAS, CITY levies and collects a tax equal to seven percent (7%) of the consideration paid by occupants of hotels and motels; and

WHEREAS, CITY desires to promote tourism, advertise the city and its vicinity, and promote and improve the arts within the community by participating and assisting in the operation of the Museum; and

WHEREAS, MUSEUM shall consist of the property located at 301 and 303 South Walnut Street in the City of Sherman, Grayson County, Texas;

NOW, THEREFORE, in consideration of the mutual covenants and the payments herein, the CITY and MUSEUM agree as follows:

I.

During the period of October 1, 2022, through September 30, 2023, the CITY agrees to pay to MUSEUM Fifty Thousand Dollars and No Cents (\$50,000.00) collected under the Hotel/Motel Occupancy Tax of the CITY; and MUSEUM agrees that all funds are to be used entirely for the operation and maintenance of the MUSEUM. The Fifty Thousand Dollars and No Cents (\$50,000.00) paid to the MUSEUM for the time period of October 1, 2022, through September 30, 2023, represents the entire amount budgeted for this purpose by the CITY for the

fiscal year 2022-2023. The Fifty Thousand Dollars and No Cents (\$50,000.00) shall be paid in four (4) installments on the final execution of this Contract: November 15, 2022, January 15, and April 15, and June 15, 2023. Payments will be based on actual operation and maintenance expenditures and made strictly on a reimbursement basis. Reimbursement will be based on copies of actual invoices or other proof of payment as requested by the CITY. At that time, the MUSEUM shall also provide an explanation of how the expenditure of such monies complied with Section 351.101 of the Texas Tax Code.

Further, during the term of this agreement, the CITY agrees to provide up to an additional Twenty Thousand Dollars and No Cents (\$20,000.00) of funds collected under the City's Hotel/Motel Occupancy Tax as a match to any funds collected by the MUSEUM, said matching funds to be used by the MUSEUM strictly for operating expenses and paid upon a reimbursement basis.

Operations of the MUSEUM are to include the administration of all personnel associated with the MUSEUM, the management of all fund-raising activities in connection with the MUSEUM, the selection, preparation, and display of exhibits of artifacts, the interface with members of the general public concerning all matters related to the MUSEUM, and any other duties that could reasonably be construed as the operation of the MUSEUM.

II.

MUSEUM agrees that any money received under this Contract will only be used for purposes specified in Chapter 351 of the Texas Tax Code and MUSEUM will not use any money received in this Contract in any manner that does not strictly comply with the requirements, intent, and purposes as set forth in the Texas Tax Code, Chapter 351, Section 351.101(a)(1)-(7), as amended, and such statutorily authorized administrative expenses, together with the Texas

Attorney General opinions interpreting Section 351.101 of the Texas Tax Code. A copy of Section 351.101 of the Texas Tax Code is attached as Exhibit "A" and incorporated into this Contract for all purposes. Specifically, MUSEUM agrees to use such hotel tax revenues solely for the purposes of promoting tourism and the convention and hotel industry and will use the revenues solely for the permissible uses listed in Section 351.101(a) of the Texas Tax Code.

III.

MUSEUM represents that it has prepared a proposed budget to be administered under this Contract to the Sherman City Council for the fiscal year of 2022-2023. The MUSEUM shall furnish CITY quarterly financial reports which show all actual expenditures whether those expenditures are budgeted or not from records maintained pursuant to Section 351.108(a) of the Texas Tax Code. The report shall compare actual expenditures to budgeted expenditures and to actual expenditures from the prior year. The report shall also provide an explanation of how the expenditure of such monies complied with Section 351.101 of the Texas Tax Code.

The MUSEUM shall also provide a quarterly report of activities promoting tourism and the convention and hotel industry to CITY. Each quarterly financial report and each quarterly report of activities shall be presented to the office of the City Manager no later than the end of the month immediately following each calendar quarter. Further, the MUSEUM shall provide to CITY a copy of Form 990 submitted to the Internal Revenue Service.

IV.

It is understood and agreed that this Contract is intended for the purpose of providing an agency for the administration of funds collected by the CITY under the provisions of the Hotel-Motel Occupancy Tax Ordinance of said CITY, and that CITY retains its legislative prerogative to alter, repeal, or otherwise amend such ordinance at any time.

V.

MUSEUM agrees and covenants that, in the event of a breach by MUSEUM of any of the covenants contained herein as determined by CITY in its sole discretion, CITY may, at its option, declare this Contract immediately forfeited and terminated as to the balance of the terms thereof.

VI.

The parties agree that the term of this Contract is for October 1, 2022 through September 30, 2023.

VII.

Notwithstanding the above, CITY and MUSEUM retain the right to cancel this Contract at any time, with or without cause and without liability or expense, by the giving of twenty (20) days' notice of such intention to cancel. Notice to cancel by CITY shall be in writing, signed by the City Manager with prior City Council approval. Notice to cancel by MUSEUM shall be in writing, signed by the MUSEUM President with prior MUSEUM Board of Directors approval. CITY and MUSEUM shall consider renewal of this Contract in subsequent years. MUSEUM agrees to provide a plan of work in conjunction with any request to renew this Contract.

VIII.

This is a negotiated Contract. If any part of this Contract is in dispute, the parties stipulate that the Contract shall not be construed more favorably for either party.

This Contract may not be changed, varied, or altered except by an instrument in writing and duly executed on behalf of CITY and by MUSEUM. Every obligation arising from this Contract shall be performable in Grayson County, Texas. Venue for any legal disputes arising from this Contract shall be Grayson County, Texas and governed by the laws of the State of Texas.

IN TESTIMONY WHEREOF, this instrument, in duplicate originals of equal force, has been executed on behalf of THE SHERMAN MUSEUM and on behalf of the CITY OF SHERMAN by its City Manager and attested by its City Clerk, effective on the 1st day of October, 2020.

CITY OF SHERMAN, TEXAS

BY: _____
ROBBY HEFTON
CITY MANAGER

DATE: _____

ATTEST:

BY: _____
LINDA ASHBY, CITY CLERK

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

BY: _____
RYAN D. PITTMAN, CITY ATTORNEY

**THE SHERMAN MUSEUM,
A NON-PROFIT CORPORATION**

BY: _____
**PRESIDENT OF THE BOARD
OF TRUSTEES**

DATE: _____



SHERMAN CITY COUNCIL

Agenda Communication Form

City Council Regular Meeting

F. 1.

Meeting Date: 09/19/2022

Prepared By: Sarah McRae, Tourism/Main Street Manager

Approved By: Robby Hefton, City Manager

Caption:

*** OTHER BUSINESS**

Consider Request of St. Mary's Catholic School to Temporarily Close Certain Streets for the "Run Run Rudolph 5K and Family Fun Run/Walk" on Saturday, December 3, 2022

Issue:

St. Mary's Catholic School is planning to hold its 12th Annual "Run Run Rudolph 5K and Family Fun Run/Walk" on Saturday, December 3rd as part of their fundraising campaign and is requesting the City of Sherman's assistance with traffic control along the route.

Background:

The event will begin with the Fun Run at 8:45 a.m. and the 5K to start at 9:15 a.m., and will follow the route outlined on the attached map. The event will require barricade placement and removal as well as police officers to maintain safety at certain points along the route.

Origination:

Melissa Sandoval, RRR5K Race Director, St. Mary's Catholic School

Financial Consideration:

Barricade placement and removal and police support provided by the City

Staff Recommendation:

It is recommended that the City Council approve this request and authorize the necessary assistance to accommodate the event.

Alternatives:

As directed by the Council

Attachments

Run Run Rudolph Request Letter

Run Run Rudolph Maps

Run Run Rudolph Special Events Packet



August 31, 2022

Robby Hefton
City of Sherman
220 West Mulberry Street
Sherman, TX 75090-5832

Dear Mr. Hefton,

We are requesting to hold the 12th Annual St. Mary's Run Run Rudolph 5K and Family Fun Run/Walk on Saturday, December 3, 2022. We are estimating 400 runners to participate and respectfully request traffic support along the 5K route. The Fun Run starts at 8:45 a.m. and the 5K starts at 9:15 a.m. and our route will begin and end at 713 South Travis at the St. Mary's Catholic School parking lot (course map attached).

We hold events such as these to help offset tuition costs so that we can offer an affordable Christian Education for all families who desire this for their children. I sincerely appreciate your consideration of this event. If you have any questions, please feel free to contact me at (903)421-6270.

Sincerely,

A handwritten signature in black ink that reads 'Melissa Sandoval'. The script is fluid and cursive, with the first name 'Melissa' being more prominent than the last name 'Sandoval'.

Melissa Sandoval
RRR5K Race Director
msandoval@stmarys-sch.org

Map data ©2015 Google

Columbus

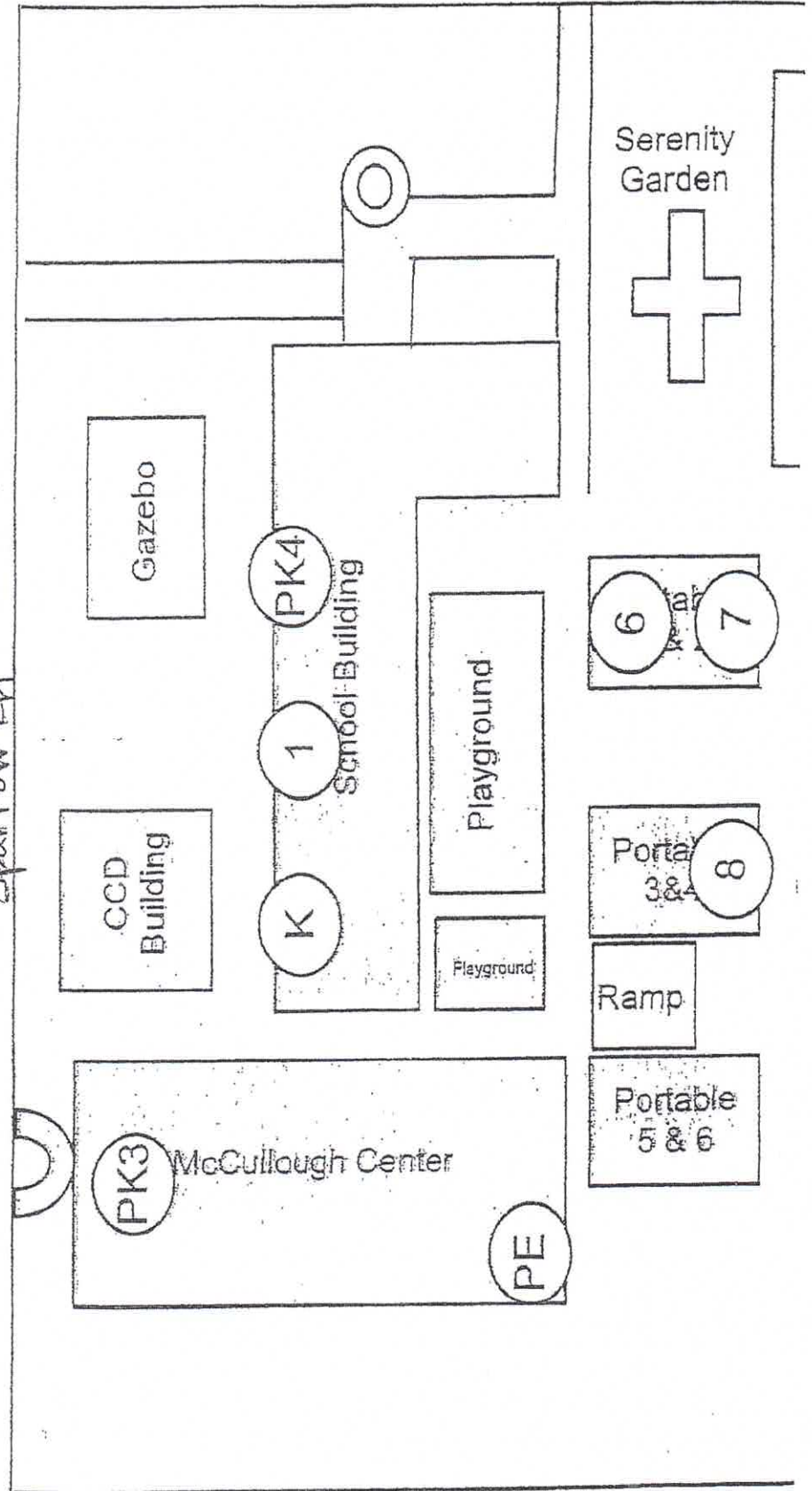
St Mary's Parish Center

dumpster
500 lbs
per 100
sq ft

Start/Finish

SMS Parking Lot

Sparrow Ln



Walnut Ln

S. Travis St.



August 31, 2022

Robby Hefton
City of Sherman
220 West Mulberry Street
Sherman, TX 75090-5832

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Sincerely,

A handwritten signature in black ink that reads 'Melissa Sandoval'.

Melissa Sandoval
RRR5K Race Director
msandoval@stmarys-sch.org



Special Event Application

This agreement is between the City of Sherman, hereinafter referred to as City, and an event/event coordinator, hereinafter referred to as event, for the cooperation of planning and operating a Special Event.

City reserves the right to close down or cancel any Event that is in violation of any City Ordinance or deviation from this agreement. The City also reserves the right to close down or cancel the Event if public safety or affected department supervisors deem the event unsafe for public participation.

- Application must be submitted at least 60 days prior to the event date.
- The Event must carry property, bodily injury and municipal liability insurance of \$1,000,000.00 per occurrence. The City of Sherman must be shown as an additional named insured on the insurance declaration. One (1) original copy of insurance must be submitted 30 days prior to event date.
- Alcohol distribution or consumption in any City Park and/or street is prohibited, unless approval is granted by motion and order by the City Council. A special event permit for alcohol on private property in conjunction with a Sherman private club may be permitted with a T.A.B.C license. Certain city-owned properties may allow for the consumption of alcohol.
- Please provide all information pertaining to the event as accurately as possible.

General Event Information

Official Name of Event: St. Mary's Run Run Rudolph 5K & Family Fun Run

Type of Event: (i.e. Carnival, Circus, 1 Mile/5 K Run, etc.) 1 mile & 5K

Event Date: December 3, 2022 Event Times: 1 mile - 8:45am, 5K - 9:15am

Alternate Date: n/a Event Times: _____

*Alternate date required in case of weather delays

We will not reschedule if event is cancelled due to weather.

Location of Event: St. Mary's Catholic School, 713 S. Travis, Sherman
Event Contact Name: Melissa Sandoval
Event Contact Address: See above
Event Contact Phone: 903-421-6270
Event Contact Email: msandoval@stmarys-sch.org
Alternate Event Contact Name: Lena Kane
Alternate Event Contact Address: Same as above
Alternate Event Contact Phone: 903-893-2127
Alternate Event Contact Email: lkane@stmarys-sch.org
Event Day Emergency Contact: Danny Ledbetter Phone: 214-507-2825
Event Day Emergency Contact: Annabel Cardenas Phone: 903-487-9477
Estimated # of Participants: 400 Spectators: 100
Is Event Private or Open to the Public? ☐ Private Event ☒ Public Event

Description of Event

Include background/history of this event or type of event and a timeline of event. Maps and site plans are required; site plans should include location of concessions, port-a-lets and dumpsters; description of routes to be used, severe weather emergency plan, etc. Clean-up deposit may be required.

12th Annual - See attached

Public Services

Will event take place at a public park/facility? ☐ Yes ☒ No

If yes, which park/facility? _____

*Park and/or facility reservation(s) required prior to completing this application.

Will you need any public street closures? ☒ Yes ☐ No

If Yes, which streets? Sparrow Lane

*Closure of TxDOT controlled streets will need prior approval by TxDOT.

*Police and Fire vehicles must have access through street closures if the need arises.

Street closure time: 7:45 am Time closure removed: 10:30 am

*Barricades will be provided by the City for the listed street closures. Fees may be required for additional barricade requests.

Where are the parking areas located: (Include on site plan) St. Anne's Catholic Church parking lot, 728 S. Travis St, Sherman, TX

Does your event require special/additional support? (Fee may be required)

☒ Police
(crowd control, traffic control, etc.)
If yes, contact Jarena Capps, Police
Department, 903-892-7397

☐ Fire Department
(EMT Support, etc.)
If yes, contact Chief Jones, Fire
Department, 903-892-7263

☐ Other
(provide detail)

If any special/additional support is checked above it is the responsibility of the event coordinator to contact the person listed above, prior to approval. If no contact is made by the event coordinator, the approval process for your special event will cease.

Number of trash containers and size requested over and above the current level: None

*Per city ordinance, all solid waste services must be provided by the city. Additional fees are possible for solid waste services.

Concessions

Will food concessions be present at the event? ____ Yes ☒ No

Name, Address & Phone Number for Food Vendors: N/A

*All food vendors are required to have the appropriate permits required by the city or the county.

Fire Prevention

Will you have any tents at the event? ____ Yes ☒ No

Will any tents be over 200sq. ft.? ____ Yes ☒ No

*No smoking signs and 5lb. ABC extinguishers are required in all tents over 200sq. ft.

Will any tents be enclosed? ____ Yes ☒ No

*A permit (\$50.00 fee) must be obtained from the Developmental Services Department for enclosed tents.

*A flame certificate for the tent and a site plan showing the setback from the property lines will be required to obtain this permit.

Will you have bounce houses? ____ Yes ☒ No Number: _____

Will you have other air supported structures? ☒ Yes ____ No finish line arch

Will there be fireworks? ____ Yes ☒ No

Will there be any temporary structures built or placed on site? ____ Yes ☒ No

If Yes, describe: N/A

Miscellaneous

Will you need the use of city water and/or electricity? ____ Yes ☒ No

*Additional fees will apply to the usage of city utilities

Where will restroom facilities be located? inside school and 2 Portalets
in school parking lot near start/finish line

*Depending on accessibility of restroom facilities, city may require portable toilets to be used

Will there be music or any other use of a loudspeaker? ☒ Yes ☐ No

If Yes, please fill out the following:

Type of loudspeakers: unknown How many: 2

Type of Amplifiers: N/A How many:

Type of electrical devices: N/A How many:

Date and time loudspeakers/amplifiers/electrical devices will be in use: 8:00 am - 10:30 am

*Loudspeakers/Amplifiers/Electrical Devices cannot be used during the hours of 9pm to 8am

Will you have any animals at the event? ☒ Yes ☐ No

If yes, are any prohibited/regulated animals? No

*All pet owners must abide by Grayson County leash law

Public Information

Describe signage that will be used for the event, to include placement of signs: Posters and brochures will be placed around town to promote the event. They will be placed in health clubs and other local businesses that allow advertising of local events.

Describe how you will notify residents affected by the event either living on the route/course or nearby. Banners at St. Mary's School promoting the event.

*Proof of notification may be required

Overnight Accommodation Needs

Will event produce overnight stays in Sherman hotels, motels or bed and breakfasts? If so, how many rooms potentially? N/A

* The Sherman Chamber of Commerce is available for assistance with hotel information and accommodation needs for the event.

Agreement:

Initial MS

I hereby attest that the information contained in this application is true and correct. I understand that this is only an application and not a guarantee that a permit will be issued. If a permit is issued, I agree that: (1) if any of the information contained in this application is found to be false; or (2) should my conduct, or the conduct of any participants or guests, not adhere to the Special Event Policies and Procedures; or (3) should any applicable city, county, state or federal rules, regulations, codes or laws be violated, any permit issued shall automatically become null and void and any activity associated with this permit will immediately cease.

Initial MS

Applicant agrees to assume the defense of and indemnify and save harmless the City, its council members, boards, commissions, officers, employees and agents, from all suits, actions, damages or claims to which the City may be subjected of any kind or nature whatsoever resulting from, caused by, arising out of or as a consequence of such temporary street closure and the activities permitted in connection therewith. The city may require, as a condition of issuance of a permit, that the applicant obtain insurance to serve this end, in such an amount and with such terms as the City determines to be appropriate under the circumstances. This shall be a continuing release and shall remain in effect until revoked in writing.

Initial MS

In case of emergency or for reasons beyond the City's control, the City reserves the right to cancel the permit prior to scheduled use without liability. Refunds will be made if cancellation by the City is necessary.

Initial MS

Alcohol must be confined to private property. Alcohol consumed on Public property is a violation of city Ordinance and is prohibited.

Signature:

I the undersigned representative have read the policies and procedures with reference to this application. The information contained herein is complete and accurate.

Melissa Sandoval

Signature

9/1/2022

Date

For Office Use Only

DEPARTMENT APPROVALS

DEPARTMENT	DATE	SIGNATURE
City Council Approval		
Fire Department		
Police Department		
Public Works Department		
Solid Waste & Recycling Department		
Parks & Recreation Department		



Special Event Date Request Form

Name of Event:	St. Mary's Run Run Rudolph 5K & Family Fun Run
Type of Event (i.e. Carnival, Circus, Festival, 1 Mile/5 K Run, etc.):	1 mile & 5K
Location of Event:	713 S Travis St, Sherman, Tx 75090
Date of Event:	December 3, 2022
Event Contact Name:	Melissa Sandoval
Event Contact Address:	713 S Travis St., Sherman, Tx 75090
Event Contact Phone:	903-421-6270
Event Contact Email:	msandoval@stmarys-sch.org

Completion and approval of the Special Event Date Request Form does not guarantee event approval. The Community and Support Services Department must receive the completed Special Event Application 60 days prior to the event date. If the application is not received the date will be released 60 days prior to the event.

Requester Signature:	Melissa Sandoval	Date:	9/1/22
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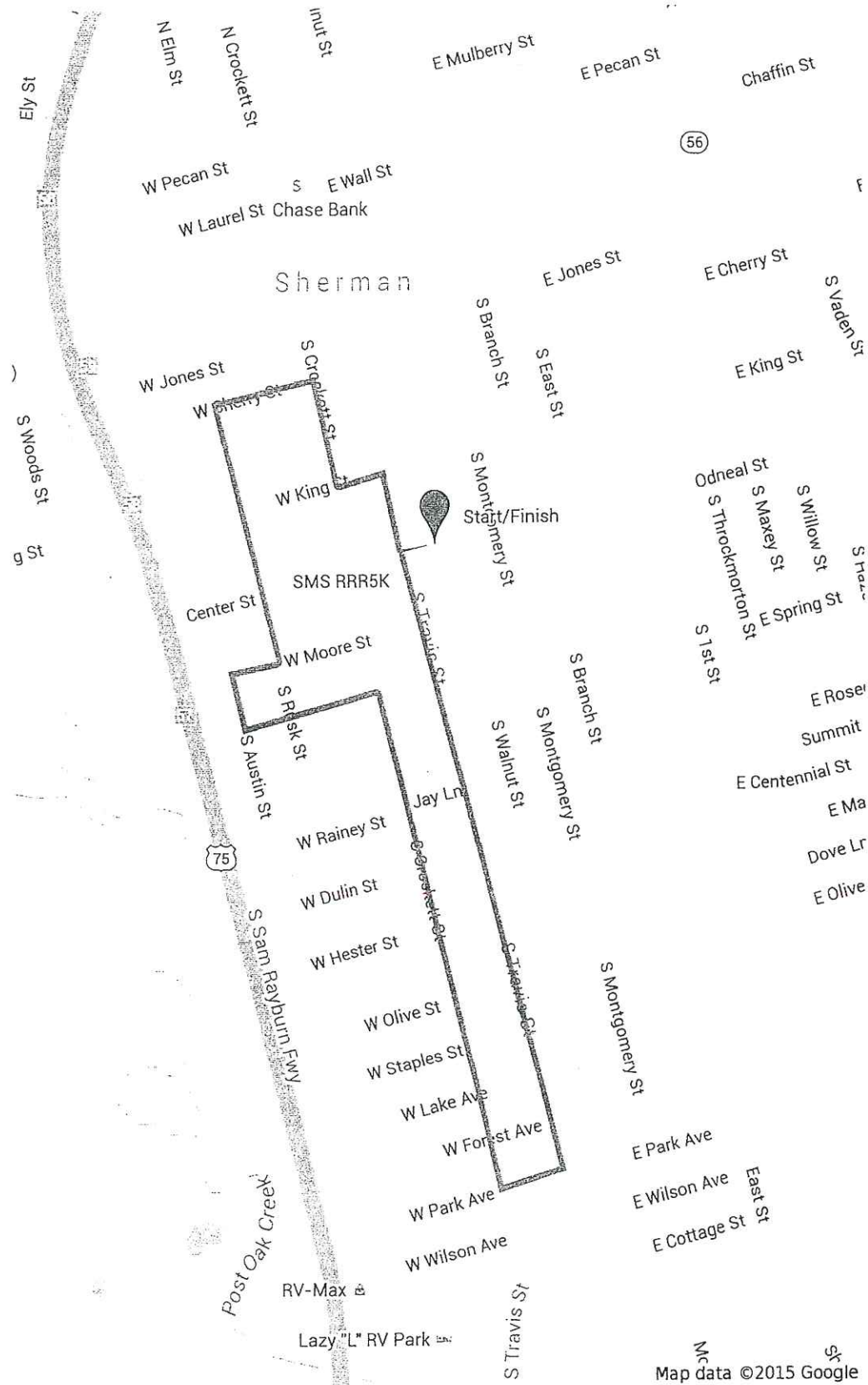
*Office Use Only
Date Request Received:
Event Date Hold Approved: YES NO
If NO, reason:
Date 60 Days Prior to the Event Date:
Date Special Event Application Received:
Requested Event Date Released: YES NO Date:
Community and Support Services Department Signature:

St. Mary's Run Run Rudolph 5K Course

St. Mary's Run Run Rudolph 5K

 SMS RRR5K

 Start/Finish



dumpster

portable
potties

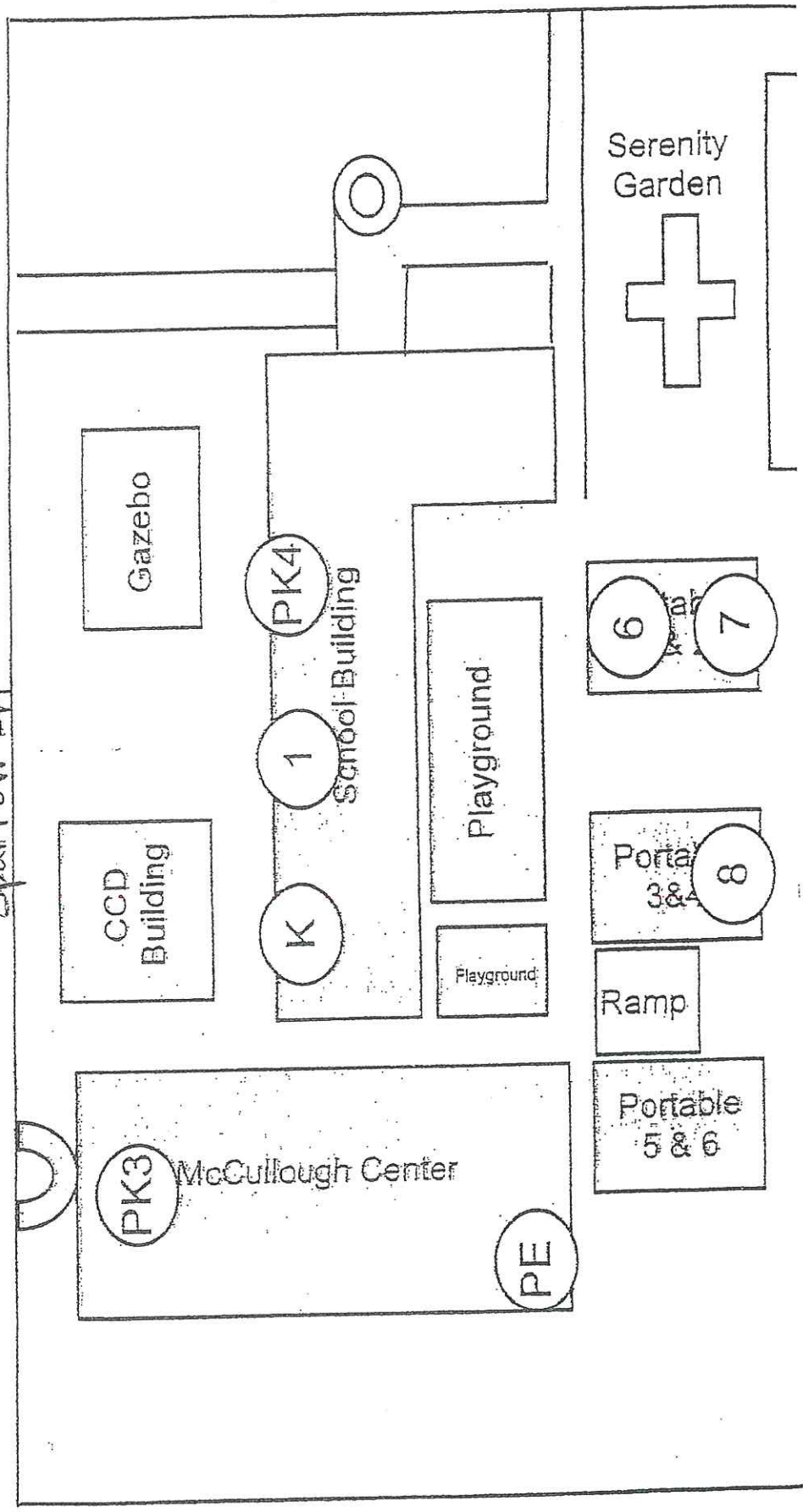
Columbus

St Mary's Parish Center

Start/Finish

SMS Parking Lot

Sparrow Ln



S. Travis St.

Walnut Ln



SHERMAN CITY COUNCIL

Agenda Communication Form

City Council Regular Meeting

Meeting Date: 09/19/2022

Approved By: Robby Hefton, City Manager

Caption:

COUNCIL CALENDAR

Attachments

2022 Council Calendar

2022 Council Calendar

January						
Su	Mo	Tu	We	Th	Fr	Sa
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30	31					

February						
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20	21	22	23	24	25	26
27	28					

March						
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27	28	29	30	31		

April						
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May						
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29	30	31				

June						
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July						
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31						

August						
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28	29	30	31			

September						
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October						
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23	24	25	26	27	28	29
30	31					

November						
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27	28	29	30			

December						
Su	Mo	Tu	We	Th	Fr	Sa
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17	18	19	20	21	22	23
24	25	26	27	28	29	30
31						

	Holiday
	Holiday for Firefighters/Police Only
	City Council Regular Meeting
	City Council Called Meeting
	Special Called Meeting
	Budget Workshop
	Cancelled City Council Meeting

CALLED MEETINGS	
1/18/2022	Rescheduled - Martin Luther King, Jr. Day
2/9/2022	CIP-Public Works Planning Session
2/23/2022	Joint Meeting - Legal Training (Canceled-Bad Weather)
3/23/2022	Joint Meeting - Legal Training
4/19/2022	Budget Planning Meeting
5/26/2022	Capital Improvement Program Work Session
6/7/2022	Budget Workshop - Day 1
6/16/2022	Special Called Meeting
7/5/2022	Rescheduled - Independence Day
9/6/2022	Rescheduled - Labor Day
9/13/2022	Joint Meeting - SEDCO Board
9/22/2022	Review CompPlan and Zoning Ordinances