

**CITY OF SHERMAN  
CITY COUNCIL REGULAR MEETING AGENDA  
COUNCIL CHAMBERS OF THE CITY HALL  
220 WEST MULBERRY STREET  
SHERMAN, TEXAS  
MONDAY, SEPTEMBER 16, 2019  
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 CALLED CITY COUNCIL MEETING OF SEPTEMBER 3, 2019**

**Proclamations**

- B. 1. PROCLAMATION**  
“Constitution Week” – September 17-23, 2019
- B. 2. PROCLAMATION**  
“Breast Cancer Awareness Month” – October 2019

**Citizen Requests**

- C. 1. CITIZEN REQUESTS**

**Public Hearing**

- D. 1. INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 6249**  
Amending Chapter 13 of the Code of Ordinances, entitled "Utilities", at Article 13.06, entitled "Solid Waste", at Sections 13.06.005, 13.06.011, 13.06.014, 13.06.042, 13.06.050, 13.06.052, 13.06.086, 13.06.087, and 13.06.088 to Revise Certain Solid Waste Fees
- D. 2. INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 6250**  
Amending Section 8, Subsection (5)(A), Ordinance No. 2280, so as to Grant a Specific Use Permit Amendment to Allow the Addition of a 12' x 14' Shade Structure and 8' x 12' Accessory Building for Belden Street Montessori Preschool in an R-1 (One Family Residential) District at 618 West Belden Street, being Lot 1, Belden Street Montessori School Addition, a Replat of the east 20' of Lot 46 with a portion of a 15' alley of the Birges-Fairview Addition for a total of 0.66 acres (Sherman Montessori Preschool, Inc., Owners; and Allison West, Representative); Providing that this Specific Use Permit shall be Granted Subject to Certain Conditions; Providing a Penalty not to Exceed \$2,000.00

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

### **D. 3. ADOPTION OF ORDINANCE NO. 6234**

Providing for the Levy of Ad Valorem Taxes for the City of Sherman, Texas, for the Tax Year 2019; 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

### **D. 4. ADOPTION OF ORDINANCES**

Consider Adoption of Ordinance Numbers: 6249 and 6250

### **D. 5. 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

## **Resolutions**

### **E. 1. RESOLUTION NO. 6524**

Approving the Form of Resolution Authorizing the Issuance of Texoma Area Solid Waste Authority Regional Solid Waste Disposal Contract Revenue Refunding Bonds, Series 2019; Establishing Procedures for the Sale and Delivery of the Bonds; Enacting Other Provisions Relating to the Subject; and Providing an Effective Date

### **E. 2. RESOLUTION NO. 6525**

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

### **E. 3. RESOLUTION NO. 6526**

Authorizing the Acceptance and Dedication of Right of Way being called West Travis Street, being dedicated to the City of Sherman by Right-of-Way Dedication Deeds filed of record in Document Nos. 2019-13861, 2019-16891, 2019-16892, 2019-19940, and 2019-11935, Official Public Records, Grayson County, Texas, totaling 15.3876 acres of the Elizabeth Jones Survey, Abstract No. 625, for public use and utility purposes being the construction of a road, West Travis Street, between Moore Street and Sherman Crossroads, Phase I, as filed of record in Volume 24, Pages 65 and 66, Plat Records, Grayson County, Texas

### **E. 4. RESOLUTION NO. 6527**

Awarding a Bid to and Authorizing Execution of a Contract with Vessels Construction based on an Invitation to Bid for Construction of the Fallon Drive Water & Sewer Extension Phase I Project

### **E. 5. RESOLUTION NO. 6528**

Amending the 2018-2019 Budget of the City of Sherman, Texas, Appropriating and Allocating Additional Funds for the Period of October 1, 2018, through September 30, 2019

### **E. 6. \* RESOLUTION NO. 6529**

Authorizing Execution of a Memorandum of Understanding Defining Roles and Responsibilities between the City of Sherman and Austin College regarding Oversight of the Sherman Cultural District Program



- E. 7.        **\* RESOLUTION NO. 6530**  
Authorizing Execution of a Professional Services Agreement with Mike Pietsch, P.E. Consulting Services, Inc. for the City of Sherman's Insurance Services Office (ISO) Survey and Rating
- E. 8.        **\* RESOLUTION NO. 6531**  
Authorizing Execution of a Contract with James E. Frame, PA as Licensed Medical Director for Sherman Fire-Rescue Emergency Medical Services; Providing for a Statement of Medical Direction; Providing for Automatic Renewal
- E. 9.        **\* RESOLUTION NO. 6532**  
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. 10.      **\* RESOLUTION NO. 6533**  
Authorizing Execution of an Agreement for Fire Protection Services between Grayson County and the City of Sherman for the Period of October 1, 2019 through September 30, 2020
- E. 11.      **\* RESOLUTION NO. 6534**  
Authorizing Execution of an Agreement for Ambulance Services with Grayson County for the Period of October 1, 2019 through September 30, 2020
- E. 12.      **\* RESOLUTION NO. 6535**  
Authorizing Execution of a Contract with Grayson County, Texas, for Use of the City of Sherman Animal Shelter
- E. 13.      **\* RESOLUTION NO. 6536**  
Revoking and Replacing Resolution No. 6448; 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
- E. 14.      **\* RESOLUTION NO. 6537**  
Adopting an Investment Policy for the City of Sherman

#### **Requests to Advertise**

- F. 1.        **\* REQUEST TO ADVERTISE**  
Agricultural Lease at the Sherman Wastewater Treatment Plant

#### **Other Business**

- G. 1.        **\* OTHER BUSINESS**  
Replat Approval of The Brooks on Heritage Parkway Addition, Lot 1R, a Replat of Lot 1, The Brooks on Heritage Parkway Addition, being all of Lot 1 of the Brooks on Heritage Parkway Addition, a 2.212 acre tract and a 0.109 acre tract in the Elizabeth Jones Survey, Abstract No. 625, containing 8.749 acres; 1305 S FM 1417, LP, Owners; and Preston Trail Land Surveying, Surveyor [1305 South F.M. 1417 (Heritage Parkway)]

#### **H. MEDIA QUESTIONS**

**I. COUNCIL COMMENTS**

**Executive Session**

**J. 1. EXECUTIVE SESSION**

In Accordance with Chapter 551, Government Code, V.T.C.S. (Open Meetings Law), "The City Council Will Now Hold a Closed Executive Meeting Pursuant to the Provisions of the Open Meetings Law, Chapter 551, Government Code, Vernon's Texas Codes Annotated, in Accordance with the Authority Contained in the Following Sections:

Section 551.071                      Consultation with City Attorney concerning Pending or Contemplated Litigation

Section 551.071                      Consult with the City Attorney on a Matter in which the Duty of the Attorney to the Governmental Body under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with this Chapter

Section 551.074                      Personnel Matters:  
(a)      Deliberate the Evaluation of a Public Officer or Employee:  
            (1)      Annual Performance Evaluation of the City Manager

Section 551.087                      Deliberation Regarding Economic Development Negotiations:  
(a)      Deliberate Regarding Commercial or Financial Information that the City has Received from a Business Prospect and Deliberate any Offers or Incentives to the Business Prospect

**The Council reconvenes into General Session**

**K. 1. OPEN MEETING**

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

**L. 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 September 12, 2019 at 4:00 p.m., and said time of posting was 72 hours before said meeting was convened or called to order.

Dated this 12<sup>th</sup> day of September, 2019.

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City Clerk

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

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

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

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

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

**PERSONS WITH DISABILITIES, WHO PLAN TO ATTEND THIS MEETING AND WHO MAY NEED ASSISTANCE, ARE REQUESTED TO CONTACT 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

Shawn C. Teamann

Council Members

Willie Steele, Council-At-Large, PL #1

Sandra Melton, 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:** 09/16/2019

**Prepared By:** Linda Ashby, City Clerk

**Approved By:** Robby Hefton, City Manager

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**Caption:**

**APPROVE MINUTES OF THE CALLED CITY COUNCIL MEETING OF SEPTEMBER 3, 2019**

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**Attachments**

September 3, 2019

Sherman Cultural District Quarterly Report

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STATE OF TEXAS                    §  
                                                                                 September 3, 2019  
COUNTY OF GRAYSON           §

BE IT REMEMBERED THAT A Called 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 September 3, 2019.

MEMBERS PRESENT:            MAYOR DAVID PLYLER; DEPUTY MAYOR SHAWN TEAMANN.  
                                         COUNCIL MEMBERS HOLLAND, HOWETH, MELTON, STEELE, STEVENSON.

MEMBERS ABSENT:            NONE.

**CALL TO ORDER**

Mayor Plyler called the meeting to order at 5:00 p.m. The Pledge of Allegiance and Invocation were given by Deputy Mayor Shawn Teamann.

CALL TO ORDER

**APPROVE MINUTES**

The Council reviewed the Minutes of the Regular City Council Meeting of August 19, 2019. Council Member Stevenson moved to approve the Minutes, as presented; Second by Council Member Howeth; All present voted AYE.  
MOTION CARRIED.

APPROVE MINUTES

**SPECIAL PRESENTATION**

**PRESENTATION BY TEXAS REPRESENTATIVE REGGIE SMITH**

Reggie Smith, Texas State Representative, recognized Sherman Police Officer Mark Wood for his efforts in getting legislation passed that will help crime victims across Texas.

PRESENTATION BY  
TEXAS  
REPRESENTATIVE  
REGGIE SMITH

There was a young lady that was a victim of a sexual assault at the age of 13. The perpetrator was caught and went to prison. He was released years later, when she was a young woman and showed up at her place of employment for no other reason than to harass her.

The police were called and Officer Wood responded to the call. The man was not doing anything that was technically illegal, but he was harassing her.

Over the course of several months, Officer Wood researched what could be done to help this victim. There was no actual charge that could be filed. Officer Wood also talked with Grayson County District Attorney Brett Smith about the situation, and he confirmed that, legally, there was nothing that could be done.

After collaboration with two other District Judges, they contacted Representative Smith about the possibility of a lifetime protective order for victims of sexual assault. Because of the efforts of Officer Wood and District Attorney Smith, HB

1686 was filed. Officer Wood testified before the Legislature and it was passed in the House. It was then combined with another bill and passed in the Senate as SB 1343, and as of September 1, 2019, it is law. Representative Smith praised the “community collaboration” in getting this law passed. He reiterated that it would not have happened without Officer Wood.

District Attorney Smith added that this was a new tool that could be used to protect victims of sexual assault. If the protective order is in place, the perpetrator can be arrested. He added that the men and women of the Police Department do valiant things every day that don’t get recognized. But Officer Wood saw a problem, stepped up and said I can fix that problem, testified in Austin, and got it changed.

District Attorney Smith presented Officer Wood with a plaque recognizing him for his efforts. Representative Smith presented him with a framed copy of HB 1343, and a United States Flag that has flown over the State Capitol of Texas.

Zach Flores, Police Chief, also recognized Officer Wood for his accomplishment, adding that he has received “Officer of the Quarter” at the Police Department.

He said no officer wants to tell a citizen that they can’t do anything about their problem, even if it’s true. In this case, Officer Wood said there was a problem with the law, and went above and beyond to do something about it.

Officer Wood thanked his family and the other officers that he works with. He said they develop each other into the people that they are. He wanted to know what he could do to protect the victims of Sherman. Officer Wood said he believed in the power of a calling, honor and sacrifice, and making a difference. He added that he was proud to represent his community, and said he was just a “cog in the wheel.”

Mayor Plyler said the City Council was very proud of Officer Wood and greatly appreciated him. He said he had enjoyed knowing him over the years and thanked him for his hard work to get this bill passed, saying it would impact hundreds of thousands of lives across Texas.

**MAYOR DAVID PLYLER’S PRESENTATION TO THE SHERMAN POLICE AND FIRE ASSOCIATIONS**

Mayor Plyler introduced Kevin Garbacik, Police Association President; Shane Kenney, Fire Association Vice President; and Scott Shadden, Director of Development Services.

**PRESENTATION TO  
POLICE & FIRE  
ASSOCIATIONS**

The Blue Sky Songtellers’ concerts were held on July 27, 2019 and August 10, 2019 to benefit the Sherman Police and Fire Associations. Mayor Plyler thanked the police officers and firefighters for all they do.

He presented checks to each representative for their respective associations. Each check was over \$6,200, raised through the concert series.

**SECOND PUBLIC HEARING OF ORDINANCE NO. 6234**

Mayor Plyler called for the Second Public Hearing of Ordinance No. 6234:

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 2019; 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 REPEALER.

ORD 6234  
LEVY OF AD  
VALOREM TAXES

Mayor Plyler said “the City Council will consider the adoption of the tax rate ordinance at the regular meeting scheduled for 5:00 p.m. on Monday, September 16, 2019, at Sherman City Hall, 220 West Mulberry Street, Sherman, Texas.”

Mary Lawrence, Director of Finance, said this was the second of two public hearings required before the tax rate is adopted. Adoption of the ordinance will be considered on the September 16, 2019 Council Agenda.

No citizens appeared before the City Council to discuss Ordinance No. 6234.

Mayor Plyler introduced Ordinance No. 6242 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 DISTRICT 3; FINDING THAT ALL NECESSARY AND REQUIRED LEGAL CONDITIONS HAVE BEEN SATISFIED; PROVIDING THAT THE NOVEMBER 5, 2019 REGULAR MUNICIPAL ELECTION FOR CITY COUNCIL SHALL NOT BE HELD; PROVIDING FOR POSTING OF THIS ORDINANCE ON ELECTION DAY, NOVEMBER 5, 2019; PROVIDING A REPEALER CLAUSE; PROVIDING A SEVERABILITY CLAUSE.

ORD 6242  
CANCEL REGULAR  
MUNICIPAL ELECTION  
FOR NOV. 5, 2019

Robby Hefton, City Manager, said this is an administrative item to declare that the two candidates for City Council are unopposed. Their names will appear on the ballot, they won't be voted for on the ballot.

There will still be an election for the Reauthorization of the Street Sales Tax and for Charter Amendments.

No citizens appeared before the City Council to discuss Ordinance No. 6242.

Mayor Plyler introduced Ordinance No. 6243 and called for a public hearing:

ORD 6243  
ATMOS RATE  
INCREASE

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 2019 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 ATTACHED EXHIBIT ESTABLISHING A BENCHMARK FOR PENSIONS AND RETIREE MEDICAL BENEFITS; APPROVING AN ATTACHED EXHIBIT REGARDING AMORTIZATION OF REGULATORY LIABILITY; REQUIRING THE COMPANY TO REIMBURSE ACSC’S REASONABLE RATEMAKING EXPENSES; PROVIDING FOR A REPEALER; PROVIDING FOR SEVERABILITY; DECLARING AN EFFECTIVE DATE; REQUIRING DELIVERY OF THIS ORDINANCE TO THE COMPANY AND THE ACSC’S LEGAL COUNSEL.

Mr. Hefton said Sherman is a member City for the Atmos Steering Committee and the rate review happens annually. Each year Atmos is required to submit their request for a rate increase and the steering committee represents the cities to make sure the requested increase is reasonable.

Atmos’ original request was for an additional \$70 million and the negotiated rate is at \$35 million. The average residential customer will see an increase of about \$2 and the average commercial customer will see an increase of about \$6.

No citizens appeared before the City Council to discuss Ordinance No. 6243.

Mayor Plyler introduced Ordinance No. 6244 and called for a public hearing:

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AMENDING ARTICLE II OF THE HOME RULE CHARTER, ENTITLED “CITY COUNCIL”, SECTION 11, ENTITLED “ORDINANCES, RESOLUTIONS, MOTIONS AND/OR ORDERS IN GENERAL”, AT PARAGRAPH (D), ENTITLED “PUBLISH DEFINED”; PROVIDING FOR INCLUSION IN THE CODE OF ORDINANCES; PROVIDING FOR SEVERABILITY; PROVIDING FOR A REPEALER.

ORD 6244  
CHANGE TO  
CITY CHARTER

Mr. Hefton said the next five ordinances are a result of the committee that reviewed needed changes to the City’s Charter. The ones presented tonight are administrative in nature and don’t have to be voted on by the public.

These are “cleaning up” the Charter particularly relating to the posting of information and allowing for posting on the City’s website instead of in the newspaper. Another change allows the City Manager to make changes to contracts that are less than the amount provided for by State law.



**COUNCIL MINUTES – SEPTEMBER 3, 2019**

No citizens appeared before the City Council to discuss Ordinance No. 6244.

Mayor Plyler introduced Ordinance No. 6245 and called for a public hearing:

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AMENDING ARTICLE III OF THE HOME RULE CHARTER, ENTITLED "NOMINATIONS AND ELECTIONS", SECTION 1, ENTITLED "MUNICIPAL ELECTIONS", AT PARAGRAPH (E), ENTITLED "FAILURE TO ACT", AT SECTION 2, ENTITLED "FILING OF CANDIDATES", AND AT SECTION 5, ENTITLED "BALLOTS FOR CHARTER AMENDMENTS"; PROVIDING FOR INCLUSION IN THE CODE OF ORDINANCES; PROVIDING FOR SEVERABILITY; PROVIDING FOR A REPEALER.

**ORD 6245  
CHANGE TO  
CITY CHARTER**

No citizens appeared before the City Council to discuss Ordinance No. 6245.

Mayor Plyler introduced Ordinance No. 6246 and called for a public hearing:

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AMENDING ARTICLE V OF THE HOME RULE CHARTER, ENTITLED "FINANCE ADMINISTRATION", SECTION 2, ENTITLED "BUDGET PREPARATION AND MESSAGE", AT PARAGRAPH (A), ENTITLED "PREPARATION AND SUBMISSION OF THE PROPOSED BUDGET", AT SECTION 10, ENTITLED "COUNCIL ACTION ON CAPITAL PROGRAM", PARAGRAPH (A), ENTITLED "NOTICE AND HEARING", AND AT SECTION 15, ENTITLED "CONTRACTS, EXPENDITURES, PURCHASES AND PROCEDURE"; PROVIDING FOR INCLUSION IN THE CODE OF ORDINANCES, PROVIDING FOR SEVERABILITY; PROVIDING FOR A REPEALER.

**ORD 6246  
CHANGE TO  
CITY CHARTER**

No citizens appeared before the City Council to discuss Ordinance No. 6246.

Mayor Plyler introduced Ordinance No. 6247 and called for a public hearing:

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AMENDING ARTICLE VIII OF THE HOME RULE CHARTER, ENTITLED "FRANCHISE AND PUBLIC UTILITIES", AT SECTION 8, ENTITLED "MANDATORY UTILITY CONNECTIONS"; PROVIDING FOR INCLUSION IN THE CODE OF ORDINANCES; PROVIDING FOR SEVERABILITY; PROVIDING FOR A REPEALER.

**ORD 6247  
CHANGE TO  
CITY CHARTER**

No citizens appeared before the City Council to discuss Ordinance No. 6247.

Mayor Plyler introduced Ordinance No. 6248 and called for a public hearing:

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AMENDING ARTICLE X OF THE HOME RULE CHARTER, ENTITLED "GENERAL PROVISIONS", TO

**ORD 6248  
CHANGE TO  
CITY CHARTER**

DELETE SECTION 6, ENTITLED “OFFICIAL NEWSPAPER”, IN ITS ENTIRETY, AND AT SECTION 15, ENTITLED “CHARTER AMENDMENT”, PARAGRAPH (B), ENTITLED “ELECTION FOR AMENDMENTS”; PROVIDING FOR INCLUSION IN THE CODE OF ORDINANCES; PROVIDING FOR SEVERABILITY; PROVIDING FOR A REPEALER.

No citizens appeared before the City Council to discuss Ordinance No. 6248.

The Public Hearing was closed.

**ADOPTION OF ORDINANCES**

**Ordinance 6242**

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 DISTRICT 3; FINDING THAT ALL NECESSARY AND REQUIRED LEGAL CONDITIONS HAVE BEEN SATISFIED; PROVIDING THAT THE NOVEMBER 5, 2019 REGULAR MUNICIPAL ELECTION FOR CITY COUNCIL SHALL NOT BE HELD; PROVIDING FOR POSTING OF THIS ORDINANCE ON ELECTION DAY, NOVEMBER 5, 2019; PROVIDING A REPEALER CLAUSE; PROVIDING A SEVERABILITY CLAUSE.

ORD 6242  
CANCEL REGULAR  
MUNICIPAL ELECTION  
FOR NOV. 5, 2019

**Ordinance 6243**

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 2019 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 ATTACHED EXHIBIT ESTABLISHING A BENCHMARK FOR PENSIONS AND RETIREE MEDICAL BENEFITS; APPROVING AN ATTACHED EXHIBIT REGARDING AMORTIZATION OF REGULATORY LIABILITY; REQUIRING THE COMPANY TO REIMBURSE ACSC’S REASONABLE RATEMAKING EXPENSES; PROVIDING FOR A REPEALER; PROVIDING FOR SEVERABILITY; DECLARING AN EFFECTIVE DATE; REQUIRING DELIVERY OF THIS ORDINANCE TO THE COMPANY AND THE ACSC’S LEGAL COUNSEL.

ORD 6243  
ATMOS RATE  
INCREASE

**Ordinance 6244**

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AMENDING ARTICLE II OF THE HOME RULE CHARTER, ENTITLED “CITY COUNCIL”, SECTION 11, ENTITLED “ORDINANCES, RESOLUTIONS, MOTIONS AND/OR ORDERS IN GENERAL”, AT PARAGRAPH (D), ENTITLED

ORD 6244  
CHANGE TO  
CITY CHARTER

**“PUBLISH DEFINED”; PROVIDING FOR INCLUSION IN THE CODE OF ORDINANCES; PROVIDING FOR SEVERABILITY; PROVIDING FOR A REPEALER.**

**Ordinance 6245**

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AMENDING ARTICLE III OF THE HOME RULE CHARTER, ENTITLED “NOMINATIONS AND ELECTIONS”, SECTION 1, ENTITLED “MUNICIPAL ELECTIONS”, AT PARAGRAPH (E), ENTITLED “FAILURE TO ACT”, AT SECTION 2, ENTITLED “FILING OF CANDIDATES”, AND AT SECTION 5, ENTITLED “BALLOTS FOR CHARTER AMENDMENTS”; PROVIDING FOR INCLUSION IN THE CODE OF ORDINANCES; PROVIDING FOR SEVERABILITY; PROVIDING FOR A REPEALER.**

**ORD 6245  
CHANGE TO  
CITY CHARTER**

**Ordinance 6246**

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AMENDING ARTICLE V OF THE HOME RULE CHARTER, ENTITLED “FINANCE ADMINISTRATION”, SECTION 2, ENTITLED “BUDGET PREPARATION AND MESSAGE”, AT PARAGRAPH (A), ENTITLED “PREPARATION AND SUBMISSION OF THE PROPOSED BUDGET”, AT SECTION 10, ENTITLED “COUNCIL ACTION ON CAPITAL PROGRAM”, PARAGRAPH (A), ENTITLED “NOTICE AND HEARING”, AND AT SECTION 15, ENTITLED “CONTRACTS, EXPENDITURES, PURCHASES AND PROCEDURE”; PROVIDING FOR INCLUSION IN THE CODE OF ORDINANCES, PROVIDING FOR SEVERABILITY; PROVIDING FOR A REPEALER.**

**ORD 6246  
CHANGE TO  
CITY CHARTER**

**Ordinance 6247**

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AMENDING ARTICLE VIII OF THE HOME RULE CHARTER, ENTITLED “FRANCHISE AND PUBLIC UTILITIES”, AT SECTION 8, ENTITLED “MANDATORY UTILITY CONNECTIONS”; PROVIDING FOR INCLUSION IN THE CODE OF ORDINANCES; PROVIDING FOR SEVERABILITY; PROVIDING FOR A REPEALER.**

**ORD 6247  
CHANGE TO  
CITY CHARTER**

**Ordinance 6248**

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AMENDING ARTICLE X OF THE HOME RULE CHARTER, ENTITLED “GENERAL PROVISIONS”, TO DELETE SECTION 6, ENTITLED “OFFICIAL NEWSPAPER”, IN ITS ENTIRETY, AND AT SECTION 15, ENTITLED “CHARTER AMENDMENT”, PARAGRAPH (B), ENTITLED “ELECTION FOR AMENDMENTS”; PROVIDING FOR INCLUSION IN THE CODE OF ORDINANCES; PROVIDING FOR SEVERABILITY; PROVIDING FOR A REPEALER.**

**ORD 6248  
CHANGE TO  
CITY CHARTER**

**ACTION TAKEN.**

**Motion by Council Member Howeth to approve Ordinance Nos. 6242, 6243, 6244, 6245, 6246, 6247, and 6248, as presented. Second by Council Member Stevenson.**

COUNCIL MINUTES – SEPTEMBER 3, 2019

VOTING AYE: Holland, Howeth, Melton, Steele, Stevenson, Teamann.

VOTING NAY: None.

MOTION CARRIED.

CONSENT AGENDA

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

CONSENT AGENDA

RESOLUTIONS

RESOLUTION NO. 6516 – AUTHORIZING EXECUTION OF AN AGREEMENT TO CONTRIBUTE RIGHT OF WAY FUNDS WITH THE TEXAS DEPARTMENT OF TRANSPORTATION TO ACQUIRE RIGHT OF WAY AND EASEMENTS ALONG U.S. HIGHWAY 75 IN THE CITY OF SHERMAN

RES 6516  
ROW EASEMENTS  
ON HWY 75

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING EXECUTION OF AN AGREEMENT TO CONTRIBUTE RIGHT OF WAY FUNDS WITH THE TEXAS DEPARTMENT OF TRANSPORTATION TO ACQUIRE RIGHT OF WAY AND EASEMENTS ALONG U.S. HIGHWAY 75 IN THE CITY OF SHERMAN.

Clint Philpott, Director of Engineering, said as part of the 75 Gap Project, the City is required to participate in the right-of-way cost. The City's portion will be 10% and will include the railroad crossing bridge.

Originally it was thought the bridge would be a construction cost, but it was determined it would be a right-of-way cost. There are also three other drainage easements that will be required. Mr. Philpott said the total cost for the right-of-way is about \$1 million, with the City's portion being \$97,000.

Council Member Steele confirmed that this was above the original amount. Mr. Philpott said, originally they did not think any right-of-way would be required. He added that this is a "fixed amount" so if additional right-of-way is required, there will be no additional cost to the City.

Council Member Steele confirmed that the railroad bridge has been negotiated, but the easements have not. The estimated costs have been reviewed by Mr. Philpott. Mr. Hefton said the railroad costs are about 80% of the total cost. The railroad bridge will be completely removed.

ACTION TAKEN.

Motion by Council Member Steele to approve Resolution No. 6516, as presented. Second by Council Member Melton.

VOTING AYE: Holland, Howeth, Melton, Steele, Stevenson, Teamann.

VOTING NAY: None.

MOTION CARRIED.

**RESOLUTION NO. 6517 – AUTHORIZING EXECUTION OF A SPECIAL WARRANTY DEED WITH HABITAT FOR HUMANITY OF GRAYSON COUNTY FOR THE CONVEYANCE OF CITY-OWNED REAL PROPERTY LOCATED ON SOUTH FIRST STREET, BEING 0.1148 ACRES IN LOT 11, BLOCK 1, G.Y. GRAYS 1<sup>ST</sup> ADDITION (SUPPLEMENT), IN THE CITY OF SHERMAN, GRAYSON COUNTY, TEXAS, FILED FOR RECORD IN VOLUME 1082, PAGE 232 OF THE GRAYSON COUNTY DEED RECORDS**

**RES 6517  
HABITAT FOR  
HUMANITY  
WARRANTY DEED**

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING EXECUTION OF A SPECIAL WARRANTY DEED WITH HABITAT FOR HUMANITY OF GRAYSON COUNTY FOR THE CONVEYANCE OF CITY-OWNED REAL PROPERTY LOCATED ON SOUTH FIRST STREET, BEING 0.1148 ACRES IN LOT 11, BLOCK 1, G.Y. GRAYS 1<sup>ST</sup> ADDITION (SUPPLEMENT), IN THE CITY OF SHERMAN, GRAYSON COUNTY, TEXAS, FILED FOR RECORD IN VOLUME 1082, PAGE 232 OF THE GRAYSON COUNTY DEED RECORDS.

Terrence Steele, Assistant City Manager, said Habitat for Humanity does great work in the City, and Mr. Hefton asked him to see if there was any property owned by the City that could be donated to the organization.

This property on South First Street has been in the City's possession since the 1940's. This would put this property back on the tax rolls.

Council Member Steele confirmed that the staff is also looking at other properties that might be identified and donated to the organization. Mr. Hefton said the staff hoped that any lot not being used by the City, could be put back to use.

**ACTION TAKEN.**

Motion by Council Member Stevenson to approve Resolution No. 6517, as presented. Second by Council Member Holland.

VOTING AYE: Holland, Howeth, Melton, Steele, Stevenson, Teamann.

VOTING NAY: None.

MOTION CARRIED.

**RESOLUTION NO. 6518 – RENAMING THE 2000 BLOCK OF SOUTH TRAVIS STREET TO SOUTH TRAVIS LANE**

**RES 6518  
RENAMING SOUTH  
TRAVIS ST. TO  
SOUTH TRAVIS LANE**

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, RENAMING THE 2000 BLOCK OF SOUTH TRAVIS STREET TO SOUTH TRAVIS LANE.

Mr. Philpott said as part of the City's GIS update to meet 911 addressing requirements, two portions of South Travis Street have the same name.

The staff is proposing to change one of the areas to South Travis Lane. The street numbers will stay the same. The

change will affect six to eight addresses, and will help emergency services locate the correct address.

Council Member Stevenson asked if the change from “street” to “lane” was enough of a distinction to alleviate the confusion. Zach Flores, Police Chief, said it would be enough when entered into the dispatch system.

Council Member Howeth asked about the block north and asked if that should be changed too. Mr. Philpott said any homes that were constructed in that block would be addressed on the east-west street. He said letters would be sent to the addresses affected to advise them of the changes.

**ACTION TAKEN.**

Motion by Council Member Stevenson to approve Resolution No. 6518, as presented. Second by Council Member Howeth.

VOTING AYE: Holland, Howeth, Melton, Steele, Stevenson, Teamann.

VOTING NAY: None.

MOTION CARRIED.

RESOLUTION NO. 6519 – FINDING AND DETERMINING A PUBLIC PURPOSE AND PUBLIC NECESSITY EXISTS FOR CONSTRUCTION OF CITY PROJECT EAST FALLON DRIVE EXTENSION IMPROVEMENTS; APPOINTING AN APPRAISER AND NEGOTIATOR AS NECESSARY; AUTHORIZING THE CITY MANAGER TO ESTABLISH JUST COMPENSATION FOR THE PROPERTY RIGHTS TO BE ACQUIRED; AUTHORIZING THE CITY MANAGER TO TAKE ALL STEPS NECESSARY TO ACQUIRE THE NEEDED PROPERTY RIGHTS IN COMPLIANCE WITH ALL APPLICABLE LAWS AND REGULATIONS

RES 6519  
EAST FALLON DR.  
EXTENSION

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, FINDING AND DETERMINING A PUBLIC PURPOSE AND PUBLIC NECESSITY EXISTS FOR CONSTRUCTION OF CITY PROJECT EAST FALLON DRIVE EXTENSION IMPROVEMENTS; APPOINTING AN APPRAISER AND NEGOTIATOR AS NECESSARY; AUTHORIZING THE CITY MANAGER TO ESTABLISH JUST COMPENSATION FOR THE PROPERTY RIGHTS TO BE ACQUIRED; AUTHORIZING THE CITY MANAGER TO TAKE ALL STEPS NECESSARY TO ACQUIRE THE NEEDED PROPERTY RIGHTS IN COMPLIANCE WITH ALL APPLICABLE LAWS AND REGULATIONS.

Mr. Philpott said additional right-of-way will be required for the East Fallon Drive Extension project, that is currently under design.

Discussion with the property owner has been very slow and in order to keep the project on schedule, the staff is asking for authorization to move forward with the condemnation process. The staff hopes to reach an agreement first, however the project must be kept on schedule and this would be the next step.

**ACTION TAKEN.**

Motion by Council Member Melton to approve Resolution No. 6519, as presented. Second by Council Member Howeth.

VOTING AYE: Holland, Howeth, Melton, Steele, Stevenson, Teamann.

VOTING NAY: None.

MOTION CARRIED.

**RESOLUTION NO. 6520 – AWARDING A BID TO AND AUTHORIZING EXECUTION OF A CONTRACT WITH LYNN VESSELS CONSTRUCTION, LLC BASED ON AN INVITATION TO BID FOR CONSTRUCTION OF THE FLANARY ROAD WASTEWATER EXTENSION PROJECT**

**RES 6520  
FLANARY RD.  
WASTEWATER  
EXTENSION  
PROJECT**

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AWARDING A BID TO AND AUTHORIZING EXECUTION OF A CONTRACT WITH LYNN VESSELS CONSTRUCTION, LLC BASED ON AN INVITATION TO BID FOR CONSTRUCTION OF THE FLANARY ROAD WASTEWATER EXTENSION PROJECT.

Mr. Philpott said this project is the first phase of extending the sewer line to the new high school. Three bids were received and the two lowest were within \$2,000 of each other.

The staff recommends awarding the bid to the lowest bidder, Lynn Vessels Construction, in the amount of \$484,597. Construction is expected to start in October 2019 and should be complete by early next year.

Deputy Mayor Teamann asked about work already being done in that area. Mr. Philpott said some line locates were done in that area. The Sherman Economic Development Corporation also did some sewer work on Flanary Road.

**ACTION TAKEN.**

Motion by Council Member Stevenson to approve Resolution No. 6520, as presented. Second by Council Member Howeth.

VOTING AYE: Holland, Howeth, Melton, Steele, Stevenson, Teamann.

VOTING NAY: None.

MOTION CARRIED.

**RESOLUTION NO. 6521 – AUTHORIZING SUBMISSION OF A JOINT GRANT APPLICATION WITH THE CITY OF DENISON AND GRAYSON COUNTY FOR, AND THE ACCEPTANCE OF, A GRANT AWARDED UNDER THE 2019 JUSTICE ASSISTANCE GRANT PROGRAM - CFDA #16.738**

**RES 6521  
JAG GRANT  
SUBMISSION**

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING SUBMISSION OF A JOINT GRANT APPLICATION WITH THE CITY OF DENISON AND GRAYSON COUNTY FOR, AND THE ACCEPTANCE OF, A GRANT AWARDED UNDER THE 2019 JUSTICE ASSISTANCE GRANT PROGRAM – CFDA #16.738.

CONSENT AGENDA.

**RESOLUTION NO. 6522 – AUTHORIZING EXECUTION OF AN INTERLOCAL AGREEMENT BETWEEN THE CITY OF SHERMAN, THE CITY OF DENISON, AND GRAYSON COUNTY FOR GRANT FUNDING TO BE AWARDED BY THE U.S. DEPARTMENT OF JUSTICE UNDER THE 2019 JUSTICE ASSISTANCE GRANT PROGRAM – CFDA #16.738**

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING EXECUTION OF AN INTERLOCAL AGREEMENT BETWEEN THE CITY OF SHERMAN, THE CITY OF DENISON, AND GRAYSON COUNTY FOR GRANT FUNDING TO BE AWARDED BY THE U.S. DEPARTMENT OF JUSTICE UNDER THE 2019 JUSTICE ASSISTANCE GRANT PROGRAM – CFDA #16.738.  
CONSENT AGENDA.

RES 6522  
JAG GRANT  
AGREEMENT WITH  
DENISON & GRAYSON  
COUNTY

**RESOLUTION NO. 6523 – AUTHORIZING THE EXECUTION OF AGREEMENTS WITH THE SHERMAN HOUSING AUTHORITY, THE GRAYSON COUNTY CRISIS CENTER, THE GRAYSON COUNTY SHELTER, INC., CHILD & FAMILY GUIDANCE CENTER OF TEXOMA, BOYS & GIRLS CLUB OF SHERMAN, INC. FOUR RIVERS OUTREACH AND CASA OF GRAYSON COUNTY FOR THE USE OF COMMUNITY DEVELOPMENT BLOCK GRANT FUNDS**

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING THE EXECUTION OF AGREEMENTS WITH THE SHERMAN HOUSING AUTHORITY, THE GRAYSON COUNTY CRISIS CENTER, THE GRAYSON COUNTY SHELTER, INC., CHILD & FAMILY GUIDANCE CENTER OF TEXOMA, BOYS & GIRLS CLUB OF SHERMAN, INC., FOUR RIVERS OUTREACH, AND CASA OF GRAYSON COUNTY FOR THE USE OF COMMUNITY DEVELOPMENT BLOCK GRANT FUNDS.  
CONSENT AGENDA.

RES 6523  
CDBG FUNDING

**OTHER BUSINESS**

**RECEIVE QUARTERLY REPORT ON THE SHERMAN CULTURAL DISTRICT**

Cary Wacker, Associate Vice President for Institutional Advancement and Director of the Center for Community and Regional Development at Austin College, presented the quarterly report on the Sherman Cultural District.

CULTURAL DISTRICT  
QUARTERLY REPORT

She said they have “had an active summer” and referred them to a printed page that was distributed, listing their activities. These activities are in addition to their work building community partnerships.

They have also been working on the Focalpoint(!) Project, a grant project that extends through June 2020. This summer, they hosted a three-day photography workshop, in partnership with the Parks and Recreation Department. The goal of the Focalpoint(!) Project is to give citizens a voice in telling Sherman’s story.



Several additional projects are planned in conjunction with the Arts Fest on September 21, 2019. These projects will involve citizen participation.

Other events are scheduled for October 2019, during National Arts and Humanities Month, and a grant proposal workshop will be held on October 8, 2019, for arts nonprofits. This will assist those nonprofits in finding funding to sustain their organizations.

Ms. Wacker discussed the impact that cultural tourism has on travel in Texas cities and counties. She said tourism continues to have a significant economic impact on the City of Sherman. The goal of the Cultural District Program, the Main Street Program, and Sherman Tourism, is to continue to enhance the attractions that Sherman has to draw those tourists in.

Deputy Mayor Teamann asked if the Cultural District worked with the Chamber of Commerce Leadership Program to install the “Sherman” art sign on Travis Street. Ms. Wacker said they did not, however one of their main goals was to have more public art located downtown.

Council Member Howeth asked about the possibility of painting angel wings on a building downtown for photo opportunities.

**CONSIDER REQUEST OF THE GRAYSON HISPANIC HERITAGE COUNCIL OF SHERMAN TO TEMPORARILY CLOSE CERTAIN STREETS AND USE CERTAIN CITY FACILITIES AND SERVICES FOR THE “ANNUAL HISPANIC HERITAGE FESTIVAL” ON SATURDAY, SEPTEMBER 14, 2019**

The City Council approved the request of the Grayson Hispanic Heritage Council of Sherman to close certain streets for the Annual Hispanic Heritage Festival on September 14, 2019.

Streets around the Municipal Building will be closed from 11:00 a.m. until 5:00 p.m. The City will also provide additional solid waste containers, cones, and barricades.  
CONSENT AGENDA.

CLOSE STREETS  
HISPANIC HERITAGE  
FESTIVAL  
(SEPT. 14, 2019)

**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 7, 2019**

The City Council approved the request of St. Mary’s Catholic School to close certain streets for the Run Run Rudolph 5K and Family Fun Run/Walk on December 7, 2019.

The event will begin and end at St. Mary’s Catholic School, and will require barricade placement and removal along the route. They will also need police officers to maintain safety at certain points along the route.  
CONSENT AGENDA.

CLOSE STREETS  
RUN RUN RUDOLPH  
5K RUN/WALK  
(DEC. 7, 2019)

CITIZENS REQUESTS

There were no citizen's requests.

CITIZENS REQUESTS

MEDIA QUESTIONS

There were no media questions

MEDIA QUESTIONS

COUNCIL COMMENTS

RECOGNITION OF OFFICER MARK WOOD

Council Member Stevenson said it was awesome that Sherman has first responders that care so much about the citizens, that they would go out of their way to find an injustice and work to make it right. He recognized Officer Wood for making a difference, adding he was very proud of the work he did.

RECOGNITION OF  
OFFICER MARK WOOD

RECOGNITION OF OFFICER MARK WOOD

Council Member Holland agreed saying, those are the type of things that make him feel good about living in Sherman. One officer making a difference and it spreads across the State.

RECOGNITION OF  
OFFICER MARK WOOD

RECOGNITION OF OFFICER MARK WOOD

Deputy Mayor Teamann said that was such a special thing for Officer Wood to do, and said all levels of government should work together like that. He said he greatly appreciated the effort that all involved played in the process.

RECOGNITION OF  
OFFICER MARK WOOD

RECOGNITION OF OFFICER MARK WOOD

Council Member Howeth said she has known Officer Wood since he was a child. She said many years ago, he was extremely ill and "we almost lost him." There are many reasons why he was allowed to get healthy, but this is definitely one of the reasons. His efforts will make a change in many, many lives, for years to come.

RECOGNITION OF  
OFFICER MARK WOOD

LIBRARY PARK

Council Member Howeth said she thought they started construction on the Library Park today. It looked like the equipment has arrived.

LIBRARY PARK

RECOGNITION OF OFFICER MARK WOOD

Council Member Steele said the recognition today makes what they do a little better, and he's proud to be a part of it.

RECOGNITION OF  
OFFICER MARK WOOD

RECOGNITION OF OFFICER MARK WOOD

Council Member Melton said Sherman is growing, but it's still family and she is glad to know she works with people that look ahead and do things that will impact many people in the future.

RECOGNITION OF  
OFFICER MARK WOOD

EMPLOYEES WORKING ON LABOR DAY

Council Member Melton thanked the City employees that worked yesterday, while many had the day off for Labor Day.

EMPLOYEES WORKING  
ON LABOR DAY

CITIZENS BACKING THE FIRST RESPONDERS

Mayor Plyler said Sherman citizens back the first responders. Checks in the amount of almost \$13,000 were distributed

CITIZENS BACKING  
FIRST RESPONDERS

tonight to the Police and Fire Associations through an event supported by the citizens.

**ANNOUNCEMENTS**

Mayor Plyler announced the following:

- Coffee With the Mayor will be held on September 6, 2019, at 8:00 a.m., at Douglass Distributing. This month's guest will be Sarah McRae, Tourism/Main Street Manager.
- Arts Fest will be held September 21, 2019, at Lucy Kidd-Key Park, with activities for the entire family.
- Downtown Sherman NOW will be holding their annual Stroll on the Square on October 5, 2019. Tickets are still available.

**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**

- |                    |                                                                                                                                                                                                                                |
|--------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| SECTION 551.071 -- | CONSULTATION WITH CITY ATTORNEY CONCERNING PENDING OR CONTEMPLATED LITIGATION                                                                                                                                                  |
| SECTION 551.071 -- | CONSULT WITH THE CITY ATTORNEY ON A MATTER IN WHICH THE DUTY OF THE ATTORNEY TO THE GOVERNMENTAL BODY UNDER THE TEXAS DISCIPLINARY RULES OF PROFESSIONAL CONDUCT OF THE STATE BAR OF TEXAS CLEARLY CONFLICTS WITH THIS CHAPTER |
| SECTION 551.074 -- | PERSONNEL MATTERS:<br>CONSIDER THE QUALIFICATIONS, APPOINTMENT AND REMOVAL OF MEMBERS TO BOARDS AND COMMISSIONS:<br>TEXOMA COMMUNITY CENTER BOARD OF TRUSTEES (1)                                                              |
| SECTION 551.087 -- | DELIBERATION REGARDING ECONOMIC DEVELOPMENT NEGOTIATIONS:<br>DELIBERATE REGARDING COMMERCIAL OR FINANCIAL INFORMATION THAT THE CITY HAS                                                                                        |

RECEIVED FROM A BUSINESS  
PROSPECT AND DELIBERATE ANY  
OFFERS OR INCENTIVES TO THE  
BUSINESS PROSPECT

On Motion duly made and carried, the Open Meeting recessed  
and reconvened in Executive Session at 5:54 p.m.

On Motion duly made and carried, the Executive Session  
recessed at 7:10 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

APPOINT/REMOVE OR CONSIDER QUALIFICATIONS TO  
BOARDS AND COMMISSIONS

TEXOMA COMMUNITY CENTER BOARD OF TRUSTEES (1)  
ACTION TAKEN.

Motion by Deputy Mayor Teamann to reappoint Billy  
Hamilton to the Texoma Community Center Board of  
Trustees, for a term from August 31, 2018 to August 31,  
2020, as presented. Second by Council Member  
Stevenson.

VOTING AYE: Holland, Howeth, Melton, Steele, Stevenson,  
Teamann.

VOTING NAY: None.

MOTION CARRIED.

TEXOMA COMMUNITY  
CENTER BOARD  
OF TRUSTEES

ADJOURNMENT

On Motion duly made and carried, the meeting adjourned at  
7:11 p.m.

ADJOURNMENT

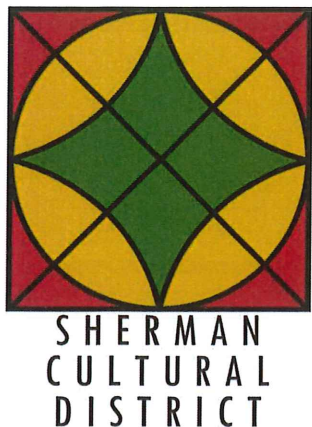
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MAYOR

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CITY CLERK

# SCD Quarterly Report | September 2019



## Activity Summary (June-August)

- 3 Cultural District Advisory Council meetings
- Annual Report submitted to Texas Commission on the Arts
- Two summer interns at Austin College
- 3-day photography workshop in partnership with Sherman Parks & Rec
- Advisory Council participation in TCA webinar "Free & Low Cost Marketing Resources from Texas Tourism Partners"
- Presentation to Sherman Noon Lion's Club
- Interview with Herald-Democrat
- Focalpoint(!) Project activities



## COMING EVENTS

- ▶ **September 21**—Arts Fest 2019—Focalpoint(!) Project activities
  - Photo exhibit
  - Artist Reception
  - Mural Creation
  - Photography Workshop
- ▶ **October** is National Arts & Humanities Month
- ▶ **October 8**—Grant writing seminar for arts nonprofits. 4-6 pm, Austin College
- ▶ **December 7**—Christmas Parade participation
- ▶ **February 2020**—(1) Winter art tour and (2) Community meetings with public art consultant
- ▶ **June 2020**—Focalpoint(!) Festival



## 2018 TRAVEL IMPACT FOR SHERMAN

**\$79.72M**

**\$1.544M**

Source: Travelstats.com | Dean Runyon Assoc.

**\$15.33M**

**620**

DIRECT TRAVEL SPENDING—Purchases by travelers during their trip

DIRECT TAX RECEIPTS—Sherman sales tax (excluding state sales tax) collected on applicable travel-related purchases, including lodging, food and beverage service, retail goods and motor fuel.



DIRECT EARNINGS—wage and salary disbursements, earned benefits and proprietor income of employees and owners of businesses that are attributable to travel

DIRECT EMPLOYMENT—associated with the above earnings, including full- and part-time and proprietors.



# SHERMAN CITY COUNCIL

## Agenda Communication Form

### City Council Regular Meeting

B. 1.

**Meeting Date:** 09/16/2019

**Prepared By:** Linda Ashby, City Clerk

**Approved By:** Robby Hefton, City Manager

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### **Caption:**

### **PROCLAMATION**

"Constitution Week" – September 17-23, 2019

### **Issue:**

To present a proclamation recognizing the anniversary of the framing of the Constitution of the United States of America

### **Background:**

Each year, the Daughters of the American Revolution celebrate "Constitution Week" in honor of the framing of the Constitution. The Martha Jefferson Randolph Chapter of the Daughters of the American Revolution hold an annual event in Grayson County celebrating "Constitution Week" with a special ceremony and public reading of the Constitution.

### **Origination:**

The request originated with the Martha Jefferson Randolph Chapter of the Daughters of the American Revolution.

### **Financial Consideration:**

There is no financial consideration to the City.

### **Staff Recommendation:**

It is the recommendation of the staff to present a proclamation designating September 17 through 23, 2019 as "Constitution Week" in Sherman.

### **Alternatives:**

The Council could choose not to present the proclamation.

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### **Attachments**

"Constitution Week" Proclamation

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## Proclamation

WHEREAS, the Constitution of the United States of America, the guardian of our liberties, embodies the principles of limited government in a Republic dedicated to rule by law, and

WHEREAS, September 17, 2019 marks the two hundred and thirty-second anniversary of the framing of the Constitution of the United States of America by the Constitutional Convention, and

WHEREAS, it is fitting and proper to accord official recognition to this magnificent document and its memorable anniversary, and to the patriotic celebrations which will commemorate it, and

WHEREAS, Public Law 915 guarantees the issuing of a proclamation each year by the President of the United States of America designating September 17 through 23 as Constitution Week.

NOW THEREFORE, I, David Plyler, Mayor of the City of Sherman, Texas, by the authority vested in me, do hereby proclaim September 17 through 23, 2019

### CONSTITUTION WEEK

in the City of Sherman and ask all citizens to reaffirm the ideals the Framers of the Constitution had in 1787 by vigilantly protecting the freedoms guaranteed to us through this guardian of our liberties.

I HEREBY CERTIFY, I have hereunto set my hand and caused the seal of the City of Sherman to be affixed this the 16<sup>th</sup> day of September, 2019.

---

Mayor

ATTEST:

*Sarah Ashby*  
\_\_\_\_\_  
City Clerk



# SHERMAN CITY COUNCIL

## Agenda Communication Form

### City Council Regular Meeting

B. 2.

**Meeting Date:** 09/16/2019

**Prepared By:** Linda Ashby, City Clerk

**Approved By:** Robby Hefton, City Manager

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**Caption:**

**PROCLAMATION**

"Breast Cancer Awareness Month" – October 2019

**Issue:**

To raise awareness of breast cancer and the importance of early detection, and to recognize and support breast cancer survivors, those battling the disease, and their loved ones.

**Background:**

October is Breast Cancer Awareness Month; and Reba's Ranch House is working to raise awareness about the importance of early detection.

**Origination:**

The request originated with Reba's Ranch House.

**Financial Consideration:**

There is no financial consideration to the City.

**Staff Recommendation:**

It is the recommendation of the staff to present a proclamation designating October 2019 as "Breast Cancer Awareness Month" in Sherman.

**Alternatives:**

The Council could choose not to present the proclamation.

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**Attachments**

"Breast Cancer Awareness Month" Proclamation

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## Proclamation

WHEREAS, each year too many Americans are touched by the pain and hardship caused by breast cancer, and

WHEREAS, it is important to recognize the courage of those who have fought, are fighting, or will fight breast cancer in their lifetime, and the loved ones who give them unending support through the most trying times, and

WHEREAS, the City of Sherman is committed to raising awareness about breast cancer and the impact it has on our loved ones, friends, colleagues, and community members, and

WHEREAS, thousands of women and men in our country take on the fight against breast cancer each year and screening and early detection can make a tremendous difference in overcoming breast cancer.

NOW THEREFORE, I, David Plyler, Mayor of the City of Sherman, Texas, by the authority vested in me, do hereby proclaim October 2019

### BREAST CANCER AWARENESS MONTH

in the City of Sherman and ask all citizens to raise the awareness of breast cancer in our community as we work to support survivors, those currently battling breast cancer, and those who might detect it in its early stages.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the seal of the City of Sherman to be affixed this the 16<sup>th</sup> day of September, 2019.

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Mayor

ATTEST:

*Linda Ashby*  
\_\_\_\_\_  
City Clerk



# SHERMAN CITY COUNCIL

## Agenda Communication Form

### City Council Regular Meeting

D. 1.

**Meeting Date:** 09/16/2019

**Prepared By:** Mary Lawrence, Director of Finance

**Approved By:** Robby Hefton, City Manager

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#### **Caption:**

#### **INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 6249**

Amending Chapter 13 of the Code of Ordinances, entitled "Utilities", at Article 13.06, entitled "Solid Waste", at Sections 13.06.005, 13.06.011, 13.06.014, 13.06.042, 13.06.050, 13.06.052, 13.06.086, 13.06.087, and 13.06.088 to Revise Certain Solid Waste Fees

#### **Issue:**

Amending the Code of Ordinances to revise certain solid waste residential, commercial and recycling collection rates

#### **Background:**

As part of the budget process for fiscal year 2019-2020, the City Council approved a \$6.00 per account decrease in residential solid waste rates. A twenty percent (20%) increase in commercial solid waste rates plus an additional tonnage fee for loads greater than five tons was also approved to bring the City's commercial rates in line with other cities. The rate increase will take effect October 1, 2019.

#### **Origination:**

City Council

#### **Financial Consideration:**

These rate changes are expected to generate about \$200,000.00 annually.

#### **Staff Recommendation:**

The staff recommends that the Council approve the proposed solid waste rate changes in Chapter 13 of the Code of Ordinances.

#### **Alternatives:**

While not recommended, the Council could choose to leave the current solid waste rates unchanged by not adopting the proposed ordinance.

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#### **Attachments**

Ordinance No. 6249

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## ORDINANCE NO. 6249

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AMENDING CHAPTER 13 OF THE CODE OF ORDINANCES, ENTITLED "UTILITIES", AT ARTICLE 13.06, ENTITLED "SOLID WASTE", AT SECTIONS 13.06.005, 13.06.011, 13.06.014, 13.06.042, 13.06.050, 13.06.052, 13.06.086, 13.06.087, AND 13.06.088 TO REVISE CERTAIN SOLID WASTE FEES; 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 13.06 of the Code of Ordinances of the City of Sherman, Texas, entitled "Solid Waste", be amended at Section 13.06.005 to read as follows:

### **Sec. 13.06.005 Charges for residential refuse collection**

Charges for automated residential solid waste collection shall be as follows beginning October 1, ~~2018-2019~~:

- (1) ~~Eighteen dollars and seventy five cents (\$18.75)~~ *Twelve dollars and seventy-five cents (\$12.75)* per month per family unit for two containers for curb or alley pickup. Customer may choose between two residential refuse containers or one refuse container and one recycling container.
- (2) Carry-out service shall be forty-one dollars and thirty cents (\$41.30) per month per family unit for one cart.
- (3) If the location of garbage for carry-out service is in excess of one hundred fifty (150) feet from the curb or alley, an additional charge of five dollars and sixty cents (\$5.60) per month will be made for each additional one hundred fifty (150) feet or portion thereof. "Curb" is defined as being within three (3) feet of the curbline of the street.
- (4) For multiple dwellings or apartments, with four (4) or fewer units, each family unit will be considered as a single-family residence in fixing charges for services.
- (5) Residential special refuse pickups, upon customer request, will be charged three hundred dollars and no cents (\$300.00) (\$20.00 cubic yard) per fifteen (15) cubic yard load with a minimum charge of eighty dollars and no cents (\$80.00). All residential customers requesting roll-off service, regardless of size container, will be required to pay before the container is placed.

(6) Noncompliance with the bulk waste and brush program guidelines will be subject to a one hundred dollars and no cents (\$100.00) fine plus fifteen dollars and no cents (\$15.00) per cubic yard for removal.

(7) For any cart in addition to the two initially provided to the automated residential solid waste and/or recycling customer, a charge of eight dollars and no cents (\$8.00) per cart, per month will be assessed.

(8) Residential and recycle cart special pickups, upon customer request, will be charged twenty-five dollars and no cents (\$25.00) per trip.

**SECTION 2.** That Chapter 13, Article 13.06 of the Code or Ordinances of the City of Sherman, Texas, Entitled "Solid Waste", be amended at Section 13.06.011 to read as follows:

**Sec. 13.06.011 ~~Annual permit required for special waste haulers~~ *Special waste haulers***

(1) *Special waste haulers shall obtain permission from the Solid Waste Superintendent to provide services within the City limits.*

~~(a) No person or entity within the city shall collect, transport or dispose of any special waste or hazardous waste without first obtaining a special waste hauler's permit from the division of solid waste.~~

~~(b) The person applying for a special waste hauler's permit shall make application to the city's solid waste division on forms provided for that purpose, and pay the required fee. The application shall require the following information:~~

~~(1) The name and business address of the applicant.~~

~~(2) The name of the owner of the property and the address where the special waste will be collected.~~

~~(3) A description of the special waste or hazardous waste to be collected.~~

~~(4) The location where the special waste or hazardous waste will be disposed, including proof, when required by the head of the solid waste division, that the applicant is legally authorized to dump at the specified location.~~

~~(5) A description and the license number of the motor vehicles to be used in collecting and transporting the special waste or hazardous waste within the city.~~

~~(6) Any other information which is reasonably necessary to administer this section.~~

~~(c) The head of the solid waste division shall issue the special waste or hazardous waste hauler's permit to the applicant if:~~

~~(1) Proper application has been made and the annual fee of fifty dollars (\$50.00) is paid.~~

~~(2) The applicant will only be collecting special waste as defined in this article.~~

~~(3) The applicant is authorized to use the specified disposal site and the manner and place of disposal does not appear to violate any state or federal law or regulation or city ordinance.~~

~~(d) The special waste or hazardous waste hauler's permit shall be valid for one (1) year from the date of issuance.~~

**SECTION 3.** That Chapter 13, Article 13.06 of the Code of Ordinances of the City of Sherman, Texas, entitled "Solid Waste", be amended at Section 13.06.014 to read as follows:

**Sec. 13.06.014 Residential customers' drop-off facility**

(a) Residential waste customers only may deposit their bulky waste, residential solid waste and refuse or rubbish as defined in [section 13.06.001](#), in the city's drop-off facilities on Tuesday and Thursdays from three (3) p.m. to five (5) p.m. and Saturdays from ten (10) a.m. to three (3) p.m., excluding holidays.

(b) *All loads must be secured to prevent spillage on the public roadways.*

~~(b)~~ (c) Charges for bulky waste and refuse or rubbish are as follows:

(1) Ten dollars and no cents (\$10.00) for up to the first two (2) cubic yards (54 cubic feet) and five dollars and no cents (\$5.00) for each cubic yard (27 cubic feet) thereafter.

(2) Five dollars and no cents (\$5.00) for each appliance. Only CFC certified refrigerators will be accepted.

(3) Two dollars and fifty cents (\$2.50) for each tire. Only passenger tires are accepted.

(4) One dollar and fifty cents (\$1.50) for each car battery.

(5) *Loads not secured shall be charged a twenty dollars and no cents (\$20.00) fee.*

**SECTION 4.** That Chapter 13, Article 13.06 of the Code of Ordinances of the City of Sherman, Texas, entitled "Solid Waste", be amended at Section 13.06.042 to read as follows:

**Sec. 13.06.042 Residences required to have service; use of roll-out carts**

(a) Any residence having water service shall be required to have solid waste service and pay for same at rates set forth herein. ~~All multifamily units with four (4) or fewer units shall be required to utilize city solid waste services if receiving city water service. Until June 1, 2004, multifamily units in excess of four (4) units shall either utilize city services or shall contract with a city-franchised private hauler as defined and described in this article. Effective June 1, 2004, multifamily units in excess of four (4) units shall contract with the city for service.~~

(b) All residential customers shall use the automated solid waste roll-out carts as provided by the city. Each cart shall be placed out by the curb no earlier than twenty-four (24) hours prior to the scheduled collection day and shall be removed from the curb no later than twelve (12) hours after the scheduled collection day.

**SECTION 5.** That Chapter 13, Article 13.06 of the Code of Ordinances of the City of Sherman, Texas, entitled "Solid Waste", be amended at Section 13.06.050 to read as follows:

**Sec. 13.06.050 Automated residential refuse collection**

(a) Those residential solid waste customers located in areas to receive automated residential refuse collection will be provided, at no charge, a one hundred (100) gallon or smaller cart and their choice of either another refuse cart or a recycle cart. All carts will remain the property of the city and should under no circumstances be removed from the assigned address. Any person responsible for damage due to willful negligence or abuse will be liable for the cost of a new cart or repair of the existing one.

(b) Waste collection for customers on the automated routes will be once per week on one of the following days: Monday, Tuesday, Wednesday, Thursday or Friday.

(c) On trash pickup days, all roll-out automated pickup containers shall be placed by seven (7) a.m. with the white serial number facing the street. Each container shall be placed immediately adjacent to the street and in no event more than one (1) foot from the street, and shall be at least three (3) feet from mailboxes, trees and other such obstructions, and twenty (20) feet from any cars, trailers, boats and the like in order to provide adequate and safe clearance for the automated pickup equipment.

(d) All residential waste, refuse, rubbish or trash placed in the roll-out carts shall be bagged and closed for health and safety purposes and placed in the containers so that the container lid shall fit flat and level on its base so as to close securely.

(e) Residential solid waste customers may choose to have one container at ~~fifteen~~ nine dollars and sixty cents ~~(\$15.60)~~ (\$9.60) per family unit per month under the following conditions:

- (1) Age sixty-five (65) and over. Solid waste customers who are sixty-five (65) years of age or over may opt to have only one container. Customers may request a service change from the city's water department and, upon presenting proof of age, may be

issued a written waiver. Solid waste customers who own or manage properties other than their primary residence may not use this service option for the benefit of the tenants residing on those properties.

- (2) Physically unable. Those customers who are physically and permanently unable to place a roll-out container at the curb or alley, without regard to age, or are using carry-out service, may opt to have only one container by requesting the city's water department to issue them a written waiver upon proof of permanent physical disability.

**SECTION 6.** That Chapter 13, Article 13.06 of the Code of Ordinances of the City of Sherman, Texas, entitled "Solid Waste", be amended at Section 13.06.052 to read as follows:

**Sec. 13.06.052 Private recyclable collection**

- (a) Nothing in [section 13.06.051](#) above shall prohibit a private person or entity from collecting, gathering, or transporting recyclable refuse collected from property owners within the city with their consent, provided no fees or expenses are charged to the owner.
- (b) Any private person or entity who transports recyclable refuse collected from any property inside the city to a point outside the city more than three (3) times per year shall ~~register with~~ *notify* the city's solid waste division, ~~on forms provided for that purpose. There shall be no fee for registration.~~
- (c) As used in this section, "recyclable refuse" means glass, tin, aluminum, paper, newspaper or other discarded materials which are not special waste and have been separated from other garbage, trash and rubbish at the point of collection for delivery to another location for processing for reuse.

**SECTION 7.** That Chapter 13, Article 13.06 of the Code of Ordinances of the City of Sherman, Texas, entitled "Solid Waste", be amended at Section 13.06.086 to read as follows:

**Sec. 13.06.086 Charges for standard and automated waste and recycling containers (100-gallon), commercial pickups on Saturdays**

- (a) Commercial charges for one (1) standard container, as defined in [section 13.06.084](#), are established as follows:

| <u>Pickups per Week</u> | <u>Monthly Charge</u>       |
|-------------------------|-----------------------------|
| 1                       | <del>\$17.80</del> \$21.40  |
| 2                       | <del>\$35.80</del> \$43.00  |
| 3                       | <del>\$53.80</del> \$64.50  |
| 4                       | <del>\$71.40</del> \$85.70  |
| 5                       | <del>\$89.40</del> \$107.30 |

For additional standard containers over the allowable one, there will be added an additional ~~seventeen dollars and eighty cents~~ *twenty-one dollars and forty cents* ~~(\$17.80)~~ *(\$21.40)* per container to the charges specified above.

(b) The commercial charge for one (1) optional automated 100-gallon container, as defined in section 13.06.084, shall be ~~twenty-three dollars and twenty cents~~ *twenty-seven dollars and eighty cents* ~~(\$23.20)~~ *(\$27.80)* per month for one pickup per week. For additional 100-gallon containers over the allowable one (1), there will be added an additional ~~twenty-three dollars and twenty cents~~ *twenty-seven dollars and eighty cents* ~~(\$23.20)~~ *(\$27.80)* per container, per month to the initial ~~twenty-three dollars and twenty cents~~ *twenty-seven dollars and eighty cents* ~~(\$23.20)~~ *(\$27.80)*.

(c) Commercial charges for one (1) commingled recycling container (100 gallon) are established as follows:

| <u>Monthly Rate for:</u>                         | <u>Every Other Week<br/>Collection</u> | <u>Weekly<br/>Collection</u>      | <u>Each Additional<br/>Container</u> |
|--------------------------------------------------|----------------------------------------|-----------------------------------|--------------------------------------|
| Governmental, educational and nonprofit agencies | <del>\$3.40</del> <i>\$4.10</i>        | <del>\$6.85</del> <i>\$8.20</i>   | <del>\$3.40</del> <i>\$4.10</i>      |
| Commercial establishments                        | <del>\$5.70</del> <i>\$6.80</i>        | <del>\$11.40</del> <i>\$13.70</i> | <del>\$3.40</del> <i>\$4.10</i>      |

(d) Other charges will be based on the time required for pickup at a rate of ~~seventy-five one-hundred~~ *one-hundred* dollars and no cents ~~(\$75.00)~~ *(\$100.00)* per hour. This provision is intended to apply to special commercial pickups upon customer request and also commercial refuse not placed in standard containers as defined in [section 13.06.084](#).

(e) No commercial pickups will be made on Saturdays except from restaurants, food stores and food-dispensing institutions.

(f) When two (2) or more businesses are located in a single building with a single water meter, each business will be required to obtain their own solid waste service and each business will be billed independently for said waste service.

**SECTION 8.** That Chapter 13, Article 13.06 of the Code of Ordinances of the City of Sherman, Texas, entitled "Solid Waste", be amended at Section 13.06.087 to read as follows:

**Sec. 13.06.087 Charges for commercial front-load containers**

(a) Deposits for commercial front load containers are established as follows for the collection of compacted and non-compacted waste.

| <u>Cubic Yards</u> | <u>Deposit</u> |
|--------------------|----------------|
| 2                  | \$100.00       |
| 3                  | \$150.00       |
| 4                  | \$175.00       |



|   |          |
|---|----------|
| 6 | \$200.00 |
| 8 | \$250.00 |

(b) Monthly service charges for commercial front-load containers, as defined in section 13.06.084, are established as follows:

#### WASTE COLLECTION

| Size of Container in Cubic Yards | Monthly Service Charges per Container |                                 |                                 |                                 |                                 |                                 |                                 | Additional Unscheduled Pickups—per Pickup |
|----------------------------------|---------------------------------------|---------------------------------|---------------------------------|---------------------------------|---------------------------------|---------------------------------|---------------------------------|-------------------------------------------|
| Non-Compacted Trash              | Collection Days per Week              |                                 |                                 |                                 |                                 |                                 |                                 |                                           |
|                                  | 1x                                    | 2x                              | 3x                              | 4x                              | 5x                              | 6x                              | 7x                              |                                           |
| 2                                | \$60.00                               | \$92.00                         | \$135.00                        | \$179.00                        | \$222.00                        | \$255.00                        | \$288.00                        | \$22.00                                   |
|                                  | \$72.00                               | \$110.00                        | \$162.00                        | \$215.00                        | \$266.00                        | \$306.00                        | \$346.00                        | \$26.00                                   |
| 3                                | \$71.00                               | \$125.00                        | \$191.00                        | \$244.00                        | \$316.00                        | \$369.00                        | \$424.00                        | \$27.00                                   |
|                                  | \$85.00                               | \$150.00                        | \$229.00                        | \$293.00                        | \$379.00                        | \$443.00                        | \$509.00                        | \$32.00                                   |
| 4                                | \$92.00                               | \$147.00                        | \$234.00                        | \$316.00                        | \$381.00                        | \$456.00                        | \$538.00                        | \$33.00                                   |
|                                  | \$110.00                              | \$176.00                        | \$281.00                        | \$379.00                        | \$457.00                        | \$547.00                        | \$646.00                        | \$40.00                                   |
| 6                                | \$114.00                              | \$179.00                        | \$265.00                        | \$359.00                        | \$446.00                        | \$533.00                        | \$615.00                        | \$43.00                                   |
|                                  | \$137.00                              | \$215.00                        | \$318.00                        | \$431.00                        | \$535.00                        | \$640.00                        | \$738.00                        | \$52.00                                   |
| 8                                | \$135.00                              | \$212.00                        | \$316.00                        | \$424.00                        | \$521.00                        | \$625.00                        | \$712.00                        | \$54.00                                   |
|                                  | \$162.00                              | \$254.00                        | \$379.00                        | \$509.00                        | \$625.00                        | \$750.00                        | \$854.00                        | \$65.00                                   |
| Compacted Trash                  | 1x                                    | 2x                              | 3x                              | 4x                              | 5x                              | 6x                              | 7x                              |                                           |
| 4                                | <del>\$114.00</del><br>\$137.00       | N/A                             | N/A                             | N/A                             | N/A                             | N/A                             | N/A                             | N/A                                       |
| 6                                | <del>\$125.00</del><br>\$150.00       | <del>\$201.00</del><br>\$241.00 | <del>\$288.00</del><br>\$346.00 | <del>\$403.00</del><br>\$484.00 | <del>\$490.00</del><br>\$588.00 | <del>\$592.00</del><br>\$710.00 | <del>\$690.00</del><br>\$828.00 | <del>\$54.00</del><br>\$65.00             |
| 8                                | <del>\$135.00</del><br>\$162.00       | <del>\$234.00</del><br>\$281.00 | <del>\$347.00</del><br>\$416.00 | <del>\$467.00</del><br>\$560.00 | <del>\$581.00</del><br>\$697.00 | <del>\$690.00</del><br>\$828.00 | <del>\$804.00</del><br>\$965.00 | <del>\$65.00</del><br>\$78.00             |

## RECYCLING COLLECTION

| Corrugated (OCC) and Mixed Paper Recycling Service            | Monthly Rate per Container    |                                |                                 |                                 |                                 |
|---------------------------------------------------------------|-------------------------------|--------------------------------|---------------------------------|---------------------------------|---------------------------------|
|                                                               | Collection Days per Week      |                                |                                 |                                 |                                 |
|                                                               | 1x                            | 2x                             | 3x                              | 4x                              | 5x                              |
| 2-yd recycling containers                                     | <del>\$31.00</del><br>\$37.00 | N/A                            | N/A                             | N/A                             | N/A                             |
| 4-yd recycling containers                                     | <del>\$41.00</del><br>\$49.00 | N/A                            | N/A                             | N/A                             | N/A                             |
| 8-yd recycling containers                                     | <del>\$63.00</del><br>\$76.00 | <del>\$93.00</del><br>\$112.00 | <del>\$124.00</del><br>\$149.00 | <del>\$156.00</del><br>\$187.00 | <del>\$187.00</del><br>\$224.00 |
| With city commercial waste service                            | <del>\$41.00</del><br>\$49.00 | <del>\$63.00</del><br>\$76.00  | <del>\$83.00</del><br>\$100.00  | <del>\$104.00</del><br>\$125.00 | <del>\$124.00</del><br>\$149.00 |
| With multiple waste containers or 8-yd waste service, 5x/week | <del>\$41.00</del><br>49.00   | <del>\$41.00</del><br>\$49.00  | <del>\$41.00</del><br>\$49.00   | <del>\$41.00</del><br>\$49.00   | <del>\$41.00</del><br>\$49.00   |
| 6-yd recycling compactor                                      | <del>\$52.00</del><br>\$62.00 | <del>\$73.00</del><br>\$88.00  | <del>\$93.00</del><br>\$112.00  | <del>\$114.00</del><br>\$137.00 | <del>\$134.00</del><br>161.00   |

(c) Optional services available for commercial front load containers are established as follows:

(1) On-call special container service (not for construction material or residential use):

(A) 6 yds: ~~\$60.00~~ \$72.00/pickup.

(B) 8 yds: ~~\$71.00~~ \$85.00/pickup.

(2) Special container delivery charge: ~~\$60.00~~ \$72.00/container.

(3) Servicing containers with locks: ~~\$48.00~~ \$58.00 one-time charge.

(4) Servicing containers with casters: ~~\$22.00~~ \$26.00/month.

**SECTION 9.** That Chapter 13, Article 13.06 of the Code of Ordinances of the City of Sherman, Texas, entitled "Solid Waste", be amended at Section 13.06.088 to read as follows:

### **Sec. 13.06.088 Charges for commercial roll-off containers**

(a) Deposits for commercial compacted roll-off containers will be quoted on an individual basis.

(b) Deposits for commercial roll-off containers are established as follows:

| <u>Cubic Yards</u> | <u>Deposit</u> |
|--------------------|----------------|
| 20                 | \$300.00       |
| 30                 | \$350.00       |
| 40                 | \$400.00       |

(c) Deposits for commercial roll-off containers containing noncompactable waste are established as follows:

| <u>Cubic Yards</u> | <u>Deposit</u> |
|--------------------|----------------|
| 20                 | \$575.00       |
| 30                 | \$650.00       |

(d) Service charges for commercial roll-off containers are established as follows:

(1) Open top container.

| <u>Size in Cubic Yards</u> | <u>Pull Charge</u>           |
|----------------------------|------------------------------|
| 20 (waste)                 | <del>\$278.00</del> \$334.00 |
| 30 (waste)                 | <del>\$364.00</del> \$437.00 |
| 40 (waste)                 | <del>\$446.00</del> \$535.00 |
| 30 (recycle)               | <del>\$141.00</del> \$169.00 |
| 40 (recycle)               | <del>\$196.00</del> \$235.00 |
| 20 (noncompactable)        | <del>\$528.00</del> \$634.00 |
| 30 (noncompactable)        | <del>\$810.00</del> \$972.00 |

(2) Compacted container.

| <u>Size in Cubic Yards</u> | <u>Pull Charge</u>           |
|----------------------------|------------------------------|
| 20 (waste)                 | <del>\$304.00</del> \$365.00 |
| 30 (waste)                 | <del>\$392.00</del> \$470.00 |
| 35 (waste)                 | <del>\$446.00</del> \$535.00 |
| 40 (waste)                 | <del>\$500.00</del> \$600.00 |
| 30 (OCC recycle)           | <del>\$196.00</del> \$235.00 |
| 40 (OCC Recycle)           | <del>\$250.00</del> \$300.00 |

(e) Additional charges for commercial roll-off containers are established as follows:

- (1) Open top container rental: ~~\$60.00~~ \$72.00/month.
- (2) Container delivery charge: ~~\$43.00~~ \$52.00/container.
- (3) 40-yard receiver rental: ~~\$92.00~~ \$110.00/month.
- (4) After hours pull charges (5:00 p.m.–7:00 a.m. Monday–Friday; Saturday; Sunday):  
~~\$92.00~~ \$110.00/pull.
- (5) Self-contained compactor rental:
  - (A) 30 yard: ~~\$120.00~~ \$144.00/month.
  - (B) 35 yard: ~~\$141.00~~ \$169.00/month.
- (6) Special waste. Charge will include the appropriate container pull charge as shown in the above tables, plus any additional disposal fees assessed by the landfill, and any additional hauling or documentation fees required to properly dispose of the material.
- (7) Container reset fee (due to delinquent account): ~~\$36.00~~ \$43.00/occurrence.
- (8) \$35.00/ton charge for tonnage in excess of 5 tons.

**SECTION 10.** 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 11.** That the provisions of this ordinance are severable and the invalidity of any word, phrase or part of this ordinance shall not affect the validity or effectiveness of the remainder of the ordinance.

**SECTION 12.** That all ordinances or parts of ordinances in conflict with the provisions of this ordinance are hereby repealed.

**SECTION 13.** That it is hereby officially found and determined that the meetings at which this ordinance was introduced and passed were open to the public and that public notice of the time, place and purpose of said meetings were given all as required by law.

**INTRODUCED** on this the \_\_\_\_\_ day of \_\_\_\_\_, 2019.

**ADOPTED** on this the \_\_\_\_\_ day of \_\_\_\_\_, 2019.

**EFFECTIVE DATE** on this the \_\_\_\_\_ day of \_\_\_\_\_, 2019.

**CITY OF SHERMAN, TEXAS**

**BY:** \_\_\_\_\_  
**DAVID PLYLER, MAYOR**

**ATTEST:**

**BY:** \_\_\_\_\_  
**LINDA ASHBY, CITY CLERK**

**APPROVED AS TO FORM AND  
CONTENT:**

**BY:** \_\_\_\_\_  
**BRANDON S. SHELBY,  
CITY ATTORNEY**



# SHERMAN CITY COUNCIL

## Agenda Communication Form

### City Council Regular Meeting

D. 2.

**Meeting Date:** 09/16/2019

**Prepared By:** Scott Shadden, Director of Developmental Services

**Approved By:** Robby Hefton, City Manager

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### **Caption:**

#### **INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 6250**

Amending Section 8, Subsection (5)(A), Ordinance No. 2280, so as to Grant a Specific Use Permit Amendment to Allow the Addition of a 12' x 14' Shade Structure and 8' x 12' Accessory Building for Belden Street Montessori Preschool in an R-1 (One Family Residential) District at 618 West Belden Street, being Lot 1, Belden Street Montessori School Addition, a Replat of the east 20' of Lot 46 with a portion of a 15' alley of the Birges-Fairview Addition for a total of 0.66 acres (Sherman Montessori Preschool, Inc., Owners; and Allison West, Representative); Providing that this Specific Use Permit shall be Granted Subject to Certain Conditions; Providing a Penalty not to Exceed \$2,000.00

### **Issue:**

To consider the request of Sherman Montessori Preschool, Inc. (Owners) and Allison West (Representative) concerning the property located at 618 West Belden Street, being Lot 1, Belden Street Montessori School Addition, a Replat of the east 20' of Lot 46 with a portion of a 15' alley of the Birges-Fairview Addition for a total of 0.66 acres for a Specific Use Permit amendment to allow the addition of a 12' x 14' shade structure and 8' x 12' accessory building for Belden Street Montessori Preschool in an R-1 (One Family Residential) District

### **Background:**

The property is located at 618 West Belden Street, between Ricketts and Lockhart Streets; Belden Street Montessori School is the tenant. The property is zoned an R-1 (One Family Residential District).

The following items have been approved or tabled for the property:

- Specific Use Permit to allow a preschool and kindergarten in an R-1 (One Family Residential) District - August 5, 1985 - Ordinance No. 3855
- Specific Use Permit to allow two additional classrooms in an R-1 (One Family Residential) District - March 16, 2009 - Ordinance No. 5594
- A Specific Use Permit Amendment and site plan approval to allow one additional modular classroom building in an R-1 (One Family Residential) District was tabled at the October 21, 2014, Planning and Zoning Commission Meeting.

Sherman Montessori Preschool would like to install a 12' x 14' cedar pavilion and a 8' x 12' storage building on the back portion of their lot. They are in the process of creating a Peace Garden and nature walk for the children and installing the pavilion would provide a shaded area for the children to sit and

learn about insects/plants and the great outdoors. The storage building will be made of high-density polyethylene with a natural color scheme. It would be used to house a large stroller, tricycles and other items the children will use for the nature park.

**Origination:**

Sherman Montessori Preschool, Inc. (Owners)  
Allison West (Representative)

**Financial Consideration:**

None

**Staff Recommendation:**

At the August 20, 2019 regular meeting, the Planning and Zoning Board voted 6/1 to recommend to the City Council that the Specific Use Permit be approved subject to the Staff Review Letter. Vice-Chairman Elliott voted against the request.

**Alternatives:**

The City Council could deny the request.

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**Attachments**

Ordinance No. 6250  
Location Map  
Zoning Map  
Zoning Sign Photo  
Plat  
Site Plan  
Building Elevations  
Staff Review Letter  
P&Z Communication

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## **ORDINANCE NO. 6250**

**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 AMENDMENT TO ALLOW THE ADDITION OF A 12' X 14' SHADE STRUCTURE AND 8' X 12' ACCESSORY BUILDING FOR BELDEN STREET MONTESSORI PRESCHOOL IN AN R-1 (ONE FAMILY RESIDENTIAL) DISTRICT AT 618 WEST BELDEN STREET, BEING LOT 1, BELDEN STREET MONTESSORI SCHOOL ADDITION, A REPLAT OF THE EAST 20' OF LOT 46 WITH A PORTION OF A 15' ALLEY OF THE BIRGES-FAIRVIEW ADDITION FOR A TOTAL OF 0.66 ACRES (SHERMAN MONTESSORI PRESCHOOL, INC., OWNERS; AND ALLISON WEST, REPRESENTATIVE); PROVIDING FOR A REPEALER CLAUSE; PROVIDING THAT THIS SPECIFIC USE PERMIT SHALL BE GRANTED SUBJECT TO CERTAIN CONDITIONS; PROVIDING A PENALTY NOT TO EXCEED \$2,000.00; FINDING AND DETERMINING THAT THE MEETING AT WHICH THIS ORDINANCE IS PASSED WAS NOTICED AND IS OPEN TO THE PUBLIC AS REQUIRED BY LAW.**

**WHEREAS**, the City Planning and Zoning Commission and the City Council, in accordance with the state law and the ordinances of the City of Sherman, have given the required notices and have held the required public hearings regarding this Specific Use Permit; and

**WHEREAS**, the City Council finds that this use will complement or be compatible with the surrounding uses and community facilities; contribute to, enhance, or promote the welfare of the area of request and adjacent properties; not be detrimental to the public health, safety, or general welfare; and conform in all other respects to all applicable zoning regulations and standards; and

**WHEREAS**, the City Council finds that it is in the public interest to grant this specific use permit, subject to certain conditions;

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

**SECTION 1.** That, from and after the passage of this ordinance, Sherman Montessori Preschool, Inc. (Owners) and Allison West (Representative) concerning the property located at 618 West Belden Street and that Section 8, Subsection (5)(a), Ordinance No. 2280 is hereby amended so as to hereafter include the following described property:

**BEING** Lot 1, Belden Street Montessori School Addition, a Replat of the east 20' of Lot 46 with a portion of a 15' alley of the Birges-Fairview Addition for a total of 0.66 acres



**SECTION 2.** That this specific use permit is granted on the following conditions:

**Zoning:**

1. All aspects of the R-1 (One Family Residential) District, the sign ordinance and the Commercial Tree and Landscaping Ordinance must be followed.
2. Fire lanes and codes shall be coordinated with the Fire Marshal, (903.892.7267).
3. Off-street parking is permitted on paved surfaces only (concrete or asphalt).
4. Employee parking must be provided on site.
5. Screening shall be provided abutting any residentially zoning property.
6. Review the zoning and development ordinance for additional requirements.
7. Site plan approval is valid for a period of one year, if progress has not been made within that time period; resubmission to the Planning & Zoning Commission is required.

**Engineering:**

8. Replat required if structures cross existing lot lines.

**SECTION 3.** That this ordinance shall not become effective until entered upon the official zoning map as provided in Section 8, Subsection (5)(a), Ordinance No. 2280.

**SECTION 4.** That a person who violates a provision of this ordinance, upon conviction, is punishable by a fine not to exceed \$2,000.00.

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

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

**INTRODUCED** on this the \_\_\_\_\_ day of \_\_\_\_\_, 2019.

**ADOPTED** on this the \_\_\_\_\_ day of \_\_\_\_\_, 2019.

**EFFECTIVE DATE** on this the \_\_\_\_\_ day of \_\_\_\_\_, 2019.

**CITY OF SHERMAN, TEXAS**

**BY:** \_\_\_\_\_  
**DAVID PLYLER, MAYOR**

**ATTEST:**

**BY:** \_\_\_\_\_  
**LINDA ASHBY, CITY CLERK**

**APPROVED AS TO FORM  
AND CONTENT:**

**BY:** \_\_\_\_\_  
**BRANDON S. SHELBY,  
CITY ATTORNEY**





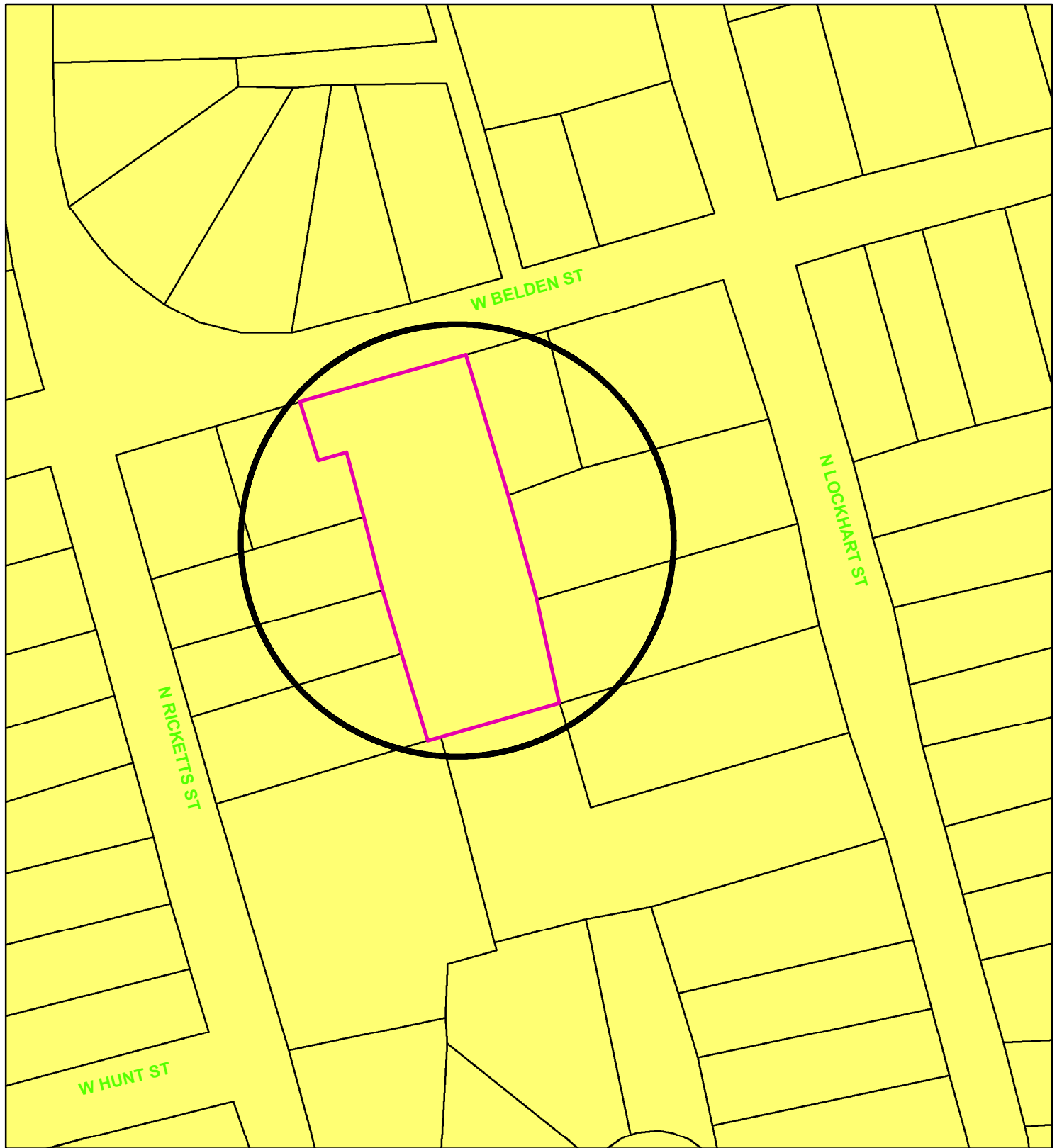
**618 W. Belden**



1 in = 400 ft

City of Sherman, Texas  
Developmental Services Department





## Zoning - 618 West Belden Street

### Legend

#### Special Districts Overlay

| DISTRICT_NAME                      |
|------------------------------------|
| Arts and Cultural District         |
| Blaock Commercial Overlay District |
| Central Business District          |
| College Park District              |
| Downtown Overlay District          |
| Historic Preservation District     |
| Transportation Corridor            |

#### Representation: ShermGIS.DBO.TransportationCorridor\_Rep\_1

|                     |
|---------------------|
| FM 1417             |
| Sam Rayburn Freeway |
| US Hwy 82 and 75    |
| SH 289              |
| FM 691              |

#### Zoning Districts

##### Representation: ShermGIS.DBO.ZoningDistrict\_Rep

|                              |
|------------------------------|
| Unknown                      |
| BIP Blaock Industrial Park   |
| C-1 Retail Business District |

|                                         |
|-----------------------------------------|
| C-2 General Commercial District         |
| CO Office District                      |
| Lakes                                   |
| M-1 Light Manufacturing District        |
| M-1.5 Medium Manufacturing District     |
| M-2 Heavy Manufacturing District        |
| MH Manufacturing Housing District       |
| R-1 One Family Residential District     |
| R-2 Multi-Family Residential District   |
| R-A Single Family Agricultural District |
| SF-1 Single Family Residential District |



City of Sherman, Texas  
Developmental Services Department



NOT TO SCALE

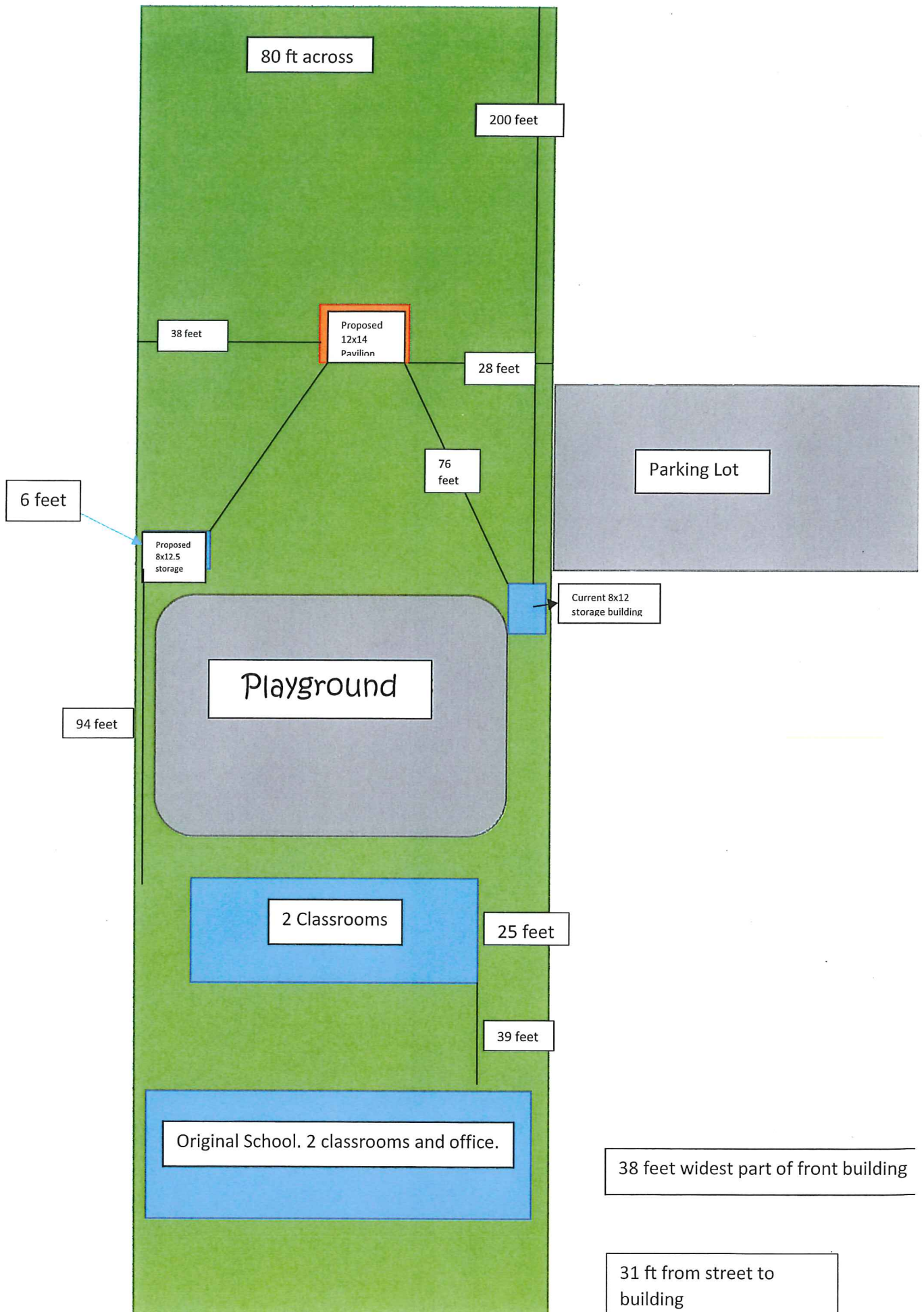
1 in = 100 ft

## 618 West Belden Street

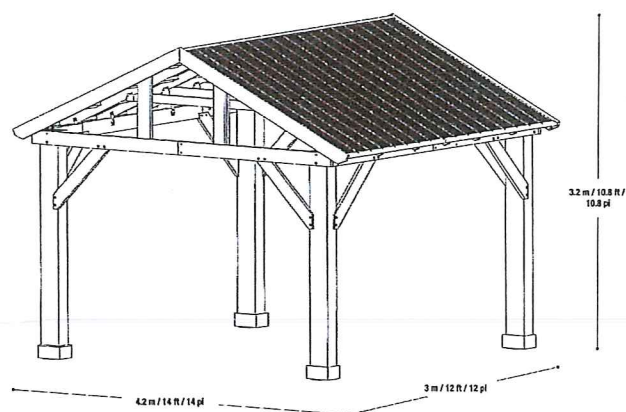








## 14' x 12' Cedar Pavilion with Aluminum Roof



### Dimensions

Overall Dimensions (L x W x H): 14' x 12' x 10' 10"

Base Dimensions (outside of post): 12' x 11' 7"

Base Dimensions (inside of post): 11' x 10' 7"

Product Weight: 740 LBS



## Lifetime 8' x 12.5' Outdoor Storage Shed



Wood-grain molding, a simulated shingled roof and shatterproof windows keep this shed looking great season after season. It's made with high-density polyethylene – a plastic that's resistant to damage. And the natural color scheme will complement any yard or garden.

### Assembled Size

Exterior Dimensions: 92.75" W x 145.5" L x 96" H

Roof Dimensions: 96" W x 150" L

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STAFF REVIEW LETTER

August 13, 2019

Sherman Montessori Preschool  
618 W. Belden St.  
Sherman, TX 75092

Allison West  
2609 W. Biscayne Dr.  
Sherman, TX 75092

Dear Applicants,

The request for a Specific Use Permit amendment and site plan approval to allow the addition of a 12' x 14' shade structure and 8' x 12' accessory building for Belden Street Montessori Preschool in an R-1 (One Family Residential) District for the property located at 618 West Belden Street has been scheduled to be heard by the Planning and Zoning Board on the day of Tuesday, August 20, 2019 at 5:00 P.M., in the City Council Chambers, City Hall at 220 W. Mulberry.

City staff has reviewed your request with regards to engineering and development guidelines and finds the following items need to be addressed:

Zoning

1. All aspects of the R-1 (One Family Residential) District, the sign ordinance and the Commercial Tree and Landscaping Ordinance must be followed.
2. Fire lanes and codes shall be coordinated with the Fire Marshal, (903.892.7267).
3. Off-street parking is permitted on paved surfaces only (concrete or asphalt).
4. Employee parking must be provided on site.
5. Screening shall be provided abutting any residentially zoning property.
7. Review the zoning and development ordinance for additional requirements.
8. Site plan approval is valid for a period of one year, if progress has not been made within that time period; resubmission to the Planning & Zoning Commission is required.

Engineering:

9. Replat required if structures cross existing lot lines.

Any other changes made to the site plan prior to the final fulfillment of the conditions of the staff review, must be considered minor by the staff, as to not require resubmission to the Planning & Zoning Commission.

You are hereby notified to be present, either in person or by your authorized representative to present your request on the date and time stated above.

If additional information or clarification is needed, do not hesitate to contact Scott Shadden at 903-892-7229 prior to the meeting.

Respectfully,



Scott Shadden  
Secretary, Planning and Zoning Board and Board of Adjustment

**CC:** Robby Hefton, City Manager  
Mark Gibson, Director of Utilities  
Clint Philpott, P.E., Director of Engineering  
Amber Doan, Engineering Coordinator

Billy Hartsfield, Fire Marshal  
Brandon Shelby, City Attorney  
Steve Ayers, Asst. City Manager





**Planning & Zoning Commission and Board of  
Adjustments**

**Agenda Item No. 6.**

**Meeting Date:** 08/20/2019

**Prepared by:** Patsy Reeves, Developmental Services Coordinator  
Scott Shadden, Director of Development Services

Clay Mahone, Chairman

Eric Elliott, Vice Chairman

Shawn Davis, Commissioner

David Downtain, Commissioner

Trish Wood, Commissioner

Leigh Ann Sims, Commissioner

Paul Manley, Commissioner

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**Requested Action/Proposed Use:**

**618 WEST BELDEN STREET**

The request of Sherman Montessori Preschool, Inc. (Owners) and Allison West (Representative) concerning the property located at 618 West Belden Street, being Lot 1, Belden Street Montessori School Addition, a Replat of the east 20' of Lot 46 with a portion of a 15' alley of the Birge's-Fairview Addition for a total of 0.66 acres, as follows:

***Planning and Zoning Commission***

Specific Use Permit amendment and site plan approval under Ordinance No. 2280, Section 8, Subsection (5)(a) to allow the addition of a 12' x 14' shade structure and 8' x 12' accessory building for Belden Street Montessori Preschool in an R-1 (One Family Residential) District.

**Background:**

The property is located at 618 West Belden Street between Ricketts and Lockhart Streets; Belden Street Montessori School is the tenant. The property is zoned an R-1 (One Family Residential) District. The following items have been approved or tabled for the property:

- Specific Use Permit to allow a preschool and kindergarten in an R-1 (One Family Residential) District - August 5, 1985 - Ordinance 3855
- Specific Use Permit to allow two additional classrooms in an R-1 (One Family Residential) District - March 16, 2009 - Ordinance 5594
- A Specific Use Permit Amendment and site plan approval to allow one additional modular classroom building in an R-1 (One Family Residential) District was tabled at the October 21, 2014, Planning and Zoning Commission Meeting.

Sherman Montessori Preschool would like to install a 12' x 14' cedar pavilion and a 8' x 12.5' storage building on the back portion of their lot. They are in the process of creating a Peace Garden for the children at the rear of their property; installing the pavilion would provide a shaded area for the children to sit and learn about the great outdoors. The storage building will be made of high-density polyethylene with a natural color scheme. It would be used to house a large stroller, tricycles and other items the children will use for the nature park.

**Adjacent Zoning:**

R-1 (One Family Residential) District

**Origination:**

Sherman Montessori Preschool, Inc. (Owners)

Allison West (Representative)

**Master Plan Designation:**

Public/Institutional – The Public and Institutional character type includes schools, churches, and other public services for the City. Buildings may be designed to act as landmarks and this urban design adds flair to a neighborhood.

**Number of notices mailed:**

22

**Objections Received:**

0

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**Attachments**

Location Map

Zoning Map

Zoning Sign Photo

Belden Street Montessori School Addition

Site Plan

Building Elevations

Staff Review Letter

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# SHERMAN CITY COUNCIL

## Agenda Communication Form

### City Council Regular Meeting

D. 3.

**Meeting Date:** 09/16/2019

**Prepared By:** Mary Lawrence, Director of Finance

**Approved By:** Robby Hefton, City Manager

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### **Caption:**

#### **ADOPTION OF ORDINANCE NO. 6234**

Providing for the Levy of Ad Valorem Taxes for the City of Sherman, Texas, for the Tax Year 2019; 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

### **Issue:**

To consider adoption of the Ad Valorem Tax Rate proposed for the upcoming fiscal year, as required by the Texas Tax Code and Local Government Code

### **Background:**

The effective tax rate is the rate that yields the same amount of revenue as the prior year on property that is taxed in both years. This year's effective tax rate is \$0.394606/\$100, with a rollback rate of \$0.489951/\$100 (with sales tax-in-lieu-of property tax adjustment). The actual total tax rate of \$0.489000/\$100 is the above last year's actual tax rate of \$0.42730/\$100. The tax rate is split between a debt service component called Interest and Sinking (I&S) and a Maintenance & Operations (M&O) component. The debt rate is \$0.150556/\$100; and the M&O rate is \$0.338444/\$100.

### **Origination:**

Director of Finance

### **Financial Consideration:**

The proposed tax rate will generate approximately \$16.5 million in property tax revenues.

### **Staff Recommendation:**

Based on the Budget Workshop and discussion of the draft budget, the staff recommends adoption, **by motion and order**, of the tax rates as indicated above.

### **Must be a record vote in the following form:**

**"I move that the property tax rate be increased by the adoption of a tax rate \$.489000/\$100 of valuation which is effectively a 24% increase in the tax rate. The decrease in residential trash rate by \$6 per month per customer will fully offset the impact of the tax rate increase for the average residential taxpayer."**

**Alternatives:**

No other alternatives are offered at this time since the publication of rates and notices has already been made to the public; and changing the proposed rates would require re-publication of notices and setting additional public hearings.

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**Attachments**

Ordinance No. 6234

Chapter 140 Notice FY2020

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**ORDINANCE NO. 6234**

**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 2019; 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 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 there be, and there is hereby, levied and shall be collected a Maintenance and Operations (M&O) ad valorem tax of \$0.338444/\$100 Dollars (\$0.338444) and a debt service ad valorem tax of \$0.150556/\$100 Dollars (\$0.107740) on all taxable property situated within the corporate limits of the City of Sherman on the first day of January, A.D., 2019, and not exempt from taxation by the constitution and laws of the State of Texas, apportioned as follows, to-wit:

FOR GENERAL FUND EXPENDITURES, \$0.338444 on each One Hundred Dollars (\$100.00) assessed valuation of such property.

FOR DEBT SERVICE EXPENDITURES, \$0.150556 on each One Hundred Dollars (\$100.00) assessed valuation of such property.

THIS TAX RATE WILL RAISE MORE TAXES FOR MAINTENANCE AND OPERATIONS THAN LAST YEAR'S TAX RATE. THE TAX RATE WILL EFFECTIVELY BE RAISED BY 44.5 PERCENT AND WILL RAISE TAXES FOR MAINTENANCE AND OPERATIONS ON A \$100,000 HOME BY APPROXIMATELY \$94.39.

**SECTION 2.** That a penalty shall be charged and collected from all persons who do not pay their taxes prior to the first day of February, 2020. Penalty charges shall be in accordance with the following schedule.

|                                  |     |
|----------------------------------|-----|
| If paid in February, 2020        | 6%  |
| If paid in March, 2020           | 7%  |
| If paid in April, 2020           | 8%  |
| If paid in May, 2020             | 9%  |
| If paid in June, 2020            | 10% |
| If paid on or after July 1, 2020 | 12% |



All delinquent taxes shall accrue interest from the date of delinquency at the rate of one percent (1%) for each month or portion of a month the tax remains unpaid. Pursuant to Section 33.07 of the Texas Property Tax Code, an additional penalty of 15% of the amount of taxes, penalty and interest that remain due after July 1, 2020, shall be assessed to defray the cost of collection.

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

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

**INTRODUCED** on this the \_\_\_\_\_ day of \_\_\_\_\_, 2019.

**ADOPTED** on this the \_\_\_\_\_ day of \_\_\_\_\_, 2019.

**EFFECTIVE DATE** on this the \_\_\_\_\_ day of \_\_\_\_\_, 2019.

**CITY OF SHERMAN, TEXAS**

**BY:** \_\_\_\_\_  
**DAVID PLYLER, MAYOR**

**ATTEST:**

**BY:** \_\_\_\_\_  
**LINDA ASHBY, CITY CLERK**

**APPROVED AS TO FORM  
AND CONTENT:**

**BY:** \_\_\_\_\_  
**BRANDON S. SHELBY,  
CITY ATTORNEY**

# NOTICE OF 2019 TAX YEAR PROPOSED PROPERTY TAX RATE FOR THE CITY OF SHERMAN

A tax rate of \$.48900 per \$100 valuation has been proposed for adoption by the City Council of the City of Sherman. This rate exceeds the lower of the effective or rollback tax rate, and state law requires that two public hearings be held by the governing body before adopting the proposed tax rate. The governing body of the City of Sherman proposes to use the revenue attributable to the tax rate increase for debt service on Certificates of Obligation issued in fiscal year 2018 and 2019, and an increase in public safety personnel.

|                           |            |
|---------------------------|------------|
| PROPOSED TAX RATE         | \$0.489000 |
| PRECEDING YEAR'S TAX RATE | \$0.427300 |
| EFFECTIVE TAX RATE        | \$0.394606 |
| ROLLBACK TAX RATE         | \$0.489951 |

The effective tax rate is the total tax rate needed to raise the same amount of property tax revenue for the City of Sherman from the same properties in both the 2018 tax year and the 2019 tax year.

The rollback tax rate is the highest tax rate that the City of Sherman may adopt before voters are entitled to petition for an election to limit the rate that may be approved to the rollback rate.

YOUR TAXES OWED UNDER ANY OF THE ABOVE RATES CAN BE CALCULATED AS  
FOLLOWS:

$$\text{property tax amount} = (\text{rate}) \times (\text{taxable value of your property}) / 100$$

For assistance or detailed information about tax calculations, please contact:

Mary Lawrence  
Director of Finance, City of Sherman  
405 N. Rusk St.  
Sherman, TX 75090  
903-892-7309  
[maryl@cityofsherman.com](mailto:maryl@cityofsherman.com)  
[www.cityofsherman.com](http://www.cityofsherman.com)

You are urged to attend and express your views at the following public hearings on the proposed tax rate:

First Hearing: August 19, 2019, 5:00 pm at City Council Chambers, 220 W. Mulberry, Sherman, Texas

Second Hearing: September 3, 2019, 5:00 pm at City Council Chambers, 220 W. Mulberry, Sherman, Texas



# SHERMAN CITY COUNCIL

## Agenda Communication Form

### City Council Regular Meeting

D. 4.

**Meeting Date:** 09/16/2019

**Prepared By:** Pamela Cloer, Assistant to the City Manager

**Approved By:** Robby Hefton, City Manager

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### **Caption:**

### **ADOPTION OF ORDINANCES**

Consider Adoption of Ordinance Numbers: 6249 and 6250

### **Issue:**

#### **D. 1. INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 6249**

Amending Chapter 13 of the Code of Ordinances, entitled "Utilities", at Article 13.06, entitled "Solid Waste", at Sections 13.06.005, 13.06.011, 13.06.014, 13.06.042, 13.06.050, 13.06.052, 13.06.086, 13.06.087, and 13.06.088 to Revise Certain Solid Waste Fees

#### **D. 2. INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 6250**

Amending Section 8, Subsection (5)(A), Ordinance No. 2280, so as to Grant a Specific Use Permit Amendment to Allow the Addition of a 12' x 14' Shade Structure and 8' x 12' Accessory Building for Belden Street Montessori Preschool in an R-1 (One Family Residential) District at 618 West Belden Street, being Lot 1, Belden Street Montessori School Addition, a Replat of the east 20' of Lot 46 with a portion of a 15' alley of the Birges-Fairview Addition for a total of 0.66 acres (Sherman Montessori Preschool, Inc., Owners; and Allison West, Representative); Providing that this Specific Use Permit shall be Granted Subject to Certain Conditions; Providing a Penalty not to Exceed \$2,000.00

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# SHERMAN CITY COUNCIL

## Agenda Communication Form

### City Council Regular Meeting

D. 5.

**Meeting Date:** 09/16/2019

**Prepared By:** Pamela Cloer, Assistant to the City Manager

**Approved By:** Robby Hefton, City Manager

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### 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. 6.      \* RESOLUTION NO. 6529**

Authorizing Execution of a Memorandum of Understanding Defining Roles and Responsibilities between the City of Sherman and Austin College regarding Oversight of the Sherman Cultural District Program

**E. 7.      \* RESOLUTION NO. 6530**

Authorizing Execution of a Professional Services Agreement with Mike Pietsch, P.E. Consulting Services, Inc. for the City of Sherman's Insurance Services Office (ISO) Survey and Rating

**E. 8.      \* RESOLUTION NO. 6531**

Authorizing Execution of a Contract with James E. Frame, PA as Licensed Medical Director for Sherman Fire-Rescue Emergency Medical Services; Providing for a Statement of Medical Direction; Providing for Automatic Renewal

**E. 9.      \* RESOLUTION NO. 6532**

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. 10.     \* RESOLUTION NO. 6533**

Authorizing Execution of an Agreement for Fire Protection Services between Grayson County and the City of Sherman for the Period of October 1, 2019 through September 30, 2020

- E. 11.**     **\* RESOLUTION NO. 6534**  
Authorizing Execution of an Agreement for Ambulance Services with Grayson County for the Period of October 1, 2019 through September 30, 2020
- E. 12.**     **\* RESOLUTION NO. 6535**  
Authorizing Execution of a Contract with Grayson County, Texas, for Use of the City of Sherman Animal Shelter
- E. 13.**     **\* RESOLUTION NO. 6536**  
Revoking and Replacing Resolution No. 6448; 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
- E. 14.**     **\* RESOLUTION NO. 6537**  
Adopting an Investment Policy for the City of Sherman
- F. 1.**     **\* REQUEST TO ADVERTISE**  
Agricultural Lease at the Sherman Wastewater Treatment Plant
- G. 1.**     **\* OTHER BUSINESS**  
Replat Approval of The Brooks on Heritage Parkway Addition, Lot 1R, a Replat of Lot 1, The Brooks on Heritage Parkway Addition, being all of Lot 1 of the Brooks on Heritage Parkway Addition, a 2.212 acre tract and a 0.109 acre tract in the Elizabeth Jones Survey, Abstract No. 625, containing 8.749 acres; 1305 S FM 1417, LP, Owners; and Preston Trail Land Surveying, Surveyor [1305 South F.M. 1417 (Heritage Parkway)]
-



# SHERMAN CITY COUNCIL

## Agenda Communication Form

### City Council Regular Meeting

E. 1.

**Meeting Date:** 09/16/2019

**Prepared By:** Pamela Cloer, Assistant to the City Manager

**Approved By:** Robby Hefton, City Manager

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**Caption:**

**RESOLUTION NO. 6524**

Approving the Form of Resolution Authorizing the Issuance of Texoma Area Solid Waste Authority Regional Solid Waste Disposal Contract Revenue Refunding Bonds, Series 2019; Establishing Procedures for the Sale and Delivery of the Bonds; Enacting Other Provisions Relating to the Subject; and Providing an Effective Date

**Issue:**

To consider all matters incident and related to the issuance and sale of \$19,225,000 Texoma Area Solid Waste Authority Regional Solid Waste Disposal Contract Revenue Refunding Bonds, Series 2019" including the adoption of a resolution authorizing the issuance of such revenue bonds

**Background:**

Since inception, the Texoma Area Solid Waste Authority (TASWA) has issued bonds on several occasions: \$19,225,000 Series 2004 Bonds to construct the landfill, and then \$17,220,000 Bonds, Series 2010 to refinance the 2004 Bonds at lower rates. The 2010 Bonds are now callable. Based on current interest rates, which are near historic lows, TASWA has the opportunity once more to save an estimated \$872,463 through a refunding of the 2010 bonds with the Series 2019 refunding bonds.

The maximum principal amount of the Series 2019 Bonds to be issued is \$10,250,000. The proceeds will be used to refund all or a portion of the Series 2010 Bonds, realizing a debt service savings for TASWA which will result in lowering the City's payments under the contract between the City and TASWA.

**Origination:**

Texoma Area Solid Waste Authority  
Hilltop Securities Inc.

**Financial Consideration:**

The cost of issuance will be about \$75,000, which will be netted against the proceeds. The maximum principal amount of the Bonds to be issued is \$10,250,000.

**Staff Recommendation:**

The staff recommends that the Council approve this resolution as presented.

**Alternatives:**

No alternatives can be recommended by staff at this time.

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**Attachments**

Resolution No. 6524

Certificate for Resolution

Exhibit A - Form of Bond Resolution

Hilltop Security's Letter of September 6, 2019

Appendix A - Summary of Projected Debt Service Savings

Appendix B - TASWA Parameters Bond Resolution

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## **RESOLUTION NO. 6524**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, APPROVING THE FORM OF RESOLUTION AUTHORIZING THE ISSUANCE OF TEXOMA AREA SOLID WASTE AUTHORITY REGIONAL SOLID WASTE DISPOSAL CONTRACT REVENUE REFUNDING BONDS, SERIES 2019; ESTABLISHING PROCEDURES FOR THE SALE AND DELIVERY OF THE BONDS; ENACTING OTHER PROVISIONS RELATING TO THE SUBJECT; AND PROVIDING AN EFFECTIVE DATE; PROVIDING A REPEALER CLAUSE; 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 Texoma Area Solid Waste Authority (the "Authority"), a Texas nonprofit corporation, was created pursuant to Subchapter D of Chapter 431, Texas Transportation Code, as amended ("Chapter 431") and Chapter 394, Texas Local Government Code ("Chapter 394" and together with Chapter 431, the "Act") to aid, assist and act on behalf of the City of Denison, Texas ("Denison"), the City of Gainesville, Texas ("Gainesville"), and the City of Sherman, Texas ("Sherman"), each a home rule municipal corporation (Denison, Gainesville and Sherman, individually, a "Member City") and collectively, the "Member Cities") and Cooke County, Texas and Grayson County, Texas (collectively, the "Counties", and together with the Member Cities, the "Local Governments") in the performance of their governmental functions to promote the common good and general welfare of the Local Governments, including, without limitation, (1) the financing, construction, ownership, and operation of a Type I municipal solid waste landfill to be located in western Grayson County, Texas (the "Initial Facility" and as may be improved, extended or enlarged, the "Facility"), (2) the collection, handling, transportation, storage, collection, processing, and disposal of solid waste and (3) to perform such other governmental purposes of the Local Governments as may be determined from time to time by the governing bodies of the Local Governments; and

**WHEREAS**, pursuant to the Act and Chapter 362, Texas Health and Safety Code, the Solid Waste Resource Recovery Financing Act, the Member Cities and the Authority entered into the Texoma Area Member City Landfill Contract, dated as of February 4, 2004 with respect to the payment of maintenance and operation expenses of the Facility and for the payment of debt service, the funding and maintenance of a debt service reserve and other payments and obligations related to the issuance of bonds by the Authority for the purposes specified therein (the "Member City Landfill Contract"); and

**WHEREAS**, the Authority has issued its outstanding Regional Solid Waste Disposal Contract Revenue Refunding Bonds, Series 2010 (the "Series 2010 Bonds") which are outstanding in the aggregate principal amount of \$10,545,000; and

**WHEREAS**, under the Member City Landfill Contract, the Series 2010 Bonds and any bonds issued to refund such bonds are payable from amounts paid by the Member Cities, including Sherman (the "City"); and



**WHEREAS**, the Authority plans to issue its refunding bonds (the "Refunding Bonds") to refund all or a portion of the Series 2010 Bonds (the "Eligible Refunded Bonds") pursuant to a bond resolution (the "Bond Resolution") to be adopted by the Board of Directors of the Authority and has delivered the form of the Bond Resolution to the City with a request that the City Council approve the form of the Bond Resolution; and

**WHEREAS**, by refunding all or a portion of the Eligible Refunded Bonds, the Authority will realize a debt service savings which would result in lowering the City's payments under the Member City Landfill Contract; and

**WHEREAS**, the City Council of the City deems it appropriate and in the best interests of the City that the Authority proceed to issue such Refunding Bonds;

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

**SECTION 1.** That the City Council hereby approves the form of the Bond Resolution, a copy of which is attached hereto and made a part hereof as Exhibit A, to be adopted by the Board of Directors of the Authority authorizing the sale, issuance and delivery of the Refunding Bonds to refund all or a portion of the Eligible Refunded Bonds.

**SECTION 2.** That the City Council acknowledges and agrees that the Refunding Bonds authorized pursuant to the Bond Resolution will be issued pursuant to the Member City Landfill Contract and that the City will be unconditionally obligated to make the payments as required by the Member City Landfill Contract which will be pledged by the Authority to the payment of the Refunding Bonds.

**SECTION 3.** That the Mayor and the City Manager are each hereby authorized to take such actions and to approve such instruments as are necessary to effect the refunding of all or a portion of the Eligible Refunded Bonds as permitted under the Bond Resolution. A true and correct copy of the proceedings relating to the issuance of the Refunding Bonds shall be provided to the City promptly after their execution and delivery.

**SECTION 4.** That the recitals set forth in the preamble to this resolution are hereby incorporated in and made a part of this resolution for all purposes.

**SECTION 5.** That this resolution shall take effect immediately from and after its adoption.

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

**SECTION 6.** 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.

**PASSED AND APPROVED** on this the \_\_\_\_\_ day of \_\_\_\_\_, 2019.

**CITY OF SHERMAN, TEXAS**

**BY:** \_\_\_\_\_  
**DAVID PLYLER, MAYOR**

**ATTEST:**

**BY:** \_\_\_\_\_  
**LINDA ASHBY, CITY CLERK**

**APPROVED AS TO FORM  
AND CONTENT:**

**BY:** \_\_\_\_\_  
**BRANDON S. SHELBY,  
CITY ATTORNEY**

CERTIFICATE FOR RESOLUTION

THE STATE OF TEXAS  
COUNTY OF GRAYSON  
CITY OF SHERMAN

We, the undersigned officers of the City of Sherman (the "City"), hereby certify as follows:

1. The City Council of the City (the "City Council") convened in REGULAR MEETING ON THE 16<sup>th</sup> DAY OF SEPTEMBER, 2019, at the City Hall (the "Meeting"), and the roll was called of the duly constituted officers and members of the City Council, as follows:

David Plyler, Mayor  
Shawn Teamann, Deputy Mayor  
Pamela L. Howeth, Council Member  
Willie Steele, Council Member  
Daron Holland, Council Member  
Josh Stevenson, Council Member  
Sandra Melton, Council Member

and all of such persons were present, except \_\_\_\_\_, thus constituting a quorum. Whereupon, among other business, the following was transacted at the Meeting: a written

**RESOLUTION APPROVING THE FORM OF RESOLUTION AUTHORIZING  
THE ISSUANCE OF TEXOMA AREA SOLID WASTE AUTHORITY  
REGIONAL SOLID WASTE DISPOSAL CONTRACT REVENUE REFUNDING  
BONDS, SERIES 2019; ESTABLISHING PROCEDURES FOR THE SALE AND  
DELIVERY OF THE BONDS; AND ENACTING OTHER PROVISIONS  
RELATING TO THE SUBJECT**

was duly introduced for the consideration of the Council and duly read (the "Resolution"). It was then duly moved and seconded that the Resolution be adopted; and, after due discussion, the motion, carrying with it the adoption of the Resolution, prevailed and carried by the following vote:

AYES: All members of the City Council shown  
present above voted "Aye", except  
as shown below.

NOES: \_\_\_\_\_.

2. That a true, full and correct copy of the Resolution passed at the Meeting is attached to and follows this Certificate; that the Resolution has been duly recorded in the City Council's minutes of the Meeting; that the above and foregoing paragraph is a true, full and correct excerpt from the City Council's minutes of the Meeting pertaining to the passage of the Resolution; that the persons named in the above and foregoing paragraph are the duly chosen, qualified and acting officers and members of the City Council as indicated therein; that each of the officers and members of the City Council was duly and sufficiently notified officially and personally, in advance, of the time, place and purpose of the Meeting, and that the Resolution would be introduced and considered for passage at the Meeting, and each of such officers and members consented, in advance, to the holding of the Meeting for such purpose, and that the Meeting was open to the public and public notice of the time, place and purpose of the Meeting was given, all as required by Chapter 551, Texas Government Code.

3. That the Mayor of the City has approved and hereby approves the Resolution; that the Mayor and the City Clerk of the City have duly signed the Resolution; and that the Mayor and the City Clerk of the City hereby declare that their signing of this Certificate shall constitute the signing of the attached and following copy of the Resolution for all purposes.

4. That the Resolution has not been modified, amended or repealed and is in full force and effect on and as of the date hereof.

SIGNED AND SEALED THIS SEPTEMBER 16, 2019.

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City Clerk, City of Sherman

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Mayor, City of Sherman

APPROVED AS TO FORM AND CONTENT:

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City Attorney  
City of Sherman

(CITY SEAL)

EXHIBIT A

**RESOLUTION NO. 2019-[] AUTHORIZING THE ISSUANCE OF  
TEXOMA AREA SOLID WASTE AUTHORITY REGIONAL SOLID  
WASTE DISPOSAL CONTRACT REVENUE REFUNDING BONDS,  
SERIES 2019; ESTABLISHING PROCEDURES FOR THE SALE AND  
DELIVERY OF THE BONDS; AND ENACTING OTHER PROVISIONS  
RELATING TO THE SUBJECT**

**STATE OF TEXAS  
COUNTIES OF COOKE AND GRAYSON  
TEXOMA AREA SOLID WASTE AUTHORITY**

**WHEREAS**, the Texoma Area Solid Waste Authority (the "Authority" or the "Issuer"), a Texas nonprofit corporation, was created pursuant to Subchapter D of Chapter 431, Texas Transportation Code, as amended ("Chapter 431") and Chapter 394, Texas Local Government Code ("Chapter 394" and together with Chapter 431, the "Act") to aid, assist and act on behalf of the City of Denison, Texas ("Denison"), the City of Gainesville, Texas ("Gainesville"), and the City of Sherman, Texas ("Sherman"), each a home rule municipal corporation (Denison, Gainesville and Sherman, individually, a "Member City") and collectively, the "Member Cities") and Cooke County, Texas and Grayson County, Texas (collectively, the "Counties", and together with the Member Cities, the "Local Governments") in the performance of their governmental functions to promote the common good and general welfare of the Local Governments, including, without limitation, (1) the financing, construction, ownership, and operation of a Type I municipal solid waste landfill to be located in western Grayson County, Texas as may be improved, extended or enlarged (the "Facility"), (2) the collection, handling, transportation, storage, collection, processing, and disposal of solid waste and (3) to perform such other governmental purposes of the Local Governments as may be determined from time to time by the governing bodies of the Local Governments; and

**WHEREAS**, pursuant to the Act and Chapter 362, Texas Health and Safety Code, the Solid Waste Resource Recovery Financing Act, the Member Cities and the Authority have previously entered into the Texoma Area Member City Landfill Contract, dated as of February 4, 2004, with respect to the payment of maintenance and operation expenses of the Facility and for the payment of debt service, debt service reserve and other payments related to the issuance of bonds, including refunding bonds, by the Authority for the purposes specified therein (the "Member City Landfill Contract"); and

**WHEREAS**, the Texoma Area Solid Waste Authority (the "Authority") has previously issued, and there are presently outstanding, bonds of the Authority payable from revenues derived from payments to be made to the Authority by the Member Cities pursuant to the Member City Landfill Contract; and

**WHEREAS**, the Authority now desires to refund all or part of the bonds described in Schedule I attached hereto, collectively, the "Eligible Refunded Bonds", that may be refunded and the Authority comply with the provisions of Section 29, hereof, and those Eligible Refunded

Obligations designated by the Pricing Officer in the Pricing Certificate, each as defined below, to be refunded are herein referred to as the "Refunded Bonds"; and

**WHEREAS**, the Board of Directors of the Authority (the "Board" or the "Board of Directors") hereby finds and determines that it is a public purpose and in the best interests of the Authority to refund the Refunded Bonds in order to achieve a present value debt service savings of not less than 2.00%, with such savings, among other information and terms to be included in a pricing certificate (the "Pricing Certificate") to be executed by the Pricing Officer (hereinafter designated), all in accordance with Section 26 of the resolution that authorized the issuance of the Refunded Bonds, the Act and other applicable law; and

**WHEREAS**, the bonds hereafter authorized are being issued and delivered pursuant to Section 431.070, Texas Transportation Code, as amended, and Chapters 1201 and 1207, Texas Government Code, as amended, and other applicable laws; and

**WHEREAS**, it is officially found, determined and declared that the meeting at which this Resolution has been adopted was open to the public, and public notice of the date, hour, place and subject of said meeting, including this Resolution, was given, all as required by the applicable provisions of Chapter 551, Texas Government Code.

**THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE TEXOMA AREA SOLID WASTE AUTHORITY, THAT:**

**SECTION 1. RECITALS, AMOUNT, PURPOSE AND DESIGNATION OF THE BONDS.**

(a) The recitals set forth in the preamble hereof are incorporated herein and shall have the same force and effect as if set forth in this Section.

(b) The bonds of Texoma Area Solid Waste Authority (the "Authority") are hereby authorized to be issued and delivered in the maximum aggregate principal amount hereinafter set forth for the public purpose of providing funds to refund a portion of the Authority's outstanding indebtedness payable from revenues and to pay the costs incurred in connection with the issuance of the Bonds.

(c) Each bond issued pursuant to this Resolution shall be designated: "TEXOMA AREA SOLID WASTE AUTHORITY REGIONAL SOLID WASTE DISPOSAL CONTRACT REVENUE REFUNDING BONDS, SERIES 2019," and initially there shall be issued, sold, and delivered hereunder fully registered Bonds, without interest coupons, payable to the respective registered owners thereof (with the initial bonds being made payable to the initial purchaser as described in Section 12 hereof), or to the registered assignee or assignees of said bonds or any portion or portions thereof (in each case, the "Registered Owner" or the "registered owner"). The Bonds shall be in the respective denominations and principal amounts, shall be numbered, shall mature and be payable on the date or dates in each of the years and in the principal amounts or amounts due at maturity, as applicable, and shall bear interest to their respective dates of

maturity or redemption prior to maturity at the rates per annum, as set forth in the Pricing Certificate.

Section 2. [RESERVED]

Section 3. DELEGATION TO PRICING OFFICER.

(a) The President of the Board or the Executive Director of the Authority (each, a "Pricing Officer") is each hereby authorized to act on behalf of the Authority in selling and delivering the Bonds, determining which of the Eligible Refunded Bonds shall be refunded and carrying out the other procedures specified in this Resolution, including, determining the date of the Bonds, any additional or different designation or title by which the Bonds shall be known, the price at which the Bonds will be sold, the years in which the Bonds will mature, the principal amount to mature in each of such years, the rate of interest to be borne by each such maturity, the interest payment and record dates, the price and terms upon and at which the Bonds shall be subject to redemption prior to maturity at the option of the Authority, as well as any mandatory sinking fund redemption provisions, and all other matters relating to the issuance, sale, and delivery of the Bonds and the refunding of the Refunded Bonds, including without limitation establishing the redemption date for and effecting the redemption of the Refunded Bonds, procuring municipal bond insurance, and approving modifications to this Resolution and executing such instruments, documents and agreements as may be necessary with respect thereto, if it is determined that such insurance would be financially desirable and advantageous, all of which shall be specified in the Pricing Certificate; provided that:

(i) the aggregate original principal amount of the Bonds shall not exceed \$10,250,000;

(ii) the refunding must produce a present value debt service savings of at least 2.000%;

(iii) the true interest cost of the Bonds shall not exceed 3.750% per annum provided that the net effective interest rate on the Bonds shall not exceed the maximum rate set forth in Chapter 1204, Texas Government Code, as amended;

(iv) the delegation made hereby shall expire if not exercised by the Pricing Officer on or before March 18, 2019.

(b) In establishing the aggregate principal amount of the Bonds, the Pricing Officer shall establish an amount not exceeding the amount authorized in Subsection (a) hereof, which shall be sufficient in amount to provide for the purposes for which the Bonds are authorized and to pay costs of issuing the Bonds. The Bonds shall be sold with and subject to such terms as set forth in the Pricing Certificate.

(c) The Bonds may be issued as serial maturities or term bonds, or a combination thereof, as set forth in the Pricing Certificate.

(d) The Bonds may be sold by public offering (either through a negotiated or competitive offering) or a private placement to a purchaser and the Pricing Certificate shall so state, and the Pricing Certificate may conform this Resolution to such method of sale, including making provision that pertain to the undertaking of the Issuer in accordance with SEC Rule 15c2-12.

#### **SECTION 4. CHARACTERISTICS OF THE BONDS.**

(a) Registration, Transfer, Conversion and Exchange. The Authority shall keep or cause to be kept at the principal corporate trust office of U.S. Bank National Association, Dallas, Texas (the "Paying Agent/Registrar") books or records for the registration of the transfer, conversion and exchange of the Bonds (the "Registration Books"), and the Authority hereby appoints the Paying Agent/Registrar as its registrar and transfer agent to keep such books or records and make such registrations of transfers, conversions and exchanges under such reasonable regulations as the Authority and Paying Agent/Registrar may prescribe; and the Paying Agent/Registrar shall make such registrations, transfers, conversions and exchanges as herein provided within three business days of presentation in due and proper form. The Paying Agent/Registrar shall obtain and record in the Registration Books the address of the registered owner of each Bond to which payments with respect to the Bonds shall be mailed, as herein provided; but it shall be the duty of each registered owner to notify the Paying Agent/Registrar in writing of the address to which payments shall be mailed, and such interest payments shall not be mailed unless such notice has been given. The Authority shall have the right to inspect the Registration Books during regular business hours of the Paying Agent/Registrar, but otherwise the Paying Agent/Registrar shall keep the Registration Books confidential and, unless otherwise required by law, shall not permit their inspection by any other entity. The Authority shall pay the Paying Agent/Registrar's standard or customary fees and charges for making such registration, transfer, conversion, exchange and delivery of a substitute Bond or Bonds. Registration of assignments, transfers, conversions and exchanges of Bonds shall be made in the manner provided and with the effect stated in the FORM OF BOND set forth in this Resolution. Each substitute Bond shall bear a letter and/or number to distinguish it from each other Bond.

(b) Authentication. Except as provided in Section 4(e) hereof, an authorized representative of the Paying Agent/Registrar shall, before the delivery of any such Bond, date and manually sign said Bond, and no such Bond shall be deemed to be issued or outstanding unless such Bond is so executed. The Paying Agent/Registrar promptly shall cancel all paid Bonds and Bonds surrendered for conversion and exchange. No additional ordinances, orders or resolutions need be passed or adopted by the governing body of the Authority or any other body or person so as to accomplish the foregoing conversion and exchange of any Bond or portion thereof, and the Paying Agent/Registrar shall provide for the printing, execution and delivery of the substitute Bonds in the manner prescribed herein. Pursuant to Subchapter D, Chapter 1201, Texas Government Code, the duty of conversion and exchange of Bonds as aforesaid is hereby imposed upon the Paying Agent/Registrar, and, upon the execution of said Bond, the converted and exchanged Bond shall be valid, incontestable, and enforceable in the same manner and with the same effect as the Bonds which initially were issued and delivered pursuant to this Resolution, approved by the Attorney General, and registered by the Comptroller of Public Accounts.



(c) Payment of Bonds and Interest. The Authority hereby further appoints the Paying Agent/Registrar to act as the paying agent for paying the principal of and interest on the Bonds, all as provided in this Resolution. The Paying Agent/Registrar shall keep proper records of all payments made by the Authority and the Paying Agent/Registrar with respect to the Bonds, and of all conversions and exchanges of Bonds, and all replacements of Bonds, as provided in this Resolution. However, in the event of a nonpayment of interest on a scheduled payment date, and for thirty (30) days thereafter, a new record date for such interest payment (a "Special Record Date") will be established by the Paying Agent/Registrar, if and when funds for the payment of such interest have been received from the Authority. Notice of the Special Record Date and of the scheduled payment date of the past due interest (which shall be 15 days after the Special Record Date) shall be sent at least five (5) business days prior to the Special Record Date by United States mail, firstclass postage prepaid, to the address of each registered owner appearing on the Registration Books at the close of business on the last business day next preceding the date of mailing of such notice.

(d) Substitute Paying Agent/Registrar. The Authority covenants with the registered owners of the Bonds that at all times while the Bonds are outstanding the Authority will provide a competent and legally qualified bank, trust company, financial institution or other agency to act as and perform the services of Paying Agent/Registrar for the Bonds under this Resolution, and that the Paying Agent/Registrar will be one entity. The Authority reserves the right to, and may, at its option, change the Paying Agent/Registrar upon not less than 120 days written notice to the Paying Agent/Registrar, to be effective not later than 60 days prior to the next principal or interest payment date after such notice. In the event that the entity at any time acting as Paying Agent/Registrar (or its successor by merger, acquisition, or other method) should resign or otherwise cease to act as such, the Authority covenants that promptly it will appoint a competent and legally qualified bank, trust company, financial institution, or other agency to act as Paying Agent/Registrar under this Resolution. Upon any change in the Paying Agent/Registrar, the previous Paying Agent/Registrar promptly shall transfer and deliver the Registration Books (or a copy thereof), along with all other pertinent books and records relating to the Bonds, to the new Paying Agent/Registrar designated and appointed by the Authority. Upon any change in the Paying Agent/Registrar, the Authority promptly will cause a written notice thereof to be sent by the new Paying Agent/Registrar to each registered owner of the Bonds, by United States mail, first-class postage prepaid, which notice also shall give the address of the new Paying Agent/Registrar. By accepting the position and performing as such, each Paying Agent/Registrar shall be deemed to have agreed to the provisions of this Resolution, and a certified copy of this Resolution shall be delivered to each Paying Agent/Registrar.

(e) General Characteristics of the Bonds. The Bonds (i) shall be issued in fully registered form, without interest coupons, with the principal of and interest on such Bonds to be payable only to the Registered Owners thereof, (ii) may and shall be redeemed prior to their scheduled maturities, (iii) may be transferred and assigned, (iv) may be converted and exchanged for other Bonds, (v) shall have the characteristics, (vi) shall be signed, sealed, executed and authenticated, (vii) the principal of and interest on the Bonds shall be payable, and (viii) shall be administered and the Paying Agent/Registrar and the Authority shall have certain duties and responsibilities with respect to the Bonds, all as provided, and in the manner and to the effect as required or indicated, in the FORM OF BOND set forth in this Resolution. The Bonds initially

issued and delivered pursuant to this Resolution is not required to be, and shall not be, authenticated by the Paying Agent/Registrar, but on each substitute Bond issued in conversion of and exchange for any Bond or Bonds issued under this Resolution the Paying Agent/Registrar shall execute the Paying Agent/registrar's Authentication Certificate, in the FORM OF BOND set forth in this Resolution.

(f) Book-Entry Only System. The Bonds issued in exchange for the Bonds initially issued to the purchaser specified herein shall be initially issued in the form of a separate single fully registered Bond for each of the maturities thereof. Upon initial issuance, the ownership of each such Bond shall be registered in the name of Cede & Co., as nominee of The Depository Trust Company of New York ("DTC"), and except as provided in subsection (g) hereof, all of the outstanding Bonds shall be registered in the name of Cede & Co., as nominee of DTC.

With respect to Bonds registered in the name of Cede & Co., as nominee of DTC, the Authority and the Paying Agent/Registrar shall have no responsibility or obligation to any securities brokers and dealers, banks, trust companies, clearing corporations and certain other organizations on whose behalf DTC was created ("DTC Participant") to hold securities to facilitate the clearance and settlement of securities transactions among DTC Participants or to any person on behalf of whom such a DTC Participant holds an interest in the Bonds. Without limiting the immediately preceding sentence, the Authority and the Paying Agent/Registrar shall have no responsibility or obligation with respect to (i) the accuracy of the records of DTC, Cede & Co. or any DTC Participant with respect to any ownership interest in the Bonds, (ii) the delivery to any DTC Participant or any other person, other than a registered owner of Bonds, as shown on the Registration Books, of any notice with respect to the Bonds, or (iii) the payment to any DTC Participant or any other person, other than a registered owner of Bonds, as shown in the Registration Books of any amount with respect to principal of or interest on the Bonds. Notwithstanding any other provision of this Resolution to the contrary, the Authority and the Paying Agent/Registrar shall be entitled to treat and consider the person in whose name each Bond is registered in the Registration Books as the absolute owner of such Bond for the purpose of payment of principal and interest with respect to such Bond, for the purpose of registering transfers with respect to such Bond, and for all other purposes whatsoever. The Paying Agent/Registrar shall pay all principal of and interest on the Bonds only to or upon the order of the registered owners, as shown in the Registration Books as provided in this Resolution, or their respective attorneys duly authorized in writing, and all such payments shall be valid and effective to fully satisfy and discharge the Authority's obligations with respect to payment of principal of and interest on the Bonds to the extent of the sum or sums so paid. No person other than a registered owner, as shown in the Registration Books, shall receive a Bond certificate evidencing the obligation of the Authority to make payments of principal and interest pursuant to this Resolution. Upon delivery by DTC to the Paying Agent/Registrar of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede & Co., and subject to the provisions in this Resolution with respect to interest checks being mailed to the registered owner at the close of business on the Record Date, the words "Cede & Co." in this Resolution shall refer to such new nominee of DTC.

(g) Successor Securities Depository; Transfers Outside Book-Entry Only System. In the event that the Authority determines that DTC is incapable of discharging its responsibilities

described herein and in the representation letter of the Authority to DTC (the "representation letter" or the "Letter of Representations") or that it is in the best interest of the beneficial owners of the Bonds that they be able to obtain certificated Bonds, the Authority shall (i) appoint a successor securities depository, qualified to act as such under Section 17A of the Securities and Exchange Act of 1934, as amended, notify DTC and DTC Participants of the appointment of such successor securities depository and transfer one or more separate Bonds to such successor securities depository or (ii) notify DTC and DTC Participants of the availability through DTC of Bonds and transfer one or more separate Bonds to DTC Participants having Bonds credited to their DTC accounts. In such event, the Bonds shall no longer be restricted to being registered in the Registration Books in the name of Cede & Co., as nominee of DTC, but may be registered in the name of the successor securities depository, or its nominee, or in whatever name or names registered owners transferring or exchanging Bonds shall designate, in accordance with the provisions of this Resolution.

(h) Payments to Cede & Co. Notwithstanding any other provision of this Resolution to the contrary, so long as any Bond is registered in the name of Cede & Co., as nominee of DTC, all payments with respect to principal of and interest on such Bond and all notices with respect to such Bond shall be made and given, respectively, in the manner provided in the representation letter of the Authority to DTC.

(i) Cancellation of Initial Bond. On the closing date, one initial Bond representing the entire principal amount of the Bonds, payable in stated installments to the order of the initial purchaser of the Bonds or its designee, executed by manual or facsimile signature of the President and Secretary of the Board, approved by the Attorney General of Texas, and registered and manually signed by the Comptroller of Public Accounts of the State of Texas, will be delivered to such purchaser or its designee. Upon payment for the initial Bond, the Paying Agent/Registrar shall cancel the initial Bond and deliver to The Depository Trust Company ("DTC") on behalf of such purchaser one registered definitive Bond for each year of maturity of the Bonds, in the aggregate principal amount of all of the Bonds for such maturity, registered in the name of Cede & Co., as nominee of DTC. To the extent that the Paying Agent/Registrar is eligible to participate in DTC's FAST System, pursuant to an agreement between the Paying Agent/Registrar and DTC, the Paying Agent/Registrar shall hold the definitive Bonds in safekeeping for DTC.

**SECTION 5. FORM OF BONDS.** The form of the Bonds, including the form of Paying Agent/Registrar's Authentication Certificate, the form of Assignment and the form of Registration Certificate of the Comptroller of Public Accounts of the State of Texas (to be attached to the Bond initially issued and delivered pursuant to this Resolution), shall be, respectively, substantially as follows, with such appropriate variations, omissions, or insertions as are permitted or required by this Resolution, and with the Bonds to be completed with information set forth in the Pricing Certificate.

(a) Form of Bond

R-

PRINCIPAL  
AMOUNT

\$ \_\_\_\_\_

UNITED STATES OF AMERICA  
STATE OF TEXAS  
TEXOMA AREA SOLID WASTE AUTHORITY  
REGIONAL SOLID WASTE DISPOSAL CONTRACT REVENUE REFUNDING BOND,  
SERIES 2019

|               |                               |               |          |
|---------------|-------------------------------|---------------|----------|
| INTEREST RATE | DATED DATE /<br>DELIVERY DATE | MATURITY DATE | CUSIP NO |
|---------------|-------------------------------|---------------|----------|

REGISTERED OWNER:

PRINCIPAL AMOUNT: DOLLARS

ON THE MATURITY DATE specified above, TEXOMA AREA SOLID WASTE AUTHORITY (the "Issuer"), being a political subdivision of the State of Texas, hereby promises to pay to the Registered Owner set forth above, or registered assigns (hereinafter called the "registered owner") the principal amount set forth above, and to pay interest thereon from the [Dated Date / Delivery Date] forth above, on \_\_\_\_\_ and on each \_\_\_\_\_ thereafter to the Maturity Date specified above, the date of redemption prior to maturity, at the interest rate per annum specified above; except that if this Bond is required to be authenticated and the date of its authentication is later than the first Record Date (hereinafter defined), such principal amount shall bear interest from the interest payment date next preceding the date of authentication, unless such date of authentication is after any Record Date but on or before the next following interest payment date, in which case such principal amount shall bear interest from such next following interest payment date; provided, however, that if on the date of authentication hereof the interest on the Bond or Bonds, if any, for which this Bond is being exchanged or converted from is due but has not been paid, then this Bond shall bear interest from the date to which such interest has been paid in full.

THE PRINCIPAL OF AND INTEREST ON THIS BOND are payable in lawful money of the United States of America, without exchange or collection charges. The principal of this Bond shall be paid to the registered owner hereof upon presentation and surrender of this Bond at maturity, or upon the date fixed for its redemption prior to maturity, at the corporate trust office of U.S. Bank National Association, Dallas, Texas, which is the "Paying Agent/Registrar" for this Bond. The payment of interest on this Bond shall be made by the Paying Agent/Registrar to the registered owner hereof on each interest payment date by check or draft, dated as of such interest payment date, drawn by the Paying Agent/Registrar on, and payable solely from, funds of the Issuer required by the resolution authorizing the issuance of the Bonds (the "Resolution") to be on deposit with the Paying Agent/Registrar for such purpose as hereinafter provided; and such check or draft shall be sent by the Paying Agent/Registrar by United States mail, first-class postage prepaid, on each such interest payment date, to the registered owner hereof, at its address as it appeared on the \_\_\_\_\_ business day of the month next preceding each such date (the "Record Date") on the Registration Books kept by the Paying Agent/Registrar, as hereinafter described. In the event of a non-payment of interest on a scheduled payment date, and for 30 days thereafter, a new record date for such interest payment (a "Special Record Date") will be established by the Paying Agent/Registrar, if and when funds for the payment of such interest have been received from the Issuer. Notice of the Special Record Date and of the scheduled payment date of the past due interest (the "Special Payment Date" which shall be 15 days after the Special Record Date) shall be sent at least five business days prior to the Special Record Date by United States mail, first class, postage prepaid, to the address of each registered owner of a Bond appearing on the books of the Paying Agent/Registrar at the close of business on the last business day next preceding the date of mailing of such notice.

ANY ACCRUED INTEREST due at maturity or upon redemption of this Bond prior to maturity as provided herein shall be paid to the registered owner at the principal corporate trust office of the Paying Agent/Registrar. The Issuer covenants with the registered owner of this Bond that on or before each principal payment date and interest payment date for this Bond it will make available to the Paying Agent/Registrar, from the "Interest and Sinking Fund" created by the Resolution, the amounts required to provide for the payment, in immediately available funds, of all principal of and interest on the Bonds, when due.

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

THIS BOND is one of a series of bonds dated as of \_\_\_\_\_, authorized in accordance with the Constitution and laws of the State of Texas in the principal amount of \$ \_\_\_\_\_ for the purpose of providing funds to refund a portion of the Issuer's outstanding Regional Solid Waste Disposal Contract Revenue Refunding Bonds, Series 2010, and to pay the costs incurred in connection with the issuance of the Bonds.

\*ON \_\_\_\_\_, or on any date thereafter, the Bonds of this series maturing on and after \_\_\_\_\_, may be redeemed prior to their scheduled maturities, at the option of the Issuer, with funds derived from any available and lawful source, as a whole, or in part (and if less than all Bonds of a particular maturity are to be redeemed, the Bonds to be redeemed shall be selected by the Paying Agent/Registrar at random and by lot), at the redemption price equal to the principal amount being called for redemption plus accrued interest to the date fixed for redemption.

\* THE BONDS scheduled to mature on \_\_\_\_\_ in the years \_\_\_\_ and \_\_\_\_ (the "Term Bonds") are subject to scheduled mandatory redemption by the Paying Agent/Registrar by lot, at a price equal to the principal amount thereof plus accrued interest to the redemption date, out of moneys available for such purposes in the interest and sinking fund for the Bonds, on the dates and in the respective principal amounts set forth in the following schedule:

[Term Bonds]

The principal amount of the Term Bonds of a stated maturity required to be redeemed on any mandatory redemption date pursuant to the operation of the mandatory sinking fund redemption provisions may be reduced, at the option of the Issuer, by the principal amount of any Term Bonds of the same maturity which, at least 45 days prior to a mandatory redemption date, (1) shall have been acquired by the Issuer and delivered to the Paying Agent/Registrar for cancellation, (2) shall have been purchased and canceled by the Paying Agent/Registrar at the request of the Issuer, or (3) shall have been redeemed pursuant to the optional redemption provisions and not theretofore credited against a mandatory redemption requirement.

\*AT LEAST THIRTY days prior to the date fixed for any redemption of Bonds or portions thereof prior to maturity a written notice of such redemption shall be sent by the Paying Agent/Registrar by United States mail, first-class postage prepaid, to the registered owner of each Bond to be redeemed at its address as it appeared on the business day next preceding the day such notice of redemption is mailed and to major securities depositories, national bond rating agencies and bond information services; provided, however, that the failure of the registered owner to receive such notice, or any defect therein or in the sending or mailing thereof, shall not affect the validity or effectiveness of the proceedings for the redemption of any Bond. By the date fixed for any such redemption, due provision shall be made with the Paying Agent/Registrar for the payment of the required redemption price for the Bonds or portions thereof which are to be so redeemed. If such written notice of redemption is sent and if due provision for such payment is made, all as provided above, the Bonds or portions thereof which are to be so redeemed thereby automatically shall be treated as redeemed prior to their scheduled maturities, and they shall not bear interest after the date fixed for redemption, and they shall not be regarded as being outstanding except for the right of the registered owner to receive the redemption price from the Paying Agent/Registrar out of the funds provided for such payment. If a portion of any Bond shall be redeemed a substitute Bond or Bonds having the same maturity date, bearing interest at the same rate, in any denomination or denominations in any integral multiple of \$5,000, at the written request of the registered owner, and in aggregate amount equal to the unredeemed portion thereof, will be issued to the registered owner upon the surrender thereof for cancellation, at the expense of the Issuer, all as provided in the Resolution.

ALL BONDS OF THIS SERIES are issuable solely as fully registered Bonds, without interest coupons, in the denomination of any integral multiple of \$5,000. As provided in the Resolution, this Bond may, at the request of the registered owner or the assignee or assignees hereof, be assigned, transferred, converted into and exchanged for a like aggregate amount of fully registered Bonds, without interest coupons, payable to the appropriate registered owner, assignee or assignees, as the case may be, having any authorized denomination or denominations as requested in writing by the appropriate registered owner, assignee or assignees, as the case may be, upon surrender of this Bond to the Paying Agent/Registrar for cancellation, all in accordance with the form and procedures set forth in the Resolution. Among other requirements for such assignment and transfer, this Bond must be presented and surrendered to the Paying Agent/Registrar, together with proper instruments of assignment, in form and with guarantee of signatures satisfactory to the Paying Agent/Registrar, evidencing assignment of this Bond or any portion or portions hereof in any authorized denomination to the assignee or assignees in whose name or names this Bond or any such portion or portions hereof is or are to be registered. The form of Assignment printed or endorsed on this Bond may be executed by the registered owner to evidence the assignment hereof, but such method is not exclusive, and other instruments of assignment satisfactory to the Paying Agent/Registrar may be used to evidence the assignment of this Bond or any portion or portions hereof from time to time by the registered owner. The Paying Agent/Registrar's reasonable standard or customary fees and charges for assigning, transferring, converting and exchanging any Bond or portion thereof will be paid by the Issuer. In any circumstance, any taxes or governmental charges required to be paid with respect thereto shall be paid by the one requesting such assignment, transfer, conversion or exchange, as a condition precedent to the exercise of such privilege. The Paying Agent/Registrar shall not be required to make any such transfer or exchange of this Bond (i) during the period commencing with the close of business on any Record Date and ending with the opening of business on the next following principal or interest payment date, or (ii) with respect to any Bond or any portion thereof called for redemption prior to maturity, within 45 days prior to its redemption date.

IN THE EVENT any Paying Agent/Registrar for the Bonds is changed by the Issuer, resigns, or otherwise ceases to act as such, the Issuer has covenanted in the Resolution that it promptly will appoint a competent and legally qualified substitute therefor, and cause written notice thereof to be mailed to the registered owners of the Bonds.

IT IS HEREBY certified, recited, and covenanted that this Bond has been duly and validly authorized, issued, and delivered; that all acts, conditions, and things required or proper to be performed, exist, and be done precedent to or in the authorization, issuance, and delivery of this Bond have been performed, existed, and been done in accordance with law; that this Bond is a special obligation of the Issuer, secured by and payable from an irrevocable first lien on and pledge of "Gross Revenues" (as defined in the Resolution) primarily derived by the Issuer from the Member Cities (as defined in the Resolution) pursuant to the Member City Landfill Contract (as defined and described in the Resolution), as such Member City Landfill Contract may be amended pursuant to its terms.

THE REGISTERED OWNER hereof shall never have the right to demand payment of this Bond out of any funds raised or to be raised by taxation.

THE ISSUER HAS RESERVED THE RIGHT, subject to the restrictions stated in the Resolution, to issue "Additional Parity Obligations" which also may be secured by and payable

from an irrevocable first lien on and pledge of the aforesaid Gross Revenues on a parity and of equal dignity in all respects with this Bond.

THE ISSUER ALSO HAS RESERVED THE RIGHT to amend the Resolution with the approval of the registered owners of at least a majority in principal amount of all outstanding "Parity Obligations" (which term is defined in the Resolution and includes the Bonds and all Additional Parity Obligations issued on a parity therewith), subject to the restrictions stated in the Resolution, or without the consent of the registered owners of the Parity Obligations if each rating agency then maintaining a rating on the Parity Obligations at the request of the Issuer confirms in writing that such amendment would not cause such rating agency to withdraw or reduce its then current rating on the Parity Obligations.

BY BECOMING the registered owner of this bond, the registered owner thereby acknowledges all of the terms and provisions of the Resolution, agrees to be bound by such terms and provisions, acknowledges that the Resolution is duly recorded and available for inspection in the official minutes and records of the governing body of the Issuer, and agrees that the terms and provisions of this Bond and the Resolution constitute a contract between each registered owner hereof and the Issuer.

IN WITNESS WHEREOF, the Issuer has caused this Bond to be signed with the manual or facsimile signature of the President of the Board of Directors of the Issuer and countersigned with the manual or facsimile signature of the Secretary of the Board of Directors of the Issuer, and has caused the official seal of the Issuer to be duly impressed, or placed in facsimile, on this Bond.

\_\_\_\_\_  
(signature)  
\_\_\_\_\_  
Secretary, Board of Directors  
Texoma Area Solid Waste Authority

\_\_\_\_\_  
(signature)  
\_\_\_\_\_  
President, Board of Directors  
Texoma Area Solid Waste Authority

(SEAL)

\*These paragraphs to be included only on the Bonds to the extent applicable.

(b) Form of Paying Agent/Registrar's Authentication Certificate:

PAYING AGENT/REGISTRAR'S AUTHENTICATION CERTIFICATE

(To be executed if this Bond is not accompanied by an Executed Registration Certificate of the Comptroller of Public Accounts of the State of Texas)

It is hereby certified that this Bond has been issued under the provisions of the Resolution described in the text of this Bond; and that this Bond has been issued in conversion or replacement of, or in exchange for, a bond, bonds, or a portion of a bond or bonds of a Series



which originally was approved by the Attorney General of the State of Texas and registered by the Comptroller of Public Accounts of the State of Texas.

Date of authentication: \_\_\_\_\_

U.S. BANK NATIONAL ASSOCIATION  
Paying Agent/Registrar

By: \_\_\_\_\_  
Authorized Signatory

(c) Form of Assignment:

ASSIGNMENT

For value received, the undersigned hereby sells, assigns and transfers unto

\_\_\_\_\_

Please insert Social Security or Taxpayer Identification Number of Transferee

\_\_\_\_\_

\_\_\_\_\_  
(Please print or typewrite name and address, including zip code of Transferee)

the within Bond and all rights thereunder, and hereby irrevocably constitutes and appoints

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

Dated: \_\_\_\_\_

Signature Guaranteed:

\_\_\_\_\_  
NOTICE: Signature(s) must be guaranteed by an eligible guarantor institution participating in a securities transfer association recognized signature guarantee program.

\_\_\_\_\_  
NOTICE: The signature above must correspond with the name of the registered owner as it appears upon the front of this Bond in every particular, without alteration or enlargement or any change whatsoever.

(d) Form of Registration Certificate of the Comptroller of Public Accounts:

REGISTRATION CERTIFICATE OF  
COMPTROLLER OF PUBLIC ACCOUNTS

OFFICE OF THE COMPTROLLER  
OF PUBLIC ACCOUNTS  
OF THE STATE OF TEXAS

§  
§  
§

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

I HEREBY CERTIFY that there is on file and of record in my office a certificate of the Attorney General of the State of Texas to the effect that this Bond has been examined by him as required by law, that he finds that it has been issued in conformity with the Constitution and laws of the State of Texas, and that it is a valid and binding obligation of Texoma Area Solid Waste Authority, and that this Bond has this day been registered by me.

WITNESS MY SIGNATURE AND SEAL this \_\_\_\_\_.

XXXXXXXXX  
Comptroller of Public Accounts  
of the State of Texas

(COMPTROLLER'S SEAL)

(e) Insertions for the Initial Bond

(i) The Initial Bond shall be in the form set forth in paragraph (a) of this Section, except that:

(A) immediately under the name of the Bond, the headings "INTEREST RATE" and "MATURITY DATE" shall both be completed with the words "As shown below" and "CUSIP NO. \_\_\_\_\_" shall be deleted.

(B) the first paragraph shall be deleted and the following will be inserted:

"TEXOMA AREA SOLID WASTE AUTHORITY (the "Issuer"), being a political subdivision of the State of Texas, hereby promises to pay to the Registered Owner specified above, or registered assigns (hereinafter called the "registered owner"), on the dates, in the principal installments and bearing interest at the per annum rates set forth in the following schedule:

(Information for the Bonds from Section 3 to be inserted)

The Issuer promises to pay interest on the unpaid principal amount hereof (calculated on the basis of a 360-day year of twelve 30-day months) from \_\_\_\_\_ at the respective Interest Rate per annum specified above. Interest is payable on \_\_\_\_\_, and on each \_\_\_\_\_ and \_\_\_\_\_ thereafter to the date of payment of the principal installment specified above, or the

date of redemption prior to maturity; except, that if this Bond is required to be authenticated and the date of its authentication is later than the first Record Date (hereinafter defined), such principal amount shall bear interest from the interest payment date next preceding the date of authentication, unless such date of authentication is after any Record Date but on or before the next following interest payment date, in which case such principal amount shall bear interest from such next following interest payment date; provided, however, that if on the date of authentication hereof the interest on the Bond or Bonds, if any, for which this Bond is being exchanged is due but has not been paid, then this Bond shall bear interest from the date to which such interest has been paid in full."

(C) The initial Bond shall be numbered "T-1."

#### **SECTION 6. [RESERVED].**

**SECTION 7. DEFINITIONS.** In addition to the capitalized terms which are defined in the recitals or in Section 1 through Section 4 of this Resolution, the following words and terms used in this Resolution shall have the following meanings unless the context or use indicates another meaning or intent.

"Additional Parity Obligations" shall mean the additional bonds, notes and other obligations which the Authority reserves the right to issue or enter into, as the case may be, in the future under the terms and conditions provided in Sections 23 and 24 of this Resolution and which are equally and ratably secured wholly or in part by a lien on and pledge of the Gross Revenues on a parity with the lien on and pledge of the Gross Revenues which secures the then Outstanding Parity Obligations.

"Additional Member City" or "Additional Member Cities" means any city or cities in addition to Denison, Gainesville, and Sherman, or any county or other political subdivision with which the Authority may enter into a contract under the Member City Landfill Contract, following consent by Denison, Gainesville, and Sherman to the addition of each such Additional Member City, for receiving, transporting, treating, and/or disposing of MSW through the Facility.

"Annual Debt Service Requirements" shall mean, as of the date of calculation, the principal of and interest on all Parity Obligations coming due at Maturity or Stated Maturity in such Fiscal Year.

"Bond Counsel" shall mean an attorney or firm of attorneys nationally recognized as bond counsel and selected by the Authority.

"Bonds" means and includes the Bonds initially issued and delivered pursuant to this Resolution and all Bonds exchanged therefor, as well as all other substitute bonds and replacement bonds issued pursuant hereto, and the term "Bond" shall mean any of the Bonds.

"Business Day" shall mean any day which is not a Saturday, Sunday, legal holiday, or a day on which banking institutions in the City of New York, New York or in the city where the

designated payment office of the Paying Agent/Registrar is located are authorized by law or executive order to close.

"Code" shall mean the Internal Revenue Code of 1986, and any amendments thereto.

"Credit Facility" shall mean (i) a policy of insurance or a surety bond, issued by an issuer of policies of insurance insuring the timely payment of debt service on governmental obligations, provided that a Rating Agency having an outstanding rating on the Parity Obligations would rate the Parity Obligations fully insured by a standard policy issued by the issuer in its two highest generic rating categories for such obligations; and (ii) a letter or line of credit issued by any financial institution, provided that a Rating Agency having an outstanding rating on the Parity Obligations would rate the parity obligations in its two highest generic rating categories for such obligations if the letter or line of credit proposed to be issued by such financial institution secured the timely payment of the entire principal amount of the Parity Obligations and the interest thereon.

"Credit Provider" shall mean any bank, financial institution, insurance company, surety bond provider, or other entity which provides, executes, issues, or otherwise is a party to or provider of a Credit Facility.

"Debt" shall mean all:

(1) indebtedness incurred or assumed by the Authority for borrowed money and all other financing obligations of the Authority that, in accordance with generally accepted accounting principles, are shown on the liability side of a balance sheet;

(2) other indebtedness (other than indebtedness otherwise treated as Debt hereunder) for borrowed money or for the acquisition, construction, or improvement of property or capitalized lease obligations that is guaranteed, directly or indirectly, in any manner by the Authority, or that is in effect guaranteed, directly or indirectly, by the Authority through an agreement, contingent or otherwise, to purchase any such indebtedness or to advance or supply funds for the payment or purchase of any such indebtedness or to purchase property or services primarily for the purpose of enabling the debtor or seller to make payment of such indebtedness, or to assure the owner of the indebtedness against loss, or to supply funds to or in any other manner invest in the debtor (including any agreement to pay for property or services irrespective of whether or not such property is delivered or such services are rendered), or otherwise; and

(3) indebtedness secured by any mortgage, lien, charge, encumbrance, pledge or other security interest upon property owned by the Authority whether or not the Authority has assumed or become liable for the payment thereof.

For the purpose of determining the "Debt" of the Authority, there shall be excluded any particular Debt if, upon or prior to the Maturity thereof, there shall have been deposited with the proper depository (a) in trust the necessary funds (or investments that will provide sufficient funds, if permitted by the instrument creating such Debt) for the payment, redemption, or satisfaction of such Debt or (b) evidence of such Debt deposited for cancellation; and thereafter it shall not be considered Debt. No item shall be considered Debt unless such item constitutes indebtedness under generally accepted accounting principles applied on a basis

consistent with the financial statements prepared by or for the benefit of the Authority in prior Fiscal Years.

"Designated Financial Officer" shall mean the chief financial officer of the Authority, which is, at the time of adoption of this Resolution, Dale Sissney, or such other financial or accounting official of the Authority so designated by the Executive Director of the Authority.

"Fiscal Year" shall mean the twelve-month period commencing on July 1 and ending on the next June 30, or such other period commencing on the date designated by the Authority and ending one year later.

"Funded Debt" - All Parity Obligations created or assumed by the Authority, either through the use of the proceeds or by an obligation of the Authority to pay, guarantee or otherwise provide for the payment thereof which mature by their terms (in the absence of the exercise of any earlier right of demand), or that are renewable at the option of the Authority to a date, more than one year after the original creation or assumption of such debt by the Authority.

"Government Obligations" shall mean direct obligations of the United States of America, including obligations the principal of and interest on which are unconditionally guaranteed by the United States of America, which may be United States Treasury Obligations such as its State and Local Government Series, which may be in book-entry form.

"Gross Revenues" shall mean, for any period, all revenues derived by the Authority from:

- (1) the Member City Participants pursuant to the Member City Landfill Contract, or the Additional Member City Participants pursuant to the Additional Member City Landfill Contracts, which constitute the "Bond Service Component" and the "Operation and Maintenance Component" (as such "Components" are defined in such Member City Landfill Contract or the Additional Member City Landfill Contracts, as the case may be);
- (2) any other person or entity not described in clause (1) which utilizes the Facility on retail basis; and
- (3) interest income from funds on deposit in the Revenue Fund, the Interest and Sinking Fund, and the Reserve Fund.

"Holder", "Bondholder" and "Registered Owner" or words of similar import each shall mean the registered owner of any Parity Obligation as shown on the Registration Books maintained by the Paying Agent/Registrar.

"Maturity" shall mean, when used with respect to any Debt payable in whole or in part from Gross Revenues, the date on which the principal of such Debt or any installment thereof becomes due and payable as therein provided, whether at the Stated Maturity thereof or prior redemption, or otherwise.

"Member City Participants" shall mean, collectively, the Member Cities and the Additional Member Cities, and the term "Member Participant" shall mean any one of such Member City Participants. For purposes of clarification, but without limiting the definition of

the term "Member City Participants" or excluding additional entities as "Member City Participants" after the date of passage of this Resolution, the following entities are considered "Member City Participants" as of the date of passage of this Resolution: Denison, Gainesville, and Sherman.

"Net Revenues" shall mean, for any period, all Gross Revenues less Operation and Maintenance Expenses.

"Operation and Maintenance Expenses" means all costs of operation and maintenance of the Facility including, but not limited to, repairs and replacements for which no special fund is created in this Resolution, the cost of utilities, supervision, engineering, accounting, auditing, regulatory costs, legal services, insurance premiums, and any other supplies, services, administrative costs, and equipment necessary for proper operation and maintenance of the Facility, payments made for the use or operation of any property, payments of fines, and payments made by the Authority in satisfaction of judgments or other liabilities resulting from claims not covered by the Authority's insurance or not paid by one particular Member City arising in connection with the operation and maintenance of the Facility. Depreciation shall not be considered an item of Operation and Maintenance Expense.

"Outstanding" shall mean, when used with respect to Parity Obligations, as of the date of determination, all Parity Obligations theretofore delivered under this Resolution and any resolution authorizing Additional Parity Obligations, except:

- (1) Parity Obligations theretofore canceled and delivered to the Authority or delivered to the Paying Agent/Registrar for cancellation;
- (2) Parity Obligations deemed paid pursuant to the provisions of Section 26 of this Resolution or any comparable section of any resolution authorizing Additional Parity Obligations;
- (3) Parity Obligations upon transfer of or in exchange for and in lieu of which other Parity Obligations have been authenticated and delivered pursuant to this Resolution and any resolution authorizing Additional Parity Obligations; and
- (4) Parity Obligations under which the obligations of the Authority have been released, discharged or extinguished in accordance with the terms thereof.

"Parity Obligations" shall mean, collectively, the Outstanding Series 2010 Bonds, the Bonds, and any Additional Parity Obligations.

"Paying Agent/Registrar" shall mean the respective bank, trust company, financial institution or other entity named in the resolution authorizing the issuance of each issue of Parity Obligations to provide paying agency and registrar services in connection with such issue of Parity Obligations.

"Rating Agency" shall mean one or more nationally recognized credit rating agencies then maintaining a rating on the Parity Obligations at the request of the Authority.

"Reimbursement Obligation" shall mean any obligation contained in a Reserve Fund Credit Facility pursuant to which the Authority obligates itself to reimburse a financial institution, insurance company or other entity for amounts paid or advanced by such entity pursuant to a Reserve Fund Credit Facility. Reimbursement Obligations may be payable from and secured by a lien on Gross Revenues which is on parity with, or subordinate to, the lien on Gross Revenues which secures the Parity Obligations pursuant to this Resolution.

"Reserve Fund Credit Facility" shall mean a Credit Facility which (i) may not be terminated by the Credit Provider providing such Credit Facility prior to the final maturity date of the series of Parity Obligations in connection with which such Credit Facility was issued, and (ii) may be drawn upon demand by the Authority to provide funds to pay principal and/or interest on the Parity Obligations in the event moneys on deposit in the Interest and Sinking Fund are insufficient to make such payment.

"Reserve Fund Requirement" shall mean, as of the date of issuance of any series of Parity Obligations, an amount equal to the average Annual Debt Service Requirements on the Parity Obligations Outstanding as of such date.

"Series 2010 Bonds" shall mean the Texoma Area Solid Waste Authority Regional Solid Waste Disposal Contract Revenue Refunding Bonds, Series 2010.

#### **SECTION 8. PLEDGE; RATE COVENANTS.**

(a) Pledge. The Parity Obligations, and the interest thereon, are and shall be payable from and secured by an irrevocable first lien on and pledge of the Gross Revenues, and the Gross Revenues are further pledged irrevocably to the establishment and maintenance of the Interest and Sinking Fund and the Reserve Fund hereinafter confirmed and maintained./

(b) Covenants Relating to Rates and Charges. The Authority covenants and agrees with the holders of the Parity Obligations as follows:

(i) It will at all times fix, revise, maintain, charge and collect for services rendered by the Facility, rates and charges which will produce Gross Revenues at least sufficient (A) to pay the Annual Debt Service Requirements on the Parity Obligations, (B) to pay all Operation and Maintenance Expenses, and (C) to make all deposits now or hereafter required to be made into the Funds created, established, or maintained by this Resolution; and

(ii) If the Facility should become legally liable for any other obligations or indebtedness, the Authority shall fix, maintain, charge and collect additional rates and charges for services rendered by the Facility sufficient to establish and maintain funds for the payment thereof.

**SECTION 9. FUNDS.** There is hereby confirmed and shall be maintained on the financial records of the Authority, for the pro rata benefit of all Parity Obligations, the following funds:

(a) Texoma Area Solid Waste Authority - Revenue Fund, hereinafter called the "Revenue Fund".

(b) Texoma Area Solid Waste Authority - Regional Solid Waste Disposal Contract Revenue Bonds Interest and Sinking Fund, hereinafter called the "Interest and Sinking Fund".

(c) Texoma Area Solid Waste Authority - Reserve Fund, hereinafter called the "Reserve Fund".

(d) Texoma Area Solid Waste Authority - Construction Fund hereinafter called the "Construction Fund".

**SECTION 10. REVENUE FUND.** All Gross Revenues collected by the Authority shall be deposited upon receipt to the credit of the Revenue Fund. The Funds on deposit in the Revenue Fund shall be used by the Authority, first, to make the deposit into the Interest and Sinking Fund at the times and in the amounts required by Section 11 hereof, and second, to pay all Operation and Maintenance Expenses. The remaining funds on deposit therein shall be transferred from the Revenue Fund into the Reserve Fund hereinafter described, and to satisfy any Reimbursement Obligation, in the manner and amounts hereinafter provided, and each of such Funds and the payment of such Reimbursement Obligation shall have priority as to such deposits in the order in which they are treated in the following sections.

**SECTION 11. INTEREST AND SINKING FUND.**

(a) Use of Funds. The Interest and Sinking Fund shall be used solely to pay the principal of and interest on the Parity Obligations when due, and the Executive Director and the Designated Financial Officer of the Authority are hereby authorized to cause funds to be transferred from the Interest and Sinking Fund to the Paying Agent/Registrar at the times and in the amounts to pay Annual Debt Service Requirements.

(b) Deposit of Accrued Interest and Capitalized Interest. Immediately after the delivery of any series of Parity Obligations, all moneys representing accrued interest, if any, received by the Authority upon the sale and delivery of such Parity Obligations to the initial purchaser thereof, together with all capitalized interest being financed with proceeds of such Parity Obligations, if any (but in no event in excess of the amount permitted by Section 1201.042(a)(1), Texas Government Code, as amended, or other applicable law), shall be deposited to the credit of the Interest and Sinking Fund.

(c) Monthly Deposits. In addition, there shall be transferred Gross Revenues from the Revenue Fund and deposited into the Interest and Sinking Fund the following:

(a) on or before the 25th day of each month, commencing with the month immediately following the issuance of any series of Parity Obligations, there shall be deposited into the Interest and Sinking Fund in approximately equal installments an amount as will be sufficient, together with other amounts, if any, then on deposit therein and available for such purpose, to pay the interest scheduled to come due on all Outstanding Parity Obligations on the next interest payment date.



(b) on or before the 25th day of each month, commencing with the twelfth (12th) month preceding the first principal payment date for a series of Parity Obligations, or commencing with the month immediately following the issuance of any series of Parity Obligations if delivery of such series of Parity Obligations is made less than twelve months preceding the first principal payment date for such series of Parity Obligations, there shall be deposited into the Interest and Sinking Fund in approximately equal installments an amount as will be sufficient, together with other amounts, if any, then on deposit therein and available for such purpose, to pay the principal scheduled to come due (either at stated maturity or due to mandatory sinking fund redemption) on all Outstanding Parity Obligations on the next principal payment date.

(c) on or before any optional redemption date set by the Authority for any Parity Obligations, there shall be deposited into the Interest and Sinking Fund an amount as will be sufficient to pay the principal of, premium, if any, and interest on the Parity Obligations scheduled to be redeemed on such optional redemption date.

## **SECTION 12. RESERVE FUND.**

(a) Use of Funds. The Reserve Fund shall be used to pay the principal of or interest on the Parity Obligations at any time when there is not sufficient money available in the Interest and Sinking Fund for such purpose, or to pay the principal of or interest on the last maturing Parity Obligations. If the amount on deposit in the Reserve Fund consists of cash and investments and a Reserve Fund Credit Facility, all cash and investments shall be liquidated and withdrawn prior to drawing on the Reserve Fund Credit Facility. If more than one Reserve Fund Credit Facility is maintained in the Reserve Fund, any withdrawals on such Reserve Fund Credit Facilities shall be pro rata.

(b) Reserve Fund Requirement; Required Reserve Amount. Upon the delivery of the Bonds to the Underwriter (as defined in Section 30), if the amount on deposit in the Reserve Fund is not equal to the Reserve Fund Requirement, the Pricing Officer is authorized to make any required deposit to the Reserve Fund to fund any increase in the Reserve Fund Requirement as the result of the issuance of the Bonds from (1) proceeds of the Bonds (2) a Reserve Fund Credit Facility, or (3) a combination thereof as determined by the Pricing Officer. The Paying Agent/Registrar shall maintain records showing the total amount drawn on, and available to be drawn under, a Reserve Fund Credit Facility to satisfy all or a portion of the Reserve Fund Requirement. The Authority may at any time deposit, supplement, replace or substitute a Reserve Fund Credit Facility for cash or investments on deposit in the Reserve Fund or in substitution for or replacement of any existing Reserve Fund Credit Facility, provided, that the deposit, supplement, replacement or substitution of the Reserve Fund Credit Facility will not, in and of itself, cause any ratings then assigned to the Bonds by any Rating Agency to be lowered. During such time as the Reserve Fund contains the total Reserve Fund Requirement, the Authority may, at its option, withdraw all surplus in the Reserve Fund in excess of the Reserve Fund Requirement and transfer such surplus to the Revenue Fund, provided that the face amount of any Reserve Fund Credit Facility may be reduced at the option of the Authority in lieu of such transfer; and further provided that any such surplus funds that are withdrawn from the Reserve Fund and that consist of proceeds of Parity Obligations or interest thereon shall only be used for

purposes for which such Parity Obligations were issued or deposited to the Interest and Sinking Fund.

(c) Additional Deposits Upon Issuance of Additional Parity Obligations. As and when Additional Parity Obligations are delivered, the amount on deposit in the Reserve Fund shall be increased, if necessary, to the Reserve Fund Requirement after giving effect to the issuance of such Additional Parity Obligations. Any additional amount required shall be so accumulated by the deposit in the Reserve Fund of all or any part of said required additional amount in cash or a Reserve Fund Credit Facility immediately after the delivery of the then proposed Additional Parity Obligations, or (with the prior written consent of each then-existing Credit Provider of a Reserve Fund Credit Facility) by the deposit of said required additional amount (or any balance of said required additional amount not deposited in cash or a Reserve Fund Credit Facility as permitted below) in not more than sixty (60) approximately equal monthly installments, made on or before the 25th day of each month, commencing with the month immediately following the delivery of the then proposed Additional Parity Obligations.

(d) Additional Deposits to Cure Deficiencies. When and so long as the money and investments in the Reserve Fund total not less than the Reserve Fund Requirement (including the amount available to be drawn under a Reserve Fund Credit Facility), no deposits need be made to the credit of the Reserve Fund; but when and if the Reserve Fund at any time contains less than the Reserve Fund Requirement (other than with respect to the issuance of Additional Parity Obligations), the Authority covenants and agrees to cure the deficiency in the Reserve Fund Requirement within twenty four (24) months from the date the deficiency occurred by (i) making monthly deposits from funds on deposit in the Revenue Fund (but only after making the required deposits into the Interest and Sinking Fund and paying all Operation and Maintenance Expenses then due) on the 25th day of each month in approximately equal amounts required to (A) first, if a draw has been made on the Reserve Fund Credit Facility, pay Reimbursement Obligations to restore the amount available to be drawn under such Reserve Fund Credit Facility to its original amount (and pay all other amounts required by such Reserve Fund Credit Facility) by the end of such 24-month period (or earlier as required in an agreement between the Authority and the Credit Provider providing the Reserve Fund Credit Facility), and (B) second, restore the balance in the Reserve Fund to the Reserve Fund Requirement by the end of such 24-month period, (ii) providing a Reserve Fund Credit Facility (but only if all Reimbursement Obligations on any then-existing Reserve Fund Credit Facility has been paid in full), or (iii) providing a combination of (i) and (ii) above.

(e) Computation of Reserve Fund. For the purpose of determining the amount on deposit to the credit of the Reserve Fund, investments in which money in such account shall have been invested shall be computed at cost, and any Reserve Fund Credit Facility shall be computed at the maximum amount available to be drawn thereunder. The amount on deposit to the credit of the Reserve Fund shall be computed by the Authority at least annually, and shall be computed immediately upon any withdrawal from the Reserve Fund.

**SECTION 13. EXCESS REVENUES.** Subject to making the deposits into the Interest and Sinking Fund and the Reserve Fund, when and as required by this Resolution in connection with the Parity Obligations, and after satisfying any Reimbursement Obligation in connection with a draw on any Reserve Fund Credit Facility and paying all Operation and Maintenance Expenses then due, the Authority may utilize the remaining funds on deposit in the Revenue Fund for any lawful purpose.

**SECTION 14. DEFICIENCIES IN FUNDS.** If by the 25th day of any month the Authority shall fail to deposit into the Interest and Sinking Fund or the Reserve Fund the full amounts required by this Resolution, amounts equivalent to such deficiencies shall be set apart and paid into said Funds from the first available and unallocated Gross Revenues for the following month or months, if necessary and whichever is the earliest, and such payments shall be in addition to the amounts otherwise required to be paid into said Funds on the 25th day of each month.

**SECTION 15. [RESERVED].**

**SECTION 16. INVESTMENTS.**

(a) In General. Funds on deposit in the Revenue Fund, the Interest and Sinking Fund, the Reserve Fund, and the Construction Fund shall be secured by the depository bank of the Authority in the manner and to the extent required by law to secure other public funds of the Authority and may be invested from time to time in any investment authorized in the Public Funds Investment Act (Chapter 2256, Texas Government Code) and in accordance with the Authority's Investment Policy; provided, however, that all such deposits and investments shall be made in such manner that the money required to be expended from any Fund will be available at the proper time or times when expected to be needed. Interest and income derived from such deposits and investments shall be credited to the Revenue Fund, except for interest and income derived from the Construction Fund which may remain in such Fund or be transferred to the Revenue Fund, at the discretion of the Designated Financial Officer (but in no event shall such earnings be used to pay Operation and Maintenance Expenses). Such investments shall be sold promptly when necessary to prevent any default in connection with the Parity Obligations.

(b) Transfer of Certain Investment Earnings to Rebate Fund. Notwithstanding the provisions of the preceding paragraph, interest and income derived from any investment of money on deposit in the Construction Fund, the Interest and Sinking Fund, and the Reserve Fund shall first be transferred to the Rebate Fund established by Section 30(b) of this Resolution at the times and in the amounts required to pay (or provide for the payment of) "Excess Earnings" as defined in Section 148(f) of the Internal Revenue Code of 1986, as amended.

**SECTION 17. SECURITY FOR FUNDS.** All Funds created by this Resolution shall be secured in the manner and to the fullest extent permitted or required by law, and such Funds shall be used only for the purposes and in the manner permitted or required by this Resolution.

**SECTION 18. INSURANCE.** The Authority shall cause the Facility to be insured as would usually be insured by entities operating similar facilities, with a responsible insurance company or companies, against risks, accidents, or casualties against which and to the extent insurance is usually carried by entities operating similar facilities, including, to the extent reasonably obtainable, fire and extended coverage insurance, but excluding insurance against damage by floods. Public liability and property damage insurance also shall be carried. At any time while any contractor engaged in construction work shall be fully responsible therefor, the Authority shall not be required to carry insurance on the work being constructed if the contractor is required to carry appropriate insurance. All such policies shall be open to the inspection of the Bondholders and their representatives at all reasonable times. Upon the happening of any loss or damage covered by insurance from one or more of said causes, the Authority shall make due

proof of loss and shall do all things necessary or desirable to cause the insuring companies to make payment in full directly to the Authority. The proceeds of insurance covering such property, together with any other funds necessary and available for such purpose, shall be used forthwith by the Authority for repairing the property damaged or replacing the property destroyed; provided, however, that if said insurance proceeds and other funds are insufficient for such purpose, then said insurance proceeds pertaining to the Facility shall, at the option of the Authority, be (i) deposited in a special and separate fund, at an official depository of the Authority, to be designated the Insurance Account or (ii) deposited in the Interest and Sinking Fund and used to redeem the Outstanding Parity Obligations, but only if such insurance proceeds, together with all funds then on deposit in the Interest and Sinking Fund and in the Reserve Fund, are sufficient to immediately redeem all Outstanding Parity Obligations. The Insurance Account shall be held until such time as other funds become available which, together with the Insurance Account, will be sufficient to make the repairs or replacements originally required.

**SECTION 19. OPERATION AND MAINTENANCE.** While any of the Parity Obligations are Outstanding the Authority covenants and agrees to keep and cause to be kept the Facility in good condition, repair, and working order, and to operate and maintain and cause to be operated and maintained the Facility in an efficient manner.

**SECTION 20. ACCOUNTS AND RECORDS.** The Authority shall keep or cause to be kept proper books of records and accounts in which complete and correct entries shall be made of all transactions relating to the Gross Revenues, Net Revenues and the Funds created pursuant to this Resolution, and all books, documents and vouchers relating thereto shall at all reasonable times be made available for inspection upon request of any Holder.

**SECTION 21. AUDITS.** After the close of each Fiscal Year while any of the Parity Obligations are Outstanding, an audit will be made of the books and accounts relating to the Gross Revenues and Net Revenues, and the Funds created pursuant to this Resolution, by an independent certified public accountant or the Texas State Auditor. As soon as practicable after the close of each such Fiscal Year, and when said audit has been completed and made available to the Authority, a copy of such audit for the preceding year shall be mailed to the Paying Agent/Registrar and to any Holders who shall so request in writing. The annual audit reports shall be open to the inspection of the Holders and their agents and representatives at all reasonable times.

**SECTION 22. SPECIAL COVENANTS.** The Authority further covenants and agrees that:

(a) Encumbrance and Sale.

(i) Other than with respect to the Parity Obligations and except as provided in this Resolution, the Gross Revenues have not been pledged in any manner to the payment of any Debt of the Authority, or otherwise, and while any of the Parity Obligations are Outstanding, the Authority will not incur additional Debt secured by the Gross Revenues in any manner, except as permitted by this Resolution in connection with Additional Parity Obligations, unless said Debt is made junior and subordinate in all respects to the liens, pledges, covenants, and agreements of this Resolution and any resolution authorizing the issuance of Parity Obligations.

(ii) So long as the Parity Obligations are Outstanding, and except as hereinafter specifically permitted in subparagraph (iii) below, the Authority shall not mortgage, encumber, sell, lease, or otherwise dispose of the Facility or any significant or substantial part thereof.

(iii) Notwithstanding the provisions in subparagraph (ii) hereof prohibiting the sale of any substantial part of the Facility, the Authority shall be authorized from time to time to sell any personal property contained in the Facility if such personal property is no longer needed or is no longer useful, and the sale thereof will not adversely affect the Facility or the operation and maintenance thereof. The proceeds from the sale of any personal property shall be used to replace or provide substitutes for the property sold, if, and to the extent, deemed necessary by the Authority, and all such proceeds which are not so used shall be deposited into the Interest and Sinking Fund.

(b) Title. The Authority represents that it lawfully owns or will lawfully own, and has or will have fee simple title and/or easement rights to the land upon which the Facility is or will be located, that the Facility will be constructed and completed in accordance with the plans to be approved and adopted by the Authority, that it warrants that it has or will obtain and will defend the title or easement rights to the aforesaid land for the benefit of the owners of the Parity Obligations against the claims and demands of all persons whomsoever, and that it is lawfully qualified to pledge the Gross Revenues to the payment of the Parity Obligations, in the manner prescribed herein, and has lawfully exercised such rights.

(c) Liens. The Authority will from time to time and before the same become delinquent pay and discharge all taxes, assessments, and governmental charges, if any, which shall be lawfully imposed upon it, or on the Facility, that it will pay all lawful claims for rents, royalties, labor, materials, and supplies which if unpaid might by law become a lien or charge upon the Facility, the lien of which would be prior to or interfere with the liens hereof, so that the priority of the liens granted hereunder shall be fully preserved in the manner provided herein, and that it will not create or suffer to be created any mechanic's, laborer's, materialman's or other lien or charge which might or could be prior to the liens hereof, or do or suffer any matter or thing whereby the liens hereof might or could be impaired; provided, however, that no such tax, assessment, or charge, and that no such claims which might be or other lien or charge, shall be required to be paid so long as the validity of the same shall be contested in good faith by the Authority.

(d) Performance. It will faithfully perform at all times any and all covenants, undertakings, stipulations, and provisions contained in this Resolution and each resolution authorizing the issuance of Additional Parity Obligations, and in each and every Parity Obligation and pay from the Gross Revenues the principal of and interest on every Parity Obligation on the dates and in the places and manner prescribed in this Resolution; and that it will, at the times and in the manner prescribed, deposit or cause to be deposited from the Gross Revenues the amounts required to be deposited into the Interest and Sinking Fund and the Reserve Fund; and the owner of the Parity Obligations may require the Authority, its officials, agents, and employees to carry out, respect, or enforce the covenants and obligations of this Resolution, including, but without limitation, the use and filing of mandamus proceedings, in any court of competent jurisdiction, against the Authority, its officials, agents, and employees.

(e) Legal Authority. The Authority is duly authorized under the laws of the State of Texas to create and issue the Parity Obligations; that all action on its part for the creation and issuance of the Parity Obligations has been duly and effectively taken, and that the Parity Obligations in the hands of the owners thereof are and will be valid and enforceable special obligations of the Authority in accordance with their terms.

(f) Permits. The Authority will comply with all of the terms and conditions of any and all franchises, permits, and authorizations applicable to or necessary with respect to the Facility, and which have been obtained from any governmental agency; and the Authority has or will obtain and keep in full force and effect all franchises, permits, authorizations, and other requirements applicable to or necessary with respect to the acquisition, construction, equipment, operation, and maintenance of the Facility.

(g) Compliance with Member City Landfill Contract and Additional Member City Landfill Contracts. The Authority will comply with the terms and conditions of the Member City Landfill Contract and Additional Member City Landfill Contracts and will cause the parties to such agreements, their officials, and employees to comply with all of their obligations under their agreements by all legal and equitable means, including specifically, but without limitation, the use and filing of mandamus proceedings in any court of competent jurisdiction; and the Member City Landfill Contract and Additional Member City Landfill Contracts will not be rescinded, modified, or amended in any way which would have a materially adverse effect on the rights of the owners of the Parity Obligations. If the Authority obtains written confirmation from each Rating Agency that any rescission, modification or amendment to the Member City Landfill Contract or one or more of the Additional Member City Landfill Contracts would not cause such Rating Agency to reduce or withdraw such Rating Agency's then current rating on the Parity Obligations, such written confirmation will serve as conclusive evidence that such rescission, modification or amendment would not have a materially adverse effect on the rights of the owners of the Parity Obligations for purposes of this subsection.

### **SECTION 23. ADDITIONAL PARITY OBLIGATIONS.**

(a) Authority to Issue. The Authority shall have the right and power at any time and from time to time, and in one or more series or issues, to authorize, issue, and deliver additional parity revenue bonds (herein called "Additional Parity Obligations"), in accordance with law, in any amounts, for the purpose of constructing extensions and improvements to, and acquiring equipment for, the Facility, or for the purpose of refunding any Parity Obligations and/or the interest thereon. Such Additional Parity Obligations, if and when authorized, issued, and delivered in accordance with the provisions hereof, shall be secured by and made payable equally and ratably on a parity with the Parity Obligations, from a first lien on and pledge of the Gross Revenues.

(b) Provisions Related to Interest and Sinking Fund and Reserve Fund. The Interest and Sinking Fund and the Reserve Fund established pursuant to this Resolution shall secure and be used to pay all Additional Parity Obligations as well as the Parity Obligations, all on a parity. However, each resolution under which Additional Parity Obligations are issued shall provide and require that, in addition to the amounts required by the provisions of this Resolution and the provisions of each resolution authorizing Additional Parity Obligations to be deposited to the credit of the Interest and Sinking Fund, the Authority shall deposit to the credit of the Interest and Sinking Fund at least such amounts as are required for the payment of all principal of and

interest on said Additional Parity Obligations then being issued, as the same come due; and that the aggregate amount to be accumulated and maintained in the Reserve Fund shall be increased (if and to the extent necessary) to an amount and in the manner set forth in Section 12 of this Resolution.

**SECTION 24. FURTHER REQUIREMENTS FOR ADDITIONAL PARITY OBLIGATIONS.** Additional Parity Obligations shall be issued only in accordance with the provisions hereof, but notwithstanding any provisions hereof to the contrary, no installment, series, or issue of Additional Parity Obligations shall be issued or delivered unless the President of the Board of Directors of the Authority, the Executive Director of the Authority, or the Designated Financial Officer of the Authority signs a written certificate to the effect that (i) the Authority is not in default as to any covenant, condition, or obligation in connection with all Outstanding Parity Obligations and the resolutions authorizing such Parity Obligations, that the Interest and Sinking Fund and the Reserve Fund both contain the amount then required to be therein, and (ii) the Member City Landfill Contract and Additional Member City Landfill Contracts, if any, are in full force and effect.

**SECTION 25. RESOLUTION A CONTRACT; AMENDMENTS.**

(a) Resolution a Contract. This Resolution shall constitute a contract with the registered owners of the Parity Obligations, binding on the Authority and its successors and assigns, and shall not be amended or repealed by the Authority as long as any Parity Obligation remains Outstanding except as permitted in this Section.

(b) Amendments without Notice to or Consent of Registered Owners. The Authority may, with notice to the provider of each Reserve Fund Credit Facility but without the consent of or notice to any registered owners, amend, change, or modify this Resolution (i) as may be required for the purpose of curing any ambiguity, inconsistency, or formal defect or omission herein, or (ii) in connection with any other change (other than any change described in clauses (i) through (iv) of the first sentence in subsection (c) below) with respect to which the Authority receives written confirmation from each Rating Agency then maintaining a rating on the Parity Obligations at the request of the Authority that such amendment would not cause such Rating Agency to withdraw or reduce its then current rating on the Parity Obligations.

(c) Amendments with Notice to and Consent of Registered Owners. In addition, the Authority may, with the written consent of the provider of each Reserve Fund Credit Facility and the registered owners of at least a majority in aggregate principal amount of the Parity Obligations then Outstanding affected thereby, amend, change, modify, or rescind any provisions of this Resolution; provided that without the consent of all of the registered owners affected, no such amendment, change, modification, or rescission shall (i) extend the time or times of payment of the principal of and interest on the Parity Obligations, reduce the principal amount thereof or the rate of interest thereof, (ii) give any preference to any Parity Obligation over any other Parity Obligation, (iii) extend any waiver of default to subsequent defaults, or (iv) reduce the aggregate principal amount of Parity Obligations required for consent to any such amendment, change, modification, or rescission.

(d) Notice of Amendment. Whenever the Authority shall desire to make any amendment or addition to or rescission of this Resolution requiring consent of the provider of each Reserve Fund Credit Facility and/or the registered owners of the Parity Obligations, the Authority shall

cause notice of the amendment, addition, or rescission to be sent by first class mail, postage prepaid, to (i) the provider of each Reserve Fund Credit Facility, and (ii) the registered owners (if the registered owners of all Parity Obligations or least a majority in aggregate principal amount of the Parity Obligations are required to consent) at the respective addresses shown on the Registration Books. Whenever at any time within one year after the date of the giving of such notice, the Authority shall receive an instrument or instruments in writing executed by the provider of each Reserve Fund Credit Facility and the registered owners of all or a majority (as the case may be) in aggregate principal amount of the Parity Obligations then Outstanding affected by any such amendment, addition, or rescission requiring the consent of the registered owners, which instrument or instruments shall refer to the proposed amendment, addition, or rescission described in such notice and shall specifically consent to and approve the adoption thereof in substantially the form of the copy thereof referred to in such notice, thereupon, but not otherwise, the Authority may adopt such amendment, addition, or rescission in substantially such form, except as herein provided.

(e) Effect of Amendment on Registered Owners. No Registered Owner may thereafter object to the adoption of any amendment, addition, or rescission which is accomplished pursuant to and in accordance with the provisions of this Section, or to any of the provisions thereof, and such amendment, addition, or rescission shall be fully effective for all purposes.

## **SECTION 26. DEFEASANCE OF BONDS.**

(a) Defeased Bonds. Any Bond and the interest thereon shall be deemed to be paid, retired and no longer Outstanding (a "Defeased Bond") within the meaning of this Resolution, except to the extent provided in subsection (d) of this Section, when payment of the principal of such Bond, plus interest thereon to the due date (whether such due date be by reason of maturity or otherwise) either (i) shall have been made or caused to be made in accordance with the terms thereof, or (ii) shall have been provided for on or before such due date by irrevocably depositing with or making available to the Paying Agent/Registrar or other lawful entity, which entity, together with the Paying Agent/Registrar, is referred to collectively in this Section as the "Defeasance Agent"), which may include the use of an escrow agreement or other similar instrument - the "Future Escrow Agreement": (1) lawful money of the United States of America sufficient to make such payment or (2) Defeasance Securities that mature as to principal and interest in such amounts and at such times as will insure the availability, without reinvestment, of sufficient money to provide for such payment, and when proper arrangements have been made by the Authority with the Defeasance Agent for the payment of its services until all Defeased Bonds shall have become due and payable. At such time as a Bond shall be deemed to be a Defeased Bond hereunder, as aforesaid, such Series Bond and the interest thereon shall no longer be secured by, payable from, or entitled to the benefits of, the Gross Revenues, and such principal and interest shall be payable solely from such money or Defeasance Securities. Notwithstanding any other provision of this Resolution to the contrary, it is hereby provided that any determination not to redeem Defeased Bonds that is made in conjunction with the payment arrangements specified in subsection (a)(i) or (ii) of this Section shall not be irrevocable, provided that: (1) in the proceedings providing for such payment arrangements, the Authority expressly reserves the right to call the Defeased Bonds for redemption; (2) gives notice of the reservation of that right to the owners of the Defeased Bonds immediately following the making of the payment arrangements; and (3) directs that notice of the reservation be included in any redemption notices that it authorizes.



(b) Investment in Defeasance Securities. Any moneys so deposited with the Defeasance Agent may at the written direction of the Authority be invested in Defeasance Securities, maturing in the amounts and times as hereinbefore set forth, and all income from such Defeasance Securities received by the Defeasance Agent that is not required for the payment of the Bonds and interest thereon, with respect to which such money has been so deposited, shall be turned over to the Authority, or deposited as directed in writing by the Authority. Any account or Future Escrow Agreement pursuant to which the money and/or Defeasance Securities are held for the payment of Defeased Bonds may contain provisions permitting the investment or reinvestment of such moneys in Defeasance Securities or the substitution of other Defeasance Securities upon the satisfaction of the requirements specified in subsections (a)(i) or (ii) of this Section 26. All income from such Defeasance Securities received by the Defeasance Agent which is not required for the payment of the Defeased Bonds, with respect to which such money has been so deposited, shall be remitted to the Authority or deposited as directed in writing by the Authority.

(c) Definition of Defeasance Securities. The term "Defeasance Securities" means any securities and obligations now or hereafter authorized by State law that are eligible to discharge obligations such as the Bonds.

(d) Paying Agent/Registrar Services. Until all Defeased Bonds shall have become due and payable, the Paying Agent/Registrar shall perform the services of Paying Agent/Registrar for such Defeased Bonds the same as if they had not been defeased, and the Authority shall make proper arrangements to provide and pay for such services as required by this Resolution.

(e) Selection of Bonds for Defeasance. In the event that the Authority elects to defease less than all of the principal amount of Bonds of a maturity, the Paying Agent/Registrar shall select, or cause to be selected, such amount of Bonds by such random method as it deems fair and appropriate.

## **SECTION 27. DAMAGED, MUTILATED, LOST, STOLEN, OR DESTROYED BONDS.**

(a) Replacement Bonds. In the event any Outstanding Bond is damaged, mutilated, lost, stolen, or destroyed, the Paying Agent/Registrar shall cause to be printed, executed, and delivered, a new bond of the same principal amount, maturity, and interest rate, as the damaged, mutilated, lost, stolen, or destroyed Bond, in replacement for such Bond in the manner hereinafter provided.

(b) Application for Replacement Bonds. Application for replacement of damaged, mutilated, lost, stolen, or destroyed Bonds shall be made by the registered owner thereof to the Paying Agent/Registrar. In every case of loss, theft, or destruction of a Bond, the registered owner applying for a replacement bond shall furnish to the Authority and to the Paying Agent/Registrar such security or indemnity as may be required by them to save each of them harmless from any loss or damage with respect thereto. Also, in every case of loss, theft, or destruction of a Bond, the registered owner shall furnish to the Authority and to the Paying Agent/Registrar evidence to their satisfaction of the loss, theft, or destruction of such Bond, as the case may be. In every case of damage or mutilation of a Bond, the registered owner shall surrender to the Paying Agent/Registrar for cancellation the Bond so damaged or mutilated.

(c) No Default Occurred. Notwithstanding the foregoing provisions of this Section, in the event any such Bond shall have matured, and no default has occurred which is then continuing in the payment of the principal of, redemption premium, if any, or interest on the Bond, the Authority may authorize the payment of the same (without surrender thereof except in the case of a damaged or mutilated Bond) instead of issuing a replacement Bond, provided security or indemnity is furnished as above provided in this Section.

(d) Charge for Issuing Replacement Bonds. Prior to the issuance of any replacement bond, the Paying Agent/Registrar shall charge the registered owner of such Bond with all legal, printing, and other expenses in connection therewith. Every replacement bond issued pursuant to the provisions of this Section by virtue of the fact that any Bond is lost, stolen, or destroyed shall constitute a contractual obligation of the Authority whether or not the lost, stolen, or destroyed Bond shall be found at any time, or be enforceable by anyone, and shall be entitled to all the benefits of this Resolution equally and proportionately with any and all other Bonds duly issued under this Resolution.

(e) Authority for Issuing Replacement Bonds. This Section shall constitute authority for the issuance of any such replacement bond without necessity of further action by the governing body of the Authority or any other body or person, and the duty of the replacement of such bonds is hereby authorized and imposed upon the Paying Agent/Registrar, and the Paying Agent/Registrar shall authenticate and deliver such Bonds in the form and manner and with the effect, as provided in Section 4(b) of this Resolution for Bonds issued in conversion and exchange for other Bonds.

**SECTION 28. CUSTODY, APPROVAL, AND REGISTRATION OF BONDS; BOND COUNSEL'S OPINION; CUSIP NUMBERS AND CONTINGENT INSURANCE PROVISION, IF OBTAINED.** The President of the Board is hereby authorized to have control of the Bonds initially issued and delivered hereunder and all necessary records and proceedings pertaining to the Bonds pending their delivery and their investigation, examination, and approval by the Attorney General of the State of Texas, and their registration by the Comptroller of Public Accounts of the State of Texas. Upon registration of the Bonds said Comptroller of Public Accounts (or a deputy designated in writing to act for said Comptroller) shall manually sign the Comptroller's Registration Certificate attached to such Bonds, and the seal of said Comptroller shall be impressed, or placed in facsimile, on such Certificate. The approving legal opinion of the Authority's Bond Counsel, and the assigned CUSIP numbers may, at the option of the Authority, be printed on the Bonds issued and delivered under this Resolution, but neither shall have any legal effect, and shall be solely for the convenience and information of the registered owners of the Bonds.

**SECTION 29. COVENANTS REGARDING TAX-EXEMPTION OF INTEREST ON THE BONDS.**

(a) General Tax Covenants Regarding Tax Exemption of Interest on the Bonds. The Issuer covenants to take any action necessary to assure, or refrain from any action which would adversely affect, the treatment of the Bonds as obligations described in section 103 of the Code, the interest on which is not includable in the "gross income" of the holder for purposes of federal income taxation. In furtherance thereof, the Issuer covenants as follows:

(i) to take any action to assure that no more than 10 percent of the proceeds of the Bonds (less amounts deposited to a reserve fund, if any) are used for any "private business use," as defined in section 141(b)(6) of the Code or, if more than 10 percent of the proceeds are so used, that amounts, whether or not received by the Issuer, with respect to such private business use, do not, under the terms of this Bond Resolution or any underlying arrangement, directly or indirectly, secure or provide for the payment of more than 10 percent of the debt service on the Bonds, in contravention of section 141(b)(2) of the Code;

(ii) to take any action to assure that in the event that the "private business use" described in subsection (a) hereof exceeds 5 percent of the proceeds of the Bonds (less amounts deposited into a reserve fund, if any) then the amount in excess of 5 percent is used for a "private business use" which is "related" and not "disproportionate," within the meaning of section 141(b)(3) of the Code, to the governmental use;

(iii) to take any action to assure that no amount which is greater than the lesser of \$5,000,000, or 5 percent of the proceeds of the Bonds (less amounts deposited into a reserve fund, if any) is directly or indirectly used to finance loans to persons, other than state or local governmental units, in contravention of section 141(c) of the Code;

(iv) to refrain from taking any action which would otherwise result in the Bonds being treated as "private activity bonds" within the meaning of section 141(b) of the Code;

(v) to refrain from taking any action that would result in the Bonds being "federally guaranteed" within the meaning of section 149(b) of the Code;

(vi) to refrain from using any portion of the proceeds of the Bonds, directly or indirectly, to acquire or to replace funds which were used, directly or indirectly, to acquire investment property (as defined in section 148(b)(2) of the Code) which produces a materially higher yield over the term of the Bonds, other than investment property acquired with --

(A) proceeds of the Bonds invested for a reasonable temporary period until such proceeds are needed for the purpose for which the bonds are issued,

(B) amounts invested in a bona fide debt service fund, within the meaning of section 1.148-1(b) of the Treasury Regulations, and

(C) amounts deposited in any reasonably required reserve or replacement fund to the extent such amounts do not exceed 10 percent of the proceeds of the Bonds;

(vii) to otherwise restrict the use of the proceeds of the Bonds or amounts treated as proceeds of the Bonds, as may be necessary, so that the Bonds do not otherwise contravene the requirements of section 148 of the Code (relating to arbitrage) and, to the extent applicable, section 149(d) of the Code; and

(viii) to pay to the United States of America at least once during each five-year period (beginning on the date of delivery of the Bonds) an amount that is at least equal to 90 percent of the "Excess Earnings," within the meaning of section 148(f) of the Code and to pay to the United States of America, not later than 60 days after the Bonds have been paid in full, 100 percent of the amount then required to be paid as a result of Excess Earnings under section 148(f) of the Code.

In order to facilitate compliance with the above covenant (viii), a "Rebate Fund" is hereby established by the Issuer for the sole benefit of the United States of America, and such Fund shall not be subject to the claim of any other person, including without limitation the bondholders. The Rebate Fund is established for the additional purpose of compliance with section 148 of the Code.

The Issuer understands that the term "proceeds" includes "disposition proceeds" as defined in the Treasury Regulations and, in the case of refunding bonds, transferred proceeds (if any) and proceeds of the refunded bonds expended prior to the date of issuance of the Bonds. It is the understanding of the Issuer that the covenants contained herein are intended to assure compliance with the Code and any regulations or rulings promulgated by the U.S. Department of the Treasury pursuant thereto. In the event that regulations or rulings are hereafter promulgated which modify or expand provisions of the Code, as applicable to the Bonds, the Issuer will not be required to comply with any covenant contained herein to the extent that such modification or expansion, in the opinion of nationally recognized bond counsel, will not adversely affect the exemption from federal income taxation of interest on the Bonds under section 103 of the Code. In the event that regulations or rulings are hereafter promulgated which impose additional requirements which are applicable to the Bonds, the Issuer agrees to comply with the additional requirements to the extent necessary, in the opinion of nationally recognized bond counsel, to preserve the exemption from federal income taxation of interest on the Bonds under section 103 of the Code. In furtherance of such intention, the Issuer hereby authorizes and directs the General Manager of the Issuer to execute any documents, certificates or reports required by the Code and to make such elections, on behalf of the Issuer, which may be permitted by the Code as are consistent with the purpose for the issuance of the Bonds. This Bond Resolution is intended to satisfy the official intent requirements set forth in section 1.150-2 of the Treasury Regulations.

(b) Interest Earnings on Bond Proceeds. Interest earnings derived from the investment of proceeds from the sale of the Bonds shall be used along with other bond proceeds for the purpose for which the Bonds are issued, as set forth in Section 1 hereof; provided that after completion of such purpose, if any of such interest earnings remain on hand, such interest earnings shall be deposited in the Interest and Redemption Fund. It is further provided, however, that any interest earnings on bond proceeds which are required to be rebated to the United States of America pursuant to Section 24(a) hereof in order to prevent the Bonds from being arbitrage bonds shall be so rebated and not considered as interest earnings for the purposes of this Section.

(c) Disposition of Project. The Issuer covenants that the property constituting the project financed with the proceeds of the Bonds will not be sold or otherwise disposed in a transaction resulting in the receipt by the Issuer of cash or other compensation, unless the Issuer obtains an opinion of nationally-recognized bond counsel that such sale or other disposition will not adversely affect the tax-exempt status of the Bonds. For purposes of the foregoing, the portion of the property comprising personal property and disposed in the ordinary course shall not be treated as a transaction resulting in the receipt of cash or other compensation. For purposes

hereof, the Issuer shall not be obligated to comply with this covenant if it obtains an opinion that such failure to comply will not adversely affect the excludability for federal income tax purposes from gross income of the interest.

### **SECTION 30. SALE OF BONDS; OFFICIAL STATEMENT.**

(a) The Bonds may be sold by public offering (either through a negotiated or competitive offering) or a private placement and the terms and provisions of which are to be determined by the Pricing Officer and in which the purchasers of the Bonds are designated. The Bonds may be sold pursuant to a purchase agreement or notice of sale and bidding instructions (collectively, the "Purchase Agreement") which the Pricing Officer is hereby authorized to execute and deliver and in which the Purchaser of the Bonds shall be designated. The Bonds shall initially be registered in the name of the Purchaser thereof as set forth in the Pricing Certificate.

(b) The Pricing Officer is hereby authorized, in the name and on behalf of the Authority, to approve, distribute, and deliver a preliminary official statement and a final official statement relating to the Bonds to be used by the Underwriter in the marketing of the Bonds.

### **SECTION 31. AUTHORITY FOR OFFICERS TO EXECUTE DOCUMENTS AND APPROVE CHANGES.**

(a) The President, Vice President and the Secretary of the Board of Directors of the Authority, the Pricing Officer and the Designated Financial Officer of the Authority, and all other officers, employees, and agents of the Authority, and each of them, shall be and they are hereby expressly authorized, empowered, and directed from time to time and at any time to do and perform all such acts and things and to execute, acknowledge, and deliver in the name and under the corporate seal and on behalf of the Authority a Paying Agent/Registrar Agreement with the Paying Agent/Registrar and all other instruments, whether or not herein mentioned, as may be necessary or desirable in order to carry out the terms and provisions of this Resolution, the Letter of Representations, the Bonds, the sale of the Bonds and the Official Statement. Notwithstanding anything to the contrary contained herein, while the Bonds are subject to DTC's Book-Entry Only System and to the extent permitted by law, the Letter of Representations is hereby incorporated herein and its provisions shall prevail over any other provisions of this Resolution in the event of conflict. In case any officer whose signature shall appear on any Bond shall cease to be such officer before the delivery of such Bond, such signature shall nevertheless be valid and sufficient for all purposes the same as if such officer had remained in office until such delivery.

(b) Furthermore, at any time prior to the delivery of the Bonds, the President or Vice President of the Board and the Pricing Officer each are hereby individually authorized and directed to approve any changes or corrections to this Resolution or to any of the instruments authorized and approved by this Resolution necessary in order to (i) correct any ambiguity or mistake or properly or more completely document the transaction contemplated and approved by this Resolution, (ii) obtain a rating from any of the Rating Agencies, (iii) to obtain a municipal bond insurance policy to further secure the Bonds, or (iv) obtain a Reserve Fund Credit Facility and (v) obtain the approval of the Bonds by the Texas Attorney General's office.

(c) The obligation of the Underwriter to accept delivery of the Bonds is subject to the Underwriter being furnished with the final, approving opinion of McCall, Parkhurst & Horton

L.L.P., bond counsel to the Authority, which opinion shall be dated as of and delivered on the date of initial delivery of the Bonds to the Underwriter. The engagement of such firm as bond counsel to the Authority is hereby approved and confirmed. The execution and delivery of an engagement agreement between the Authority and such firm, with respect to such services as bond counsel for the term therein stated, is hereby authorized in such form as may be approved by the President of the Board and the President of the Board is hereby authorized to execute such engagement agreement.

#### **SECTION 32. RESERVED.**

**SECTION 33. APPROVAL OF ESCROW AGREEMENT AND TRANSFER OF FUNDS.** In furtherance of authority granted by Section 26 of the Resolution authorizing the issuance of the Refunded Bonds, the Pricing Officer is authorized and directed to approve the form and substance of an escrow agreement and to enter into and execute on behalf of the Issuer with the escrow agent named therein, an escrow or similar agreement, in the form and substance as shall be approved by the Pricing with U.S. Bank, National Association (the "Escrow Agreement") and the Pricing Officer or the President of the Board, are hereby authorized and directed to execute and deliver, and the Secretary of the Board is hereby authorized to attest the Escrow Agreement, which Escrow Agreement will provide for the payment in full of the Refunded Bonds. In addition, the President of the Board or the Pricing Officer is authorized to enter into and execute any acknowledgment or other agreement necessary or ancillary with respect to the investment of any Escrowed Securities (as may be defined in the Escrow Agreement), or any agreement or instrument necessary to purchase such securities, to execute such subscriptions for the purchase of United States Treasury Securities, State and Local Government Series and to authorize such contributions, including the lawful withdrawal of funds from the Reserve Fund for such contribution, for the escrow fund as provided in the Escrow Agreement.

#### **SECTION 34. REDEMPTION OF REFUNDED BONDS.**

(a) Subject to execution and delivery of the Purchase Agreement with the Purchaser, the Authority hereby directs that the Refunded Bonds be called for redemption on the dates and at the prices set forth in the Pricing Certificate. The Pricing Officer is hereby authorized and directed to issue or cause to be issued the Notice of Redemption of the Refunded Bonds in substantially the form required by the bond resolution authorizing the Refunded Bonds.

(b) The paying agent/registrar for the Refunded Bonds is hereby directed to provide the appropriate notices of redemption as required by the Refunded Bonds and is hereby directed to make appropriate arrangements so that the Refunded Bonds may be redeemed on the redemption dates.

(c) If the redemption of the Refunded Bonds results in the partial refunding of any maturity of the Refunded Bonds, the Pricing Officer shall direct the paying agent/registrar for the Refunded Bonds to designate at random and by lot which of the Refunded Bonds will be payable from and secured solely from revenues of the Authority pursuant to the resolution of the Authority authorizing the issuance of such Refunded Bonds (the "Refunded Bonds Resolution"). For purposes of such determination and designation, all Refunded Bonds registered in

denominations greater than \$5,000 shall be considered to be registered in separate \$5,000 denominations. The paying agent/registrar shall notify by first-class mail all registered owners of all affected bonds of such maturities that: (i) a portion of such bonds have been refunded and are secured until final maturity solely with cash and investments maintained by the Escrow Agent in the Escrow Fund, (ii) the principal amount of all affected bonds of such maturities registered in the name of such registered owner that have been refunded and are payable solely from cash and investments in the Escrow Fund and the remaining principal amount of all affected bonds of such maturities registered in the name of such registered owner, if any, have not been refunded and are payable and secured solely from revenues of the Authority described in the Refunded Bonds Resolution, (iii) the registered owner is required to submit his or her Refunded Bonds to the paying agent/registrar, for the purposes of re-registering such registered owner's bonds and assigning new CUSIP numbers in order to distinguish the source of payment for the principal and interest on such bonds, and (iv) payment of principal of and interest on such bonds may, in some circumstances, be delayed until such bonds have been re-registered and new CUSIP numbers have been assigned as required by (iii) above.

(d) The source of funds for payment of the principal of and interest on the Refunded Bonds on their respective maturity or redemption dates shall be from the funds deposited with the Escrow Agent, pursuant to the Escrow Agreement approved in Section 34 of this Resolution.

**SECTION 35. INCORPORATION OF RECITALS.** The Authority hereby finds that the statements set forth in the recitals of this Resolution are true and correct, and the Authority hereby incorporates such recitals as a part of this Resolution.

**SECTION 36. EFFECTIVE DATE.** This Resolution shall become effective immediately after its adoption.

[The remainder of this page is intentionally left blank.]

ADOPTED BY THE BOARD OF DIRECTORS OF THE TEXOMA AREA SOLID  
WASTE AUTHORITY AT A REGULAR MEETING HELD ON THE 18<sup>TH</sup> DAY OF  
SEPTEMBER, 2019.

APPROVED:

\_\_\_\_\_  
President, Board of Directors  
Texoma Area Solid Waste Authority

ATTEST:

\_\_\_\_\_  
Secretary, Board of Directors  
Texoma Area Solid Waste Authority

(SEAL)



[SIGNATURE PAGE TO BOND RESOLUTION]

## SCHEDULE I

### SCHEDULE OF ELIGIBLE REFUNDED BONDS

Texoma Area Solid Waste Authority Regional Solid Waste Disposal Contract Revenue  
Refunding Bonds, Series 2010

| <u>Principal</u> | <u>Maturity<br/>Date</u> | <u>Coupon</u> | <u>CUSIP</u> | <u>Redemption<br/>Date</u> | <u>Redemption<br/>Price</u> |
|------------------|--------------------------|---------------|--------------|----------------------------|-----------------------------|
| \$875,000.00     | 02/15/2020               | 4.000%        | 88305MBK3    | Maturity                   | Maturity                    |
| \$910,000.00     | 02/15/2021               | 4.000%        | 88305MBL1    | 02/15/2020                 | 100.00                      |
| \$945,000.00     | 02/15/2022               | 4.000%        | 88305MBP2    | 02/15/2020                 | 100.00                      |
| \$985,000.00     | 02/15/2023               | 4.000%        | 88305MBP2    | 02/15/2020                 | 100.00                      |
| \$1,025,000.00   | 02/15/2024               | 4.125%        | 88305MBQ0    | 02/15/2020                 | 100.00                      |
| \$1,070,000.00   | 02/15/2025               | 4.125%        | 88305MBQ0    | 02/15/2020                 | 100.00                      |
| \$1,110,000.00   | 02/15/2026               | 4.250%        | 88305MBR8    | 02/15/2020                 | 100.00                      |
| \$1,160,000.00   | 02/15/2027               | 4.250%        | 88305MBR8    | 02/15/2020                 | 100.00                      |
| \$1,205,000.00   | 02/15/2028               | 4.375%        | 88305MBM9    | 02/15/2020                 | 100.00                      |
| \$1,260,000.00   | 02/15/2029               | 4.500%        | 88305MBN7    | 02/15/2020                 | 100.00                      |



**W. Boyd London Jr.**

Managing Director  
Public Finance

September 6, 2019

Dale Sissney  
General Manager  
Texoma Area Solid Waste Authority  
25090 Highway 56  
P. O. 249  
Whitesboro, TX 76273

Dear Dale:

We have attached the plan of finance as **Appendix A**. **Appendix A** reflects annual TASWA contributions for the purpose of retiring debt early. TASWA contributions include the release of the bond reserve fund as the final contribution.

The TASWA Parameters Bond Resolution needed to implement the refunding is attached as **Appendix B**. Please note that **Appendix B** does **not** obligate TASWA to make any additional future contributions for the early retirement of debt. That remains within the purview of future TASWA Boards.

**Appendix C** is the City Resolution of approval for the City of Denison.

**Appendix D** is the City Resolution of approval for the City of Gainesville.

**Appendix E** is the City Resolution of approval for the City of Sherman.

TASWA issued \$19,225,000 Regional Solid Waste Disposal Contract Revenue Bonds, Series 2004 to construct the landfill.

TASWA issued \$17,220,000 Regional Solid Waste Disposal Contract Revenue Refunding Bonds, Series 2010 to take advantage of interest savings available by refinancing the original 2004 issue. With the 2010 bond issue TASWA realized total interest savings of \$2,088,792, spread evenly over the remaining life of the original 2004 bonds. Current debt service on the Series 2010 Bonds averages approximately \$1,315,000 annually through 2029.

The 2010 Bonds are now callable. Based on current interest rates, which are near historic lows, TASWA has the opportunity once more to save an estimated \$872,463 through a refunding of the 2010 bonds. As we have discussed these savings are based on a conservative assumption of interest rates. It is likely that these savings will increase if the current interest rate market environment is still favorable when the Series 2019 refunding bonds are issued.

**Appendix A** – This illustrates the refunding of the Series 2010 bonds with the issuance of Series 2019 bonds. It is estimated to produce \$872,463 in interest savings, lowering debt service requirements on the 2010 bonds by approximately \$120,000 annually. We recommend this be done in November 2019 on a stand-alone basis.

It further illustrates an annual TASWA \$1,000,000+ contribution beginning August 15, 2020. This continues annually to August 15, 2023. All TASWA contributions are applied to the prepayment of bonds. In addition to TASWA's August 15, 2023 contribution the bond reserve fund in the amount of \$1,642,484 is included to finally retire 100% of the Series 2019 Refunding.

The **Appendix A** scenario realizes \$3,103,963 in future net benefit to TASWA, net of the \$4,113,563 million TASWA contribution. The final result cuts amortization from fiscal 2029 today to 2024.

The **Appendix A** scenario bonds will be sold utilizing a competitive bank placement. We will leave the bonds callable at any time at the option of TASWA. This will give TASWA maximum flexibility to call/not call bonds.

Please let me know of any questions you may have.

Sincerely,

A handwritten signature in blue ink, appearing to read 'W. Boyd London Jr.', with a stylized flourish at the end.

W. Boyd London Jr.

Cc: Jud Rex, City of Denison

Barry Sullivan, City of Gainesville

Robby Hefton, City of Sherman

## **Appendix A**

# Texoma Area Solid Waste Authority

## Summary of Projected Debt Service Savings

*Assumes Refunding of Existing Debt in November 2019 and \$1 Million Prepayment of Debt for FY's 2021-2025*

| <u>A</u>    | <u>B</u>                               | <u>C</u>                  | <u>D</u>                                        | <u>E</u>                                       | <u>F</u>                                                     | <u>G</u>                                             |
|-------------|----------------------------------------|---------------------------|-------------------------------------------------|------------------------------------------------|--------------------------------------------------------------|------------------------------------------------------|
|             | Series 2019 Projected Refunding        |                           |                                                 | Annual Cash Defeasances                        |                                                              | Net                                                  |
| FYE<br>6/30 | Current<br>Debt Service <sup>(1)</sup> | Savings<br>From Refunding | New<br>Refunding<br>Debt Service <sup>(2)</sup> | Cash<br>Contribution<br>On 8/15 <sup>(3)</sup> | Additional Savings<br>From Bond<br>Defeasance <sup>(5)</sup> | Cash Flow Effect<br>AFTER Refunding<br>& Defeasances |
| 2021        | \$ 1,315,913                           | \$ 1,038                  | \$ 1,314,875                                    | \$ (1,000,000)                                 | \$ 12,500                                                    | \$ 1,302,375                                         |
| 2022        | 1,314,513                              | 1,388                     | 1,313,125                                       | (1,012,500)                                    | 37,688                                                       | 1,275,438                                            |
| 2023        | 1,316,713                              | 963                       | 1,315,750                                       | (1,037,688)                                    | 63,375                                                       | 1,252,375                                            |
| 2024        | 1,317,313                              | 4,688                     | 1,312,625                                       | (2,706,859) <sup>(4)</sup>                     | 510,125                                                      | 802,500                                              |
| 2025        | 1,320,031                              | 1,156                     | 1,318,875                                       | -                                              | 1,318,875                                                    | -                                                    |
| 2026        | 1,315,894                              | 1,644                     | 1,314,250                                       | -                                              | 1,314,250                                                    | -                                                    |
| 2027        | 1,318,719                              | 4,719                     | 1,314,000                                       | -                                              | 1,314,000                                                    | -                                                    |
| 2028        | 1,314,419                              | 1,419                     | 1,313,000                                       | -                                              | 1,313,000                                                    | -                                                    |
| 2029        | 1,316,700                              | 855,450                   | 461,250                                         | -                                              | 461,250                                                      | -                                                    |
|             | <u>\$ 11,850,213</u>                   | <u>\$ 872,463</u>         | <u>\$ 10,977,750</u>                            | <u>\$ (5,757,047)</u>                          | <u>\$ 6,345,063</u>                                          | <u>\$ 4,632,688</u>                                  |

|                                          |                   |
|------------------------------------------|-------------------|
| Savings from Defeasances (F)             | \$ 6,345,063      |
| TASWA Use of Cash (E)                    | (5,757,047)       |
| <b>Total Defeasance Interest Savings</b> | <b>\$ 588,016</b> |

|                             |                     |
|-----------------------------|---------------------|
| Release of Reserve Fund (I) | \$ 1,643,484        |
| Total Refunding Savings (C) | 872,463             |
| Defeasance Interest Savings | 588,016             |
| <b>Net Benefit to TASWA</b> | <b>\$ 3,103,963</b> |

(1) The All in True Interest Cost on your current debt service is 4.25% and at current market rates the All in True Interest Cost after the refunding is approximately 2.74%.

(2) Projected and subject to change; Savings is being captured in the final year in order to shorten the overall debt service.

(3) Annual Amount Available for Cash Defeasances.

(4) TASWA contribution includes the release of \$1,643,484 debt service reserve fund.

(5) Represents savings from bond defeasance used to call additional bonds.

## **Appendix B**

**RESOLUTION NO. 2019-[] AUTHORIZING THE ISSUANCE OF TEXOMA  
AREA SOLID WASTE AUTHORITY REGIONAL SOLID WASTE DISPOSAL  
CONTRACT REVENUE REFUNDING BONDS, SERIES 2019; ESTABLISHING  
PROCEDURES FOR THE SALE AND DELIVERY OF THE BONDS; AND  
ENACTING OTHER PROVISIONS RELATING TO THE SUBJECT**

**STATE OF TEXAS  
COUNTIES OF COOKE AND GRAYSON  
TEXOMA AREA SOLID WASTE AUTHORITY**

**WHEREAS**, the Texoma Area Solid Waste Authority (the "Authority" or the "Issuer"), a Texas nonprofit corporation, was created pursuant to Subchapter D of Chapter 431, Texas Transportation Code, as amended ("Chapter 431") and Chapter 394, Texas Local Government Code ("Chapter 394" and together with Chapter 431, the "Act") to aid, assist and act on behalf of the City of Denison, Texas ("Denison"), the City of Gainesville, Texas ("Gainesville"), and the City of Sherman, Texas ("Sherman"), each a home rule municipal corporation (Denison, Gainesville and Sherman, individually, a "Member City") and collectively, the "Member Cities") and Cooke County, Texas and Grayson County, Texas (collectively, the "Counties", and together with the Member Cities, the "Local Governments") in the performance of their governmental functions to promote the common good and general welfare of the Local Governments, including, without limitation, (1) the financing, construction, ownership, and operation of a Type I municipal solid waste landfill to be located in western Grayson County, Texas as may be improved, extended or enlarged (the "Facility"), (2) the collection, handling, transportation, storage, collection, processing, and disposal of solid waste and (3) to perform such other governmental purposes of the Local Governments as may be determined from time to time by the governing bodies of the Local Governments; and

**WHEREAS**, pursuant to the Act and Chapter 362, Texas Health and Safety Code, the Solid Waste Resource Recovery Financing Act, the Member Cities and the Authority have previously entered into the Texoma Area Member City Landfill Contract, dated as of February 4, 2004, with respect to the payment of maintenance and operation expenses of the Facility and for the payment of debt service, debt service reserve and other payments related to the issuance of bonds, including refunding bonds, by the Authority for the purposes specified therein (the "Member City Landfill Contract"); and

**WHEREAS**, the Texoma Area Solid Waste Authority (the "Authority") has previously issued, and there are presently outstanding, bonds of the Authority payable from revenues derived from payments to be made to the Authority by the Member Cities pursuant to the Member City Landfill Contract; and

**WHEREAS**, the Authority now desires to refund all or part of the bonds described in Schedule I attached hereto, collectively, the "Eligible Refunded Bonds", that may be refunded and the Authority comply with the provisions of Section 29, hereof, and those Eligible Refunded Obligations designated by the Pricing Officer in the Pricing Certificate, each as defined below, to be refunded are herein referred to as the "Refunded Bonds"; and

**WHEREAS**, the Board of Directors of the Authority (the "Board" or the "Board of Directors") hereby finds and determines that it is a public purpose and in the best interests of the Authority to refund the Refunded Bonds in order to achieve a present value debt service savings of not less than 2.00%, with such savings, among other information and terms to be included in a pricing certificate (the "Pricing Certificate") to be executed by the Pricing Officer (hereinafter designated), all in accordance with Section 26 of the resolution that authorized the issuance of the Refunded Bonds, the Act and other applicable law; and



**WHEREAS**, the bonds hereafter authorized are being issued and delivered pursuant to Section 431.070, Texas Transportation Code, as amended, and Chapters 1201 and 1207, Texas Government Code, as amended, and other applicable laws; and

**WHEREAS**, it is officially found, determined and declared that the meeting at which this Resolution has been adopted was open to the public, and public notice of the date, hour, place and subject of said meeting, including this Resolution, was given, all as required by the applicable provisions of Chapter 551, Texas Government Code.

**THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE TEXOMA AREA SOLID WASTE AUTHORITY, THAT:**

**SECTION 1. RECITALS, AMOUNT, PURPOSE AND DESIGNATION OF THE BONDS.**

(a) The recitals set forth in the preamble hereof are incorporated herein and shall have the same force and effect as if set forth in this Section.

(b) The bonds of Texoma Area Solid Waste Authority (the "Authority") are hereby authorized to be issued and delivered in the maximum aggregate principal amount hereinafter set forth for the public purpose of providing funds to refund a portion of the Authority's outstanding indebtedness payable from revenues and to pay the costs incurred in connection with the issuance of the Bonds.

(c) Each bond issued pursuant to this Resolution shall be designated: "TEXOMA AREA SOLID WASTE AUTHORITY REGIONAL SOLID WASTE DISPOSAL CONTRACT REVENUE REFUNDING BONDS, SERIES 2019," and initially there shall be issued, sold, and delivered hereunder fully registered Bonds, without interest coupons, payable to the respective registered owners thereof (with the initial bonds being made payable to the initial purchaser as described in Section 12 hereof), or to the registered assignee or assignees of said bonds or any portion or portions thereof (in each case, the "Registered Owner" or the "registered owner"). The Bonds shall be in the respective denominations and principal amounts, shall be numbered, shall mature and be payable on the date or dates in each of the years and in the principal amounts or amounts due at maturity, as applicable, and shall bear interest to their respective dates of maturity or redemption prior to maturity at the rates per annum, as set forth in the Pricing Certificate.

Section 2. [RESERVED]

Section 3. DELEGATION TO PRICING OFFICER.

(a) The President of the Board or the Executive Director of the Authority (each, a "Pricing Officer") is each hereby authorized to act on behalf of the Authority in selling and delivering the Bonds, determining which of the Eligible Refunded Bonds shall be refunded and carrying out the other procedures specified in this Resolution, including, determining the date of the Bonds, any additional or different designation or title by which the Bonds shall be known, the price at which the Bonds will be sold, the years in which the Bonds will mature, the principal amount to mature in each of such years, the rate of interest to be borne by each such maturity, the interest payment and record dates, the price and terms upon and at which the Bonds shall be subject to redemption prior to maturity at the option of the Authority, as well as any mandatory sinking fund redemption provisions, and all other matters relating to the issuance, sale, and delivery of the Bonds and the refunding of the Refunded Bonds, including without limitation establishing the redemption date for and effecting the redemption of the Refunded Bonds, procuring municipal bond insurance, and approving modifications to this Resolution and executing such instruments, documents and agreements as may be

necessary with respect thereto, if it is determined that such insurance would be financially desirable and advantageous, all of which shall be specified in the Pricing Certificate; provided that:

- (i) the aggregate original principal amount of the Bonds shall not exceed \$10,250,000;
- (ii) the refunding must produce a present value debt service savings of at least 2.000%;
- (iii) the true interest cost of the Bonds shall not exceed 3.750% per annum provided that the net effective interest rate on the Bonds shall not exceed the maximum rate set forth in Chapter 1204, Texas Government Code, as amended;
- (iv) the delegation made hereby shall expire if not exercised by the Pricing Officer on or before March 18, 2019.

(b) In establishing the aggregate principal amount of the Bonds, the Pricing Officer shall establish an amount not exceeding the amount authorized in Subsection (a) hereof, which shall be sufficient in amount to provide for the purposes for which the Bonds are authorized and to pay costs of issuing the Bonds. The Bonds shall be sold with and subject to such terms as set forth in the Pricing Certificate.

(c) The Bonds may be issued as serial maturities or term bonds, or a combination thereof, as set forth in the Pricing Certificate.

(d) The Bonds may be sold by public offering (either through a negotiated or competitive offering) or a private placement to a purchaser and the Pricing Certificate shall so state, and the Pricing Certificate may conform this Resolution to such method of sale, including making provision that pertain to the undertaking of the Issuer in accordance with SEC Rule 15c2-12.

#### **SECTION 4. CHARACTERISTICS OF THE BONDS.**

(a) Registration, Transfer, Conversion and Exchange. The Authority shall keep or cause to be kept at the principal corporate trust office of U.S. Bank National Association, Dallas, Texas (the "Paying Agent/Registrar") books or records for the registration of the transfer, conversion and exchange of the Bonds (the "Registration Books"), and the Authority hereby appoints the Paying Agent/Registrar as its registrar and transfer agent to keep such books or records and make such registrations of transfers, conversions and exchanges under such reasonable regulations as the Authority and Paying Agent/Registrar may prescribe; and the Paying Agent/Registrar shall make such registrations, transfers, conversions and exchanges as herein provided within three business days of presentation in due and proper form. The Paying Agent/Registrar shall obtain and record in the Registration Books the address of the registered owner of each Bond to which payments with respect to the Bonds shall be mailed, as herein provided; but it shall be the duty of each registered owner to notify the Paying Agent/Registrar in writing of the address to which payments shall be mailed, and such interest payments shall not be mailed unless such notice has been given. The Authority shall have the right to inspect the Registration Books during regular business hours of the Paying Agent/Registrar, but otherwise the Paying Agent/Registrar shall keep the Registration Books confidential and, unless otherwise required by law, shall not permit their inspection by any other entity. The Authority shall pay the Paying Agent/Registrar's standard or customary fees and charges for making such registration, transfer, conversion, exchange and delivery of a substitute Bond or Bonds. Registration of assignments, transfers, conversions and exchanges of Bonds shall be made in the manner provided and with the effect stated in the FORM OF BOND set forth in this Resolution. Each substitute Bond shall bear a letter and/or number to distinguish it from each other Bond.

(b) Authentication. Except as provided in Section 4(e) hereof, an authorized representative of the Paying Agent/Registrar shall, before the delivery of any such Bond, date and manually sign said Bond, and no such Bond shall be deemed to be issued or outstanding unless such Bond is so executed. The Paying Agent/Registrar promptly shall cancel all paid Bonds and Bonds surrendered for conversion and exchange. No additional ordinances, orders or resolutions need be passed or adopted by the governing body of the Authority or any other body or person so as to accomplish the foregoing conversion and exchange of any Bond or portion thereof, and the Paying Agent/Registrar shall provide for the printing, execution and delivery of the substitute Bonds in the manner prescribed herein. Pursuant to Subchapter D, Chapter 1201, Texas Government Code, the duty of conversion and exchange of Bonds as aforesaid is hereby imposed upon the Paying Agent/Registrar, and, upon the execution of said Bond, the converted and exchanged Bond shall be valid, incontestable, and enforceable in the same manner and with the same effect as the Bonds which initially were issued and delivered pursuant to this Resolution, approved by the Attorney General, and registered by the Comptroller of Public Accounts.

(c) Payment of Bonds and Interest. The Authority hereby further appoints the Paying Agent/Registrar to act as the paying agent for paying the principal of and interest on the Bonds, all as provided in this Resolution. The Paying Agent/Registrar shall keep proper records of all payments made by the Authority and the Paying Agent/Registrar with respect to the Bonds, and of all conversions and exchanges of Bonds, and all replacements of Bonds, as provided in this Resolution. However, in the event of a nonpayment of interest on a scheduled payment date, and for thirty (30) days thereafter, a new record date for such interest payment (a "Special Record Date") will be established by the Paying Agent/Registrar, if and when funds for the payment of such interest have been received from the Authority. Notice of the Special Record Date and of the scheduled payment date of the past due interest (which shall be 15 days after the Special Record Date) shall be sent at least five (5) business days prior to the Special Record Date by United States mail, firstclass postage prepaid, to the address of each registered owner appearing on the Registration Books at the close of business on the last business day next preceding the date of mailing of such notice.

(d) Substitute Paying Agent/Registrar. The Authority covenants with the registered owners of the Bonds that at all times while the Bonds are outstanding the Authority will provide a competent and legally qualified bank, trust company, financial institution or other agency to act as and perform the services of Paying Agent/Registrar for the Bonds under this Resolution, and that the Paying Agent/Registrar will be one entity. The Authority reserves the right to, and may, at its option, change the Paying Agent/Registrar upon not less than 120 days written notice to the Paying Agent/Registrar, to be effective not later than 60 days prior to the next principal or interest payment date after such notice. In the event that the entity at any time acting as Paying Agent/Registrar (or its successor by merger, acquisition, or other method) should resign or otherwise cease to act as such, the Authority covenants that promptly it will appoint a competent and legally qualified bank, trust company, financial institution, or other agency to act as Paying Agent/Registrar under this Resolution. Upon any change in the Paying Agent/Registrar, the previous Paying Agent/Registrar promptly shall transfer and deliver the Registration Books (or a copy thereof), along with all other pertinent books and records relating to the Bonds, to the new Paying Agent/Registrar designated and appointed by the Authority. Upon any change in the Paying Agent/Registrar, the Authority promptly will cause a written notice thereof to be sent by the new Paying Agent/Registrar to each registered owner of the Bonds, by United States mail, first-class postage prepaid, which notice also shall give the address of the new Paying Agent/Registrar. By accepting the position and performing as such, each Paying Agent/Registrar shall be deemed to have agreed to the provisions of this Resolution, and a certified copy of this Resolution shall be delivered to each Paying Agent/Registrar.

(e) General Characteristics of the Bonds. The Bonds (i) shall be issued in fully registered form, without interest coupons, with the principal of and interest on such Bonds to be payable only to the Registered Owners thereof, (ii) may and shall be redeemed prior to their scheduled maturities, (iii) may be

transferred and assigned, (iv) may be converted and exchanged for other Bonds, (v) shall have the characteristics, (vi) shall be signed, sealed, executed and authenticated, (vii) the principal of and interest on the Bonds shall be payable, and (viii) shall be administered and the Paying Agent/Registrar and the Authority shall have certain duties and responsibilities with respect to the Bonds, all as provided, and in the manner and to the effect as required or indicated, in the FORM OF BOND set forth in this Resolution. The Bonds initially issued and delivered pursuant to this Resolution is not required to be, and shall not be, authenticated by the Paying Agent/Registrar, but on each substitute Bond issued in conversion of and exchange for any Bond or Bonds issued under this Resolution the Paying Agent/Registrar shall execute the Paying Agent/Registrar's Authentication Certificate, in the FORM OF BOND set forth in this Resolution.

(f) Book-Entry Only System. The Bonds issued in exchange for the Bonds initially issued to the purchaser specified herein shall be initially issued in the form of a separate single fully registered Bond for each of the maturities thereof. Upon initial issuance, the ownership of each such Bond shall be registered in the name of Cede & Co., as nominee of The Depository Trust Company of New York ("DTC"), and except as provided in subsection (g) hereof, all of the outstanding Bonds shall be registered in the name of Cede & Co., as nominee of DTC.

With respect to Bonds registered in the name of Cede & Co., as nominee of DTC, the Authority and the Paying Agent/Registrar shall have no responsibility or obligation to any securities brokers and dealers, banks, trust companies, clearing corporations and certain other organizations on whose behalf DTC was created ("DTC Participant") to hold securities to facilitate the clearance and settlement of securities transactions among DTC Participants or to any person on behalf of whom such a DTC Participant holds an interest in the Bonds. Without limiting the immediately preceding sentence, the Authority and the Paying Agent/Registrar shall have no responsibility or obligation with respect to (i) the accuracy of the records of DTC, Cede & Co. or any DTC Participant with respect to any ownership interest in the Bonds, (ii) the delivery to any DTC Participant or any other person, other than a registered owner of Bonds, as shown on the Registration Books, of any notice with respect to the Bonds, or (iii) the payment to any DTC Participant or any other person, other than a registered owner of Bonds, as shown in the Registration Books of any amount with respect to principal of or interest on the Bonds. Notwithstanding any other provision of this Resolution to the contrary, the Authority and the Paying Agent/Registrar shall be entitled to treat and consider the person in whose name each Bond is registered in the Registration Books as the absolute owner of such Bond for the purpose of payment of principal and interest with respect to such Bond, for the purpose of registering transfers with respect to such Bond, and for all other purposes whatsoever. The Paying Agent/Registrar shall pay all principal of and interest on the Bonds only to or upon the order of the registered owners, as shown in the Registration Books as provided in this Resolution, or their respective attorneys duly authorized in writing, and all such payments shall be valid and effective to fully satisfy and discharge the Authority's obligations with respect to payment of principal of and interest on the Bonds to the extent of the sum or sums so paid. No person other than a registered owner, as shown in the Registration Books, shall receive a Bond certificate evidencing the obligation of the Authority to make payments of principal and interest pursuant to this Resolution. Upon delivery by DTC to the Paying Agent/Registrar of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede & Co., and subject to the provisions in this Resolution with respect to interest checks being mailed to the registered owner at the close of business on the Record Date, the words "Cede & Co." in this Resolution shall refer to such new nominee of DTC.

(g) Successor Securities Depository; Transfers Outside Book-Entry Only System. In the event that the Authority determines that DTC is incapable of discharging its responsibilities described herein and in the representation letter of the Authority to DTC (the "representation letter" or the "Letter of Representations") or that it is in the best interest of the beneficial owners of the Bonds that they be able to obtain certificated Bonds, the Authority shall (i) appoint a successor securities depository, qualified to act as such under Section 17A of the Securities and Exchange Act of 1934, as amended, notify DTC and DTC

Participants of the appointment of such successor securities depository and transfer one or more separate Bonds to such successor securities depository or (ii) notify DTC and DTC Participants of the availability through DTC of Bonds and transfer one or more separate Bonds to DTC Participants having Bonds credited to their DTC accounts. In such event, the Bonds shall no longer be restricted to being registered in the Registration Books in the name of Cede & Co., as nominee of DTC, but may be registered in the name of the successor securities depository, or its nominee, or in whatever name or names registered owners transferring or exchanging Bonds shall designate, in accordance with the provisions of this Resolution.

(h) Payments to Cede & Co. Notwithstanding any other provision of this Resolution to the contrary, so long as any Bond is registered in the name of Cede & Co., as nominee of DTC, all payments with respect to principal of and interest on such Bond and all notices with respect to such Bond shall be made and given, respectively, in the manner provided in the representation letter of the Authority to DTC.

(i) Cancellation of Initial Bond. On the closing date, one initial Bond representing the entire principal amount of the Bonds, payable in stated installments to the order of the initial purchaser of the Bonds or its designee, executed by manual or facsimile signature of the President and Secretary of the Board, approved by the Attorney General of Texas, and registered and manually signed by the Comptroller of Public Accounts of the State of Texas, will be delivered to such purchaser or its designee. Upon payment for the initial Bond, the Paying Agent/Registrar shall cancel the initial Bond and deliver to The Depository Trust Company ("DTC") on behalf of such purchaser one registered definitive Bond for each year of maturity of the Bonds, in the aggregate principal amount of all of the Bonds for such maturity, registered in the name of Cede & Co., as nominee of DTC. To the extent that the Paying Agent/Registrar is eligible to participate in DTC's FAST System, pursuant to an agreement between the Paying Agent/Registrar and DTC, the Paying Agent/Registrar shall hold the definitive Bonds in safekeeping for DTC.

**SECTION 5. FORM OF BONDS.** The form of the Bonds, including the form of Paying Agent/Registrar's Authentication Certificate, the form of Assignment and the form of Registration Certificate of the Comptroller of Public Accounts of the State of Texas (to be attached to the Bond initially issued and delivered pursuant to this Resolution), shall be, respectively, substantially as follows, with such appropriate variations, omissions, or insertions as are permitted or required by this Resolution, and with the Bonds to be completed with information set forth in the Pricing Certificate.

(a) Form of Bond

R-

PRINCIPAL  
AMOUNT

\$ \_\_\_\_\_

UNITED STATES OF AMERICA  
STATE OF TEXAS  
TEXOMA AREA SOLID WASTE AUTHORITY  
REGIONAL SOLID WASTE DISPOSAL CONTRACT REVENUE REFUNDING BOND,  
SERIES 2019

INTEREST RATE

DATED DATE /  
DELIVERY DATE

MATURITY DATE

CUSIP NO

REGISTERED OWNER:

PRINCIPAL AMOUNT:

DOLLARS

ON THE MATURITY DATE specified above, TEXOMA AREA SOLID WASTE AUTHORITY (the "Issuer"), being a political subdivision of the State of Texas, hereby promises to pay to the Registered Owner set forth above, or registered assigns (hereinafter called the "registered owner") the principal amount set forth above, and to pay interest thereon from the [Dated Date / Delivery Date] forth above, on \_\_\_\_\_ and on each \_\_\_\_\_ thereafter to the Maturity Date specified above, the date of redemption prior to maturity, at the interest rate per annum specified above; except that if this Bond is required to be authenticated and the date of its authentication is later than the first Record Date (hereinafter defined), such principal amount shall bear interest from the interest payment date next preceding the date of authentication, unless such date of authentication is after any Record Date but on or before the next following interest payment date, in which case such principal amount shall bear interest from such next following interest payment date; provided, however, that if on the date of authentication hereof the interest on the Bond or Bonds, if any, for which this Bond is being exchanged or converted from is due but has not been paid, then this Bond shall bear interest from the date to which such interest has been paid in full.

THE PRINCIPAL OF AND INTEREST ON THIS BOND are payable in lawful money of the United States of America, without exchange or collection charges. The principal of this Bond shall be paid to the registered owner hereof upon presentation and surrender of this Bond at maturity, or upon the date fixed for its redemption prior to maturity, at the corporate trust office of U.S. Bank National Association, Dallas, Texas, which is the "Paying Agent/Registrar" for this Bond. The payment of interest on this Bond shall be made by the Paying Agent/Registrar to the registered owner hereof on each interest payment date by check or draft, dated as of such interest payment date, drawn by the Paying Agent/Registrar on, and payable solely from, funds of the Issuer required by the resolution authorizing the issuance of the Bonds (the "Resolution") to be on deposit with the Paying Agent/Registrar for such purpose as hereinafter provided; and such check or draft shall be sent by the Paying Agent/Registrar by United States mail, first-class postage prepaid, on each such interest payment date, to the registered owner hereof, at its address as it appeared on the \_\_\_\_\_ business day of the month next preceding each such date (the "Record Date") on the Registration Books kept by the Paying Agent/Registrar, as hereinafter described. In the event of a non-payment of interest on a scheduled payment date, and for 30 days thereafter, a new record date for such interest payment (a "Special Record Date") will be established by the Paying Agent/Registrar, if and when funds for the payment of such interest have been received from the Issuer. Notice of the Special Record Date and of the scheduled payment date of the past due interest (the "Special Payment Date" which shall be 15 days after the Special Record Date) shall be sent at least five business days prior to the Special Record Date by United States mail, first class, postage prepaid, to the address of each registered owner of a Bond appearing on the books of the Paying Agent/Registrar at the close of business on the last business day next preceding the date of mailing of such notice.

ANY ACCRUED INTEREST due at maturity or upon redemption of this Bond prior to maturity as provided herein shall be paid to the registered owner at the principal corporate trust office of the Paying Agent/Registrar. The Issuer covenants with the registered owner of this Bond that on or before each principal payment date and interest payment date for this Bond it will make available to the Paying Agent/Registrar, from the "Interest and Sinking Fund" created by the Resolution, the amounts required to provide for the payment, in immediately available funds, of all principal of and interest on the Bonds, when due.

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

THIS BOND is one of a series of bonds dated as of \_\_\_\_\_, authorized in accordance with the Constitution and laws of the State of Texas in the principal amount of \$\_\_\_\_\_ for the purpose of providing funds to refund a portion of the Issuer's outstanding Regional Solid Waste Disposal Contract Revenue Refunding Bonds, Series 2010, and to pay the costs incurred in connection with the issuance of the Bonds.

\*ON \_\_\_\_\_, or on any date thereafter, the Bonds of this series maturing on and after \_\_\_\_\_, may be redeemed prior to their scheduled maturities, at the option of the Issuer, with funds derived from any available and lawful source, as a whole, or in part (and if less than all Bonds of a particular maturity are to be redeemed, the Bonds to be redeemed shall be selected by the Paying Agent/Registrar at random and by lot), at the redemption price equal to the principal amount being called for redemption plus accrued interest to the date fixed for redemption.

\* THE BONDS scheduled to mature on \_\_\_\_\_ in the years \_\_\_\_ and \_\_\_\_ (the "Term Bonds") are subject to scheduled mandatory redemption by the Paying Agent/Registrar by lot, at a price equal to the principal amount thereof plus accrued interest to the redemption date, out of moneys available for such purposes in the interest and sinking fund for the Bonds, on the dates and in the respective principal amounts set forth in the following schedule:

[Term Bonds]

The principal amount of the Term Bonds of a stated maturity required to be redeemed on any mandatory redemption date pursuant to the operation of the mandatory sinking fund redemption provisions may be reduced, at the option of the Issuer, by the principal amount of any Term Bonds of the same maturity which, at least 45 days prior to a mandatory redemption date, (1) shall have been acquired by the Issuer and delivered to the Paying Agent/Registrar for cancellation, (2) shall have been purchased and canceled by the Paying Agent/Registrar at the request of the Issuer, or (3) shall have been redeemed pursuant to the optional redemption provisions and not theretofore credited against a mandatory redemption requirement.

\*AT LEAST THIRTY days prior to the date fixed for any redemption of Bonds or portions thereof prior to maturity a written notice of such redemption shall be sent by the Paying Agent/Registrar by United States mail, first-class postage prepaid, to the registered owner of each Bond to be redeemed at its address as it appeared on the business day next preceding the day such notice of redemption is mailed and to major securities depositories, national bond rating agencies and bond information services; provided, however, that the failure of the registered owner to receive such notice, or any defect therein or in the sending or mailing thereof, shall not affect the validity or effectiveness of the proceedings for the redemption of any Bond. By the date fixed for any such redemption, due provision shall be made with the Paying Agent/Registrar for the payment of the required redemption price for the Bonds or portions thereof which are to be so redeemed. If such written notice of redemption is sent and if due provision for such payment is made, all as provided above, the Bonds or portions thereof which are to be so redeemed thereby automatically shall be treated as redeemed prior to their scheduled maturities, and they shall not bear interest after the date fixed for redemption, and they shall not be regarded as being outstanding except for the right of the registered owner to receive the redemption price from the Paying Agent/Registrar out of the funds provided for such payment. If a portion of any Bond shall be redeemed a substitute Bond or Bonds having the same maturity date, bearing interest at the same rate, in any denomination or denominations in any integral multiple of \$5,000, at the written request of the registered owner, and in aggregate amount equal to the unredeemed portion thereof, will be issued to the registered owner upon the surrender thereof for cancellation, at the expense of the Issuer, all as provided in the Resolution.

ALL BONDS OF THIS SERIES are issuable solely as fully registered Bonds, without interest coupons, in the denomination of any integral multiple of \$5,000. As provided in the Resolution, this Bond

may, at the request of the registered owner or the assignee or assignees hereof, be assigned, transferred, converted into and exchanged for a like aggregate amount of fully registered Bonds, without interest coupons, payable to the appropriate registered owner, assignee or assignees, as the case may be, having any authorized denomination or denominations as requested in writing by the appropriate registered owner, assignee or assignees, as the case may be, upon surrender of this Bond to the Paying Agent/Registrar for cancellation, all in accordance with the form and procedures set forth in the Resolution. Among other requirements for such assignment and transfer, this Bond must be presented and surrendered to the Paying Agent/Registrar, together with proper instruments of assignment, in form and with guarantee of signatures satisfactory to the Paying Agent/Registrar, evidencing assignment of this Bond or any portion or portions hereof in any authorized denomination to the assignee or assignees in whose name or names this Bond or any such portion or portions hereof is or are to be registered. The form of Assignment printed or endorsed on this Bond may be executed by the registered owner to evidence the assignment hereof, but such method is not exclusive, and other instruments of assignment satisfactory to the Paying Agent/Registrar may be used to evidence the assignment of this Bond or any portion or portions hereof from time to time by the registered owner. The Paying Agent/Registrar's reasonable standard or customary fees and charges for assigning, transferring, converting and exchanging any Bond or portion thereof will be paid by the Issuer. In any circumstance, any taxes or governmental charges required to be paid with respect thereto shall be paid by the one requesting such assignment, transfer, conversion or exchange, as a condition precedent to the exercise of such privilege. The Paying Agent/Registrar shall not be required to make any such transfer or exchange of this Bond (i) during the period commencing with the close of business on any Record Date and ending with the opening of business on the next following principal or interest payment date, or (ii) with respect to any Bond or any portion thereof called for redemption prior to maturity, within 45 days prior to its redemption date.

IN THE EVENT any Paying Agent/Registrar for the Bonds is changed by the Issuer, resigns, or otherwise ceases to act as such, the Issuer has covenanted in the Resolution that it promptly will appoint a competent and legally qualified substitute therefor, and cause written notice thereof to be mailed to the registered owners of the Bonds.

IT IS HEREBY certified, recited, and covenanted that this Bond has been duly and validly authorized, issued, and delivered; that all acts, conditions, and things required or proper to be performed, exist, and be done precedent to or in the authorization, issuance, and delivery of this Bond have been performed, existed, and been done in accordance with law; that this Bond is a special obligation of the Issuer, secured by and payable from an irrevocable first lien on and pledge of "Gross Revenues" (as defined in the Resolution) primarily derived by the Issuer from the Member Cities (as defined in the Resolution) pursuant to the Member City Landfill Contract (as defined and described in the Resolution), as such Member City Landfill Contract may be amended pursuant to its terms.

THE REGISTERED OWNER hereof shall never have the right to demand payment of this Bond out of any funds raised or to be raised by taxation.

THE ISSUER HAS RESERVED THE RIGHT, subject to the restrictions stated in the Resolution, to issue "Additional Parity Obligations" which also may be secured by and payable from an irrevocable first lien on and pledge of the aforesaid Gross Revenues on a parity and of equal dignity in all respects with this Bond.

THE ISSUER ALSO HAS RESERVED THE RIGHT to amend the Resolution with the approval of the registered owners of at least a majority in principal amount of all outstanding "Parity Obligations" (which term is defined in the Resolution and includes the Bonds and all Additional Parity Obligations issued on a parity therewith), subject to the restrictions stated in the Resolution, or without the consent of the registered owners of the Parity Obligations if each rating agency then maintaining a rating on the Parity Obligations at the request of the Issuer confirms in writing that such amendment would not cause such rating agency to withdraw or reduce its then current rating on the Parity Obligations.



BY BECOMING the registered owner of this bond, the registered owner thereby acknowledges all of the terms and provisions of the Resolution, agrees to be bound by such terms and provisions, acknowledges that the Resolution is duly recorded and available for inspection in the official minutes and records of the governing body of the Issuer, and agrees that the terms and provisions of this Bond and the Resolution constitute a contract between each registered owner hereof and the Issuer.

IN WITNESS WHEREOF, the Issuer has caused this Bond to be signed with the manual or facsimile signature of the President of the Board of Directors of the Issuer and countersigned with the manual or facsimile signature of the Secretary of the Board of Directors of the Issuer, and has caused the official seal of the Issuer to be duly impressed, or placed in facsimile, on this Bond.

\_\_\_\_\_  
(signature)  
Secretary, Board of Directors  
Texoma Area Solid Waste Authority

\_\_\_\_\_  
(signature)  
President, Board of Directors  
Texoma Area Solid Waste Authority

(SEAL)

\*These paragraphs to be included only on the Bonds to the extent applicable.

(b) Form of Paying Agent/Registrar's Authentication Certificate:

PAYING AGENT/REGISTRAR'S AUTHENTICATION CERTIFICATE

(To be executed if this Bond is not accompanied by an Executed Registration  
Certificate of the Comptroller of Public Accounts of the State of Texas)

It is hereby certified that this Bond has been issued under the provisions of the Resolution described in the text of this Bond; and that this Bond has been issued in conversion or replacement of, or in exchange for, a bond, bonds, or a portion of a bond or bonds of a Series which originally was approved by the Attorney General of the State of Texas and registered by the Comptroller of Public Accounts of the State of Texas.

Date of authentication: \_\_\_\_\_

U.S. BANK NATIONAL ASSOCIATION  
Paying Agent/Registrar

By: \_\_\_\_\_  
Authorized Signatory

(c) Form of Assignment:

ASSIGNMENT

For value received, the undersigned hereby sells, assigns and transfers unto

\_\_\_\_\_  
\_\_\_\_\_

Please insert Social Security or Taxpayer Identification Number of Transferee

\_\_\_\_\_  
(Please print or typewrite name and address, including zip code of Transferee)

the within Bond and all rights thereunder, and hereby irrevocably constitutes and appoints \_\_\_\_\_, attorney, to register the transfer of the within Bond on the books kept for registration thereof, with full power of substitution in the premises.

Dated: \_\_\_\_\_

Signature Guaranteed:

\_\_\_\_\_  
NOTICE: Signature(s) must be guaranteed by an eligible guarantor institution participating in a securities transfer association recognized signature guarantee program.

\_\_\_\_\_  
NOTICE: The signature above must correspond with the name of the registered owner as it appears upon the front of this Bond in every particular, without alteration or enlargement or any change whatsoever.

(d) Form of Registration Certificate of the Comptroller of Public Accounts:

REGISTRATION CERTIFICATE OF  
COMPTROLLER OF PUBLIC ACCOUNTS

OFFICE OF THE COMPTROLLER  
OF PUBLIC ACCOUNTS  
OF THE STATE OF TEXAS

§  
§  
§

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

I HEREBY CERTIFY that there is on file and of record in my office a certificate of the Attorney General of the State of Texas to the effect that this Bond has been examined by him as required by law, that he finds that it has been issued in conformity with the Constitution and laws of the State of Texas, and that it is a valid and binding obligation of Texoma Area Solid Waste Authority, and that this Bond has this day been registered by me.

WITNESS MY SIGNATURE AND SEAL this \_\_\_\_\_.

XXXXXXXXXX  
Comptroller of Public Accounts  
of the State of Texas

(COMPTROLLER'S SEAL)

(e) Insertions for the Initial Bond

(i) The Initial Bond shall be in the form set forth in paragraph (a) of this Section, except that:

(A) immediately under the name of the Bond, the headings "INTEREST RATE" and "MATURITY DATE" shall both be completed with the words "As shown below" and "CUSIP NO. \_\_\_\_\_" shall be deleted.

(B) the first paragraph shall be deleted and the following will be inserted:

"TEXOMA AREA SOLID WASTE AUTHORITY (the "Issuer"), being a political subdivision of the State of Texas, hereby promises to pay to the Registered Owner specified above, or registered assigns (hereinafter called the "registered owner"), on the dates, in the principal installments and bearing interest at the per annum rates set forth in the following schedule:

(Information for the Bonds from Section 3 to be inserted)

The Issuer promises to pay interest on the unpaid principal amount hereof (calculated on the basis of a 360-day year of twelve 30-day months) from \_\_\_\_\_ at the respective Interest Rate per annum specified above. Interest is payable on \_\_\_\_\_, and on each \_\_\_\_\_ and \_\_\_\_\_ thereafter to the date of payment of the principal installment specified above, or the date of redemption prior to maturity; except, that if this Bond is required to be authenticated and the date of its authentication is later than the first Record Date (hereinafter defined), such principal amount shall bear interest from the interest payment date next preceding the date of authentication, unless such date of authentication is after any Record Date but on or before the next following interest payment date, in which case such principal amount shall bear interest from such next following interest payment date; provided, however, that if on the date of authentication hereof the interest on the Bond or Bonds, if any, for which this Bond is being exchanged is due but has not been paid, then this Bond shall bear interest from the date to which such interest has been paid in full."

(C) The initial Bond shall be numbered "T-1."

#### **SECTION 6. [RESERVED].**

**SECTION 7. DEFINITIONS.** In addition to the capitalized terms which are defined in the recitals or in Section 1 through Section 4 of this Resolution, the following words and terms used in this Resolution shall have the following meanings unless the context or use indicates another meaning or intent.

"Additional Parity Obligations" shall mean the additional bonds, notes and other obligations which the Authority reserves the right to issue or enter into, as the case may be, in the future under the terms and conditions provided in Sections 23 and 24 of this Resolution and which are equally and ratably secured wholly or in part by a lien on and pledge of the Gross Revenues on a parity with the lien on and pledge of the Gross Revenues which secures the then Outstanding Parity Obligations.

"Additional Member City" or "Additional Member Cities" means any city or cities in addition to Denison, Gainesville, and Sherman, or any county or other political subdivision with which the Authority may enter into a contract under the Member City Landfill Contract, following consent by Denison, Gainesville, and Sherman to the addition of each such Additional Member City, for receiving, transporting, treating, and/or disposing of MSW through the Facility.

"Annual Debt Service Requirements" shall mean, as of the date of calculation, the principal of and interest on all Parity Obligations coming due at Maturity or Stated Maturity in such Fiscal Year.

"Bond Counsel" shall mean an attorney or firm of attorneys nationally recognized as bond counsel and selected by the Authority.

"Bonds" means and includes the Bonds initially issued and delivered pursuant to this Resolution and all Bonds exchanged therefor, as well as all other substitute bonds and replacement bonds issued pursuant hereto, and the term "Bond" shall mean any of the Bonds.

"Business Day" shall mean any day which is not a Saturday, Sunday, legal holiday, or a day on which banking institutions in the City of New York, New York or in the city where the designated payment office of the Paying Agent/Registrar is located are authorized by law or executive order to close.

"Code" shall mean the Internal Revenue Code of 1986, and any amendments thereto.

"Credit Facility" shall mean (i) a policy of insurance or a surety bond, issued by an issuer of policies of insurance insuring the timely payment of debt service on governmental obligations, provided that a Rating Agency having an outstanding rating on the Parity Obligations would rate the Parity Obligations fully insured by a standard policy issued by the issuer in its two highest generic rating categories for such obligations; and (ii) a letter or line of credit issued by any financial institution, provided that a Rating Agency having an outstanding rating on the Parity Obligations would rate the parity obligations in its two highest generic rating categories for such obligations if the letter or line of credit proposed to be issued by such financial institution secured the timely payment of the entire principal amount of the Parity Obligations and the interest thereon.

"Credit Provider" shall mean any bank, financial institution, insurance company, surety bond provider, or other entity which provides, executes, issues, or otherwise is a party to or provider of a Credit Facility.

"Debt" shall mean all:

(1) indebtedness incurred or assumed by the Authority for borrowed money and all other financing obligations of the Authority that, in accordance with generally accepted accounting principles, are shown on the liability side of a balance sheet;

(2) other indebtedness (other than indebtedness otherwise treated as Debt hereunder) for borrowed money or for the acquisition, construction, or improvement of property or capitalized lease obligations that is guaranteed, directly or indirectly, in any manner by the Authority, or that is in effect guaranteed, directly or indirectly, by the Authority through an agreement, contingent or otherwise, to purchase any such indebtedness or to advance or supply funds for the payment or purchase of any such indebtedness or to purchase property or services primarily for the purpose of enabling the debtor or seller to make payment of such indebtedness, or to assure the owner of the indebtedness against loss, or to supply funds to or in any other manner invest in the debtor (including any agreement to pay for property or services irrespective of whether or not such property is delivered or such services are rendered), or otherwise; and

(3) indebtedness secured by any mortgage, lien, charge, encumbrance, pledge or other security interest upon property owned by the Authority whether or not the Authority has assumed or become liable for the payment thereof.

For the purpose of determining the "Debt" of the Authority, there shall be excluded any particular Debt if, upon or prior to the Maturity thereof, there shall have been deposited with the proper depository (a) in trust the necessary funds (or investments that will provide sufficient funds, if permitted by the instrument creating such Debt) for the payment, redemption, or satisfaction of such Debt or (b) evidence of such Debt deposited for cancellation; and thereafter it shall not be considered Debt. No item shall be considered Debt unless such item constitutes indebtedness under generally accepted accounting principles

applied on a basis consistent with the financial statements prepared by or for the benefit of the Authority in prior Fiscal Years.

"Designated Financial Officer" shall mean the chief financial officer of the Authority, which is, at the time of adoption of this Resolution, Dale Sissney, or such other financial or accounting official of the Authority so designated by the Executive Director of the Authority.

"Fiscal Year" shall mean the twelve-month period commencing on July 1 and ending on the next June 30, or such other period commencing on the date designated by the Authority and ending one year later.

"Funded Debt" - All Parity Obligations created or assumed by the Authority, either through the use of the proceeds or by an obligation of the Authority to pay, guarantee or otherwise provide for the payment thereof which mature by their terms (in the absence of the exercise of any earlier right of demand), or that are renewable at the option of the Authority to a date, more than one year after the original creation or assumption of such debt by the Authority.

"Government Obligations" shall mean direct obligations of the United States of America, including obligations the principal of and interest on which are unconditionally guaranteed by the United States of America, which may be United States Treasury Obligations such as its State and Local Government Series, which may be in book-entry form.

"Gross Revenues" shall mean, for any period, all revenues derived by the Authority from:

- (1) the Member City Participants pursuant to the Member City Landfill Contract, or the Additional Member City Participants pursuant to the Additional Member City Landfill Contracts, which constitute the "Bond Service Component" and the "Operation and Maintenance Component" (as such "Components" are defined in such Member City Landfill Contract or the Additional Member City Landfill Contracts, as the case may be);
- (2) any other person or entity not described in clause (1) which utilizes the Facility on retail basis; and
- (3) interest income from funds on deposit in the Revenue Fund, the Interest and Sinking Fund, and the Reserve Fund.

"Holder", "Bondholder" and "Registered Owner" or words of similar import each shall mean the registered owner of any Parity Obligation as shown on the Registration Books maintained by the Paying Agent/Registrar.

"Maturity" shall mean, when used with respect to any Debt payable in whole or in part from Gross Revenues, the date on which the principal of such Debt or any installment thereof becomes due and payable as therein provided, whether at the Stated Maturity thereof or prior redemption, or otherwise.

"Member City Participants" shall mean, collectively, the Member Cities and the Additional Member Cities, and the term "Member Participant" shall mean any one of such Member City Participants. For purposes of clarification, but without limiting the definition of the term "Member City Participants" or excluding additional entities as "Member City Participants" after the date of passage of this Resolution, the following entities are considered "Member City Participants" as of the date of passage of this Resolution: Denison, Gainesville, and Sherman.

"Net Revenues" shall mean, for any period, all Gross Revenues less Operation and Maintenance Expenses.

"Operation and Maintenance Expenses" means all costs of operation and maintenance of the Facility including, but not limited to, repairs and replacements for which no special fund is created in this Resolution, the cost of utilities, supervision, engineering, accounting, auditing, regulatory costs, legal services, insurance premiums, and any other supplies, services, administrative costs, and equipment necessary for proper operation and maintenance of the Facility, payments made for the use or operation of any property, payments of fines, and payments made by the Authority in satisfaction of judgments or other liabilities resulting from claims not covered by the Authority's insurance or not paid by one particular Member City arising in connection with the operation and maintenance of the Facility. Depreciation shall not be considered an item of Operation and Maintenance Expense.

"Outstanding" shall mean, when used with respect to Parity Obligations, as of the date of determination, all Parity Obligations theretofore delivered under this Resolution and any resolution authorizing Additional Parity Obligations, except:

- (1) Parity Obligations theretofore canceled and delivered to the Authority or delivered to the Paying Agent/Registrar for cancellation;
- (2) Parity Obligations deemed paid pursuant to the provisions of Section 26 of this Resolution or any comparable section of any resolution authorizing Additional Parity Obligations;
- (3) Parity Obligations upon transfer of or in exchange for and in lieu of which other Parity Obligations have been authenticated and delivered pursuant to this Resolution and any resolution authorizing Additional Parity Obligations; and
- (4) Parity Obligations under which the obligations of the Authority have been released, discharged or extinguished in accordance with the terms thereof.

"Parity Obligations" shall mean, collectively, the Outstanding Series 2010 Bonds, the Bonds, and any Additional Parity Obligations.

"Paying Agent/Registrar" shall mean the respective bank, trust company, financial institution or other entity named in the resolution authorizing the issuance of each issue of Parity Obligations to provide paying agency and registrar services in connection with such issue of Parity Obligations.

"Rating Agency" shall mean one or more nationally recognized credit rating agencies then maintaining a rating on the Parity Obligations at the request of the Authority.

"Reimbursement Obligation" shall mean any obligation contained in a Reserve Fund Credit Facility pursuant to which the Authority obligates itself to reimburse a financial institution, insurance company or other entity for amounts paid or advanced by such entity pursuant to a Reserve Fund Credit Facility. Reimbursement Obligations may be payable from and secured by a lien on Gross Revenues which is on parity with, or subordinate to, the lien on Gross Revenues which secures the Parity Obligations pursuant to this Resolution.

"Reserve Fund Credit Facility" shall mean a Credit Facility which (i) may not be terminated by the Credit Provider providing such Credit Facility prior to the final maturity date of the series of Parity Obligations in connection with which such Credit Facility was issued, and (ii) may be drawn upon demand by the Authority to provide funds to pay principal and/or interest on the Parity Obligations in the event moneys on deposit in the Interest and Sinking Fund are insufficient to make such payment.

"Reserve Fund Requirement" shall mean, as of the date of issuance of any series of Parity Obligations, an amount equal to the average Annual Debt Service Requirements on the Parity Obligations Outstanding as of such date.

"Series 2010 Bonds" shall mean the Texoma Area Solid Waste Authority Regional Solid Waste Disposal Contract Revenue Refunding Bonds, Series 2010.

#### **SECTION 8. PLEDGE; RATE COVENANTS.**

(a) Pledge. The Parity Obligations, and the interest thereon, are and shall be payable from and secured by an irrevocable first lien on and pledge of the Gross Revenues, and the Gross Revenues are further pledged irrevocably to the establishment and maintenance of the Interest and Sinking Fund and the Reserve Fund hereinafter confirmed and maintained.

(b) Covenants Relating to Rates and Charges. The Authority covenants and agrees with the holders of the Parity Obligations as follows:

(i) It will at all times fix, revise, maintain, charge and collect for services rendered by the Facility, rates and charges which will produce Gross Revenues at least sufficient (A) to pay the Annual Debt Service Requirements on the Parity Obligations, (B) to pay all Operation and Maintenance Expenses, and (C) to make all deposits now or hereafter required to be made into the Funds created, established, or maintained by this Resolution; and

(ii) If the Facility should become legally liable for any other obligations or indebtedness, the Authority shall fix, maintain, charge and collect additional rates and charges for services rendered by the Facility sufficient to establish and maintain funds for the payment thereof.

**SECTION 9. FUNDS.** There is hereby confirmed and shall be maintained on the financial records of the Authority, for the pro rata benefit of all Parity Obligations, the following funds:

(a) Texoma Area Solid Waste Authority - Revenue Fund, hereinafter called the "Revenue Fund".

(b) Texoma Area Solid Waste Authority - Regional Solid Waste Disposal Contract Revenue Bonds Interest and Sinking Fund, hereinafter called the "Interest and Sinking Fund".

(c) Texoma Area Solid Waste Authority - Reserve Fund, hereinafter called the "Reserve Fund".

(d) Texoma Area Solid Waste Authority - Construction Fund hereinafter called the "Construction Fund".

**SECTION 10. REVENUE FUND.** All Gross Revenues collected by the Authority shall be deposited upon receipt to the credit of the Revenue Fund. The Funds on deposit in the Revenue Fund shall be used by the Authority, first, to make the deposit into the Interest and Sinking Fund at the times and in the amounts required by Section 11 hereof, and second, to pay all Operation and Maintenance Expenses. The remaining funds on deposit therein shall be transferred from the Revenue Fund into the Reserve Fund hereinafter described, and to satisfy any Reimbursement Obligation, in the manner and amounts hereinafter provided, and each of such Funds and the payment of such Reimbursement Obligation shall have priority as to such deposits in the order in which they are treated in the following sections.

#### **SECTION 11. INTEREST AND SINKING FUND.**

(a) Use of Funds. The Interest and Sinking Fund shall be used solely to pay the principal of and interest on the Parity Obligations when due, and the Executive Director and the Designated Financial Officer of the Authority are hereby authorized to cause funds to be transferred from the Interest and Sinking Fund to the Paying Agent/Registrar at the times and in the amounts to pay Annual Debt Service Requirements.

(b) Deposit of Accrued Interest and Capitalized Interest. Immediately after the delivery of any series of Parity Obligations, all moneys representing accrued interest, if any, received by the Authority upon the sale and delivery of such Parity Obligations to the initial purchaser thereof, together with all capitalized interest being financed with proceeds of such Parity Obligations, if any (but in no event in excess of the amount permitted by Section 1201.042(a)(1), Texas Government Code, as amended, or other applicable law), shall be deposited to the credit of the Interest and Sinking Fund.

(c) Monthly Deposits. In addition, there shall be transferred Gross Revenues from the Revenue Fund and deposited into the Interest and Sinking Fund the following:

(a) on or before the 25th day of each month, commencing with the month immediately following the issuance of any series of Parity Obligations, there shall be deposited into the Interest and Sinking Fund in approximately equal installments an amount as will be sufficient, together with other amounts, if any, then on deposit therein and available for such purpose, to pay the interest scheduled to come due on all Outstanding Parity Obligations on the next interest payment date.

(b) on or before the 25th day of each month, commencing with the twelfth (12th) month preceding the first principal payment date for a series of Parity Obligations, or commencing with the month immediately following the issuance of any series of Parity Obligations if delivery of such series of Parity Obligations is made less than twelve months preceding the first principal payment date for such series of Parity Obligations, there shall be deposited into the Interest and Sinking Fund in approximately equal installments an amount as will be sufficient, together with other amounts, if any, then on deposit therein and available for such purpose, to pay the principal scheduled to come due (either at stated maturity or due to mandatory sinking fund redemption) on all Outstanding Parity Obligations on the next principal payment date.

(c) on or before any optional redemption date set by the Authority for any Parity Obligations, there shall be deposited into the Interest and Sinking Fund an amount as will be sufficient to pay the principal of, premium, if any, and interest on the Parity Obligations scheduled to be redeemed on such optional redemption date.

## **SECTION 12. RESERVE FUND.**

(a) Use of Funds. The Reserve Fund shall be used to pay the principal of or interest on the Parity Obligations at any time when there is not sufficient money available in the Interest and Sinking Fund for such purpose, or to pay the principal of or interest on the last maturing Parity Obligations. If the amount on deposit in the Reserve Fund consists of cash and investments and a Reserve Fund Credit Facility, all cash and investments shall be liquidated and withdrawn prior to drawing on the Reserve Fund Credit Facility. If more than one Reserve Fund Credit Facility is maintained in the Reserve Fund, any withdrawals on such Reserve Fund Credit Facilities shall be pro rata.

(b) Reserve Fund Requirement; Required Reserve Amount. Upon the delivery of the Bonds to the Underwriter (as defined in Section 30), if the amount on deposit in the Reserve Fund is not equal to the Reserve Fund Requirement, the Pricing Officer is authorized to make any required deposit to the Reserve Fund to fund any increase in the Reserve Fund Requirement as the result of the issuance of the Bonds from (1) proceeds of the Bonds (2) a Reserve Fund Credit Facility, or (3) a combination thereof as determined by the Pricing Officer. The Paying Agent/Registrar shall maintain records showing the total amount drawn on, and available to be drawn under, a Reserve Fund Credit Facility to satisfy all or a portion of the Reserve Fund Requirement. The Authority may at any time deposit, supplement, replace or substitute a Reserve Fund Credit Facility for cash or investments on deposit in the Reserve Fund or in substitution for or replacement of any existing Reserve Fund Credit Facility, provided, that the deposit, supplement, replacement or substitution of the Reserve Fund Credit Facility will not, in and of itself, cause any ratings



then assigned to the Bonds by any Rating Agency to be lowered. During such time as the Reserve Fund contains the total Reserve Fund Requirement, the Authority may, at its option, withdraw all surplus in the Reserve Fund in excess of the Reserve Fund Requirement and transfer such surplus to the Revenue Fund, provided that the face amount of any Reserve Fund Credit Facility may be reduced at the option of the Authority in lieu of such transfer; and further provided that any such surplus funds that are withdrawn from the Reserve Fund and that consist of proceeds of Parity Obligations or interest thereon shall only be used for purposes for which such Parity Obligations were issued or deposited to the Interest and Sinking Fund.

(c) Additional Deposits Upon Issuance of Additional Parity Obligations. As and when Additional Parity Obligations are delivered, the amount on deposit in the Reserve Fund shall be increased, if necessary, to the Reserve Fund Requirement after giving effect to the issuance of such Additional Parity Obligations. Any additional amount required shall be so accumulated by the deposit in the Reserve Fund of all or any part of said required additional amount in cash or a Reserve Fund Credit Facility immediately after the delivery of the then proposed Additional Parity Obligations, or (with the prior written consent of each then-existing Credit Provider of a Reserve Fund Credit Facility) by the deposit of said required additional amount (or any balance of said required additional amount not deposited in cash or a Reserve Fund Credit Facility as permitted below) in not more than sixty (60) approximately equal monthly installments, made on or before the 25th day of each month, commencing with the month immediately following the delivery of the then proposed Additional Parity Obligations.

(d) Additional Deposits to Cure Deficiencies. When and so long as the money and investments in the Reserve Fund total not less than the Reserve Fund Requirement (including the amount available to be drawn under a Reserve Fund Credit Facility), no deposits need be made to the credit of the Reserve Fund; but when and if the Reserve Fund at any time contains less than the Reserve Fund Requirement (other than with respect to the issuance of Additional Parity Obligations), the Authority covenants and agrees to cure the deficiency in the Reserve Fund Requirement within twenty four (24) months from the date the deficiency occurred by (i) making monthly deposits from funds on deposit in the Revenue Fund (but only after making the required deposits into the Interest and Sinking Fund and paying all Operation and Maintenance Expenses then due) on the 25th day of each month in approximately equal amounts required to (A) first, if a draw has been made on the Reserve Fund Credit Facility, pay Reimbursement Obligations to restore the amount available to be drawn under such Reserve Fund Credit Facility to its original amount (and pay all other amounts required by such Reserve Fund Credit Facility) by the end of such 24-month period (or earlier as required in an agreement between the Authority and the Credit Provider providing the Reserve Fund Credit Facility), and (B) second, restore the balance in the Reserve Fund to the Reserve Fund Requirement by the end of such 24-month period, (ii) providing a Reserve Fund Credit Facility (but only if all Reimbursement Obligations on any then-existing Reserve Fund Credit Facility has been paid in full), or (iii) providing a combination of (i) and (ii) above.

(e) Computation of Reserve Fund. For the purpose of determining the amount on deposit to the credit of the Reserve Fund, investments in which money in such account shall have been invested shall be computed at cost, and any Reserve Fund Credit Facility shall be computed at the maximum amount available to be drawn thereunder. The amount on deposit to the credit of the Reserve Fund shall be computed by the Authority at least annually, and shall be computed immediately upon any withdrawal from the Reserve Fund.

**SECTION 13. EXCESS REVENUES.** Subject to making the deposits into the Interest and Sinking Fund and the Reserve Fund, when and as required by this Resolution in connection with the Parity Obligations, and after satisfying any Reimbursement Obligation in connection with a draw on any Reserve Fund Credit Facility and paying all Operation and Maintenance Expenses then due, the Authority may utilize the remaining funds on deposit in the Revenue Fund for any lawful purpose.

**SECTION 14. DEFICIENCIES IN FUNDS.** If by the 25th day of any month the Authority shall fail to deposit into the Interest and Sinking Fund or the Reserve Fund the full amounts required by this Resolution, amounts equivalent to such deficiencies shall be set apart and paid into said Funds from the

first available and unallocated Gross Revenues for the following month or months, if necessary and whichever is the earliest, and such payments shall be in addition to the amounts otherwise required to be paid into said Funds on the 25th day of each month.

#### **SECTION 15. [RESERVED].**

#### **SECTION 16. INVESTMENTS.**

(a) In General. Funds on deposit in the Revenue Fund, the Interest and Sinking Fund, the Reserve Fund, and the Construction Fund shall be secured by the depository bank of the Authority in the manner and to the extent required by law to secure other public funds of the Authority and may be invested from time to time in any investment authorized in the Public Funds Investment Act (Chapter 2256, Texas Government Code) and in accordance with the Authority's Investment Policy; provided, however, that all such deposits and investments shall be made in such manner that the money required to be expended from any Fund will be available at the proper time or times when expected to be needed. Interest and income derived from such deposits and investments shall be credited to the Revenue Fund, except for interest and income derived from the Construction Fund which may remain in such Fund or be transferred to the Revenue Fund, at the discretion of the Designated Financial Officer (but in no event shall such earnings be used to pay Operation and Maintenance Expenses). Such investments shall be sold promptly when necessary to prevent any default in connection with the Parity Obligations.

(b) Transfer of Certain Investment Earnings to Rebate Fund. Notwithstanding the provisions of the preceding paragraph, interest and income derived from any investment of money on deposit in the Construction Fund, the Interest and Sinking Fund, and the Reserve Fund shall first be transferred to the Rebate Fund established by Section 30(b) of this Resolution at the times and in the amounts required to pay (or provide for the payment of) "Excess Earnings" as defined in Section 148(f) of the Internal Revenue Code of 1986, as amended.

**SECTION 17. SECURITY FOR FUNDS.** All Funds created by this Resolution shall be secured in the manner and to the fullest extent permitted or required by law, and such Funds shall be used only for the purposes and in the manner permitted or required by this Resolution.

**SECTION 18. INSURANCE.** The Authority shall cause the Facility to be insured as would usually be insured by entities operating similar facilities, with a responsible insurance company or companies, against risks, accidents, or casualties against which and to the extent insurance is usually carried by entities operating similar facilities, including, to the extent reasonably obtainable, fire and extended coverage insurance, but excluding insurance against damage by floods. Public liability and property damage insurance also shall be carried. At any time while any contractor engaged in construction work shall be fully responsible therefor, the Authority shall not be required to carry insurance on the work being constructed if the contractor is required to carry appropriate insurance. All such policies shall be open to the inspection of the Bondholders and their representatives at all reasonable times. Upon the happening of any loss or damage covered by insurance from one or more of said causes, the Authority shall make due proof of loss and shall do all things necessary or desirable to cause the insuring companies to make payment in full directly to the Authority. The proceeds of insurance covering such property, together with any other funds necessary and available for such purpose, shall be used forthwith by the Authority for repairing the property damaged or replacing the property destroyed; provided, however, that if said insurance proceeds and other funds are insufficient for such purpose, then said insurance proceeds pertaining to the Facility shall, at the option of the Authority, be (i) deposited in a special and separate fund, at an official depository of the Authority, to be designated the Insurance Account or (ii) deposited in the Interest and Sinking Fund and used to redeem the Outstanding Parity Obligations, but only if such insurance proceeds, together with all funds then on deposit in the Interest and Sinking Fund and in the Reserve Fund, are sufficient to immediately redeem all Outstanding Parity Obligations. The Insurance Account shall be held until such time as other funds become available which, together with the Insurance Account, will be sufficient to make the repairs or replacements originally required.

**SECTION 19. OPERATION AND MAINTENANCE.** While any of the Parity Obligations are Outstanding the Authority covenants and agrees to keep and cause to be kept the Facility in good condition, repair, and working order, and to operate and maintain and cause to be operated and maintained the Facility in an efficient manner.

**SECTION 20. ACCOUNTS AND RECORDS.** The Authority shall keep or cause to be kept proper books of records and accounts in which complete and correct entries shall be made of all transactions relating to the Gross Revenues, Net Revenues and the Funds created pursuant to this Resolution, and all books, documents and vouchers relating thereto shall at all reasonable times be made available for inspection upon request of any Holder.

**SECTION 21. AUDITS.** After the close of each Fiscal Year while any of the Parity Obligations are Outstanding, an audit will be made of the books and accounts relating to the Gross Revenues and Net Revenues, and the Funds created pursuant to this Resolution, by an independent certified public accountant or the Texas State Auditor. As soon as practicable after the close of each such Fiscal Year, and when said audit has been completed and made available to the Authority, a copy of such audit for the preceding year shall be mailed to the Paying Agent/Registrar and to any Holders who shall so request in writing. The annual audit reports shall be open to the inspection of the Holders and their agents and representatives at all reasonable times.

**SECTION 22. SPECIAL COVENANTS.** The Authority further covenants and agrees that:

(a) Encumbrance and Sale.

(i) Other than with respect to the Parity Obligations and except as provided in this Resolution, the Gross Revenues have not been pledged in any manner to the payment of any Debt of the Authority, or otherwise, and while any of the Parity Obligations are Outstanding, the Authority will not incur additional Debt secured by the Gross Revenues in any manner, except as permitted by this Resolution in connection with Additional Parity Obligations, unless said Debt is made junior and subordinate in all respects to the liens, pledges, covenants, and agreements of this Resolution and any resolution authorizing the issuance of Parity Obligations.

(ii) So long as the Parity Obligations are Outstanding, and except as hereinafter specifically permitted in subparagraph (iii) below, the Authority shall not mortgage, encumber, sell, lease, or otherwise dispose of the Facility or any significant or substantial part thereof.

(iii) Notwithstanding the provisions in subparagraph (ii) hereof prohibiting the sale of any substantial part of the Facility, the Authority shall be authorized from time to time to sell any personal property contained in the Facility if such personal property is no longer needed or is no longer useful, and the sale thereof will not adversely affect the Facility or the operation and maintenance thereof. The proceeds from the sale of any personal property shall be used to replace or provide substitutes for the property sold, if, and to the extent, deemed necessary by the Authority, and all such proceeds which are not so used shall be deposited into the Interest and Sinking Fund.

(b) Title. The Authority represents that it lawfully owns or will lawfully own, and has or will have fee simple title and/or easement rights to the land upon which the Facility is or will be located, that the Facility will be constructed and completed in accordance with the plans to be approved and adopted by the Authority, that it warrants that it has or will obtain and will defend the title or easement rights to the aforesaid land for the benefit of the owners of the Parity Obligations against the claims and demands of all persons whomsoever, and that it is lawfully qualified to pledge the Gross Revenues to the payment of the Parity Obligations, in the manner prescribed herein, and has lawfully exercised such rights.

(c) Liens. The Authority will from time to time and before the same become delinquent pay and discharge all taxes, assessments, and governmental charges, if any, which shall be lawfully imposed upon it, or on the Facility, that it will pay all lawful claims for rents, royalties, labor, materials, and supplies which if unpaid might by law become a lien or charge upon the Facility, the lien of which would be prior to or interfere with the liens hereof, so that the priority of the liens granted hereunder shall be fully preserved in the manner provided herein, and that it will not create or suffer to be created any mechanic's, laborer's, materialman's or other lien or charge which might or could be prior to the liens hereof, or do or suffer any matter or thing whereby the liens hereof might or could be impaired; provided, however, that no such tax, assessment, or charge, and that no such claims which might be or other lien or charge, shall be required to be paid so long as the validity of the same shall be contested in good faith by the Authority.

(d) Performance. It will faithfully perform at all times any and all covenants, undertakings, stipulations, and provisions contained in this Resolution and each resolution authorizing the issuance of Additional Parity Obligations, and in each and every Parity Obligation and pay from the Gross Revenues the principal of and interest on every Parity Obligation on the dates and in the places and manner prescribed in this Resolution; and that it will, at the times and in the manner prescribed, deposit or cause to be deposited from the Gross Revenues the amounts required to be deposited into the Interest and Sinking Fund and the Reserve Fund; and the owner of the Parity Obligations may require the Authority, its officials, agents, and employees to carry out, respect, or enforce the covenants and obligations of this Resolution, including, but without limitation, the use and filing of mandamus proceedings, in any court of competent jurisdiction, against the Authority, its officials, agents, and employees.

(e) Legal Authority. The Authority is duly authorized under the laws of the State of Texas to create and issue the Parity Obligations; that all action on its part for the creation and issuance of the Parity Obligations has been duly and effectively taken, and that the Parity Obligations in the hands of the owners thereof are and will be valid and enforceable special obligations of the Authority in accordance with their terms.

(f) Permits. The Authority will comply with all of the terms and conditions of any and all franchises, permits, and authorizations applicable to or necessary with respect to the Facility, and which have been obtained from any governmental agency; and the Authority has or will obtain and keep in full force and effect all franchises, permits, authorizations, and other requirements applicable to or necessary with respect to the acquisition, construction, equipment, operation, and maintenance of the Facility.

(g) Compliance with Member City Landfill Contract and Additional Member City Landfill Contracts. The Authority will comply with the terms and conditions of the Member City Landfill Contract and Additional Member City Landfill Contracts and will cause the parties to such agreements, their officials, and employees to comply with all of their obligations under their agreements by all legal and equitable means, including specifically, but without limitation, the use and filing of mandamus proceedings in any court of competent jurisdiction; and the Member City Landfill Contract and Additional Member City Landfill Contracts will not be rescinded, modified, or amended in any way which would have a materially adverse effect on the rights of the owners of the Parity Obligations. If the Authority obtains written confirmation from each Rating Agency that any rescission, modification or amendment to the Member City Landfill Contract or one or more of the Additional Member City Landfill Contracts would not cause such Rating Agency to reduce or withdraw such Rating Agency's then current rating on the Parity Obligations, such written confirmation will serve as conclusive evidence that such rescission, modification or amendment would not have a materially adverse effect on the rights of the owners of the Parity Obligations for purposes of this subsection.

### **SECTION 23. ADDITIONAL PARITY OBLIGATIONS.**

(a) Authority to Issue. The Authority shall have the right and power at any time and from time to time, and in one or more series or issues, to authorize, issue, and deliver additional parity revenue bonds (herein called "Additional Parity Obligations"), in accordance with law, in any amounts, for the purpose of

constructing extensions and improvements to, and acquiring equipment for, the Facility, or for the purpose of refunding any Parity Obligations and/or the interest thereon. Such Additional Parity Obligations, if and when authorized, issued, and delivered in accordance with the provisions hereof, shall be secured by and made payable equally and ratably on a parity with the Parity Obligations, from a first lien on and pledge of the Gross Revenues.

(b) Provisions Related to Interest and Sinking Fund and Reserve Fund. The Interest and Sinking Fund and the Reserve Fund established pursuant to this Resolution shall secure and be used to pay all Additional Parity Obligations as well as the Parity Obligations, all on a parity. However, each resolution under which Additional Parity Obligations are issued shall provide and require that, in addition to the amounts required by the provisions of this Resolution and the provisions of each resolution authorizing Additional Parity Obligations to be deposited to the credit of the Interest and Sinking Fund, the Authority shall deposit to the credit of the Interest and Sinking Fund at least such amounts as are required for the payment of all principal of and interest on said Additional Parity Obligations then being issued, as the same come due; and that the aggregate amount to be accumulated and maintained in the Reserve Fund shall be increased (if and to the extent necessary) to an amount and in the manner set forth in Section 12 of this Resolution.

**SECTION 24. FURTHER REQUIREMENTS FOR ADDITIONAL PARITY OBLIGATIONS.** Additional Parity Obligations shall be issued only in accordance with the provisions hereof, but notwithstanding any provisions hereof to the contrary, no installment, series, or issue of Additional Parity Obligations shall be issued or delivered unless the President of the Board of Directors of the Authority, the Executive Director of the Authority, or the Designated Financial Officer of the Authority signs a written certificate to the effect that (i) the Authority is not in default as to any covenant, condition, or obligation in connection with all Outstanding Parity Obligations and the resolutions authorizing such Parity Obligations, that the Interest and Sinking Fund and the Reserve Fund both contain the amount then required to be therein, and (ii) the Member City Landfill Contract and Additional Member City Landfill Contracts, if any, are in full force and effect.

#### **SECTION 25. RESOLUTION A CONTRACT; AMENDMENTS.**

(a) Resolution a Contract. This Resolution shall constitute a contract with the registered owners of the Parity Obligations, binding on the Authority and its successors and assigns, and shall not be amended or repealed by the Authority as long as any Parity Obligation remains Outstanding except as permitted in this Section.

(b) Amendments without Notice to or Consent of Registered Owners. The Authority may, with notice to the provider of each Reserve Fund Credit Facility but without the consent of or notice to any registered owners, amend, change, or modify this Resolution (i) as may be required for the purpose of curing any ambiguity, inconsistency, or formal defect or omission herein, or (ii) in connection with any other change (other than any change described in clauses (i) through (iv) of the first sentence in subsection (c) below) with respect to which the Authority receives written confirmation from each Rating Agency then maintaining a rating on the Parity Obligations at the request of the Authority that such amendment would not cause such Rating Agency to withdraw or reduce its then current rating on the Parity Obligations.

(c) Amendments with Notice to and Consent of Registered Owners. In addition, the Authority may, with the written consent of the provider of each Reserve Fund Credit Facility and the registered owners of at least a majority in aggregate principal amount of the Parity Obligations then Outstanding affected thereby, amend, change, modify, or rescind any provisions of this Resolution; provided that without the consent of all of the registered owners affected, no such amendment, change, modification, or rescission shall (i) extend the time or times of payment of the principal of and interest on the Parity Obligations, reduce the principal amount thereof or the rate of interest thereof, (ii) give any preference to any Parity Obligation over any other Parity Obligation, (iii) extend any waiver of default to subsequent defaults, or (iv) reduce

the aggregate principal amount of Parity Obligations required for consent to any such amendment, change, modification, or rescission.

(d) Notice of Amendment. Whenever the Authority shall desire to make any amendment or addition to or rescission of this Resolution requiring consent of the provider of each Reserve Fund Credit Facility and/or the registered owners of the Parity Obligations, the Authority shall cause notice of the amendment, addition, or rescission to be sent by first class mail, postage prepaid, to (i) the provider of each Reserve Fund Credit Facility, and (ii) the registered owners (if the registered owners of all Parity Obligations or least a majority in aggregate principal amount of the Parity Obligations are required to consent) at the respective addresses shown on the Registration Books. Whenever at any time within one year after the date of the giving of such notice, the Authority shall receive an instrument or instruments in writing executed by the provider of each Reserve Fund Credit Facility and the registered owners of all or a majority (as the case may be) in aggregate principal amount of the Parity Obligations then Outstanding affected by any such amendment, addition, or rescission requiring the consent of the registered owners, which instrument or instruments shall refer to the proposed amendment, addition, or rescission described in such notice and shall specifically consent to and approve the adoption thereof in substantially the form of the copy thereof referred to in such notice, thereupon, but not otherwise, the Authority may adopt such amendment, addition, or rescission in substantially such form, except as herein provided.

(e) Effect of Amendment on Registered Owners. No Registered Owner may thereafter object to the adoption of any amendment, addition, or rescission which is accomplished pursuant to and in accordance with the provisions of this Section, or to any of the provisions thereof, and such amendment, addition, or rescission shall be fully effective for all purposes.

## **SECTION 26. DEFEASANCE OF BONDS.**

(a) Defeased Bonds. Any Bond and the interest thereon shall be deemed to be paid, retired and no longer Outstanding (a "Defeased Bond") within the meaning of this Resolution, except to the extent provided in subsection (d) of this Section, when payment of the principal of such Bond, plus interest thereon to the due date (whether such due date be by reason of maturity or otherwise) either (i) shall have been made or caused to be made in accordance with the terms thereof, or (ii) shall have been provided for on or before such due date by irrevocably depositing with or making available to the Paying Agent/Registrar or other lawful entity, which entity, together with the Paying Agent/Registrar, is referred to collectively in this Section as the "Defeasance Agent", which may include the use of an escrow agreement or other similar instrument - the "Future Escrow Agreement": (1) lawful money of the United States of America sufficient to make such payment or (2) Defeasance Securities that mature as to principal and interest in such amounts and at such times as will insure the availability, without reinvestment, of sufficient money to provide for such payment, and when proper arrangements have been made by the Authority with the Defeasance Agent for the payment of its services until all Defeased Bonds shall have become due and payable. At such time as a Bond shall be deemed to be a Defeased Bond hereunder, as aforesaid, such Series Bond and the interest thereon shall no longer be secured by, payable from, or entitled to the benefits of, the Gross Revenues, and such principal and interest shall be payable solely from such money or Defeasance Securities. Notwithstanding any other provision of this Resolution to the contrary, it is hereby provided that any determination not to redeem Defeased Bonds that is made in conjunction with the payment arrangements specified in subsection (a)(i) or (ii) of this Section shall not be irrevocable, provided that: (1) in the proceedings providing for such payment arrangements, the Authority expressly reserves the right to call the Defeased Bonds for redemption; (2) gives notice of the reservation of that right to the owners of the Defeased Bonds immediately following the making of the payment arrangements; and (3) directs that notice of the reservation be included in any redemption notices that it authorizes.

(b) Investment in Defeasance Securities. Any moneys so deposited with the Defeasance Agent may at the written direction of the Authority be invested in Defeasance Securities, maturing in the amounts and times as hereinbefore set forth, and all income from such Defeasance Securities received by the Defeasance Agent that is not required for the payment of the Bonds and interest thereon, with respect to

which such money has been so deposited, shall be turned over to the Authority, or deposited as directed in writing by the Authority. Any account or Future Escrow Agreement pursuant to which the money and/or Defeasance Securities are held for the payment of Defeased Bonds may contain provisions permitting the investment or reinvestment of such moneys in Defeasance Securities or the substitution of other Defeasance Securities upon the satisfaction of the requirements specified in subsections (a)(i) or (ii) of this Section 26. All income from such Defeasance Securities received by the Defeasance Agent which is not required for the payment of the Defeased Bonds, with respect to which such money has been so deposited, shall be remitted to the Authority or deposited as directed in writing by the Authority.

(c) Definition of Defeasance Securities. The term "Defeasance Securities" means any securities and obligations now or hereafter authorized by State law that are eligible to discharge obligations such as the Bonds.

(d) Paying Agent/Registrar Services. Until all Defeased Bonds shall have become due and payable, the Paying Agent/Registrar shall perform the services of Paying Agent/Registrar for such Defeased Bonds the same as if they had not been defeased, and the Authority shall make proper arrangements to provide and pay for such services as required by this Resolution.

(e) Selection of Bonds for Defeasance. In the event that the Authority elects to defease less than all of the principal amount of Bonds of a maturity, the Paying Agent/Registrar shall select, or cause to be selected, such amount of Bonds by such random method as it deems fair and appropriate.

## **SECTION 27. DAMAGED, MUTILATED, LOST, STOLEN, OR DESTROYED BONDS.**

(a) Replacement Bonds. In the event any Outstanding Bond is damaged, mutilated, lost, stolen, or destroyed, the Paying Agent/Registrar shall cause to be printed, executed, and delivered, a new bond of the same principal amount, maturity, and interest rate, as the damaged, mutilated, lost, stolen, or destroyed Bond, in replacement for such Bond in the manner hereinafter provided.

(b) Application for Replacement Bonds. Application for replacement of damaged, mutilated, lost, stolen, or destroyed Bonds shall be made by the registered owner thereof to the Paying Agent/Registrar. In every case of loss, theft, or destruction of a Bond, the registered owner applying for a replacement bond shall furnish to the Authority and to the Paying Agent/Registrar such security or indemnity as may be required by them to save each of them harmless from any loss or damage with respect thereto. Also, in every case of loss, theft, or destruction of a Bond, the registered owner shall furnish to the Authority and to the Paying Agent/Registrar evidence to their satisfaction of the loss, theft, or destruction of such Bond, as the case may be. In every case of damage or mutilation of a Bond, the registered owner shall surrender to the Paying Agent/Registrar for cancellation the Bond so damaged or mutilated.

(c) No Default Occurred. Notwithstanding the foregoing provisions of this Section, in the event any such Bond shall have matured, and no default has occurred which is then continuing in the payment of the principal of, redemption premium, if any, or interest on the Bond, the Authority may authorize the payment of the same (without surrender thereof except in the case of a damaged or mutilated Bond) instead of issuing a replacement Bond, provided security or indemnity is furnished as above provided in this Section.

(d) Charge for Issuing Replacement Bonds. Prior to the issuance of any replacement bond, the Paying Agent/Registrar shall charge the registered owner of such Bond with all legal, printing, and other expenses in connection therewith. Every replacement bond issued pursuant to the provisions of this Section by virtue of the fact that any Bond is lost, stolen, or destroyed shall constitute a contractual obligation of the Authority whether or not the lost, stolen, or destroyed Bond shall be found at any time, or be enforceable by anyone, and shall be entitled to all the benefits of this Resolution equally and proportionately with any and all other Bonds duly issued under this Resolution.

(e) Authority for Issuing Replacement Bonds. This Section shall constitute authority for the issuance of any such replacement bond without necessity of further action by the governing body of the Authority or any other body or person, and the duty of the replacement of such bonds is hereby authorized and imposed upon the Paying Agent/Registrar, and the Paying Agent/Registrar shall authenticate and deliver such Bonds in the form and manner and with the effect, as provided in Section 4(b) of this Resolution for Bonds issued in conversion and exchange for other Bonds.

**SECTION 28. CUSTODY, APPROVAL, AND REGISTRATION OF BONDS; BOND COUNSEL'S OPINION; CUSIP NUMBERS AND CONTINGENT INSURANCE PROVISION, IF OBTAINED.** The President of the Board is hereby authorized to have control of the Bonds initially issued and delivered hereunder and all necessary records and proceedings pertaining to the Bonds pending their delivery and their investigation, examination, and approval by the Attorney General of the State of Texas, and their registration by the Comptroller of Public Accounts of the State of Texas. Upon registration of the Bonds said Comptroller of Public Accounts (or a deputy designated in writing to act for said Comptroller) shall manually sign the Comptroller's Registration Certificate attached to such Bonds, and the seal of said Comptroller shall be impressed, or placed in facsimile, on such Certificate. The approving legal opinion of the Authority's Bond Counsel, and the assigned CUSIP numbers may, at the option of the Authority, be printed on the Bonds issued and delivered under this Resolution, but neither shall have any legal effect, and shall be solely for the convenience and information of the registered owners of the Bonds.

**SECTION 29. COVENANTS REGARDING TAX-EXEMPTION OF INTEREST ON THE BONDS.**

(a) General Tax Covenants Regarding Tax Exemption of Interest on the Bonds. The Issuer covenants to take any action necessary to assure, or refrain from any action which would adversely affect, the treatment of the Bonds as obligations described in section 103 of the Code, the interest on which is not includable in the "gross income" of the holder for purposes of federal income taxation. In furtherance thereof, the Issuer covenants as follows:

(i) to take any action to assure that no more than 10 percent of the proceeds of the Bonds (less amounts deposited to a reserve fund, if any) are used for any "private business use," as defined in section 141(b)(6) of the Code or, if more than 10 percent of the proceeds are so used, that amounts, whether or not received by the Issuer, with respect to such private business use, do not, under the terms of this Bond Resolution or any underlying arrangement, directly or indirectly, secure or provide for the payment of more than 10 percent of the debt service on the Bonds, in contravention of section 141(b)(2) of the Code;

(ii) to take any action to assure that in the event that the "private business use" described in subsection (a) hereof exceeds 5 percent of the proceeds of the Bonds (less amounts deposited into a reserve fund, if any) then the amount in excess of 5 percent is used for a "private business use" which is "related" and not "disproportionate," within the meaning of section 141(b)(3) of the Code, to the governmental use;

(iii) to take any action to assure that no amount which is greater than the lesser of \$5,000,000, or 5 percent of the proceeds of the Bonds (less amounts deposited into a reserve fund, if any) is directly or indirectly used to finance loans to persons, other than state or local governmental units, in contravention of section 141(c) of the Code;

(iv) to refrain from taking any action which would otherwise result in the Bonds being treated as "private activity bonds" within the meaning of section 141(b) of the Code;

(v) to refrain from taking any action that would result in the Bonds being "federally guaranteed" within the meaning of section 149(b) of the Code;



(vi) to refrain from using any portion of the proceeds of the Bonds, directly or indirectly, to acquire or to replace funds which were used, directly or indirectly, to acquire investment property (as defined in section 148(b)(2) of the Code) which produces a materially higher yield over the term of the Bonds, other than investment property acquired with --

(A) proceeds of the Bonds invested for a reasonable temporary period until such proceeds are needed for the purpose for which the bonds are issued,

(B) amounts invested in a bona fide debt service fund, within the meaning of section 1.148-1(b) of the Treasury Regulations, and

(C) amounts deposited in any reasonably required reserve or replacement fund to the extent such amounts do not exceed 10 percent of the proceeds of the Bonds;

(vii) to otherwise restrict the use of the proceeds of the Bonds or amounts treated as proceeds of the Bonds, as may be necessary, so that the Bonds do not otherwise contravene the requirements of section 148 of the Code (relating to arbitrage) and, to the extent applicable, section 149(d) of the Code; and

(viii) to pay to the United States of America at least once during each five-year period (beginning on the date of delivery of the Bonds) an amount that is at least equal to 90 percent of the "Excess Earnings," within the meaning of section 148(f) of the Code and to pay to the United States of America, not later than 60 days after the Bonds have been paid in full, 100 percent of the amount then required to be paid as a result of Excess Earnings under section 148(f) of the Code.

In order to facilitate compliance with the above covenant (viii), a "Rebate Fund" is hereby established by the Issuer for the sole benefit of the United States of America, and such Fund shall not be subject to the claim of any other person, including without limitation the bondholders. The Rebate Fund is established for the additional purpose of compliance with section 148 of the Code.

The Issuer understands that the term "proceeds" includes "disposition proceeds" as defined in the Treasury Regulations and, in the case of refunding bonds, transferred proceeds (if any) and proceeds of the refunded bonds expended prior to the date of issuance of the Bonds. It is the understanding of the Issuer that the covenants contained herein are intended to assure compliance with the Code and any regulations or rulings promulgated by the U.S. Department of the Treasury pursuant thereto. In the event that regulations or rulings are hereafter promulgated which modify or expand provisions of the Code, as applicable to the Bonds, the Issuer will not be required to comply with any covenant contained herein to the extent that such modification or expansion, in the opinion of nationally recognized bond counsel, will not adversely affect the exemption from federal income taxation of interest on the Bonds under section 103 of the Code. In the event that regulations or rulings are hereafter promulgated which impose additional requirements which are applicable to the Bonds, the Issuer agrees to comply with the additional requirements to the extent necessary, in the opinion of nationally recognized bond counsel, to preserve the exemption from federal income taxation of interest on the Bonds under section 103 of the Code. In furtherance of such intention, the Issuer hereby authorizes and directs the General Manager of the Issuer to execute any documents, certificates or reports required by the Code and to make such elections, on behalf of the Issuer, which may be permitted by the Code as are consistent with the purpose for the issuance of the Bonds. This Bond Resolution is intended to satisfy the official intent requirements set forth in section 1.150-2 of the Treasury Regulations.

(b) Interest Earnings on Bond Proceeds. Interest earnings derived from the investment of proceeds from the sale of the Bonds shall be used along with other bond proceeds for the purpose for which the Bonds are issued, as set forth in Section 1 hereof; provided that after completion of such purpose, if any of such interest earnings remain on hand, such interest earnings shall be deposited in the Interest and Redemption Fund. It is further provided, however, that any interest earnings on bond proceeds which are

required to be rebated to the United States of America pursuant to Section 24(a) hereof in order to prevent the Bonds from being arbitrage bonds shall be so rebated and not considered as interest earnings for the purposes of this Section.

(c) Disposition of Project. The Issuer covenants that the property constituting the project financed with the proceeds of the Bonds will not be sold or otherwise disposed in a transaction resulting in the receipt by the Issuer of cash or other compensation, unless the Issuer obtains an opinion of nationally-recognized bond counsel that such sale or other disposition will not adversely affect the tax-exempt status of the Bonds. For purposes of the foregoing, the portion of the property comprising personal property and disposed in the ordinary course shall not be treated as a transaction resulting in the receipt of cash or other compensation. For purposes hereof, the Issuer shall not be obligated to comply with this covenant if it obtains an opinion that such failure to comply will not adversely affect the excludability for federal income tax purposes from gross income of the interest.

### **SECTION 30. SALE OF BONDS; OFFICIAL STATEMENT.**

(a) The Bonds may be sold by public offering (either through a negotiated or competitive offering) or a private placement and the terms and provisions of which are to be determined by the Pricing Officer and in which the purchasers of the Bonds are designated. The Bonds may be sold pursuant to a purchase agreement or notice of sale and bidding instructions (collectively, the "Purchase Agreement") which the Pricing Officer is hereby authorized to execute and deliver and in which the Purchaser of the Bonds shall be designated. The Bonds shall initially be registered in the name of the Purchaser thereof as set forth in the Pricing Certificate.

(b) The Pricing Officer is hereby authorized, in the name and on behalf of the Authority, to approve, distribute, and deliver a preliminary official statement and a final official statement relating to the Bonds to be used by the Underwriter in the marketing of the Bonds.

### **SECTION 31. AUTHORITY FOR OFFICERS TO EXECUTE DOCUMENTS AND APPROVE CHANGES.**

(a) The President, Vice President and the Secretary of the Board of Directors of the Authority, the Pricing Officer and the Designated Financial Officer of the Authority, and all other officers, employees, and agents of the Authority, and each of them, shall be and they are hereby expressly authorized, empowered, and directed from time to time and at any time to do and perform all such acts and things and to execute, acknowledge, and deliver in the name and under the corporate seal and on behalf of the Authority a Paying Agent/Registrar Agreement with the Paying Agent/Registrar and all other instruments, whether or not herein mentioned, as may be necessary or desirable in order to carry out the terms and provisions of this Resolution, the Letter of Representations, the Bonds, the sale of the Bonds and the Official Statement. Notwithstanding anything to the contrary contained herein, while the Bonds are subject to DTC's Book-Entry Only System and to the extent permitted by law, the Letter of Representations is hereby incorporated herein and its provisions shall prevail over any other provisions of this Resolution in the event of conflict. In case any officer whose signature shall appear on any Bond shall cease to be such officer before the delivery of such Bond, such signature shall nevertheless be valid and sufficient for all purposes the same as if such officer had remained in office until such delivery.

(b) Furthermore, at any time prior to the delivery of the Bonds, the President or Vice President of the Board and the Pricing Officer each are hereby individually authorized and directed to approve any changes or corrections to this Resolution or to any of the instruments authorized and approved by this Resolution necessary in order to (i) correct any ambiguity or mistake or properly or more completely document the transaction contemplated and approved by this Resolution, (ii) obtain a rating from any of the Rating Agencies, (iii) to obtain a municipal bond insurance policy to further secure the Bonds, or (iv) obtain a Reserve Fund Credit Facility and (v) obtain the approval of the Bonds by the Texas Attorney General's office.

(c) The obligation of the Underwriter to accept delivery of the Bonds is subject to the Underwriter being furnished with the final, approving opinion of McCall, Parkhurst & Horton L.L.P., bond counsel to the Authority, which opinion shall be dated as of and delivered on the date of initial delivery of the Bonds to the Underwriter. The engagement of such firm as bond counsel to the Authority is hereby approved and confirmed. The execution and delivery of an engagement agreement between the Authority and such firm, with respect to such services as bond counsel for the term therein stated, is hereby authorized in such form as may be approved by the President of the Board and the President of the Board is hereby authorized to execute such engagement agreement.

#### **SECTION 32. RESERVED.**

**SECTION 33. APPROVAL OF ESCROW AGREEMENT AND TRANSFER OF FUNDS.** In furtherance of authority granted by Section 26 of the Resolution authorizing the issuance of the Refunded Bonds, the Pricing Officer is authorized and directed to approve the form and substance of an escrow agreement and to enter into and execute on behalf of the Issuer with the escrow agent named therein, an escrow or similar agreement, in the form and substance as shall be approved by the Pricing with U.S. Bank, National Association (the "Escrow Agreement") and the Pricing Officer or the President of the Board, are hereby authorized and directed to execute and deliver, and the Secretary of the Board is hereby authorized to attest the Escrow Agreement, which Escrow Agreement will provide for the payment in full of the Refunded Bonds. In addition, the President of the Board or the Pricing Officer is authorized to enter into and execute any acknowledgment or other agreement necessary or ancillary with respect to the investment of any Escrowed Securities (as may be defined in the Escrow Agreement), or any agreement or instrument necessary to purchase such securities, to execute such subscriptions for the purchase of United States Treasury Securities, State and Local Government Series and to authorize such contributions, including the lawful withdrawal of funds from the Reserve Fund for such contribution, for the escrow fund as provided in the Escrow Agreement.

#### **SECTION 34. REDEMPTION OF REFUNDED BONDS.**

(a) Subject to execution and delivery of the Purchase Agreement with the Purchaser, the Authority hereby directs that the Refunded Bonds be called for redemption on the dates and at the prices set forth in the Pricing Certificate. The Pricing Officer is hereby authorized and directed to issue or cause to be issued the Notice of Redemption of the Refunded Bonds in substantially the form required by the bond resolution authorizing the Refunded Bonds.

(b) The paying agent/registrars for the Refunded Bonds is hereby directed to provide the appropriate notices of redemption as required by the Refunded Bonds and is hereby directed to make appropriate arrangements so that the Refunded Bonds may be redeemed on the redemption dates.

(c) If the redemption of the Refunded Bonds results in the partial refunding of any maturity of the Refunded Bonds, the Pricing Officer shall direct the paying agent/registrars for the Refunded Bonds to designate at random and by lot which of the Refunded Bonds will be payable from and secured solely from revenues of the Authority pursuant to the resolution of the Authority authorizing the issuance of such Refunded Bonds (the "Refunded Bonds Resolution"). For purposes of such determination and designation, all Refunded Bonds registered in denominations greater than \$5,000 shall be considered to be registered in separate \$5,000 denominations. The paying agent/registrars shall notify by first-class mail all registered owners of all affected bonds of such maturities that: (i) a portion of such bonds have been refunded and are secured until final maturity solely with cash and investments maintained by the Escrow Agent in the Escrow Fund, (ii) the principal amount of all affected bonds of such maturities registered in the name of such registered owner that have been refunded and are payable solely from cash and investments in the Escrow

Fund and the remaining principal amount of all affected bonds of such maturities registered in the name of such registered owner, if any, have not been refunded and are payable and secured solely from revenues of the Authority described in the Refunded Bonds Resolution, (iii) the registered owner is required to submit his or her Refunded Bonds to the paying agent/registrars, for the purposes of re-registering such registered owner's bonds and assigning new CUSIP numbers in order to distinguish the source of payment for the principal and interest on such bonds, and (iv) payment of principal of and interest on such bonds may, in some circumstances, be delayed until such bonds have been re-registered and new CUSIP numbers have been assigned as required by (iii) above.

(d) The source of funds for payment of the principal of and interest on the Refunded Bonds on their respective maturity or redemption dates shall be from the funds deposited with the Escrow Agent, pursuant to the Escrow Agreement approved in Section 34 of this Resolution.

**SECTION 35. INCORPORATION OF RECITALS.** The Authority hereby finds that the statements set forth in the recitals of this Resolution are true and correct, and the Authority hereby incorporates such recitals as a part of this Resolution.

**SECTION 36. EFFECTIVE DATE.** This Resolution shall become effective immediately after its adoption.

[The remainder of this page is intentionally left blank.]

ADOPTED BY THE BOARD OF DIRECTORS OF THE TEXOMA AREA SOLID WASTE  
AUTHORITY AT A REGULAR MEETING HELD ON THE 18<sup>TH</sup> DAY OF SEPTEMBER, 2019.

APPROVED:

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President, Board of Directors  
Texoma Area Solid Waste Authority

ATTEST:

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Secretary, Board of Directors  
Texoma Area Solid Waste Authority

(SEAL)

[SIGNATURE PAGE TO BOND RESOLUTION]

## SCHEDULE I

### SCHEDULE OF ELIGIBLE REFUNDED BONDS

Texoma Area Solid Waste Authority Regional Solid Waste Disposal Contract Revenue Refunding  
Bonds, Series 2010

| <u>Principal</u> | <u>Maturity<br/>Date</u> | <u>Coupon</u> | <u>CUSIP</u> | <u>Redemption<br/>Date</u> | <u>Redemption<br/>Price</u> |
|------------------|--------------------------|---------------|--------------|----------------------------|-----------------------------|
| \$875,000.00     | 02/15/2020               | 4.000%        | 88305MBK3    | Maturity                   | Maturity                    |
| \$910,000.00     | 02/15/2021               | 4.000%        | 88305MBL1    | 02/15/2020                 | 100.00                      |
| \$945,000.00     | 02/15/2022               | 4.000%        | 88305MBP2    | 02/15/2020                 | 100.00                      |
| \$985,000.00     | 02/15/2023               | 4.000%        | 88305MBP2    | 02/15/2020                 | 100.00                      |
| \$1,025,000.00   | 02/15/2024               | 4.125%        | 88305MBQ0    | 02/15/2020                 | 100.00                      |
| \$1,070,000.00   | 02/15/2025               | 4.125%        | 88305MBQ0    | 02/15/2020                 | 100.00                      |
| \$1,110,000.00   | 02/15/2026               | 4.250%        | 88305MBR8    | 02/15/2020                 | 100.00                      |
| \$1,160,000.00   | 02/15/2027               | 4.250%        | 88305MBR8    | 02/15/2020                 | 100.00                      |
| \$1,205,000.00   | 02/15/2028               | 4.375%        | 88305MBM9    | 02/15/2020                 | 100.00                      |
| \$1,260,000.00   | 02/15/2029               | 4.500%        | 88305MBN7    | 02/15/2020                 | 100.00                      |



# SHERMAN CITY COUNCIL

## Agenda Communication Form

### City Council Regular Meeting

E. 2.

**Meeting Date:** 09/16/2019

**Prepared By:** Terrence Steele, Assistant City Manager

**Approved By:** Robby Hefton, City Manager

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### **Caption:**

#### **RESOLUTION NO. 6525**

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, 2019, through September 30, 2020. The proposed funding level reduces the quarterly support for the Museum from \$17,500.00 per quarter to \$12,500.00 per quarter. 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.

### **Origination:**

City Manager's Office

### **Financial Consideration:**

The proposed contract provides for payment of \$12,500.00 per quarter for the fiscal year 2019-2020 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 Museum in the funding amount established by the Council.

### **Alternatives:**

As directed by the City Council

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**Attachments**

Resolution No. 6525

Contract between the City of Sherman and the Sherman Museum

Exhibit "A" - Texas Tax Code Section 351.101

Aerial Location Map

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**RESOLUTION NO. 6525**

**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.

**PASSED AND APPROVED** on this the \_\_\_\_ day of \_\_\_\_\_, 2019.

**CITY OF SHERMAN, TEXAS**

**BY:** \_\_\_\_\_

**DAVID PLYLER, MAYOR**

**ATTEST:**

**BY:** \_\_\_\_\_  
**LINDA ASHBY, CITY CLERK**

**APPROVED AS TO FORM  
AND CONTENT:**

**BY:** \_\_\_\_\_  
**BRANDON S. SHELBY,  
CITY ATTORNEY**

**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, 2019, through September 30, 2020, 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, 2019, through September 30, 2020, represents the entire amount budgeted for this purpose by the CITY for the

fiscal year 2019-2020. 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, 2019, January 15, and April 15, and June 15, 2020. 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 2019-2020. 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, 2019 through September 30, 2020.

**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 1<sup>st</sup> day of October, 2019.

**CITY OF SHERMAN, TEXAS**

**BY:** \_\_\_\_\_

**ROBBY HEFTON  
CITY MANAGER**

**DATE:** \_\_\_\_\_

**ATTEST:**

**BY:** \_\_\_\_\_

**LINDA ASHBY, CITY CLERK**

**APPROVED AS TO FORM  
AND CONTENT:**

**BY:** \_\_\_\_\_

**BRANDON S. SHELBY,  
CITY ATTORNEY**

**THE SHERMAN MUSEUM,  
A NON-PROFIT CORPORATION**

**BY:** \_\_\_\_\_

**PRESIDENT OF THE BOARD  
OF TRUSTEES**

**DATE:** \_\_\_\_\_

**Exhibit "A"**

**TAX CODE**

**TITLE 3. LOCAL TAXATION**

**SUBTITLE D. LOCAL HOTEL OCCUPANCY TAXES**

**CHAPTER 351. MUNICIPAL HOTEL OCCUPANCY TAXES**

**SUBCHAPTER B. USE AND ALLOCATION OF REVENUE**

The following section was amended by the 86th Legislature. Pending publication of the current statutes, see H.B. [1634](#), H.B. [3356](#), H.B. [4170](#) and S.B. [1262](#), 86th Legislature, Regular Session, for amendments affecting the following section.

**Sec. 351.101. USE OF TAX REVENUE.**

(a) Revenue from the municipal hotel occupancy tax may be used only to promote tourism and the convention and hotel industry, and that use is limited to the following:

- (1) the acquisition of sites for and the construction, improvement, enlarging, equipping, repairing, operation, and maintenance of convention center facilities or visitor information centers, or both;
- (2) the furnishing of facilities, personnel, and materials for the registration of convention delegates or registrants;
- (3) advertising and conducting solicitations and promotional programs to attract tourists and convention delegates or registrants to the municipality or its vicinity;
- (4) the encouragement, promotion, improvement, and application of the arts, including instrumental and vocal music, dance, drama, folk art, creative writing, architecture, design and allied fields, painting, sculpture, photography, graphic and craft arts, motion pictures, radio, television, tape and sound recording, and other arts related to the presentation, performance, execution, and exhibition of these major art forms;
- (5) historical restoration and preservation projects or activities or advertising and conducting solicitations and promotional programs to encourage tourists and convention delegates to visit preserved historic sites or museums:
  - (A) at or in the immediate vicinity of convention center facilities or visitor information centers; or
  - (B) located elsewhere in the municipality or its vicinity that would be frequented by tourists and convention delegates;
- (6) expenses, including promotion expenses, directly related to a sporting event in which the majority of participants are tourists who substantially increase economic activity at hotels and motels within the municipality or its vicinity if:
  - (A) the municipality is located in a county with a population of one million or less; or



- (B) the municipality has a population of more than 67,000 and is located in two counties with 90 percent of the municipality's territory located in a county with a population of at least 580,000, and the remaining territory located in a county with a population of at least four million;
- (7) subject to Section [351.1076](#), the promotion of tourism by the enhancement and upgrading of existing sports facilities or fields if:
- (A) the municipality owns the facilities or fields;
  - (B) the municipality:
    - (i) has a population of 80,000 or more and is located in a county that has a population of 350,000 or less;
    - (ii) has a population of at least 75,000 but not more than 95,000 and is located in a county that has a population of less than 200,000 but more than 160,000;
    - (iii) has a population of at least 36,000 but not more than 39,000 and is located in a county that has a population of 100,000 or less that is not adjacent to a county with a population of more than two million;
    - (iv) has a population of at least 13,000 but less than 39,000 and is located in a county that has a population of at least 200,000;
    - (v) has a population of at least 70,000 but less than 90,000 and no part of which is located in a county with a population greater than 150,000;
    - (vi) is located in a county that:
      - (a) is adjacent to the Texas-Mexico border;
      - (b) has a population of at least 500,000; and
      - (c) does not have a municipality with a population greater than 500,000;
    - (vii) has a population of at least 25,000 but not more than 26,000 and is located in a county that has a population of 90,000 or less;
    - (viii) is located in a county that has a population of not more than 300,000 and in which a component university of the University of Houston System is located;

- (ix) has a population of at least 40,000 and the San Marcos River flows through the municipality; or

Text of subparagraph as added by Acts 2017, 85th Leg., R.S., Ch. 53 (S.B. [1365](#)), Sec. 1

- (x) has a population of more than 67,000 and is located in two counties with 90 percent of the municipality's territory located in a county with a population of at least 580,000, and the remaining territory located in a county with a population of at least four million;

Text of subparagraph as added by Acts 2017, 85th Leg., R.S., Ch. 785 (H.B. [2445](#)), Sec. 5

- (x) contains an intersection of Interstates 35E and 35W and at least two public universities; and
- (C) the sports facilities and fields have been used, in the preceding calendar year, a combined total of more than 10 times for district, state, regional, or national sports tournaments;
- (8) for a municipality with a population of at least 70,000 but less than 90,000, no part of which is located in a county with a population greater than 150,000, the construction, improvement, enlarging, equipping, repairing, operation, and maintenance of a coliseum or multiuse facility;
- (9) signage directing the public to sights and attractions that are visited frequently by hotel guests in the municipality;
- (10) the construction, improvement, enlarging, equipping, repairing, operation, and maintenance of a coliseum or multiuse facility, if the municipality:
  - (A) has a population of at least 90,000 but less than 120,000; and
  - (B) is located in two counties, at least one of which contains the headwaters of the San Gabriel River; and
- (11) for a municipality with a population of more than 175,000 but less than 225,000 that is located in two counties, each of which has a population of less than 200,000, the construction, improvement, enlarging, equipping, repairing, operation, and maintenance of a coliseum or multiuse facility and related infrastructure or a venue, as defined by Section [334.001](#)(4), Local Government Code, that is related to the promotion of tourism.

(b) Revenue derived from the tax authorized by this chapter shall be expended in a manner directly enhancing and promoting tourism and the convention and hotel industry as permitted by Subsection (a). That revenue may not be used for the general revenue purposes or general governmental operations of a municipality.

(c) The governing body of a municipality by contract may delegate to a person, including another governmental entity or a private organization, the management or supervision of programs and activities funded with revenue from the tax authorized by this chapter. The governing body in writing shall approve in advance the annual budget of the person to which it delegates those functions and shall require the person to make periodic reports to the governing body at least quarterly listing the expenditures made by the person with revenue from the tax authorized by this chapter. The person must maintain revenue provided from the tax authorized by this chapter in a separate account established for that purpose and may not commingle that revenue with any other money. The municipality may not delegate to any person the management or supervision of its convention and visitors programs and activities funded with revenue from the tax authorized by this chapter other than by contract as provided by this subsection. The approval by the governing body of the municipality of the annual budget of the person to whom the governing body delegates those functions creates a fiduciary duty in the person with respect to the revenue provided by the tax authorized by this chapter.

(d) A person with whom a municipality contracts under this section to conduct an activity authorized by this section shall maintain complete and accurate financial records of each expenditure of hotel occupancy tax revenue made by the person and, on request of the governing body of the municipality or other person, shall make the records available for inspection and review to the governing body or other person.

(e) Hotel occupancy tax revenue spent for a purpose authorized by this section may be spent for day-to-day operations, supplies, salaries, office rental, travel expenses, and other administrative costs only if those administrative costs are incurred directly in the promotion and servicing expenditures authorized under Section [351.101\(a\)](#). If a municipal or other public or private entity that conducts an activity authorized under this section conducts other activities that are not authorized under this section, the portion of the total administrative costs of the entity for which hotel occupancy tax revenue may be used may not exceed the portion of those administrative costs actually incurred in conducting the authorized activities.

(f) Municipal hotel occupancy tax revenue may not be spent for travel for a person to attend an event or conduct an activity the primary purpose of which is not directly related to the promotion of tourism and the convention and hotel industry or the performance of the person's job in an efficient and professional manner.

(g) This section does not prohibit a person that receives a grant from a municipality to conduct an activity authorized by Subsection (a)(4) from making a grant by contract to another person to conduct an activity authorized by that subdivision. A person that receives a grant from a grantee of the municipality under this subsection shall:

- (1) at least annually submit a report of the person's expenditures of funds received from the grantee to the governing body of the municipality; and
- (2) make records of those expenditures available for review to the governing body of the municipality and any other person.

(g-1) A municipality may not require a person that receives funds directly from the municipality through a grant to conduct an activity authorized by Subsection (a)(4) to waive a right guaranteed by law to the person or to enter into an agreement with another person.

(h) In addition to the uses authorized by Subsection (a), a municipality described by Subsection (a)(7)(B)(viii), as added by Chapter 546 (S.B. 585), Acts of the 83rd Legislature, Regular Session, 2013, may use revenue derived from the tax authorized by this chapter to promote tourism and the convention and hotel industry by constructing, maintaining, or expanding a sporting-related facility owned by the municipality if:

- (1) the majority of the events at the facility involve participants staying at hotels in the municipality; and
- (2) for a fiscal year, the municipality does not reduce the amount of that revenue that it uses for a purpose described by Subsection (a)(3) to an amount that is less than the lesser of:
  - (A) the amount of that revenue used by the municipality for that purpose during the municipality's 2015 fiscal year; or
  - (B) the total amount of that revenue received in the fiscal year.

(i) In addition to the purposes provided by Subsection (a), a municipality that has a population of at least 75,000 but not more than 95,000 and that is located in a county that has a population of more than 160,000 but less than 200,000 may use revenue from the municipal hotel tax to promote tourism and the convention and hotel industry by constructing, operating, or expanding a sporting related facility or sports field owned by the municipality, if the majority of the events at the facility or field are directly related to a sporting event in which the majority of participants are tourists who substantially increase economic activity at hotels in the municipality.

(j) In addition to the purposes provided by Subsection (a), a municipality that has a population of not more than 5,000 and at least part of which is located less than one-eighth of one mile from a space center operated by an agency of the federal government may use revenue from the municipal hotel occupancy tax for expenses, including promotion expenses, directly related to a sporting event in which the majority of participants are tourists who substantially increase economic activity at hotels and motels within the municipality or its vicinity.

(k) In addition to other authorized uses, a municipality that is intersected by both State Highways 71 and 95 may use revenue from the municipal hotel occupancy tax for the promotion of tourism by the enhancement and upgrading of an existing sports facility or field as specified by Subsection (a)(7), provided that the requirements of Subsections (a)(7)(A) and (C) are met.

(m) In addition to the uses authorized by Subsections (a) and (e), and notwithstanding any provision of this chapter to the contrary, a municipality with a population of 6,500 or less that has at least 800 hotel rooms within the corporate boundaries of the municipality and that is located in a county adjacent to a county with a population of 3.3 million or more may use revenue derived from the tax authorized by this chapter to directly enhance and promote tourism and the convention and hotel industry by acquiring sites for and constructing, improving, enlarging, equipping, repairing, operating, and maintaining a municipally owned:

- (1) convention center facility;

- (2) sports-related facility with seating for at least 4,500 people that is used or is planned for use for one or more professional or amateur sports events or other events, including rodeos, livestock shows, and performing arts events;
- (3) multiuse facility that includes facilities described by Subdivisions (1) and (2); and
- (4) related infrastructure for a facility described by Subdivision (1), (2), or (3), as that term is defined by Section [334.001\(3\)](#), Local Government Code, for a venue.

(m-1) A municipality described by Subsection (m) that issues obligations secured wholly or partly by revenue derived from the tax authorized by this chapter for a use described by that subsection may use that revenue for those uses as long as the obligations are outstanding even if the municipality is no longer a municipality described by that subsection.

(n) In addition to other authorized uses, a municipality that has a population of not more than 1,500 and is located in a county that borders Arkansas and Louisiana may use revenue from the municipal hotel occupancy tax for the promotion of tourism by the enhancement and upgrading of an existing sports facility or field as specified by Subsection (a)(7), provided that the requirements of Subsections (a)(7)(A) and (C) and Section [351.1076](#) are met.

(o) In addition to the purposes provided by Subsection (a), a municipality that has a population of not more than 10,000, that contains an outdoor gear and sporting goods retailer with retail space larger than 175,000 square feet, and that hosts an annual wiener dog race may use revenue from the municipal hotel occupancy tax to promote tourism and the convention and hotel industry by constructing, operating, or expanding a sporting related facility or sports field owned by the municipality, if the majority of the events at the facility or field are directly related to a sporting event in which the majority of participants are tourists who substantially increase economic activity at hotels in the municipality. If a municipality to which this subsection applies uses revenue derived from the municipal hotel occupancy tax for a purpose described by this subsection, the municipality may not reduce the percentage of revenue from that tax allocated for a purpose described by Subsection (a)(3) to a percentage that is less than the average percentage of that revenue allocated by the municipality for that purpose during the 36-month period preceding the date the municipality begins using the revenue for a purpose described by this subsection.

Added by Acts 1987, 70th Leg., ch. 191, Sec. 1, eff. Sept. 1, 1987. Amended by Acts 1989, 71st Leg., ch. 2, Sec. 14.24(a), eff. Aug. 28, 1989; Acts 1989, 71st Leg., ch. 1110, Sec. 4, eff. Oct. 1, 1989; Acts 1993, 73rd Leg., ch. 680, Sec. 3, eff. Sept. 1, 1993; Acts 1995, 74th Leg., ch. 1027, Sec. 1, eff. Aug. 28, 1995; Acts 2001, 77th Leg., ch. 755, Sec. 1, eff. June 13, 2001; Acts 2001, 77th Leg., ch. 1308, Sec. 3, eff. June 16, 2001; Acts 2003, 78th Leg., ch. 209, Sec. 90, eff. Oct. 1, 2003; Acts 2003, 78th Leg., ch. 303, Sec. 1, eff. June 18, 2003.

Amended by:

Acts 2005, 79th Leg., Ch. 1247 (H.B. [1734](#)), Sec. 1, eff. June 18, 2005.  
 Acts 2007, 80th Leg., R.S., Ch. 1144 (S.B. [765](#)), Sec. 1, eff. June 15, 2007.  
 Acts 2009, 81st Leg., R.S., Ch. 402 (H.B. [1789](#)), Sec. 1, eff. June 19, 2009.  
 Acts 2009, 81st Leg., R.S., Ch. 1220 (S.B. [1247](#)), Sec. 3(a), eff. June 19, 2009.  
 Acts 2009, 81st Leg., R.S., Ch. 1322 (H.B. [3098](#)), Sec. 1, eff. June 19, 2009.  
 Acts 2011, 82nd Leg., R.S., Ch. 91 (S.B. [1303](#)), Sec. 23.004, eff. September 1, 2011.

Acts 2011, 82nd Leg., R.S., Ch. 247 (H.B. [970](#)), Sec. 1, eff. June 17, 2011.  
Acts 2011, 82nd Leg., R.S., Ch. 764 (H.B. [1690](#)), Sec. 1, eff. June 17, 2011.  
Acts 2011, 82nd Leg., R.S., Ch. 1163 (H.B. [2702](#)), Sec. 120, eff. September 1, 2011.  
Acts 2013, 83rd Leg., R.S., Ch. 161 (S.B. [1093](#)), Sec. 19.012, eff. September 1, 2013.  
Acts 2013, 83rd Leg., R.S., Ch. 541 (S.B. [551](#)), Sec. 1, eff. June 14, 2013.  
Acts 2013, 83rd Leg., R.S., Ch. 546 (S.B. [585](#)), Sec. 1, eff. June 14, 2013.  
Acts 2015, 84th Leg., R.S., Ch. 663 (H.B. [3595](#)), Sec. 1, eff. June 17, 2015.  
Acts 2015, 84th Leg., R.S., Ch. 665 (H.B. [3629](#)), Sec. 1, eff. June 17, 2015.  
Acts 2015, 84th Leg., R.S., Ch. 666 (H.B. [3772](#)), Sec. 1, eff. June 17, 2015.  
Acts 2015, 84th Leg., R.S., Ch. 970 (H.B. [1585](#)), Sec. 1, eff. September 1, 2015.  
Acts 2015, 84th Leg., R.S., Ch. 979 (H.B. [3615](#)), Sec. 1, eff. June 19, 2015.  
Acts 2015, 84th Leg., R.S., Ch. 979 (H.B. [3615](#)), Sec. 2, eff. June 19, 2015.  
Acts 2017, 85th Leg., R.S., Ch. 53 (S.B. [1365](#)), Sec. 1, eff. May 22, 2017.  
Acts 2017, 85th Leg., R.S., Ch. 267 (H.B. [1896](#)), Sec. 4, eff. September 1, 2017.  
Acts 2017, 85th Leg., R.S., Ch. 324 (S.B. [1488](#)), Sec. 17.003, eff. September 1, 2017.  
Acts 2017, 85th Leg., R.S., Ch. 453 (S.B. [942](#)), Sec. 1, eff. June 9, 2017.  
Acts 2017, 85th Leg., R.S., Ch. 652 (S.B. [2166](#)), Sec. 1, eff. June 12, 2017.  
Acts 2017, 85th Leg., R.S., Ch. 785 (H.B. [2445](#)), Sec. 5, eff. June 15, 2017.  
Acts 2017, 85th Leg., R.S., Ch. 785 (H.B. [2445](#)), Sec. 6, eff. June 15, 2017.







# SHERMAN CITY COUNCIL

## Agenda Communication Form

### City Council Regular Meeting

E. 3.

**Meeting Date:** 09/16/2019

**Prepared By:** Clint Philpott, Director of Engineering

**Approved By:** Robby Hefton, City Manager

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#### **Caption:**

#### **RESOLUTION NO. 6526**

Authorizing the Acceptance and Dedication of Right of Way being called West Travis Street, being dedicated to the City of Sherman by Right-of-Way Dedication Deeds filed of record in Document Nos. 2019-13861, 2019-16891, 2019-16892, 2019-19940, and 2019-11935, Official Public Records, Grayson County, Texas, totaling 15.3876 acres of the Elizabeth Jones Survey, Abstract No. 625, for public use and utility purposes being the construction of a road, West Travis Street, between Moore Street and Sherman Crossroads, Phase I, as filed of record in Volume 24, Pages 65 and 66, Plat Records, Grayson County, Texas

#### **Issue:**

To consider authorizing the acceptance and dedication of right of way being called West Travis Street, being dedicated to the City of Sherman by Right-of-Way Dedication Deeds filed of record

#### **Background:**

West Travis Street is currently being constructed West of F.M. 1417 and East of the U.S. Highway 75 Service Road. Right-of-Way Dedication Deeds for property along the new road have been filed of record in document numbers 2019-13861, 2019-16891, 2019-16892, 2019-19940, and 2019-11935, Official Public Records, Grayson County, Texas.

#### **Origination:**

Engineering Department

#### **Financial Consideration:**

Construction of West Travis Street is being done in multiple phases, with the most recent phase being managed through a contract with Lynn Vessels Construction, LLC. This final phase of West Travis Street has a total construction bid price of \$4,777,287.94. Once complete and accepted by the City of Sherman, the City will take over long-term maintenance of the thoroughfare.

#### **Staff Recommendation:**

The staff recommends the City Manager authorize the acceptance and dedication of right of way being called West Travis Street.



**Alternatives:**

As may be directed by the City Council

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**Attachments**

Resolution No. 6526

Document No. 2019-13861

Document No. 2019-16891

Document No. 2019-16892

Document No. 2019-19940

Document No. 2019-11935

Aerial Location Map

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**RESOLUTION NO. 6526**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING THE ACCEPTANCE AND DEDICATION OF RIGHT OF WAY BEING CALLED WEST TRAVIS STREET, BEING DEDICATED TO THE CITY OF SHERMAN BY RIGHT-OF-WAY DEDICATION DEEDS FILED OF RECORD IN DOCUMENT NOS. 2019-13861, 2019-16891, 2019-16892, 2019-19940, AND 2019-11935, OFFICIAL PUBLIC RECORDS, GRAYSON COUNTY, TEXAS, TOTALING 15.3876 ACRES OF THE ELIZABETH JONES SURVEY, ABSTRACT NO. 625, FOR PUBLIC USE AND UTILITY PURPOSES BEING THE CONSTRUCTION OF A ROAD, WEST TRAVIS STREET, BETWEEN MOORE STREET AND SHERMAN CROSSROADS, PHASE I, AS FILED OF RECORD IN VOLUME 24, PAGES 65 AND 66, PLAT RECORDS, GRAYSON COUNTY, TEXAS; FINDING AND DETERMINING THAT THE MEETING AT WHICH THIS RESOLUTION IS PASSED WAS NOTICED AND IS OPEN TO THE PUBLIC AS REQUIRED BY LAW.**

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

**SECTION 1.** That the City Manager be and is hereby authorized and directed, subject to all contract documents being properly completed and approved as to form and content by the City Attorney, to accept and dedicate right of way being called West Travis Street, being dedicated to the City of Sherman by Right-of-Way Dedication Deeds filed of record in Document Nos. 2019-13861, 2019-16891, 2019-16892, 2019-19940, and 2019-11935, Official Public Records, Grayson County, Texas, totaling 15.3876 acres of the Elizabeth Jones Survey, Abstract No. 625, for public use and utility purposes being the construction of a road, West Travis Street, between Moore Street and Sherman Crossroads, Phase I, as filed of record in Volume 24, Pages 65 and 66, Plat Records, Grayson County, Texas, in accordance with all contract documents attached hereto and made a part hereof for all purposes.

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

**PASSED AND APPROVED** on this the \_\_\_\_\_ day of \_\_\_\_\_, 2019.

**CITY OF SHERMAN, TEXAS**

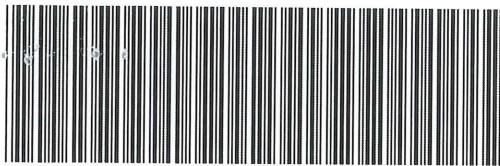
**BY: \_\_\_\_\_  
DAVID PLYLER, MAYOR**

**ATTEST:**

**BY:** \_\_\_\_\_  
**LINDA ASHBY, CITY CLERK**

**APPROVED AS TO FORM  
AND CONTENT:**

**BY:** \_\_\_\_\_  
**BRANDON S. SHELBY,  
CITY ATTORNEY**



\*VG-286-2019-13861\*

Grayson County  
Wilma Bush  
County Clerk  
Sherman, TX 75090

---

**Instrument Number:** 2019 - 13861

Real Property Recordings

Recorded On: June 14, 2019 10:52 AM

Number of Pages: 8

Parties: THE MUNSON REALTY COMPANY

---

**" Examined and Charged as Follows: "**

Total Recording: \$50.00

---

\*\*\*\*\* THIS PAGE IS PART OF THE INSTRUMENT \*\*\*\*\*

Any provision herein which restricts the Sale, Rental or use of the described Document  
because of color or race is invalid and unenforceable under federal law.

**File Information:**

Document Number: 13861

Receipt Number: 20190614000050

Recorded Date/Time: June 14, 2019 10:52 AM

User: Josh M

Station: CLERK05

**Record and Return To:**

CITY OF SHERMAN

220 W MULBERRY

SHERMAN TX 75091



STATE OF TEXAS  
COUNTY OF GRAYSON

I hereby certify that this Instrument was FILED In the File Number sequence on the date/time  
printed hereon, and was duly RECORDED in the Official Records of Grayson County, Texas.

Wilma Bush  
County Clerk  
Grayson County, TX

**NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OR ALL OF THE FOLLOWING INFORMATION FROM ANY INSTRUMENT THAT TRANSFERS AN INTEREST IN REAL PROPERTY BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER**

**RIGHT-OF-WAY DEDICATION DEED**

STATE OF TEXAS                   §  
                                          §       **KNOW ALL MEN BY THESE PRESENTS:**  
COUNTY OF GRAYSON       §

That **THE MUNSON REALTY COMPANY**, a Texas corporation (the "**Grantor**") whose address is 305 W. Woodard, Denison, Texas 75020, has DEDICATED, GRANTED, AND CONVEYED, and by these presents does DEDICATE, GRANT, AND CONVEY to the **CITY OF SHERMAN, TEXAS**, a municipal corporation organized under the laws of the State of Texas, (the "**Grantee**"), whose mailing address is P.O. Box 1106, Sherman, Texas 75091, the real property located in the County of Grayson, State of Texas, being a tract or parcel of land containing 0.164 acres of land, more or less, and being more particularly described in Exhibit "A" attached hereto for all purposes (the "**Property**") as a right of way for public street and utility purposes, including the right of ingress and egress therein, and easements therein to construct and maintain public streets and utilities, for public purposes as authorized by Local Government Code § 273.001.

This document also grants a variable width Temporary Construction Easement adjacent to the Property for construction purposes as shown on Page 2 of the attached Exhibit "A". The variable width Temporary Construction Easement will expire on the date that is three years after the date of this Deed.

GRANTOR specifically reserves from this dedication all its rights, title and interest in all oil, gas and other minerals in and under the Property.

This Deed is being given subject to all existing easements and other matters of record affecting the Property (the "**Permitted Exceptions**").

TO HAVE AND TO HOLD the Property for said public street, utility, and other valid public purposes unto Grantee, its successors and assigns, forever, and Grantor does hereby bind itself, its successors and assigns, to warrant and forever defend, all and singular, the Property unto Grantee, its successors and assigns, against every person whomsoever lawfully claiming or to claim the same or any part thereof, by through, or under Grantor, but not otherwise, subject to the Permitted Exceptions.

SIGNED to be effective as of June 7, 2019.

**GRANTOR:**

**THE MUNSON REALTY COMPANY,**  
a Texas corporation

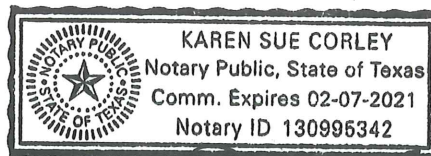
By: Richard Munson

Richard Munson, Chairman

STATE OF TEXAS

COUNTY OF Grayson

§  
§  
§



This instrument was acknowledged before me on June 7, 2019, by Richard Munson, the Chairman of **THE MUNSON REALTY COMPANY**, a Texas corporation, on behalf of said corporation.

Karen Corley  
Notary Public, State of Texas

Karen Corley  
Typed or Printed Name of Notary

Notary Number: 130995342

Notary's commission expires: 02/07/21

ACCEPTED:

GRANTEE:

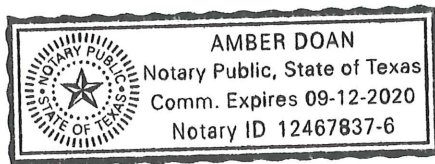
CITY OF SHERMAN, TEXAS

BY: DP  
DAVID PLYLER, MAYOR

BY: Linda Ashby  
LINDA ASHBY, CITY CLERK

STATE OF TEXAS §  
COUNTY OF GRAYSON §

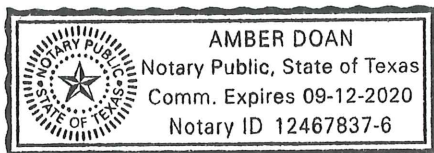
This instrument was acknowledged before me on June 07, 2019, by David Plyler, Mayor of the **City of Sherman, Texas**, on behalf of said city.



Amber Doan  
Notary Public, State of Texas  
Amber Doan  
Typed or Printed Name of Notary  
Notary Number: 12467837-6  
Notary's commission expires: 09/12/2020

STATE OF TEXAS §  
COUNTY OF GRAYSON §

This instrument was acknowledged before me on June 07, 2019, by Linda Ashby, City Clerk of the **City of Sherman, Texas**, on behalf of said city.



Amber Doan  
Notary Public, State of Texas  
Amber Doan  
Typed or Printed Name of Notary  
Notary Number: 12467837-6  
Notary's commission expires: 09/12/2020

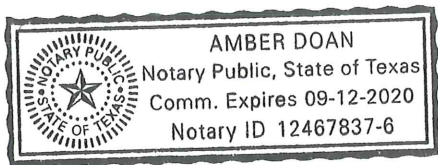


**APPROVED AS TO FORM AND CONTENT:**

BY:   
**BRANDON SHELBY, CITY ATTORNEY**

STATE OF TEXAS                   §  
                                             §  
COUNTY OF GRAYSON         §

This instrument was acknowledged before me on June 11, 2019, by  
Brandon Shelby, City Attorney for the **City of Sherman, Texas**, on behalf of said city.



  
Notary Public, State of Texas  
Amber Doan  
Typed or Printed Name of Notary  
Notary Number: 12467837-6  
Notary's commission expires: 09/12/2020

**AFTER RECORDING, RETURN TO**

City of Sherman  
Office of the City Attorney  
P. O. Box 1106  
Sherman, TX 75091-1106



**EXHIBIT A**  
**CITY OF SHERMAN RIGHT-OF-WAY DEDICATION**  
**PART OF MUNSON REALTY COMPANY TRACT**  
**SITUATED IN THE**  
**ELIZABETH JONES SURVEY, ABSTRACT NO. 625**  
**CITY OF SHERMAN, GRAYSON COUNTY, TEXAS**

**BEING** a 7134 square foot tract of land situated in the Elizabeth Jones Survey, Abstract Number 625, City of Sherman, Grayson County, Texas and being a portion of that certain tract of land conveyed to Munson Realty Company according to the deed recorded in Volume 1460, Page 722, Deed Records, Grayson County, Texas (D.R.G.C.T.) and being more particularly described as follows:

**COMMENCING** at a cotton spindle found in the west line of that certain tract of land conveyed to Panda Sherman Power LLC according to the deed recorded in Volume 5125, Page 388, D.R.G.C.T. also being the southeast corner of that certain tract of land conveyed to Sherman Independent School District according to the deed recorded in Instrument Number 2017-10143, Official Public Records, Grayson County, Texas (O.P.R.G.C.T.) and the northeast corner of that certain Right-of-Way Dedication recorded in Instrument Number 2018-4772, O.P.R.G.C.T.;

**THENCE** S 14°47'13" E, along the common line between said Panda Sherman Power LLC Tract and said Right-of-Way Dedication, a distance of 9.30 feet to a 1/2-inch iron rod found for corner;

**THENCE** S 00°46'36" W, continuing along said common line, a distance of 80.04 feet to a 5/8-inch iron rod found at the southwest corner of said Panda Sherman Power LLC Tract also being a southeast corner of said Right-of-Way Dedication and the northwest corner of said Munson Realty Company Tract;

**THENCE** N 74°10'24" E, along the common line between said Panda Sherman Power LLC Tract and said Munson Realty Company Tract, a distance of 127.55 feet to a 1/2-inch iron rod with plastic cap stamped "VOTEX SURVEYING" set for the **POINT OF BEGINNING**;

**THENCE** N 74°10'24" E, continuing along said common line, a distance of 527.17 feet to a 1/2-inch iron rod with plastic cap stamped "VOTEX SURVEYING" set for corner;

**THENCE** crossing said Munson Realty Company Tract and along a curve to the left having a central angle of 12°02'20", a radius of 489.50 feet, an arc length of 102.85 feet and a chord that bears S 68°09'14" W, a distance of 102.66 feet to a 1/2-inch iron rod with plastic cap stamped "VOTEX SURVEYING" set for corner;

**THENCE** along a reverse curve to the right having a central angle of 12°02'20", a radius of 534.50 feet, an arc length of 112.31 feet and a chord that bears S 68°09'14" W, a distance of 112.10 feet to a 1/2-inch iron rod with plastic cap stamped "VOTEX SURVEYING" set for corner;

**THENCE** S 74°10'24" W, a distance of 100.00 feet to a 1/2-inch iron rod with plastic cap stamped "VOTEX SURVEYING" set for corner;

**THENCE** along a curve to the right having a central angle of 12°02'20", a radius of 534.50 feet, an arc length of 112.31 feet and a chord that bears S 80°11'34" W, a distance of 112.10 feet to a 1/2-inch iron rod with plastic cap stamped "VOTEX SURVEYING" set for corner;

**THENCE** along a reverse curve to the left having a central angle of 12°02'20", a radius of 489.0 feet, an arc length of 102.85 feet and a chord that bears S 80°11'34" W, a distance of 102.66 feet to the **POINT OF BEGINNING** and containing 7133 square feet or 0.164 acres of land, more or less.

  
Candy Hone  
Registered Professional Land Surveyor, No. 5867



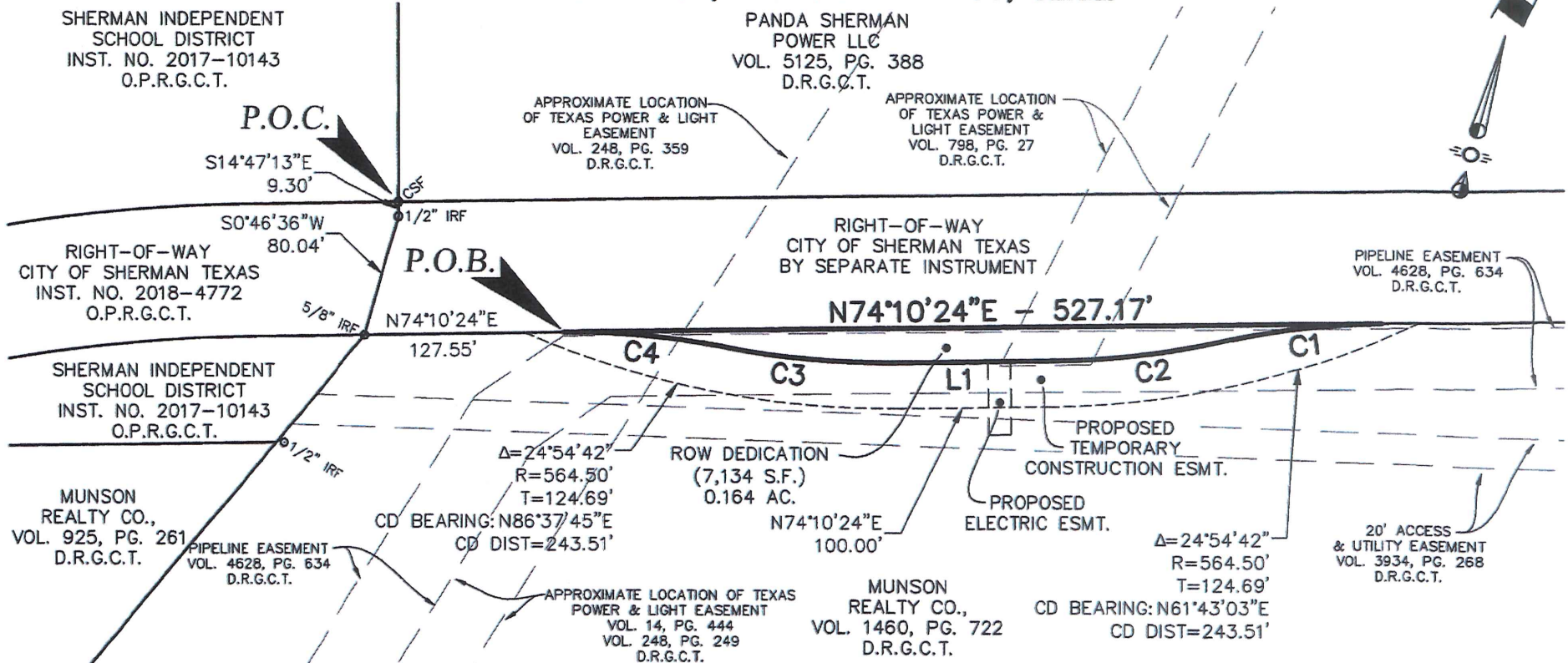
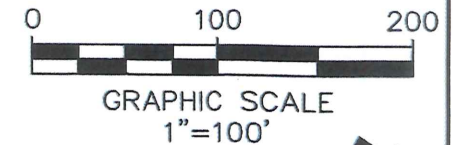
The basis of bearing for this survey is The State Plane Coordinate System, North Texas Central Zone 4202, North American Datum of 1983. Adjustment realization 2011.

VOTEX SURVEYING COMPANY - TBPLS FIRM NO. 10013600  
10440 N. CENTRAL EXPWY DALLAS, TEXAS 75231  
PH. (469) 333-8831; candy@votexsurveying.com  
PROJECT NO. 2019-033  
SHEET 1 OF 3

C16035



**EXHIBIT A**  
**CITY OF SHERMAN RIGHT-OF-WAY DEDICATION**  
**PART OF MUNSON REALTY COMPANY TRACT**  
**SITUATED IN THE**  
**ELIZABETH JONES SURVEY, ABSTRACT NO. 625**  
**CITY OF SHERMAN, GRAYSON COUNTY, TEXAS**



*Candy Hone*  
 Candy Hone  
 Registered Professional Land Surveyor, No. 5867



**LEGEND**

- O CSF COTTON SPINDLE FOUND
- O IRF IRON ROD FOUND
- VOL., PG. VOLUME, PAGE
- D.R.G.C.T. DEED RECORDS, GRAYSON COUNTY, TEXAS
- O.P.R.G.C.T. OFFICIAL PROPERTY RECORDS GRAYSON COUNTY, TEXAS
- INST. NO. INSTRUMENT NUMBER
- P.O.C. POINT OF COMMENCING
- P.O.B. POINT OF BEGINNING

The basis of bearing for this survey is The State Plane Coordinate System, North Texas Central Zone 4202, North American Datum of 1983. Adjustment realization 2011.

VOTEX SURVEYING COMPANY - TBPLS FIRM NO. 10013600  
 10440 N. CENTRAL EXPWY DALLAS, TEXAS 75231  
 PH. (469) 333-8831; candy@votexsurveying.com  
 PROJECT NO. 2019-033  
 SHEET 2 OF 3

C16035

**EXHIBIT A**  
**CITY OF SHERMAN RIGHT-OF-WAY DEDICATION**  
**PART OF MUNSON REALTY COMPANY TRACT**  
**SITUATED IN THE**  
**ELIZABETH JONES SURVEY, ABSTRACT NO. 625**  
**CITY OF SHERMAN, GRAYSON COUNTY, TEXAS**

| Parcel Line Table |             |         |
|-------------------|-------------|---------|
| Line #            | Direction   | Length  |
| L1                | S74°10'24"W | 100.00' |

| Curve Table |           |         |         |                 |              |
|-------------|-----------|---------|---------|-----------------|--------------|
| Curve #     | Delta     | Radius  | Length  | Chord Direction | Chord Length |
| C1          | 12°02'20" | 489.50' | 102.85' | S68° 09' 14"W   | 102.66'      |
| C2          | 12°02'20" | 534.50' | 112.31' | S68° 09' 14"W   | 112.10'      |
| C3          | 12°02'20" | 534.50' | 112.31' | S80° 11' 34"W   | 112.10'      |
| C4          | 12°02'20" | 489.50' | 102.85' | S80° 11' 34"W   | 102.66'      |

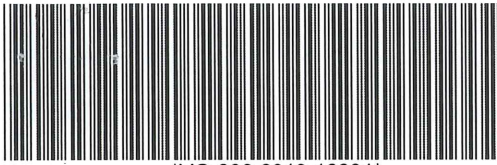
*Candy Hope, RPLS 5/13/2019*  
Candy Hope  
Registered Professional Land Surveyor, No. 5867



The basis of bearing for this survey is The State Plane Coordinate System, North Texas Central Zone 4202, North American Datum of 1983. Adjustment realization 2011.

VOTEX SURVEYING COMPANY - TBPLS FIRM NO. 10013600  
10440 N. CENTRAL EXPWY DALLAS, TEXAS 75231  
PH. (469) 333-8831; candy@votexsurveying.com  
PROJECT NO. 2019-033  
SHEET 3 OF 3

C16035



\*VG-286-2019-16891\*

Grayson County  
Wilma Bush  
County Clerk  
Sherman, TX 75090

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**Instrument Number:** 2019 - 16891

Real Property Recordings

Recorded On: July 17, 2019 09:50 AM

Number of Pages: 9

Parties: PANDA SHERMAN POWER LLC

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**" Examined and Charged as Follows: "**

Total Recording: \$54.00

---

\*\*\*\*\* THIS PAGE IS PART OF THE INSTRUMENT \*\*\*\*\*

Any provision herein which restricts the Sale, Rental or use of the described Document  
because of color or race is invalid and unenforceable under federal law.

**File Information:**

Document Number: 16891  
Receipt Number: 20190717000033  
Recorded Date/Time: July 17, 2019 09:50 AM  
User: Hailee A  
Station: CLERK05

**Record and Return To:**

CITY OF SHERMAN  
220 W MULBERRY  
  
SHERMAN TX 75091



STATE OF TEXAS  
COUNTY OF GRAYSON

I hereby certify that this Instrument was FILED In the File Number sequence on the date/time  
printed hereon, and was duly RECORDED in the Official Records of Grayson County, Texas.

Wilma Bush  
County Clerk  
Grayson County, TX



## Special Warranty Deed

**Date:** July 3, 2019

**Grantors:** PANDA SHERMAN POWER, LLC

**Grantor's Mailing Address:** 5001 Spring Valley Road, Suite 1150 West  
Dallas, TX 75244-3946

**Grantee:** City of Sherman, Texas

**Grantee's Mailing Address:** P.O. Box 1106  
Sherman, TX 75091

**Consideration:** For and in consideration of Ten Dollars (\$10.00) and the cost of fence relocation to the new property line prior to removal of existing fence other valuable consideration by the **CITY OF SHERMAN**

**Property:** Being a tract or parcel of land situated in the Elizabeth Jones Survey, Abstract No. 625, containing 4.883 acres of land, more or less, and being more particularly described in Exhibit "A" attached hereto and made hereof for all purposes to be used for public street and utility purposes or any other public purpose authorized by Local Government Code § 273.1 and deemed necessary by Grantee into and through all that certain real property to Grantee the Property described in Exhibit "A", together with all singular the rights and appurtenances thereto in any way belonging, to have and to hold it to Grantee and Grantee's heirs, successors, and assigns forever.

Grantor, for the Consideration expressed and subject to easements of record dedicates, grants, bargains, sells and conveys unto Grantee all that certain land situated in the County of Grayson, State of Texas, being a tract or parcel of land situated in the Elizabeth Jones Survey, Abstract No. 625, containing 4.883 acres of land, more or less, and being more particularly described in Exhibit "A" attached hereto and for all purposes, together with all buildings, structures, fixtures, and improvements located thereon and all rights, hereditaments, and appurtenances in anywise appertaining or belonging thereto (said land, buildings, structures,

fixtures, improvements, rights, hereditaments, and appurtenances being herein together referred to as the "Property").

This conveyance is made and accepted subject to all easements, rights of way, prescriptive rights, and other matters of record to the extent that they are valid encumbrances against the Property (the "Permitted Exceptions").

TO HAVE AND TO HOLD the Property unto Grantee, and Grantee's successors and assigns forever, and Grantor does hereby bind Grantor, and Grantor's successors and assigns TO WARRANT and FOREVER DEFEND, all and singular the Property unto Grantee and Grantee's successors and assigns, against every person whomsoever lawfully claiming or to claim the same or any part thereof, by, through, or under Grantor, but not otherwise and subject to all Permitted Exceptions.

REMAINDER OF PAGE LEFT BLANK

SIGNATURES TO FOLLOW

GRANTOR:  
PANDA SHERMAN POWER, LLC

BY: [Signature]

NAME: Josh York

TITLE: Vice President

ACKNOWLEDGEMENT

THE STATE OF TEXAS

§  
§  
§

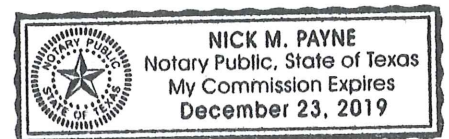
KNOW ALL MEN BY THESE PRESENTS:

COUNTY OF Dallas

BEFORE ME, the undersigned authority, on this day personally appeared Josh York, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he/she executed the same for the purposes and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, on this the 3rd day of July, 2019.

Nick M. Payne  
NOTARY PUBLIC, STATE OF TEXAS



Notary's commission expires: 12/23/2019

ATTEST:

GRANTEE:  
CITY OF SHERMAN, TEXAS

BY:

Linda Ashby  
LINDA ASHBY, CITY CLERK

BY:

DLR  
DAVID PLYLER, MAYOR

APPROVED AS TO FORM AND CONTENT:

BY:

BS  
BRANDON SHELBY, CITY ATTORNEY

ACKNOWLEDGEMENT

THE STATE OF TEXAS

§  
§  
§

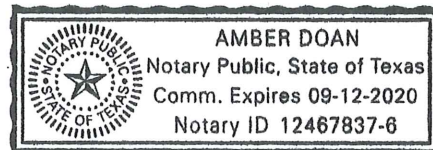
KNOW ALL MEN BY THESE PRESENTS:

COUNTY OF Grayson

BEFORE ME, the undersigned authority, on this day personally appeared David Plyler, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he/she executed the same for the purposes and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, on this the 15<sup>th</sup> day of July, 2019.

Amber Doan  
NOTARY PUBLIC, STATE OF TEXAS



Notary's commission expires: 09/12/2020



**EXHIBIT A**  
**CITY OF SHERMAN RIGHT-OF-WAY DEDICATION**  
**PART OF THE PANDA SHERMAN POWER, LLC TRACT**  
**SITUATED IN THE**  
**ELIZABETH JONES SURVEY, ABSTRACT NO. 625**  
**CITY OF SHERMAN, GRAYSON COUNTY, TEXAS**

**BEING** a 4.883 acre tract of land situated in the Elizabeth Jones Survey, Abstract Number 625, City of Sherman, Grayson County, Texas and being a portion of that certain tract of land conveyed to Panda Sherman Power LLC according to the deed recorded in Volume 5125, Page 388, Deed Records, Grayson County, Texas (D.R.G.C.T.) and being more particularly described as follows:

**BEGINNING** at 5/8-inch iron rod found at the southwest corner of said Panda Sherman Power LLC Tract also being a northeast corner of a portion of that certain tract of land conveyed to Sherman Independent School District according to the deed recorded in Instrument Number 2017-10143, Official Public Records, Grayson County, Texas (O.P.R.G.C.T.) and the southeast corner of that certain Right-of-Way Dedication recorded in Instrument Number 2018-4772, O.P.R.G.C.T. and the northwest corner of that certain tract of land conveyed to Munson Realty Company according to the deed recorded in Volume 1460, Page 722, D.R.G.C.T.;

**THENCE** N 00°46'30" E, along the common line between said Panda Sherman Power LLC Tract and said Right-of-Way Dedication, a distance of 80.04 feet to a 1/2-inch iron rod found for corner;

**THENCE** N 14°42'45" W, continuing along said common line, a distance of 9.30 feet to a cotton spindle found at the southwest corner of a portion of said Sherman Independent School District Tract also being a northeast corner of said Right-of-Way Dedication in the west line of said Panda Sherman Power LLC Tract;

**THENCE** N 74°10'24" E, crossing said Panda Sherman Power LLC Tract, a distance of 2016.86 feet to a 1/2-inch iron rod with plastic cap stamped "VOTEX SURVEYING" set for corner;

**THENCE** along a curve to the left having a central angel of 17°56'37", a radius of 997.00 feet, an arc length of 312.24 feet and a chord that bears N 65°12'06" E, a distance of 310.96 feet to a 1/2-inch iron rod with plastic cap stamped "VOTEX SURVEYING" set for corner;

**THENCE** N 56°13'47" E, a distance of 84.94 feet to a 1/2-inch iron rod with plastic cap stamped "VOTEX SURVEYING" set for corner;

**THENCE** S 73°04'32" E, a distance of 111.14 feet to a 1/2-inch iron rod with plastic cap stamped "VOTEX SURVEYING" set for the corner;

**THENCE** S 56°13'47" W, a distance of 155.34 feet to a 1/2-inch iron rod with plastic cap stamped "VOTEX SURVEYING" set for corner;

**THENCE** along a curve to the right having a central angel of 17°56'37", a radius of 1083.00 feet, an arc length of 339.17 feet and a chord that bears S 65°12'06" W, a distance of 337.78 feet to a 1/2-inch iron rod with plastic cap stamped "VOTEX SURVEYING" set for corner in the south line of said Panda Sherman Power LLC Tract also being the north line of the aforesaid Munson Realty Company Tract;

**THENCE** S 74°10'24" W, along the common line between said Panda Sherman Power LLC Tract and said Munson Realty Company Tract, a distance of 2039.91 feet to the **POINT OF BEGINNING** and containing 4.883 acres or 212,686 square feet of land, more or less.



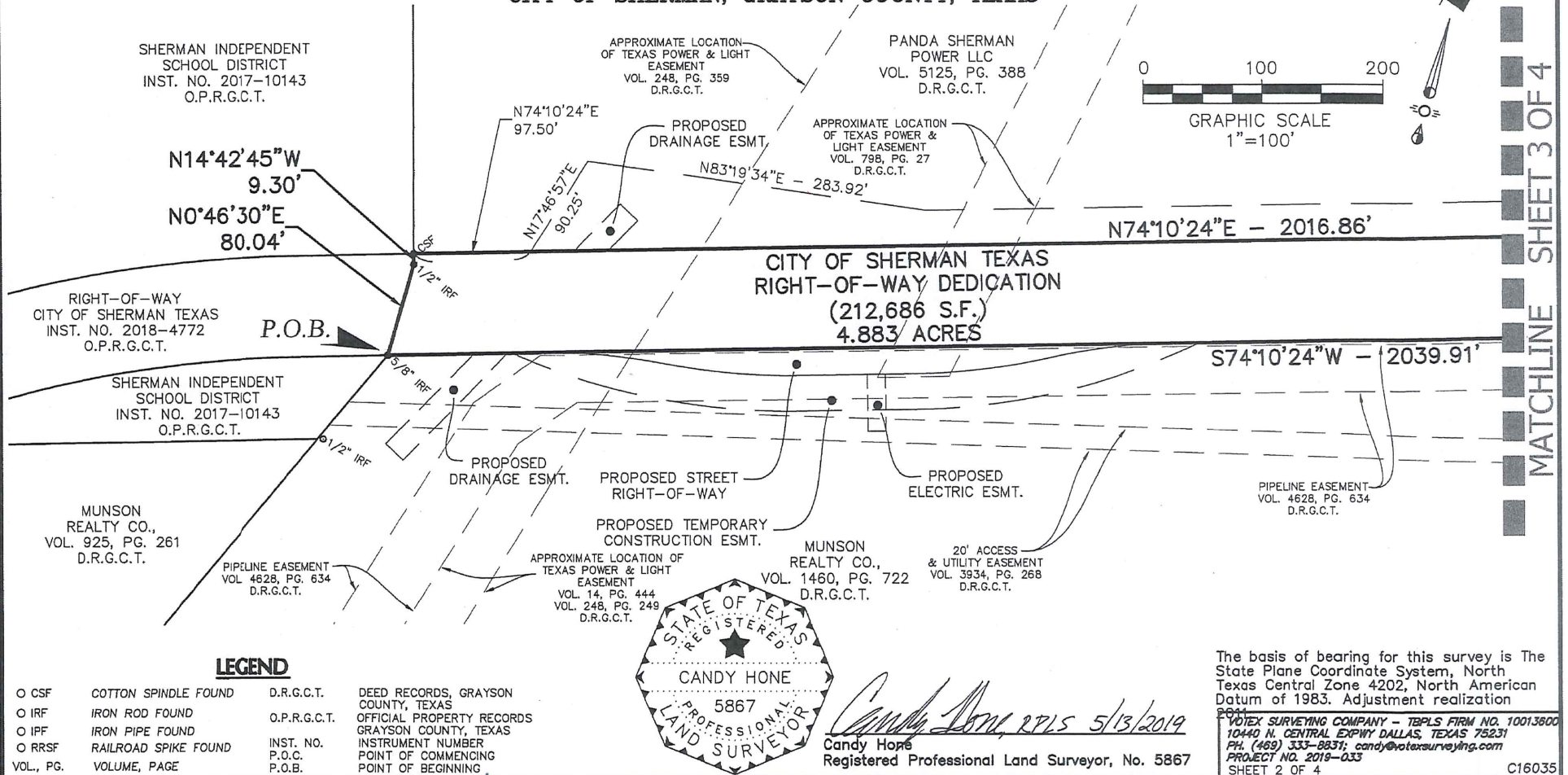
*Candy Hone, RPLS 5/13/2019*  
Candy Hone  
Registered Professional Land Surveyor, No. 5867

The basis of bearing for this survey is The State Plane Coordinate System, North Texas Central Zone 4202, North American Datum of 1983. Adjustment realization 2011.

VOTEX SURVEYING COMPANY - TBPLS FIRM NO. 10013600  
10440 N. CENTRAL EXPWY DALLAS, TEXAS 75231  
PH. (469) 333-8831; candy@votexsurveying.com  
PROJECT NO. 2019-033  
SHEET 1 OF 4

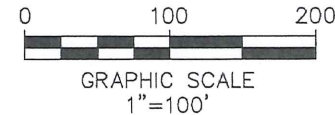
C16035

**EXHIBIT A**  
**CITY OF SHERMAN RIGHT-OF-WAY DEDICATION**  
**PART OF THE PANDA SHERMAN POWER, LLC TRACT**  
**SITUATED IN THE**  
**ELIZABETH JONES SURVEY, ABSTRACT NO. 625**  
**CITY OF SHERMAN, GRAYSON COUNTY, TEXAS**



**EXHIBIT A**  
**CITY OF SHERMAN RIGHT-OF-WAY DEDICATION**  
**PART OF THE PANDA SHERMAN POWER, LLC TRACT**  
**SITUATED IN THE**  
**ELIZABETH JONES SURVEY, ABSTRACT NO. 625**  
**CITY OF SHERMAN, GRAYSON COUNTY, TEXAS**

PANDA SHERMAN  
POWER LLC  
VOL. 5125, PG. 388  
D.R.G.C.T.



MATCHLINE SHEET 2 OF 4

MATCHLINE SHEET 4 OF 4

PROPOSED TEMPORARY  
CONSTRUCTION ESMT.

N74°10'24"E - 1589.64'

N74°10'24"E - 2016.86'

CITY OF SHERMAN TEXAS  
RIGHT-OF-WAY DEDICATION  
(212,686 S.F.)  
4.883 ACRES

S74°10'24"W - 2039.91'

20' ACCESS  
& UTILITY EASEMENT  
VOL. 3934, PG. 268  
D.R.G.C.T.

PROPOSED TEMPORARY  
CONSTRUCTION ESMT.

LEASE AREA  
DALLAS SMSA  
TOWER HOLDINGS, LLC  
VOL. 3934, PG. 268  
D.R.G.C.T.

ONCOR EASEMENT  
VOL. 5345, PG. 697  
D.R.G.C.T.

MUNSON  
REALTY CO.,  
VOL. 1460, PG. 722  
D.R.G.C.T.

PIPELINE EASEMENT  
VOL. 4628, PG. 634  
D.R.G.C.T.

**LEGEND**

|           |                      |              |                                                 |
|-----------|----------------------|--------------|-------------------------------------------------|
| ○ CSF     | COTTON SPINDLE FOUND | D.R.G.C.T.   | DEED RECORDS, GRAYSON COUNTY, TEXAS             |
| ○ IRF     | IRON ROD FOUND       | O.P.R.G.C.T. | OFFICIAL PROPERTY RECORDS GRAYSON COUNTY, TEXAS |
| ○ IPF     | IRON PIPE FOUND      | INST. NO.    | INSTRUMENT NUMBER                               |
| ○ RRSF    | RAILROAD SPIKE FOUND | P.O.C.       | POINT OF COMMENCING                             |
| VOL., PG. | VOLUME, PAGE         | P.O.B.       | POINT OF BEGINNING                              |

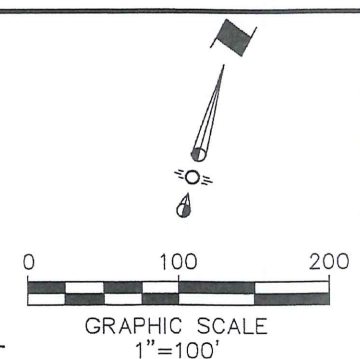


*Candy Hone, RPIS 5/13/2019*  
**Candy Hone**  
 Registered Professional Land Surveyor, No. 5867

The basis of bearing for this survey is The State Plane Coordinate System, North Texas Central Zone 4202, North American Datum of 1983. Adjustment realization 2011.  
**VOTEX SURVEYING COMPANY - TBPLS FIRM NO. 10013600**  
 10440 N. CENTRAL EXPWY DALLAS, TEXAS 75231  
 PH. (469) 333-8831; candy@votexsurveying.com  
 PROJECT NO. 2019-033  
 SHEET 3 OF 4 C16035



**EXHIBIT A**  
**CITY OF SHERMAN RIGHT-OF-WAY DEDICATION**  
**PART OF THE PANDA SHERMAN POWER, LLC TRACT**  
**SITUATED IN THE**  
**ELIZABETH JONES SURVEY, ABSTRACT NO. 625**  
**CITY OF SHERMAN, GRAYSON COUNTY, TEXAS**



**LEGEND**

- CSF COTTON SPINDLE FOUND
- IRF IRON ROD FOUND
- IPF IRON PIPE FOUND
- RRSF RAILROAD SPIKE FOUND
- VOL., PG. VOLUME, PAGE
- D.R.G.C.T. DEED RECORDS, GRAYSON COUNTY, TEXAS
- O.P.R.G.C.T. OFFICIAL PROPERTY RECORDS GRAYSON COUNTY, TEXAS
- INST. NO. INSTRUMENT NUMBER
- P.O.C. POINT OF COMMENCING
- P.O.B. POINT OF BEGINNING

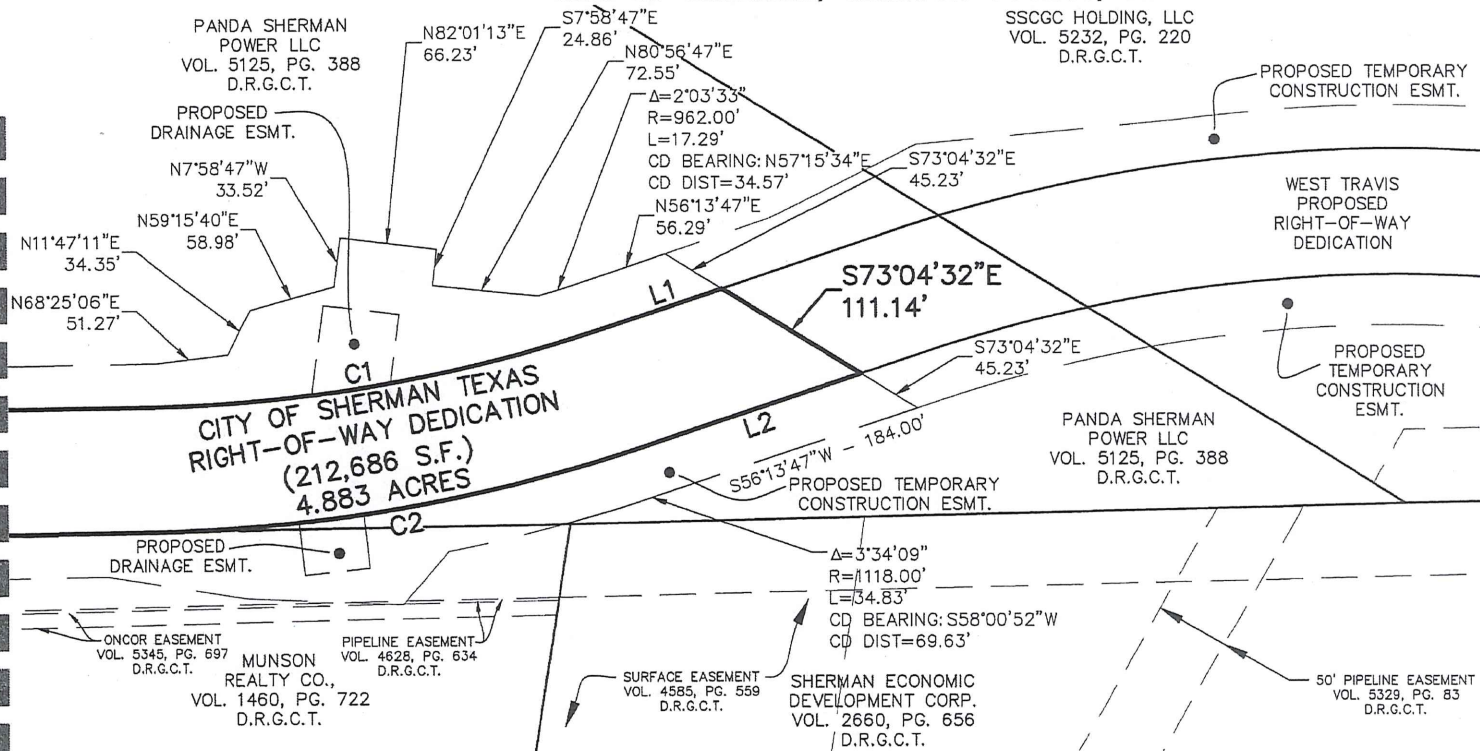


The basis of bearing for this survey is The State Plane Coordinate System, North Texas Central Zone 4202, North American Datum of 1983. Adjustment realization 2011.

VOTEX SURVEYING COMPANY - TBPLS FIRM NO. 10013800  
 10440 N. CENTRAL EXPWY DALLAS, TEXAS 75231  
 PH. (469) 333-8831; candy@votexsurveying.com  
 PROJECT NO. 2019-033  
 SHEET 4 OF 4

C16035

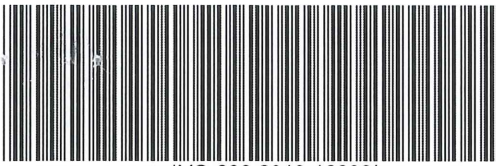
MATCHLINE SHEET 3 OF 4



| Line Table |             |         |
|------------|-------------|---------|
| Line #     | Direction   | Length  |
| L1         | N56°13'47"E | 84.94'  |
| L2         | S56°13'47"W | 155.34' |

| Curve Table |           |          |         |                 |              |
|-------------|-----------|----------|---------|-----------------|--------------|
| Curve #     | Delta     | Radius   | Length  | Chord Direction | Chord Length |
| C1          | 17°56'37" | 997.00'  | 312.24' | N65° 12' 06"E   | 310.96'      |
| C2          | 17°56'37" | 1083.00' | 339.17' | S65° 12' 06"W   | 337.78'      |

*Candy Hone*  
 Candy Hone  
 Registered Professional Land Surveyor, No. 5867



\*VG-286-2019-16892\*

**Grayson County  
Wilma Bush  
County Clerk  
Sherman, TX 75090**

---

**Instrument Number:** 2019 - 16892

Real Property Recordings

Recorded On: July 17, 2019 09:50 AM

Number of Pages: 10

Parties: PANDA SHERMAN POWER LLC

---

**" Examined and Charged as Follows: "**

Total Recording: \$58.00

---

**\*\*\*\*\* THIS PAGE IS PART OF THE INSTRUMENT \*\*\*\*\***

Any provision herein which restricts the Sale, Rental or use of the described Document  
because of color or race is invalid and unenforceable under federal law.

**File Information:**

Document Number: 16892  
Receipt Number: 20190717000033  
Recorded Date/Time: July 17, 2019 09:50 AM  
User: Hailee A  
Station: CLERK05

**Record and Return To:**

CITY OF SHERMAN  
220 W MULBERRY  
  
SHERMAN TX 75091



STATE OF TEXAS  
COUNTY OF GRAYSON

I hereby certify that this Instrument was FILED In the File Number sequence on the date/time  
printed hereon, and was duly RECORDED in the Official Records of Grayson County, Texas.

Wilma Bush  
County Clerk  
Grayson County, TX

## Special Warranty Deed

**Date:** July 3, 2019

**Grantors:** PANDA SHERMAN POWER, LLC

**Grantor's Mailing Address:** 5001 Spring Valley Road, Suite 1150 West  
Dallas, TX 75244-3946

**Grantee:** City of Sherman, Texas

**Grantee's Mailing Address:** P.O. Box 1106  
Sherman, TX 75091

**Consideration:** For and in consideration of Ten Dollars (\$10.00) and the cost of fence relocation to the new property line prior to removal of existing fence other valuable consideration by the **CITY OF SHERMAN**

**Property:** Being a tract or parcel of land situated in the Elizabeth Jones Survey, Abstract No. 625, containing 0.311 acres of land, more or less, and being more particularly described in Exhibit "A" attached hereto and made hereof for all purposes to be used for public street and utility purposes or any other public purpose authorized by Local Government Code § 273.1 and deemed necessary by Grantee into and through all that certain real property to Grantee the Property described in Exhibit "A", together with all singular the rights and appurtenances thereto in any way belonging, to have and to hold it to Grantee and Grantee's heirs, successors, and assigns forever.

Grantor, for the Consideration expressed and subject to easements of record dedicates, grants, bargains, sells and conveys unto Grantee all that certain land situated in the County of Grayson, State of Texas, being a tract or parcel of land situated in the Elizabeth Jones Survey, Abstract No. 625, containing 0.311 acres of land, more or less, and being more particularly described in Exhibit "A" attached hereto and for all purposes, together with all buildings, structures, fixtures, and improvements located thereon and all rights, hereditaments, and appurtenances in anywise appertaining or belonging thereto (said land, buildings, structures,

fixtures, improvements, rights, hereditaments, and appurtenances being herein together referred to as the "Property").

This conveyance is made and accepted subject to all easements, rights of way, prescriptive rights, and other matters of record to the extent that they are valid encumbrances against the Property (the "Permitted Exceptions").

TO HAVE AND TO HOLD the Property unto Grantee, and Grantee's successors and assigns forever, and Grantor does hereby bind Grantor, and Grantor's successors and assigns TO WARRANT and FOREVER DEFEND, all and singular the Property unto Grantee and Grantee's successors and assigns, against every person whomsoever lawfully claiming or to claim the same or any part thereof, by, through, or under Grantor, but not otherwise and subject to all Permitted Exceptions.

SIGNATURES TO FOLLOW



GRANTOR:  
PANDA SHERMAN POWER, LLC

BY: [Signature] se

NAME: Josh York

TITLE: Vice President

ACKNOWLEDGEMENT

THE STATE OF TEXAS

§

KNOW ALL MEN BY THESE PRESENTS:

COUNTY OF Dallas

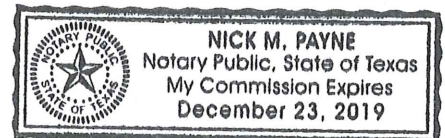
§

§

BEFORE ME, the undersigned authority, on this day personally appeared Josh York, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he/she executed the same for the purposes and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, on this the 3rd. day of July, 2019.

Nick M. Payne  
NOTARY PUBLIC, STATE OF TEXAS



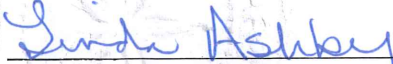
Notary's commission expires: 12/23/2019



ATTEST:

GRANTEE:  
CITY OF SHERMAN, TEXAS

BY:   
DAVID PLYLER, MAYOR

BY:   
LINDA ASHBY, CITY CLERK

APPROVED AS TO FORM AND CONTENT:

BY:   
BRANDON SHELBY, CITY ATTORNEY

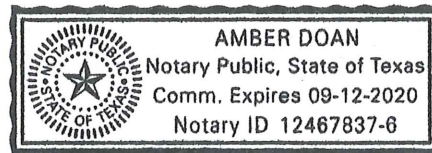
ACKNOWLEDGEMENT

THE STATE OF TEXAS                    §  
                                                 §        KNOW ALL MEN BY THESE PRESENTS:  
COUNTY OF Grayson               §

BEFORE ME, the undersigned authority, on this day personally appeared David Plyler, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he/she executed the same for the purposes and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, on this the 15<sup>th</sup> day of July, 2019.

  
NOTARY PUBLIC, STATE OF TEXAS



Notary's commission expires: 09/12/2020

**EXHIBIT A**  
**CITY OF SHERMAN RIGHT-OF-WAY DEDICATION**  
**PART OF THE PANDA SHERMAN POWER, LLC TRACT**  
**SITUATED IN THE**  
**ELIZABETH JONES SURVEY, ABSTRACT NO. 625**  
**CITY OF SHERMAN, GRAYSON COUNTY, TEXAS**

BEING a 13,564 square foot tract of land situated in the Elizabeth Jones Survey, Abstract Number 625, City of Sherman, Grayson County, Texas and being a portion of that certain tract of land conveyed to Panda Sherman Power LLC according to the deed recorded in Volume 5125, Page 388, Deed Records, Grayson County, Texas (D.R.G.C.T.) and being more particularly described as follows:

COMMENCING at 5/8-inch iron rod found at the southwest corner of said Panda Sherman Power LLC Tract also being a northeast corner of a portion of that certain tract of land conveyed to Sherman Independent School District according to the deed recorded in Instrument Number 2017-10143, Official Public Records, Grayson County, Texas (O.P.R.G.C.T.) and the southeast corner of that certain Right-of-Way Dedication recorded in Instrument Number 2018-4772, O.P.R.G.C.T. and the northwest corner of that certain tract of land conveyed to Munson Realty Company according to the deed recorded in Volume 1460, Page 722, D.R.G.C.T.;

THENCE N 00°46'30" E, along the common line between said Panda Sherman Power LLC Tract and said Right-of-Way Dedication, a distance of 80.04 feet to a 1/2-inch iron rod found for corner;

THENCE N 14°42'45" W, continuing along said common line, a distance of 9.30 feet to a cotton spindle found at the southwest corner of a portion of said Sherman Independent School District Tract also being a northeast corner of said Right-of-Way Dedication in the west line of said Panda Sherman Power LLC Tract;

THENCE N 74°10'24" E, crossing said Panda Sherman Power LLC Tract, a distance of 2016.86 feet to a 1/2-inch iron rod with plastic cap stamped "VOTEX SURVEYING" set for corner;

THENCE along a curve to the left having a central angel of 17°56'37", a radius of 997.00 feet, an arc length of 312.24 feet and a chord that bears N 65°12'06" E, a distance of 310.96 feet to a 1/2-inch iron rod with plastic cap stamped "VOTEX SURVEYING" set for corner;

THENCE N 56°13'47" E, a distance of 84.94 feet to a 1/2-inch iron rod with plastic cap stamped "VOTEX SURVEYING" set for the **POINT OF BEGINNING**;

THENCE N 56°13'47" E, a distance of 116.05 feet to a 1/2-inch iron rod with plastic cap stamped "VOTEX SURVEYING" set for corner;

THENCE along a curve to the right having a central angel of 2°05'49", a radius of 1083.00 feet, an arc length of 39.64 feet and a chord that bears N 57°16'42" E, a distance of 39.64 feet to a 1/2-inch iron rod with plastic cap stamped "VOTEX SURVEYING" set for corner in the east line of said Panda Sherman Power LLC Tract also being the west line of that certain tract of land conveyed to SSCGC Holdings, LLC according to the deed recorded in Volume 5232, Page 220, D.R.G.C.T.;

THENCE S 73°04'32" E, along the common line between said Panda Sherman Power LLC Tract and said SSCGC Holdings, LLC Tract, a distance of 118.79 feet to a 1/2-inch iron rod with plastic cap stamped "VOTEX SURVEYING" set for the corner;

THENCE along a curve to the left having a central angel of 6°36'59", a radius of 997.00 feet, an arc length of 115.13 feet and a chord that bears S 57°32'17" W, a distance of 115.07 feet to a 1/2-inch iron rod with plastic cap stamped "VOTEX SURVEYING" set for corner;

THENCE S 56°13'47" W, a distance of 45.64 feet to a 1/2-inch iron rod with plastic cap stamped "VOTEX SURVEYING" set for corner;

THENCE N 73°04'32" W, a distance of 111.14 feet to the **POINT OF BEGINNING** and containing 0.311 acres or 13,564 square feet of land, more or less.

  
Candy Hone  
Registered Professional Land Surveyor, No. 5867

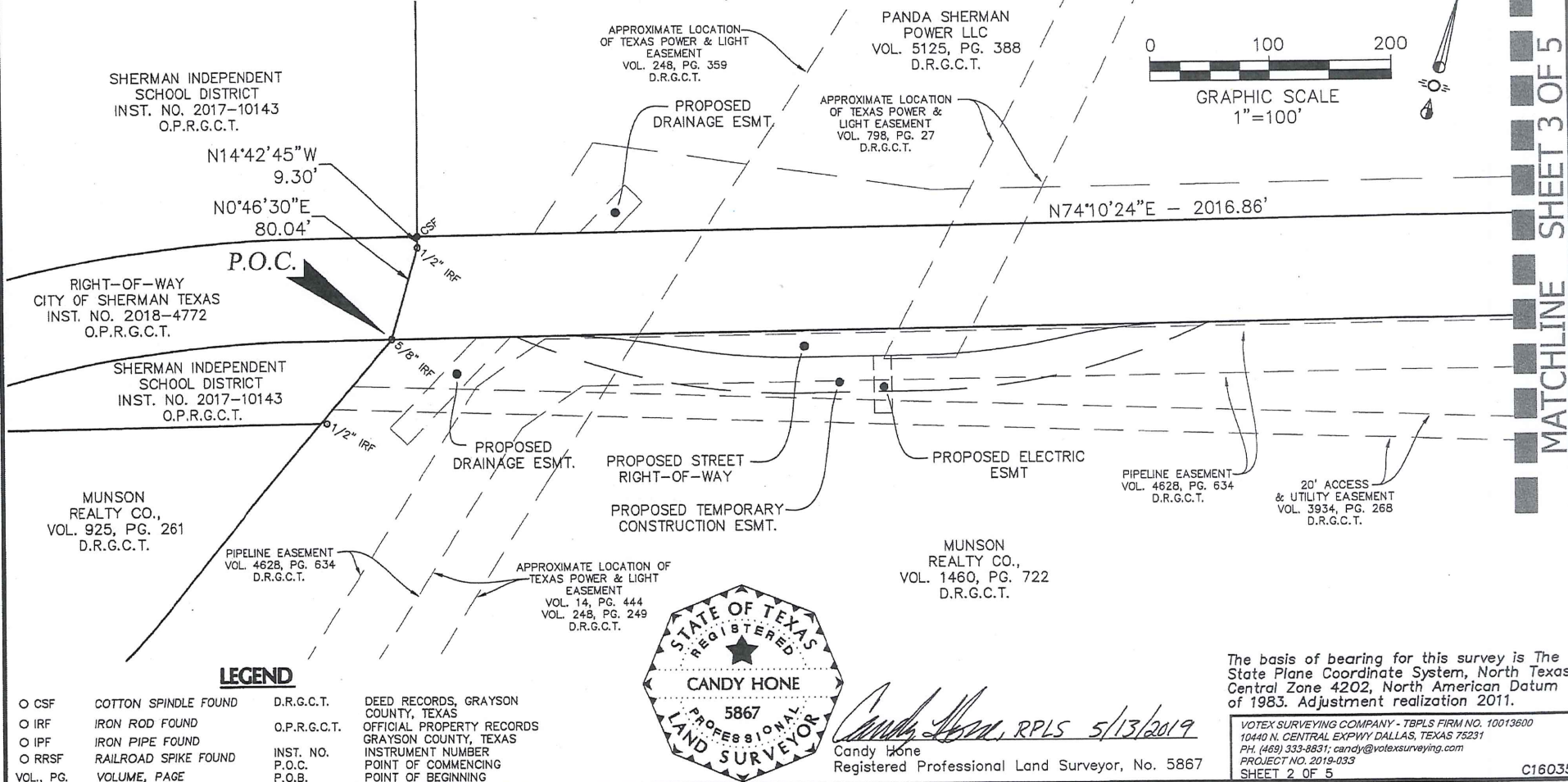


The basis of bearing for this survey is The State Plane Coordinate System, North Texas Central Zone 4202, North American Datum of 1983. Adjustment realization 2011.

VOTEX SURVEYING COMPANY - TBPLS FIRM NO. 10013600  
10440 N. CENTRAL EXPWY DALLAS, TEXAS 75231  
PH. (469) 333-8031; candy@votexsurveying.com  
PROJECT NO. 2019-033  
SHEET 1 OF 5

C16035

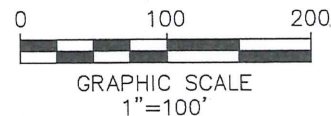
**EXHIBIT A**  
**CITY OF SHERMAN RIGHT-OF-WAY DEDICATION**  
**PART OF THE PANDA SHERMAN POWER, LLC TRACT**  
**SITUATED IN THE**  
**ELIZABETH JONES SURVEY, ABSTRACT NO. 625**  
**CITY OF SHERMAN, GRAYSON COUNTY, TEXAS**





**EXHIBIT A**  
**CITY OF SHERMAN RIGHT-OF-WAY DEDICATION**  
**PART OF THE PANDA SHERMAN POWER, LLC TRACT**  
**SITUATED IN THE**  
**ELIZABETH JONES SURVEY, ABSTRACT NO. 625**  
**CITY OF SHERMAN, GRAYSON COUNTY, TEXAS**

PANDA SHERMAN  
 POWER LLC  
 VOL. 5125, PG. 388  
 D.R.G.C.T.



MATCHLINE SHEET 2 OF 5

MATCHLINE SHEET 4 OF 5

PROPOSED TEMPORARY  
 CONSTRUCTION ESMT.

N74°10'24"E - 2016.86'

WEST TRAVIS  
 PROPOSED  
 RIGHT-OF-WAY  
 DEDICATION

PROPOSED TEMPORARY  
 CONSTRUCTION ESMT.

20' ACCESS  
 & UTILITY EASEMENT  
 VOL. 3934, PG. 268  
 D.R.G.C.T.

LEASE AREA  
 DALLAS SMSA  
 TOWER HOLDINGS, LLC  
 VOL. 3934, PG. 268  
 D.R.G.C.T.

ONCOR EASEMENT  
 VOL. 5345, PG. 697  
 D.R.G.C.T.

PIPELINE EASEMENT  
 VOL. 4628, PG. 634  
 D.R.G.C.T.

MUNSON  
 REALTY CO.,  
 VOL. 1460, PG. 722  
 D.R.G.C.T.

**LEGEND**

|           |                      |              |                           |
|-----------|----------------------|--------------|---------------------------|
| ○ CSF     | COTTON SPINDLE FOUND | D.R.G.C.T.   | DEED RECORDS, GRAYSON     |
| ○ IRF     | IRON ROD FOUND       |              | COUNTY, TEXAS             |
| ○ IPF     | IRON PIPE FOUND      | O.P.R.G.C.T. | OFFICIAL PROPERTY RECORDS |
| ○ RRSF    | RAILROAD SPIKE FOUND |              | GRAYSON COUNTY, TEXAS     |
|           |                      | INST. NO.    | INSTRUMENT NUMBER         |
|           |                      | P.O.C.       | POINT OF COMMENCING       |
| VOL., PG. | VOLUME, PAGE         | P.O.B.       | POINT OF BEGINNING        |



*Candy Hone*, RPLS 5/13/2019  
 Candy Hone  
 Registered Professional Land Surveyor, No. 5867

The basis of bearing for this survey is The State Plane Coordinate System, North Texas Central Zone 4202, North American Datum of 1983. Adjustment realization 2011.

VOTEX SURVEYING COMPANY - TBPLS FIRM NO. 10013600  
 10440 N. CENTRAL EXPWY DALLAS, TEXAS 75231  
 PH. (469) 333-8831; candy@votexsurveying.com  
 PROJECT NO. 2019-033  
 SHEET 3 OF 5

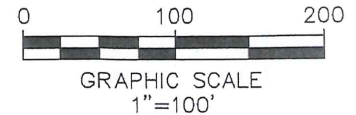
C16035

**EXHIBIT A**  
**CITY OF SHERMAN RIGHT-OF-WAY DEDICATION**  
**PART OF THE PANDA SHERMAN POWER, LLC TRACT**  
**SITUATED IN THE**  
**ELIZABETH JONES SURVEY, ABSTRACT NO. 625**  
**CITY OF SHERMAN, GRAYSON COUNTY, TEXAS**

**CITY OF SHERMAN TEXAS**  
**RIGHT-OF-WAY DEDICATION**  
**(13,564 S.F.)**  
**0.311 ACRES**

SSCGC HOLDING, LLC  
 VOL. 5232, PG. 220  
 D.R.G.C.T.

PROPOSED  
 TEMPORARY  
 CONSTRUCTION  
 ESMT.



WEST TRAVIS  
 PROPOSED  
 RIGHT-OF-WAY  
 DEDICATION

PROPOSED  
 TEMPORARY  
 CONSTRUCTION  
 ESMT.

PROPOSED TEMPORARY  
 CONSTRUCTION ESMT.

SURFACE EASEMENT  
 VOL. 4585, PG. 559  
 D.R.G.C.T.

SHERMAN ECONOMIC  
 DEVELOPMENT CORP.  
 VOL. 2660, PG. 656  
 D.R.G.C.T.

50' PIPELINE EASEMENT  
 VOL. 5329, PG. 83  
 D.R.G.C.T.

MUNSON  
 REALTY CO.,  
 VOL. 1460, PG. 722  
 D.R.G.C.T.

**LEGEND**

|           |                      |              |                           |
|-----------|----------------------|--------------|---------------------------|
| ○ CSF     | COTTON SPINDLE FOUND | D.R.G.C.T.   | DEED RECORDS, GRAYSON     |
| ○ IRF     | IRON ROD FOUND       |              | COUNTY, TEXAS             |
| ○ IPF     | IRON PIPE FOUND      | O.P.R.G.C.T. | OFFICIAL PROPERTY RECORDS |
| ○ RRSF    | RAILROAD SPIKE FOUND |              | GRAYSON COUNTY, TEXAS     |
| VOL., PG. | VOLUME, PAGE         | INST. NO.    | INSTRUMENT NUMBER         |
|           |                      | P.O.C.       | POINT OF COMMENCING       |
|           |                      | P.O.B.       | POINT OF BEGINNING        |



*Candy Hone, RPLS 5/13/2019*  
 Candy Hone  
 Registered Professional Land Surveyor, No. 5867

The basis of bearing for this survey is The State Plane Coordinate System, North Texas Central Zone 4202, North American Datum of 1983. Adjustment realization 2011.

VOTEX SURVEYING COMPANY - TBPLS FIRM NO. 10013600  
 10440 N. CENTRAL EXPWY DALLAS, TEXAS 75231  
 PH. (469) 333-8831; candy@votexsurveying.com  
 PROJECT NO. 2019-033  
 SHEET 4 OF 5

C16035

MATCHLINE SHEET 3 OF 5

$\Delta=17^{\circ}56'37''$   
 $R=997.00'$   
 $T=157.41'$   
 CD BEARING: N65°12'06"E  
 CD DIST=310.96'

PROPOSED  
 DRAINAGE ESMT.

P.O.B.

S56°13'47"W  
 84.94'

**EXHIBIT A**  
**CITY OF SHERMAN RIGHT-OF-WAY DEDICATION**  
**PART OF THE PANDA SHERMAN POWER, LLC TRACT**  
**SITUATED IN THE**  
**ELIZABETH JONES SURVEY, ABSTRACT NO. 625**  
**CITY OF SHERMAN, GRAYSON COUNTY, TEXAS**

R.O.W. Line Table

| Line # | Length  | Direction   |
|--------|---------|-------------|
| L1     | 116.05' | N56°13'47"E |
| L2     | 118.79' | S73°04'32"E |
| L3     | 45.64'  | S56°13'47"W |
| L4     | 111.14' | N73°04'32"W |

Esmt. Line Table

| Line # | Length | Direction   |
|--------|--------|-------------|
| L5     | 45.23' | N73°04'32"W |
| L6     | 75.63' | N56°13'47"E |
| L7     | 71.90' | N48°09'40"E |
| L8     | 59.21' | S73°04'32"E |
| L9     | 51.33' | S73°04'32"E |
| L10    | 16.99' | S56°13'47"W |
| L11    | 45.23' | N73°04'32"W |

R.O.W. Curve Table

| Curve # | Delta    | Radius   | Length  | Chord Direction | Chord Length |
|---------|----------|----------|---------|-----------------|--------------|
| C1      | 2°05'49" | 1083.00' | 39.64'  | N57° 16' 42"E   | 39.64'       |
| C2      | 6°36'59" | 997.00'  | 115.13' | S59° 32' 17"W   | 115.07'      |

Esmt. Curve Table

| Curve # | Delta    | Radius  | Length  | Chord Direction | Chord Length |
|---------|----------|---------|---------|-----------------|--------------|
| C3      | 8°48'47" | 962.00' | 147.97' | N60° 38' 11"E   | 147.83'      |



*Candy Hope*, RPLS 5/13/2019  
Candy Hope  
Registered Professional Land Surveyor, No. 5867

The basis of bearing for this survey is The State Plane Coordinate System, North Texas Central Zone 4202, North American Datum of 1983. Adjustment realization 2011.

VOTEX SURVEYING COMPANY - TBPLS FIRM NO. 10013600  
10440 N. CENTRAL EXPWY DALLAS, TEXAS 75231  
PH. (469) 333-8831; candy@votexsurveying.com  
PROJECT NO. 2019-033  
SHEET 5 OF 5

C16035



\*VG-286-2019-19940\*

Grayson County  
Wilma Bush  
County Clerk  
Sherman, TX 75090

---

**Instrument Number:** 2019 - 19940

Real Property Recordings

Recorded On: August 20, 2019 10:59 AM

Number of Pages: 8

Parties: SSCGC HOLDINGS LLC

---

**" Examined and Charged as Follows: "**

Total Recording: \$50.00

---

\*\*\*\*\* THIS PAGE IS PART OF THE INSTRUMENT \*\*\*\*\*

Any provision herein which restricts the Sale, Rental or use of the described Document  
because of color or race is invalid and unenforceable under federal law.

**File Information:**

Document Number: 19940  
Receipt Number: 20190820000097  
Recorded Date/Time: August 20, 2019 10:59 AM  
User: Shannon B  
Station: CLERK06

**Record and Return To:**

CITY OF SHERMAN  
220 W MULBERRY  
  
SHERMAN TX 75091



STATE OF TEXAS  
COUNTY OF GRAYSON

I hereby certify that this Instrument was FILED In the File Number sequence on the date/time  
printed hereon, and was duly RECORDED in the Official Records of Grayson County, Texas.

Wilma Bush  
County Clerk  
Grayson County, TX



**NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OR ALL OF THE FOLLOWING INFORMATION FROM ANY INSTRUMENT THAT TRANSFERS AN INTEREST IN REAL PROPERTY BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER**

**RIGHT-OF-WAY DEDICATION DEED**

STATE OF TEXAS           §  
                                          §       **KNOW ALL MEN BY THESE PRESENTS:**  
COUNTY OF GRAYSON    §

That **SSCGC HOLDINGS, LLC** ("Grantor"), a Texas limited liability company, whose address is 4 Timbercreek, Sherman, Texas 75092, for and in consideration of the sum of Ten Dollars and No Cents (\$10.00) and other good and valuable consideration in hand paid by the **CITY OF SHERMAN, TEXAS**, ("Grantee"), whose mailing address is P.O. Box 1106, Sherman, Texas 75091, the receipt and sufficiency of which consideration is hereby acknowledged, has DEDICATED, GRANTED, SOLD AND CONVEYED, and by these presents does DEDICATE, GRANT, SELL AND CONVEY unto Grantee as right of way for public street and utility purposes, including the right of ingress and egress, and regress therein, and easements to construct, maintain, public streets and utilities, or any other public purpose authorized by Local Government Code § 273.1 and deemed necessary by Grantee into and through all that certain real property located in the County of Grayson, State of Texas, being a tract or parcel of land situated in the Elizabeth Jones Survey, Abstract No. 625, containing 5.214 acres of land, more or less, and being more particularly described in Exhibit "A" attached hereto and for all purposes.

This document also dedicates a variable width Temporary Construction Easement surrounding the above referenced Right of Way for construction purposes as shown on Pages 2-4 of the attached Exhibit "A." Said variable width Temporary Construction Easement will expire upon final acceptance of public Right of Way by the City of Sherman.

TO HAVE AND TO HOLD the above described property for said public street, utility, and other valid public purpose unto Grantee, its successors and assigns, forever, and Grantor does hereby bind itself, its successors and assigns, to warrant and forever defend, all and singular, the said premises unto Grantee, its successors and assigns, against every person whomsoever lawfully claiming or to claim the same or any part thereof.

SIGNED and effective this 19<sup>th</sup> day of August, 2019.



GRANTOR:

  
SSCGC HOLDINGS, LLC  
BY: WILLIAM MAGERS, Member

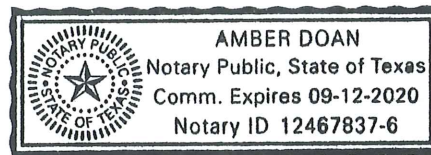
ACKNOWLEDGEMENT

THE STATE OF TEXAS                   §  
                                                  §     KNOW ALL MEN BY THESE PRESENTS:  
COUNTY OF Grayson           §

BEFORE ME, the undersigned authority, on this day personally appeared **WILLIAM MAGERS**, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that she executed the same for the purposes and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, on this the 19<sup>th</sup> day of August, 2019.

  
NOTARY PUBLIC, STATE OF TEXAS



Notary's commission expires: 09/12/2020

**ATTEST:**

**GRANTEE:**

**CITY OF SHERMAN, TEXAS**

**BY:**



**DAVID PLYLER, MAYOR**

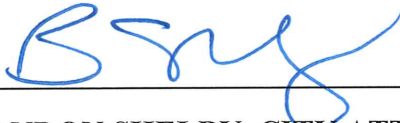
**BY:**



**LINDA ASHBY, CITY CLERK**

**APPROVED AS TO FORM AND CONTENT:**

**BY:**



**BRANDON SHELBY, CITY ATTORNEY**

**AFTER RECORDING, RETURN TO**

City of Sherman  
Office of the City Attorney  
P. O. Box 1106  
Sherman, TX 75091-1106

**EXHIBIT A**  
**CITY OF SHERMAN RIGHT-OF-WAY DEDICATION**  
**PART OF THE SSCGC HOLDINGS, LLC TRACT**  
**SITUATED IN THE**  
**ELIZABETH JONES SURVEY, ABSTRACT NO. 625**  
**CITY OF SHERMAN, GRAYSON COUNTY, TEXAS**

**BEING** a 5.214 acre tract of land situated in the Elizabeth Jones Survey, Abstract Number 625, City of Sherman, Grayson County, Texas and being a portion of that certain tract of land conveyed to SSCGC Holdings, LLC according to the deed recorded in Volume 5232, Page 220, Deed Records, Grayson County, Texas (D.R.G.C.T.) and being more particularly described as follows:

**COMMENCING** at an iron pipe in concrete found at an interior ell corner of said SSCGC Holdings LLC Tract also being a northwest corner that certain tract of land conveyed to Heritage Development Partners according to the deed recorded in Volume 5676, Page 224, D.R.G.C.T.;

**THENCE** S 15°30'10" E, along the common line between said SSCGC Holdings LLC Tract and said Heritage Development Partners Tract, a distance of 468.90 feet to a railroad spike in concrete found for the southeast corner of said SSCGC Holdings LLC Tract in the west line of said Heritage Development Partners Tract also being the northeast corner of that certain tract of land conveyed to Sherman Economic Development Corporation according to the deed recorded in Volume 2660, Page 656, D.R.G.C.T.;

**THENCE** S 73°39'59" W, along the common line between said SSCGC Holdings LLC Tract and said Sherman Economic Development Corporation Tract, a distance of 583.52 feet to a 1/2-inch iron rod with plastic cap stamped "VOTEX SURVEYING" set for the **POINT OF BEGINNING**;

**THENCE** S 73°39'59" W, continuing along said common line, a distance of 1205.25 feet to a 1/2-inch iron rod with plastic cap stamped "VOTEX SURVEYING" set for corner;

**THENCE** crossing said SSCGC Holdings LLC Tract and along a curve to the right having a central angel of 7°55'27", a radius of 1083.00 feet, an arc length of 149.78 feet and a chord that bears S 77°37'43" W, a distance of 149.66 feet to a 1/2-inch iron rod with plastic cap stamped "VOTEX SURVEYING" set for corner;

**THENCE** S 81°35'27" W, a distance of 1003.87 feet to a 1/2-inch iron rod with plastic cap stamped "VOTEX SURVEYING" set for the corner;

**THENCE** along a curve to the left having a central angel of 18°44'41", a radius of 997.00 feet, an arc length of 326.17 feet and a chord that bears S 72°13'06" W, a distance of 324.72 feet to a 1/2-inch iron rod with plastic cap stamped "VOTEX SURVEYING" set for corner in the west line of said SSCGC Holdings LLC Tract also being the east line of that certain tract of land conveyed to Panda Sherman Power LLC according to the deed recorded in Volume 5125, Page 388, D.R.G.C.T.;

**THENCE** N 73°04'32" W, along the common line between said SSCGC Holdings LLC Tract and said Panda Sherman Power LLC Tract, a distance of 118.79 feet to a 1/2-inch iron rod with plastic cap stamped "VOTEX SURVEYING" set for corner;

**THENCE** crossing said SSCGC Holdings LLC Tract and along a curve to the right having a central angel of 23°15'50", a radius of 1083.00 feet, an arc length of 439.73 feet and a chord that bears N 69°57'32" E, a distance of 436.72 feet to a 1/2-inch iron rod with plastic cap stamped "VOTEX SURVEYING" set for corner;

**THENCE** N 81°35'27" E, a distance of 1003.87 feet to a 1/2-inch iron rod with plastic cap stamped "VOTEX SURVEYING" set for the corner;

**THENCE** along a curve to the left having a central angel of 7°55'27", a radius of 997.00 feet, an arc length of 137.89 feet and a chord that bears N 77°37'43" E, a distance of 137.78 feet to a 1/2-inch iron rod with plastic cap stamped "VOTEX SURVEYING" set for corner;

**THENCE** N 73°39'59" E, a distance of 909.07 feet to a 1/2-inch iron rod with plastic cap stamped "VOTEX SURVEYING" set for corner;

**THENCE** along a curve to the right having a central angel of 32°23'00", a radius of 553.00 feet, an arc length of 312.55 feet and a chord that bears N 89°51'29" E, a distance of 308.41 feet to the **POINT OF BEGINNING** and containing 5.214 acres or 227125 square feet of land, more or less.



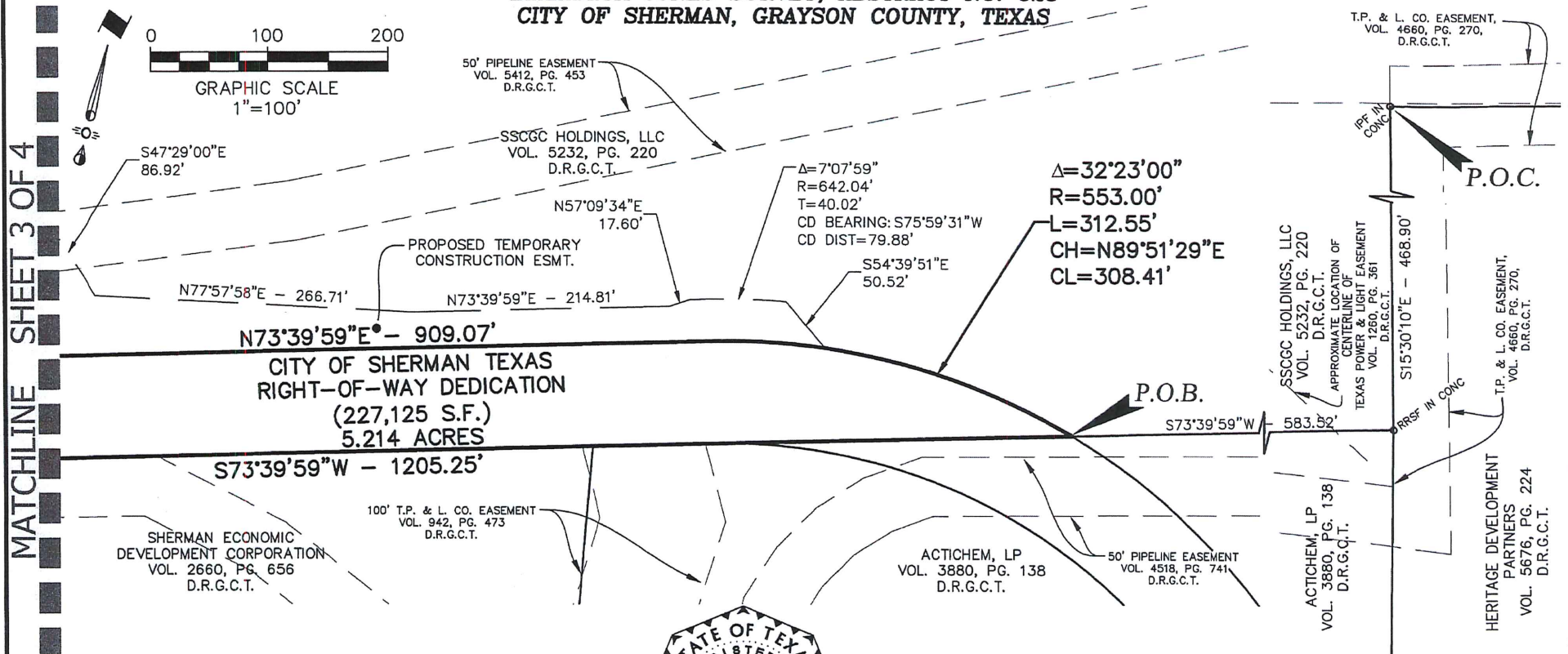
*Candy Hone*  
Candy Hone  
Registered Professional Land Surveyor, No. 5867

The basis of bearing for this survey is The State Plane Coordinate System, North Texas Central Zone 4202, North American Datum of 1983. Adjustment realization 2011.

VOTEX SURVEYING COMPANY - TBPLS FIRM NO. 10013600  
10440 N. CENTRAL EXPWY DALLAS, TEXAS 75231  
PH. (469) 333-8831; candy@votexsurveying.com  
PROJECT NO. 2019-033  
SHEET 1 OF 4  
C16035



**EXHIBIT A**  
**CITY OF SHERMAN RIGHT-OF-WAY DEDICATION**  
**PART OF THE SSCGC HOLDINGS, LLC TRACT**  
**SITUATED IN THE**  
**ELIZABETH JONES SURVEY, ABSTRACT NO. 625**  
**CITY OF SHERMAN, GRAYSON COUNTY, TEXAS**



MATCHLINE SHEET 3 OF 4

**LEGEND**

|           |                      |              |                                                 |
|-----------|----------------------|--------------|-------------------------------------------------|
| ○ CSF     | COTTON SPINDLE FOUND | D.R.G.C.T.   | DEED RECORDS, GRAYSON COUNTY, TEXAS             |
| ○ IRF     | IRON ROD FOUND       | O.P.R.G.C.T. | OFFICIAL PROPERTY RECORDS GRAYSON COUNTY, TEXAS |
| ○ IPF     | IRON PIPE FOUND      | INST. NO.    | INSTRUMENT NUMBER                               |
| ○ RRSF    | RAILROAD SPIKE FOUND | P.O.C.       | POINT OF COMMENCING                             |
| VOL., PG. | VOLUME, PAGE         | P.O.B.       | POINT OF BEGINNING                              |



*Candy Hone, PLS 5/13/2019*  
 Candy Hone  
 Registered Professional Land Surveyor, No. 5867

The basis of bearing for this survey is The State Plane Coordinate System, North Texas Central Zone 4202, North American Datum of 1983. Adjustment realization 2011.

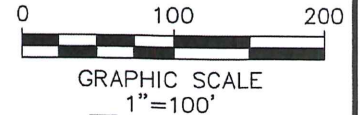
VOTEX SURVEYING COMPANY - TBPLS FIRM NO. 10013600  
 10440 N. CENTRAL EXPWY DALLAS, TEXAS 75231  
 PH. (469) 333-8831; candy@votexsurveying.com  
 PROJECT NO. 2019-033  
 SHEET 2 OF 4

C16035

**EXHIBIT A**  
**CITY OF SHERMAN RIGHT-OF-WAY DEDICATION**  
**PART OF THE SSCGC HOLDINGS, LLC TRACT**  
**SITUATED IN THE**  
**ELIZABETH JONES SURVEY, ABSTRACT NO. 625**  
**CITY OF SHERMAN, GRAYSON COUNTY, TEXAS**

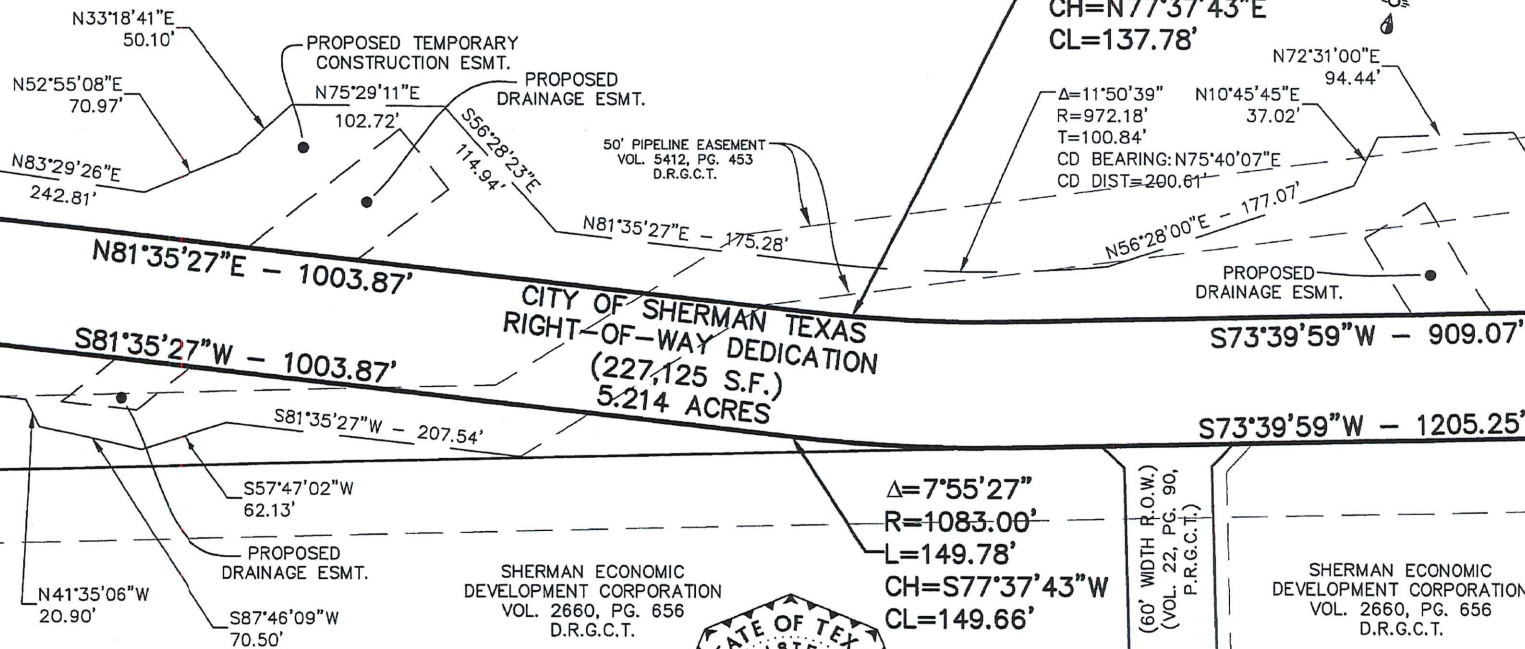
SSCGC HOLDINGS, LLC  
 VOL. 5232, PG. 220  
 D.R.G.C.T.

$\Delta=7^{\circ}55'27''$   
 $R=997.00'$   
 $L=137.89'$   
 $CH=N77^{\circ}37'43''E$   
 $CL=137.78'$



MATCHLINE SHEET 4 OF 4

MATCHLINE SHEET 2 OF 4



**CITY OF SHERMAN TEXAS**  
**RIGHT-OF-WAY DEDICATION**  
**(227,125 S.F.)**  
**5.214 ACRES**

SHERMAN ECONOMIC  
 DEVELOPMENT CORPORATION  
 VOL. 2660, PG. 656  
 D.R.G.C.T.

$\Delta=7^{\circ}55'27''$   
 $R=1083.00'$   
 $L=149.78'$   
 $CH=S77^{\circ}37'43''W$   
 $CL=149.66'$

(60' WIDTH R.O.W.)  
 (VOL. 22, PG. 90,  
 P.R.G.C.T.)

SHERMAN ECONOMIC  
 DEVELOPMENT CORPORATION  
 VOL. 2660, PG. 656  
 D.R.G.C.T.

**LEGEND**

|           |                      |              |                           |
|-----------|----------------------|--------------|---------------------------|
| ○ CSF     | COTTON SPINDLE FOUND | D.R.G.C.T.   | DEED RECORDS, GRAYSON     |
| ○ IRF     | IRON ROD FOUND       |              | COUNTY, TEXAS             |
| ○ IPF     | IRON PIPE FOUND      | O.P.R.G.C.T. | OFFICIAL PROPERTY RECORDS |
| ○ RRSF    | RAILROAD SPIKE FOUND | INST. NO.    | GRAYSON COUNTY, TEXAS     |
| VOL., PG. | VOLUME, PAGE         | P.O.C.       | INSTRUMENT NUMBER         |
|           |                      | P.O.B.       | POINT OF COMMENCING       |
|           |                      |              | POINT OF BEGINNING        |



*Candy Hone, RPLS 5/13/2019*  
 Candy Hone  
 Registered Professional Land Surveyor, No. 5867

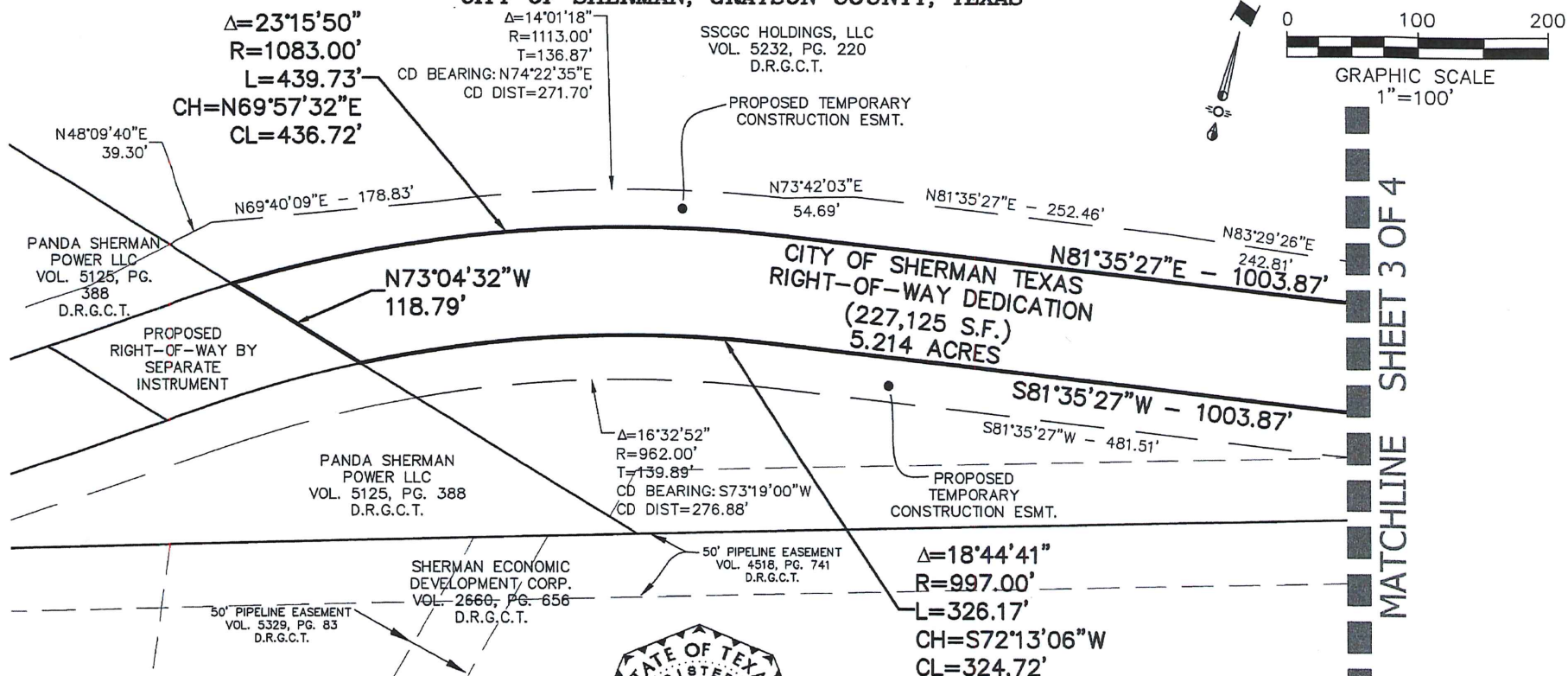
The basis of bearing for this survey is The State Plane Coordinate System, North Texas Central Zone 4202, North American Datum of 1983. Adjustment realization 2011.

VOTEX SURVEYING COMPANY - TBPLS FIRM NO. 10013600  
 10440 N. CENTRAL EXPWY DALLAS, TEXAS 75231  
 PH. (469) 333-8831; candy@votexsurveying.com  
 PROJECT NO. 2019-033  
 SHEET 3 OF 4

C16035



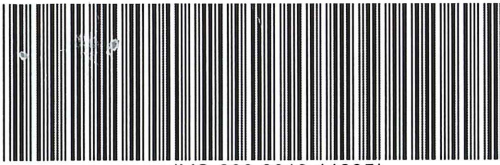
**EXHIBIT A**  
**CITY OF SHERMAN RIGHT-OF-WAY DEDICATION**  
**PART OF THE SSCGC HOLDINGS, LLC TRACT**  
**SITUATED IN THE**  
**ELIZABETH JONES SURVEY, ABSTRACT NO. 625**  
**CITY OF SHERMAN, GRAYSON COUNTY, TEXAS**



The basis of bearing for this survey is The State Plane Coordinate System, North Texas Central Zone 4202, North American Datum of 1983. Adjustment realization 2011.

VOTEX SURVEYING COMPANY - TBPLS FIRM NO. 10013600  
 10440 N. CENTRAL EXPWY DALLAS, TEXAS 75231  
 PH. (469) 333-8831; candy@votexsurveying.com  
 PROJECT NO. 2019-033  
 SHEET 4 OF 4

C16035



\*VG-286-2019-11935\*

Grayson County  
Wilma Bush  
County Clerk  
Sherman, TX 75090

---

**Instrument Number:** 2019 - 11935

Real Property Recordings

Recorded On: May 22, 2019 03:53 PM

Number of Pages: 7

Parties: ACTICHEM LP

---

**" Examined and Charged as Follows: "**

Total Recording: \$46.00

---

\*\*\*\*\* THIS PAGE IS PART OF THE INSTRUMENT \*\*\*\*\*

Any provision herein which restricts the Sale, Rental or use of the described Document  
because of color or race is invalid and unenforceable under federal law.

**File Information:**

Document Number: 11935  
Receipt Number: 20190522000151  
Recorded Date/Time: May 22, 2019 03:53 PM  
User: Shannon B  
Station: CLERK06

**Record and Return To:**

CITY OF SHERMAN  
220 W MULBERRY  
  
SHERMAN TX 75091



STATE OF TEXAS  
COUNTY OF GRAYSON

I hereby certify that this Instrument was FILED In the File Number sequence on the date/time  
printed hereon, and was duly RECORDED in the Official Records of Grayson County, Texas.

Wilma Bush  
County Clerk  
Grayson County, TX



**NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OR ALL OF THE FOLLOWING INFORMATION FROM ANY INSTRUMENT THAT TRANSFERS AN INTEREST IN REAL PROPERTY BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER**

**RIGHT-OF-WAY DEDICATION DEED**

STATE OF TEXAS

§

§

KNOW ALL MEN BY THESE PRESENTS: COUNTY OF

GRAYSON

§

That **ACTICHEM, L.P.** ("Grantor"), a Texas limited liability company, whose address is 1410 Westway Circle, Carrollton, TX 75006-3734, for and in consideration of the sum of ONE-HUNDRED AND TWENTY THOUSAND AND NO/100 DOLLARS (\$120,000.00) and other good and valuable consideration in hand paid by the **CITY OF SHERMAN, TEXAS**, ("Grantee"), whose mailing address is P.O. Box 1106, Sherman, Texas 75091, the receipt and sufficiency of which consideration is hereby acknowledged, has DEDICATED, GRANTED, SOLD AND CONVEYED, and by these presents does DEDICATE, GRANT, SELL AND CONVEY unto Grantee as right of way for public street and utility purposes, including the right of ingress and egress, and regress therein, and easements to construct, maintain, public streets and utilities, or any other public purpose authorized by Local Government Code § 273.1 and deemed necessary by Grantee into and through all that certain real property located in the County of Grayson, State of Texas, being a tract or parcel of land situated in the Elizabeth Jones Survey, Abstract No. 625, containing 2.4512 acres of land, more or less, and being more particularly described in Exhibit "A" attached hereto and for all purposes.

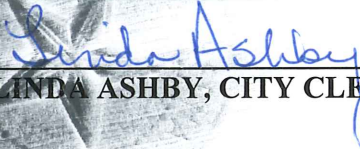
TO HAVE AND TO HOLD the above described property for said public street, utility, and other valid public purpose unto Grantee, its successors and assigns, forever, and Grantor does hereby bind itself, its successors and assigns, to warrant and forever defend, all and singular, the said premises unto Grantee, its successors and assigns, against every person whomsoever lawfully claiming or to claim the same or any part thereof.

SIGNED and effective this 5<sup>th</sup> day of December, 2018.

**ATTEST:**

**GRANTEE:**  
**CITY OF SHERMAN, TEXAS**

**BY:**

  
**LINDA ASHBY, CITY CLERK**

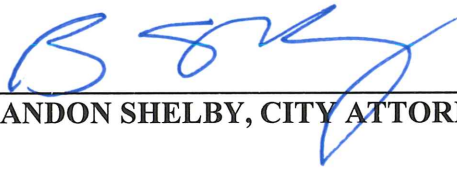
**BY:**



**DAVID PLYLER, MAYOR**

**APPROVED AS TO FORM AND CONTENT:**

**BY:**

  
**BRANDON SHELBY, CITY ATTORNEY**

**Recorders Memo**  
**Some portions of this**  
**Document may not be**  
**clearly legible.**

GRANTOR:

  
\_\_\_\_\_  
ACTICHEM, L.P.

BY: MICHAEL BISHOP, President

ACKNOWLEDGEMENT

THE STATE OF TEXAS

COUNTY OF Grayson

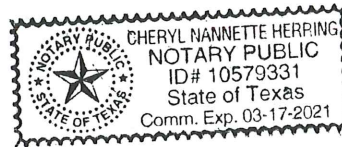
§  
§  
§

KNOW ALL MEN BY THESE PRESENTS:

BEFORE ME, the undersigned authority, on this day personally appeared MICHAEL BISHOP, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that she executed the same for the purposes and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, on this the 5<sup>th</sup> day of December, 2018.

  
NOTARY PUBLIC, STATE OF TEXAS



Notary's commission expires: 03-17-2021

**AFTER RECORDING, RETURN TO**

City of Sherman  
Office of the City Attorney  
P. O. Box 1106  
Sherman, TX 75091-1106



# RIGHT-OF-WAY DEDICATION

A Portion of a 97.64 Acre Tract  
Elizabeth Jones Survey, Abstract No. 625  
City of Sherman, Grayson County, Texas

BEING a 2.4512 acre tract of land situated in the Elizabeth Jones Survey, Abstract No. 625, being a part of a 97.64 acre tract of land conveyed to Actichem LP by Special Warranty Deed, recorded in Volume 3880, Page 138 of the Deed Records of Grayson County, Texas (D.R.G.C.T.), said tract of land being more particularly described by metes and bounds as follows:

COMMENCING at a 1/2-inch capped iron rod stamped "4709" found in the northwest right-of-way line of F.M. Highway No. 1417 (variable width R.O.W.), said iron being the southwest corner of said Actichem LP tract, same being the southeast corner of Northgate Business Park, Phase One, an addition to the City of Sherman, recorded in Volume 16, Page 166 of the Plat Records, Grayson County, Texas (P.R.G.C.T.);

THENCE N 09°51'22" W, departing the northwest line of said F.M. Highway No. 1417 and along the common East line of said Northgate Business Park, Phase One and the West line of said Actichem LP tract, passing at a distance of 1580.21 feet the northeast corner of said Northgate Business Park, Phase One, same being the southeast corner of Northgate Business Park, Phase Two, an addition to the City of Sherman, recorded in Volume 22, Page 90 (P.R.G.C.T.), passing at a distance of 2518.71 feet the northeast corner of said Northgate Business Park, Phase Two, same being the southeast corner of a tract of land conveyed to Sherman Economic Development Corporation by Special Warranty Deed with Vendor's Lien, recorded in Volume 2660, Page 656 (D.R.G.C.T.), continuing for a total distance of 3646.40 feet to the northeast corner of said Sherman Economic Development Corporation tract, said corner being in the southeast line of a tract of land conveyed to SSCGC Holdings LLC by Special Warranty Deed, recorded in Volume 5232, Page 220 (D.R.G.C.T.), same being the northwest corner of said Actichem LP tract;

THENCE N 73°39'59" E, along the common southeast line of said SSCGC Holdings LLC tract and the northwest line of said Actichem tract, a distance of 102.15 feet to a 5/8-inch steel rebar with yellow plastic cap stamped "BDD" set for the POINT OF BEGINNING;

THENCE N 73°39'59" E, continuing along the aforementioned common line, a distance of 296.17 feet to a 5/8-inch steel rebar with yellow plastic cap stamped "BDD" set for corner at the beginning of a non-tangent curve to the right;

THENCE along said non-tangent curve to the right and departing the southeast line of said SSCGC Holdings LLC tract, through a central angle of 34°31'08", having an arc length of 333.17 feet, a radius of 553.00 feet and a chord bearing and distance of S 56°41'27" E, 328.15 feet to a 5/8-inch steel rebar with yellow plastic cap stamped "BDD" set for corner;

THENCE S 39°25'53" E, a distance of 610.36 feet to a 5/8-inch steel rebar with yellow plastic cap stamped "BDD" set for corner at the beginning of a tangent curve to the left;

| Line Table |             |        |
|------------|-------------|--------|
| Line #     | Direction   | Length |
| L1         | N73°39'59"E | 102.15 |
| L2         | N73°39'59"E | 296.17 |
| L3         | S14°32'10"E | 110.32 |

| Curve Table |        |        |            |                 |              |
|-------------|--------|--------|------------|-----------------|--------------|
| Curve #     | Length | Radius | Delta      | Chord Direction | Chord Length |
| C1          | 333.17 | 553.00 | 034°31'08" | S56°41'27"E     | 328.15       |
| C2          | 181.47 | 467.00 | 022°15'50" | S50°33'48"E     | 180.33       |
| C3          | 290.13 | 553.00 | 030°03'35" | N54°27'40"W     | 286.81       |
| C4          | 545.30 | 467.00 | 066°54'08" | N72°52'56"W     | 514.84       |

**BROCKETTE · DAVIS · DRAKE, Inc.**  
**consulting engineers**

Civil & Structural Engineering Surveying  
4144 North Central Expressway, Suite 1100 Dallas, Texas 75204  
(214)824-3647, fax (214) 824-7064

#### BASIS OF BEARING:

Bearings are based upon the Texas State Plane Coordinate System, North American Datum of 1983 (NAD83), North Central Zone 4202.

AUGUST, 2016

SHEET 1 OF 3

C16035

# RIGHT-OF-WAY DEDICATION

A Portion of a 97.64 Acre Tract  
Elizabeth Jones Survey, Abstract No. 625  
City of Sherman, Grayson County, Texas

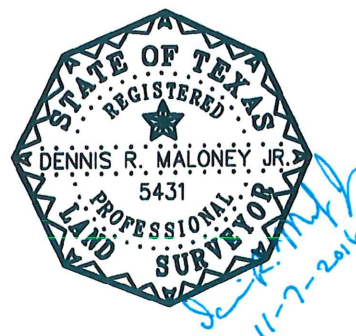
THENCE along said tangent curve to the left, through a central angle of  $22^{\circ}15'50''$ , having an arc length of 181.47 feet, a radius of 467.00 feet and a chord bearing and distance of  $S\ 50^{\circ}33'48''\ E$ , 180.33 feet to a 5/8-inch steel rebar with yellow plastic cap stamped "BDD" set for corner in the West line of a tract of land conveyed to Heritage Development Partners by Special Warranty Deed, recorded in Volume 5676, Page 216 and Volume 5676, Page 224 (D.R.G.C.T.);

THENCE  $S\ 14^{\circ}32'10''\ E$ , along the common West line of said Heritage Development Partners tract and the East line of said Actichem LP tract, a distance of 110.32 feet to a 5/8-inch steel rebar with yellow plastic cap stamped "BDD" set for corner at the beginning of a non-tangent curve to the right;

THENCE along said non-tangent curve to the right and departing the West line of said Heritage Development Partners tract, through a central angle  $30^{\circ}03'35''$ , having an arc length of 290.13 feet, a radius of 553.00 feet and a chord bearing and distance of  $N\ 54^{\circ}27'40''\ W$ , 286.81 feet to a 5/8-inch steel rebar with yellow plastic cap stamped "BDD" set for corner;

THENCE  $N\ 39^{\circ}25'53''\ W$ , a distance of 610.36 feet to a 5/8-inch steel rebar with yellow plastic cap stamped "BDD" set for corner at the beginning of a tangent curve to the left;

THENCE along said tangent curve to the left, through a central angle of  $66^{\circ}54'08''$ , having an arc length of 545.30, a radius of 467.00 feet and a chord bearing and distance of  $N\ 72^{\circ}52'56''\ W$ , 514.84 feet to the POINT OF BEGINNING, containing 106,774 square feet or 2.4512 acres of land, more or less.



**BROCKETTE · DAVIS · DRAKE , Inc.**  
**consulting engineers**

Civil & Structural Engineering Surveying  
4144 North Central Expressway, Suite 1100 Dallas, Texas 75204  
(214) 824-3647, fax (214) 824-7064

**BASIS OF BEARING:**

Bearings are based upon the Texas State Plane Coordinate System,  
North American Datum of 1983 (NAD83), North Central Zone 4202.

AUGUST, 2016

SHEET 2 OF 3

C16035



# RIGHT-OF-WAY DEDICATION

A Portion of a 97.64 Acre Tract  
Elizabeth Jones Survey, Abstract No. 625  
City of Sherman, Grayson County, Texas

## GRAPHIC SCALE

0 125' 250'  
SCALE: 1" = 250'

SSCGC HOLDINGS  
VOL. 5232, PG. 220  
D.R.G.C.T.

IPF IN CONC.  
(C.M.)

T.P.&L. CO. ESMT.  
VOL. 4660, PG. 270  
D.R.G.C.T.

T.P.&L. CO. ESMT.  
VOL. 4660, PG. 270  
D.R.G.C.T.

## LEGEND

|            |                                     |
|------------|-------------------------------------|
| CIRF       | capped iron rod found               |
| RRSF       | railroad spike found                |
| IPF        | iron pipe found                     |
| CIRS       | "BDD" capped iron rod set           |
| C.M.       | controlling monument                |
| R.O.W.     | right-of-way                        |
| VOL., PG.  | Volume, Page                        |
| P.O.C.     | Point of Commencing                 |
| P.O.B.     | Point of Beginning                  |
| P.R.G.C.T. | Plat Records, Grayson County, Texas |
| D.R.G.C.T. | Deed Records, Grayson County, Texas |

SHERMAN ECONOMIC  
DEVELOPMENT CORP.  
VOL. 2660, PG. 656  
D.R.G.C.T.

RIGHT-OF-WAY  
DEDICATION  
106,774 SQ. FT.  
2.4512 ACRES

ACTICHEM LP  
VOL. 3880, PG. 138  
D.R.G.C.T.

ELIZABETH JONES SURVEY  
ABSTRACT NO. 625

PRESTON KITCHEN SURVEY  
ABSTRACT NO. 867

HERITAGE DEVELOPMENT  
PARTNERS  
VOL. 5676, PG. 216  
VOL. 5676, PG. 224  
D.R.G.C.T.

DRAINAGE &  
UTILITY FSMT.  
VOL. 3842, PG. 51  
D.R.G.C.T.

SHERMAN CROSSROADS LTD.  
VOL. 5054, PG. 925  
D.R.G.C.T.

NORTHGATE BUSINESS  
PARK, PHASE TWO  
VOL. 22, PG. 90  
P.R.G.C.T.

NORTHGATE BUSINESS  
PARK, PHASE ONE  
VOL. 16, PG. 166  
P.R.G.C.T.

(C.M.)  
1/2" "4709" CIRF

P.O.C.

(C.M.)  
1/2" CIRF

1/2" CIRF

**F.M. HIGHWAY NO. 1417**  
(VARIABLE WIDTH R.O.W.)

**BROCKETT, DAVIS, DRAKE, Inc.**  
**consulting engineers**

Civil & Structural Engineering Surveying  
4144 North Central Expressway, Suite 1100 Dallas, Texas 75204  
(214) 824-3647, fax (214) 824-7064

**BASIS OF BEARING:**

Bearings are based upon the Texas State Plane Coordinate System,  
North American Datum of 1983 (NAD83), North Central Zone 4202.

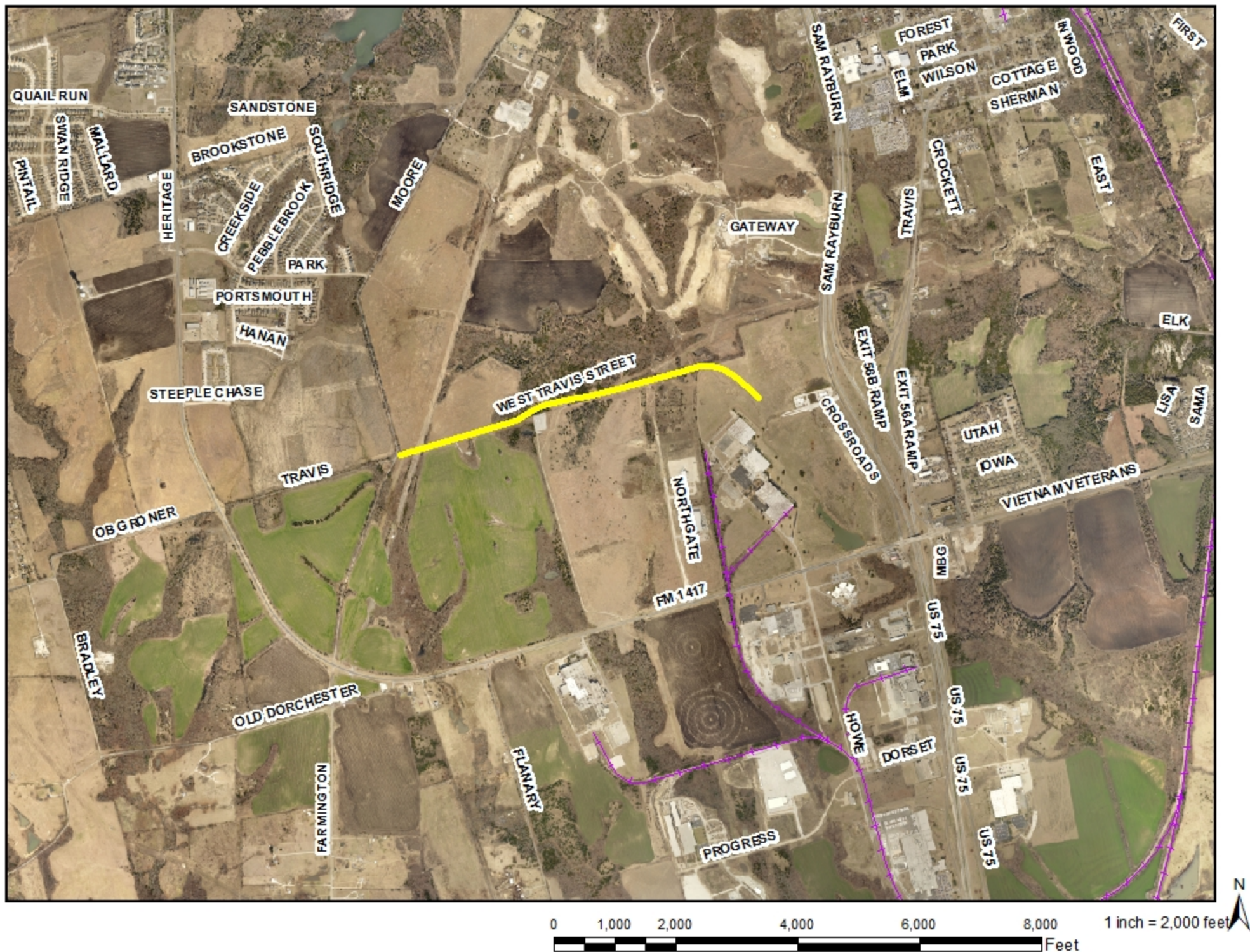
AUGUST, 2016

SHEET 3 OF 3

C16035



West Travis Street







# SHERMAN CITY COUNCIL

## Agenda Communication Form

### City Council Regular Meeting

E. 4.

**Meeting Date:** 09/16/2019

**Prepared By:** Clint Philpott, Director of Engineering

**Approved By:** Robby Hefton, City Manager

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#### **Caption:**

#### **RESOLUTION NO. 6527**

Awarding a Bid to and Authorizing Execution of a Contract with Vessels Construction based on an Invitation to Bid for Construction of the Fallon Drive Water & Sewer Extension Phase I Project

#### **Issue:**

To consider awarding a bid to and authorizing execution of a contract with Vessels Construction of Sherman, Texas, based on an invitation to bid, for construction of the Fallon Drive Water & Sewer Extension Phase I Project

#### **Background:**

This project will extend the water and sewer line from the current location east on Fallon Drive and will extend the current road 520 feet. The street will be a 44 foot wide curb and gutter concrete section. The water and wastewater extension will service the various development activity in the area and will be available for future developments in the area of Fallon Drive and Dripping Springs Road.

Six (6) bidders responded to request for bids. The low bid in the amount of \$741,254.12 was submitted by Vessels Construction of Sherman, Texas. A bid tabulation is attached.

#### **Origination:**

Engineering Department

#### **Financial Consideration:**

This project is funded through the capital improvement program budget.

#### **Staff Recommendation:**

It is recommended that the bid be awarded for construction of the Fallon Drive Water & Sewer Extension Phase I Project to Vessels Construction in the amount of \$741,254.12. It is also recommended that the City Manager be authorized to execute the required contract documents.

#### **Alternatives:**

As may be directed by City Council

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## **Attachments**

Resolution No. 6527

Contract Agreement

Bid Tabulation

Aerial Location Map

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**RESOLUTION NO. 6527**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AWARDING A BID TO AND AUTHORIZING EXECUTION OF A CONTRACT WITH VESSELS CONSTRUCTION BASED ON AN INVITATION TO BID FOR CONSTRUCTION OF THE FALLON DRIVE WATER & SEWER EXTENSION PHASE I PROJECT; FINDING AND DETERMINING THAT THE MEETING AT WHICH THIS RESOLUTION IS PASSED WAS NOTICED AND IS OPEN TO THE PUBLIC AS REQUIRED BY LAW.**

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

**SECTION 1.** That Vessels Construction of Sherman, Texas, is hereby awarded the bid and the City of Sherman hereby approves the contract with Vessels Construction in the amount of Seven Hundred Forty-One Thousand Two Hundred Fifty-Four Dollars and Twelve Cents (\$741,254.12) for construction of the Fallon Drive Water & Sewer Extension Phase I Project; and that the City Manager be and is hereby authorized and directed, subject to all contract documents being properly completed and approved as to form and content by the City Attorney, to execute a contract with Vessels Construction for construction of the aforementioned improvements, in accordance with all contract documents attached hereto and made a part hereof for all purposes.

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

**PASSED AND APPROVED** on this the \_\_\_\_ day of \_\_\_\_\_, 2019.

**CITY OF SHERMAN, TEXAS**

**ATTEST:**

**BY:** \_\_\_\_\_  
**LINDA ASHBY, CITY CLERK**

**BY:** \_\_\_\_\_  
**DAVID PLYLER, MAYOR**

**APPROVED AS TO FORM  
AND CONTENT:**

**BY:** \_\_\_\_\_  
**BRANDON S. SHELBY,  
CITY ATTORNEY**

## **CONTRACT AGREEMENT**

STATE OF TEXAS

COUNTY OF GRAYSON

THIS AGREEMENT is made and entered into this \_\_\_\_\_ day of \_\_\_\_\_ 2019, by and between the City of Sherman, of the County of Grayson and State of Texas, acting through its City Manager, thereunto duly authorized so to do, Party of the First Part, hereinafter termed the OWNER, and Vessels Construction, of the City of Sherman, County of Grayson, State of Texas, Party of the Second Part, hereinafter termed CONTRACTOR.

WITNESSETH: That for and in consideration of the payment and agreement hereinafter mentioned, to be made and performed by the OWNER, the said CONTRACTOR hereby agrees with the said OWNER to commence and complete construction of certain improvements as follows:

### **Fallon Drive Water & Sewer Extension Phase I**

and all extra work in connection therewith, under the terms as stated in the General and Specific Conditions of the AGREEMENT; and at his own proper cost and expense to furnish all the materials, supplies, machinery, equipment, tools, superintendence, labor, insurance and other accessories and services necessary to complete the said construction, in accordance with the conditions and prices stated in the Proposal attached hereto and in accordance with the Advertisement for Bids, Instructions to Bidders, General Provisions, Special Provisions, Plans, and other drawings and printed or written explanatory matter thereof, and the Technical Specifications and Addenda thereto, as prepared by the OWNER, each of which has been identified by the endorsement of the CONTRACTOR and the OWNER thereon, together with the CONTRACTOR's written Proposal and the General Provisions, all of which are made a part hereof and collectively evidence and constitute the entire AGREEMENT.

### **Notice to Proceed**

The CONTRACTOR hereby agrees to commence work within ten (10) calendar days after the date of written notice to do so shall have been given to him, to complete the work within One Hundred Seventy (**170**) calendar days, after he commences work, subject to such extensions of time as are provided by the General Provisions.

The OWNER agrees to pay the CONTRACTOR Seven Hundred Forty-One Thousand, Two Hundred Fifty-Four Dollars and Twelve Cents (**\$741,254.12**) in current funds for the performance of the Contract in accordance with the Proposal submitted thereof, subject to additions and deductions, as provided in the General Provisions, and to make payments of account thereof as provided therein.

IN WITNESS WHEREOF, the parties of these presents have executed this AGREEMENT in the year and day first above written.

**CITY OF SHERMAN, TEXAS (OWNER)**

**ATTEST:**

By: \_\_\_\_\_ By: \_\_\_\_\_  
Robby Hefton, City Manager Linda Ashby, City Clerk

By: \_\_\_\_\_ By: \_\_\_\_\_  
(CONTRACTOR) ATTEST:

The following to be executed if the CONTRACTOR is a corporation:

I, \_\_\_\_\_ certify that I am the secretary of the corporation named as CONTRACTOR herein; that \_\_\_\_\_, who signed this Contract on behalf of the CONTRACTOR is the \_\_\_\_\_ (official title) of said corporation; that said Contract was duly signed for and in behalf of said corporation by authority of its governing body, and is within the scope of its corporate powers.

Signed: \_\_\_\_\_

Corporate Seal

**Project:** Fallon Drive Water & Sewer Extension Phase I  
**Owner:** City of Sherman  
**Number:** 2019-21  
**Public Works Project #** 3060  
**Date:** 9/6/2019

| Public Works Project # 3060<br>Date: 9/6/2019 |                                             |                    |    | Vessels       |              | Jerry Paul   |              | Lynn Vessels      |              |
|-----------------------------------------------|---------------------------------------------|--------------------|----|---------------|--------------|--------------|--------------|-------------------|--------------|
|                                               |                                             |                    |    | Construction, |              | Higgins, LTD |              | Construction, LLC |              |
| Item                                          | Description                                 | Estimated Quantity |    | Unit Price    | Total Price  | Unit Price   | Total Price  | Unit Price        | Total Price  |
| 1                                             | Mobilization                                | 1                  | LS | \$23,168.00   | \$23,168.00  | \$34,553.00  | \$34,553.00  | \$54,300.00       | \$54,300.00  |
| 2                                             | Project Sign                                | 1                  | EA | \$9,741.00    | \$9,741.00   | \$750.00     | \$750.00     | \$960.00          | \$960.00     |
| 3                                             | Field Control (Construction Staking)        | 1                  | LS | \$8,613.00    | \$8,613.00   | \$5,075.00   | \$5,075.00   | \$12,030.00       | \$12,030.00  |
| 4                                             | Erosion Control (Extent of Project)         | 1                  | LS | \$5,921.00    | \$5,921.00   | \$5,665.00   | \$5,665.00   | \$7,860.00        | \$7,860.00   |
| 5                                             | Lime Stabilization                          | 3,001              | SY | \$6.27        | \$18,816.27  | \$3.34       | \$10,023.34  | \$3.90            | \$11,703.90  |
| 6                                             | Lime (36#/SY)                               | 92                 | TN | \$172.00      | \$15,824.00  | \$200.85     | \$18,478.20  | \$206.40          | \$18,988.80  |
| 7                                             | 8" 4,000 PSI Concrete                       | 3,001              | SY | \$50.19       | \$150,620.19 | \$54.14      | \$162,474.14 | \$56.04           | \$168,176.04 |
| 8                                             | 6" Integral Curb                            | 1,080              | LF | \$1.61        | \$1,738.80   | \$3.10       | \$3,348.00   | \$5.06            | \$5,464.80   |
| 9                                             | Street Header                               | 44                 | LF | \$12.00       | \$528.00     | \$12.36      | \$543.84     | \$11.04           | \$485.76     |
| 10                                            | Street Sign                                 | 1                  | EA | \$655.00      | \$655.00     | \$824.00     | \$824.00     | \$906.00          | \$906.00     |
| 11                                            | Type III Barricades                         | 2                  | EA | \$1,705.00    | \$3,410.00   | \$1,030.00   | \$2,060.00   | \$2,520.00        | \$5,040.00   |
| 12                                            | 12" Solid White Thermo                      | 30                 | LF | \$44.00       | \$1,320.00   | \$20.60      | \$618.00     | \$3.72            | \$111.60     |
| 13                                            | 12" AWWA C-900 DR-18 PVC Waterline          | 1,374              | LF | \$34.17       | \$46,949.58  | \$38.00      | \$52,212.00  | \$35.28           | \$48,474.72  |
| 14                                            | Ductile Iron Fittings                       | 1.13               | TN | \$4,999.00    | \$5,648.87   | \$8,540.00   | \$9,650.20   | \$9,096.00        | \$10,278.48  |
| 15                                            | Fire Hydrant Assembly                       | 1                  | EA | \$5,461.00    | \$5,461.00   | \$4,626.00   | \$4,626.00   | \$5,178.00        | \$5,178.00   |
| 16                                            | 6" Tapping Sleeve and Valve                 | 1                  | EA | \$3,262.00    | \$3,262.00   | \$3,850.00   | \$3,850.00   | \$3,348.00        | \$3,348.00   |
| 17                                            | 12" Gate Valve                              | 7                  | EA | \$2,427.17    | \$16,990.19  | \$2,695.00   | \$18,865.00  | \$2,350.97        | \$16,456.79  |
| 18                                            | Concrete Encasement                         | 18                 | LF | \$39.36       | \$708.48     | \$200.00     | \$3,600.00   | \$72.00           | \$1,296.00   |
| 19                                            | Water Testing                               | 1                  | LS | 1,250.00      | \$1,250.00   | 3,500.00     | \$3,500.00   | 1,800.00          | \$1,800.00   |
| 20                                            | 10" SDR-26 ASTM D2241 PVC Sewer Line        | 1,212              | LF | 38.60         | \$46,783.20  | 54.00        | \$65,448.00  | 83.83             | \$101,601.96 |
| 21                                            | 10" SDR-35 ASTM D3034 PVC Sewer Line        | 366                | LF | 28.92         | \$10,584.72  | 48.00        | \$17,568.00  | 46.52             | \$17,026.32  |
| 22                                            | Standard 5' Ø Manhole                       | 4                  | EA | 3,591.62      | \$14,366.48  | 7,250.00     | \$29,000.00  | 4,520.94          | \$18,083.76  |
| 23                                            | Additional 5' Ø Manhole vertical section    | 49                 | VF | 234.29        | \$11,480.21  | 225.00       | \$11,025.00  | 343.80            | \$16,846.20  |
| 24                                            | Inside MH Drop Structure                    | 1                  | EA | 4,543.00      | \$4,543.00   | 3,250.00     | \$3,250.00   | 780.00            | \$780.00     |
| 25                                            | Sewer Abandonment                           | 1                  | EA | 153.75        | \$153.75     | 1,250.00     | \$1,250.00   | 2,100.00          | \$2,100.00   |
| 26                                            | Remove Lift Station                         | 1                  | LS | 4,404.12      | \$4,404.12   | 8,500.00     | \$8,500.00   | 11,400.00         | \$11,400.00  |
| 27                                            | Trench Safety                               | 3,386              | LF | 0.30          | \$1,015.80   | 2.25         | \$7,618.50   | 1.20              | \$4,063.20   |
| 28                                            | 18" Ø Class III RCP                         | 31                 | LF | 46.61         | \$1,444.91   | 34.00        | \$1,054.00   | 60.44             | \$1,873.64   |
| 29                                            | 24" Ø Class III RCP                         | 117                | LF | 60.04         | \$7,024.68   | 70.00        | \$8,190.00   | 78.02             | \$9,128.34   |
| 30                                            | 30" Ø Class III RCP                         | 57                 | LF | 84.84         | \$4,835.88   | 97.00        | \$5,529.00   | 106.51            | \$6,071.07   |
| 31                                            | 60" Class III RCP                           | 395                | LF | 277.29        | \$109,529.55 | 366.00       | \$144,570.00 | 296.79            | \$117,232.05 |
| 32                                            | 72" Class III RCP                           | 271                | LF | 367.90        | \$99,700.90  | 526.00       | \$142,546.00 | 431.94            | \$117,055.74 |
| 33                                            | 10' Curb Inlet                              | 2                  | EA | 3,386.00      | \$6,772.00   | 2,950.00     | \$5,900.00   | 4,245.60          | \$8,491.20   |
| 34                                            | 15' Curb Inlet                              | 1                  | EA | 4,223.00      | \$4,223.00   | 5,275.00     | \$5,275.00   | 6,067.20          | \$6,067.20   |
| 35                                            | 20' Curb Inlet                              | 5                  | EA | 5,602.00      | \$28,010.00  | 6,980.00     | \$34,900.00  | 8,251.20          | \$41,256.00  |
| 36                                            | 8'x6' Junction Box                          | 1                  | EA | 5,376.00      | \$5,376.00   | 10,550.00    | \$10,550.00  | 12,739.20         | \$12,739.20  |
| 37                                            | TV Inspection                               | 1                  | LS | 958.00        | \$958.00     | 4,500.00     | \$4,500.00   | 1,800.00          | \$1,800.00   |
| 38                                            | Regrade Outfall                             | 350                | LF | 14.32         | \$5,012.00   | 5.15         | \$1,802.50   | 25.71             | \$8,998.50   |
| 39                                            | Seeding                                     | 1,462              | SY | 1.68          | \$2,456.16   | 2.50         | \$3,655.00   | 4.25              | \$6,213.50   |
| 40                                            | Rock Rubble for Riprap (12" Ø minimum)      | 40                 | SY | 802.32        | \$32,092.80  | 85.00        | \$3,400.00   | 100.00            | \$4,000.00   |
| 41                                            | 18" Steel Encasement, 0.375 WT, by open cut | 94                 | LF | 90.57         | \$8,513.58   | 160.00       | \$15,040.00  | 125.00            | \$11,750.00  |
| 42                                            | Dirt work, cut/fill, erosion BMP            | 1                  | LS | 11,348.00     | \$11,348.00  | 41,200.00    | \$41,200.00  | 45,000.00         | \$45,000.00  |
|                                               |                                             |                    |    |               |              |              |              |                   |              |
| Subtotal                                      |                                             |                    |    |               | 741,254.12   |              | 912,486.72   |                   | 942,436.77   |

**Date:** 9/6/2019

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# SHERMAN CITY COUNCIL

## Agenda Communication Form

### City Council Regular Meeting

E. 5.

**Meeting Date:** 09/16/2019

**Prepared By:** Mary Lawrence, Director of Finance

**Approved By:** Robby Hefton, City Manager

### Caption:

#### **RESOLUTION NO. 6528**

Amending the 2018-2019 Budget of the City of Sherman, Texas, Appropriating and Allocating Additional Funds for the Period of October 1, 2018, through September 30, 2019

### Issue:

Appropriating additional funds to increase the fiscal year (FY) 2018-2019 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. Revenues exceeded budget by about \$11.1 million due in large part to a debt issuance and sales tax revenue greater than expected. Expenses increased by about \$14.2 million as a result of this increased activity. The size of this needed budget amendment is a reflection of the rate of growth and change the City has experienced over the past year. This year, the amendment is needed to appropriate additional funding and reflect some of the additional revenue in the following funds:

| Description                      | Revenue        | Expenditure      |
|----------------------------------|----------------|------------------|
| <b>General Fund</b>              |                |                  |
| Sales Tax                        | \$ 735,000     | \$ -             |
| Group Health, Substandard        |                |                  |
| Structure crew, Dispatcher,      |                |                  |
| Public Safety                    |                | 880,000          |
| Substandard Structures,          |                |                  |
| Equipment Rental                 |                | 220,000          |
| Vehicle Usage                    |                | 150,000          |
| Land and Building improvements   |                | 64,000           |
| Interfund to Fleet Replacement   |                |                  |
| Fund                             |                | 460,000          |
| <b>Total General Fund</b>        | <b>735,000</b> | <b>1,774,000</b> |
| <b>General Improvement Fund</b>  |                |                  |
| 2019 Certificate of Obligation   | 8,900,000      |                  |
| TxDOT Gap Project Match          |                | 8,100,000        |
| <b>TIRZ #6 Construction Fund</b> |                |                  |
| Infrastructure                   |                | 1,200,000        |

|                                        |                      |                      |         |
|----------------------------------------|----------------------|----------------------|---------|
| <b>TIRZ #7 Construction Fund</b>       |                      |                      |         |
| Infrastructure                         |                      |                      | 310,000 |
| Transfer to Debt Service Fund          |                      |                      | 86,000  |
| <b>Total TIRZ #7 Construction Fund</b> |                      |                      | 396,000 |
| <b>TIF #2 Construction Fund</b>        |                      |                      |         |
| Capital Expenses                       |                      |                      | 5,000   |
| <b>TIRZ #7 Debt Service Fund</b>       |                      |                      |         |
| Transfer In from Construction Fun      | 86,000               |                      |         |
| Debt Service                           |                      |                      | 86,851  |
| <b>2008 CO Debt Service Fund</b>       |                      |                      |         |
| Close Fund - Bonds were refunded       |                      |                      | 20,032  |
| <b>2009A CO Debt Service Fund</b>      |                      |                      |         |
| Close Fund - Bonds were refunded       |                      |                      | 6,686   |
| <b>2018 CO Debt Service Fund</b>       |                      |                      |         |
| Property Tax                           | 17,000               |                      |         |
| Debt Service                           |                      |                      | 17,000  |
| <b>2019 CO Debt Service Fund</b>       |                      |                      |         |
| Property Tax                           | 184,000              |                      |         |
| Debt Service                           |                      |                      | 184,000 |
| <b>Parks Pride Fund</b>                |                      |                      |         |
| Rotary Club Playground Donation        | 10,000               |                      |         |
| Playground Equipment                   |                      |                      | 10,000  |
| <b>Police Pride Fund</b>               |                      |                      |         |
| Mayor Fdn Grant/WNJ donation           | 8,500                |                      |         |
| K-9 Expenses                           |                      |                      | 13,300  |
| <b>Employee Insurance Fund</b>         |                      |                      |         |
| Employer Contributions                 | 420,000              |                      |         |
| Health Insurance Claims                |                      |                      | 940,000 |
| <b>Equipment Services Fund</b>         |                      |                      |         |
| Interfund Revenue                      | 250,000              |                      |         |
| Repairs & Maintenance                  |                      |                      | 250,000 |
| <b>Fleet Replacement Fund</b>          |                      |                      |         |
| Interfund Revenue                      | 460,000              |                      |         |
| Substandard Structure Equipment        |                      |                      | 460,000 |
| <b>Utility Fund</b>                    |                      |                      |         |
| Water Treatment Plant Chemicals        |                      |                      | 200,000 |
| <b>Solid Waste Fund</b>                |                      |                      |         |
| Personnel - overtime                   |                      |                      | 115,000 |
| Disposal Fees                          |                      |                      | 255,000 |
| Vehicle Usage                          |                      |                      | 155,000 |
|                                        |                      |                      | 525,000 |
| <b>Total Budget Amendments</b>         | <b>\$ 11,070,500</b> | <b>\$ 14,187,869</b> |         |

**Origination:**

Director of Finance

**Financial Consideration:**

This budget amendment will increase total authorized expenditures by \$14,187,869 primarily for capital, and an increase in revenue and receipts of \$11,070,500 primarily from sales tax and debt proceeds.

**Staff Recommendation:**

The staff recommends approval of this resolution.

**Alternatives:**

No viable alternatives exist for approval of this budget amendment.

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**Attachments**

Resolution No. 6528

Fund Statements

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**RESOLUTION NO. 6528**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AMENDING THE 2018-2019 BUDGET OF THE CITY OF SHERMAN, TEXAS, APPROPRIATING AND ALLOCATING ADDITIONAL FUNDS FOR THE PERIOD OF OCTOBER 1, 2018, THROUGH SEPTEMBER 30, 2019; 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 2018-2019 budget of the City of Sherman, Texas, be amended as shown below, appropriating and/or allocating the below-described funds in the amounts indicated:

| <b>Description</b>                                                  | <b>Revenue</b> | <b>Expenditure</b> |
|---------------------------------------------------------------------|----------------|--------------------|
| <b>General Fund</b>                                                 |                |                    |
| Sales Tax                                                           | \$ 735,000     | \$ -               |
| Group Health, Substandard Structure crew, Dispatcher, Public Safety |                | 880,000            |
| Substandard Structures, Equipment                                   |                |                    |
| Rental                                                              |                | 220,000            |
| Vehicle Usage                                                       |                | 150,000            |
| Land and Building improvements                                      |                | 64,000             |
| Interfund to Fleet Replacement Fund                                 |                | 460,000            |
| <b>Total General Fund</b>                                           | <b>735,000</b> | <b>1,774,000</b>   |
| <b>General Improvement Fund</b>                                     |                |                    |
| 2019 Certificate of Obligation                                      | 8,900,000      |                    |
| TxDOT Gap Project Match                                             |                | 8,100,000          |
| <b>TIRZ #6 Construction Fund</b>                                    |                |                    |
| Infrastructure                                                      |                | 1,200,000          |
| <b>TIRZ #7 Construction Fund</b>                                    |                |                    |
| Infrastructure                                                      |                | 310,000            |
| Transfer to Debt Service Fund                                       |                | 86,000             |
| <b>Total TIRZ #7 Construction Fund</b>                              |                | <b>396,000</b>     |
| <b>TIF #2 Construction Fund</b>                                     |                |                    |
| Capital Expenses                                                    |                | 5,000              |
| <b>TIRZ #7 Debt Service Fund</b>                                    |                |                    |
| Transfer In from Construction Fund                                  | 86,000         |                    |
| Debt Service                                                        |                | 86,851             |

|                                   |                     |                      |
|-----------------------------------|---------------------|----------------------|
| <b>2008 CO Debt Service Fund</b>  |                     |                      |
| Close Fund - Bonds were refunded  |                     | 20,032               |
| <b>2009A CO Debt Service Fund</b> |                     |                      |
| Close Fund - Bonds were refunded  |                     | 6,686                |
| <b>2018 CO Debt Service Fund</b>  |                     |                      |
| Property Tax                      | 17,000              |                      |
| Debt Service                      |                     | 17,000               |
| <b>2019 CO Debt Service Fund</b>  |                     |                      |
| Property Tax                      | 184,000             |                      |
| Debt Service                      |                     | 184,000              |
| <b>Parks Pride Fund</b>           |                     |                      |
| Rotary Club Playground Donation   | 10,000              |                      |
| Playground Equipment              |                     | 10,000               |
| <b>Police Pride Fund</b>          |                     |                      |
| Mayor Fdn Grant/WNJ donation      | 8,500               |                      |
| K-9 Expenses                      |                     | 13,300               |
| <b>Employee Insurance Fund</b>    |                     |                      |
| Employer Contributions            | 420,000             |                      |
| Health Insurance Claims           |                     | 940,000              |
| <b>Equipment Services Fund</b>    |                     |                      |
| Interfund Revenue                 | 250,000             |                      |
| Repairs & Maintenance             |                     | 250,000              |
| <b>Fleet Replacement Fund</b>     |                     |                      |
| Interfund Revenue                 | 460,000             |                      |
| Substandard Structure Equipment   |                     | 460,000              |
| <b>Utility Fund</b>               |                     |                      |
| Water Treatment Plant Chemicals   |                     | 200,000              |
| <b>Solid Waste Fund</b>           |                     |                      |
| Personnel - overtime              |                     | 115,000              |
| Disposal Fees                     |                     | 255,000              |
| Vehicle Usage                     |                     | 155,000              |
| <b>Total Solid Waste Fund</b>     |                     | 525,000              |
| <b>Total Budget Amendments</b>    |                     |                      |
|                                   | <u>\$11,070,500</u> | <u>\$ 14,187,869</u> |

**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.

**PASSED AND APPROVED** on this the \_\_\_\_\_ day of \_\_\_\_\_, 2019.

**CITY OF SHERMAN, TEXAS**

**BY:** \_\_\_\_\_  
**DAVID PLYLER, MAYOR**

**ATTEST:**

**BY:** \_\_\_\_\_  
**LINDA ASHBY, CITY CLERK**

**APPROVED AS TO FORM  
AND CONTENT:**

**BY:** \_\_\_\_\_  
**BRANDON S. SHELBY,  
CITY ATTORNEY**



# City of Sherman

## GENERAL FUND

|                                          | Adjusted<br>Budget<br>2018-2019 | Amendment             | Amended<br>Budget<br>2018-2019 | Projected<br>2018-2019 |
|------------------------------------------|---------------------------------|-----------------------|--------------------------------|------------------------|
| Beginning Fund Balance                   | \$ 8,344,554                    |                       | \$ 8,344,554                   | \$ 8,439,877           |
| <b>Revenues</b>                          |                                 |                       |                                |                        |
| Property Tax                             | 9,818,000                       | -                     | 9,818,000                      | 9,773,400              |
| Sales Tax                                | 17,065,000                      | 735,000               | 17,800,000                     | 17,800,000             |
| Franchise Tax                            | 2,908,000                       | -                     | 2,908,000                      | 2,959,000              |
| Other Taxes                              | 138,400                         | -                     | 138,400                        | 152,200                |
| Fines & Penalties                        | 605,150                         | -                     | 605,150                        | 598,150                |
| Recreation                               | 330,000                         | -                     | 330,000                        | 310,500                |
| Licenses & Permits                       | 868,400                         | -                     | 868,400                        | 666,400                |
| Rentals                                  | 35,000                          | -                     | 35,000                         | 40,200                 |
| Cemetery                                 | 166,100                         | -                     | 166,100                        | 226,365                |
| Sales & Service                          | 512,520                         | -                     | 512,520                        | 592,520                |
| Ambulance Service                        | 1,602,800                       | -                     | 1,602,800                      | 2,002,750              |
| Interest Income                          | 120,000                         | -                     | 120,000                        | 170,000                |
| Grant Revenue                            | 329,958                         | -                     | 329,958                        | 253,800                |
| Intergovernmental                        | 374,699                         | -                     | 374,699                        | 398,740                |
| Miscellaneous Revenue                    | 281,400                         | -                     | 281,400                        | 349,150                |
| <b>Total Revenues</b>                    | <b>35,155,427</b>               | <b>735,000</b>        | <b>35,890,427</b>              | <b>36,293,175</b>      |
| Transfers In                             | 2,878,000                       | -                     | 2,878,000                      | 2,878,000              |
| <b>Total Revenues and Transfers In</b>   | <b>38,033,427</b>               | <b>735,000</b>        | <b>38,768,427</b>              | <b>39,171,175</b>      |
| <b>Total Funds Available</b>             | <b>46,377,981</b>               | <b>735,000</b>        | <b>47,112,981</b>              | <b>47,611,052</b>      |
| <b>Expenditures</b>                      |                                 |                       |                                |                        |
| Personnel                                | 26,542,913                      | 880,000               | 27,422,913                     | 27,570,820             |
| Supplies                                 | 1,571,739                       | -                     | 1,571,739                      | 1,556,254              |
| Repair & Maintenance                     | 1,811,063                       | -                     | 1,811,063                      | 1,604,800              |
| Utilities                                | 1,060,140                       | -                     | 1,060,140                      | 1,046,580              |
| Information Technology                   | 669,310                         | -                     | 669,310                        | 716,110                |
| Services & Charges                       | 2,493,646                       | 220,000               | 2,713,646                      | 2,710,489              |
| Vehicle Usage                            | 1,728,940                       | 150,000               | 1,878,940                      | 1,870,141              |
| Capital Expenses                         | 774,540                         | 64,000                | 838,540                        | 834,527                |
| Fleet Services & Charges                 | 1,266,258                       | 460,000               | 1,726,258                      | 1,726,258              |
| Transfers Out                            | 708,480                         | -                     | 708,480                        | 712,480                |
| <b>Total Expenditures</b>                | <b>38,627,028</b>               | <b>1,774,000</b>      | <b>40,401,028</b>              | <b>40,348,459</b>      |
| <b>Excess Revenues over Expenditures</b> | <b>(593,601)</b>                | <b>(1,039,000)</b>    | <b>(1,632,601)</b>             | <b>(1,177,284)</b>     |
| <b>Ending Fund Balance</b>               | <b>\$ 7,750,953</b>             | <b>\$ (1,039,000)</b> | <b>\$ 6,711,953</b>            | <b>\$ 7,262,593</b>    |

**City of Sherman**  
**GENERAL IMPROVEMENT FUND**

|                                                    | Adjusted<br>Budget<br>2018-2019 | Amendment        | Amended<br>Budget<br>2018-2019 | Projected<br>2018-2019 |
|----------------------------------------------------|---------------------------------|------------------|--------------------------------|------------------------|
| Beginning Fund Balance                             | \$ 13,740,513                   |                  | \$ 13,740,513                  | \$ 20,359,413          |
| <b>Revenues</b>                                    |                                 |                  |                                |                        |
| Transfers In                                       | 700,000                         | -                | 700,000                        | 700,000                |
| Grant Revenue                                      | -                               | -                | -                              | 465,000                |
| Interest Income                                    | 250,000                         | -                | 250,000                        | 750,000                |
| Miscellaneous Revenue                              | 2,600,000                       | -                | 2,600,000                      | -                      |
| Debt Proceeds                                      | 11,100,000                      | 8,900,000        | 20,000,000                     | 20,000,000             |
| <b>Total Revenues</b>                              | <b>14,650,000</b>               | <b>8,900,000</b> | <b>23,550,000</b>              | <b>21,915,000</b>      |
| <b>Total Funds Available</b>                       | <b>28,390,513</b>               | <b>8,900,000</b> | <b>37,290,513</b>              | <b>44,874,413</b>      |
| <b>Expenditures</b>                                |                                 |                  |                                |                        |
| (1) Library Remodel                                | -                               |                  | -                              | 9,185                  |
| (1) Taylor St Extension Eng & ROW/McGee St Ext     | 1,000,000                       |                  | 1,000,000                      | 1,300,000              |
| (1) FM 1417 (75 to 56) & FM 131 Eng, ROW & Match   | 3,100,000                       |                  | 3,100,000                      | 4,200,000              |
| (1) Travis St West                                 | 5,000,000                       |                  | 5,000,000                      | 2,600,000              |
| (1) Lamberth Rd Thoroughfare                       | 300,000                         |                  | 300,000                        | 1,000                  |
| (1) Friendship ROW 56 to Lamberth                  | -                               |                  | -                              | 18,000                 |
| Lake Street Repair                                 | -                               |                  | -                              | 6,300                  |
| (2) Downtown Streetscape                           | -                               |                  | -                              | 177,000                |
| (1) Swan Ridge Extension                           | 1,200,000                       |                  | 1,200,000                      | -                      |
| (1) Park Ave Realignment                           | -                               |                  | -                              | 300,000                |
| Remodel at Station 5                               | -                               |                  | -                              | 149,770                |
| (1) Bridges-Travis/Center/McGee                    | 400,000                         |                  | 400,000                        | -                      |
| (1) Fire Station 4 Relocation                      | -                               |                  | -                              | 399,310                |
| (1) Northgate Drive                                | -                               |                  | -                              | 896,381                |
| ESC Expand tool room                               | -                               |                  | -                              | 12,000                 |
| ESC Loft & shelving for storage building           | -                               |                  | -                              | 13,000                 |
| Lamar Green Space                                  | -                               |                  | -                              | 13,400                 |
| Storage & Backup                                   | -                               |                  | -                              | 46,074                 |
| Finance Remodel                                    | 30,000                          |                  | 30,000                         | 60,000                 |
| Police Dept Repeaters                              | -                               |                  | -                              | 178,308                |
| Master Plan Parks                                  | -                               |                  | -                              | 64,000                 |
| Police Dept Exterior Renovation                    | 416,850                         |                  | 416,850                        | 360,000                |
| (1) TxDOT Ramp at 1417 & 75 (TIRZ #7 N bound exit) | -                               |                  | -                              | 328,633                |
| (1) Pecan Grove Ball Fields                        | 4,500,000                       |                  | 4,500,000                      | 3,900,000              |
| (1) Legacy Blvd                                    | 1,500,000                       |                  | 1,500,000                      | 2,100,000              |
| UB Remodel                                         | 40,000                          |                  | 40,000                         | 5,184                  |
| Impound Improvements                               | 200,000                         |                  | 200,000                        | -                      |
| (1) Fire Station #4 Phase II EMS Bldg              | 950,000                         |                  | 950,000                        | 69,750                 |
| Renovate Cemetery & Maint Bldg                     | 100,000                         |                  | 100,000                        | 100,000                |
| Taylor St Gym/Roof                                 | 50,000                          |                  | 50,000                         | 50,210                 |
| Pecan Grove Maint Bldg                             | 50,000                          |                  | 50,000                         | 50,000                 |
| Pecan Grove Ph II                                  | 2,500,000                       |                  | 2,500,000                      | 50,000                 |
| Quail Run Extension Park                           | 250,000                         |                  | 250,000                        |                        |
| ESCO Spray Insulation windows                      | 50,000                          |                  | 50,000                         | 50,000                 |

**City of Sherman**  
**GENERAL IMPROVEMENT FUND**

|                                                    | Adjusted<br>Budget<br>2018-2019 | Amendment         | Amended<br>Budget<br>2018-2019 | Projected<br>2018-2019 |
|----------------------------------------------------|---------------------------------|-------------------|--------------------------------|------------------------|
| <sup>(1)</sup> TxDOT 1417 & W. Travis Intersection | 1,000,000                       |                   | 1,000,000                      | 1,000,000              |
| Pecan Grove Basketball Courts                      | 140,000                         |                   | 140,000                        | 140,000                |
| Library Park                                       | 100,000                         |                   | 100,000                        | 100,000                |
| Flanary Rd and Progress Dr Ext/Imp                 | -                               |                   | -                              | 94,100                 |
| Station #3 Remodel                                 | 55,000                          |                   | 55,000                         | 55,000                 |
| <sup>(1)</sup> TxDOT - Hwy 75 Gap Project          | -                               | 8,100,000         | 8,100,000                      | 8,100,000              |
| <sup>(1)</sup> Moore St - Travis to Park           | -                               |                   | -                              | 1,000,000              |
| <b>Total Expenditures</b>                          | <b>22,931,850</b>               | <b>8,100,000</b>  | <b>31,031,850</b>              | <b>27,996,605</b>      |
| <b>Excess Revenues over Expenditures</b>           | <b>(8,281,850)</b>              | <b>800,000</b>    | <b>(7,481,850)</b>             | <b>(6,081,605)</b>     |
| <b>Ending Fund Balance</b>                         | <b>\$ 5,458,663</b>             | <b>\$ 800,000</b> | <b>\$ 6,258,663</b>            | <b>\$ 14,277,808</b>   |

<sup>(1)</sup> Debt Funded

<sup>(2)</sup> Partial Grant Funding

**City of Sherman**  
**TIRZ #6 CONSTRUCTION FUND**

|                                   | Budget<br>2018-2019 | Amendment      | Amended<br>Budget<br>2018-2019 | Projected<br>2018-2019 |
|-----------------------------------|---------------------|----------------|--------------------------------|------------------------|
| Beginning Fund Balance            | \$ 290,179          |                | \$ 290,179                     | \$ 2,675,286           |
| Revenues                          |                     |                |                                |                        |
| Property Tax                      | 11,030              | -              | 11,030                         | 8,618                  |
| Intergovernmental                 | 13,711              | -              | 13,711                         | 10,253                 |
| Interest Income                   | 25,000              | -              | 25,000                         | 45,000                 |
| Total Revenues                    | 49,741              | -              | 49,741                         | 63,871                 |
| Total Funds Available             | 339,920             | -              | 339,920                        | 2,739,157              |
| Expenditures                      |                     |                |                                |                        |
| Capital Expenses                  | -                   | 1,200,000      | 1,200,000                      | 1,200,000              |
| Services & Charges                | -                   | -              | -                              | -                      |
| Transfers Out                     | 227,000             | -              | 227,000                        | 227,000                |
| Total Expenditures                | 227,000             | 1,200,000      | 1,427,000                      | 1,427,000              |
| Excess Revenues over Expenditures | (177,259)           | (1,200,000)    | (1,377,259)                    | (1,363,129)            |
| Ending Fund Balance               | \$ 112,920          | \$ (1,200,000) | \$ (1,087,080)                 | \$ 1,312,157           |

**City of Sherman**  
**TIRZ #7 CONSTRUCTION FUND**

|                                   | Budget     |              | Amended    |            |
|-----------------------------------|------------|--------------|------------|------------|
|                                   | 2018-2019  | Amendment    | Budget     | Projected  |
|                                   | 2018-2019  |              | 2018-2019  | 2018-2019  |
| Beginning Fund Balance            | \$ 896,000 |              | \$ 896,000 | \$ 491,365 |
| Revenues                          |            |              |            |            |
| Interest Income                   | 20,000     | -            | 20,000     | 10,000     |
| Transfers In                      | -          | -            | 20,000     | -          |
| Total Revenues                    | 20,000     | -            | 40,000     | 10,000     |
| Total Funds Available             | 916,000    | -            | 936,000    | 501,365    |
| Expenditures                      |            |              |            |            |
| Capital Expenses                  | -          | 310,000      | 310,000    | 310,000    |
| Transfers Out                     | 93,000     | 86,000       | 179,000    | 179,000    |
| Total Expenditures                | 93,000     | 396,000      | 489,000    | 489,000    |
| Excess Revenues over Expenditures | (73,000)   | (396,000)    | (449,000)  | (479,000)  |
| Ending Fund Balance               | \$ 823,000 | \$ (396,000) | \$ 447,000 | \$ 12,365  |

**City of Sherman**  
**TIF #2 CONSTRUCTION FUND**

|                                | Budget<br>2018-2019 | Amendment  | Amended<br>Budget<br>2018-2019 | Projected<br>2018-2019 |
|--------------------------------|---------------------|------------|--------------------------------|------------------------|
| Beginning Fund Balance         | \$ 148,329          |            | \$ 148,329                     | \$ 148,055             |
| Revenues                       |                     |            |                                |                        |
| Property Tax                   | 119,076             | -          | 119,076                        | 119,076                |
| Interest Income                | -                   | -          | -                              | 4,000                  |
| Total Revenues                 | 119,076             | -          | 119,076                        | 123,076                |
| Total Funds Available          | 267,405             | -          | 267,405                        | 271,131                |
| Expenditures:                  |                     |            |                                |                        |
| Capital Expenses               | 50,000              | 5,000      | 55,000                         | 55,000                 |
| Total Expenditures             | 50,000              | 5,000      | 55,000                         | 55,000                 |
| Excess Revenues over Expenditu | 69,076              | (5,000)    | 64,076                         | 68,076                 |
| Ending Fund Balance            | \$ 217,405          | \$ (5,000) | \$ 212,405                     | \$ 216,131             |

**City of Sherman**  
**TIRZ #7 DEBT SERVICE FUND**

|                                   | Budget<br>2018-2019 | Amendment | Amended<br>Budget<br>2018-2019 | Projected<br>2018-2019 |
|-----------------------------------|---------------------|-----------|--------------------------------|------------------------|
| Beginning Fund Balance            | \$ -                |           | \$ -                           | \$ -                   |
| Revenues                          |                     |           |                                |                        |
| Transfers In                      | 93,000              | 86,000    | 179,000                        | 179,000                |
| Total Revenues                    | 93,000              | 86,000    | 179,000                        | 179,000                |
| Total Funds Available             | 93,000              | 86,000    | 179,000                        | 179,000                |
| Expenditures                      |                     |           |                                |                        |
| Debt Service                      | 90,500              | 86,851    | 177,351                        | 177,351                |
| Services & Charges                | 1,000               |           | 1,000                          | -                      |
| Total Expenditures                | 91,500              | 86,851    | 178,351                        | 177,351                |
| Excess Revenues over Expenditures | 1,500               | (851)     | 649                            | 1,649                  |
| Ending Fund Balance               | \$ 1,500            | \$ (851)  | \$ 649                         | \$ 1,649               |



**City of Sherman**  
**2008 CO DEBT SERVICE FUND**

|                                   | Budget<br>2018-2019 | Amendment | Amended<br>Budget<br>2018-2019 | Projected<br>2018-2019 |
|-----------------------------------|---------------------|-----------|--------------------------------|------------------------|
| Beginning Fund Balance            | \$ -                |           | \$ -                           | \$ 20,032              |
| Revenues                          |                     |           |                                |                        |
| Property Tax                      | -                   | -         | -                              | -                      |
| Total Revenues                    | -                   |           |                                | -                      |
| Total Funds Available             | -                   | -         | -                              | 20,032                 |
| Expenditures                      |                     |           |                                |                        |
| Transfers Out                     | -                   | -         | 20,032                         | 20,032                 |
| Total Expenditures                | -                   | -         | 20,032                         | 20,032                 |
| Excess Revenues over Expenditures | -                   | -         | (20,032)                       | (20,032)               |
| Ending Fund Balance               | \$ -                | \$ -      | \$ (20,032)                    | \$ -                   |

**City of Sherman**  
**2009A CO DEBT SERVICE FUND**

|                                   | Budget<br>2018-2019 | Amendment  | Amended<br>Budget<br>2018-2019 | Projected<br>2018-2019 |
|-----------------------------------|---------------------|------------|--------------------------------|------------------------|
| Beginning Fund Balance            | \$ -                |            |                                | \$ 6,686               |
| Revenues                          |                     |            |                                |                        |
| Property Tax                      | -                   | -          | -                              | -                      |
| Total Revenues                    | -                   |            |                                | -                      |
| Total Funds Available             | -                   |            | -                              | 6,686                  |
| Expenditures                      |                     |            |                                |                        |
| Transfers Out                     | -                   | 6,686      | 6,686                          | 6,686                  |
| Total Expenditures                | -                   | 6,686      | 6,686                          | 6,686                  |
| Excess Revenues over Expenditures | -                   | (6,686)    | (6,686)                        | (6,686)                |
| Ending Fund Balance               | \$ -                | \$ (6,686) | \$ (6,686)                     | \$ -                   |

**City of Sherman**  
**2018 CO DEBT SERVICE FUND**

|                                   | Budget<br>2018-2019 | Amendment | Amended<br>Budget<br>2018-2019 | Projected<br>2018-2019 |
|-----------------------------------|---------------------|-----------|--------------------------------|------------------------|
| Beginning Fund Balance            | \$ -                |           | \$ -                           | \$ 4,941               |
| Revenues                          |                     |           |                                |                        |
| Property Tax                      | 667,000             | 17,000    | 684,000                        | 683,000                |
| Total Revenues                    | 667,000             |           | 684,000                        | 683,000                |
| Total Funds Available             | 667,000             |           | 684,000                        | 687,941                |
| Expenditures                      |                     |           |                                |                        |
| Debt Service                      | 665,000             | 17,000    | 682,000                        | 682,008                |
| Services & Charges                | 1,050               | -         | 1,050                          | 800                    |
| Total Expenditures                | 666,050             | 17,000    | 683,050                        | 682,808                |
| Excess Revenues over Expenditures | 950                 |           | 950                            | 192                    |
| Ending Fund Balance               | \$ 950              |           | \$ 950                         | \$ 5,133               |

**City of Sherman**  
**2019 CO DEBT SERVICE FUND**

|                                   | Budget<br>2018-2019 | Amendment | Amended<br>Budget<br>2018-2019 | Projected<br>2018-2019 |
|-----------------------------------|---------------------|-----------|--------------------------------|------------------------|
| Beginning Fund Balance            | \$ -                |           | \$ -                           | \$ -                   |
| Revenues                          |                     |           |                                |                        |
| Property Tax                      | -                   | 184,000   | 184,000                        | 184,000                |
| Total Revenues                    | -                   | 184,000   | 184,000                        | 184,000                |
| Total Funds Available             | -                   | 184,000   | 184,000                        | 184,000                |
| Expenditures                      |                     |           |                                |                        |
| Debt Service                      | -                   | 184,000   | 184,000                        | 184,000                |
| Total Expenditures                | -                   | 184,000   | 184,000                        | 184,000                |
| Excess Revenues over Expenditures | -                   | -         | -                              | -                      |
| Ending Fund Balance               | \$ -                | \$ -      | \$ -                           | \$ -                   |

**City of Sherman**  
**PARKS PRIDE FUND**

|                                   | Budget<br>2018-2019 | Amendment | Amended<br>Budget<br>2018-2019 | Projected<br>2018-2019 |
|-----------------------------------|---------------------|-----------|--------------------------------|------------------------|
| Beginning Fund Balance            | \$ 35,510           |           | \$ 35,510                      | \$ 34,072              |
| Revenues                          |                     |           |                                |                        |
| Miscellaneous Revenue             | 10,000              | 10,000    | 20,000                         | 21,000                 |
| Interest Income                   | 500                 | -         | 500                            | 1,000                  |
| Total Revenues                    | 10,500              | 10,000    | 20,500                         | 22,000                 |
| Total Funds Available             | 46,010              | 10,000    | 56,010                         | 56,072                 |
| Expenditures                      |                     |           |                                |                        |
| Services & Charges                | 35,000              | 10,000    | 45,000                         | 40,000                 |
| Total Expenditures                | 35,000              | 10,000    | 45,000                         | 40,000                 |
| Excess Revenues over Expenditures | (24,500)            | -         | (24,500)                       | (18,000)               |
| Ending Fund Balance               | \$ 11,010           | \$ -      | \$ 11,010                      | \$ 16,072              |

**City of Sherman**  
**POLICE PRIDE FUND**

|                                   | Budget<br>2018-2019 | Amendment  | Amended<br>Budget<br>2018-2019 | Projected<br>2018-2019 |
|-----------------------------------|---------------------|------------|--------------------------------|------------------------|
| Beginning Fund Balance            | \$ 500              |            | \$ 500                         | \$ 17,547              |
| Revenues                          |                     |            |                                |                        |
| Miscellaneous Revenue             | 10,000              | 8,500      | 18,500                         | 17,500                 |
| Interest Income                   | 50                  | -          | 50                             | 200                    |
| Total Revenues                    | 10,050              | 8,500      | 18,550                         | 17,700                 |
| Total Funds Available             | 10,550              | 8,500      | 19,050                         | 35,247                 |
| Expenditures                      |                     |            |                                |                        |
| Supplies                          | 2,134               | 4,000      | 6,134                          | 6,000                  |
| Services & Charges                | 5,700               | 9,300      | 15,000                         | 15,000                 |
| Total Expenditures                | 7,834               | 13,300     | 21,134                         | 21,000                 |
| Excess Revenues over Expenditures | 2,216               | (4,800)    | (2,584)                        | (3,300)                |
| Ending Fund Balance               | \$ 2,716            | \$ (4,800) | \$ (2,084)                     | \$ 14,247              |

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

|                                   | Budget<br>2018-2019 | Amendment    | Amended<br>Budget<br>2018-2019 | Projected<br>2018-2019 |
|-----------------------------------|---------------------|--------------|--------------------------------|------------------------|
| Beginning Fund Balance            | \$ 251,387          |              | \$ 251,387                     | \$ 604,376             |
| Revenues                          |                     |              |                                |                        |
| Employer Contributions            | 3,620,000           | 420,000      | 4,040,000                      | 4,040,000              |
| Employee Contributions            | 906,000             | -            | 906,000                        | 940,000                |
| Retiree Contributions             | 187,000             | -            | 187,000                        | 196,000                |
| COBRA Contributions               | 10,000              | -            | 10,000                         | 10,000                 |
| Interest Income                   | -                   | -            | -                              | 20,000                 |
| Total Revenues                    | 4,723,000           | 420,000      | 5,143,000                      | 5,206,000              |
| Total Funds Available             | 4,974,387           |              |                                | 5,810,376              |
| Expenditures                      |                     |              |                                |                        |
| Health Insurance Claims           | 3,860,000           | 940,000      | 4,800,000                      | 4,800,000              |
| Administration & Premiums         | 827,000             | -            | 827,000                        | 908,000                |
| Life Insurance Premiums           | 37,995              | -            | 37,995                         | 39,000                 |
| Total Expenditures                | 4,724,995           | 940,000      | 5,664,995                      | 5,747,000              |
| Excess Revenues over Expenditures | (1,995)             | (520,000)    | (521,995)                      | (541,000)              |
| Ending Fund Balance               | \$ 249,392          | \$ (520,000) | \$ (270,608)                   | \$ 63,376              |



**City of Sherman**  
**EQUIPMENT SERVICES FUND**

|                                          | Approved<br>2018-2019 | Amendment      | Amended<br>Budget<br>2018-2019 | Projected<br>2018-2019 |
|------------------------------------------|-----------------------|----------------|--------------------------------|------------------------|
| Beginning Fund Balance                   | \$ 118,221            |                | \$ 118,221                     | \$ 104,419             |
| <b>Revenues</b>                          |                       |                |                                |                        |
| Equipment Service Revenue                | 3,231,613             | 250,000        | 3,481,613                      | 3,815,372              |
| Interest Income                          | -                     | -              | -                              | 2,000                  |
| Miscellaneous Revenue                    | -                     | -              | -                              | 2,000                  |
| <b>Total Revenues</b>                    | <b>3,231,613</b>      | <b>250,000</b> | <b>3,481,613</b>               | <b>3,819,372</b>       |
| <b>Total Funds Available</b>             | <b>3,349,834</b>      | <b>250,000</b> | <b>3,599,834</b>               | <b>3,923,791</b>       |
| <b>Expenditures</b>                      |                       |                |                                |                        |
| Personnel                                | 825,731               | -              | 825,731                        | 797,575                |
| Supplies                                 | 834,995               | -              | 834,995                        | 830,845                |
| Repair & Maintenance                     | 965,923               | 250,000        | 1,215,923                      | 1,315,923              |
| Utilities                                | 23,120                | -              | 23,120                         | 15,600                 |
| Information Technology                   | 24,950                | -              | 24,950                         | 26,700                 |
| Services & Charges                       | 265,780               | -              | 265,780                        | 300,252                |
| Capital Expenses                         | 254,000               | -              | 254,000                        | 150,000                |
| Vehicle Usage                            | -                     | -              | -                              | 1,420                  |
| <b>Total Expenditures</b>                | <b>3,194,499</b>      | <b>250,000</b> | <b>3,444,499</b>               | <b>3,438,315</b>       |
| <b>Excess Revenues over Expenditures</b> | <b>37,114</b>         | <b>-</b>       | <b>37,114</b>                  | <b>580</b>             |
| <b>Ending Fund Balance</b>               | <b>\$ 155,335</b>     | <b>\$ -</b>    | <b>\$ 155,335</b>              | <b>\$ 104,999</b>      |

**City of Sherman**  
**FLEET REPLACEMENT FUND**

|                                          | Adjusted<br>Budget<br>2018-2019 | Amendment      | Amended<br>Budget<br>2018-2019 | Projected<br>2018-2019 |
|------------------------------------------|---------------------------------|----------------|--------------------------------|------------------------|
| Beginning Fund Balance                   | \$ 112,443                      |                | \$ 112,443                     | \$ 395,722             |
| <b>Revenues</b>                          |                                 |                |                                |                        |
| Fleet Replacement Revenue                | 2,702,499                       | 460,000        | 3,162,499                      | 3,232,499              |
| Interest Income                          | 10,000                          | -              | 10,000                         | 20,000                 |
| Debt Proceeds                            | 1,177,410                       | -              | 1,177,410                      | 1,009,989              |
| Miscellaneous Revenue                    | -                               | -              | -                              | 21,000                 |
| <b>Total Revenues</b>                    | <b>3,889,909</b>                | <b>460,000</b> | <b>4,349,909</b>               | <b>4,283,488</b>       |
| <b>Total Funds Available</b>             | <b>4,002,352</b>                | <b>460,000</b> | <b>4,462,352</b>               | <b>4,679,210</b>       |
| <b>Expenditures</b>                      |                                 |                |                                |                        |
| Debt Service                             | 490,957                         |                | 490,957                        | 501,326                |
| Capital Expenses                         | 3,688,377                       | 460,000        | 4,148,377                      | 4,131,404              |
| <b>Total Expenditures</b>                | <b>4,179,334</b>                | <b>460,000</b> | <b>4,639,334</b>               | <b>4,632,730</b>       |
| <b>Excess Revenues over Expenditures</b> | <b>(289,425)</b>                | <b>-</b>       | <b>(289,425)</b>               | <b>(349,242)</b>       |
| <b>Ending Fund Balance</b>               | <b>\$ (176,982)</b>             | <b>\$ -</b>    | <b>\$ (176,982)</b>            | <b>\$ 46,480</b>       |

**City of Sherman**  
**UTILITY FUND**

|                                             | Adjusted<br>Budget<br>2018-2019 | Amendment           | Amended<br>Budget<br>2018-2019 | Projected<br>2018-2019 |
|---------------------------------------------|---------------------------------|---------------------|--------------------------------|------------------------|
| Beginning Reserve                           | \$ 4,952,578                    |                     | \$ 4,952,578                   | \$ 5,584,876           |
| <b>Revenues</b>                             |                                 |                     |                                |                        |
| Water Sales                                 | 14,030,000                      |                     | 14,030,000                     | 13,655,000             |
| Sewer Sales                                 | 7,407,000                       |                     | 7,407,000                      | 7,572,000              |
| Laboratory                                  | 141,000                         |                     | 141,000                        | 140,500                |
| Service Charges & Penalties                 | 540,000                         |                     | 540,000                        | 548,000                |
| Charges for Services                        | 153,500                         |                     | 153,500                        | 158,500                |
| Interest Income                             | 25,000                          |                     | 25,000                         | 62,000                 |
| Intergovernmental                           | 415,974                         |                     | 415,974                        | 451,000                |
| Miscellaneous Revenue                       | 75,000                          |                     | 75,000                         | 94,500                 |
| <b>Total Revenues</b>                       | <b>22,787,474</b>               | <b>-</b>            | <b>22,787,474</b>              | <b>22,681,500</b>      |
| Transfers In                                | 161,000                         |                     | 161,000                        | 161,000                |
| <b>Total Revenues and Transfers In</b>      | <b>22,948,474</b>               | <b>-</b>            | <b>22,948,474</b>              | <b>22,842,500</b>      |
| <b>Total Funds Available</b>                | <b>27,901,052</b>               | <b>-</b>            | <b>27,901,052</b>              | <b>28,427,376</b>      |
| <b>Expenditures</b>                         |                                 |                     |                                |                        |
| Personnel                                   | 6,194,503                       |                     | 6,194,503                      | 6,349,306              |
| Supplies                                    | 1,627,151                       | 200,000             | 1,827,151                      | 1,729,029              |
| Repair & Maintenance                        | 1,586,923                       |                     | 1,586,923                      | 1,634,763              |
| Utilities                                   | 1,599,640                       |                     | 1,599,640                      | 1,638,730              |
| Information Technology                      | 215,060                         |                     | 215,060                        | 230,110                |
| Debt Service                                | 7,082,558                       |                     | 7,082,558                      | 6,862,106              |
| Services & Charges                          | 1,622,961                       |                     | 1,622,961                      | 1,608,833              |
| Vehicle Usage                               | 479,550                         |                     | 479,550                        | 473,367                |
| Fleet Services & Charges                    | 483,741                         |                     | 483,741                        | 483,741                |
| Capital Expenses                            | 408,021                         |                     | 408,021                        | 381,984                |
| <b>Total Expenditures</b>                   | <b>21,300,109</b>               | <b>200,000</b>      | <b>21,500,109</b>              | <b>21,391,970</b>      |
| Transfers Out                               | 2,122,000                       |                     | 2,122,000                      | 2,122,000              |
| <b>Total Expenditures and Transfers Out</b> | <b>23,422,109</b>               | <b>200,000</b>      | <b>23,622,109</b>              | <b>23,513,970</b>      |
| <b>Excess Revenues over Expenditures</b>    | <b>(473,635)</b>                | <b>(200,000)</b>    | <b>(673,635)</b>               | <b>(671,470)</b>       |
| <b>Ending Reserve</b>                       | <b>\$ 4,478,943</b>             | <b>\$ (200,000)</b> | <b>\$ 4,278,943</b>            | <b>\$ 4,913,407</b>    |

**City of Sherman**  
**SOLID WASTE FUND**

|                                          | Adjusted<br>Budget<br>2018-2019 | Amendment           | Amended<br>Budget<br>2018-2019 | Projected<br>2018-2019 |
|------------------------------------------|---------------------------------|---------------------|--------------------------------|------------------------|
| Beginning Fund Balance                   | \$ 1,640,185                    |                     | \$ 1,640,185                   | \$ 1,186,753           |
| <b>Revenues</b>                          |                                 |                     |                                |                        |
| Solid Waste Service                      | 6,771,000                       |                     | 6,771,000                      | 6,934,000              |
| Service Charges & Penalties              | 75,000                          |                     | 75,000                         | 70,000                 |
| Interest Income                          | 16,000                          |                     | 16,000                         | 10,000                 |
| Miscellaneous Revenue                    | 124,000                         |                     | 124,000                        | 22,500                 |
| <b>Total Revenues</b>                    | <b>6,986,000</b>                | <b>-</b>            | <b>6,986,000</b>               | <b>7,036,500</b>       |
| <b>Total Funds Available</b>             | <b>8,626,185</b>                | <b>-</b>            | <b>8,626,185</b>               | <b>8,223,253</b>       |
| <b>Expenditures</b>                      |                                 |                     |                                |                        |
| Personnel                                | 1,763,741                       | 115,000             | 1,878,741                      | 1,880,075              |
| Supplies                                 | 237,606                         |                     | 237,606                        | 221,771                |
| Repair & Maintenance                     | 65,291                          |                     | 65,291                         | 65,692                 |
| Utilities                                | 27,790                          |                     | 27,790                         | 27,240                 |
| Information Technology                   | 55,840                          |                     | 55,840                         | 59,740                 |
| Services & Charges                       | 1,949,769                       | 255,000             | 2,204,769                      | 2,202,731              |
| Vehicle Usage                            | 981,130                         | 155,000             | 1,136,130                      | 1,134,774              |
| Capital Expenses                         | 24,900                          |                     | 24,900                         | 24,900                 |
| Fleet Services & Charges                 | 809,500                         |                     | 809,500                        | 809,500                |
| Transfers Out                            | 917,000                         |                     | 917,000                        | 917,000                |
| <b>Total Expenditures</b>                | <b>6,832,568</b>                | <b>525,000</b>      | <b>7,357,568</b>               | <b>7,343,423</b>       |
| <b>Excess Revenues over Expenditures</b> | <b>153,433</b>                  | <b>(525,000)</b>    | <b>(371,568)</b>               | <b>(306,923)</b>       |
| <b>Ending Fund Balance</b>               | <b>\$ 1,793,618</b>             | <b>\$ (525,000)</b> | <b>\$ 1,268,618</b>            | <b>\$ 879,830</b>      |



# SHERMAN CITY COUNCIL

## Agenda Communication Form

### City Council Regular Meeting

E. 6.

**Meeting Date:** 09/16/2019

**Prepared By:** Terrence Steele, Assistant City Manager

**Approved By:** Robby Hefton, City Manager

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#### **Caption:**

#### **\* RESOLUTION NO. 6529**

Authorizing Execution of a Memorandum of Understanding Defining Roles and Responsibilities between the City of Sherman and Austin College regarding Oversight of the Sherman Cultural District Program

#### **Issue:**

Authorizing the Mayor to execute a Memorandum of Understanding with Austin College

#### **Background:**

At the June 4, 2018 meeting, the City Council created the "Sherman Cultural District" for at least ten years and entered into a Memorandum of Understanding (MOU) with Austin College that defined the roles and responsibilities for oversight of the Sherman Cultural District Program. The MOU will expire on September 30, 2019.

The only change proposed in this agreement is related to the provision of the Austin College Center for Community & Regional Development's quarterly report to the City Council. The requirement for quarterly reporting is being changed to twice per fiscal year.

#### **Origination:**

Carolyn S. Wacker, Director, Austin College Center for Community & Regional Development  
City Manager's Office

#### **Financial Consideration:**

There is no financial impact to be considered.

#### **Staff Recommendation:**

It is recommended that the City Council authorize the Mayor to execute the Memorandum of Understanding with Austin College.

#### **Alternatives:**

As may be recommended by the City Council

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**Attachments**

Resolution No. 6529

Memorandum of Understanding

Exhibit "A" to Memorandum of Understanding

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**RESOLUTION NO. 6529**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING EXECUTION OF A MEMORANDUM OF UNDERSTANDING DEFINING ROLES AND RESPONSIBILITIES BETWEEN THE CITY OF SHERMAN AND AUSTIN COLLEGE REGARDING OVERSIGHT OF THE SHERMAN CULTURAL DISTRICT PROGRAM; 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 Mayor be and is hereby authorized and directed, subject to all contract documents being properly completed and approved as to form and content by the City Attorney, to execute a Memorandum of Understanding with Austin College defining the roles and responsibilities between the City of Sherman and Austin College regarding oversight of the Sherman Cultural District Program, pursuant to the terms and provisions of the contract documents attached hereto and made a part hereof for all purposes.

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

**PASSED AND APPROVED** on this the \_\_\_\_ day of \_\_\_\_\_, 2019.

**CITY OF SHERMAN, TEXAS**

**ATTEST:**

**BY:** \_\_\_\_\_  
**LINDA ASHBY, CITY CLERK**

**BY:** \_\_\_\_\_  
**DAVID PLYLER, MAYOR**

**APPROVED AS TO FORM  
AND CONTENT:**

**BY:** \_\_\_\_\_  
**BRANDON S. SHELBY,  
CITY ATTORNEY**



# **Memorandum of Understanding**

## **AUSTIN COLLEGE AND THE CITY OF SHERMAN, TEXAS**

This Memorandum of Understanding (MOU) describes the agreed-upon responsibilities and expectations between AUSTIN COLLEGE (the College) and the CITY OF SHERMAN, TEXAS (City), for oversight of the Sherman Cultural District Program in Sherman Texas, in the area designated by the Sherman City Council at its April 16, 2018 meeting and described in Exhibit "A", attached hereto and made a part hereof for all purposes.

### **RESPONSIBILITIES AND EXPECTATIONS**

**For this MOU, the Austin College Center for Community & Regional Development (CCRD) and other departments on campus will provide the organizational structure for advocacy, coordination, and promotion of programming of the Sherman Cultural District. The College and the CCRD agree that:**

- The CCRD will serve as the primary contact office for the College.
- The CCRD will be responsible for a community advisory board to advocate for and manage Cultural District activities. The board will be under direct oversight of the director of the CCRD, and will meet monthly to review and plan for successful community engagement in the Cultural District.
- The CCRD will assist with planning, publicity and communication as requested by the City for meetings, events and activities that involve the Cultural District.
- The CCRD will maintain the following assets to promote activities and messaging for the local community and for tourists:
  - An arts calendar that lists all known publicly-accessible arts activity within the City of Sherman city limits
  - An official website that represents the cultural district's brand, messaging and activities
- The CCRD will provide an official report of activities, minutes from meetings, and accounting of expenses twice per fiscal year to the Sherman City Council, and an annual summary at the conclusion of the City's fiscal year.

**Under this MOU, the City's Community & Support Services Manager will serve as primary contact. The City agrees to:**

- Provide, on a quarterly basis, a schedule of requested activities to the CCRD office.
- Involve the CCRD and its allied College departments in relevant planning with City programs as appropriate.

**TIME PERIOD**

This MOU shall remain in place from October 1, 2019 through September 30, 2020, unless modified in writing before that date. The MOU shall be reviewed sixty (60) days in advance of its expiration and can be renewed for an additional period of time agreed upon by both parties during the review.

**TERMINATION**

This MOU may be terminated in whole or in part by either party with thirty (30) days' written notice. Failure to honor any of the obligations stated above may also result in the termination of this MOU.

**NOTICE**

Any notice given pursuant to this MOU shall be directed to the primary contacts designated herein.

Signatures of authorized agency representatives:

\_\_\_\_\_  
Heidi B. Ellis  
Vice President for Business Affairs  
Austin College  
900 N. Grand Ave., Suite 6F  
Sherman, TX 75090

\_\_\_\_\_  
David Plyler  
Mayor  
City of Sherman  
220 W. Mulberry  
Sherman, TX 75090

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date

ATTEST:

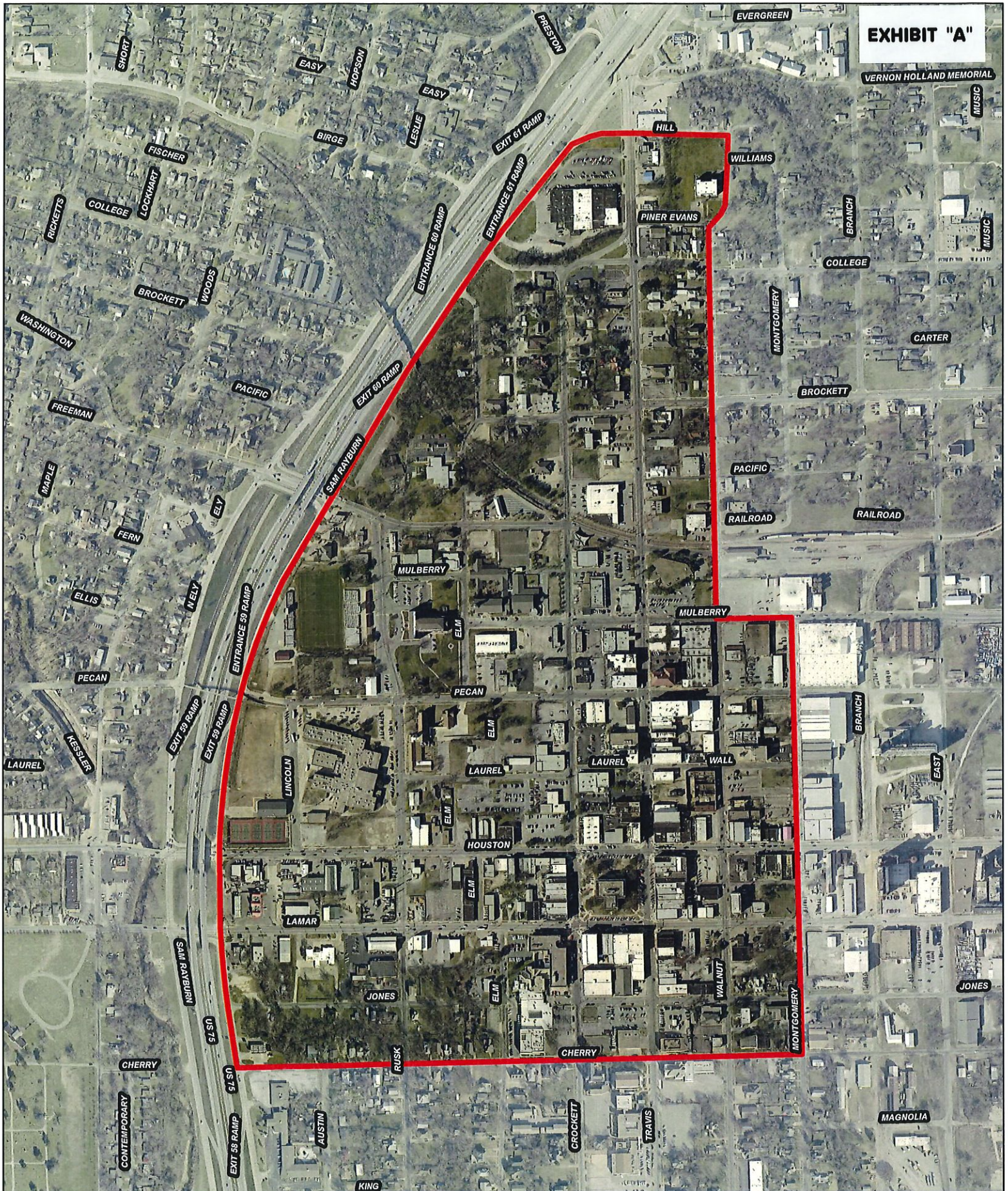
By: \_\_\_\_\_  
Linda Ashby, City Clerk

APPROVED AS TO FORM AND CONTENT:

By: \_\_\_\_\_  
Brandon S. Shelby, City Attorney



**EXHIBIT "A"**







# SHERMAN CITY COUNCIL

## Agenda Communication Form

### City Council Regular Meeting

E. 7.

**Meeting Date:** 09/16/2019

**Prepared By:** Danny Jones, Fire Chief

**Approved By:** Robby Hefton, City Manager

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### **Caption:**

#### **\* RESOLUTION NO. 6530**

Authorizing Execution of a Professional Services Agreement with Mike Pietsch, P.E. Consulting Services, Inc. for the City of Sherman's Insurance Services Office (ISO) Survey and Rating

### **Issue:**

To consider a contract for professional services with Mike Pietsch, P.E. Consulting Services, Inc. to perform consulting services in conjunction with the City of Sherman's ISO rating due to be completed in 2020

### **Background:**

The standard for cities to review their ISO rating is about every ten (10) years. Pietsch Consulting provided consulting services to the City for the most recent ISO rating review in 2007 time frame. This rating is used by insurance companies to set residential and commercial rates for the next ten (10) years. Pietsch Consulting Services provides assistance, leading up to and including the final field summary by the ISO Field Representative. This is accomplished in three (3) phases:

#### **Phase I**

- a. Prepare a Grading Summary which will show, to two (2) decimal places, what the City of Sherman would grade with existing fire defense infrastructure.
- b. Create a list of suggested improvements, which, if implemented, would allow the City of Sherman to improve its ISO rating.
- c. Develop an accurate Fire Station Location Master Plan.

#### **Phase 2**

- a. Prepare the ISO Pre-Survey Packet.
- b. Meet with various officials from Sherman to document the answers to questions presented within the ISO pre-survey packet.

#### **Phase 3**

- a. Assist the ISO Field Representative during his survey of the City of Sherman.

**Origination:**

Sherman Fire Department  
City Manager

**Financial Consideration:**

The total cost to the City of Sherman to complete all three (3) projects, for the areas afforded fire hydrant protection, will not exceed \$60,000.00 [this total being contingent upon completing all three (3) phases]. Three (3) site visits will be required and only these three (3) visits are within the scope of this proposal.

**Staff Recommendation:**

It is recommended that the contract for professional services with Mike Pietsch, P.E. Consulting Services, Inc., to prepare for the upcoming official ISO survey and rating, be approved.

**Alternatives:**

As may be directed by the City Council

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**Attachments**

Resolution No. 6530  
Professional Services Agreement

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**RESOLUTION NO. 6530**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING EXECUTION OF A PROFESSIONAL SERVICES AGREEMENT WITH MIKE PIETSCH, P.E. CONSULTING SERVICES, INC. FOR THE CITY OF SHERMAN'S INSURANCE SERVICES OFFICE (ISO) SURVEY AND RATING; FINDING AND DETERMINING THAT THE MEETING AT WHICH THIS RESOLUTION IS PASSED WAS NOTICED AND IS OPEN TO THE PUBLIC AS REQUIRED BY LAW.**

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

**SECTION 1.** That the City Manager be and is hereby authorized and directed, subject to all contract documents being properly completed and approved as to form and content by the City Attorney, to execute a Professional Services Agreement with Mike Pietsch, P.E. Consulting Services, Inc. for consulting services in conjunction with the City of Sherman's ISO survey and rating, in accordance with all contract documents attached hereto and made a part hereof for all purposes.

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

**PASSED AND APPROVED** on this the \_\_\_\_ day of \_\_\_\_\_, 2019.

**CITY OF SHERMAN, TEXAS**

**ATTEST:**

**BY:** \_\_\_\_\_  
**LINDA ASHBY, CITY CLERK**

**BY:** \_\_\_\_\_  
**DAVID PLYLER, MAYOR**

**APPROVED AS TO FORM  
AND CONTENT:**

**BY:** \_\_\_\_\_  
**BRANDON S. SHELBY,  
CITY ATTORNEY**



Assisting Communities  
With Their ISO Rating

**Mike Pietsch, P.E. Consulting Services, Inc.**

3101 S. Country Club Rd.  
Garland, TX 75043-1311  
972.271.3292 Phone  
214.728.6507 Cell  
972.840.6665 Fax  
michaelpietsch@tx.rr.com

September 9, 2019

City of Sherman  
C/O Mr. Danny Jones  
Fire Chief  
318 S. Travis St.  
Sherman, TX 75090

Dear Chief Jones:

Attached is a **CONTRACT/AGREEMENT** for Mike Pietsch, P.E. Consulting Services, Inc. to perform their consulting services in conjunction with the City of Sherman's ISO rating. The Scope of Services are described in **Exhibit A: Proposal Cover Letter, Phase I - Proposal to Prepare a Grading Summary and Create a List of Suggested Improvements (\$29,000), Phase II - Proposal to Prepare the ISO Pre-Survey Packet (\$26,500) and Phase III - Proposal to Assist the ISO Field Representative (\$4,500)** for the City of Sherman. The total cost of all services provided under the Contract/Agreement will not exceed **\$60,000.00.** **Payment Agreement: The City of Sherman agrees to pay Mike Pietsch, P.E. Consulting Services, Inc. upon the conclusion of each Phase of the consulting project.**

Accepted: \_\_\_\_\_  
Signature of Authorized Representative Title Date  
For the City of Sherman

\_\_\_\_\_  
Printed Name

Accepted: \_\_\_\_\_  
Signature of Authorized Representative Title Date  
For  
Mike Pietsch, P.E. Consulting Services, Inc.

\_\_\_\_\_  
Printed Name

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**CONTRACT/AGREEMENT between the City of Sherman and  
Mike Pietsch, P.E. Consulting Services, Inc.  
Provide Consulting Services to Improve the City of Sherman's ISO Classification**



## EXHIBIT "A"

### *Proposal Cover Letter*

### *Phase I: Proposal to Prepare a Grading Summary and Create a List of Suggested Improvements*

### *Phase II: Proposal to Prepare the ISO Pre-Survey Packet*

### *Phase III: Proposal to Assist the ISO Field Representative*



Assisting Communities  
With Their I.S.O. Rating

Mike Pietsch, P.E. Consulting Services, Inc.

3101 S. Country Club Rd.  
Garland, TX 75043-1311  
972.271.3292 Phone  
214.728.6507 Cell  
972.840.6665 Fax  
michaelpietsch@tx.rr.com

August 1, 2019

Mr. Danny Jones  
Fire Chief  
City of Sherman  
318 S. Travis St.  
Sherman, TX 75090

Dear Chief Jones:

This introductory letter explains the 3 proposals presented within this packet. The key to my service is that when I perform a Grading Summary and provide the community a List of Suggested Improvements (Phase I), a great deal of the information required to fill out the Pre-Survey Packet will be assimilated at that time. Therefore, when I fill out the Pre-Survey Packet (Phase II) it is obviously less time consuming than if I had not performed the Grading Summary and corresponding List of Suggested Improvements. The same holds true for assisting the community when the I.S.O. Field Representative visits and performs his field survey (Phase III). If I have filled out his Pre-Survey Packet then I am familiar with the infrastructure of the community as it pertains to the I.S.O. rating. This makes it less time consuming when transferring the information to the field representative. It is for this reason that each phase is contingent upon the one which preceded it.

The total cost to the City of Sherman to complete **only** the Grading Summary with the corresponding List of Suggested Improvements for areas afforded fire hydrant protection will not exceed **\$29,000**, and will require 1 site visit. The total cost to the City of Sherman to complete all 3 projects, for the areas afforded fire hydrant protection, will not exceed **\$60,000 (this total being contingent upon completing all 3 phases)**. *The total for all 3 projects does not include additional site visits such as City Council presentations or workshops.* 3 site visits will be required and only 3 site visits are within the scope of this proposal. The price for completing the Pre-Survey Packet (Phase II) and assisting with the transfer of information to the I.S.O. Field Representative (Phase III) is contingent upon the initial phase (Grading Summary and List of Suggested Improvements) being performed.

The normal process is as follows: I visit the City of Sherman and obtain the information to accurately grade your community. However, I do not assimilate the extensive amount of support data required by I.S.O. to document your answers. When I obtain the required information, I will return to my home office to grade the City of Sherman as though I was the ISO Field Representative. This

grading will show, to 2 decimal places, what Sherman would grade with its existing fire defense infrastructure. When the grading is complete, I will compile a list of suggested improvements. Each improvement will show, again to 2 decimal places, how much that improvement will add to the overall grading point total which develops the ISO PPC for the City of Sherman. Consequently, the City of Sherman can then consider which of the suggested improvements correspond with the Sherman Fire Department's Master Plan and fit within the budget constraints of the community.

After your staff analyzes these improvements and implements the ones which are economically feasible we will request an I.S.O. survey. At that time, I.S.O. should assign a Field Representative which should be Mr. Jeff Edwards; an excellent ISO Field Representative. If anyone else is assigned please contact me and we will get the State Fire Marshal's Office (which oversees ISO) involved. ISO New Jersey has brought in an "Out-of-State" Field Representative into Texas that should not be allowed into Sherman for reasons I will not place in a proposal, report, or any form of email. The State Fire Marshall has stated: "That any community has the right to a "Texas Specific" Field Representative that has been previously assigned to their area"

Once the Field Representative is assigned, he will send you his Pre-Survey Packets. At that time I will return to the City of Sherman and together we will assimilate the information in order that I can complete these 24 packets of information. We also will assimilate the support data required to document the answers to these packets.

After the packet is complete we will set a date and time for the Field Representative to visit the City of Sherman. I will be with the City of Sherman during the entire survey process to guarantee the seamless transfer of information.

Please note that payment occurs only at the conclusion of each phase.

Sincerely yours,

Mike Pietsch, P.E.  
Civil Engineer

MP/spp

**Proposals - City of Sherman  
Cover Letter**



Assisting Communities  
With Their I.S.O. Rating

**Mike Pietsch, P.E. Consulting Services, Inc.**

3101 S. Country Club Rd.  
Garland, TX 75043-1311  
972.271.3292 Phone  
214.728.6507 Cell  
972.840.6665 Fax  
michaelpietsch@tx.rr.com

August 1, 2019

Mr. Danny Jones  
Fire Chief  
City of Sherman  
318 S. Travis St.  
Sherman, TX 75090

Dear Chief Jones:

Attached is a proposal for Mike Pietsch, P.E. Consulting Services, Inc. to perform their consulting services in conjunction with the City of Sherman's I.S.O. rating. The services outlined below would be required to: ***Prepare a Grading Summary and Create a List of Suggested Improvements (Phase I)*** for the City of Sherman. This grading will demonstrate the minimum point total that should result if an I.S.O. Field Representative performs a rating for the City of Sherman. Based on this Grading Summary, a List of Suggested Improvements will be developed which, if implemented, would improve the I.S.O. rating for the City of Sherman.

This phase I proposal includes 1 site visit. If the City of Sherman wishes additional site visits to present or discuss the report please let my company know and the proposal will be adjusted.

The total of time and costs reflect actual consultant fee expenses. If you have any questions or need other information, please let me know.

Sincerely yours,

Mike Pietsch, P.E.  
Civil Engineer

MP/spp

# **PROPOSAL**

TO  
PROVIDE  
CONSULTING SERVICES

TO  
**THE CITY OF SHERMAN**

**Prepare a Grading Summary and  
Create a List of Suggested Improvements  
(Phase I)**

BY  
MIKE PIETSCH, P.E. CONSULTING SERVICES, INC.  
OF  
GARLAND, TEXAS

August 1, 2019

**Proposals - City of Sherman  
Phase I – MG&SIs**

The following is a proposed estimate of the time and costs that would be associated with a consulting project with **Mike Pietsch, P.E. Consulting Services, Inc.** for the **City of Sherman**. The consulting team will consist of Mike Pietsch, P.E.

## **SCOPE OF CONSULTING SERVICES**

The proposed scope of work will consist of meeting with various City Officials from the City of Sherman as follows:

I. Confirm the following information for the City of Sherman:

- **Evaluate ISO's Needed Fire Flow Report:**
- **Texas Exception:**
  - Attendance at Fireman's Training School
  - Compressed Air Foam
  - Volunteer Certification
- **Fire Department:**
  - Apparatus Inventories
  - Pump Tests
  - Staffing
  - Training
  - Operational Considerations
  - Fire Station Locations
    - Locating apparatus to maximize the grading
    - Distribution of companies
- **Fire Service Communications:**
  - Methods of alarm receipt
  - Number and training of dispatchers
  - Monitoring for Integrity
  - Emergency Power
  - Methods of dispatch
- **Water Department:**
  - Supply Facilities
  - Hydrant Distribution
  - Hydrant Inspection
  - Flow Testing – perform and/or analyze flow tests

**Proposals - City of Sherman  
Phase I – MG&SIs**

- **Community Risk Reduction:**
  - Fire Marshal – Inspections and Investigations
    - Codes
    - Staffing
    - Certifications
    - Training
  - Public Fire Education
    - Staffing
    - Certifications
    - Training

II. Grade the City of Sherman (at my home office)

III. Create a List of Suggested Improvements, which, if implemented, would allow the City of Sherman to improve its I.S.O. rating. These will be prioritized with their impact on the I.S.O. Public Protection Classification of the City of Sherman (at my home office).

IV. Develop an accurate Fire Station Location Master Plan. I have recently performed this exact study for San Antonio, Frisco, McKinney, Richardson, Plano, Euless, Grand Prairie, Denton, and Waco. I have performed over 400 of these studies during my 18+ years as a consultant. During my 28+ years with ISO I literally performed thousands of these studies.



# **COST REQUIREMENTS**

## **To Complete the Grading Summary and List of Suggested Improvements:**

- |                                                 |           |
|-------------------------------------------------|-----------|
| • Assimilating the information                  | \$ 7,500  |
| • Grade/Prepare a Grading Summary               | \$ 16,000 |
| • Prepare the Suggested Improvements            | \$ 4,500  |
| • Expenses (hotel, meals, transportation, etc.) | \$ 1,000  |

**Total     \$ 29,000**

**The total cost to the City of Sherman will not exceed \$29,000 to  
Prepare a Grading Summary and  
Create a List of Suggested Improvements.**

**Phase I proposal includes 1 site visit**

---

### **PAYMENT AGREEMENT:**

The City of Sherman agrees to pay Mike Pietsch, P.E. Consulting Services, Inc. upon the conclusion of the consulting project (Phase I) assuming the proposal is accepted by the City of Sherman.

*Submitted by:*

*Mike Pietsch, P.E.  
Civil Engineer*

**Mike Pietsch, P.E. Consulting Services, Inc.  
3101 S. Country Club Rd.  
Garland, TX 75043-1311  
Phone: 972-271-3292 Cell: 214-728-6507  
Fax: 972-840-6665  
Email: [michaelpietsch@tx.rr.com](mailto:michaelpietsch@tx.rr.com)**

**Proposals - City of Sherman  
Phase I – MG&SIs**



Assisting Communities  
With Their I.S.O. Rating

**Mike Pietsch, P.E. Consulting Services, Inc.**

3101 S. Country Club Rd.  
Garland, TX 75043-1311  
972.271.3292 Phone  
214.728.6507 Cell  
972.840.6665 Fax  
michaelpietsch@tx.rr.com

August 1, 2019

Mr. Danny Jones  
Fire Chief  
City of Sherman  
318 S. Travis St.  
Sherman, TX 75090

Dear Chief Jones:

Attached is a proposal for Mike Pietsch, P.E. Consulting Services, Inc. to perform their consulting services in conjunction with the City of Sherman's I.S.O. rating. The services outlined below would be required to: **Prepare the I.S.O. Pre-Survey Packet (Phase II)** for the City of Sherman. This packet requires an extensive amount of support data to document the answers the City of Sherman will provide via this packet. It will save the City Officials representing Sherman a considerable amount of time if my services are obtained to assist in filling out this packet.

This proposal for phase II includes only 1 site visit. If additional site visits are required by the City of Sherman please let my company know and the proposal will be adjusted.

The total of time and costs reflect actual consultant fee expenses. If you have any questions or need other information, please let me know.

Sincerely yours,

Mike Pietsch, P.E.  
Civil Engineer

MP/spp

# **PROPOSAL**

**TO  
PROVIDE  
CONSULTING SERVICES**

**TO**

**THE CITY OF SHERMAN**

**To Prepare the I.S.O. Pre-Survey Packet  
(Phase II)**

**BY**

**MIKE PIETSCH, P.E. CONSULTING SERVICES, INC.**

**OF**

**GARLAND, TEXAS**

**August 1, 2019**

---

**Proposal for The City of Sherman  
Prepare I.S.O. Pre-Survey Packet (Phase II)**

The following is a proposed estimate of the time and costs that would be associated with a consulting project with **Mike Pietsch, P.E. Consulting Services, Inc.** for the **City of Sherman**. The consulting team will consist of Mike Pietsch, P.E.

## **SCOPE OF CONSULTING SERVICES**

The proposed scope of work will consist of meeting with various officials from Sherman as follows in order to document the answers to the questions presented within I.S.O.'s pre-survey packet. The questions will cover the areas described below:

- **Correct ISO's Needed Fire Flow Report:**
- **Texas Exception**
  - Attendance at Fireman's Training School
  - Compressed Air Foam
  - Volunteer Certification
- **Fire Department:**
  - Apparatus Inventories
  - Pump Tests
  - Staffing
  - Training
  - Operational Considerations
  - Fire Station Locations
    - Locating apparatus to maximize the grading
    - Distribution of companies
- **Fire Service Communications**
  - Methods of alarm receipt
  - Number and training of dispatchers
  - Monitoring for Integrity
  - Emergency Power
  - Methods of dispatch
- **Water Department:**
  - Supply Facilities
  - Hydrant Distribution
  - Hydrant Inspection
  - Flow Testing – perform and/or analyze flow tests

- **Community Risk Reduction:**
  - Fire Marshal – Inspections and Investigations
    - Codes
    - Staffing
    - Certifications
    - Training
  - Public Fire Education
    - Staffing
    - Certifications
    - Training

## **COST REQUIREMENTS**

***If I prepare a Grading Summary and the corresponding List of Suggested Improvements for the City of Sherman:***

- Assimilating information in City of Sherman \$ 7,500
- Complete ISO Pre-Survey Packet – At home office \$ 18,000
- Expenses (hotel, meals, transportation, etc.) \$ 1,000

**Total \$ 26,500**

**The total cost to the City of Sherman will not exceed \$26,500 if my services are obtained to prepare a Grading Summary and corresponding List of Suggested Improvements.**

**This Proposal for Phase II includes just 1 site visit**

---

### **PAYMENT AGREEMENT:**

The City of Sherman agrees to pay Mike Pietsch, P.E. Consulting Services, Inc. upon the conclusion of the consulting project (Phase II) assuming this proposal is accepted by the City of Sherman.

*Submitted by:*

*Mike Pietsch, P.E.  
Civil Engineer*

**Mike Pietsch, P.E. Consulting Services, Inc.  
3101 S. Country Club Rd.  
Garland, TX 75043-1311  
Phone: 972-271-3292 Cell: 214-728-6507  
Fax: 972-840-6665  
Email: [michaelpietsch@tx.rr.com](mailto:michaelpietsch@tx.rr.com)**

---

**Proposal for The City of Sherman  
Prepare I.S.O. Pre-Survey Packet (Phase II)**





Assisting Communities  
With Their I.S.O. Rating

**Mike Pietsch, P.E. Consulting Services, Inc.**

3101 S. Country Club Rd.  
Garland, TX 75043-1311  
972.271.3292 Phone  
214.728.6507 Cell  
972.840.6665 Fax  
michaelpietsch@tx.rr.com

August 1, 2019

Mr. Danny Jones  
Fire Chief  
City of Sherman  
318 S. Travis St.  
Sherman, TX 75090

Dear Chief Jones:

Attached is a proposal for Mike Pietsch, P.E. Consulting Services, Inc. to perform their consulting services in conjunction with the City of Sherman's I.S.O. rating. The services outlined below would be required to: **Assist the I.S.O. Field Representative (Phase III)** during his survey of the City of Sherman.

This phase of my service is designed to assist the City of Sherman with the information transfer. I will be with the Field Representative during his entire survey. Since I trained many I.S.O. Field Representatives during my 28+ years with ISO, I know exactly what he requires. This will eliminate any confusion between the City of Sherman and the I.S.O. Field Representative. The information transfer will proceed effortlessly if I am involved. My involvement will save the City Officials serving the City of Sherman countless staff-hours and allow them to concentrate on their normal daily activities.

This proposal includes 1 site visit; to complete phase III. If additional site visits are required by the City of Sherman please let my company know and the proposal will be adjusted.

The total of time and costs reflect actual consultant fee expenses. If you have questions or need additional information, please let me know.

Sincerely yours,

Mike Pietsch, P.E.  
Civil Engineer

MP/spp



# **PROPOSAL**

TO  
PROVIDE  
CONSULTING SERVICES

TO

**THE CITY OF SHERMAN**

**Assist the I.S.O. Field Representative  
During the I.S.O. Survey  
(Phase III)**

BY

MIKE PIETSCH, P.E. CONSULTING SERVICES, INC.

OF

GARLAND, TEXAS

August 1, 2019

---

**Proposal for the City of Sherman  
Assist I.S.O. Field Representative (Phase III)**

The following is a proposed estimate of the time and costs that would be associated with a consulting project with **Mike Pietsch, P.E. Consulting Services, Inc.** for the **City of Sherman**. The consulting team will consist of Mike Pietsch, P.E.

## **SCOPE OF CONSULTING SERVICES**

Represent the City of Sherman during the I.S.O. field survey. Areas covered by the I.S.O. Field Representative are shown below:

- **Present ISO's Corrected Needed Fire Flow Report:**
- **Texas Exception**
  - Attendance at Fireman's Training School
  - Compressed Air Foam
  - Volunteer Certification
- **Fire Department:**
  - Apparatus Inventories
  - Pump Tests
  - Staffing
  - Training
  - Operational Considerations
  - Fire Station Locations
    - Locating apparatus to maximize the grading
    - Distribution of companies
- **Fire Service Communications**
  - Methods of alarm receipt
  - Number and training of dispatchers
  - Monitoring for Integrity
  - Emergency Power
  - Methods of dispatch
- **Water Department:**
  - Supply Facilities
  - Hydrant Distribution
  - Hydrant Inspection
  - Flow Testing – perform and/or analyze flow tests

- **Community Risk Reduction:**
  - Fire Marshal – Inspections and Investigations
    - Codes
    - Staffing
    - Certifications
    - Training
  - Public Fire Education
    - Staffing
    - Certifications
    - Training

## **COST REQUIREMENTS**

***If I prepare a Grading Summary, create a List of Suggested Improvements, and assist with completion of the Pre-Survey Packet for the City of Sherman:***

- Assist the I.S.O. Field Representative \$ 4,000
- Expenses (hotel, meals & transportation) \$ 500

**Total      \$ 4,500**

***The total cost to the City of Sherman to Assist the I.S.O. Field Representative will not exceed \$4,500; if my services are obtained to: 1) Complete the Grading Summary and the List of Suggested Improvements Report. 2) Complete ISO's 24 Pre-Survey Packets of required information prior to the ISO survey commencing.***

***The Proposal for Phase III includes just 1 site visit.***

---

### **PAYMENT AGREEMENT:**

The City of Sherman agrees to pay Mike Pietsch, P.E. Consulting Services, Inc. upon the conclusion of this phase of the consulting project (Phase III).

*Submitted by:*

*Mike Pietsch, P.E.  
Civil Engineer*

***Mike Pietsch, P.E. Consulting Services, Inc.  
3101 S. Country Club Rd.  
Garland, TX 75043-1311  
Phone: 972-271-3292 Cell: 214-728-6507  
Fax: 972-840-6665  
E-mail: [michaelpietsch@tx.rr.com](mailto:michaelpietsch@tx.rr.com)***

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**Proposal for the City of Sherman  
Assist I.S.O. Field Representative (Phase III)**



# SHERMAN CITY COUNCIL

## Agenda Communication Form

### City Council Regular Meeting

E. 8.

**Meeting Date:** 09/16/2019

**Prepared By:** Danny Jones, Fire Chief

**Approved By:** Robby Hefton, City Manager

---

### **Caption:**

#### **\* RESOLUTION NO. 6531**

Authorizing Execution of a Contract with James E. Frame, PA as Licensed Medical Director for Sherman Fire-Rescue Emergency Medical Services; Providing for a Statement of Medical Direction; Providing for Automatic Renewal

### **Issue:**

To consider entering into a contract with Dr. James E. Frame, PA, acting as Medical Director and providing medical direction, continuing education material, and training for Sherman Fire-Rescue EMS personnel

### **Background:**

The current Medical Director for Sherman Fire-Rescue, Sharon A. Malone, MD of Van Alstyne, Texas, has resigned her position as Medical Director. Sherman Fire-Rescue has negotiated an agreement with Dr. James E. Frame, PA to provide medical direction, continuing education material and training to Sherman Fire-Rescue EMS personnel.

The services of Dr. Frame shall commence on the execution of this contract, and shall be renewable annually on September 1 for successive one year terms until final termination on September 30, 2022, unless either party gives written notice of its intention not to renew.

### **Origination:**

Fire Chief Danny Jones

### **Financial Consideration:**

The City agrees to pay Dr. Frame the amount of Thirty Thousand Dollars and No Cents (\$30,000.00) per year for services rendered during the term of this contract. Payment will be made in twelve (12) equal installments of Two Thousand Five Hundred Dollars and No Cents (\$2,500.00).

### **Staff Recommendation:**

It is recommended that the City Council approve the contract with James E. Frame, PA for the specified services.

**Alternatives:**

Medical director services could be sought from other physicians.

---

**Attachments**

Resolution No. 6531

Medical Director Contract

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**RESOLUTION NO. 6531**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING EXECUTION OF A CONTRACT WITH JAMES E. FRAME, PA AS LICENSED MEDICAL DIRECTOR FOR SHERMAN FIRE-RESCUE EMERGENCY MEDICAL SERVICES; PROVIDING FOR A STATEMENT OF MEDICAL DIRECTION; PROVIDING FOR AUTOMATIC RENEWAL; FINDING AND DETERMINING THAT THE MEETING AT WHICH THIS RESOLUTION IS PASSED WAS NOTICED AND IS OPEN TO THE PUBLIC AS REQUIRED BY LAW.**

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

**SECTION 1.** That the City Manager be and is hereby authorized and directed to enter into a contract with James E. Frame, PA of McKinney, Texas, such contract terms being first approved by the City Attorney and being the same or substantially the same as contained in the agreement 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.

**PASSED AND APPROVED** on this the \_\_\_\_ day of \_\_\_\_\_, 2019.

**CITY OF SHERMAN, TEXAS**

**BY: \_\_\_\_\_**  
**DAVID PLYLER, MAYOR**

**ATTEST:**

**BY: \_\_\_\_\_**  
**LINDA ASHBY, CITY CLERK**

**APPROVED AS TO FORM  
AND CONTENT:**

**BY: \_\_\_\_\_**  
**BRANDON S. SHELBY,**  
**CITY ATTORNEY**



## **Medical Director Contract**

**THIS CONTRACT** is entered into as of the 1<sup>st</sup> day of October, 2019, by and between the **CITY OF SHERMAN ("City")** and **James E. Frame, PA ("Frame")**, 4356 Waterstone Estate Drive, McKinney, Texas 75071.

1. Appointment. City hereby appoints Frame as Medical Director.
2. Term & Renewal. Except as otherwise set forth in this Contract, the services of Frame hereunder shall commence on the execution of this Contract, and shall be renewable annually on September 1 for successive one year terms until final termination on September 30, 2022, unless either party gives written notice of its intention not to renew ninety (90) days before expiration of the current term.
3. Renewal. This agreement shall be renewable at the end of the current term for a successive one-year term unless either party gives written notice of its intention not to renew ninety (90) days before expiration of the current term.
4. Compensation. City agrees to pay Frame the amount of THIRTY THOUSAND DOLLARS AND NO CENTS (\$30,000.00) PER YEAR for services rendered during the term of this contract. Payment will be made in twelve (12) equal installments of TWO THOUSAND FIVE HUNDRED DOLLARS AND NO CENTS (\$2,500.00).
5. Service of Frame. Frame shall perform and provide to the City those services as described below:
  - (a) Approve the level of pre-hospital care and provide medical direction for the EMS personnel under his supervision;
  - (b) Establish and monitor compliance with field performance guidelines for EMS personnel;
  - (c) Establish and monitor compliance with training guidelines which meet or exceed Texas Department of State Health Services EMS certification regulations;
  - (d) Develop, implement and revise protocols and/or standing delegated orders if appropriate, governing pre-hospital care and medical aspects of patient triage, transport, transfer, dispatch, extrication, rescue and radio-telephone-telemetry communication by the EMS;
  - (e) Direct an effective system audit and quality assurance program;
  - (f) Make formal recommendations on medically related aspects of EMS operations;

- (g) Function as the primary liaison between the EMS administration and the local medical community;
- (h) Recommend appropriate remedial or corrective measures for EMS personnel;
- (i) Provide annual check-off skills for each EMS personnel;
- (j) Recommend suspension of a certified EMS individual from medical care duties for due causes;
- (k) Establish the circumstances under which a patient might not be transported or may be transported against his or her will;
- (l) Establish criteria for selection of a patient's destination;
- (m) Develop and implement a comprehensive mechanism for management of patient care including patient complaints, allegations of substandard care and deviations from established protocols and patient care standards;
- (n) Promptly respond to requests for information by the City relating to the subject matter items of this section as well as patient care issues;
- (o) Provide timely review and consultation with regard to medical records in a prompt, efficient and professional manner;
- (p) Provide access to medical direction 24 hours a day, 7 days a week;
- (q) Provide continuing education for EMS personnel as needed, no less than quarterly;
- (r) Review all policies and procedures within Sherman Fire Department that relate to EMS;
- (s) Review all new equipment and products before their use by EMS personnel;
- (t) Shall EMS personnel in obtaining Advanced Cardiac Life support, Basic Life Support, and Pediatric Advanced Life support (ACLS/BLS/PALS) card in partnership with Wilson N. Jones Hospital;
- (u) Conduct collaborative quality improvement chart review with EMS Division Chief or Field Training Officer (FTO);
- (v) Conduct one 12 hour Emergency Room (ER) with ER physician for all new EMS employees; and,

- (w) Shall fulfill all Texas Department of State Health Services for medical director.

Frame agrees to devote such time and effort as may be necessary and/or desirable for Frame to perform his duties and obligations.

6. Affirmation. Frame affirms that (1) he is a physician licensed to practice medicine in the State of Texas; (2) familiar with the operation of EMS systems; (3) experienced in pre-hospital emergency care of acutely ill or injured patients; (4) actively involved in the emergency management of acutely ill and/or injured patients, in the training and/or continuing education of the EMS personnel under his supervision at their level of certification, in the medical audit, review and critique of the EMS personnel performance and in the administrative processes affecting the delivery of emergency pre-hospital care; (5) knowledgeable about local multi-casualty plans; (6) familiar with dispatch and communications operations of pre-hospital emergency units; and (7) knowledgeable about laws and regulations affecting local, regional and state operations.

7. Training.

- (a) Frame, as part of his responsibilities as Medical Director, agrees to provide Continuing Education ("CE") material for education and training quarterly by year. Each training session shall consist of six (6) classes over a period of three (3) days at the Sherman Central Fire Station, or other acceptable location. All course materials shall conform to state directives and requirements and will be validated by Sherman Fire Department with a direct report to the State of Texas.
- (b) The City will provide training aids and space for Frame, including a meeting room, overhead projector, mannequins and training materials. To the extent permitted by law, training materials developed by Frame may not be copied or distributed without his written permission. Frame understands, however, that the City may not be able to honor this request due to the Texas Public Information Act requirements imposed on the City, or other legal requests for information.

8. Insurance. The City's obligation to provide general liability insurance shall be limited to the medical and administrative services provided by the Medical Director exclusively for the City. The Medical Director agrees and understands that the determination of coverage for the Medical Director is solely a determination made by the City's Insurance Carrier, the Texas Municipal League Intergovernmental Risk Pool ("City's Insurance Carrier") and not by the City. The Medical Director also understands and agrees that the City is under no obligation to provide any additional coverage or indemnification not provided for by the City's Insurance Carrier.

9. Termination. The City may terminate this Contract at any time upon ninety (90) days written notice from the City to Frame, with or without cause. Frame reserves the right to resign from this appointment upon not less than ninety (90) days prior written notice to the City. In such event, Frame agrees to cooperate with the City and the successor to minimize disruption in the performance of the duties and responsibilities of Frame as set forth herein. In the event of such termination provided for in this paragraph, City agrees to pay Frame compensation as herein provided through the date of cessation of services by Frame.
10. Review. Performance shall be reviewed annually via a metric based performance review. Metrics shall be determined collaboratively by City and Frame. Metric-based salary increases shall be determined annually at the time of review.
11. Independent Contractor. Nothing contained herein shall be construed to create an employer/employee relationship between City and Frame. The parties intend that an independent contractor and not an employer/employee relationship be created by this agreement. The City is interested only in the results to be achieved and the control of Frames services shall lie solely with Frame. Frame is not considered to be an agent or employee of the City for any purpose, but rather is an appointed official whose capacity as Medical Director may be revoked by the Sherman City Council at any time. It is understood that Frame is in no way vicariously liable for the conduct of the City's employees. It is understood that the City is in no way vicariously liable for the conduct of Frame. It is understood that the City may use other medical advisors from time to time. It is further understood that Frame is free to contract with other entities while under contract with the City.
12. No Assignment. City is relying upon the expertise and abilities of Frame, and it is expressly provided that Frame may not assign, in whole or in part, the performance of any of her duties and obligations hereunder.
13. Law Governing and Venue. This Contract is governed by the law of the State of Texas and a lawsuit may only be prosecuted on this Contract in a court of competent jurisdiction located in or having jurisdiction in Grayson County, Texas.

**EXECUTED AND DELIVERED** effective as of the \_\_\_\_ day of September, 2019.

**CITY OF SHERMAN, TEXAS**

**JAMES E. FRAME, PA**

**BY:** \_\_\_\_\_  
**NAME:** Robby Hefton  
**TITLE:** City Manager  
**ADDRESS:** 220 West Mulberry St  
Sherman, TX 75090  
**PHONE:** (903) 892-7200

**BY:** \_\_\_\_\_  
**NAME:** James E. Frame, PA  
**TITLE:** Medical Director  
**ADDRESS:** 4356 Waterstone  
McKinney, TX 75071  
**PHONE:**

**ATTEST:**

**BY:** \_\_\_\_\_  
Linda Ashby, City Clerk

**APPROVED AS TO FORM AND CONTENT:**

**BY:** \_\_\_\_\_  
Brandon S. Shelby, City Attorney



# SHERMAN CITY COUNCIL

## Agenda Communication Form

### City Council Regular Meeting

E. 9.

**Meeting Date:** 09/16/2019

**Prepared By:** Mary Lawrence, Director of Finance

**Approved By:** Robby Hefton, City Manager

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### **Caption:**

#### **\* RESOLUTION NO. 6532**

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, 2020 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.

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## **Attachments**

Resolution No. 6532

Grant Agreement

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**RESOLUTION NO. 6532**

**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.

**PASSED AND APPROVED** on this the \_\_\_\_ day of \_\_\_\_\_, 2019.

**CITY OF SHERMAN, TEXAS**

**BY:** \_\_\_\_\_  
**DAVID PLYLER, MAYOR**

**ATTEST:**

**BY:** \_\_\_\_\_  
**LINDA ASHBY, CITY CLERK**

**APPROVED AS TO FORM  
AND CONTENT:**

**BY:** \_\_\_\_\_  
**BRANDON S. SHELBY,  
CITY ATTORNEY**

**TEXAS DEPARTMENT OF TRANSPORTATION  
GRANT FOR ROUTINE AIRPORT MAINTENANCE PROGRAM  
(State Assisted Airport Routine Maintenance)**

**TxDOT Project ID.: M2001SHRM**

**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, 2020, 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 without prior approval of the State; 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.
- l. 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.

Executed this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

\_\_\_\_\_  
The City of Sherman, Texas

Sponsor

\_\_\_\_\_  
Sponsor Signature

\_\_\_\_\_  
Sponsor Title

*City Manager*

### Certificate of Attorney

I, Brandon Shelby, acting as attorney for the City of Sherman, Texas, do certify that I have fully examined the Grant and the proceedings taken by the Sponsor relating to the acceptance of the Grant, and find that the manner of acceptance and execution of the Grant by the Sponsor, is in accordance with the laws of the State of Texas.

Dated at \_\_\_\_\_, Texas, this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

\_\_\_\_\_  
Attorney's Signature



### **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

By: \_\_\_\_\_

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

Attachment A

Scope of Services  
TxDOT Project ID: M2001SHRM

| Eligible Scope Item | Estimated Costs<br>Amount A | State Share<br>Amount B | Sponsor Share<br>Amount C |
|---------------------|-----------------------------|-------------------------|---------------------------|
| GENERAL MAINTENANCE | \$100,000.00                | \$50,000.00             | \$50,000.00               |
| TOTAL               | \$100,000.00                | \$50,000.00             | \$50,000.00               |

Accepted By: The City of Sherman, Texas

\_\_\_\_\_  
Signature

Title: City Manager

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:

M2001SHRM

The City of Sherman 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: The City of Sherman, Texas

By: \_\_\_\_\_

Title: City Manager

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

### Certification of State Single Audit Requirements

I, Mary Lawrence, do certify that the City of Sherman, Texas,  
(Designated Representative)

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.

\_\_\_\_\_  
Signature

Finance Director

\_\_\_\_\_  
Title

\_\_\_\_\_  
Date

## DESIGNATION OF SPONSOR'S AUTHORIZED REPRESENTATIVE

TxDOT Project ID: M2001SHRM

The City of Sherman, Texas, designates, Mary Lawrence, Finance Director  
(Name, Title)

as the Sponsor's authorized 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: The City of Sherman, Texas

By: \_\_\_\_\_

Title: City Manager

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

## DESIGNATED REPRESENTATIVE

Mailing Address: City of Sherman  
Attn: Finance  
PO Box 1106  
Sherman, Texas 75091

Overnight Mailing Address: City of Sherman  
Attn: Finance  
405 N. Rosk St.  
Sherman, Texas 75090

Telephone Number: 903-892-7218

Fax Number: 903-891-0255

Email Address: Mary1@cityofsherman.com





# SHERMAN CITY COUNCIL

## Agenda Communication Form

### City Council Regular Meeting

E. 10.

**Meeting Date:** 09/16/2019

**Prepared By:** Danny Jones, Fire Chief

**Approved By:** Robby Hefton, City Manager

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### **Caption:**

#### **\* RESOLUTION NO. 6533**

Authorizing Execution of an Agreement for Fire Protection Services between Grayson County and the City of Sherman for the Period of October 1, 2019 through September 30, 2020

### **Issue:**

To consider approval of an agreement between the City of Sherman and Grayson County regarding firefighting services in Grayson County

### **Background:**

The Sherman Fire Department provides fire protection for certain areas of Grayson County, per an annual contract.

### **Origination:**

Grayson County and the City of Sherman

### **Financial Consideration:**

The City will receive \$9,629.33 each month during the period beginning October 1, 2019 and ending September 30, 2020. The total amount due the City will be \$115,551.96 for the fiscal year (FY) 2020. This amount reflects no monetary increase over last year's contract, but the County will be investing over \$1.2 million in improvements that will impact the services provided under this agreement.

### **Staff Recommendation:**

It is recommended that the Council approve the agreement to provide firefighting services to the County.

### **Alternatives:**

As directed by the Council

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### **Attachments**

Resolution No. 6533

Request for Agreement for Fire Protection Services FY 2020

Agreement for Fire Protection Services FY 2020 with Exhibit A

**RESOLUTION NO. 6533**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING EXECUTION OF AN AGREEMENT FOR FIRE PROTECTION SERVICES BETWEEN GRAYSON COUNTY AND THE CITY OF SHERMAN FOR THE PERIOD OF OCTOBER 1, 2019 THROUGH SEPTEMBER 30, 2020; 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 Mayor be and is hereby authorized and directed, subject to all contract documents being properly completed and approved as to form and content by the City Attorney, to execute an Agreement for Fire Protection Services between Grayson County and the City of Sherman for the period of October 1, 2019 through September 30, 2020, pursuant to the terms and provisions of the contract document 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.

**PASSED AND APPROVED** on this the \_\_\_\_ day of \_\_\_\_\_, 2019.

**CITY OF SHERMAN, TEXAS**

**BY: \_\_\_\_\_**  
**DAVID PLYLER, MAYOR**

**ATTEST:**

**BY: \_\_\_\_\_**  
**LINDA ASHBY, CITY CLERK**

**APPROVED AS TO FORM  
AND CONTENT:**

**BY: \_\_\_\_\_**  
**BRANDON S. SHELBY,**  
**CITY ATTORNEY**



**Office of Emergency Management**  
100 W Houston, Third Floor • Sherman, TX 75090

August 26, 2019

Sherman Fire Department  
Attn: Chief Jones  
P.O. Box 1106  
Sherman, TX 75091

Chief Jones:

Please find enclosed two original Agreements for Fire Protection Services between Grayson County, Texas and the Sherman Fire Department. Please execute and return both copies, obtaining any required governing body approval, for acceptance by Commissioners Court. We will send one original with the County Judge's signature back to you when that has been obtained.

Instead of a small percentage increase in your cash compensation this year, Grayson County is pleased to advise that we will be investing over \$1.2 million in improvements for our public safety two-way radio communication system. Part of that improvement plan will include the build out of a third channel for use for large scale multi-agency incidents, such as mass casualty, active shooter or large scale wildland fires. Other parts of the plan will simply build on pieces already in place but strengthen and improve coverage area for both our primary law enforcement frequency and the Grayson County Fire frequency.

We appreciate the service you provide to the visitors, motorists, businesses and residents of Grayson County and its cities. May the coming year strengthen our partnership to provide those services safely and well.

Kind regards,

Sarah Somers  
Director  
SES:sa



STATE OF TEXAS       §  
                                  §  
COUNTY OF GRAYSON §

FISCAL YEAR 2020

**AGREEMENT FOR FIRE PROTECTION SERVICES BETWEEN GRAYSON COUNTY, TEXAS  
AND THE CITY OF SHERMAN, TEXAS**

WHEREAS, this Agreement is made between Grayson County, Texas ["COUNTY"] and the City of SHERMAN, Texas ["CITY"] under and pursuant to the Interlocal Cooperation Act, Chapter 791, Texas Government Code and under Section 352 of the Texas Local Government Code;

WHEREAS, COUNTY and CITY represent that each is independently authorized to perform the functions contemplated by this Agreement; and

WHEREAS, the COUNTY currently has a need for fire protection for Grayson County residents who live in portions of the COUNTY outside the municipalities;

WHEREAS, each party has sufficient funds available from current revenues to perform the functions contemplated by this Agreement and this Agreement is conditioned upon appropriation of sufficient revenue by Grayson County Commissioners Court for payment of the consideration named herein for the COUNTY fiscal year named; and

NOW, THEREFORE, in consideration of the recitals, mutual benefits and promises each to the other made herein, the parties named above do hereby agree as follows:

PUBLIC PURPOSE

The purpose of this contract is to provide public fire protection services within the area of the COUNTY that lies outside the boundaries of any municipal government. The COUNTY has no authority to provide fire protection within the territorial limits of incorporated municipalities and by this contract does not attempt to usurp the authority of municipalities to manage, regulate and provide fire protection and emergency response services within their boundaries.

CITY OBLIGATIONS

The CITY, as part of this Agreement, and as a condition of the payment by COUNTY of any and all sums called for under this Agreement, agrees that:

- (A) The CITY's fire department will provide fire protection services for all persons and property within the unincorporated area of said COUNTY that lies within the CITY's designated primary service area as set out in the map attached to this Agreement as Exhibit "A" and incorporated

herein by reference. Additionally, the CITY's Fire Department agrees that it shall respond to all mutual aid calls from any other fire department in Grayson County for fire protection services at any location within the unincorporated area of the COUNTY upon request of other fire department or upon request of the Grayson County Judge or Emergency Management Coordinator. Said request may be made on behalf of any of these authorized agents by telephone or through the Grayson County Sheriff's Office Communications Center.

- (B) The CITY's Fire Department shall use reasonable diligence and effort to provide the fire protection services it has contracted to provide by this contract and to provide immediate and direct supervision of the CITY's Fire Department members, volunteers, employees, agents, contractors, sub-contractors, and/or laborers, if any, in the furtherance of the purposes, terms, and conditions of this Agreement.
- (C) The CITY's Fire Department agrees to cause its members and personnel providing fire protection services in performance of this Agreement, when performing said services, to conduct themselves in a professional manner and to comply with all applicable laws, regulations and standards. All paid fire fighters must comply with all requirements of the Texas Commission on Fire Protection. All fire fighters, whether paid or volunteer, must be properly trained and equipped to perform fire protection duties as determined by applicable laws, regulations and standards, including local departmental regulations and standards. The CITY's Fire Department agrees to maintain all equipment necessary for the performance of this Agreement in good repair. Radio communications will be conducted in accordance with any rules, procedures or directives of the Grayson County Sheriff and/or the Grayson County Emergency Management Coordinator.
- (D) The CITY's Fire Department shall cooperate and coordinate with the Grayson County Fire Marshal pursuant to the provisions of the Local Government Code, Chapter 352.
- (E) The CITY's Fire Department shall provide notice to the Grayson County EOC at 903-818-7694 prior to or concurrent with deployment of resources outside of Grayson County for response other than mutual aid to the counties contiguous to Grayson County.
- (F) Upon request from the Grayson County Judge, his designee or the Grayson County Emergency Management Coordinator, the CITY's Fire Department shall:
  - a. Cooperate in a coordinated response, or prioritization of assets, during a locally declared disaster;
  - b. Respond to reasonable data requests relevant to services provided under this Agreement;

- c. Participate in at least one exercise, per fiscal year, if requested by the Grayson County Office of Emergency Management;
  - d. Participate in local planning, briefings or trainings as requested by the Grayson County Fire Marshal or Grayson County Emergency Management Coordinator; and
  - e. Participate in After Action Reviews as requested by the Grayson County Emergency Management Coordinator of emergency incidents involving a response of the CITY's Fire Department in the unincorporated area pursuant to this contract. Participation shall be defined to include participation by personnel actually involved in the incident; and
  - f. Provide current contact information for the Chief and Assistant Chief of the CITY's Fire Department, to include active email addresses and telephone contact information, for use by the Grayson County EOC, Sheriff's Office Communication Center and Fire Marshal.
- (G) The CITY's Fire Department warrants that in carrying out the terms of this Agreement, no person under the age of eighteen years will be utilized in the performance of the services to be provided under this Agreement.
- (H) The CITY's Fire Department shall comply with any rules, procedures or directives of the Grayson County Sheriff and/or Grayson County Fire Marshal for determining which fires warrant investigation and shall cooperate with any such investigation made by the appropriate County Official or the designated agent of the County Sheriff, Grayson County Fire Marshal, State Fire Marshal, and/or other law enforcement agencies or their designees.
- (I) The books and records maintained in operation of the CITY's Fire Department shall be open to inspection by the COUNTY or its designated representative during normal business hours, upon reasonable notice.
- (J) The CITY's Fire Department shall file a TXFIRS report with the State Fire Marshal's Office within two weeks of the end of the month that an incident occurred. The Grayson County Emergency Management Coordinator is authorized to review all fire incident reports filed by the CITY Fire Department with the State Fire Marshal's Office.
- (K) The CITY's Fire Department shall file an incident report with the Texas Interagency Coordination Center (Texas A&M Forest Service) via Texas FireConnect Portal, or any successor system, for each wildland fire incident to which the department responded within fourteen (14) days of the incident.

(L) The CITY's Fire Department shall adopt, and take all necessary steps to implement, the National Incident Management System (NIMS) at the local level. NIMS compliance for the term of this contract must be achieved by completing required actions as outlined by FEMA, the Texas Forest Service and the Texas Division of Emergency Management. NIMS compliance shall be demonstrated by:

- a. Completion and certification of NIMS compliance via any tool requested by the Grayson County Office of Emergency Management in writing within thirty (30) days of the request;
- b. Verification of NIMS compliance by providing information and records upon thirty days request of the Grayson County Judge or Emergency Management Coordinator.

(M) The CITY's Fire Department acknowledges and understands that it is anticipated that the COUNTY may require in future Agreements that any fire department which is not also a licensed emergency medical service provider maintain a "current" status throughout the term of future Agreements as a First Responder Organization (FRO) as defined by the Texas Administrative Code 157.14. *This is not a requirement of this Agreement at the time of its execution and this Paragraph is provided for planning and notice only.*

(N) The CITY's Fire Department certifies that it: *[check one]*

- ☐ IS a First Responder Organization as defined by the Texas Administrative Code 157.14.
- ☐ IS NOT a First Responder Organization as defined by the Texas Administrative Code 157.14.
- ☐ IS a licensed emergency medical service provider.

#### CONSIDERATION

For the services provided above, the COUNTY shall provide to the CITY:

- (1) The sum of \$9,629.33 per month during the term of this Agreement, due and payable by the 10<sup>th</sup> day of each month. The first payment shall be due on or before October 10, 2019. All sums to be paid under this Agreement by the COUNTY shall be made from current revenues available to the COUNTY.
- (2) Recovery of any additional sums or consideration *from county residents* by the CITY for response to grass or wildfire is strictly prohibited by this Agreement. Inasmuch as the CITY acts as the County's agent for response, the CITY agrees to provide the fire protection services for grass or wildfire for the consideration in Paragraph 1 above. This provision is included to prohibit the recovery of additional compensation directly from county residents by CITY only and shall not



preclude the COUNTY and CITY from seeking state or federal assistance in the event of disaster or extraordinary response due to extreme wildfire threat.

- (3) In addition to all available remedies pursuant to the default and termination provisions of this Agreement, the Parties agree that the COUNTY may withhold payment of any sums due and payable as set out in Paragraph 1 above upon written notice of failure of the CITY to perform the services contemplated in this Agreement until such deficiency is cured.

#### NOTICE OF EFFECT OF NONAPPROPRIATION

If, for any fiscal year, the Grayson County Commissioners Court does not authorize funds in amounts sufficient to pay or perform its obligations under this Agreement, the County shall endeavor to provide thirty (30) days notice. If funds are not authorized, this Agreement shall be null and void for the COUNTY fiscal year for which funds are not appropriated and any future fiscal years.

#### GENERAL APPORTIONMENT OF RESPONSIBILITY AND IMMUNITY; AGENCY

In the event of joint or concurrent negligence of the parties, responsibility, if any, shall be apportioned comparatively in accordance with the laws of the State of Texas, without, however, waiving any governmental immunity available to either party individually under Texas law. The CITY shall be responsible for its sole negligence. The COUNTY shall be responsible for its sole negligence. The provision of this paragraph are solely for the benefit of the parties hereto and are not intended to create or grant any rights, contractual or otherwise, to any other person.

Pursuant to Section 352.004 of the Texas Local Government Code, the act of a person or an employee of a municipality providing fire protection services pursuant to this Agreement in the unincorporated areas of the COUNTY, is considered to be the act of an agent of the COUNTY. A municipality is not liable for the reasonable acts of its employee in fighting fires outside the municipality under this Agreement.

The COUNTY and the CITY understand and agree that Section 352.004 of the Texas Local Government Code applies to the services performed by the CITY for the COUNTY under this Agreement and that when the CITY is engaged in the scope of its duty to provide fire protection services in any part of the area of the COUNTY that lies outside the limits of any municipality, the CITY acts as an agent of COUNTY to the *limited* extent said law mandates. However, it is understood that the CITY is not an agent of the COUNTY for any other purpose.

#### BASIC SAFEGUARDING OF CONTRACTOR INFORMATION SYSTEMS

- (1) The Contractor shall apply basic safeguarding requirements and procedures to protect the Contractor's information systems whenever the information systems store, process or transmit any information, not intended for public release, which is provided by or generated for the County. This requirement does not include information provided by the County to the public or simple transactional information, such as that necessary to process payments. These requirements and procedures shall include, at a minimum, security control requirements reflective of actions a prudent business person would employ.
- (2) Contractor shall include the substance of this clause in subcontracts under this contract, including information management contracts with billing and other service provider, (and including subcontracts for the acquisition of commercial items other than commercially available off-the-shelf items) in which the subcontractor may have County contract information residing in or transiting through its information system.

#### DEFAULT

In the event either party shall fail to keep, observe or perform any provision of this Agreement, the breaching party shall be deemed in default. If such default shall continue for a period of thirty days after notice thereof by the non-breaching party to the other, then the non-breaching party shall be entitled to all available options under the Termination provisions of this Agreement.

#### EFFECTIVE DATE, TERM AND RENEWAL

The effective date of this Agreement shall be October 1, 2019, and this Agreement shall expire at midnight on September 30, 2020.

The COUNTY is expressly prohibited by the Constitution of the State of Texas from creating a debt without providing for a tax to pay the debt. "Debt" means any obligation to be paid for with future rather than current revenues. Any Agreement that would provide for automatic renewal of this Agreement would necessarily provide for payments that would have to be made from future revenues. Without a special tax, there can be no lawful automatic renewal of this Agreement. Instead, it is understood by both Parties that a new contract must be executed for each fiscal year. The fiscal year of the COUNTY is from October 1 through September 30 of the next calendar year.

Accordingly, this Agreement contains no automatic renewal provisions. It is agreed that continuation of fire protection services between the COUNTY and the CITY must be by execution of a new contract for each fiscal year on or before October 1 of the fiscal year covered by the contract that is expiring.

#### AUTHORITY TO CONTRACT

Each party has the full power and authority to enter into and perform this Agreement and the person signing this Agreement on behalf of each party has been properly authorized and empowered to enter into this Agreement.

#### GOVERNING LAW/VENUE

This Agreement shall be interpreted in accordance with the laws of the State of Texas and Grayson County is the proper venue for any action regarding this Agreement.

#### ENTIRE AGREEMENT

This Agreement represents the entire Agreement of the Parties and supersedes any verbal or written representations of, to or by the Parties to each other.

#### AMENDMENT

If the Parties desire to modify this Agreement during its term, any modifications may be either incorporated herein by written amendment or set forth in an entirely new written agreement. Any modifications must be properly approved and signed by authorized representatives of the Parties.

#### TERMINATION

By Mutual Agreement: This Agreement may be terminated by mutual agreement of the CITY and the COUNTY, as evidenced by written termination agreement.

For Nonappropriation of Funds: As mentioned above, if the County does not authorize funds necessary for performance of the obligations under this Agreement, the County may terminate this Agreement.

By Either Party: This Agreement may be terminated at any time for convenience or fault upon sixty (60) days written notice to the other party.

NOTICES

*By City to County:*

Any notice permitted or required to be given to the COUNTY hereunder must be in writing and mailed by United States Postal Service, first class mail AND Certified Mail, Return Receipt Requested, postage prepaid and addressed to:

*Grayson County Judge  
100 W. Houston, Suite 15  
Sherman, Texas 75090*

*By County to City:*

Any notice permitted or required to be given to the CITY hereunder must be in writing and mailed by United States Postal Service, first class mail AND Certified Mail, Return Receipt Requested, postage prepaid and addressed to:

*City of SHERMAN*

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

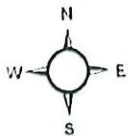
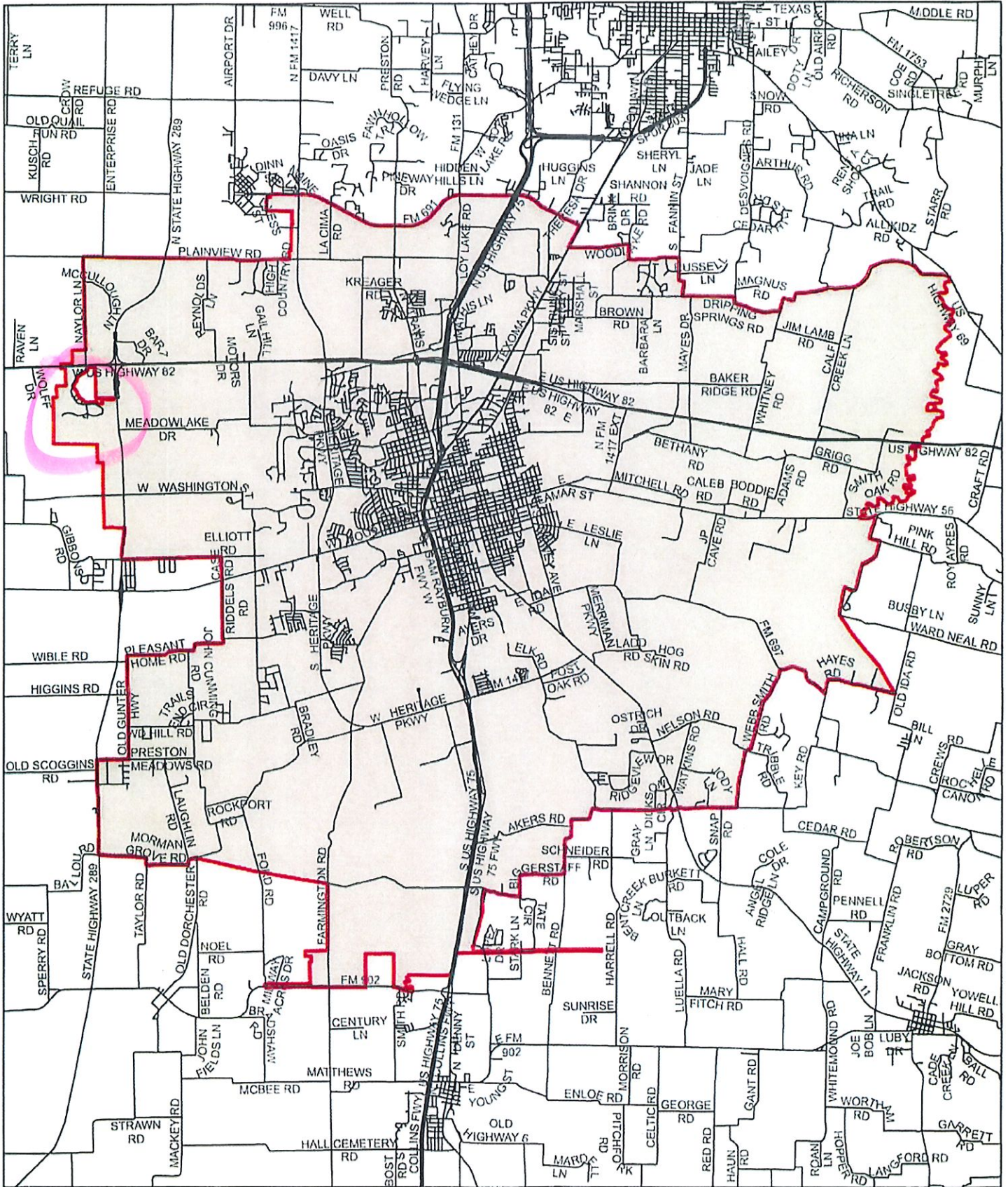
EXECUTED this \_\_\_\_ day of \_\_\_\_\_, 2019

\_\_\_\_\_  
Grayson County Judge  
Printed Name: Bill Magers

EXECUTED this \_\_\_\_ day of \_\_\_\_\_, 2019

\_\_\_\_\_  
Mayor, City of SHERMAN  
Printed Name: \_\_\_\_\_





8/16/2019

Sherman FD Boundary

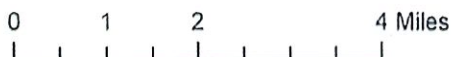


Exhibit A

This product is for informational purposes and may not have been prepared for or be suitable for legal, engineering, or surveying purposes, and are intended for general information purposes only. It does not represent an on-the-ground survey and represents only approximate relative location of the property boundaries. All data provided represents current information as of the date shown and is believed to be accurate, but the accuracy is not warranted.



# SHERMAN CITY COUNCIL

## Agenda Communication Form

### City Council Regular Meeting

E. 11.

**Meeting Date:** 09/16/2019

**Prepared By:** Danny Jones, Fire Chief

**Approved By:** Robby Hefton, City Manager

---

### **Caption:**

#### **\* RESOLUTION NO. 6534**

Authorizing Execution of an Agreement for Ambulance Services with Grayson County for the Period of October 1, 2019 through September 30, 2020

### **Issue:**

To consider approval of an agreement between the City of Sherman and Grayson County regarding the provision of Emergency Medical Services during the period of October 1, 2019 through September 30, 2020

### **Background:**

The Sherman Fire-Rescue Department provides Emergency Medical Services within certain areas of Grayson County, per an annual contract.

### **Origination:**

Grayson County and the City of Sherman

### **Financial Consideration:**

The City will receive \$120,339.00 for fiscal year (FY) 2020. The County will pay the City the annual amount in equal quarterly payments of \$30,084.75 after receipt of the required quarterly data report. This amount reflects no monetary increase over last year's contract, but the County will be investing over \$1.2 million in improvements that will impact the services provided under this agreement.

### **Staff Recommendation:**

It is recommended that the Council approve the Agreement for Ambulance Services for the period of October 1, 2019 through September 30, 2020.

### **Alternatives:**

As directed by Council

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**Attachments**

Resolution No. 6534

Request for Agreement for Ambulance Services FY 2020

Agreement for Ambulance Services FY 2020 with Exhibits A and B

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**RESOLUTION NO. 6534**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING EXECUTION OF AN AGREEMENT FOR AMBULANCE SERVICES WITH GRAYSON COUNTY FOR THE PERIOD OF OCTOBER 1, 2019 THROUGH SEPTEMBER 30, 2020; 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 Mayor be and is hereby authorized and directed, subject to any and all documentation being properly completed and approved as to form and content by the City Attorney, to enter into an Agreement for Ambulance Services with Grayson County for the period of October 1, 2019 through September 30, 2020, pursuant to the terms and provisions of the contract document 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.

**PASSED AND APPROVED** on this the \_\_\_\_ day of \_\_\_\_\_, 2019.

**CITY OF SHERMAN, TEXAS**

**BY: \_\_\_\_\_**  
**DAVID PLYLER, MAYOR**

**ATTEST:**

**BY: \_\_\_\_\_**  
**LINDA ASHBY, CITY CLERK**

**APPROVED AS TO FORM  
AND CONTENT:**

**BY: \_\_\_\_\_**  
**BRANDON S. SHELBY,**  
**CITY ATTORNEY**



**Office of Emergency Management**  
100 W Houston, Third Floor • Sherman, TX 75090

August 26, 2019

Sherman Fire Department  
Attn: Chief Jones  
P.O. Box 1106  
Sherman, TX 75091

Chief Jones:

Please find enclosed two original Agreements for Emergency Medical Services between Grayson County, Texas and the Sherman Fire Department. Please execute and return both copies, obtaining any required governing body approval, for acceptance by Commissioners Court. We will send one original with the County Judge's signature back to you when that has been obtained.

Instead of a small percentage increase in your cash compensation this year, Grayson County is pleased to advise that we will be investing over \$1.2 million in improvements for our public safety two-way radio communication system. Part of that improvement plan will include the build out of a third channel for use for large scale multi-agency incidents, such as mass casualty, active shooter or large scale wildland fires. Other parts of the plan will simply build on pieces already in place but strengthen and improve coverage area for both our primary law enforcement frequency and the Grayson County Fire frequency.

We appreciate the service you provide to the visitors, motorists, businesses and residents of Grayson County and its cities. May the coming year strengthen our partnership to provide those services safely and well.

Kind regards,

Sarah Somers  
Director  
SES:sa



STATE OF TEXAS                    §  
COUNTY OF GRAYSON           §

FISCAL YEAR 2020

### **AGREEMENT FOR AMBULANCE SERVICES**

This Agreement for Ambulance Services (the "Agreement") by and between Grayson County, Texas, (the "County"), and the City of Sherman, a duly licensed Texas Emergency Medical Services and ambulance provider (the "Contractor").

**Whereas**, County has a tradition of Contractor and other providers being important participants in the Emergency Medical Services ("EMS") system in Grayson County;

**Whereas**, the County currently has a need for emergency medical services in the unincorporated areas of Grayson County;

**Whereas**, Contractor desires to provide emergency medical services in the unincorporated area of the County; and

**Whereas**, Contractor desires certain funding from the County to enable it to provide such emergency medical services;

**Whereas**, each party has sufficient funds available from current revenues to perform the functions contemplated by this Agreement and this Agreement is conditioned upon appropriation of sufficient revenue by Grayson County Commissioners Court for payment of the consideration named herein for the County fiscal year named; and

**NOW, THEREFORE**, in consideration of the premises and the mutual promises herein contained, the parties agree as follows:

#### **I. Description of Contractor Services and Services Area**

During the term of this Agreement, Contractor agrees to furnish ambulance and emergency medical services in the City of Sherman ambulance district as the service area shown in the attached Exhibit A. It understood and agreed that the Contractor *may* provide ambulance and emergency medical services 7 days a week, 24 hours a day to persons requiring service within the municipal boundaries of any city within the District, and shall for persons requiring services in the unincorporated County portions of the District service area. However, this Agreement and the consideration therefore, are solely for response in the unincorporated areas of Grayson County unless services are requested for mutual aid or for response during disaster.

The Contractor shall manage all day-to-day operations, including field operations, dispatch, billing, collections, purchasing and other operational functions. The Contractor will negotiate all mutual aid agreements, maintain all facilities and equipment, hire/fire and provide or arrange for in-service training of all field personnel, manage all billing and collection functions, provide reports to the County, cooperate with and respond to the County on matters related to patient care, and generally manage all aspects of the ambulance system operations. The services to be provided will comply with all applicable county, state, and federal laws, regulations and ordinances in effect on the date that such Emergency Medical Services are performed by Contractor.

## **II. Employee Certifications**

All persons employed or used by the Contractor in the performance of work under this Agreement shall hold all required and appropriate professional certifications, permits and/or licenses as required by all state and federal laws and regulations and shall conduct themselves in a professional manner.

## **III. Contractor Responsibilities**

Contractor shall:

Maintain and meet current vehicle specifications as specified by the *Federal Specification Ambulance Emergency Medical Care Vehicle* as published by the *General Service Administration, Department of Transportation Federal Specification KKK 1822*, requirements as set forth by the *Texas Department of Health*;

Equip each ambulance and vehicle utilized to provide emergency medical services pursuant to this Agreement with all items for operations as required for the licensed level of service by the *Texas Department of Health*;

Provide motor vehicles used for providing ambulance service designed to transport ill, sick, or injured persons in comfort and safety;

Vehicles shall be maintained in a clean, sanitary and first class mechanical condition at all times, in compliance with all applicable state and federal standards for ambulances;

Respond to reasonable data requests relevant to services provided under this Agreement;

Participate in at least one exercise per fiscal year if conducted by the Grayson County Office of Emergency Management;

Participate in reasonable and necessary local planning, briefing or trainings as requested by the Grayson County Office of Emergency Management;

Participate in After Action Reviews as requested by the Grayson County Office of Emergency Management of emergency incidents involving a response of the Contractor. Participation shall be defined to include participation by personnel actually involved in the incident under review;

Provide, and maintain current, contact information for the Contractor to include active email addresses and telephone contact information for use by the Grayson County EOC and Sheriff's Office Communication Center; and

Adopt the National Incident Management System ("NIMS") and take all necessary steps to implement NIMS including required NIMS training for all personnel contemplated to provide response services pursuant to this contract.

## **IV. Disaster Assistance**

During a time of disaster, declared or otherwise, local or in a neighboring jurisdiction, Contractor shall follow the County Emergency Management Plans and commit such resources as are necessary and appropriate given the nature of the disaster and upon request of the Grayson County Judge or Emergency Management Coordinator.

## **V. Outside Work**

Contractor shall not be prohibited from doing other work provided the services do not interfere with Contractor's primary responsibility pursuant to this Agreement to provide EMS response and transport within the Contractor's primary area of response as set out in the map attached hereto as Exhibit A.

## **VI. Medical Director**

Contractor shall be responsible for State requirements for provider organizations regarding Medical Directors and their role in purchasing controlled drugs and other controlled supplies, as well as for issuing and signing written standing orders.

## **VII. Consideration**

For consideration of the provision of ambulance and emergency medical services delineated in this agreement, the County agrees to pay, for the duration of this Agreement \$120,339.00, payable in quarterly installments upon receipt of the *required quarterly data report on the following dates*:

|                               |                     |
|-------------------------------|---------------------|
| January 15, 2020              | \$30,084.75         |
| April 15, 2020                | \$30,084.75         |
| July 15, 2020                 | \$30,084.75         |
| October 15, 2020              | \$30,084.75         |
| <i>Total for Fiscal Year:</i> | <i>\$120,339.00</i> |

## **VIII. Charges for Services**

Any billing and collection procedures used will be developed by the Contractor. The County does not require nor shall it be responsible for any billing or collection for services provided under this Agreement.

The service rate for all 911 and non-emergency transports shall be set by the Contractor without consideration and approval from the County. Rates for services and collection rates will be provided to the County by the Contractor upon request.

## **IX. County Ambulance Data Requirements**

Contractor shall provide to the County monthly operating reports including all data set out in Exhibit B attached to the Agreement and in the format shown. The reports shall be provided to the County by email to [emsreports@co.grayson.tx.us](mailto:emsreports@co.grayson.tx.us) or other email as designated by the County in writing. The first report under this Agreement for FY20 shall be due on or before the 15<sup>th</sup> day of November 2019.

## **X. Insurance**

Throughout the term of this agreement, and any extensions thereof, Contractor shall procure, pay for, and maintain insurance coverage for the provision of ambulance service. Copies of this insurance shall be evidenced by delivery to the County of certificates of insurance, including general and professional medical and automobile liability. Said proof of coverage shall be delivered by email at [emsreports@co.grayson.tx.us](mailto:emsreports@co.grayson.tx.us) on or before October 30, 2019.

#### **XI. Cooperation with Other EMS Providers**

Contractor agrees to exchange appropriate and pertinent information with other EMS providers, including service areas, primary locations and numbers of ambulances available for immediate response.

#### **XII. Term of Agreement and Renewal Provisions**

Unless terminated earlier pursuant to the terms hereof, this Agreement shall commence at **12:01 A.M. on October 1, 2019** and terminate at **midnight, September 30, 2020**.

It is understood and agreed that this Agreement may be extended for additional one-year terms by agreement of the parties.

#### **XIII. Amendment and Modification**

Any alterations or deletions to the terms of this Agreement shall be by written amendment executed by both parties to this agreement. Any alterations, additions, or deletions to the terms of this agreement that are required by changes in Federal, State, or local law, or regulations, will be automatically incorporated into this Agreement without written amendment, and shall become effective on the date designated by such law or regulation.

#### **XIV. Miscellaneous Provisions**

The following miscellaneous provisions apply to this Agreement:

**Compliance with Applicable Laws, Rules and Regulations** — All services furnished by Contractor shall be rendered in full compliance with all applicable federal, state and local laws, rules and regulations;

**Non-Transferable Agreement** — Neither party may assign this agreement or any rights, interest, or obligations under this agreement without the prior written approval of the other party.

**Permits** — Contractor shall be the holder of the state Ambulance license and of all state and local vehicle permits, and shall make all necessary payments for those licenses and permits;

This Agreement shall be interpreted in accordance with the laws of the State of Texas and Grayson County is the proper venue for any action regarding this Agreement.

This Agreement represents the entire Agreement of the Parties and supersedes any verbal or written representations of, to or by the Parties to each other.

#### **XV. EMS Safeguarding of Contractor Information Systems**

- A. The Contractor shall apply basic safeguarding requirements and procedures to protect the Contractor's information systems whenever the information systems store, process or transmit any information, not intended for public release, which is provided by or generated for the County. This requirement does not include information provided by the County to the public or simple transactional information, such as that necessary to process payments. These requirements and procedures shall include, at a minimum, security control requirements reflective of actions a prudent business person would employ.

- B. Contactor shall include the substance of this clause in subcontracts under this contract, including information management contracts with billing and other service provider, (and including subcontracts for the acquisition of commercial items other than commercially available off-the-shelf items) in which the subcontractor may have County contract information residing in or transiting through its information system

#### **XVI. Notice and Addresses of Parties**

Any notice required under this Agreement shall be delivered by certified mail, return receipt requested, addressed to the proper party, at the following addresses:

**To the County:** Grayson County Judge  
100 W. Houston, Suite 15  
Sherman, Tx 75090

**To Contractor:** City of \_\_\_\_\_  
Honorable Mayor  
\_\_\_\_\_, TX \_\_\_\_\_

#### **XVII. Independent Contractor**

It is expressly understood and agreed that Contractor is an independent contractor in its relationship with the County. The County is interested only in the results obtained under this Agreement; the manner and means of conducting the work are under the sole control of the Contractor. None of the benefits provided by the County to their employees are available to Contractor employees, agents, or representatives. Contractor is solely and entirely responsible for its acts and for the acts of its agents, employees, representatives and sub-contractors under this Agreement. Nothing in this Agreement at any time or in any manner shall be construed to 1) effect an agreement of partnership or joint venture, or 2) render the County the employer or master of Contractor, its employees, agents or representatives.

#### **XVIII. Termination of Contract**

Either party may terminate this agreement by giving sixty (60) days written notice to the address as provided in Article XV Notice and Addresses of parties.

If the County does not authorize funds necessary for performance of the obligations under this Agreement, this Agreement shall be null and void.

#### **XIX. Governmental Immunity**

This Agreement does not waive, nor shall it be deemed to waive, any immunity or defense, including, but not limited to, governmental immunity, that would otherwise be available to the parties against claims arising from the exercise of governmental powers and functions.



## **XX. Severability**

In the event any provisions of this Agreement are for any reason held invalid, illegal, or unenforceable, they shall not affect any other provision, and this Agreement shall be construed as if such invalid, illegal, or unenforceable they shall not affect any other provision, and this Agreement shall be construed as if such invalid, illegal, or unenforceable provision had never been contained in this Agreement.

## **XXI. Effective Date, Term, Renewal and Notice of Effect of Nonappropriation**

The effective date of this Agreement shall be October 1, 2019, and this Agreement shall expire at midnight on September 30, 2020.

The County is expressly prohibited by the Constitution of the State of Texas from creating a debt without providing for a tax to pay the debt. "Debt" means any obligation to be paid for with future rather than current revenues. Any Agreement that would provide for automatic renewal of this Agreement would necessarily provide for payments that would have to be made from future revenues. Without a special tax, there can be no lawful automatic renewal of this Agreement. Instead, it is understood by both parties that a new contract must be executed for each fiscal year. The fiscal year of the County is from October 1 through September 30 of the next calendar year.

Accordingly, this Agreement contains no automatic renewal provisions. It is agreed that continuation of services between the County and Contractor must be by execution of a new contract for each fiscal year on or before October 1 of each year.

If, for the FY2020 fiscal year, the Grayson County Commissioners Court does not authorize funds in amounts sufficient to pay or perform its obligations under this Agreement the County shall endeavor to provide thirty (30) days notice. If funds are not authorized, this Agreement shall be null and void.

## **XXII. Applicable Law**

This agreement shall be construed under and in accordance with the laws of the State of Texas, and all of this Agreement's obligations are performable in Grayson County, Texas.

Signed this \_\_\_\_ day of \_\_\_\_\_, 2019

Signed this \_\_\_\_ day of \_\_\_\_\_, 2019

City of Sherman, Texas

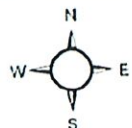
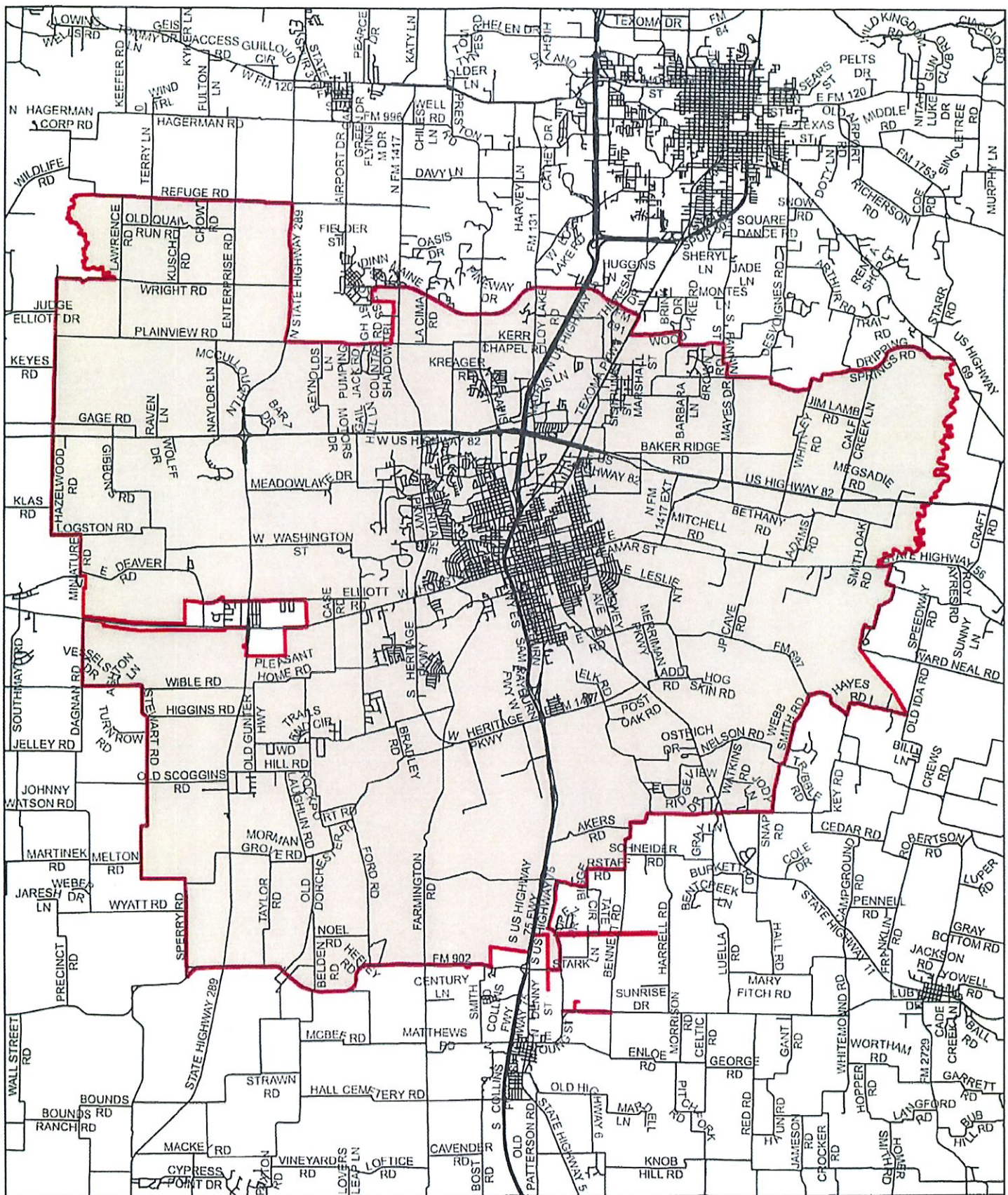
Grayson County, Texas

By: \_\_\_\_\_

Mayor

By: \_\_\_\_\_

Grayson County Judge



8/16/2019

Sherman EMS Boundary

0 1.25 2.5 5 Miles

Exhibit A

This product is for informational purposes only and may not have been prepared for or be suitable for legal, engineering, or surveying purposes, and are intended for general information purposes only. It does not represent an on the ground survey and represents only approximate relative location of the property boundaries. All data provided represents current information as of the date shown and is believed to be accurate, but the accuracy is not warranted.



## Monthly Grayson County OEM Report Ambulance Data Requirements

District: \_\_\_\_\_ Report mmm/yyyy: \_\_\_\_\_  
 Date of Report: \_\_\_\_\_ Number of FTSA: <sup>1</sup> \_\_\_\_\_

| Run Type                                          | Number of Calls |
|---------------------------------------------------|-----------------|
| <b>9-1-1 CALLS:<sup>2</sup></b>                   |                 |
| <u>9-1-1 Transports:<sup>3</sup></u>              |                 |
| Transports by FTSA                                | _____           |
| Transports by non-FTSA:                           | _____           |
| <u>9-1-1 Non-Transports:<sup>4</sup></u>          |                 |
| Treatment/ No Transport:                          | _____           |
| No Treatment/ No Transport:                       | _____           |
| Public Assist/ Welfare Check:                     | _____           |
| Emergency Stand-by: <sup>5</sup>                  | _____           |
| Cancelled:                                        | _____           |
| DOS                                               | _____           |
| Other: (explain)                                  | _____           |
| <u>9-1-1 Transfer to Air Medical:<sup>6</sup></u> |                 |
| a _____                                           | _____           |
| b _____                                           | _____           |
| c _____                                           | _____           |
| <b>TOTAL 9-1-1 CALLS</b>                          | 0               |
| <b>NON 9-1-1 CALLS:<sup>7</sup></b>               |                 |
| Transfers by FTSA:                                | _____           |
| Transfers by non-FTSA:                            | _____           |
| Non-emergency Stand-by:                           | _____           |
| <b>TOTAL NON-9-1-1 CALLS</b>                      | 0               |
| <b>GRAND TOTAL CALLS THIS MONTH</b>               | 0               |
| <b>MUTUAL AID REPORT<sup>8</sup></b>              |                 |
| 9-1-1 Responded in Mutual Aid capacity:           |                 |
| a _____                                           | _____           |
| b _____                                           | _____           |
| <b>RESPONSE TIME REPORT<sup>9</sup></b>           |                 |
| 9-1-1 Ambulance Response Time                     |                 |
| This month last year:                             |                 |
| This month this year:                             |                 |

## Monthly Grayson County OEM Report Definitions

- <sup>1</sup> Full Time Staffed Ambulance, ambulances staffed with full-time personnel.
- <sup>2</sup> Number of 9-1-1 generated calls this month; includes walk ups.
- <sup>3</sup> Number of 9-1-1 generated calls in which the patient was transported to appropriate
- <sup>4</sup> Number of 9-1-1 generated calls in which the patient was not transported (patient refusal,
- <sup>5</sup> Number of 9-1-1 generated calls in which EMS was requested to stand-by or stage from
- <sup>6</sup> Number of 9-1-1 generated calls in which the patient was transferred to Air Medical for
- <sup>7</sup> Number of 9-1-1 calls generated by means other than 9-1-1; scheduled/ non-scheduled
- <sup>8</sup> Calls in which this agency responded to another district for mutual aid; list the district(s) and
- <sup>9</sup> Average response time for 9-1-1 calls for the same report month in the previous year and



# SHERMAN CITY COUNCIL

## Agenda Communication Form

### City Council Regular Meeting

E. 12.

**Meeting Date:** 09/16/2019

**Prepared By:** Steve Ayers, Assistant City Manager

**Approved By:** Robby Hefton, City Manager

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**Caption:**

**\* RESOLUTION NO. 6535**

Authorizing Execution of a Contract with Grayson County, Texas, for Use of the City of Sherman Animal Shelter

**Issue:**

Renew two-year contract with Grayson County for use of the City of Sherman Animal Shelter

**Background:**

The contract with the County for use of the City's Animal Shelter will expire on September 30, 2019. Staff is proposing no changes to the existing contract as part of the renewal.

**Origination:**

Grayson County  
City Manager's Office  
Animal Services Department

**Financial Consideration:**

The contract calls for payment to the City on a per-animal basis of \$50.00. During fiscal years 2016-2017 and 2017-2018, the City received total revenue of \$32,600.00 and \$32,471.00, respectively.

**Staff Recommendation:**

Staff recommends approval of this contract.

**Alternatives:**

The Council could elect not to approve this contract or elect new rates different than those proposed.

---

**Attachments**

Resolution No. 6535  
Animal Shelter Contract

---

**RESOLUTION NO. 6535**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING EXECUTION OF A CONTRACT WITH GRAYSON COUNTY, TEXAS, FOR USE OF THE CITY OF SHERMAN ANIMAL SHELTER; FINDING AND DETERMINING THAT THE MEETING AT WHICH THIS RESOLUTION IS PASSED WAS NOTICED AND IS OPEN TO THE PUBLIC AS REQUIRED BY LAW.**

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

**SECTION 1.** That the City Manager be and is hereby authorized and directed, subject to all contract documents being properly completed and approved as to form and content by the City Attorney, to execute a contract with Grayson County, Texas, for use of the City of Sherman Animal Shelter, in accordance with the terms and provisions of the contract, 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.

**PASSED AND APPROVED** on this the \_\_\_\_ day of \_\_\_\_\_, 2019.

**CITY OF SHERMAN, TEXAS**

**BY:** \_\_\_\_\_  
**DAVID PLYLER, MAYOR**

**ATTEST:**

**BY:** \_\_\_\_\_  
**LINDA ASHBY, CITY CLERK**

**APPROVED AS TO FORM  
AND CONTENT:**

**BY:** \_\_\_\_\_  
**BRANDON S. SHELBY,  
CITY ATTORNEY**

**ANIMAL SHELTER CONTRACT**

**THE STATE OF TEXAS                   §**  
**§       KNOW ALL MEN BY THESE PRESENTS:**  
**COUNTY OF GRAYSON               §**

**THIS CONTRACT**, made and entered into by and between the **CITY OF SHERMAN**, a Texas Municipal Corporation, acting herein through its City Manager (herein called “CITY”), and the **COUNTY OF GRAYSON**, a Texas political subdivision, acting herein through its County Judge (herein called “COUNTY”),

**W I T N E S S E T H:**

**WHEREAS**, COUNTY is desirous of enforcing its animal control ordinance in the non-incorporated areas of Grayson County and is in need of the services of an animal shelter; and

**WHEREAS**, CITY operates an animal shelter located at 1800 East Ida Road in the City of Sherman, Grayson County, Texas; and

**WHEREAS**, it would be mutually advantageous and to the benefit of both COUNTY and CITY to allow COUNTY to bring animals it impounds pursuant to COUNTY animal control ordinance to CITY animal shelter;

**NOW THEREFORE**, in consideration of the mutual promises, conditions, and fees expressed hereinafter, it is agreed as follows:

1. **County May Bring Animals.** CITY agrees that authorized COUNTY personnel may bring COUNTY animals to CITY’S animal shelter. COUNTY agrees and authorizes CITY to care for and euthanize COUNTY’S animals on the same basis and in the same manner as CITY does its own animals.

2. **Fees.** (a) COUNTY shall pay CITY a one-time fee of Fifty Dollars and No Cents (\$50.00) per animal brought to CITY’S shelter, excluding District, County or Justice of the Peace



Court Orders for placement in the CITY shelter, immediate and necessary veterinary care and required overtime services. CITY shall keep accurate records of each animal brought to the shelter by COUNTY and shall invoice COUNTY for such services on a monthly basis.

(b) COUNTY agrees that should COUNTY bring any animals to the CITY's shelter under a court order, it shall pay to CITY Fifty Dollars and No Cents (\$50.00) per animal for three (3) days of shelter and meals, and for each day thereafter it shall pay to CITY per animal the sum of Twelve Dollars and No Cents (\$12.00) per day until such time as the court order authorizes CITY to immediately euthanize the animal or it is released to a designated person or entity by court order.

**3. Operating Hours.** Normal operating hours for the shelter are 10:00 A.M. to 4:00 P.M., Monday, Tuesday, Thursday, Friday and Saturday. In the event COUNTY requests the shelter be opened after the designated normal operating hours or on Sunday and Wednesday, COUNTY shall be responsible for the payment of any customary overtime charges incurred by CITY employees.

**4. Termination.** This agreement shall terminate two (2) years after the date both parties have signed the agreement.

**5. Indemnification.** COUNTY shall save and hold harmless the City of Sherman, Texas, for any liability claim, or cause of action that may be brought against CITY due to any act of omission, negligence, or wrongdoing on the part of COUNTY, its agents or employees, in the performance of the enforcement of the animal control ordinance by COUNTY, as permitted by law.

**6. Notice of Termination.** This contract may be terminated by either party hereto by the giving of thirty (30) days written notice of such intention to terminate.

**7. Amendment.** This agreement may not be changed, varied, or altered except by an instrument in writing and duly executed on behalf of CITY and by COUNTY.

8. **Choice of Law; Venue.** This agreement shall be construed in accordance with the laws of the State of Texas, and shall be deemed performable and enforceable in the State of Texas, with venue in Grayson County, Texas.

IN WITNESS WHEREOF, the authorized officers of CITY and COUNTY have caused this contract to be executed in duplicate originals with an effective date of the \_\_\_\_\_ day of \_\_\_\_\_, 2019.

CITY OF SHERMAN, TEXAS

GRAYSON COUNTY, TEXAS

BY: \_\_\_\_\_  
ROBBY HEFTON,  
CITY MANAGER

BY: \_\_\_\_\_  
BILL MAGERS,  
COUNTY JUDGE

ATTEST:

ATTEST:

BY: \_\_\_\_\_  
LINDA ASHBY,  
CITY CLERK

BY: \_\_\_\_\_  
WILMA BLACKSHEAR-BUSH,  
COUNTY CLERK

APPROVED AS TO FORM  
AND CONTENT:

APPROVED AS TO FORM  
AND CONTENT:

BY: \_\_\_\_\_  
BRANDON SHELBY,  
CITY ATTORNEY

BY: \_\_\_\_\_  
CRAIG PRICE,  
ASSISTANT DISTRICT ATTORNEY



# SHERMAN CITY COUNCIL

## Agenda Communication Form

### City Council Regular Meeting

E. 13.

**Meeting Date:** 09/16/2019

**Prepared By:** Terrence Steele, Assistant City Manager

**Approved By:** Robby Hefton, City Manager

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#### **Caption:**

##### **\* RESOLUTION NO. 6536**

Revoking and Replacing Resolution No. 6448; 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

#### **Issue:**

The City Council is required by state law to establish salary structures and incentive/certification pay schedules for members of the classified service.

#### **Background:**

The City Council has authorized base salary, certification, and incentive pay for certain positions within the Police and Fire Departments. This resolution implements Cost of Living Allowance pay increases for fiscal year (FY) 2019-2020.

#### **Origination:**

Mayor and City Council  
City Manager

#### **Financial Consideration:**

Funds are available in the FY 2019-2020 budget for these pay amounts for Police and Fire Department personnel.

#### **Staff Recommendation:**

Staff recommends approval of the resolution.

#### **Alternatives:**

The City Council could choose not to approve the resolution, leaving unchanged the fire and police pay schedules adopted on December 17, 2018 by Resolution No. 6448.

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**Attachments**

Resolution No. 6536

Redlined Version of Resolution

Resolution No. 6448 approved at the December 17, 2018 City Council Meeting

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**RESOLUTION NO. 6536**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, REVOKING AND REPLACING RESOLUTION NO. 6448; 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; 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 Resolution No. 6448, passed and approved on the 17<sup>th</sup> day of December, 2018, is hereby revoked.

**SECTION 2.** That, from and after the effective date of the 1<sup>st</sup> day of October, 2019, the following salary structures and incentive/certification pay schedules will be adopted for the Sherman Fire Department and the Sherman Police Department:

| <b>FIRE DEPARTMENT CLASSIFICATION</b> | <b>MONTHLY BASE SALARY</b> | <b>MONTHLY STEP PAY</b> | <b>TOTAL</b> |
|---------------------------------------|----------------------------|-------------------------|--------------|
| <b>FIREFIGHTER</b>                    |                            |                         |              |
| Entry                                 | \$4,288.26                 | N/A                     | \$4,288.26   |
| 1 Year                                | \$4,288.26                 | \$441.84                | \$4,730.11   |
| 2 Year                                | \$4,288.26                 | \$507.24                | \$4,795.50   |
| 3 Year                                | \$4,288.26                 | \$572.62                | \$4,860.89   |
| 4 Year                                | \$4,288.26                 | \$632.73                | \$4,920.99   |
| 5 Year                                | \$4,288.26                 | \$775.19                | \$5,063.45   |
| <b>ENGINEER</b>                       |                            |                         |              |
| Entry                                 | \$5,458.82                 | N/A                     | \$5,458.82   |
| 1 Year                                | \$5,458.82                 | \$68.73                 | \$5,527.55   |
| 2 Year                                | \$5,458.82                 | \$138.01                | \$5,596.83   |
| <b>CAPTAIN</b>                        |                            |                         |              |
| Entry                                 | \$6,114.36                 | N/A                     | \$6,114.36   |
| 1 Year                                | \$6,114.36                 | \$75.68                 | \$6,190.04   |
| <b>BATTALION CHIEF</b>                |                            |                         |              |
| Entry                                 | \$6,741.24                 | N/A                     | \$6,741.24   |
| 1 Year                                | \$6,741.24                 | \$108.51                | \$6,849.75   |

|                                             |                                |                             |              |
|---------------------------------------------|--------------------------------|-----------------------------|--------------|
| DIVISION CHIEF                              | \$7,628.59                     | N/A                         | \$7,628.59   |
| ASSISTANT CHIEF                             | \$8,451.94                     | N/A                         | \$8,451.94   |
| <b>POLICE DEPARTMENT<br/>CLASSIFICATION</b> | <b>MONTHLY<br/>BASE SALARY</b> | <b>MONTHLY<br/>STEP PAY</b> | <b>TOTAL</b> |
| PATROLMAN                                   |                                |                             |              |
| Entry – Non-Certified                       | \$4,129.48                     | N/A                         | \$4,129.48   |
| Entry – Certified                           | \$4,452.73                     | N/A                         | \$4,452.73   |
| 1 Year                                      | \$4,452.73                     | \$55.81                     | \$4,508.54   |
| 2 Year                                      | \$4,452.73                     | \$233.27                    | \$4,686.00   |
| 3 Year                                      | \$4,452.73                     | \$705.59                    | \$5,158.32   |
| 4 Year                                      | \$4,452.73                     | \$834.97                    | \$5,287.70   |
| 5 Year                                      | \$4,452.73                     | \$980.95                    | \$5,433.68   |
| 10 Year                                     | \$4,452.73                     | \$1,099.91                  | \$5,552.64   |
| 20 Year                                     | \$4,452.73                     | \$1,218.86                  | \$5,671.59   |
| CORPORAL                                    | \$5,919.16                     | N/A                         | \$5,919.16   |
| SERGEANT                                    | \$6,419.87                     | N/A                         | \$6,419.87   |
| LIEUTENANT                                  | \$6,959.77                     | N/A                         | \$6,959.77   |
| ASSISTANT CHIEF                             | \$8,297.68                     | N/A                         | \$8,297.68   |

**SECTION 3.** That, from and after the effective date of the 1<sup>st</sup> day of October, 2019, the following incentive/certification pay schedules shall be adopted for the Sherman Fire Department:

- (a) Each employee certified by the Texas Department of State Health Services as a Paramedic and who meets the Sherman Medical Director's prescribed Medical Standards for Medical Authorization shall receive \$125.00 per month Incentive/Certification Pay.
- (b) Each employee who is certified by the Texas Commission on Fire Protection Personnel Standards and Education as an Intermediate Firefighter shall receive \$104.00 per month Incentive/Certification Pay.
- (c) Each employee who is certified by the Texas Commission on Fire Protection Personnel Standards and Education as an Advanced Firefighter shall receive \$218.40 per month Incentive/Certification Pay.

- (d) Each employee who is certified by the Texas Commission on Fire Protection Personnel Standards and Education as a Master Firefighter shall receive \$318.40 per month Incentive/Certification Pay.
- (e) Incentive/Certification Pay shall only be paid for the highest Texas Commission on Fire Protection Personnel Standards and Education Certification achieved.
- (f) All Certifications shall be kept current to receive Incentive/Certification Pay.
- (g) Each employee who holds an Associates Degree from an accredited college or university shall receive \$75.00 per month Education Incentive Pay.
- (h) Each employee who holds a Bachelors Degree from an accredited college or university shall receive \$175.00 per month Education Incentive Pay.
- (i) Each employee who holds a Masters Degree from an accredited college or university shall receive \$250.00 per month Education Incentive Pay.
- (j) Education Incentive Pay shall only be paid for the highest degree received.

**SECTION 4.** That, from and after the effective date of the 1<sup>st</sup> day of October, 2019, the following incentive/certification pay schedules shall be adopted for the Sherman Police Department:

- (a) Each employee certified by the Texas Commission on Law Enforcement Officer Standards and Education as an Intermediate Peace Officer shall receive \$75.00 per month Incentive/Certification Pay.
- (b) Each employee certified by the Texas Commission on Law Enforcement Officer Standards and Education as an Advanced Peace Officer shall receive \$175.00 per month Incentive/Certification Pay.
- (c) Each employee certified by the Texas Commission on Law Enforcement Officer Standards and Education as a Master Peace Officer shall receive \$275.00 per month Incentive/Certification Pay.
- (d) Incentive/Certification Pay shall only be paid for the highest Texas Commission on Law Enforcement Officer Standards and Education Certification achieved.
- (e) Each employee who speaks Spanish as a second language, as certified and designated by the Police Chief, shall receive \$100.00 per month Incentive/Certification Pay.
- (f) All Certifications shall be kept current to receive Incentive/Certification Pay.



- (g) Each employee who holds an Associates Degree from an accredited college or university shall receive \$100.00 per month Education Incentive Pay.
- (h) Each employee who holds a Bachelors Degree from an accredited college or university shall receive \$250.00 per month Education Incentive Pay.
- (i) Each employee who holds a Masters Degree from an accredited college or university shall receive \$500.00 per month Education Incentive Pay.
- (j) Education Incentive Pay shall only be paid for the highest degree received.

**SECTION 5.** That eligible pay types are authorized by the City Council below for patrolmen and firefighters.

(a) Seniority Pay – Lateral Entry (prior Police Experience):

1. Seniority Pay is authorized by Chapter 143.041 (c)(1) of the Texas Local Government Code.
2. Applicants for patrolmen positions who are hired after July 31, 2018 shall be eligible for Special Seniority Pay for lateral entry if they have at least two (2) years' continuous service as a paid, full-time certified peace officer, or comparable Military Police experience as approved by the Chief of Police, with the authority to enforce laws, investigate crimes, make arrests, respond to calls for service, carry a firearm, and use discretion as part of their assigned duties. A lateral entry applicant shall not have more than a one-year break in service from the time the applicant left employment as a certified peace officer, or Military Police service and, as of the last date, applications are accepted.
3. Starting Pay: The starting pay for lateral entry patrolmen with prior qualifying law enforcement experience will be determined based on the commensurate number of years of prior qualified service at their previous agency or agencies as of the last date applications are accepted.
  - i. Lateral entry patrolmen who have at least two (2) years of prior qualified service will start at two (2) years of service according to the Sherman Police Department pay schedule.
4. Departmental Seniority Impact: The Lateral Entry Program described in this Sub-section is for seniority pay purposes only to determine placement into the existing pay schedule. Prior law enforcement work experience will not be considered for promotional eligibility requirements, departmental seniority or transfers. Department seniority for lateral patrolmen will begin on their most recent Civil Service hire date with the Sherman Police

Department. Exception will be made for reappointed patrolmen in which seniority will include all time served as a paid Sherman Police Officer.

5. Requirements: Guidelines and administration for eligibility for lateral entry shall be governed by police policies and Local Civil Service Commission Rules and Regulations. The Chief of Police shall make the final determination as to whether an applicant meets the criteria for the Police Lateral Entry Program; and the Chief's decision shall be final and non-appealable to the Civil Service Commission or to any court.
6. Longevity Pay: Sworn police employees shall be paid Longevity Pay in accordance with City policy, Chapter 142 of the Texas Local Government Code, and as permitted under Chapter 143.041(c)(1) of the Texas Local Government Code. City policy provides specifics on administration and application.

(b) Seniority Pay – Lateral Entry (prior Fire Experience):

1. Seniority Pay is authorized by Chapter 143.041(c)(1) of the Texas Local Government Code.
2. Applicants for firefighter positions who are hired after December 16, 2018 shall be eligible for Special Longevity pay for lateral entry if they have at least one (1) year of continuous service as a paid, full time certified firefighter as approved by the Fire Chief. A lateral entry applicant shall not have more than a one (1) year break in service from the time the applicant left employment as a certified firefighter as of the date of hire.
3. Starting Pay: The starting pay for lateral firefighters will be determined based on the number of years of prior qualified service as of the date of hire.
  - i. Lateral entry firefighter's starting pay will be determined based on the commensurate number of years of qualified service at their previous agency or agencies as of the date of hire.
4. Departmental Seniority Impact: The Lateral Entry Program described in this Sub-Section is for seniority pay purposes only to determine placement into the existing pay schedule. Prior fire work experience will not be considered for promotional eligibility requirements, departmental seniority or transfers. Departmental seniority for lateral entry firefighters will begin on their most recent Civil Service hire date with the Sherman Fire Department.
5. Requirements: Guidelines and administration for eligibility for lateral entry shall be governed by fire department policies and Local Civil Service Commission Rules and Regulations. The Fire Chief shall make the final determination as to whether an applicant meets the criteria for the Fire

Lateral Entry Program; and the Chief's decision shall be final and non-appealable to the Civil Service Commission or to any court.

6. Longevity Pay: Fire department employees shall be paid Longevity Pay in accordance with City Policy, Chapter 142 of the Texas Local Government Code, and as permitted under Chapter 143.041(c)(1) of the Texas Local Government Code. City policy provides specifics on administration and application.
7. Base pay for incumbent firefighters, hired prior to the adoption date of this Resolution who have at least one (1) year of prior qualified service will be increased to the commensurate number of years of service according to the Sherman Fire Department pay schedule.

**SECTION 6.** That detailed rules and regulations for qualifying standards, eligibility and administration of such pay types may be stated within the City and/or Police Department policies and/or Fire Department policies, and/or Local Civil Service Commission Rules and Regulations. Such policies are subject to change as needed and approved by the City Manager for purposes of City policies or by the Chief of Police for purposes for Police Department policies, by the Fire Chief for purposes of Fire Department policies, or by the Local Civil Service Commission for the purposes of Local Civil Service Commission Rules and Regulations.

**SECTION 7.** 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.

**PASSED AND APPROVED** on this the \_\_\_\_\_ day of \_\_\_\_\_, 2019.

**CITY OF SHERMAN, TEXAS**

**BY:** \_\_\_\_\_  
**DAVID PLYLER, MAYOR**

**ATTEST:**

**BY:** \_\_\_\_\_  
**LINDA ASHBY, CITY CLERK**

**APPROVED AS TO FORM  
AND CONTENT:**

**BY:** \_\_\_\_\_  
**BRANDON S. SHELBY,  
CITY ATTORNEY**

**RESOLUTION NO. 6448 6536**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, REVOKING AND REPLACING RESOLUTION NO. 6405 6448; 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; 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 Resolution No. 6405, passed and approved on the 4<sup>th</sup> day of September, 2018, is hereby revoked. That Resolution No. 6448, passed and approved on the 17<sup>th</sup> day of December, 2018, is hereby revoked.

**SECTION 2.** That, from and after the effective date of the 1<sup>st</sup> day of October, 2018 2019, the following salary structures and incentive/certification pay schedules will be adopted for the Sherman Fire Department and the Sherman Police Department:

| <b>FIRE DEPARTMENT CLASSIFICATION</b> | <b>MONTHLY BASE SALARY</b> | <b>MONTHLY STEP PAY</b> | <b>TOTAL</b>          |
|---------------------------------------|----------------------------|-------------------------|-----------------------|
| <b>FIREFIGHTER</b>                    |                            |                         |                       |
| Entry                                 | \$4,123.33 \$4,288.26      | N/A                     | \$4,123.33 \$4,288.26 |
| 1 Year                                | \$4,123.33 \$4,288.26      | \$ 424.85 441.84        | \$4,548.18 \$4,730.11 |
| 2 Year                                | \$4,123.33 \$4,288.26      | \$ 487.73 507.24        | \$4,611.05 \$4,795.50 |
| 3 Year                                | \$4,123.33 \$4,288.26      | \$ 550.60 572.62        | \$4,673.92 \$4,860.89 |
| 4 Year                                | \$4,123.33 \$4,288.26      | \$ 608.39 632.73        | \$4,731.71 \$4,920.99 |
| 5 Year                                | \$4,123.33 \$4,288.26      | \$ 745.37 775.19        | \$4,868.69 \$5,063.45 |
| <b>ENGINEER</b>                       |                            |                         |                       |
| Entry                                 | \$5,248.87 \$5,458.82      | N/A                     | \$5,248.87 \$5,458.82 |
| 1 Year                                | \$5,248.87 \$5,458.82      | \$ 66.08 68.73          | \$5,314.95 \$5,527.55 |
| 2 Year                                | \$5,248.87 \$5,458.82      | \$ 132.70 138.01        | \$5,381.57 \$5,596.83 |
| <b>CAPTAIN</b>                        |                            |                         |                       |
| Entry                                 | \$5,879.19 \$6,114.36      | N/A                     | \$5,879.19 \$6,114.36 |
| 1 Year                                | \$5,879.19 \$6,114.36      | \$ 72.77 \$75.68        | \$5,951.96 \$6,190.04 |
| <b>BATTALION CHIEF</b>                |                            |                         |                       |
| Entry                                 | \$6,481.96 \$6,741.24      | N/A                     | \$6,481.96 \$6,741.24 |
| 1 Year                                | \$6,481.96 \$6,741.24      | \$ 104.34 \$108.51      | \$6,586.30 \$6,849.75 |

|                                             |                                  |                                |                                  |
|---------------------------------------------|----------------------------------|--------------------------------|----------------------------------|
| DIVISION CHIEF                              | <del>\$7,335.18</del> \$7,628.59 | N/A                            | <del>\$7,335.18</del> \$7,628.59 |
| ASSISTANT CHIEF                             | <del>\$8,126.87</del> \$8,451.94 | N/A                            | <del>\$8,126.87</del> \$8,451.94 |
| <b>POLICE DEPARTMENT<br/>CLASSIFICATION</b> | <b>MONTHLY BASE<br/>SALARY</b>   | <b>MONTHLY STEP<br/>PAY</b>    | <b>TOTAL</b>                     |
| PATROLMAN                                   |                                  |                                |                                  |
| Entry – Non-Certified                       | <del>\$4,009.20</del> \$4,129.48 | N/A                            | <del>\$4,009.20</del> \$4,129.48 |
| Entry – Certified                           | <del>\$4,323.04</del> \$4,452.73 | N/A                            | <del>\$4,323.04</del> \$4,452.73 |
| 1 Year                                      | <del>\$4,323.04</del> \$4,452.73 | <del>\$ 54.18</del> 55.81      | <del>\$4,377.22</del> \$4,508.54 |
| 2 Year                                      | <del>\$4,323.04</del> \$4,452.73 | <del>\$ 226.47</del> 233.27    | <del>\$4,549.51</del> \$4,686.00 |
| 3 Year                                      | <del>\$4,323.04</del> \$4,452.73 | <del>\$ 685.04</del> 705.59    | <del>\$5,008.08</del> \$5,158.32 |
| 4 Year                                      | <del>\$4,323.04</del> \$4,452.73 | <del>\$ 810.65</del> 834.97    | <del>\$5,133.69</del> \$5,287.70 |
| 5 Year                                      | <del>\$4,323.04</del> \$4,452.73 | <del>\$ 952.38</del> 980.95    | <del>\$5,275.42</del> \$5,433.68 |
| 10 Year                                     | <del>\$4,323.04</del> \$4,452.73 | <del>\$1,067.87</del> 1,099.91 | <del>\$5,390.91</del> \$5,552.64 |
| 20 Year                                     | <del>\$4,323.04</del> \$4,452.73 | <del>\$1,183.36</del> 1,218.86 | <del>\$5,506.40</del> \$5,671.59 |
| CORPORAL                                    | <del>\$5,746.76</del> \$5,919.16 | N/A                            | <del>\$5,746.76</del> \$5,919.16 |
| SERGEANT                                    | <del>\$6,232.88</del> \$6,419.87 | N/A                            | <del>\$6,232.88</del> \$6,419.87 |
| LIEUTENANT                                  | <del>\$6,757.06</del> \$6,959.77 | N/A                            | <del>\$6,757.06</del> \$6,959.77 |
| ASSISTANT CHIEF                             | <del>\$8,056.00</del> \$8,297.68 | N/A                            | <del>\$8,056.00</del> \$8,297.68 |

**SECTION 3.** That, from and after the effective date of the 1<sup>st</sup> day of October, ~~2018~~ 2019, the following incentive/certification pay schedules shall be adopted for the Sherman Fire Department:

- (a) Each employee certified by the Texas Department of State Health Services as a Paramedic and who meets the Sherman Medical Director's prescribed Medical Standards for Medical Authorization shall receive \$125.00 per month Incentive/Certification Pay.
- (b) Each employee who is certified by the Texas Commission on Fire Protection Personnel Standards and Education as an Intermediate Firefighter shall receive \$104.00 per month Incentive/Certification Pay.
- (c) Each employee who is certified by the Texas Commission on Fire Protection Personnel Standards and Education as an Advanced Firefighter shall receive \$218.40 per month Incentive/Certification Pay.

- (d) Each employee who is certified by the Texas Commission on Fire Protection Personnel Standards and Education as a Master Firefighter shall receive \$318.40 per month Incentive/Certification Pay.
- (e) Incentive/Certification Pay shall only be paid for the highest Texas Commission on Fire Protection Personnel Standards and Education Certification achieved.
- (f) All Certifications shall be kept current to receive Incentive/Certification Pay.
- (g) Each employee who holds an Associates Degree from an accredited college or university shall receive \$75.00 per month Education Incentive Pay.
- (h) Each employee who holds a Bachelors Degree from an accredited college or university shall receive \$175.00 per month Education Incentive Pay.
- (i) Each employee who holds a Masters Degree from an accredited college or university shall receive \$250.00 per month Education Incentive Pay.
- (j) Education Incentive Pay shall only be paid for the highest degree received.

**SECTION 4.** That, from and after the effective date of the 1<sup>st</sup> day of October, **2018 2019**, the following incentive/certification pay schedules shall be adopted for the Sherman Police Department:

- (a) Each employee certified by the Texas Commission on Law Enforcement Officer Standards and Education as an Intermediate Peace Officer shall receive \$75.00 per month Incentive/Certification Pay.
- (b) Each employee certified by the Texas Commission on Law Enforcement Officer Standards and Education as an Advanced Peace Officer shall receive \$175.00 per month Incentive/Certification Pay.
- (c) Each employee certified by the Texas Commission on Law Enforcement Officer Standards and Education as a Master Peace Officer shall receive \$275.00 per month Incentive/Certification Pay.
- (d) Incentive/Certification Pay shall only be paid for the highest Texas Commission on Law Enforcement Officer Standards and Education Certification achieved.
- (e) Each employee who speaks Spanish as a second language, as certified and designated by the Police Chief, shall receive \$100.00 per month Incentive/Certification Pay.
- (f) All Certifications shall be kept current to receive Incentive/Certification Pay.

- (g) Each employee who holds an Associates Degree from an accredited college or university shall receive \$100.00 per month Education Incentive Pay.
- (h) Each employee who holds a Bachelors Degree from an accredited college or university shall receive \$250.00 per month Education Incentive Pay.
- (i) Each employee who holds a Masters Degree from an accredited college or university shall receive \$500.00 per month Education Incentive Pay.
- (j) Education Incentive Pay shall only be paid for the highest degree received.

**SECTION 5.** That eligible pay types are authorized by the City Council below for patrolmen and firefighters.

(a) Seniority Pay – Lateral Entry (prior Police Experience):

1. Seniority Pay is authorized by Chapter 143.041 (c)(1) of the Texas Local Government Code.
2. Applicants for patrolmen positions who are hired after July 31, 2018 shall be eligible for Special Seniority Pay for lateral entry if they have at least two (2) years' continuous service as a paid, full-time certified peace officer, or comparable Military Police experience as approved by the Chief of Police, with the authority to enforce laws, investigate crimes, make arrests, respond to calls for service, carry a firearm, and use discretion as part of their assigned duties. A lateral entry applicant shall not have more than a one-year break in service from the time the applicant left employment as a certified peace officer, or Military Police service and, as of the last date, applications are accepted.
3. Starting Pay: The starting pay for lateral entry patrolmen with prior qualifying law enforcement experience will be determined based on the commensurate number of years of prior qualified service at their previous agency or agencies as of the last date applications are accepted.
  - i. Lateral entry patrolmen who have at least two (2) years of prior qualified service will start at two (2) years of service according to the Sherman Police Department pay schedule.
4. Departmental Seniority Impact: The Lateral Entry Program described in this Sub-section is for seniority pay purposes only to determine placement into the existing pay schedule. Prior law enforcement work experience will not be considered for promotional eligibility requirements, departmental seniority or transfers. Department seniority for lateral patrolmen will begin on their most recent Civil Service hire date with the Sherman Police



Department. Exception will be made for reappointed patrolmen in which seniority will include all time served as a paid Sherman Police Officer.

5. Requirements: Guidelines and administration for eligibility for lateral entry shall be governed by police policies and Local Civil Service Commission Rules and Regulations. The Chief of Police shall make the final determination as to whether an applicant meets the criteria for the Police Lateral Entry Program; and the Chief's decision shall be final and non-appealable to the Civil Service Commission or to any court.
6. Longevity Pay: Sworn police employees shall be paid Longevity Pay in accordance with City policy, Chapter 142 of the Texas Local Government Code, and as permitted under Chapter 143.041(c)(1) of the Texas Local Government Code. City policy provides specifics on administration and application.

(b) Seniority Pay – Lateral Entry (prior Fire Experience):

1. Seniority Pay is authorized by Chapter 143.041(c)(1) of the Texas Local Government Code.
2. Applicants for firefighter positions who are hired after December 16, 2018 shall be eligible for Special Longevity pay for lateral entry if they have at least one (1) year of continuous service as a paid, full time certified firefighter as approved by the Fire Chief. A lateral entry applicant shall not have more than a one (1) year break in service from the time the applicant left employment as a certified firefighter as of the date of hire.
3. Starting Pay: The starting pay for lateral firefighters will be determined based on the number of years of prior qualified service as of the date of hire.
  - i. Lateral entry firefighter's starting pay will be determined based on the commensurate number of years of qualified service at their previous agency or agencies as of the date of hire.
4. Departmental Seniority Impact: The Lateral Entry Program described in this Sub-Section is for seniority pay purposes only to determine placement into the existing pay schedule. Prior fire work experience will not be considered for promotional eligibility requirements, departmental seniority or transfers. Departmental seniority for lateral entry firefighters will begin on their most recent Civil Service hire date with the Sherman Fire Department.
5. Requirements: Guidelines and administration for eligibility for lateral entry shall be governed by fire department policies and Local Civil Service Commission Rules and Regulations. The Fire Chief shall make the final determination as to whether an applicant meets the criteria for the Fire

Lateral Entry Program; and the Chief's decision shall be final and non-appealable to the Civil Service Commission or to any court.

6. Longevity Pay: Fire department employees shall be paid Longevity Pay in accordance with City Policy, Chapter 142 of the Texas Local Government Code, and as permitted under Chapter 143.041(c)(1) of the Texas Local Government Code. City policy provides specifics on administration and application.
7. Base pay for incumbent firefighters, hired prior to the adoption date of this Resolution who have at least one (1) year of prior qualified service will be increased to the commensurate number of years of service according to the Sherman Fire Department pay schedule.

**SECTION 6.** That detailed rules and regulations for qualifying standards, eligibility and administration of such pay types may be stated within the City and/or Police Department policies and/or Fire Department policies, and/or Local Civil Service Commission Rules and Regulations. Such policies are subject to change as needed and approved by the City Manager for purposes of City policies or by the Chief of Police for purposes for Police Department policies, by the Fire Chief for purposes of Fire Department policies, or by the Local Civil Service Commission for the purposes of Local Civil Service Commission Rules and Regulations.

**SECTION 7.** 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.

**PASSED AND APPROVED** on this the \_\_\_\_\_ day of \_\_\_\_\_, **2018**  
**2019.**

**CITY OF SHERMAN, TEXAS**

**ATTEST:**

**BY:** \_\_\_\_\_  
**LINDA ASHBY, CITY CLERK**

**BY:** \_\_\_\_\_  
**DAVID PLYLER, MAYOR**

**APPROVED AS TO FORM  
AND CONTENT:**

**BY:** \_\_\_\_\_  
**BRANDON S. SHELBY,  
CITY ATTORNEY**

**RESOLUTION NO. 6448**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, REVOKING AND REPLACING RESOLUTION NO. 6405; 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; 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 Resolution No. 6405, passed and approved on the 4<sup>th</sup> day of September, 2018, is hereby revoked.

**SECTION 2.** That, from and after the effective date of the 1<sup>st</sup> day of October, 2018, the following salary structures and incentive/certification pay schedules will be adopted for the Sherman Fire Department and the Sherman Police Department:

| <b>FIRE DEPARTMENT<br/>CLASSIFICATION</b> | <b>MONTHLY<br/>BASE SALARY</b> | <b>MONTHLY<br/>STEP PAY</b> | <b>TOTAL</b> |
|-------------------------------------------|--------------------------------|-----------------------------|--------------|
| <b>FIREFIGHTER</b>                        |                                |                             |              |
| Entry                                     | \$4,123.33                     | N/A                         | \$4,123.33   |
| 1 Year                                    | \$4,123.33                     | \$ 424.85                   | \$4,548.18   |
| 2 Year                                    | \$4,123.33                     | \$ 487.73                   | \$4,611.05   |
| 3 Year                                    | \$4,123.33                     | \$ 550.60                   | \$4,673.92   |
| 4 Year                                    | \$4,123.33                     | \$ 608.39                   | \$4,731.71   |
| 5 Year                                    | \$4,123.33                     | \$ 745.37                   | \$4,868.69   |
| <b>ENGINEER</b>                           |                                |                             |              |
| Entry                                     | \$5,248.87                     | N/A                         | \$5,248.87   |
| 1 Year                                    | \$5,248.87                     | \$ 66.08                    | \$5,314.95   |
| 2 Year                                    | \$5,248.87                     | \$ 132.70                   | \$5,381.57   |
| <b>CAPTAIN</b>                            |                                |                             |              |
| Entry                                     | \$5,879.19                     | N/A                         | \$5,879.19   |
| 1 Year                                    | \$5,879.19                     | \$ 72.77                    | \$5,951.96   |
| <b>BATTALION CHIEF</b>                    |                                |                             |              |
| Entry                                     | \$6,481.96                     | N/A                         | \$6,481.96   |
| 1 Year                                    | \$6,481.96                     | \$ 104.34                   | \$6,586.30   |

|                                             |                                |                             |              |
|---------------------------------------------|--------------------------------|-----------------------------|--------------|
| DIVISION CHIEF                              | \$7,335.18                     | N/A                         | \$7,335.18   |
| ASSISTANT CHIEF                             | \$8,126.87                     | N/A                         | \$8,126.87   |
| <b>POLICE DEPARTMENT<br/>CLASSIFICATION</b> | <b>MONTHLY<br/>BASE SALARY</b> | <b>MONTHLY<br/>STEP PAY</b> | <b>TOTAL</b> |
| PATROLMAN                                   |                                |                             |              |
| Entry – Non-Certified                       | \$4,009.20                     | N/A                         | \$4,009.20   |
| Entry – Certified                           | \$4,323.04                     | N/A                         | \$4,323.04   |
| 1 Year                                      | \$4,323.04                     | \$ 54.18                    | \$4,377.22   |
| 2 Year                                      | \$4,323.04                     | \$ 226.47                   | \$4,549.51   |
| 3 Year                                      | \$4,323.04                     | \$ 685.04                   | \$5,008.08   |
| 4 Year                                      | \$4,323.04                     | \$ 810.65                   | \$5,133.69   |
| 5 Year                                      | \$4,323.04                     | \$ 952.38                   | \$5,275.42   |
| 10 Year                                     | \$4,323.04                     | \$ 1,067.87                 | \$5,390.91   |
| 20 Year                                     | \$4,323.04                     | \$1,183.36                  | \$5,506.40   |
| CORPORAL                                    | \$5,746.76                     | N/A                         | \$5,746.76   |
| SERGEANT                                    | \$6,232.88                     | N/A                         | \$6,232.88   |
| LIEUTENANT                                  | \$6,757.06                     | N/A                         | \$6,757.06   |
| ASSISTANT CHIEF                             | \$8,056.00                     | N/A                         | \$8,056.00   |

**SECTION 3.** That, from and after the effective date of the 1<sup>st</sup> day of October, 2018, the following incentive/certification pay schedules shall be adopted for the Sherman Fire Department:

- (a) Each employee certified by the Texas Department of State Health Services as a Paramedic and who meets the Sherman Medical Director's prescribed Medical Standards for Medical Authorization shall receive \$125.00 per month Incentive/Certification Pay.
- (b) Each employee who is certified by the Texas Commission on Fire Protection Personnel Standards and Education as an Intermediate Firefighter shall receive \$104.00 per month Incentive/Certification Pay.
- (c) Each employee who is certified by the Texas Commission on Fire Protection Personnel Standards and Education as an Advanced Firefighter shall receive \$218.40 per month Incentive/Certification Pay.

- (d) Each employee who is certified by the Texas Commission on Fire Protection Personnel Standards and Education as a Master Firefighter shall receive \$318.40 per month Incentive/Certification Pay.
- (e) Incentive/Certification Pay shall only be paid for the highest Texas Commission on Fire Protection Personnel Standards and Education Certification achieved.
- (f) All Certifications shall be kept current to receive Incentive/Certification Pay.
- (g) Each employee who holds an Associates Degree from an accredited college or university shall receive \$75.00 per month Education Incentive Pay.
- (h) Each employee who holds a Bachelors Degree from an accredited college or university shall receive \$175.00 per month Education Incentive Pay.
- (i) Each employee who holds a Masters Degree from an accredited college or university shall receive \$250.00 per month Education Incentive Pay.
- (j) Education Incentive Pay shall only be paid for the highest degree received.

**SECTION 4.** That, from and after the effective date of the 1<sup>st</sup> day of October, 2018, the following incentive/certification pay schedules shall be adopted for the Sherman Police Department:

- (a) Each employee certified by the Texas Commission on Law Enforcement Officer Standards and Education as an Intermediate Peace Officer shall receive \$75.00 per month Incentive/Certification Pay.
- (b) Each employee certified by the Texas Commission on Law Enforcement Officer Standards and Education as an Advanced Peace Officer shall receive \$175.00 per month Incentive/Certification Pay.
- (c) Each employee certified by the Texas Commission on Law Enforcement Officer Standards and Education as a Master Peace Officer shall receive \$275.00 per month Incentive/Certification Pay.
- (d) Incentive/Certification Pay shall only be paid for the highest Texas Commission on Law Enforcement Officer Standards and Education Certification achieved.
- (e) Each employee who speaks Spanish as a second language, as certified and designated by the Police Chief, shall receive \$100.00 per month Incentive/Certification Pay.
- (f) All Certifications shall be kept current to receive Incentive/Certification Pay.

- (g) Each employee who holds an Associates Degree from an accredited college or university shall receive \$100.00 per month Education Incentive Pay.
- (h) Each employee who holds a Bachelors Degree from an accredited college or university shall receive \$250.00 per month Education Incentive Pay.
- (i) Each employee who holds a Masters Degree from an accredited college or university shall receive \$500.00 per month Education Incentive Pay.
- (j) Education Incentive Pay shall only be paid for the highest degree received.

**SECTION 5.** That eligible pay types are authorized by the City Council below for patrolmen and firefighters.

(a) Seniority Pay – Lateral Entry (prior Police Experience):

1. Seniority Pay is authorized by Chapter 143.041 (c)(1) of the Texas Local Government Code.
2. Applicants for patrolmen positions who are hired after July 31, 2018 shall be eligible for Special Seniority Pay for lateral entry if they have at least two (2) years' continuous service as a paid, full-time certified peace officer, or comparable Military Police experience as approved by the Chief of Police, with the authority to enforce laws, investigate crimes, make arrests, respond to calls for service, carry a firearm, and use discretion as part of their assigned duties. A lateral entry applicant shall not have more than a one-year break in service from the time the applicant left employment as a certified peace officer, or Military Police service and, as of the last date, applications are accepted.
3. Starting Pay: The starting pay for lateral entry patrolmen with prior qualifying law enforcement experience will be determined based on the commensurate number of years of prior qualified service at their previous agency or agencies as of the last date applications are accepted.
  - i. Lateral entry patrolmen who have at least two (2) years of prior qualified service will start at two (2) years of service according to the Sherman Police Department pay schedule.
4. Departmental Seniority Impact: The Lateral Entry Program described in this Sub-section is for seniority pay purposes only to determine placement into the existing pay schedule. Prior law enforcement work experience will not be considered for promotional eligibility requirements, departmental seniority or transfers. Department seniority for lateral patrolmen will begin on their most recent Civil Service hire date with the Sherman Police

Department. Exception will be made for reappointed patrolmen in which seniority will include all time served as a paid Sherman Police Officer.

5. Requirements: Guidelines and administration for eligibility for lateral entry shall be governed by police policies and Local Civil Service Commission Rules and Regulations. The Chief of Police shall make the final determination as to whether an applicant meets the criteria for the Police Lateral Entry Program; and the Chief's decision shall be final and non-appealable to the Civil Service Commission or to any court.
6. Longevity Pay: Sworn police employees shall be paid Longevity Pay in accordance with City policy, Chapter 142 of the Texas Local Government Code, and as permitted under Chapter 143.041(c)(1) of the Texas Local Government Code. City policy provides specifics on administration and application.

(b) Seniority Pay – Lateral Entry (prior Fire Experience):

1. Seniority Pay is authorized by Chapter 143.041(c)(1) of the Texas Local Government Code.
2. Applicants for firefighter positions who are hired after December 16, 2018 shall be eligible for Special Longevity pay for lateral entry if they have at least one (1) year of continuous service as a paid, full time certified firefighter as approved by the Fire Chief. A lateral entry applicant shall not have more than a one (1) year break in service from the time the applicant left employment as a certified firefighter as of the date of hire.
3. Starting Pay: The starting pay for lateral firefighters will be determined based on the number of years of prior qualified service as of the date of hire.
  - i. Lateral entry firefighter's starting pay will be determined based on the commensurate number of years of qualified service at their previous agency or agencies as of the date of hire.
4. Departmental Seniority Impact: The Lateral Entry Program described in this Sub-Section is for seniority pay purposes only to determine placement into the existing pay schedule. Prior fire work experience will not be considered for promotional eligibility requirements, departmental seniority or transfers. Departmental seniority for lateral entry firefighters will begin on their most recent Civil Service hire date with the Sherman Fire Department.
5. Requirements: Guidelines and administration for eligibility for lateral entry shall be governed by fire department policies and Local Civil Service Commission Rules and Regulations. The Fire Chief shall make the final determination as to whether an applicant meets the criteria for the Fire



Lateral Entry Program; and the Chief's decision shall be final and non-appealable to the Civil Service Commission or to any court.

6. Longevity Pay: Fire department employees shall be paid Longevity Pay in accordance with City Policy, Chapter 142 of the Texas Local Government Code, and as permitted under Chapter 143.041(c)(1) of the Texas Local Government Code. City policy provides specifics on administration and application.
7. Base pay for incumbent firefighters, hired prior to the adoption date of this Resolution who have at least one (1) year of prior qualified service will be increased to the commensurate number of years of service according to the Sherman Fire Department pay schedule.

**SECTION 6.** That detailed rules and regulations for qualifying standards, eligibility and administration of such pay types may be stated within the City and/or Police Department policies and/or Fire Department policies, and/or Local Civil Service Commission Rules and Regulations. Such policies are subject to change as needed and approved by the City Manager for purposes of City policies or by the Chief of Police for purposes for Police Department policies, by the Fire Chief for purposes of Fire Department policies, or by the Local Civil Service Commission for the purposes of Local Civil Service Commission Rules and Regulations.

**SECTION 7.** 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.

**PASSED AND APPROVED** on this the 17th day of December, 2018.

**CITY OF SHERMAN, TEXAS**

**ATTEST:**

BY: Linda Ashby  
LINDA ASHBY, CITY CLERK

BY: DP  
DAVID PLYLER, MAYOR

**APPROVED AS TO FORM  
AND CONTENT:**

BY: BS  
BRANDON S. SHELBY,  
CITY ATTORNEY

**RESOLUTION NO. 6405 6448**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, REVOKING AND REPLACING RESOLUTION NO. ~~6261~~ 6405; 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; 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 Resolution No. 6261, passed and approved on the 5<sup>th</sup> day of September, 2017, is hereby revoked. That Resolution No. 6405, passed and approved on the 4<sup>th</sup> day of September, 2018, is hereby revoked.~~

**SECTION 2.** That, from and after the effective date of the 1<sup>st</sup> day of October, 2018, the following salary structures and incentive/certification pay schedules will be adopted for the Sherman Fire Department and the Sherman Police Department:

| <b>FIRE DEPARTMENT<br/>CLASSIFICATION</b> | <b>MONTHLY<br/>BASE SALARY</b> | <b>MONTHLY<br/>STEP PAY</b> | <b>TOTAL</b> |
|-------------------------------------------|--------------------------------|-----------------------------|--------------|
| <b>FIREFIGHTER</b>                        |                                |                             |              |
| Entry                                     | \$4,123.33                     | N/A                         | \$4,123.33   |
| 1 Year                                    | \$4,123.33                     | \$ 424.85                   | \$4,548.18   |
| 2 Year                                    | \$4,123.33                     | \$ 487.73                   | \$4,611.05   |
| 3 Year                                    | \$4,123.33                     | \$ 550.60                   | \$4,673.92   |
| 4 Year                                    | \$4,123.33                     | \$ 608.39                   | \$4,731.71   |
| 5 Year                                    | \$4,123.33                     | \$ 745.37                   | \$4,868.69   |
| <b>ENGINEER</b>                           |                                |                             |              |
| Entry                                     | \$5,248.87                     | N/A                         | \$5,248.87   |
| 1 Year                                    | \$5,248.87                     | \$ 66.08                    | \$5,314.95   |
| 2 Year                                    | \$5,248.87                     | \$ 132.70                   | \$5,381.57   |
| <b>CAPTAIN</b>                            |                                |                             |              |
| Entry                                     | \$5,879.19                     | N/A                         | \$5,879.19   |
| 1 Year                                    | \$5,879.19                     | \$ 72.77                    | \$5,951.96   |

|                                                                                                                                 |                                                                                                                            |                                                                                                         |                                                                                                                            |
|---------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------|
| BATTALION CHIEF<br>Entry<br>1 Year                                                                                              | \$6,481.96<br>\$6,481.96                                                                                                   | N/A<br>\$ 104.34                                                                                        | \$6,481.96<br>\$6,586.30                                                                                                   |
| DIVISION CHIEF                                                                                                                  | \$7,335.18                                                                                                                 | N/A                                                                                                     | \$7,335.18                                                                                                                 |
| ASSISTANT CHIEF                                                                                                                 | \$8,126.87                                                                                                                 | N/A                                                                                                     | \$8,126.87                                                                                                                 |
| <b>POLICE DEPARTMENT<br/>CLASSIFICATION</b>                                                                                     | <b>MONTHLY<br/>BASE SALARY</b>                                                                                             | <b>MONTHLY<br/>STEP PAY</b>                                                                             | <b>TOTAL</b>                                                                                                               |
| PATROLMAN<br>Entry – Non-Certified<br>Entry – Certified<br>1 Year<br>2 Year<br>3 Year<br>4 Year<br>5 Year<br>10 Year<br>20 Year | \$4,009.20<br>\$4,323.04<br>\$4,323.04<br>\$4,323.04<br>\$4,323.04<br>\$4,323.04<br>\$4,323.04<br>\$4,323.04<br>\$4,323.04 | N/A<br>N/A<br>\$ 54.18<br>\$ 226.47<br>\$ 685.04<br>\$ 810.65<br>\$ 952.38<br>\$ 1,067.87<br>\$1,183.36 | \$4,009.20<br>\$4,323.04<br>\$4,377.22<br>\$4,549.51<br>\$5,008.08<br>\$5,133.69<br>\$5,275.42<br>\$5,390.91<br>\$5,506.40 |
| CORPORAL                                                                                                                        | \$5,746.76                                                                                                                 | N/A                                                                                                     | \$5,746.76                                                                                                                 |
| SERGEANT                                                                                                                        | \$6,232.88                                                                                                                 | N/A                                                                                                     | \$6,232.88                                                                                                                 |
| LIEUTENANT                                                                                                                      | \$6,757.06                                                                                                                 | N/A                                                                                                     | \$6,757.06                                                                                                                 |
| ASSISTANT CHIEF                                                                                                                 | \$8,056.00                                                                                                                 | N/A                                                                                                     | \$8,056.00                                                                                                                 |

**SECTION 3.** That, from and after the effective date of the 1<sup>st</sup> day of October, 2018, the following incentive/certification pay schedules shall be adopted for the Sherman Fire Department:

- (a) Each employee certified by the Texas Department of State Health Services as a Paramedic and who meets the Sherman Medical Director's prescribed Medical Standards for Medical Authorization shall receive \$125.00 per month Incentive/Certification Pay.
- (b) Each employee who is certified by the Texas Commission on Fire Protection Personnel Standards and Education as an Intermediate Firefighter shall receive \$104.00 per month Incentive/Certification Pay.

- (c) Each employee who is certified by the Texas Commission on Fire Protection Personnel Standards and Education as an Advanced Firefighter shall receive \$218.40 per month Incentive/Certification Pay.
- (d) Each employee who is certified by the Texas Commission on Fire Protection Personnel Standards and Education as a Master Firefighter shall receive \$318.40 per month Incentive/Certification Pay.
- (e) Incentive/Certification Pay shall only be paid for the highest Texas Commission on Fire Protection Personnel Standards and Education Certification achieved.
- (f) All Certifications shall be kept current to receive Incentive/Certification Pay.
- (g) Each employee who holds an Associates Degree from an accredited college or university shall receive \$75.00 per month Education Incentive Pay.
- (h) Each employee who holds a Bachelors Degree from an accredited college or university shall receive \$175.00 per month Education Incentive Pay.
- (i) Each employee who holds a Masters Degree from an accredited college or university shall receive \$250.00 per month Education Incentive Pay.
- (j) Education Incentive Pay shall only be paid for the highest degree received.

**SECTION 4.** That, from and after the effective date of the 1<sup>st</sup> day of October, 2018, the following incentive/certification pay schedules shall be adopted for the Sherman Police Department:

- (a) Each employee certified by the Texas Commission on Law Enforcement Officer Standards and Education as an Intermediate Peace Officer shall receive \$75.00 per month Incentive/Certification Pay.
- (b) Each employee certified by the Texas Commission on Law Enforcement Officer Standards and Education as an Advanced Peace Officer shall receive \$175.00 per month Incentive/Certification Pay.
- (c) Each employee certified by the Texas Commission on Law Enforcement Officer Standards and Education as a Master Peace Officer shall receive \$275.00 per month Incentive/Certification Pay.
- (d) Incentive/Certification Pay shall only be paid for the highest Texas Commission on Law Enforcement Officer Standards and Education Certification achieved.
- (e) Each employee who speaks Spanish as a second language, as certified and designated by the Police Chief, shall receive \$100.00 per month Incentive/Certification Pay.

- (f) All Certifications shall be kept current to receive Incentive/Certification Pay.
- (g) Each employee who holds an Associates Degree from an accredited college or university shall receive \$100.00 per month Education Incentive Pay.
- (h) Each employee who holds a Bachelors Degree from an accredited college or university shall receive \$250.00 per month Education Incentive Pay.
- (i) Each employee who holds a Masters Degree from an accredited college or university shall receive \$500.00 per month Education Incentive Pay.
- (j) Education Incentive Pay shall only be paid for the highest degree received.

**SECTION 5.** That eligible pay types are authorized by the City Council below for patrolmen and firefighters.

(a) Seniority Pay – Lateral Entry (prior Police Experience):

1. Seniority Pay is authorized by Chapter 143.041 (c)(1) of the Texas Local Government Code.
2. Applicants for patrolmen positions who are hired after ~~February 17, 2014~~ *July 31, 2018* shall be eligible for Special Seniority Pay for lateral entry if they have at least two (2) years' continuous service as a paid, full-time certified peace officer, or comparable Military Police experience as approved by the Chief of Police, with the authority to enforce laws, investigate crimes, make arrests, respond to calls for service, carry a firearm, and use discretion as part of their assigned duties. A lateral entry applicant shall not have more than a ~~two-year~~ *one-year* break in service from the time the applicant left employment as a certified peace officer, or Military Police service and, as of the last date, applications are accepted.
3. Starting Pay: The starting pay for lateral entry patrolmen with prior qualifying law enforcement experience will be determined based on the *commensurate* number of years of prior qualified service *at their previous agency or agencies* as of the last date applications are accepted.
  - i. Lateral entry patrolmen who have at least two (2) years of prior qualified service will start at two (2) years of service according to the Sherman Police Department pay schedule.
  - ii. ~~Lateral entry patrolmen who have at least three (3) years of prior qualified service according to the Sherman Police Department pay schedule.~~

~~iii. Previous Sherman Police Patrolmen who are reappointed as patrolmen will be placed in the same salary step that they held at the time of their separation unless the applicant for reappointment separated employment while at a classification higher than patrolman. If the applicant for reappointment separated from service with the Sherman Police Department while at a classification higher than patrolman, then the reappointed patrolman's pay shall correspond with the reappointed patrolman's total prior service years but shall not exceed the top pay of the patrolman classification.~~

4. Departmental Seniority Impact: The Lateral Entry Program described in this Sub-section is for seniority pay purposes only to determine placement into the existing pay schedule. Prior law enforcement work experience will not be considered for promotional eligibility requirements, departmental seniority or transfers. Department seniority for lateral patrolmen ~~and reappointed patrolmen~~ will begin on their most recent Civil Service hire date with the Sherman Police Department. *Exception will be made for reappointed patrolmen in which seniority will include all time served as a paid Sherman Police Officer.*
5. Requirements: Guidelines and administration for eligibility for lateral entry shall be governed by police policies and Local Civil Service Commission Rules and Regulations. The Chief of Police shall make the final determination as to whether an applicant meets the criteria for the Police Lateral Entry Program; and the Chief's decision shall be final and non-appealable to the Civil Service Commission or to any court.
6. Longevity Pay: Sworn police employees shall be paid Longevity Pay in accordance with City policy, Chapter 142 of the Texas Local Government Code, and as permitted under Chapter 143.041(c)(1) of the Texas Local Government Code. City policy provides specifics on administration and application.

(b) Seniority Pay – Lateral Entry (prior Fire Experience):

1. Seniority Pay is authorized by Chapter 143.041(c)(1) of the Texas Local Government Code.
2. Applicants for firefighter positions who are hired after ~~July 1, 2015~~ *December 16, 2018* shall be eligible for Special Longevity pay for lateral entry if they have at least ~~two (2) years~~ *one (1) year* of continuous service as a paid, full time certified firefighter as approved by the Fire Chief. A lateral entry applicant shall not have more than a one (1) year break in service from the time the applicant left employment as a certified firefighter as of the ~~last date applications are accepted~~ *date of hire*.

3. ~~Starting Pay: The starting pay for a lateral entry firefighter with prior qualifying firefighting experience will be determined based on the number of years of prior qualified service as of the last date applications are accepted. The starting pay for lateral firefighters will be determined based on the number of years of prior qualified service as of the date of hire.~~
- ~~i. Lateral entry firefighters who have at least two (2) years of prior qualified service will start at two (2) years of service according to the Sherman Fire Department pay schedule.~~
- ~~ii. Lateral entry firefighters who have at least three (3) years of prior qualified service will start at three (3) years of service according to the Sherman Fire Department pay schedule.~~
- i. Lateral entry firefighter's starting pay will be determined based on the commensurate number of years of qualified service at their previous agency or agencies as of the date of hire.*
4. Departmental Seniority Impact: The Lateral Entry Program described in this Sub-Section is for seniority pay purposes only to determine placement into the existing pay schedule. Prior fire work experience will not be considered for promotional eligibility requirements, departmental seniority or transfers. Departmental seniority for lateral entry firefighters will begin on their most recent Civil Service hire date with the Sherman Fire Department.
5. Requirements: Guidelines and administration for eligibility for lateral entry shall be governed by fire department policies and Local Civil Service Commission Rules and Regulations. The Fire Chief shall make the final determination as to whether an applicant meets the criteria for the Fire Lateral Entry Program; and the Chief's decision shall be final and non-appealable to the Civil Service Commission or to any court.
6. Longevity Pay: Fire department employees shall be paid Longevity Pay in accordance with City Policy, Chapter 142 of the Texas Local Government Code, and as permitted under Chapter 143.041(c)(1) of the Texas Local Government Code. City policy provides specifics on administration and application.
7. Base pay for incumbent firefighters, hired prior to the adoption date of this Resolution who have at least ~~two (2) years~~ *one (1) year* of prior qualified service will be increased to ~~two (2) years of service~~ *the commensurate number of years of service* according to the Sherman Fire Department pay schedule.
8. ~~Base pay for incumbent firefighters, hired prior to the adoption date of this Resolution who have at least three (3) years of prior qualified service will~~



~~be increased to three (3) years of service according to the Sherman Fire Department pay schedule.~~

**SECTION 6.** That detailed rules and regulations for qualifying standards, eligibility and administration of such pay types may be stated within the City and/or Police Department policies and/or Fire Department policies, and/or Local Civil Service Commission Rules and Regulations. Such policies are subject to change as needed and approved by the City Manager for purposes of City policies or by the Chief of Police for purposes for Police Department policies, by the Fire Chief for purposes of Fire Department policies, or by the Local Civil Service Commission for the purposes of Local Civil Service Commission Rules and Regulations.

**SECTION 7.** 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.

**PASSED AND APPROVED** on this the \_\_\_\_\_ day of \_\_\_\_\_, 2018.

**CITY OF SHERMAN, TEXAS**

**ATTEST:**

**BY:** \_\_\_\_\_  
**LINDA ASHBY, CITY CLERK**

**BY:** \_\_\_\_\_  
**DAVID PLYLER, MAYOR**

**APPROVED AS TO FORM  
AND CONTENT:**

**BY:** \_\_\_\_\_  
**BRANDON S. SHELBY,  
CITY ATTORNEY**

**RESOLUTION NO. 6405**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, REVOKING AND REPLACING RESOLUTION NO. 6261; 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; 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 Resolution No. 6261, passed and approved on the 5<sup>th</sup> day of September, 2017, is hereby revoked.

**SECTION 2.** That, from and after the effective date of the 1<sup>st</sup> day of October, 2018, the following salary structures and incentive/certification pay schedules will be adopted for the Sherman Fire Department and the Sherman Police Department:

| <b>FIRE DEPARTMENT CLASSIFICATION</b> | <b>MONTHLY BASE SALARY</b> | <b>MONTHLY STEP PAY</b> | <b>TOTAL</b> |
|---------------------------------------|----------------------------|-------------------------|--------------|
| <b>FIREFIGHTER</b>                    |                            |                         |              |
| Entry                                 | \$4,123.33                 | N/A                     | \$4,123.33   |
| 1 Year                                | \$4,123.33                 | \$ 424.85               | \$4,548.18   |
| 2 Year                                | \$4,123.33                 | \$ 487.73               | \$4,611.05   |
| 3 Year                                | \$4,123.33                 | \$ 550.60               | \$4,673.92   |
| 4 Year                                | \$4,123.33                 | \$ 608.39               | \$4,731.71   |
| 5 Year                                | \$4,123.33                 | \$ 745.37               | \$4,868.69   |
| <b>ENGINEER</b>                       |                            |                         |              |
| Entry                                 | \$5,248.87                 | N/A                     | \$5,248.87   |
| 1 Year                                | \$5,248.87                 | \$ 66.08                | \$5,314.95   |
| 2 Year                                | \$5,248.87                 | \$ 132.70               | \$5,381.57   |
| <b>CAPTAIN</b>                        |                            |                         |              |
| Entry                                 | \$5,879.19                 | N/A                     | \$5,879.19   |
| 1 Year                                | \$5,879.19                 | \$ 72.77                | \$5,951.96   |
| <b>BATTALION CHIEF</b>                |                            |                         |              |
| Entry                                 | \$6,481.96                 | N/A                     | \$6,481.96   |
| 1 Year                                | \$6,481.96                 | \$ 104.34               | \$6,586.30   |

|                                             |                                |                             |              |
|---------------------------------------------|--------------------------------|-----------------------------|--------------|
| DIVISION CHIEF                              | \$7,335.18                     | N/A                         | \$7,335.18   |
| ASSISTANT CHIEF                             | \$8,126.87                     | N/A                         | \$8,126.87   |
| <b>POLICE DEPARTMENT<br/>CLASSIFICATION</b> | <b>MONTHLY<br/>BASE SALARY</b> | <b>MONTHLY<br/>STEP PAY</b> | <b>TOTAL</b> |
| PATROLMAN                                   |                                |                             |              |
| Entry – Non-Certified                       | \$4,009.20                     | N/A                         | \$4,009.20   |
| Entry – Certified                           | \$4,323.04                     | N/A                         | \$4,323.04   |
| 1 Year                                      | \$4,323.04                     | \$ 54.18                    | \$4,377.22   |
| 2 Year                                      | \$4,323.04                     | \$ 226.47                   | \$4,549.51   |
| 3 Year                                      | \$4,323.04                     | \$ 685.04                   | \$5,008.08   |
| 4 Year                                      | \$4,323.04                     | \$ 810.65                   | \$5,133.69   |
| 5 Year                                      | \$4,323.04                     | \$ 952.38                   | \$5,275.42   |
| 10 Year                                     | \$4,323.04                     | \$ 1,067.87                 | \$5,390.91   |
| 20 Year                                     | \$4,323.04                     | \$1,183.36                  | \$5,506.40   |
| CORPORAL                                    | \$5,746.76                     | N/A                         | \$5,746.76   |
| SERGEANT                                    | \$6,232.88                     | N/A                         | \$6,232.88   |
| LIEUTENANT                                  | \$6,757.06                     | N/A                         | \$6,757.06   |
| ASSISTANT CHIEF                             | \$8,056.00                     | N/A                         | \$8,056.00   |

**SECTION 3.** That, from and after the effective date of the 1<sup>st</sup> day of October, 2018, the following incentive/certification pay schedules shall be adopted for the Sherman Fire Department:

- (a) Each employee certified by the Texas Department of State Health Services as a Paramedic and who meets the Sherman Medical Director's prescribed Medical Standards for Medical Authorization shall receive \$125.00 per month Incentive/Certification Pay.
- (b) Each employee who is certified by the Texas Commission on Fire Protection Personnel Standards and Education as an Intermediate Firefighter shall receive \$104.00 per month Incentive/Certification Pay.
- (c) Each employee who is certified by the Texas Commission on Fire Protection Personnel Standards and Education as an Advanced Firefighter shall receive \$218.40 per month Incentive/Certification Pay.

- (d) Each employee who is certified by the Texas Commission on Fire Protection Personnel Standards and Education as a Master Firefighter shall receive \$318.40 per month Incentive/Certification Pay.
- (e) Incentive/Certification Pay shall only be paid for the highest Texas Commission on Fire Protection Personnel Standards and Education Certification achieved.
- (f) All Certifications shall be kept current to receive Incentive/Certification Pay.
- (g) Each employee who holds an Associates Degree from an accredited college or university shall receive \$75.00 per month Education Incentive Pay.
- (h) Each employee who holds a Bachelors Degree from an accredited college or university shall receive \$175.00 per month Education Incentive Pay.
- (i) Each employee who holds a Masters Degree from an accredited college or university shall receive \$250.00 per month Education Incentive Pay.
- (j) Education Incentive Pay shall only be paid for the highest degree received.

**SECTION 4.** That, from and after the effective date of the 1<sup>st</sup> day of October, 2018, the following incentive/certification pay schedules shall be adopted for the Sherman Police Department:

- (a) Each employee certified by the Texas Commission on Law Enforcement Officer Standards and Education as an Intermediate Peace Officer shall receive \$75.00 per month Incentive/Certification Pay.
- (b) Each employee certified by the Texas Commission on Law Enforcement Officer Standards and Education as an Advanced Peace Officer shall receive \$175.00 per month Incentive/Certification Pay.
- (c) Each employee certified by the Texas Commission on Law Enforcement Officer Standards and Education as a Master Peace Officer shall receive \$275.00 per month Incentive/Certification Pay.
- (d) Incentive/Certification Pay shall only be paid for the highest Texas Commission on Law Enforcement Officer Standards and Education Certification achieved.
- (e) Each employee who speaks Spanish as a second language, as certified and designated by the Police Chief, shall receive \$100.00 per month Incentive/Certification Pay.
- (f) All Certifications shall be kept current to receive Incentive/Certification Pay.

- (g) Each employee who holds an Associates Degree from an accredited college or university shall receive \$100.00 per month Education Incentive Pay.
- (h) Each employee who holds a Bachelors Degree from an accredited college or university shall receive \$250.00 per month Education Incentive Pay.
- (i) Each employee who holds a Masters Degree from an accredited college or university shall receive \$500.00 per month Education Incentive Pay.
- (j) Education Incentive Pay shall only be paid for the highest degree received.

**SECTION 5.** That eligible pay types are authorized by the City Council below for patrolmen and firefighters.

(a) Seniority Pay – Lateral Entry (prior Police Experience):

1. Seniority Pay is authorized by Chapter 143.041 (c)(1) of the Texas Local Government Code.
2. Applicants for patrolmen positions who are hired after February 17, 2014 shall be eligible for Special Seniority Pay for lateral entry if they have at least two (2) years' continuous service as a paid, full-time certified peace officer, or comparable Military Police experience as approved by the Chief of Police, with the authority to enforce laws, investigate crimes, make arrests, respond to calls for service, carry a firearm, and use discretion as part of their assigned duties. A lateral entry applicant shall not have more than a two-year break in service from the time the applicant left employment as a certified peace officer, or Military Police service and, as of the last date, applications are accepted.
3. Starting Pay: The starting pay for lateral entry patrolmen with prior qualifying law enforcement experience will be determined based on the number of years of prior qualified service as of the last date applications are accepted.
  - i. Lateral entry patrolmen who have at least two (2) years of prior qualified service will start at two (2) years of service according to the Sherman Police Department pay schedule.
  - ii. Lateral entry patrolmen who have at least three (3) years of prior qualified service will start at three (3) years of service according to the Sherman Police Department pay schedule.
  - iii. Previous Sherman Police Patrolmen who are reappointed as patrolmen will be placed in the same salary step that they held at the time of their separation unless the applicant for reappointment separated employment while at a classification higher than

patrolman. If the applicant for reappointment separated from service with the Sherman Police Department while at a classification higher than patrolman, then the reappointed patrolman's pay shall correspond with the reappointed patrolman's total prior service years but shall not exceed the top pay of the patrolman classification.

4. Departmental Seniority Impact: The Lateral Entry Program described in this Sub-section is for seniority pay purposes only to determine placement into the existing pay schedule. Prior law enforcement work experience will not be considered for promotional eligibility requirements, departmental seniority or transfers. Department seniority for lateral patrolmen and reappointed patrolmen will begin on their most recent Civil Service hire date with the Sherman Police Department.
5. Requirements: Guidelines and administration for eligibility for lateral entry shall be governed by police policies and Local Civil Service Commission Rules and Regulations. The Chief of Police shall make the final determination as to whether an applicant meets the criteria for the Police Lateral Entry Program; and the Chief's decision shall be final and non-appealable to the Civil Service Commission or to any court.
6. Longevity Pay: Sworn police employees shall be paid Longevity Pay in accordance with City policy, Chapter 142 of the Texas Local Government Code, and as permitted under Chapter 143.041(c)(1) of the Texas Local Government Code. City policy provides specifics on administration and application.

(b) Seniority Pay – Lateral Entry (prior Fire Experience):

1. Seniority Pay is authorized by Chapter 143.041(c)(1) of the Texas Local Government Code.
2. Applicants for firefighter positions who are hired after July 1, 2015 shall be eligible for Special Longevity pay for lateral entry if they have at least two (2) years' continuous service as a paid, full-time certified firefighter as approved by the Fire Chief. A lateral entry applicant shall not have more than one year break in service from the time the applicant left employment as a certified firefighter as of the last date applications are accepted.
3. Starting Pay: The starting pay for a lateral entry firefighter with prior qualifying firefighting experience will be determined based on the number of years of prior qualified service as of the last date applications are accepted.

- i. Lateral entry firefighters who have at least two (2) years of prior qualified service will start at two (2) years of service according to the Sherman Fire Department pay schedule.
  - ii. Lateral entry firefighters who have at least three (3) years of prior qualified service will start at three (3) years of service according to the Sherman Fire Department pay schedule.
4. Departmental Seniority Impact: The Lateral Entry Program described in this Sub-Section is for seniority pay purposes only to determine placement into the existing pay schedule. Prior fire work experience will not be considered for promotional eligibility requirements, departmental seniority or transfers. Departmental seniority for lateral entry firefighters will begin on their most recent Civil Service hire date with the Sherman Fire Department.
5. Requirements: Guidelines and administration for eligibility for lateral entry shall be governed by fire department policies and Local Civil Service Commission Rules and Regulations. The Fire Chief shall make the final determination as to whether an applicant meets the criteria for the Fire Lateral Entry Program; and the Chief's decision shall be final and non-appealable to the Civil Service Commission or to any court.
6. Longevity Pay: Fire department employees shall be paid Longevity Pay in accordance with City Policy, Chapter 142 of the Texas Local Government Code, and as permitted under Chapter 143.041(c)(1) of the Texas Local Government Code. City policy provides specifics on administration and application.
7. Base pay for incumbent firefighters, hired prior to the adoption date of this Resolution who have at least two (2) years of prior qualified service will be increased to two (2) years of service according to the Sherman Fire Department pay schedule.
8. Base pay for incumbent firefighters, hired prior to the adoption date of this Resolution who have at least three (3) years of prior qualified service will be increased to three (3) years of service according to the Sherman Fire Department pay schedule.

**SECTION 6.** That detailed rules and regulations for qualifying standards, eligibility and administration of such pay types may be stated within the City and/or Police Department policies and/or Fire Department policies, and/or Local Civil Service Commission Rules and Regulations. Such policies are subject to change as needed and approved by the City Manager for purposes of City policies or by the Chief of Police for purposes for Police Department policies, by the Fire Chief for purposes of Fire Department policies, or by the Local Civil Service Commission for the purposes of Local Civil Service Commission Rules and Regulations.



**SECTION 7.** 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.

**PASSED AND APPROVED** on this the 4th day of September, 2018.

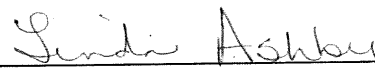
**CITY OF SHERMAN, TEXAS**

BY:

  
**DAVID PLYLER, MAYOR**

**ATTEST:**

BY:

  
**LINDA ASHBY, CITY CLERK**

**APPROVED AS TO FORM  
AND CONTENT:**

BY:

  
**BRANDON S. SHELBY,  
CITY ATTORNEY**

**RESOLUTION NO. 6261**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, REVOKING AND REPLACING RESOLUTION NO. 6130; 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; 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 Resolution No. 6130, passed and approved on the 6<sup>th</sup> day of September, 2016, is hereby revoked.

**SECTION 2.** That, from and after the effective date of the 1<sup>st</sup> day of October, 2017, the following salary structures and incentive/certification pay schedules will be adopted for the Sherman Fire Department and the Sherman Police Department:

| <b>CLASSIFICATION</b>  | <b>MONTHLY<br/>BASE SALARY</b> | <b>MONTHLY<br/>SENIORITY PAY</b> | <b>TOTAL</b> |
|------------------------|--------------------------------|----------------------------------|--------------|
| <b>FIREFIGHTER</b>     |                                |                                  |              |
| Entry                  | \$3,926.98                     | N/A                              | \$3,926.98   |
| 1 Year                 | \$3,926.98                     | \$ 404.62                        | \$4,331.60   |
| 2 Year                 | \$3,926.98                     | \$ 464.50                        | \$4,391.48   |
| 3 Year                 | \$3,926.98                     | \$ 524.38                        | \$4,451.36   |
| 4 Year                 | \$3,926.98                     | \$ 579.42                        | \$4,506.39   |
| 5 Year                 | \$3,926.98                     | \$ 709.87                        | \$4,636.85   |
| <b>ENGINEER</b>        |                                |                                  |              |
| Entry                  | \$4,998.92                     | N/A                              | \$4,998.92   |
| 1 Year                 | \$4,998.92                     | \$ 62.94                         | \$5,061.86   |
| 2 Year                 | \$4,998.92                     | \$ 126.38                        | \$5,125.30   |
| <b>CAPTAIN</b>         |                                |                                  |              |
| Entry                  | \$5,599.23                     | N/A                              | \$5,599.23   |
| 1 Year                 | \$5,599.23                     | \$ 69.31                         | \$5,668.54   |
| <b>BATTALION CHIEF</b> |                                |                                  |              |
| Entry                  | \$6,173.29                     | N/A                              | \$6,173.29   |
| 1 Year                 | \$6,173.29                     | \$ 99.37                         | \$6,272.67   |

|                       |                                |                                  |              |
|-----------------------|--------------------------------|----------------------------------|--------------|
| DIVISION CHIEF        | \$6,985.89                     | N/A                              | \$6,985.89   |
| <b>CLASSIFICATION</b> | <b>MONTHLY<br/>BASE SALARY</b> | <b>MONTHLY<br/>SENIORITY PAY</b> | <b>TOTAL</b> |
| PATROLMAN             |                                |                                  |              |
| Entry – Non-Certified | \$3,855.00                     | N/A                              | \$3,855.00   |
| Entry – Certified     | \$4,156.77                     | N/A                              | \$4,156.77   |
| 1 Year                | \$4,156.77                     | \$ 52.10                         | \$4,208.87   |
| 2 Year                | \$4,156.77                     | \$ 217.76                        | \$4,374.53   |
| 3 Year                | \$4,156.77                     | \$ 658.69                        | \$4,815.46   |
| 4 Year                | \$4,156.77                     | \$ 779.47                        | \$4,936.24   |
| 5 Year                | \$4,156.77                     | \$ 915.75                        | \$5,072.52   |
| 10 Year               | \$4,156.77                     | \$ 1,026.80                      | \$5,183.57   |
| 20 Year               | \$4,156.77                     | \$1,137.84                       | \$5,294.61   |
| CORPORAL              | \$5,525.73                     | N/A                              | \$5,525.73   |
| SERGEANT              | \$5,993.15                     | N/A                              | \$5,993.15   |
| LIEUTENANT            | \$6,497.17                     | N/A                              | \$6,497.17   |
| ASSISTANT CHIEF       | \$7,746.15                     | N/A                              | \$7,746.15   |

**SECTION 3.** That, from and after the effective date of the 1<sup>st</sup> day of October, 2017, the following incentive/certification pay schedules shall be adopted for the Sherman Fire Department:

- (a) Each employee certified by the Texas Department of State Health Services as a Paramedic and who meets the Sherman Medical Director's prescribed Medical Standards for Medical Authorization shall receive \$125.00 per month Incentive/Certification Pay.
- (b) Each employee who is certified by the Texas Commission on Fire Protection Personnel Standards and Education as an Intermediate Firefighter shall receive \$104.00 per month Incentive/Certification Pay.
- (c) Each employee who is certified by the Texas Commission on Fire Protection Personnel Standards and Education as an Advanced Firefighter shall receive \$218.40 per month Incentive/Certification Pay.
- (d) Each employee who is certified by the Texas Commission on Fire Protection Personnel Standards and Education as a Master Firefighter shall receive \$318.40 per month Incentive/Certification Pay.

- (e) Incentive/Certification Pay shall only be paid for the highest Texas Commission on Fire Protection Personnel Standards and Education Certification achieved.
- (f) All Certifications shall be kept current to receive Incentive/Certification Pay.
- (g) Each employee who holds an Associates Degree from an accredited college or university shall receive \$75.00 per month Education Incentive Pay.
- (h) Each employee who holds a Bachelors Degree from an accredited college or university shall receive \$175.00 per month Education Incentive Pay.
- (i) Each employee who holds a Masters Degree from an accredited college or university shall receive \$250.00 per month Education Incentive Pay.
- (j) Education Incentive Pay shall only be paid for the highest degree received.

**SECTION 4.** That, from and after the effective date of the 1<sup>st</sup> day of October, 2017, the following incentive/certification pay schedules shall be adopted for the Sherman Police Department:

- (a) Each employee certified by the Texas Commission on Law Enforcement Officer Standards and Education as an Intermediate Peace Officer shall receive \$75.00 per month Incentive/Certification Pay.
- (b) Each employee certified by the Texas Commission on Law Enforcement Officer Standards and Education as an Advanced Peace Officer shall receive \$175.00 per month Incentive/Certification Pay.
- (c) Each employee certified by the Texas Commission on Law Enforcement Officer Standards and Education as a Master Peace Officer shall receive \$275.00 per month Incentive/Certification Pay.
- (d) Incentive/Certification Pay shall only be paid for the highest Texas Commission on Law Enforcement Officer Standards and Education Certification achieved.
- (e) Each employee who speaks Spanish as a second language, as certified and designated by the Police Chief, shall receive \$100.00 per month Incentive/Certification Pay.
- (f) All Certifications shall be kept current to receive Incentive/Certification Pay.
- (g) Each employee who holds an Associates Degree from an accredited college or university shall receive \$100.00 per month Education Incentive Pay.
- (h) Each employee who holds a Bachelors Degree from an accredited college or university shall receive \$250.00 per month Education Incentive Pay.

(i) Each employee who holds a Masters Degree from an accredited college or university shall receive \$500.00 per month Education Incentive Pay.

(j) Education Incentive Pay shall only be paid for the highest degree received.

**SECTION 5.** That eligible pay types are authorized by the City Council below for patrolmen and firefighters.

(a) Seniority Pay – Lateral Entry (prior Police Experience):

1. Seniority Pay is authorized by Chapter 143.04 (c)(1) of the Texas Local Government Code.

2. Applicants for patrolmen positions who are hired after February 17, 2014 shall be eligible for Special Seniority Pay for lateral entry if they have at least two (2) years' continuous service as a paid, full-time certified peace officer, or comparable Military Police experience as approved by the Chief of Police, with the authority to enforce laws, investigate crimes, make arrests, respond to calls for service, carry a firearm, and use discretion as part of their assigned duties. A lateral entry applicant shall not have more than a two-year break in service from the time the applicant left employment as a certified peace officer, or Military Police service and, as of the last date, applications are accepted.

3. Starting Pay: The starting pay for lateral entry patrolmen with prior qualifying law enforcement experience will be determined based on the number of years of prior qualified service as of the last date applications are accepted.

i. Lateral entry patrolmen who have at least two (2) years of prior qualified service will start at two (2) years of service according to the Sherman Police Department pay schedule.

ii. Lateral entry patrolmen who have at least three (3) years of prior qualified service will start at three (3) years of service according to the Sherman Police Department pay schedule.

iii. Previous Sherman Police Patrolmen who are reappointed as patrolmen will be placed in the same salary step that they held at the time of their separation unless the applicant for reappointment separated employment while at a classification higher than patrolman. If the applicant for reappointment separated from service with the Sherman Police Department while at a classification higher than patrolman, then the reappointed patrolman's pay shall correspond with the reappointed patrolman's total prior service years but shall not exceed the top pay of the patrolman classification.

4. Departmental Seniority Impact: The Lateral Entry Program described in this Sub-section is for seniority pay purposes only to determine placement into the existing pay schedule. Prior law enforcement work experience will not be considered for promotional eligibility requirements, departmental seniority or transfers. Department seniority for lateral patrolmen and reappointed patrolmen will begin on their most recent Civil Service hire date with the Sherman Police Department.
5. Requirements: Guidelines and administration for eligibility for lateral entry shall be governed by police policies and Local Civil Service Commission Rules and Regulations. The Chief of Police shall make the final determination as to whether an applicant meets the criteria for the Police Lateral Entry Program; and the Chief's decision shall be final and non-appealable to the Civil Service Commission or to any court.
6. Longevity Pay: Sworn police employees shall be paid Longevity Pay in accordance with City policy, Chapter 142 of the Texas Local Government Code, and as permitted under Chapter 143.041(c)(1) of the Texas Local Government Code. City policy provides specifics on administration and application.

(b) Seniority Pay – Lateral Entry (prior Fire Experience):

1. Seniority Pay is authorized by Chapter 143.041(c)(1) of the Texas Local Government Code.
2. Applicants for firefighter positions who are hired after July 1, 2015 shall be eligible for Special Longevity pay for lateral entry if they have at least two (2) years' continuous service as a paid, full-time certified firefighter as approved by the Fire Chief. A lateral entry applicant shall not have more than one year break in service from the time the applicant left employment as a certified firefighter as of the last date applications are accepted.
3. Starting Pay: The starting pay for a lateral entry firefighter with prior qualifying firefighting experience will be determined based on the number of years of prior qualified service as of the last date applications are accepted.
  - i. Lateral entry firefighters who have at least two (2) years of prior qualified service will start at two (2) years of service according to the Sherman Fire Department pay schedule.
  - ii. Lateral entry firefighters who have at least three (3) years of prior qualified service will start at three (3) years of service according to the Sherman Fire Department pay schedule.

4. Departmental Seniority Impact: The Lateral Entry Program described in this Sub-Section is for seniority pay purposes only to determine placement into the existing pay schedule. Prior fire work experience will not be considered for promotional eligibility requirements, departmental seniority or transfers. Departmental seniority for lateral entry firefighters will begin on their most recent Civil Service hire date with the Sherman Fire Department.
5. Requirements: Guidelines and administration for eligibility for lateral entry shall be governed by fire department policies and Local Civil Service Commission Rules and Regulations. The Fire Chief shall make the final determination as to whether an applicant meets the criteria for the Fire Lateral Entry Program; and the Chief's decision shall be final and non-appealable to the Civil Service Commission or to any court.
6. Longevity Pay: Fire department employees shall be paid Longevity Pay in accordance with City Policy, Chapter 142 of the Texas Local Government Code, and as permitted under Chapter 143.041(c)(1) of the Texas Local Government Code. City policy provides specifics on administration and application.
7. Base pay for incumbent firefighters, hired prior to the adoption date of this Resolution who have at least two (2) years of prior qualified service will be increased to two (2) years of service according to the Sherman Fire Department pay schedule.
8. Base pay for incumbent firefighters, hired prior to the adoption date of this Resolution who have at least three (3) years of prior qualified service will be increased to three (3) years of service according to the Sherman Fire Department pay schedule.

**SECTION 6.** That detailed rules and regulations for qualifying standards, eligibility and administration of such pay types may be stated within the City and/or Police Department policies and/or Fire Department policies, and/or Local Civil Service Commission Rules and Regulations. Such policies are subject to change as needed and approved by the City Manager for purposes of City policies or by the Chief of Police for purposes for Police Department policies, by the Fire Chief for purposes of Fire Department policies, or by the Local Civil Service Commission for the purposes of Local Civil Service Commission Rules and Regulations.

**SECTION 7.** 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.



**PASSED AND APPROVED** on this the 5th day of September, 2017.

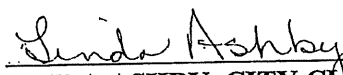
**CITY OF SHERMAN, TEXAS**

BY:

  
**DAVID PLYLER, MAYOR**

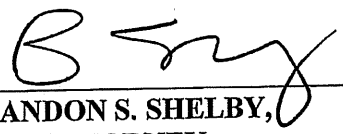
**ATTEST:**

BY:

  
**LINDA ASHBY, CITY CLERK**

**APPROVED AS TO FORM  
AND CONTENT:**

BY:

  
**BRANDON S. SHELBY,  
CITY ATTORNEY**

**RESOLUTION NO. 6130**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, REVOKING AND REPLACING RESOLUTION NO. 6004; 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; 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 Resolution No. 6004, passed and approved on the 8<sup>th</sup> day of September, 2015, is hereby revoked.

**SECTION 2.** That, from and after the effective date of the 1<sup>st</sup> day of October, 2016, the following salary structures and incentive/certification pay schedules will be adopted for the Sherman Fire Department and the Sherman Police Department:

| <b>CLASSIFICATION</b>  | <b>MONTHLY<br/>BASE SALARY</b> | <b>MONTHLY<br/>SENIORITY PAY</b> | <b>TOTAL</b> |
|------------------------|--------------------------------|----------------------------------|--------------|
| <b>FIREFIGHTER</b>     |                                |                                  |              |
| Entry                  | \$3,739.98                     | N/A                              | \$3,739.98   |
| 1 Year                 | \$3,739.98                     | \$ 385.36                        | \$4,125.34   |
| 2 Year                 | \$3,739.98                     | \$ 442.38                        | \$4,182.36   |
| 3 Year                 | \$3,739.98                     | \$ 499.42                        | \$4,239.40   |
| 4 Year                 | \$3,739.98                     | \$ 551.82                        | \$4,291.80   |
| 5 Year                 | \$3,739.98                     | \$ 676.08                        | \$4,416.06   |
| <b>ENGINEER</b>        |                                |                                  |              |
| Entry                  | \$4,760.88                     | N/A                              | \$4,760.88   |
| 1 Year                 | \$4,760.88                     | \$ 59.94                         | \$4,820.82   |
| 2 Year                 | \$4,760.88                     | \$ 120.36                        | \$4,881.24   |
| <b>CAPTAIN</b>         |                                |                                  |              |
| Entry                  | \$5,332.60                     | N/A                              | \$5,332.60   |
| 1 Year                 | \$5,332.60                     | \$ 66.02                         | \$5,398.62   |
| <b>BATTALION CHIEF</b> |                                |                                  |              |
| Entry                  | \$5,879.34                     | N/A                              | \$5,879.34   |
| 1 Year                 | \$5,879.34                     | \$ 94.64                         | \$5,973.98   |

| DIVISION CHIEF        | \$6,653.24             | N/A                      | \$6,653.24 |
|-----------------------|------------------------|--------------------------|------------|
| CLASSIFICATION        | MONTHLY<br>BASE SALARY | MONTHLY<br>SENIORITY PAY | TOTAL      |
| PATROLMAN             |                        |                          |            |
| Entry – Non-Certified | \$3,706.74             | N/A                      | \$3,706.74 |
| Entry – Certified     | \$3,996.90             | N/A                      | \$3,996.90 |
| 1 Year                | \$3,996.90             | \$ 50.10                 | \$4,047.00 |
| 2 Year                | \$3,996.90             | \$ 209.38                | \$4,206.28 |
| 3 Year                | \$3,996.90             | \$ 633.36                | \$4,630.26 |
| 4 Year                | \$3,996.90             | \$ 749.50                | \$4,746.40 |
| 5 Year                | \$3,996.90             | \$ 880.54                | \$4,877.44 |
| 10 Year               | \$3,996.90             | \$ 987.30                | \$4,984.20 |
| 20 Year               | \$3,996.90             | \$1,094.08               | \$5,090.98 |
| CORPORAL              | \$5,313.20             | N/A                      | \$5,313.20 |
| SERGEANT              | \$5,762.64             | N/A                      | \$5,762.64 |
| LIEUTENANT            | \$6,247.28             | N/A                      | \$6,247.28 |
| ASSISTANT CHIEF       | \$7,448.22             | N/A                      | \$7,448.22 |

**SECTION 3.** That, from and after the effective date of the 1<sup>st</sup> day of October, 2016, the following incentive/certification pay schedules shall be adopted for the Sherman Fire Department:

- (a) Each employee certified by the Texas Department of State Health Services as a Paramedic and who meets the Sherman Medical Director's prescribed Medical Standards for Medical Authorization shall receive \$125.00 per month Incentive/Certification Pay.
- (b) Each employee who is certified by the Texas Commission on Fire Protection Personnel Standards and Education as an Intermediate Firefighter shall receive \$104.00 per month Incentive/Certification Pay.
- (c) Each employee who is certified by the Texas Commission on Fire Protection Personnel Standards and Education as an Advanced Firefighter shall receive \$218.40 per month Incentive/Certification Pay.
- (d) Each employee who is certified by the Texas Commission on Fire Protection Personnel Standards and Education as a Master Firefighter shall receive \$318.40 per month Incentive/Certification Pay.

- (e) Incentive/Certification Pay shall only be paid for the highest Texas Commission on Fire Protection Personnel Standards and Education Certification achieved.
- (f) All Certifications shall be kept current to receive Incentive/Certification Pay.
- (g) Each employee who holds an Associates Degree from an accredited college or university shall receive \$75.00 per month Education Incentive Pay.
- (h) Each employee who holds a Bachelors Degree from an accredited college or university shall receive \$175.00 per month Education Incentive Pay.
- (i) Each employee who holds a Masters Degree from an accredited college or university shall receive \$250.00 per month Education Incentive Pay.
- (j) Education Incentive Pay shall only be paid for the highest degree received.

**SECTION 4.** That, from and after the effective date of the 1<sup>st</sup> day of October, 2016, the following incentive/certification pay schedules shall be adopted for the Sherman Police Department:

- (a) Each employee certified by the Texas Commission on Law Enforcement Officer Standards and Education as an Intermediate Peace Officer shall receive \$75.00 per month Incentive/Certification Pay.
- (b) Each employee certified by the Texas Commission on Law Enforcement Officer Standards and Education as an Advanced Peace Officer shall receive \$175.00 per month Incentive/Certification Pay.
- (c) Each employee certified by the Texas Commission on Law Enforcement Officer Standards and Education as a Master Peace Officer shall receive \$275.00 per month Incentive/Certification Pay.
- (d) Incentive/Certification Pay shall only be paid for the highest Texas Commission on Law Enforcement Officer Standards and Education Certification achieved.
- (e) Each employee who speaks Spanish as a second language, as certified and designated by the Police Chief, shall receive \$100.00 per month Incentive/Certification Pay.
- (f) All Certifications shall be kept current to receive Incentive/Certification Pay.
- (g) Each employee who holds an Associates Degree from an accredited college or university shall receive \$100.00 per month Education Incentive Pay.
- (h) Each employee who holds a Bachelors Degree from an accredited college or university shall receive \$250.00 per month Education Incentive Pay.

- (i) Each employee who holds a Masters Degree from an accredited college or university shall receive \$500.00 per month Education Incentive Pay.
- (j) Education Incentive Pay shall only be paid for the highest degree received.

**SECTION 5.** Eligible pay types are authorized by the City Council below for patrolmen and Firefighters.

(a) Seniority Pay – Lateral Entry (prior Police Experience):

1. Seniority Pay is authorized by Chapter 143.04 (c)(1) of the Texas Local Government Code.
2. Applicants for patrolmen positions who are hired after February 17, 2014 shall be eligible for Special Seniority Pay for lateral entry if they have at least two (2) years' continuous service as a paid, full-time certified peace officer, or comparable Military Police experience as approved by the Chief of Police, with the authority to enforce laws, investigate crimes, make arrests, respond to calls for service, carry a firearm, and use discretion as part of their assigned duties. A lateral entry applicant shall not have more than a two-year break in service from the time the applicant left employment as a certified peace officer, or Military Police service and, as of the last date, applications are accepted.
3. Starting Pay: The starting pay for lateral entry patrolmen with prior qualifying law enforcement experience will be determined based on the number of years of prior qualified service as of the last date applications are accepted.
  - i. Lateral entry patrolmen who have at least two (2) years of prior qualified service will start at two (2) years of service according to the Sherman Police Department pay schedule.
  - ii. Lateral entry patrolmen who have at least three (3) years of prior qualified service will start at three (3) years of service according to the Sherman Police Department pay schedule.
  - iii. Previous Sherman Police Patrolmen who are reappointed as patrolmen will be placed in the same salary step that they held at the time of their separation unless the applicant for reappointment separated employment while at a classification higher than patrolman. If the applicant for reappointment separated from service with the Sherman Police Department while at a classification higher than patrolman, then the reappointed patrolman's pay shall correspond with the reappointed patrolman's

total prior service years but shall not exceed the top pay of the patrolman classification.

4. Departmental Seniority Impact: The Lateral Entry Program described in this Sub-section is for seniority pay purposes only to determine placement into the existing pay schedule. Prior law enforcement work experience will not be considered for promotional eligibility requirements, departmental seniority or transfers. Department seniority for lateral patrolmen and reappointed patrolmen will begin on their most recent Civil Service hire date with the Sherman Police Department.
5. Requirements: Guidelines and administration for eligibility for lateral entry shall be governed by police policies and Local Civil Service Commission Rules and Regulations. The Chief of Police shall make the final determination as to whether an applicant meets the criteria for the Police Lateral Entry Program; and the Chief's decision shall be final and non-appealable to the Civil Service Commission or to any court.
6. Longevity Pay: Sworn police employees shall be paid Longevity Pay in accordance with City policy, Chapter 142 of the Texas Local Government Code, and as permitted under Chapter 143.041(c)(1) of the Texas Local Government Code. City policy provides specifics on administration and application.

(b) Seniority Pay – Lateral Entry (prior Fire Experience):

1. Seniority Pay is authorized by Chapter 143.041(c)(1) of the Texas Local Government Code.
2. Applicants for firefighter positions who are hired after July 1, 2015 shall be eligible for Special Longevity pay for lateral entry if they have at least two (2) years' continuous service as a paid, full-time certified firefighter as approved by the Fire Chief. A lateral entry applicant shall not have more than one year break in service from the time the applicant left employment as a certified firefighter as of the last date applications are accepted.
3. Starting Pay: The starting pay for a lateral entry firefighter with prior qualifying firefighting experience will be determined based on the number of years of prior qualified service as of the last date applications are accepted.
  - i. Lateral entry firefighters who have at least two (2) years of prior qualified service will start at two (2) years of service according to the Sherman Fire Department pay schedule.

- ii. Lateral entry firefighters who have at least three (3) years of prior qualified service will start at three (3) years of service according to the Sherman Fire Department pay schedule.
4. Departmental Seniority Impact: The Lateral Entry Program described in this Sub-Section is for seniority pay purposes only to determine placement into the existing pay schedule. Prior fire work experience will not be considered for promotional eligibility requirements, departmental seniority or transfers. Departmental seniority for lateral entry firefighters will begin on their most recent Civil Service hire date with the Sherman Fire Department.
5. Requirements: Guidelines and administration for eligibility for lateral entry shall be governed by fire department policies and Local Civil Service Commission Rules and Regulations. The Fire Chief shall make the final determination as to whether an applicant meets the criteria for the Fire Lateral Entry Program; and the Chief's decision shall be final and non-appealable to the Civil Service Commission or to any court.
6. Longevity Pay: Fire department employees shall be paid Longevity Pay in accordance with City Policy, Chapter 142 of the Texas Local Government Code, and as permitted under Chapter 143.041(c)(1) of the Texas Local Government Code. City policy provides specifics on administration and application.
7. Base pay for incumbent firefighters, hired prior to the adoption date of this Resolution who have at least two (2) years of prior qualified service will be increased to two (2) years of service according to the Sherman Fire Department pay schedule.
8. Base pay for incumbent firefighters, hired prior to the adoption date of this Resolution who have at least three (3) years of prior qualified service will be increased to three (3) years of service according to the Sherman Fire Department pay schedule.

**SECTION 6.** Detailed rules and regulations for qualifying standards, eligibility and administration of such pay types may be stated within the City and/or Police Department policies and/or Fire Department policies, and/or Local Civil Service Commission Rules and Regulations. Such policies are subject to change as needed and approved by the City Manager for purposes of City policies or by the Chief of Police for purposes for Police Department policies, by the Fire Chief for purposes of Fire Department policies, or by the Local Civil Service Commission for the purposes of Local Civil Service Commission Rules and Regulations.

**SECTION 7.** 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.



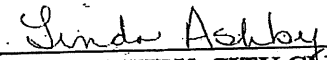
PASSED AND APPROVED on this the 6th day of September, 2016.

CITY OF SHERMAN, TEXAS

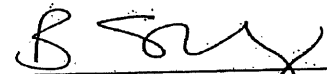
BY:

  
DAVID PLYLER, MAYOR

ATTEST:

BY:   
LINDA ASHBY, CITY CLERK

APPROVED AS TO FORM  
AND CONTENT:

BY:   
BRANDON S. SHELBY,  
CITY ATTORNEY

**RESOLUTION NO. 6004**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, REVOKING AND REPLACING RESOLUTION NO. 5962; 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; 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 Resolution No. 5962, passed and approved on the 20<sup>th</sup> day of April, 2015, is hereby revoked.

**SECTION 2.** That, from and after the effective date of the 1<sup>st</sup> day of October, 2015, the following salary structures and incentive/certification pay schedules will be adopted for the Sherman Fire Department and the Sherman Police Department:

| CLASSIFICATION         | MONTHLY<br>BASE SALARY | MONTHLY<br>SENIORITY PAY | TOTAL      |
|------------------------|------------------------|--------------------------|------------|
| <b>FIREFIGHTER</b>     |                        |                          |            |
| Entry                  | \$3,666.80             | N/A                      | \$3,666.80 |
| 1 Year                 | \$3,666.80             | \$ 377.62                | \$4,044.42 |
| 2 Year                 | \$3,666.80             | \$ 433.58                | \$4,100.38 |
| 3 Year                 | \$3,666.80             | \$ 489.35                | \$4,156.15 |
| 4 Year                 | \$3,666.80             | \$ 540.84                | \$4,207.64 |
| 5 Year                 | \$3,666.80             | \$ 662.53                | \$4,329.33 |
| <b>ENGINEER</b>        |                        |                          |            |
| Entry                  | \$4,536.49             | N/A                      | \$4,536.49 |
| 1 Year                 | \$4,536.49             | \$ 48.67                 | \$4,585.16 |
| 2 Year                 | \$4,536.49             | \$ 98.18                 | \$4,634.67 |
| <b>CAPTAIN</b>         |                        |                          |            |
| Entry                  | \$4,915.11             | N/A                      | \$4,915.11 |
| 1 Year                 | \$4,915.11             | \$ 79.79                 | \$4,994.90 |
| <b>BATTALION CHIEF</b> |                        |                          |            |
| Entry                  | \$5,606.08             | N/A                      | \$5,606.08 |
| 1 Year                 | \$5,606.08             | \$ 102.67                | \$5,708.75 |

| DIVISION CHIEF        | \$6,523.08             | N/A                      | \$6,523.08 |
|-----------------------|------------------------|--------------------------|------------|
| CLASSIFICATION        | MONTHLY<br>BASE SALARY | MONTHLY<br>SENIORITY PAY | TOTAL      |
| PATROLMAN             |                        |                          |            |
| Entry – Non-Certified | \$3,563.13             | N/A                      | \$3,563.13 |
| Entry – Certified     | \$3,880.00             | N/A                      | \$3,880.00 |
| 1 Year                | \$3,880.00             | \$ 48.73                 | \$3,928.73 |
| 2 Year                | \$3,880.00             | \$ 163.22                | \$4,043.22 |
| 3 Year                | \$3,880.00             | \$ 648.36                | \$4,528.36 |
| 4 Year                | \$3,880.00             | \$ 716.28                | \$4,596.28 |
| 5 Year                | \$3,880.00             | \$ 785.28                | \$4,665.28 |
| 10 Year               | \$3,880.00             | \$ 887.58                | \$4,767.58 |
| 20 Year               | \$3,880.00             | \$ 989.68                | \$4,869.68 |
| CORPORAL              |                        |                          |            |
| Entry                 | \$4,916.44             | N/A                      | \$4,916.44 |
| 1 Year                | \$4,916.44             | \$ 96.36                 | \$5,012.80 |
| SERGEANT              |                        |                          |            |
| Entry                 | \$5,550.00             | N/A                      | \$5,550.00 |
| 1 Year                | \$5,550.00             | \$ 100.00                | \$5,650.00 |
| LIEUTENANT            | \$6,125.00             | N/A                      | \$6,125.00 |
| ASSISTANT CHIEF       | \$6,833.33             | N/A                      | \$6,833.33 |

**SECTION 3.** That, from and after the effective date of the 1<sup>st</sup> day of October, 2015, the following incentive/certification pay schedules shall be adopted for the Sherman Fire Department:

- (a) Each employee certified by the Texas Department of State Health Services as a Paramedic and who meets the Sherman Medical Director's prescribed Medical Standards for Medical Authorization shall receive \$125.00 per month Incentive/Certification Pay.
- (b) Each employee who is certified by the Texas Commission on Fire Protection Personnel Standards and Education as an Intermediate Firefighter shall receive \$104.00 per month Incentive/Certification Pay.
- (c) Each employee who is certified by the Texas Commission on Fire Protection Personnel Standards and Education as an Advanced Firefighter shall receive \$218.40 per month Incentive/Certification Pay.

- (d) Each employee who is certified by the Texas Commission on Fire Protection Personnel Standards and Education as a Master Firefighter shall receive \$318.40 per month Incentive/Certification Pay.
- (e) Incentive/Certification Pay shall only be paid for the highest Texas Commission on Fire Protection Personnel Standards and Education Certification achieved.
- (f) All Certifications shall be kept current to receive Incentive/Certification Pay.
- (g) Each employee who holds an Associates Degree from an accredited college or university shall receive \$75.00 per month Education Incentive Pay.
- (h) Each employee who holds a Bachelors Degree from an accredited college or university shall receive \$175.00 per month Education Incentive Pay.
- (i) Each employee who holds a Masters Degree from an accredited college or university shall receive \$250.00 per month Education Incentive Pay.
- (j) Education Incentive Pay shall only be paid for the highest degree received.

**SECTION 4.** That, from and after the effective date of the 1<sup>st</sup> day of October, 2015, the following incentive/certification pay schedules shall be adopted for the Sherman Police Department:

- (a) Each employee certified by the Texas Commission on Law Enforcement Officer Standards and Education as an Intermediate Peace Officer shall receive \$75.00 per month Incentive/Certification Pay.
- (b) Each employee certified by the Texas Commission on Law Enforcement Officer Standards and Education as an Advanced Peace Officer shall receive \$175.00 per month Incentive/Certification Pay.
- (c) Each employee certified by the Texas Commission on Law Enforcement Officer Standards and Education as a Master Peace Officer shall receive \$275.00 per month Incentive/Certification Pay.
- (d) Incentive/Certification Pay shall only be paid for the highest Texas Commission on Law Enforcement Officer Standards and Education Certification achieved.
- (e) Each employee who speaks Spanish as a second language, as certified and designated by the Police Chief, shall receive \$100.00 per month Incentive/Certification Pay.
- (f) All Certifications shall be kept current to receive Incentive/Certification Pay.

- (g) Each employee who holds an Associates Degree from an accredited college or university shall receive \$100.00 per month Education Incentive Pay.
- (h) Each employee who holds a Bachelors Degree from an accredited college or university shall receive \$250.00 per month Education Incentive Pay.
- (i) Each employee who holds a Masters Degree from an accredited college or university shall receive \$500.00 per month Education Incentive Pay.
- (j) Education Incentive Pay shall only be paid for the highest degree received.

**SECTION 5.** Eligible pay types are authorized by the City Council below for patrolmen and Firefighters.

(a) Seniority Pay – Lateral Entry (prior Police Experience):

1. Seniority Pay is authorized by Chapter 143.04 (c)(1) of the Texas Local Government Code.
2. Applicants for patrolmen positions who are hired after February 17, 2014 shall be eligible for Special Seniority Pay for lateral entry if they have at least two (2) years' continuous service as a paid, full-time certified peace officer, or comparable Military Police experience as approved by the Chief of Police, with the authority to enforce laws, investigate crimes, make arrests, respond to calls for service, carry a firearm, and use discretion as part of their assigned duties. A lateral entry applicant shall not have more than a two-year break in service from the time the applicant left employment as a certified peace officer, or Military Police service and, as of the last date, applications are accepted.
3. Starting Pay: The starting pay for lateral entry patrolmen with prior qualifying law enforcement experience will be determined based on the number of years of prior qualified service as of the last date applications are accepted.
  - i. Lateral entry patrolmen who have at least two (2) years of prior qualified service will start at two (2) years of service according to the Sherman Police Department pay schedule.
  - ii. Lateral entry patrolmen who have at least three (3) years of prior qualified service will start at three (3) years of service according to the Sherman Police Department pay schedule.

iii. Previous Sherman Police Patrolmen who are reappointed as patrolmen will be placed in the same salary step that they held at the time of their separation unless the applicant for reappointment separated employment while at a classification higher than patrolman. If the applicant for reappointment separated from service with the Sherman Police Department while at a classification higher than patrolman, then the reappointed patrolman's pay shall correspond with the reappointed patrolman's total prior service years but shall not exceed the top pay of the patrolman classification.

4. Departmental Seniority Impact: The Lateral Entry Program described in this Sub-section is for seniority pay purposes only to determine placement into the existing pay schedule. Prior law enforcement work experience will not be considered for promotional eligibility requirements, departmental seniority or transfers. Department seniority for lateral patrolmen and reappointed patrolmen will begin on their most recent Civil Service hire date with the Sherman Police Department.

5. Requirements: Guidelines and administration for eligibility for lateral entry shall be governed by police policies and Local Civil Service Commission Rules and Regulations. The Chief of Police shall make the final determination as to whether an applicant meets the criteria for the Police Lateral Entry Program; and the Chief's decision shall be final and non-appealable to the Civil Service Commission or to any court.

6. Longevity Pay: Sworn police employees shall be paid Longevity Pay in accordance with City policy, Chapter 142 of the Texas Local Government Code, and as permitted under Chapter 143.041(c)(1) of the Texas Local Government Code. City policy provides specifics on administration and application.

(b) Seniority Pay – Lateral Entry (prior Fire Experience):

1. Seniority Pay is authorized by Chapter 143.041(c)(1) of the Texas Local Government Code.

2. Applicants for firefighter positions who are hired after July 1, 2015 shall be eligible for Special Longevity pay for lateral entry if they have at least two (2) years' continuous service as a paid, full-time certified firefighter as approved by the Fire Chief. A lateral entry applicant shall not have more than one year break in service from the time the applicant left employment as a certified firefighter as of the last date applications are accepted.

3. **Starting Pay:** The starting pay for a lateral entry firefighter with prior qualifying firefighting experience will be determined based on the number of years of prior qualified service as of the last date applications are accepted.
  - i. Lateral entry firefighters who have at least two (2) years of prior qualified service will start at two (2) years of service according to the Sherman Fire Department pay schedule.
  - ii. Lateral entry firefighters who have at least three (3) years of prior qualified service will start at three (3) years of service according to the Sherman Fire Department pay schedule.
4. **Departmental Seniority Impact:** The Lateral Entry Program described in this Sub-Section is for seniority pay purposes only to determine placement into the existing pay schedule. Prior fire work experience will not be considered for promotional eligibility requirements, departmental seniority or transfers. Departmental seniority for lateral entry firefighters will begin on their most recent Civil Service hire date with the Sherman Fire Department.
5. **Requirements:** Guidelines and administration for eligibility for lateral entry shall be governed by fire department policies and Local Civil Service Commission Rules and Regulations. The Fire Chief shall make the final determination as to whether an applicant meets the criteria for the Fire Lateral Entry Program; and the Chief's decision shall be final and non-appealable to the Civil Service Commission or to any court.
6. **Longevity Pay:** Fire department employees shall be paid Longevity Pay in accordance with City Policy, Chapter 142 of the Texas Local Government Code, and as permitted under Chapter 143.041(c)(1) of the Texas Local Government Code. City policy provides specifics on administration and application.
7. **Base pay for incumbent firefighters, hired prior to the adoption date of this Resolution** who have at least two (2) years of prior qualified service will be increased to two (2) years of service according to the Sherman Fire Department pay schedule.
8. **Base pay for incumbent firefighters, hired prior to the adoption date of this Resolution** who have at least three (3) years of prior qualified service will be increased to three (3) years of service according to the Sherman Fire Department pay schedule.



**SECTION 6.** Detailed rules and regulations for qualifying standards, eligibility and administration of such pay types may be stated within the City and/or Police Department policies and/or Fire Department policies, and/or Local Civil Service Commission Rules and Regulations. Such policies are subject to change as needed and approved by the City Manager for purposes of City policies or by the Chief of Police for purposes for Police Department policies, by the Fire Chief for purposes of Fire Department policies, or by the Local Civil Service Commission for the purposes of Local Civil Service Commission Rules and Regulations.

**SECTION 7.** 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.

**PASSED AND APPROVED** on this the 8th day of September, 2015.

**CITY OF SHERMAN, TEXAS**

BY:

Carolyn S. Wacker  
**CAROLYN S. WACKER, MAYOR**

**ATTEST:**

BY:

Linda Ashby  
**LINDA ASHBY, CITY CLERK**

**APPROVED AS TO FORM  
AND CONTENT:**

BY:

Brandon S. Shelby  
**BRANDON S. SHELBY,  
CITY ATTORNEY**

**RESOLUTION NO. 5962**

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, REVOKING AND REPLACING RESOLUTION NO. 5878; ESTABLISHING SALARY STRUCTURES AND INCENTIVE/CERTIFICATION PAY SCHEDULES FOR FIREFIGHTERS AND POLICE OFFICERS; ESTABLISHING SPECIAL LONGEVITY PAY SCHEDULES FOR SOME NEWLY HIRED FIREFIGHTERS; PROVIDING FOR AN EFFECTIVE DATE; 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 Resolution No. 5878, passed and approved on the 2<sup>nd</sup> day of September 2, 2014, is hereby revoked.

**SECTION 2.** That, from and after the effective date of the 1<sup>st</sup> day of October, 2014, the following salary structures and incentive/certification pay schedules will be adopted for the Sherman Fire Department and Sherman Police Department:

| CLASSIFICATION         | MONTHLY<br>BASE SALARY | MONTHLY<br>SENIORITY PAY | TOTAL      |
|------------------------|------------------------|--------------------------|------------|
| <b>FIREFIGHTER</b>     |                        |                          |            |
| Entry                  | \$3,295.80             | N/A                      | \$3,295.80 |
| 1 Year                 | \$3,295.80             | \$366.22                 | \$3,662.02 |
| 2 Year                 | \$3,295.80             | \$419.08                 | \$3,714.88 |
| 3 Year                 | \$3,295.80             | \$472.76                 | \$3,768.56 |
| 4 Year                 | \$3,295.80             | \$527.24                 | \$3,823.04 |
| 5 Year                 | \$3,295.80             | \$582.54                 | \$3,878.34 |
| <b>ENGINEER</b>        |                        |                          |            |
| Entry                  | \$3,982.44             | N/A                      | \$3,982.44 |
| 1 Year                 | \$3,982.44             | \$57.72                  | \$4,040.16 |
| 2 Year                 | \$3,982.44             | \$116.26                 | \$4,098.70 |
| <b>CAPTAIN</b>         |                        |                          |            |
| Entry                  | \$4,348.64             | N/A                      | \$4,348.64 |
| 1 Year                 | \$4,348.64             | \$63.22                  | \$4,411.86 |
| <b>BATTALION CHIEF</b> |                        |                          |            |
| Entry                  | \$4,669.06             | \$352.00                 | \$5,021.06 |
| 1 Year                 | \$4,669.06             | \$442.66                 | \$5,111.72 |

|                        |            |          |            |
|------------------------|------------|----------|------------|
| <b>DIVISION CHIEF</b>  | \$5,182.10 | \$805.98 | \$5,988.08 |
| <b>PATROLMAN</b>       |            |          |            |
| Entry – Non-Certified  | \$3,489.84 | N/A      | \$3,489.84 |
| Entry – Certified      | \$3,800.00 | N/A      | \$3,800.00 |
| 1 Year                 | \$3,800.00 | \$47.92  | \$3,847.92 |
| 2 Year                 | \$3,800.00 | \$160.06 | \$3,960.06 |
| 3 Year                 | \$3,800.00 | \$635.22 | \$4,435.22 |
| 4 Year                 | \$3,800.00 | \$701.74 | \$4,501.74 |
| 5 Year                 | \$3,800.00 | \$769.32 | \$4,569.32 |
| 10 Year                | \$3,800.00 | \$869.52 | \$4,669.52 |
| 20 Year                | \$3,800.00 | \$969.52 | \$4,769.52 |
| <b>CORPORAL</b>        |            |          |            |
| Entry                  | \$4,815.32 | N/A      | \$4,815.32 |
| 1 Year                 | \$4,815.32 | \$94.38  | \$4,909.70 |
| <b>SERGEANT</b>        |            |          |            |
| Entry                  | \$5,035.31 | \$211.19 | \$5,246.50 |
| 1 Year                 | \$5,035.31 | \$311.91 | \$5,347.22 |
| 2 Year                 | \$5,035.31 | \$414.59 | \$5,449.90 |
| <b>LIEUTENANT</b>      |            |          |            |
| Entry                  | \$5,401.52 | \$158.42 | \$5,559.94 |
| 1 Year                 | \$5,401.52 | \$266.48 | \$5,668.00 |
| <b>ASSISTANT CHIEF</b> |            |          |            |
| Entry                  | \$5,676.20 | \$527.98 | \$6,204.18 |
| 1 Year                 | \$5,676.20 | \$641.52 | \$6,317.72 |

**SECTION 3.** That, from and after the effective date of the 1<sup>st</sup> day of October, 2014, the following incentive/certification pay schedules shall be adopted for the Sherman Fire Department:

- (a) Each employee certified by the Texas Department of State Health Services as a Paramedic and who meet the Sherman Medical Director's prescribed Medical Standards for Medical Authorization shall receive \$375.00 per month Incentive/Certification Pay.
- (b) Each employee who is certified by the Texas Commission on Fire Protection as an Intermediate Firefighter shall receive \$104.00 per month Incentive/Certification Pay.

- (c) Each employee who is certified by the Texas Commission on Fire Protection as an Advanced Firefighter shall receive \$218.40 per month Incentive/Certification Pay.
- (d) Each employee who is certified by the Texas Commission on Fire Protection as a Master Firefighter shall receive \$318.40 per month Incentive/Certification Pay.
- (e) Incentive/Certification Pay shall only be paid for the highest Texas Commission on Fire Protection Certification achieved.
- (f) All Certifications shall be kept current to receive Incentive/Certification Pay.
- (g) Each employee who holds an Associates Degree from an accredited college or university shall receive \$75.00 per month Education Incentive Pay.
- (h) Each employee who holds a Bachelors Degree from an accredited college or university shall receive \$175.00 per month Education Incentive Pay.
- (i) Each employee who holds a Masters Degree from an accredited college or university shall receive \$250.00 per month Education Incentive Pay.
- (j) Education Incentive Pay shall only be paid for the highest degree received.

**SECTION 4.** That, from and after the effective date of the 1<sup>st</sup> day of October 2014, the following incentive/certification pay schedules shall be adopted for the Sherman Police Department:

- (a) Each employee certified by the Texas Commission on Law Enforcement as an Intermediate Peace Officer shall receive \$75.00 per month Incentive/Certification Pay.
- (b) Each employee certified by the Texas Commission on Law Enforcement as an Advanced Peace Officer shall receive \$175.00 per month Incentive/Certification Pay.
- (c) Each employee certified by the Texas Commission on Law Enforcement as a Master Peace Officer shall receive \$275.00 per month Incentive/Certification Pay.
- (d) Incentive/Certification Pay shall only be paid for the highest Texas Commission on Law Enforcement Certification achieved.
- (e) Each employee who speaks Spanish as a second language, as certified and designated by the Police Chief shall receive \$100.00 per month Incentive/Certification Pay.
- (f) All Certifications shall be kept current to receive Incentive/Certification Pay.

- (g) Each employee who holds an Associates Degree from an accredited college or university shall receive \$100.00 per month Education Incentive Pay.
- (h) Each employee who holds a Bachelors Degree from an accredited college or university shall receive \$250.00 per month Education Incentive Pay.
- (i) Each employee who holds a Masters Degree from an accredited college or university shall receive \$500.00 per month Education Incentive Pay.
- (j) Education Incentive Pay shall only be paid for the highest degree received.

**SECTION 5.** Eligible pay types are authorized by the City Council below for Patrolmen and Firefighters:

(a) Seniority Pay – Lateral Entry (prior Police Experience):

1. Seniority Pay is authorized by Chapter 143.04 (e)(1) of the Texas Local Government Code.
2. Applicants for patrolmen positions who are hired after February 17, 2014 shall be eligible for Special Seniority Pay for lateral entry if they have at least two (2) years' continuous service as a paid, full-time certified peace officer, or comparable Military Police experience as approved by the Chief of Police, with the authority to enforce laws, investigate crimes, make arrests, respond to calls for service, carry a firearm, and use discretion as part of their assigned duties. A lateral entry applicant shall not have more than a two-year break in service from the time the applicant left employment as a certified peace officer, or Military Police service and, as of the last date, applications are accepted.
3. Starting Pay: The starting pay for lateral entry patrolmen with prior qualifying law enforcement experience will be determined based on the number of years of prior qualified service as of the last date applications are accepted.
  - i. Lateral entry patrolmen who have at least two (2) years of prior qualified service will start at two (2) years of service according to the Sherman Police Department pay schedule.
  - ii. Lateral entry patrolmen who have at least three (3) year of prior qualified service will start at three (3) years of service according to the Sherman Police Department pay schedule.
  - iii. Previous Sherman Police Patrolmen who are reappointed as patrolmen will be placed in the same salary step that they held at the time of their separation unless the applicant for reappointment

separated employment while at a classification higher than patrolman. If the applicant for reappointment separated from service with the Sherman Police Department while at a classification higher than patrolman, then the reappointed patrolman's pay shall correspond with the reappointed patrolman's total prior service years but shall not exceed the top pay of the patrolman classification.

4. Departmental Seniority Impact: The Lateral Entry Program described in this Sub-section is for seniority pay purposes only to determine placement into the existing pay schedule. Prior law enforcement work experience will not be considered for promotional eligibility requirements, departmental seniority or transfers. Departmental seniority for lateral patrolmen and reappointed patrolmen will begin on their most recent Civil Service hire date with the Sherman Police Department.
5. Requirements: Guidelines and administration for eligibility for lateral entry shall be governed by police policies and Local Civil Service Commission Rules and Regulations. The Chief of Police shall make the final determination as to whether an applicant meets the criteria for the Police Lateral Entry Program; and the Chief's decision shall be final and non-appealable to the Civil Service Commission or to any court.
6. Longevity Pay: Sworn Police employees shall be paid Longevity Pay in accordance with City policy, Chapter 142 of the Texas Local Government Code, and as permitted under Chapter 143.041(c)(1) of the Texas Local Government Code. City policy provides specifics on administration and application.

(b) Seniority Pay – Lateral Entry (prior Fire Experience):

1. Seniority Pay is authorized by Chapter 143.041(c)(1) of the Texas Local Government Code.
2. Applicants for firefighter positions who are hired after July 1, 2015 shall be eligible for Special Seniority Pay for lateral entry if they have at least two (2) years' continuous service as a paid, full-time certified firefighter as approved by the Fire Chief. A lateral entry applicant shall not have more than one year break in service from the time the applicant left employment as a certified firefighter as of the last date applications are accepted.
3. Starting Pay: The starting pay for lateral entry firefighter with prior qualifying firefighting experience will be determined based on the number of years of prior qualified service as of the last date applications are accepted.

- i. Lateral entry firefighter who have at least two (2) years of prior qualified service will start at two (2) years of service according to the Sherman Fire Department pay schedule.
  - ii. Lateral entry firefighter who have at least three (3) years of prior qualified service will start at three (3) years of service according to the Sherman Fire Department pay schedule.
4. Departmental Seniority Impact: The Lateral Entry Program described in this Sub-Section is for seniority pay purposes only to determine placement into the existing pay schedule. Prior fire work experience will not be considered for promotional eligibility requirements, departmental seniority or transfers. Departmental seniority for lateral firefighter will begin on their most recent Civil Service hire date with the Sherman Fire Department.
  5. Requirements: Guidelines and administration for eligibility for lateral entry shall be governed by fire department policies and Local Civil Service Commission Rules and Regulations. The Fire chief shall make the final determination as to whether an applicant meets the criteria for the Fire Lateral Entry Program; and the Chief's decision shall be final and non-appealable to the Civil Service Commission or to any court.
  6. Longevity Pay: Fire department employees shall be paid Longevity Pay in accordance with City Policy, Chapter 142 of the Texas Local Government Code, and as permitted under Chapter 143.041(c)(1) of the Texas Local Government Code. City policy provides specifics on administration and application.
  7. Base pay for incumbent firefighter, hired prior to the adoption date of this Resolution who have at least two (2) years of prior qualified service will be increased to two (2) years of service according to the Sherman Fire Department pay schedule.
  8. Base pay for incumbent firefighter, hired prior to the adoption date of this Resolution who have at least three (3) years of prior qualified service will be increased to three (3) years of service according to the Sherman Fire Department pay schedule.

**SECTION 6.** Detailed rules and regulations for qualifying standards, eligibility and administration of such pay types may be stated within the City and/or Police Department policies and/or Fire Department policies, and/or Local Civil Service Commission Rules and Regulations. Such policies are subject to change as needed and approved by the City Manager for purposes of City policies or by the Chief of Police for purposes of Police Department policies, by the Fire



Chief for purposes of Fire Department policies, or by the Local Civil Service Commission for the purposes of Local Civil Service Commission Rules and Regulations.

**SECTION 7.** 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.

PASSED AND APPROVED on this the 20th day of April, 2015.

CITY OF SHERMAN, TEXAS

BY: Carolyn S. Wacker  
CAROLYN S. WACKER, MAYOR

ATTEST:

BY: Linda Ashby  
LINDA ASHBY, CITY CLERK

APPROVED AS TO FORM  
AND CONTENT:

BY: Brandon S. Shelby  
BRANDON S. SHELBY  
CITY ATTORNEY



# SHERMAN CITY COUNCIL

## Agenda Communication Form

### City Council Regular Meeting

E. 14.

**Meeting Date:** 09/16/2019

**Prepared By:** Mary Lawrence, Director of Finance

**Approved By:** Robby Hefton, City Manager

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**Caption:**

**\* RESOLUTION NO. 6537**

Adopting an Investment Policy for the City of Sherman

**Issue:**

Obtaining Council approval for revisions to the City of Sherman's Investment Policy

**Background:**

By law, the Council must annually review and adopt an investment policy that governs the investing of public funds by the City. This year, the changes consist of updating the wording of FDIC accounts to "interest bearing" and for broker/dealer name changes. A copy of the proposed Policy was provided to the Investment Committee prior to this meeting.

**Origination:**

Finance Department

**Financial Consideration:**

There is no cost associated with changing the Policy.

**Staff Recommendation:**

**Investment Committee Recommendation**

It is recommended that the Council approve the Policy as presented.

**Alternatives:**

The Council could offer additional changes to those recommended by the staff and the Investment Committee, subject to PFIA (Public Funds Investment Act) requirements.

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**Attachments**

Resolution No. 6537

Memo to Investment Committee with Proposed Investment Policy

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**RESOLUTION NO. 6537**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, ADOPTING AN INVESTMENT POLICY FOR THE CITY OF SHERMAN; 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 2256 of the Texas Government Code requires that all municipal investments shall be made in accordance with written policies approved by the governing body; and

**WHEREAS**, the investment policies must address liquidity, diversification, safety of principal, yield, maturity, and quality and capability of investment management; and

**WHEREAS**, the City of Sherman Investment Committee has proposed an investment policy which meets these goals;

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

**SECTION 1.** That all prior investment policies of the City of Sherman are hereby revoked in their entirety.

**SECTION 2.** That the City of Sherman Investment Policy, attached hereto and made a part hereof for all purposes, is hereby adopted and shall now and hereafter govern the investment activity of the City of Sherman.

**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.

**PASSED AND APPROVED** on this the \_\_\_\_\_ day of \_\_\_\_\_, 2019.

**CITY OF SHERMAN, TEXAS**

**BY:** \_\_\_\_\_

**DAVID PLYLER, MAYOR**

**ATTEST:**

**BY:** \_\_\_\_\_  
**LINDA ASHBY, CITY CLERK**

**APPROVED AS TO FORM  
AND CONTENT:**

**BY:** \_\_\_\_\_  
**BRANDON S. SHELBY,  
CITY ATTORNEY**



## memorandum

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**DATE:** September 10, 2019

**TO:** The City of Sherman Investment Committee  
Councilwoman Sandra Melton  
Councilwoman Pam Howeth  
Robby Hefton, City Manager

**FROM:** Mary Lawrence, Director of Finance *ml*

**SUBJECT:** Investment Policy Revisions

Attached is a copy of the City's Investment Policy, including a proposed change to the existing policy. The City is required by law to review its Investment Policy annually to ensure that the policy meets the City's needs with respect to managing its investment activity.

The Investment Officers recommend one update to the policy to update the wording for FDIC insured accounts to "interest bearing" and update the approved brokers list for name changes.

Approval of this policy is scheduled for the September 16<sup>th</sup> City Council meeting. Please contact me prior to that meeting if you have any questions regarding the Policy or proposed change.

Attachment (as stated above)

# **CITY OF SHERMAN INVESTMENT POLICY**

September 16, 2019

## **1.0 Policy:**

It is the policy of the City of Sherman, Texas, (City) to invest public funds in a manner which will provide the safest and most liquid opportunity with the highest investment return while meeting the daily cash flow demands of the City and conforming to the statutes governing the investment of public funds. This policy serves to satisfy the statutory requirements of defining and adopting a formal investment policy. The policy and strategy shall be reviewed by the Investment Committee and the City Council annually. Any modifications will be formally approved by the City Council. This investment policy, as approved, is in compliance with the provisions of the Public Funds Investment Act of the Texas Government Code Chapter 2256 (PFIA).

## **2.0 Scope:**

This policy applies to all aspects of investing the financial assets of the City. These funds are accounted for in the City's Comprehensive Annual Financial Report and include: General Fund, Special Revenue Funds, Debt Service Funds, Capital Project Funds, Enterprise Funds, Trust and Agency Funds, and any new fund created by legislative body, unless specifically exempted or excluded. To maximize investment earnings, funds will be pooled and earnings allocated to the various funds based on their balances and in accordance with generally accepted accounting principles.

This policy shall not govern funds which are managed under separate investment programs in accordance with Section 2256.004 of the Public Funds Investment Act. Such funds currently include the Perpetual Care Cemetery and Mausoleum Fund, Deferred Compensation Fund and Bond Proceeds.

**2.1 Perpetual Care Cemetery and Mausoleum Fund:** This fund is governed by a trustee agreement and the provisions of Sections 712.021 - 712.029 of the Health and Safety Code. The investment decisions are the responsibility of the trustee. Therefore, this fund is excluded from this investment policy.

**2.2 Deferred Compensation:** The City's deferred compensation plan qualifies under Internal Revenue Service Section 457 and, therefore, is exempt from the Public Funds Investment Act and this policy.

**2.3 Bond Proceeds:** Funds received from the sale of general obligation bonds or certificates of obligation will be segregated and will be invested under a separate strategy.

## **3.0 Objectives:**

The following are the primary investment objectives of the City of Sherman, in order of priority:

**3.1 Safety:** Safety of principal is the foremost objective of the City of Sherman's investment policy. Safety is defined as the undiminished return of the principal of the City's investments and

deposits. Investment officers must have an adequate understanding of the suitability of individual investment instruments in light of the City's financial needs. This understanding is gained through experience of the investment officers and through training designed to increase the expertise of the investment officers.

**3.2 Liquidity:** Liquidity is important to ensure sufficient cash to meet all operating requirements. A liquid investment is one that can be easily and quickly converted into cash without a substantial loss of value.

**3.3 Public Trust:** All participants in the City's investment process shall perform their duties at the highest level of public trust. Investment officers shall avoid any transaction that might impair public confidence in the City's ability to govern effectively.

**3.4 Yield:** For the City of Sherman, the yield objective is secondary to those of safety and liquidity. Yield is defined as the rate of annual income return on an investment, expressed as a percentage. The one-year Constant Maturity Treasury rate or other Treasury-based rate which corresponds to the approximate weighted average of the portfolio will be a benchmark to promote a better understanding of portfolio performance.

#### **4.0 Standards of Care:**

Persons who act in good faith and in compliance with this policy shall be relieved of any personal liability arising from the investment activities of the City of Sherman.

**4.1 Prudence:** Investments shall be made with judgment and care, under prevailing circumstances, that a person of prudence, discretion, and intelligence would exercise in the management of the persons' own affairs, not for speculation, but for investment, considering the probable safety of capital and the probable income to be derived.

In determining whether an investment officer has exercised prudence with respect to an investment decision, the determination shall be made taking into consideration: (1) the investment of all funds under the City's control over which the officer had responsibility rather than a consideration as to the prudence of a single investment; (2) whether the investment decision was consistent with this written investment policy of the City of Sherman; and (3) whether the decision might have impaired public confidence in the City's ability to govern effectively.

**4.2 Ethics:** Investment officers shall refrain from any activity that conflicts, or appears to conflict, with the officer's proper execution of the investment program or which could impair the officer's ability to make impartial investment decisions.

**4.3 Conflicts of Interest:** Officers and employees involved in the investment process shall refrain from personal business activity that could conflict with proper execution of investment programs, or which could impair their ability to make impartial investment decisions. Employees and investment officers shall disclose to the Texas Ethics Commission and the City Manager, and the City Manager discloses to the City Council if:

- a) The officer has a personal business relationship with a business organization offering to engage in an investment transaction with the City; or



- b) The officer is related within the second degree by affinity or consanguinity, as determined under Chapter 573 of the Texas Government Code, to an individual seeking to transact investment business with the City.

**4.4 Delegation of Authority:** As originally granted by Resolution 3230, dated September 11, 1995, and modified by Resolution 5953 on April 6, 2015, the daily operation and management of the City of Sherman's investments are the responsibility of the following persons:

- a) Investment Officers: The City Manager shall name two investment officers from among the employees with the following job titles: City Manager, Finance Director and Controller. The investment officers are authorized to deposit, withdraw, invest, transfer, or manage in any other manner funds of the City of Sherman. Investment officers must disclose any business or personal relationships with business organizations offering to engage in an investment transaction with the City according to Section 2256.005.
- b) Investment Committee: The Investment Committee shall consist of the City Manager and two members of the City Council as appointed by the Council. The committee shall annually approve the list of approved brokers, dealers and financial institutions, review and approve revisions to this policy, recommend investment strategies within this policy, and monitor investment results, controls, and compliance with this policy. The approved list of broker, dealers and financial institutions is in Appendix B.
- c) Other Investment Authorizations: The Accounting Assistant, Accountant and Chief Accountant are also authorized to deposit funds into the bank depository.

**4.5 Quality and Capability of Investment Management:** Recognizing that the investment officers of the City have many other duties and that they may lack formal education in investing, this policy allows the City to use only the more basic and easily understood types of investments available to local governments.

**4.6 Training of Investment Officers:** Investment training is required for all investment officers of the City. Within 12 months after assuming duties, each investment officer must complete initial training of at least 10 hours of instruction relating to the investment officer's respective responsibilities under the PFIA. Thereafter, each investment officer must attend an investment training session not less than once in a two-year period beginning on October 1<sup>st</sup> and receive not less than eight hours of instruction relating to investment responsibilities under the PFIA. Investment training sessions must be provided by approved sources include the Government Finance Officers Association (GFOA), the Governmental Finance Officers Association of Texas (GFOAT), the Government Treasurers' Organization of Texas (GTOT), the University of North Texas Center for Public Management, and the Texas Municipal League.

## **5.0 Strategies:**

The investment strategy is the logical product of the investment objectives. As such, it emphasizes low credit risk, diversification, and the management of maturities. The strategy also takes into account the expertise and time constraints of the investment officers. The allowable investments listed in Section 7 of this policy reflect the avoidance of credit risk. Diversification refers to dividing investments among a variety of securities offering independent returns. The management

of maturities refers to structuring the maturity dates of the direct investments so that, while funds are initially invested for a longer period of time, some investments mature at regularly-recurring intervals.

A basic strategy governs the investment of all funds under this policy. A separate strategy applies to the investment of bond proceeds.

**5.1 Depository Bank:** Funds at the depository bank are to be managed to a level that minimizes the cost of the relationship to the City. In instances where the depository contract allows for the payment of fees by maintaining balances at the depository, every effort is to be made to minimize the amount of money held at the depository in excess of that needed to compensate the bank for its services. Concerns about safety are to be addressed by the pledging requirements of the depository, in accordance with state law. This strategy specifies that sufficient funds to support daily operations are maintained in the depository bank, but that any funds in excess of that are held to a minimum. In accordance with the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (FIRREA), the City will require that the bank's board of directors or a designated committee approve the depository agreement, including the pledge of collateral to secure with bank's obligations with respect to the deposits maintained at the bank by the City.

**5.2 Other Financial Institutions:** The City may invest in certificates of deposit with maturities of five years or less with a bank other than the Depository Bank. A laddered maturity strategy is used for these instruments and only funds whose expenditure is not anticipated during the term of the certificate are invested.

**5.3 Investment Pools:** An investment pool is an entity created to invest public funds jointly on behalf of the entities that participate in the pool and whose investment objectives in order of priority are safety, liquidity, and yield. Funds are usually available from investment pools on a next day basis, meaning the pools have a high degree of liquidity. Because of the size and expertise of their staffs, investment pools are able to prudently invest in a variety of the investment types allowed by state law. In this manner, investment pools achieve diversification. Funds that may be needed on a short-term basis but that are in excess of the amount maintained at the depository bank are available for deposit in investment pools.

**5.4 Federal Deposit Insured Corporation (FDIC) Insured Investment Accounts:** FDIC insured investments are interest bearing deposit accounts which meet public funds investment objectives of safety, liquidity and yield, similar to investment pools. Accounts are subject to FDIC regulations which enable depositors to obtain FDIC insurance coverage. Funds are usually available on a next day basis, meaning they have a high degree of liquidity. Deposits are aggregated with other deposit sources. There is no market risk (par value--dollar in/dollar out) and yields are typically higher than other short term investments. Funds that may be needed on a short-term basis but that are in excess of the amount maintained at the depository bank are available for deposit in FDIC insured investment accounts.

**5.5 Direct Investments:** The City of Sherman purchases securities of the U.S. Treasury, U.S. Agencies, and direct obligations of this state, its agencies, Counties, Cities and other political subdivisions in the secondary market and in the primary market in the case of new issue offerings. For purposes of this policy, the term "U. S. Agencies" shall include obligations, including letters of credit, of the United States or its agencies and instrumentalities. The City employs a laddered

maturity strategy for these instruments. With that method, some investments reach maturity at regularly-recurring intervals, enhancing liquidity. The investment officers must give consideration to the over-all liquidity of the portfolio before making a direct investment. Additionally, the City occasionally purchases a U. S. Treasury or Agency security with maturities as long as five years. See Section 5.5 below.

**5.6 Hold until Maturity:** The strategy of the City is to maintain enough liquidity in its portfolio that it never needs to sell a security. This will protect the principal of the investment against market risk. Should it become necessary to sell a security prior to maturity, the prior written consent of the City Manager must be obtained.

**5.7 Investment of Reserve Funds:** Up to one-third of the funds held in reserve are available for investment in Treasury or Agency securities with remaining maturities up to five years.

**5.8 Separate Strategy for Bond Proceeds:** Proceeds from the sale of general obligation bonds or certificates of obligation will be segregated from the other investments of the City. The basic intent is to match the availability of funds to the cash requirements of the capital projects. Therefore, the maturity limits of Section 7.7 do not apply. The following investments are available for this strategy: treasury securities, demand deposits, certificates of deposit, FDIC insured investment accounts and investment pools. Ten percent of anticipated costs of the projects must be kept in demand deposits or pooled investments to cover unanticipated cash demands. The remaining proceeds are to be invested so as to match anticipated demands for cash. Except for the requirement for demand deposits or investment pools above, there is no restriction on the percentage of the bond proceeds that may be invested in any authorized investment vehicle.

## **6.0 Authorized Financial Dealers and Institutions:**

**6.1 Approved List of Investment Service Providers:** All banking services will be governed by the depository contract. In addition, the Finance Director shall maintain a list of security brokers, dealers, financial institutions, and investment pools that are authorized by the Investment Committee and the City Council. To be eligible to be approved to do business with the City of Sherman, a seller of securities or financial institution must be a primary dealer, a regional dealer that qualifies under SEC Rule 15C3-1, be regulated by Federal banking authorities, or an investment pool that meets all the requirements of State law. More details on investment pool qualifications are listed in Section 7.4. Annually, the Investment Committee must review, revise and adopt a list of qualified brokers and financial institutions that are authorized to engage in investment transactions with the City. The approved list of financial institutions and broker/dealers can be found in Appendix B.

**6.2 Acknowledgment of Investment Policy:** A written copy of this investment policy shall be presented to any person or firm seeking to sell to the City any investment. A qualified representative of the business organization seeking to sell an investment shall execute a written instrument substantially to the effect that the registered principal has: (1) received and thoroughly reviewed the City's investment policy; and (2) acknowledged that the organization has implemented reasonable procedures and controls in an effort to preclude imprudent investment activities arising out of investment transactions conducted between the City and the organization. The City's investment officers are expressly prohibited from buying any security from a person or firm which has not delivered a document that complies with the requirements of this section of the

investment policy to the City.

## **7.0 Authorized Investments, Including Diversification Limits and Maximum Maturities:**

Following is a list of investments that are authorized by this policy for inclusion in the City of Sherman's portfolio of investments. Also shown are the target and maximum percentages (portfolio cap) of that type of security and the maximum maturity that is allowable.

**7.1 Certificates of Deposit:** These investments are permitted if invested through a broker or depository institution that has its main office or a branch office in this state and is eligible under Section 2256.010 of the Public Funds Investment Act.

**7.2 Obligations of the United States Treasury:** United States Treasury Bills, Notes and Bonds are authorized investments of the City of Sherman. For purposes of collateral against the City's investments, the maximum length of remaining maturity may be fifteen years, as long as the total market value of the securities pledged against the City's investments always exceeds those investments.

**7.3 Obligations of Agencies or Instrumentalities of the United States:** United States Agency securities, or other obligations, are authorized investments of the City provided that they are unconditionally guaranteed or insured by, or backed by the full faith and credit of the United States or its respective agencies and instrumentalities. For purposes of collateral against the City's investments, the maximum length of remaining maturity may be fifteen years, as long as the total market value of the securities pledged against the City's investments always exceeds those investments.

**7.4 Investment Pools:** Public funds investment pools which have been created to function as a money market mutual fund are authorized investments of the City provided that they meet the following criteria: (1) they are continuously rated no lower than AAA or AAA-m or at an equivalent rating by at least one nationally recognized rating service; (2) they mark their portfolio to market daily; (3) they maintain a stable net asset value of no less than .995 and no more than 1.005; (4) they limit their investments to those allowable to local governments by state law; and, (5) they meet or exceed the initial and monthly disclosure requirements of applicable state law. Deposits in investment pools that contain commercial paper are not authorized.

**7.5 Federal Deposit Insurance Corporation (FDIC) Insured Investment Accounts:** Interest bearing Money market deposit accounts subject to FDIC regulations are authorized investments of the City provided they meet the following criteria: (1) the funds are invested through a broker or depository institution that has its main office or a branch office in this state and is eligible under Section 2256.010 of the Public Funds Investment Act; and (2) the balances are maintained at or below levels which qualify for FDIC insurance coverage.

**7.6 Repurchase Agreements; Bankers' Acceptances:** These investment options are authorized for the City of Sherman only to the extent that they are contained in the portfolios of approved public funds investment pools in which the City invests. The direct investment in repurchase agreements and bankers' acceptances by the City of Sherman is not authorized. However, indirect investment in repurchase agreements by the City's depository under a sweep arrangement is allowable for purposes of this policy.

**7.7 Direct Obligations of this State, its agencies, Counties, Cities and other political**

**subdivisions:** State agency means an office, department, commission, board or other agency that is part of any branch of state government, an institution of higher education, and any nonprofit corporation acting on behalf of any of those entities rated no lower than A or at an equivalent rating by at least one nationally recognized rating service.

**7.8 Diversification Limits and Maximum Maturities:** The City will diversify the portfolio at all times to ensure the reduction of risk while still maintaining reasonable rates of return and ensuring an adequate amount of liquidity. With the exception of authorized pools and FDIC insured investment accounts, no more than 50% of the total investment portfolio will be invested in a single security type, such as U.S. Agencies, U.S. Treasuries, obligations of the State of Texas and its subdivisions, Certificates of Deposits, etc.

The City will not invest in securities maturing more than five years from the date of purchase. The maximum average dollar-weighted maturity shall be 500 days.

## **8.0 Prohibited Securities:**

**8.1 Allowed by State Law but Prohibited by This Policy:** The following instruments are eligible for investment by local governments according to state law, but have been intentionally prohibited for the City by this policy: collateralized mortgage obligations; obligations of other states and their agencies, counties, cities, and other political subdivisions; bonds issued by the State of Israel; securities lending programs; guaranteed investment contracts; mutual funds; commercial paper; and investment pools except those pools which are created to function as money market mutual funds. This prohibition is in view of the time constraints on and the expertise level of the investment officers.

**8.2 Expressly Prohibited by State Law and This Policy:** The following securities are expressly prohibited by state law and this policy: (1) obligations whose payment represents the coupon payments on the outstanding principal balance of the underlying mortgage-backed security collateral and pays no principal; (2) obligations whose payment represents the principal stream of cash flow from the underlying mortgage-backed security collateral and bears no interest; (3) collateralized mortgage obligations that have a stated final maturity date of greater than 10 years; and (4) collateralized mortgage obligations the interest rate of which is determined by an index that adjust opposite to the changes in a market index (inverse floaters).

## **9.0 Collateralization:**

In accordance with Chapter 2257 of the Texas Government Code and the depository contract, all demand deposits and all time deposits will be collateralized by the pledging of investment securities or by letters of credit from Federal Home Loan Bank. If securities are used as collateral, the Finance Director or designee must approve the security prior to its pledging. Pledged securities shall always be held by a third party and evidenced by a current safekeeping receipt.

## **10.0 Safekeeping:**

All investment transactions entered into by the City, other than those with investment pools, certificates of deposit and FDIC insured investment accounts, shall be conducted on a delivery-versus-payment basis. Securities shall be held by a third party custodian and evidenced by current safekeeping receipts.

## **11.0 Internal Control:**

The Finance Director shall establish a system of internal controls designed to prevent the loss of public funds due to fraud, error, misrepresentation, unanticipated market changes, or imprudent actions. The system shall contain, but is not limited to, the following items:

**11.1 Competitive Bids:** Generally, securities will be purchased using competitive offerings. The Finance Director or designee shall make their best effort to obtain at least three offers from firms listed on the approved list of brokers and dealers. Offers shall be in writing and may be delivered to the City in person, or by fax or email. The award shall be on the basis of the best value to the City. Records of the offers and award shall be maintained by the Finance Director or designee.

The City recognizes that a competitive offering process is not always necessary or is not always in the best interest of the City. Accordingly, new issue offerings may be purchased directly from an approved broker/dealer in the primary market.

**11.2 Delivery-Versus-Payment:** The safekeeping agent must receive all investments, other than investment pool funds, certificates of deposit and FDIC insured investment accounts, before funds are released for their purchase.

**11.3 Compliance Audit:** In conjunction with its annual financial audit, the City shall require a compliance audit of management controls on investments and adherence to this policy.

**11.4 Collateral:** Evidence of pledged collateral shall be maintained by the Finance Director or designee. Collateral shall be reviewed weekly to assure that the market value of the pledged securities is adequate.

**11.5 Other Components:** Internal control shall address separation of transaction authority from accounting and recordkeeping, clear delegation of authority to subordinate staff members, and written confirmation of transaction for investments and wire transfers.

Other sections of this policy contain aspects of internal control procedures. These include holding securities until maturity, providing adequate training for all investment officers, requiring vendors to meet minimum qualifications before selling securities to the City, disclosing personal or business relationships between investment officers and vendors, and regular reporting of investments to the City Council.

## **12.0 Valuation:**

The market value of each investment in the City's portfolio will be calculated quarterly, on the following basis:

**12.1 Investment Pools:** Monthly statements are received from the investment pools which show the amount on deposit and the market value of the pool as a percentage of the book value. The market value of the investment pools will be the product of these two figures.

**12.2 Treasury Notes:** The market value of Treasury Notes will be obtained from the City's third-

party securities custodian.

**12.3 Treasury Bills:** The market value of Treasury Bills will be obtained from the City's third-party securities custodian.

**12.4 Agencies of the United States and the State of Texas:** The market value of Agency securities will be obtained from the City's third-party securities custodian.

### **13.0 Credit Ratings:**

The credit rating of each investment in the City's portfolio will be determined quarterly from Standard and Poor's, Moody's or other nationally recognized rating agencies. All prudent measures will be taken to liquidate an investment that is downgraded to less than the required minimum rating.

### **14.0 Performance Standards:**

For each of the City's investment objectives, following are the performance standards:

**14.1 Safety:** All investment principal is maintained.

**14.2 Liquidity:** Sufficient cash is maintained or can be generated to pay all current obligations without selling direct securities or incurring loss of principal.

**14.3 Yield:** Yield on the portfolio of City funds, excluding demand deposits at the bank depository, should approximate the Treasury-based yield having similar weighted-average maturities.

### **15.0 Reporting:**

No less than quarterly, the investment officers shall prepare, sign, and present to the City Council a report of the City's investments in compliance with section 2256.023 of the Public Funds Investment Act.

### **16.0 Investment Policy Adoption and Revision:**

The City Council shall adopt the written investment policy by resolution. Annually the City Council shall review the investment policy and strategy. Revisions to the policy shall be made by City Council resolution.



## APPENDIX A

### GLOSSARY OF COMMON TREASURY TERMINOLOGY

**Agencies:** Federal agency securities.

**Amortized cost:** Cost of investments adjusted for amortized premiums and discounts.

**Asked:** The price offered for securities.

**Bid:** The price offered by a buyer of securities.

**Book value:** A term synonymous with amortized cost.

**Broker:** A broker brings buyers and sellers together for a commission paid by the initiator of the transaction or by both sides; he does not position. In the money market, brokers are active in markets in which banks buy and sell money and in interdealer markets.

**Certificate of Deposit (CD):** A time deposit with a specific maturity evidenced by a certificate. Large-denomination CD's are typically negotiable.

**Collateral:** Securities, evidence of deposit or other property which a borrower pledges to secure repayment of a loan. Also refers to securities pledged by a bank to secure deposits of public monies.

**Commercial Paper (CP):** An unsecured short-term promissory note issued by corporations, with maturities ranging from 2-270 days.

**Coupon:** (a) the annual rate of interest that a bond's issuer promises to pay the bondholder on the bond's face value. (b) A certificate attached to a bond evidencing interest due on a payment date.

**Credit Risk:** The risk of loss of principal and interest due to a failure of the security or broker.

**Dealer:** A dealer, as opposed to a broker, acts as a principal in all transactions, buying and selling for his own account.

**Debenture:** A bond secured only by the general credit of the issuer.

**Delivery versus Payment:** There are two methods of delivery of securities: delivery versus payment and delivery versus receipt (also called free). Delivery versus payment is delivery of securities with an exchange of money for the securities. Delivery versus receipt is delivery of securities with an exchange of a signed receipt for the securities.

**Discount:** The difference between the cost price of a security and its value at maturity when quoted at lower than face value. A security selling below original offering price shortly after sale also is considered to be at a discount.

**Discount Securities:** Non-interest bearing money market instruments that are issued at a discount and redeemed at maturity for full face value, e.g., U.S. Treasury bills.

**Diversification:** Dividing investment funds among a variety of securities offering independent returns.

**Federal Credit Agencies:** Agencies of the Federal government set up to supply credit to various classes of institutions and individuals, e.g., small business firms, students, farmers, farm cooperatives, and exporters.

**Federal Deposit Insurance Corporation (FDIC):** A federal agency that insures bank deposits, currently up to \$250,000 per deposit.

**Federal Funds Rate:** The rate of interest at which Fed funds are traded. This rate is currently pegged by the Federal Reserve through open-market operations.

**Federal Home Loan Banks (FHLB):**

The institutions that regulate and lend savings and loan associations. The Federal Home Loan Banks play a role analogous to that played by the Federal Reserve Banks vis-a-vis member commercial banks.

**Federal National Mortgage Association (FNMA):**

FNMA, like GNMA, was chartered under the Federal National Mortgage Association Act in 1938. FNMA is a federal corporation working under the auspices of the Department of Housing and Urban Development, H.U.D. It is the largest single provider of residential mortgage funds in the United States. Fannie Mae, as the corporation is called, is a private stockholder-owned corporation. The corporation's purchases include a variety of adjustable mortgages and second loans in addition to fixed-rate mortgages. FNMA's securities are also highly liquid and are widely accepted. FNMA assumes and guarantees that all security holders will receive timely payment of principal and interest.

**Federal Open Market Committee (FOMC):**

Consists of seven members of the Federal Reserve Board and five of the twelve Federal Reserve Bank Presidents. The President of the New York Federal Reserve Bank is a permanent member while the other Presidents serve on a rotating basis. The Committee periodically meets to set Federal Reserve guidelines regarding purchases and sales of Government Securities in the open-market as a means of influencing the volume of bank credit and money.

**Federal Reserve System:** The central bank of the United States created by Congress and consisting of a seven member Board of Governors in Washington, D.C. 12 regional banks and about 5,700 commercial banks that are members of the system.

**Government National Mortgage Association (GNMA or Ginnie Mae):**

Securities guaranteed by GNMA and issued by mortgage bankers, commercial banks, savings and loan associations, and other institutions. Security holder is protected by full faith and credit of the U.S. Government, Ginnie Mae securities are backed by FHA, VA or FMHM mortgages. The term pass-through is often used to describe Ginnie Maes.

**Laddered Portfolio:** Investment portfolio with securities in each maturity range (e.g. monthly) over a specified period of time.

**Liquidity:** A liquid asset is one that can be converted easily and rapidly into cash without a substantial loss of value. In the money market, a security is said to be liquid if the spread between bid and asked prices is narrow and reasonable size can be done at those quotes.

**Local Government Investment Pool (LGIP):**

The aggregate of all funds from political subdivisions that are placed in custody for investment and reinvestment.

**Market Risk:** The risk that the market value and interest earnings of an investment or a portfolio will fall due to changes in general interest rates.

**Market Value:** The price at which a security is trading and could presumably be purchased or sold.

**Master Repurchase Agreement:** To protect investors, many public investors will request that repurchase agreements be preceded by a master repurchase agreement between the investor and the financial institution or dealer. The master agreement should define the nature of the transaction, identify the relationship between the parties, establish normal practices regarding ownership and custody of the collateral securities during the term of the investment, provide remedies in the case of default by either party and clarify issues of ownership. The master repurchase agreement protects the investor by eliminating the

uncertainty of ownership and hence, allowing investors to liquidate collateral if a bank or dealer defaults during the term of the agreement.

**Maturity:** The date upon which the principal or stated value of an investment becomes due and payable.

**Money Market:** The market in which short-term debt instruments (bills, commercial paper, bankers' acceptances, etc.) are issued and traded.

**Offer:** The price asked by a seller of securities.

**Open Market Operations:** Purchases and sales of government and certain other securities in the open market by the New York Federal Reserve Bank as directed by the FOMC in order to influence the volume of money and credit in the economy. Purchases inject reserves into the bank system and stimulate growth of money and credit; sales have the opposite effect. Open market operations are the Federal Reserve's most important and most flexible monetary policy tool.

**Portfolio:** Collection of securities held by an investor.

**Primary Dealer:** A group of government securities dealers that submit daily reports of market activity and positions and monthly financial statements to the Federal Reserve Bank of New York and are subject to its informal oversight. Primary dealers include Securities and Exchange Commission (SEC) registered securities broker-dealers, banks and a few unregulated firms.

**Prudent Person Rule:** An investment standard. Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable

safety of their capital as well as the probable income to be derived.

**Qualified Public Depositories:** A financial institution which does not claim exemption from the payment of any sales or compensating use or ad valorem taxes under the laws of this state, which has segregated for the benefit of the commission eligible collateral having a value of not less than its maximum liability and which has been approved by the Public Deposit Protection Commission to hold public deposits.

**Rate of Return:** The yield obtainable on a security based on its purchase price or its current market price. This may be the amortized yield to maturity on a bond or the current income return.

**Repurchase Agreement (RP or REPO):** A holder of securities sells these securities to an investor with an agreement to repurchase them at a fixed price on a fixed date. The security "buyer" in effect lends the "seller" money for the period of the agreement, and the terms of the agreement are structured to compensate him for this. Dealers use RP extensively to finance their positions. Exception: When the Fed is said to be doing RP, it is lending money, that is, increasing bank reserves.

**Safekeeping:** A service to customers rendered by banks for a fee whereby securities and valuables of all types and descriptions are held in the bank's vaults for protection.

**Secondary Market:** A market made for the purchase and sale of outstanding issues following the initial distribution.

**Securities & Exchange Commission:** Agency created by Congress to protect investors in securities transactions by administering securities legislation.

**Treasury Bills:** A non-interest bearing discount security issued by the U.S. Treasury to finance the national debt.

Most bills are issued to mature in three months, six months or one year.

**Treasury Bonds:** Long-term U.S. Treasury securities having initial maturities of more than ten years.

**Treasury Notes:** Intermediate term coupon bearing U.S. Treasury securities having initial maturities from one to ten years.

**Unrealized Gains (Losses):** Increases (decreases) in the value of investments representing the difference between the amortized cost of the investments and their current market value. Increases (decreases) in value are caused primarily by changes in market interest rates subsequent to purchasing investments.

**Weighted Average Rate of Return:** Rate of return calculated based on interest earnings and the length of actual holding for each individual security.

**Yield:** The rate of annual income return on an investment, expressed as a percentage. (a) **Income Yield** is obtained by dividing the current dollar income by the current market price of the security. (b) **Net Yield** or **Yield to Maturity** is the current income yield minus any premium above par or plus any discount from par in purchase price, with the adjustment spread over the period from the date of purchase to the date of maturity of the bond.

**Yield:** The rate of annual income return on investment, expressed as a percentage.

## APPENDIX B

### **APPROVED LIST OF BROKER/DEALERS AND FINANCIAL INSTITUTIONS**

BOK Financial Securities, Inc.  
Sherman, TX

Hilltop Securities, Inc.  
Dallas, TX

First Public, LLC  
Austin, TX

Vining Sparks  
Frisco, TX

SAMCO Capital Markets  
Dallas, TX

FTN Financial Capital Markets, Inc.  
Houston, TX

Stifel Nicolaus & Company  
Hauppauge, NY

TexPool Participant Services  
Dallas, TX

TexStar Participant Services  
Dallas, TX

Landmark Bank  
Sherman, TX

Investors Brokerage of Texas  
Waco, TX



# SHERMAN CITY COUNCIL

## Agenda Communication Form

### City Council Regular Meeting

F. 1.

**Meeting Date:** 09/16/2019

**Prepared By:** Mark Gibson, Director of Utilities

**Approved By:** Robby Hefton, City Manager

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**Caption:**

**\* REQUEST TO ADVERTISE**

Agricultural Lease at the Sherman Wastewater Treatment Plant

**Issue:**

Requesting permission to advertise for an agricultural lease on approximately 200 acres of City property at the Sherman Wastewater Treatment Plant

**Background:**

The 200-acre tract was utilized for land application of biosolids in the past. The tract is currently leased for agricultural purposes; and the lease will expire on November 14, 2019.

**Origination:**

Utility Administration

**Financial Consideration:**

The cost of advertising will be approximately \$200.00.

**Staff Recommendation:**

It is recommended that the request to advertise be approved.

**Alternatives:**

As may be directed by the City Council

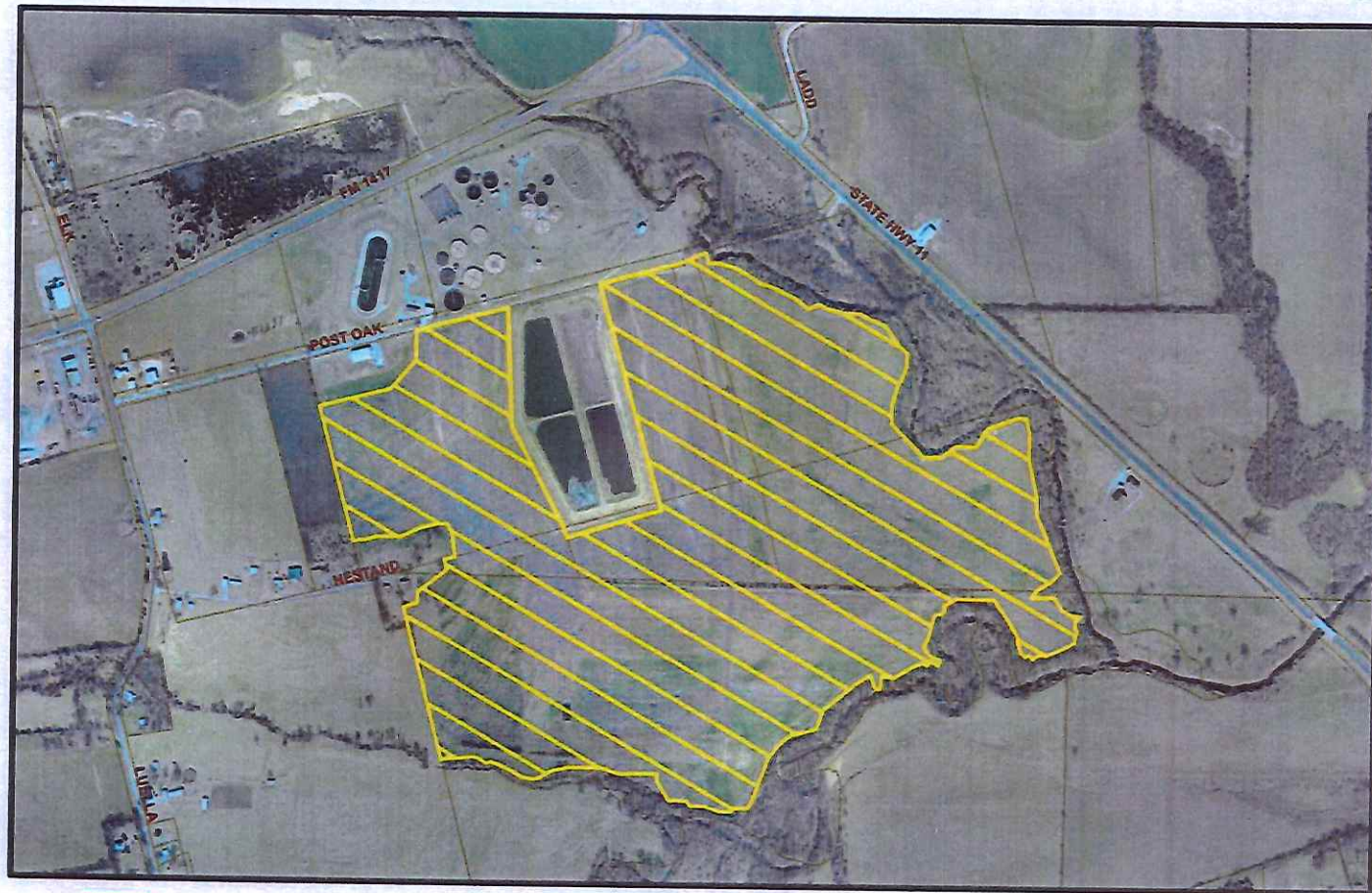
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**Attachments**

Agricultural Lease Area

Aerial Location Map

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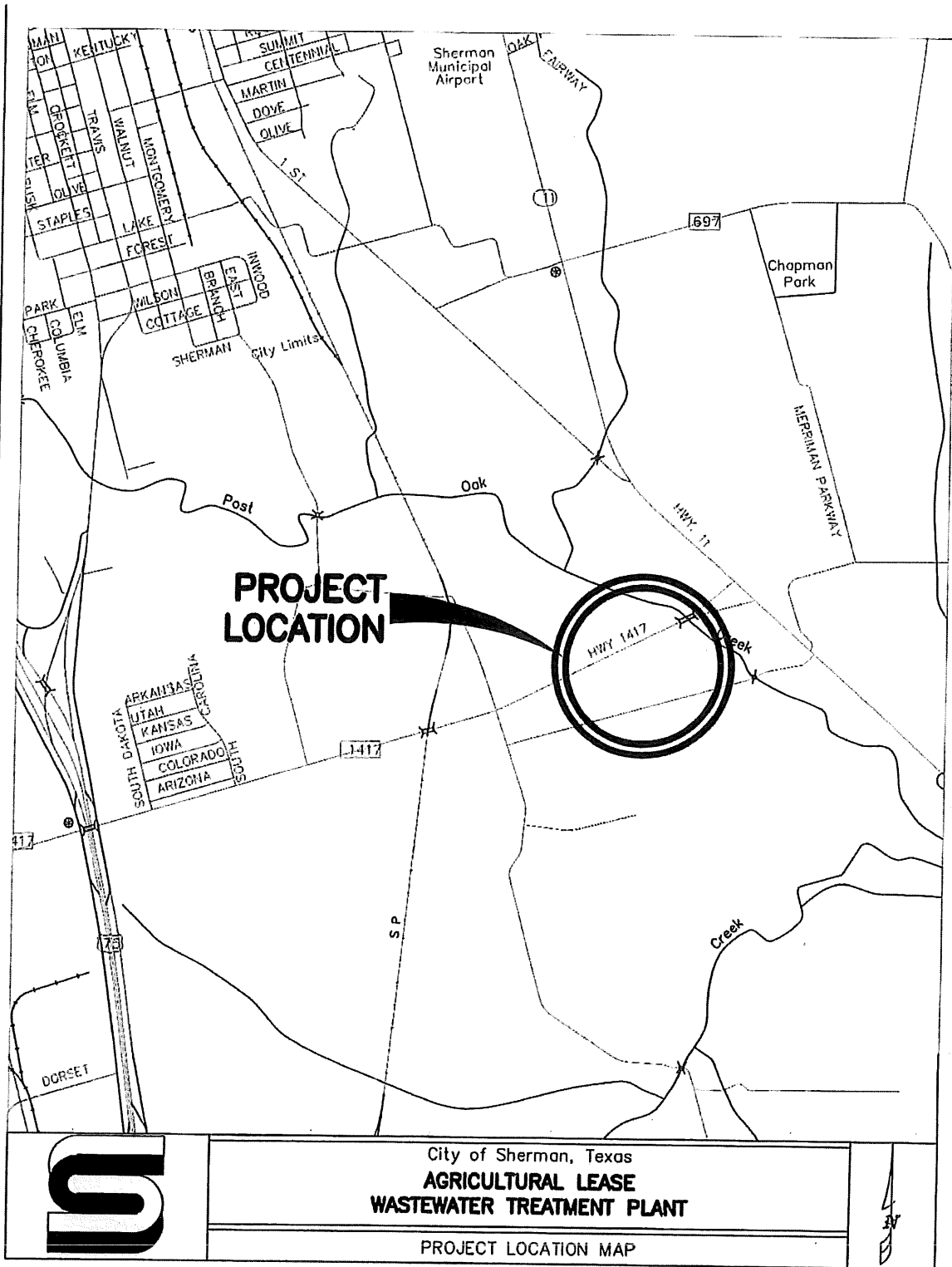
City of Sherman, Texas  
Engineering Department

**EXHIBIT A**  
**AGRICULTURAL LEASE AREA**  
**WASTEWATER TREATMENT PLANT**



0 200 400 800 Feet







# SHERMAN CITY COUNCIL

## Agenda Communication Form

### City Council Regular Meeting

G. 1.

**Meeting Date:** 09/16/2019

**Prepared By:** Scott Shadden, Director of Developmental Services

**Approved By:** Robby Hefton, City Manager

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### **Caption:**

#### **\* OTHER BUSINESS**

Replat Approval of The Brooks on Heritage Parkway Addition, Lot 1R, a Replat of Lot 1, The Brooks on Heritage Parkway Addition, being all of Lot 1 of the Brooks on Heritage Parkway Addition, a 2.212 acre tract and a 0.109 acre tract in the Elizabeth Jones Survey, Abstract No. 625, containing 8.749 acres; 1305 S FM 1417, LP, Owners; and Preston Trail Land Surveying, Surveyor [1305 South F.M. 1417 (Heritage Parkway)]

### **Issue:**

To consider Replat approval of The Brooks on Heritage Parkway Addition, Lot 1R, a Replat of Lot 1, The Brooks on Heritage Parkway Addition, being all of Lot 1 of the Brooks on Heritage Parkway Addition, a 2.212 acre tract and a 0.109 acre tract in the Elizabeth Jones Survey, Abstract No. 625, containing 8.749 acres, located at 1305 South F.M. 1417 (Heritage Parkway)

### **Background:**

The property is located at 1305 South F.M. 1417 (Heritage Parkway), The Brooks on Heritage Parkway Apartments. The property is zoned an R-2 (Multi-family Residential) District and is located in the O-1.1 (FM 1417) Overlay District. The owners would like to Replat the property into one lot for an addition to The Brooks on Heritage Parkway Apartments.

### **Origination:**

1305 S FM 1417, LP (Owners)  
Preston Trail Land Surveying (Surveyor)  
Kent Hughlett (Architect)

### **Financial Consideration:**

None

### **Staff Recommendation:**

At the August 20, 2019 regular meeting, the Planning and Zoning Board voted unanimously to recommend to the City Council that the Replat be approved subject to the Staff Review Letter.

**Alternatives:**

None

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**Attachments**

Location Map

Zoning Map

Zoning Sign Photo

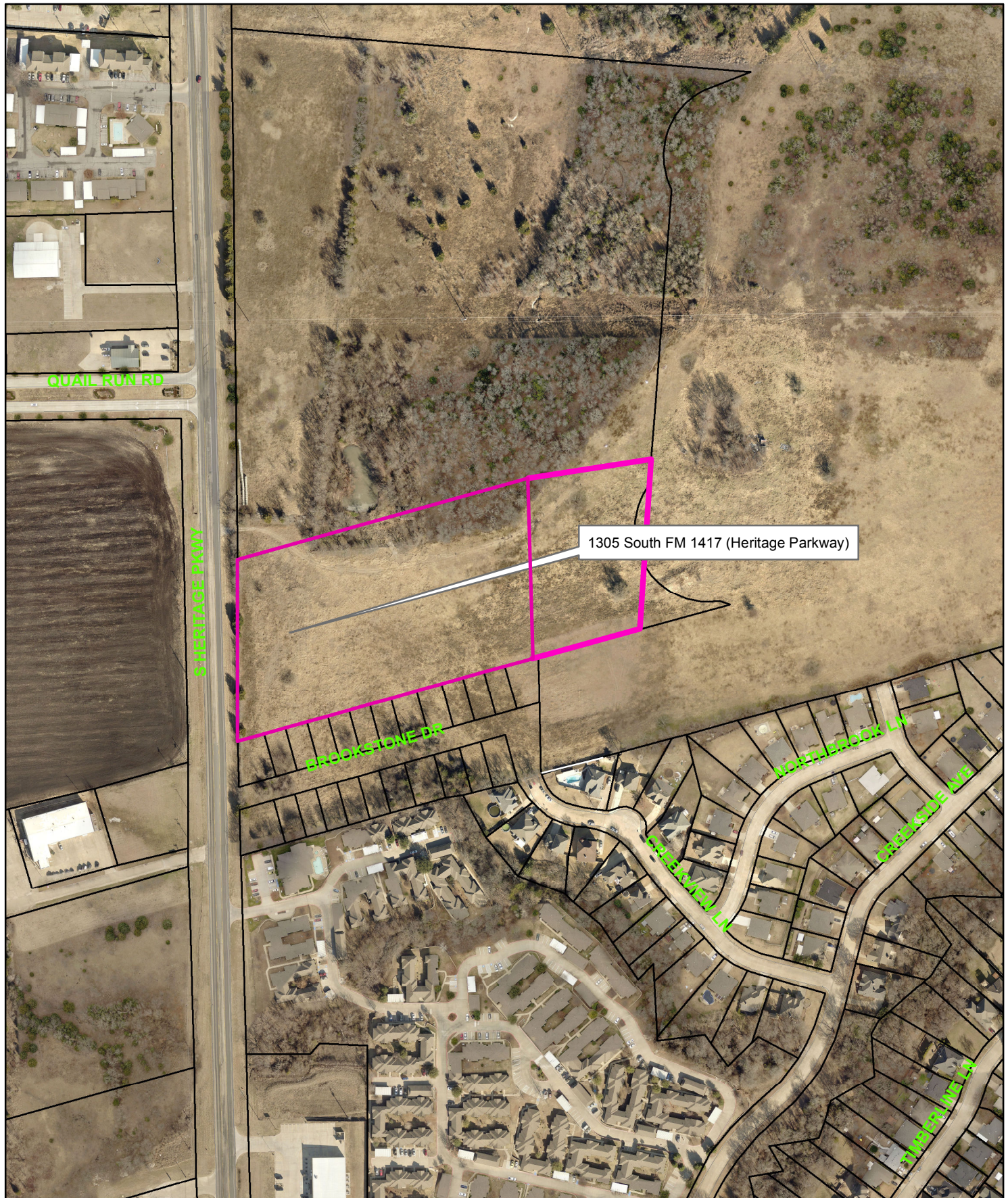
Replat The Brooks on Heritage Parkway Addition Lot 1R

Staff Review Letter

P&Z Communication

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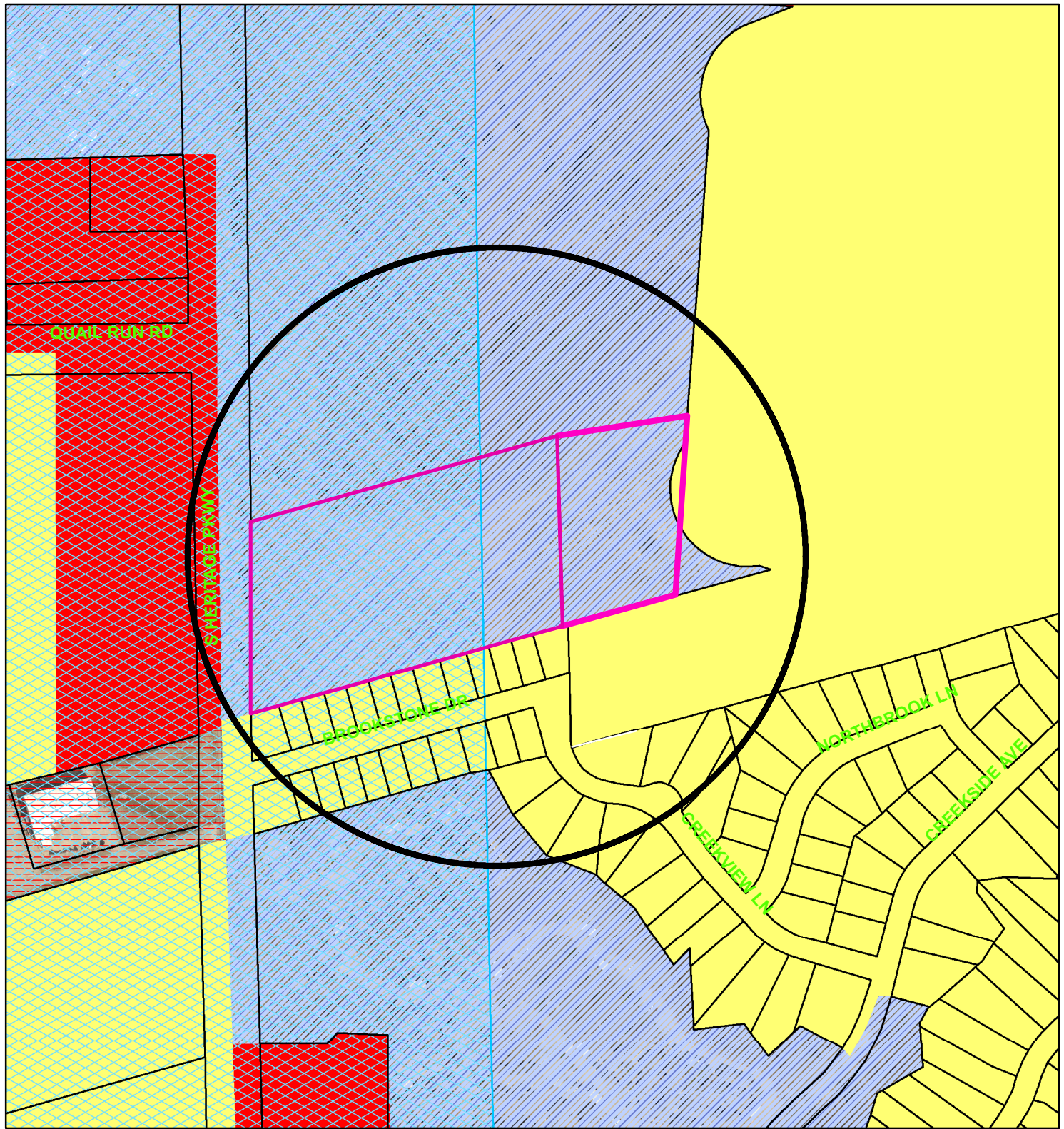


**1305 South FM 1417 (Heritage Parkway)**



1 in = 300 ft





## Zoning - 1305 South FM 1417 (Heritage Parkway)

### Legend

#### Special Districts Overlay

##### DISTRICT\_NAME

- Arts and Cultural District
- Blalock Commercial Overlay District
- Central Business District
- College Park District
- Downtown Overlay District
- Historic Preservation District
- Transportation Corridor

#### Representation: ShermGIS.DBO.TransportationCorridor\_Rep\_1

- FM 1417
- Sam Rayburn Freeway
- US Hwy 82 and 75
- SH 289
- FM 691

#### Zoning Districts

##### Representation: ShermGIS.DBO.ZoningDistrict\_Rep

- Unknown
- BIP Blalock Industrial Park
- C-1 Retail Business District

- C-2 General Commercial District
- CO Office District
- Lakes
- M-1 Light Manufacturing District
- M-1.5 Medium Manufacturing District
- M-2 Heavy Manufacturing District
- MH Manufacturing Housing District
- R-1 One Family Residential District
- R-2 Multi-Family Residential District
- R-A Single Family Agricultural District
- SF-1 Single Family Residential District



NOT TO SCALE

1 in = 300 ft



## 1305 South FM 1417 (Heritage Parkway)









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## STAFF REVIEW LETTER

August 8, 2019

1305 S. FM 1417, LP  
Attn: Daniel Walter  
801 E. Taylor Street  
Sherman, TX 75090

Preston Trail Land Surveying  
83493 N. State Highway 289, Suite 5  
Pottsboro, TX 75076

Dear Applicants,

The request for approval of the Replat for The Brooks on Heritage Parkway Addition has been scheduled to be heard by the Planning and Zoning Board on the day of Tuesday, August 20, 2019 at 5:00 p.m., in the City Council Chambers, City Hall at 220 W. Mulberry.

City staff has reviewed your request with regards to engineering and development guidelines and finds the following items need to be addressed:

1. Letters from various utility providers are required verifying availability of service and when service will be available.
2. Original tax certificates with \$0.00 balance shall be furnished for the purpose of recording the plat.
3. Drive approaches and sidewalks must conform to City of Sherman standards and a permit is required from City of Sherman Engineering Department.
4. The width of the right-of-way and pavement for streets shall be shown on the plat.
5. Instrument No. needs to be filled in with the correct Instrument No. for the called 0.109 acre in both the Metes and Bounds description and in drawing.
6. Any other changes made to the plat prior to the final fulfillment of the conditions of the staff review, must be considered minor by staff, as to not require resubmission to the Planning & Zoning Commission.
7. 1 Mylar and 3 paper copies must be submitted in 24"x36" size for recording. Both mylar and paper copies must be split, but not cut, to be 2-24"x18" pages per Grayson County requirements. 1 page must have the legal description (preferably in portrait layout) and the other page must have the image. Both mylar and paper copies must look the same. Both split pages must include the Subdivision Name block and page numbers. Submit digital image to the Engineering department for approval prior to printing mylars and paper copy. CAD file must be submitted digitally at time of final approval.

The Board will not consider a request unless it has representation. You are hereby notified to be present, either in person or by a legally authorized representative to present your case on the date and time stated above.

If additional information or clarification is needed, do not hesitate to contact Clint Philpott, at 903-892-7327 prior to the meeting.

Respectfully,



Clint A. Philpott, P.E.,  
Director of Engineering

cc: Robby Hefton, City Manager  
Brandon Shelby, City Attorney  
Billy Hartsfield, Fire Marshal

Scott Shadden, Director of Development Services  
Mark Gibson, Director of Utilities  
Steve Ayers, Asst. City Manager



**Planning & Zoning Commission and Board of  
Adjustments**

**Agenda Item No. 8.**

**Meeting Date:** 08/20/2019

**Prepared by:** Patsy Reeves, Developmental Services Coordinator  
Scott Shadden, Director of Development Services

Clay Mahone, Chairman

Eric Elliott, Vice Chairman

Shawn Davis, Commissioner

David Downtain, Commissioner

Trish Wood, Commissioner

Leigh Ann Sims, Commissioner

Paul Manley, Commissioner

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**Requested Action/Proposed Use:**

**\* 1305 SOUTH FM 1417 (HERITAGE PARKWAY)**

The request of 1305 S FM 1417, LP (Owners) and Preston Trail Land Surveying (Surveyor) concerning the property located at 1305 South FM 1417 (Heritage Parkway), being all of Lot 1 of the Brooks on Heritage Parkway Addition, a 2.212 acre tract and a 0.109 acre tract in the Elizabeth Jones Survey, Abstract No. 625, containing 8.749 acres, as follows:

***Planning and Zoning Commission***

Replat approval of The Brooks on Heritage Parkway Addition, Lot 1R, a Replat of Lot 1, The Brooks on Heritage Parkway Addition.

**Background:**

The property is located at 1305 South FM 1417 (Heritage Parkway); The Brooks on Heritage Parkway Apartments. The property is zoned an R-2 (Multi-family Residential) District and located in the O-1.1 (FM 1417) Overlay District. The owner would like to Replat the property into one lot for an addition to The Brooks on Heritage Parkway Apartments.

**Adjacent Zoning:**

R-1 (One Family Residential) District

R-2 (Multi-Family Residential) District

**Origination:**

1305 S FM 1417, LP (Owners)

Preston Trail Land Surveying (Surveyor)

**Master Plan Designation:**

Suburban Residential – Increased density and closer building setbacks separate Suburban Residential from Countryside and Estate, but more landscaping and open space distinguish Suburban Residential from Urban and Auto-Urban categories. New suburban subdivisions typically have curvilinear streets and sidewalks, as well as curb and gutter.

**Number of notices mailed:**

20

**Objections Received:**

0

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**Attachments**

Location Map

Zoning Map

Zoning Sign Photo

Replat The Brooks on Heritage Parkway Addition Lot 1R

Staff Review Letter

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# SHERMAN CITY COUNCIL

## Agenda Communication Form

### City Council Regular Meeting

**Meeting Date:** 09/16/2019

**Prepared By:** Pamela Cloer, Assistant to the City Manager

**Approved By:** Robby Hefton, City Manager

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**Caption:**

**COUNCIL CALENDAR**

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### **Attachments**

2019 Council Calendar

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# 2019

| JANUARY |    |    |    |    |    |    |
|---------|----|----|----|----|----|----|
| S       | M  | T  | W  | T  | F  | S  |
|         |    | 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 |    |    |    |    |    |    |
|----------|----|----|----|----|----|----|
| S        | M  | T  | W  | T  | F  | S  |
|          |    |    |    |    | 1  | 2  |
| 3        | 4  | 5  | 6  | 7  | 8  | 9  |
| 10       | 11 | 12 | 13 | 14 | 15 | 16 |
| 17       | 18 | 19 | 20 | 21 | 22 | 23 |
| 24       | 25 | 26 | 27 | 28 |    |    |
|          |    |    |    |    |    |    |

| MARCH |    |    |    |    |    |    |
|-------|----|----|----|----|----|----|
| S     | M  | T  | W  | T  | F  | S  |
|       |    |    |    |    | 1  | 2  |
| 3     | 4  | 5  | 6  | 7  | 8  | 9  |
| 10    | 11 | 12 | 13 | 14 | 15 | 16 |
| 17    | 18 | 19 | 20 | 21 | 22 | 23 |
| 24    | 25 | 26 | 27 | 28 | 29 | 30 |
| 31    |    |    |    |    |    |    |

| APRIL |    |    |    |    |    |    |
|-------|----|----|----|----|----|----|
| S     | M  | T  | W  | T  | F  | S  |
|       | 1  | 2  | 3  | 4  | 5  | 6  |
| 7     | 8  | 9  | 10 | 11 | 12 | 13 |
| 14    | 15 | 16 | 17 | 18 | 19 | 20 |
| 21    | 22 | 23 | 24 | 25 | 26 | 27 |
| 28    | 29 | 30 |    |    |    |    |
|       |    |    |    |    |    |    |

| MAY |    |    |    |    |    |    |
|-----|----|----|----|----|----|----|
| S   | M  | T  | W  | T  | F  | S  |
|     |    |    | 1  | 2  | 3  | 4  |
| 5   | 6  | 7  | 8  | 9  | 10 | 11 |
| 12  | 13 | 14 | 15 | 16 | 17 | 18 |
| 19  | 20 | 21 | 22 | 23 | 24 | 25 |
| 26  | 27 | 28 | 29 | 30 | 31 |    |
|     |    |    |    |    |    |    |

| JUNE |    |    |    |    |    |    |
|------|----|----|----|----|----|----|
| S    | M  | T  | W  | T  | F  | S  |
|      |    |    |    |    |    | 1  |
| 2    | 3  | 4  | 5  | 6  | 7  | 8  |
| 9    | 10 | 11 | 12 | 13 | 14 | 15 |
| 16   | 17 | 18 | 19 | 20 | 21 | 22 |
| 23   | 24 | 25 | 26 | 27 | 28 | 29 |
| 30   |    |    |    |    |    |    |

| JULY |    |    |    |    |    |    |
|------|----|----|----|----|----|----|
| S    | M  | T  | W  | T  | F  | S  |
|      | 1  | 2  | 3  | 4  | 5  | 6  |
| 7    | 8  | 9  | 10 | 11 | 12 | 13 |
| 14   | 15 | 16 | 17 | 18 | 19 | 20 |
| 21   | 22 | 23 | 24 | 25 | 26 | 27 |
| 28   | 29 | 30 | 31 |    |    |    |

| AUGUST |    |    |    |    |    |    |
|--------|----|----|----|----|----|----|
| S      | M  | T  | W  | T  | F  | S  |
|        |    |    |    | 1  | 2  | 3  |
| 4      | 5  | 6  | 7  | 8  | 9  | 10 |
| 11     | 12 | 13 | 14 | 15 | 16 | 17 |
| 18     | 19 | 20 | 21 | 22 | 23 | 24 |
| 25     | 26 | 27 | 28 | 29 | 30 | 31 |

| SEPTEMBER |    |    |    |    |    |    |
|-----------|----|----|----|----|----|----|
| S         | M  | T  | W  | T  | F  | S  |
| 1         | 2  | 3  | 4  | 5  | 6  | 7  |
| 8         | 9  | 10 | 11 | 12 | 13 | 14 |
| 15        | 16 | 17 | 18 | 19 | 20 | 21 |
| 22        | 23 | 24 | 25 | 26 | 27 | 28 |
| 29        | 30 |    |    |    |    |    |

| OCTOBER |    |    |    |    |    |    |
|---------|----|----|----|----|----|----|
| S       | M  | T  | W  | T  | F  | S  |
|         |    | 1  | 2  | 3  | 4  | 5  |
| 6       | 7  | 8  | 9  | 10 | 11 | 12 |
| 13      | 14 | 15 | 16 | 17 | 18 | 19 |
| 20      | 21 | 22 | 23 | 24 | 25 | 26 |
| 27      | 28 | 29 | 30 | 31 |    |    |
|         |    |    |    |    |    |    |

| NOVEMBER |    |    |    |    |    |    |
|----------|----|----|----|----|----|----|
| S        | M  | T  | W  | T  | F  | S  |
|          |    |    |    |    | 1  | 2  |
| 3        | 4  | 5  | 6  | 7  | 8  | 9  |
| 10       | 11 | 12 | 13 | 14 | 15 | 16 |
| 17       | 18 | 19 | 20 | 21 | 22 | 23 |
| 24       | 25 | 26 | 27 | 28 | 29 | 30 |
|          |    |    |    |    |    |    |

| DECEMBER |    |    |    |    |    |    |
|----------|----|----|----|----|----|----|
| S        | M  | T  | W  | T  | F  | S  |
| 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 |    |    |    |    |
|          |    |    |    |    |    |    |

|           |                                                                      |
|-----------|----------------------------------------------------------------------|
| 1/21/2019 | Martin Luther King, Jr. Day/Called City Council Meeting on 1/22/2019 |
| 2/27/2019 | Called Council Meeting - Training Session for Council Members        |
| 4/26/2019 | Called Budget Planning Meeting in Council Chambers                   |
| 6/13/2019 | Called Budget Workshop at Schulman's MBG in Sherman                  |
| 6/14/2019 | Called Budget Workshop at Schulman's MBG in Sherman - Cancelled      |
| 9/2/2019  | Labor Day/Called City Council Meeting on 09/03/2019                  |
| 9/10/2019 | Called Joint Meeting with SEDCO Board in Council Chambers            |
|           |                                                                      |

[illegible]