CITY OF SHERMAN
CITY COUNCIL REGULAR MEETING AGENDA
COUNCIL CHAMBERS OF THE CITY HALL
220 WEST MULBERRY STREET
SHERMAN, TEXAS
MONDAY, AUGUST 18, 2008
5:00 P.M.

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

A.2 PLEDGE OF ALLEGIANCE

A.3 INVOCATION BY COUNCIL MEMBER JOE N. SMITH

A.4 APPROVE MINUTES OF THE REGULAR CITY COUNCIL MEETING OF AUGUST 4, 2008

Proclamation

A.5 PROCLAMATION
"Women's Equality Day" – August 26, 2008

Special Presentation

A.6 SPECIAL PRESENTATION
Announcing the Winner of the First "Sherman Today" Photo Contest

Public Hearing

B.1 INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 5551
Providing for the Appropriation of Funds for Operating and Capital Expenditures for the Fiscal Year Beginning October 1, 2008, and Ending September 30, 2009

B.2 PUBLIC HEARING OF ORDINANCE NO. 5552
Extending the Corporate Limits of Said City so as to Annex Approximately 2.8 Acres along the Travis Street Right-of-Way South of Austin Landing (F.M. 131) in the City of Sherman's Extra Territorial Jurisdiction; Providing for a Municipal Plan

B.3 PUBLIC HEARING OF ORDINANCE NO. 5553
Extending the Corporate Limits of Said City so as to Annex Approximately 3.72 Acres of Land at 5003 Travis Street (F.M. 131) in the City of Sherman's Extra Territorial Jurisdiction; Providing for a Municipal Plan

B.4 PUBLIC HEARING OF ORDINANCE NO. 5554

Extending the Corporate Limits of Said City so as to Annex Approximately 858.774 Acres along U.S. Highway 75, between Loy Lake Road and the Union Pacific Railroad South of Highway 691, in the City of Sherman's Extra Territorial Jurisdiction; Providing for a Municipal Plan

B.5 INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 5555

Amending Section 8, Subsection (5)(a), Ordinance No. 2280, so as to Grant a Specific Use Permit to Sherman Bible Church (Owners) and Alliance Architects, Thomas Maxwell (Architect), to Allow a Church in an R-1 (One Family Residential) District at 2515 West Lamberth Road, being Lot 10, Block 3 of the O'Hanlon Ranch Addition; Providing that this Specific Use Permit Shall be Granted Subject to Certain Conditions; Providing a Penalty Not to Exceed $2,000

B.6 FIRST READING, PUBLIC HEARING, AND FIRST VOTE ON ORDINANCE NO. 5556

Granting to Atmos Energy Corporation, Mid-Tex Division, a Texas and Virginia Corporation, its Successors and Assigns, a Franchise to Furnish, Transport and Supply Gas to the General Public in the City of Sherman, Grayson County, Texas, for the Transporting, Delivery, Sale, and Distribution of Gas in, Out of, and Through Said Municipality for all Purposes; Providing for the Payment of a Fee or Charge for the Use of the Public Rights-of-Way; Providing That it Shall be in Lieu of Other Fees and Charges, Excepting Ad Valorem Taxes; Repealing all Previous Atmos Energy Gas Franchise Ordinances; Prescribing the Terms, Conditions, Obligations and Limitations Under Which Such Franchise Shall be Exercised; Providing a Most Favored Nations Clause; Providing for an Effective Date

Close Public Hearing and Consider Other Business

B.7 OTHER BUSINESS

Discussion of the Sherman Day Care

Adoption of Ordinances

B.8 ADOPTION OF ORDINANCES

Consider Adoption of Ordinance Numbers:

a) 5552
b) 5553
c) 5554
d) 5555

B.9 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

C.1 ** RESOLUTION NO. 5246*
Authorizing Execution of an Agreement with Barton Capital, LTD for the Abatement of Ad Valorem Property Taxes for the Construction of a New Single-Family Residence at 1532 South Montgomery Street

C.2 ** RESOLUTION NO. 5247*
Authorizing Execution of an Agreement with Barton Capital, LTD for the Abatement of Ad Valorem Property Taxes for the Construction of a New Single-Family Residence at 1602 South Montgomery Street

C.3 ** RESOLUTION NO. 5248*
Authorizing Execution of an Advance Funding Agreement between the City of Sherman and the State of Texas, Acting By and Through the Texas Department of Transportation, for Voluntary Local Government Contributions to Transportation Improvement Projects with No Required Match (A Multiple Box Culvert Replacement Project on S.H. 91)

C.4 ** RESOLUTION NO. 5249*
Approving the Greater Texoma Utility Authority's Intention to Enter into an Agreement with Cook Concrete for Construction of the Texoma Parkway Water Main, Phase III, from Frisco Road to Fallon Drive

C.5 RESOLUTION NO. 5250
Authorizing the City Manager to Execute an Amendment to the Contract with Allied Waste Services for Two Additional Years of Residential Recycling Processing Services

Request to Advertise

D.1 ** REQUEST TO ADVERTISE*
Center Street Park Project

Change Order

D.2 ** CHANGE ORDER NO. 1*
Hillcrest Drive Water Main Replacement from Ricketts Street to Sunset Avenue; $170.00, Decrease

Other Business

D.3 OTHER BUSINESS
Consider Scheduling a Joint Meeting of the City Council and the Sherman Economic Development Corporation Board of Directors for 12:00 noon on Thursday, September 18, 2008, to Review SEDCO's Annual Budget and Work Plan

D.4 ** OTHER BUSINESS*

Final Plat Approval of the Sturgess Addition; Ron Barton, Owner (707 South Montgomery Street)

D.5 ** OTHER BUSINESS*

Final Plat Approval of the Cupid Broughton Addition; Ron Barton, Owner (1217 North Broughton Street)

D.6 ** OTHER BUSINESS*

Replat Approval of Lots 9-15, Block 8 of the W.P. Carter's Addition; Ron Barton, Owner (616 and 620 East Sycamore Street)

D.7 CITIZEN REQUESTS

D.8 MEDIA QUESTIONS

D.9 COUNCIL COMMENTS

D.10 ADJOURNMENT

COUNCIL CALENDAR

SHERMAN CITY COUNCIL

Agenda Communication Form

From: The Office of the City Manager **Date:** 8-18-2008

Subject: Agenda Item No. A.1

CALL TO ORDER, QUORUM DETERMINED, MEETING DECLARED OPEN

The Honorable Bill Magers, Mayor

SHERMAN CITY COUNCIL

Agenda Communication Form

From: The Office of the City Manager **Date:** 8-18-2008

Subject: Agenda Item No. A.2

PLEDGE OF ALLEGIANCE

The Honorable Joe N. Smith, Council Member

SHERMAN CITY COUNCIL

Agenda Communication Form

From: The Office of the City Manager **Date:** 8-18-2008

Subject: Agenda Item No. A.3

INVOCATION BY COUNCIL MEMBER JOE N. SMITH

SHERMAN CITY COUNCIL

Agenda Communication Form

From: The Office of the City Manager **Date:** 8-18-2008

Subject: Agenda Item No. A.4

APPROVE MINUTES
THE REGULAR CITY COUNCIL MEETING OF AUGUST 4, 2008

STATE OF TEXAS §

August 4, 2008

COUNTY OF GRAYSON §

BE IT REMEMBERED THAT A Regular Meeting of the City Council of the City of Sherman, Grayson County, Texas was begun and held in the Council Chambers of City Hall on August 4, 2008.

MEMBERS PRESENT: **MAYOR BILL MAGERS; DEPUTY MAYOR CARY WACKER. COUNCIL MEMBERS HOWETH, SMITH, SOFTLY, STEELE.**

MEMBERS ABSENT: **COUNCIL MEMBER ADAMI.**

CALL TO ORDER — **CALL TO ORDER**

Mayor Bill Magers called the meeting to order at 5:03 p.m. The Pledge of Allegiance and the Invocation were given by Mayor Bill Magers.

APPROVE MINUTES — **APPROVE MINUTES**

The Council reviewed the Minutes of the Called City Council Meeting (Budget Workshop) of July 17, 2008 and the Regular City Council Meeting of July 21, 2008. Council Member Smith moved to approve the Minutes as presented; Second by Council Member Softly. All present voted AYE.
MOTION CARRIED.

INTRODUCTION AND PUBLIC HEARING OF ORDINANCES

Mayor Magers introduced Ordinance 5550 and called for a public hearing: — **ORD 5550 NO PARKING SIGNS E. COLLEGE STREET**

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, PROVIDING FOR PERMANENT "NO PARKING" SIGNS RESTRICTING PARKING ALONG PORTIONS OF EAST COLLEGE STREET WITHIN THE CITY LIMITS OF THE CITY OF SHERMAN.

No citizens appeared before the City Council to discuss Ordinance 5550.

The Ordinances were introduced and the Public Hearing was closed. — **CLOSE PUBLIC HEARING**

ADOPTION OF ORDINANCES

Ordinance 5550 — **ORD 5550 NO PARKING SIGNS E. COLLEGE STREET**

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, PROVIDING FOR PERMANENT "NO PARKING" SIGNS RESTRICTING PARKING ALONG PORTIONS OF EAST COLLEGE STREET WITHIN THE CITY LIMITS OF THE CITY OF SHERMAN.

ACTION TAKEN.

Motion by Council Member Howeth to approve Ordinance No. 5550, as presented. Second by Council Member Smith.

VOTING AYE: Howeth, Smith, Softly, Steele, Wacker.
VOTING NAY: None.
MOTION CARRIED.

CONSENT AGENDA — **CONSENT AGENDA**

The Council reviewed the Consent Agenda. George Olson, City Manager, asked to remove Item D-7 entitled "Set Public Hearing for Capital Improvement Program (CIP) 2008-2013 for Tuesday, September 2, 2008" from the Consent Agenda for consideration in its regular order of business.

Deputy Mayor Wacker moved to approve the Consent Agenda, with the exception of Item D-7, which will be considered in its regular order of business. Second by Council Member Softly. All present voted AYE.

RESOLUTIONS

RESOLUTION NO. 5243 – AUTHORIZING EXECUTION OF AN OCCUPANCY LICENSE AGREEMENT WITH THE TEXAS NORTHEASTERN RAILROAD, A DIVISION OF MID-MICHIGAN RAILROAD, INC., FOR REPLACEMENT OF THE TRAVIS STREET WATER MAIN — **RES 5243 RAILROAD LICENSE AGREEMENT FOR WATER MAIN REPLACEMENT**

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING EXECUTION OF AN OCCUPANCY LICENSE AGREEMENT WITH THE TEXAS NORTHEASTERN RAILROAD, A DIVISION OF MID-MICHIGAN RAILROAD, INC., FOR REPLACEMENT OF THE TRAVIS STREET WATER MAIN.
CONSENT AGENDA.

RESOLUTION NO. 5244 – AUTHORIZING EXECUTION OF AN AGREEMENT WITH BARTON CAPITAL LTD FOR THE ABATEMENT OF AD VALOREM PROPERTY TAXES FOR THE CONSTRUCTION OF A NEW SINGLE-FAMILY RESIDENCE AT 1606 SOUTH MONTGOMERY STREET — **RES 5244 RESIDENTIAL TAX ABATEMENT (1606 S. MONTGOMERY)**

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING EXECUTION OF AN AGREEMENT WITH BARTON CAPITAL, LTD FOR THE ABATEMENT OF AD VALOREM PROPERTY TAXES FOR THE CONSTRUCTION OF A NEW SINGLE-FAMILY RESIDENCE AT 1606 SOUTH MONTGOMERY STREET.
CONSENT AGENDA.

RESOLUTION NO. 5245 – AUTHORIZING EXECUTION OF AN AGREEMENT WITH BARTON CAPITAL, LTD FOR THE ABATEMENT OF AD VALOREM PROPERTY TAXES FOR THE CONSTRUCTION OF A NEW SINGLE-FAMILY RESIDENCE AT 1610 SOUTH MONTGOMERY STREET — **RES 5245 RESIDENTIAL TAX ABATEMENT (1610 S. MONTGOMERY)**

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING EXECUTION OF AN AGREEMENT WITH BARTON CAPITAL, LTD FOR THE ABATEMENT OF AD VALOREM PROPERTY TAXES FOR THE CONSTRUCTION OF A NEW SINGLE-FAMILY RESIDENCE AT 1610 SOUTH MONTOMGERY STREET.
CONSENT AGENDA.

REQUEST TO ADVERTISE

REQUEST TO ADV EMPLOYEE & RETIREE HEALTH INSURANCE

CITY OF SHERMAN EMPLOYEE AND RETIREE HEALTH INSURANCE

The City Council approved a request to advertise for group health plan coverage for employees, dependents and retirees. The City's partially self-funded group health plan has experienced historically unusual claim years for the past two years.

As part of the consulting arrangement with Fidelity Benefits, they can provide services to bid the City's coverage to the market. The City already has a commitment for renewal from the current providers, Group & Pension Administrators and ING.

CONSENT AGENDA.

CHANGE ORDER NO. 1

CHANGE ORDER WATER MAIN REPLACEMENT ($5,355.44 INCREASE)

WATER MAIN REPLACEMENT ON TEXOMA PARKWAY FROM U.S. HIGHWAY 82 TO FRISCO ROAD; $5,355.44, INCREASE

The City Council approved a change order for the Texoma Parkway Water Main Replacement, Phase II. The change order is a final reconciliatory change order that adjusts the final quantities for the project and results in a $5,355.44 increase in the contract amount. The final contract price of $271,789.44 was funded through the Greater Texoma Utility Authority.

CONSENT AGENDA.

OTHER BUSINESS

CONSIDER CALLING A SPECIAL MEETING OF THE CITY COUNCIL FOR TUESDAY, SEPTEMBER 2, 2008, DUE TO CONFLICT WITH A FEDERAL HOLIDAY

SET CALLED MEETING FOR SEPT. 2, 2008

Mr. Olson said the Labor Day Holiday is Monday, September 1, 2008, however that meeting is needed to set the property tax rate.

ACTION TAKEN.

Motion by Deputy Mayor Wacker to call a Special City Council Meeting for Tuesday, September 2, 2008, as presented. Second by Council Member Smith.

VOTING AYE: Howeth, Smith, Softly, Steele, Wacker.
VOTING NAY: None.
MOTION CARRIED.

REVIEW 2008-2009 DRAFT BUDGET

REVIEW DRAFT BUDGET

Robby Hefton, Assistant City Manager/CFO, highlighted several items in the proposed FY 2008-2009 Draft Budget. The General Fund is balanced and has a fund balance of over 70 days. The target fund balance is 60 days.

The Budget focuses on finishing the commitments made in the prior year by the Council for capital infrastructure improvements and focusing on efficiencies in the operations. No new programs are proposed, so the staff is trying to focus on core tasks.

The Budget also includes a property tax rate reduction to $0.32 per $100 valuation and rate increases in the Utility and Solid Waste Funds. These rate increases reflect the City's direct cost increases for energy costs, fuel costs, and landfill costs.

Mayor Magers explained that the public hearing on the Budget will be held on August 18, 2008 and citizens are invited to attend and voice their concerns on the issue. He asked if anyone wanted to speak today.

Linda Robertson, 311 S. Dewey
Ms. Robertson said she lives near Fire Station No. 2 and expressed concern about the reduction of a paramedic and an ambulance at that station for a cost savings of $180,000 per year.

She listens to the scanner and discussed several recent fires and ambulance calls where minutes save lives. The paramedics give up their family life and their personal life, and "cram knowledge" in their heads to take care of the citizens. They put their life on the line every day.

Ms. Robertson said Sherman is growing and adding schools and restaurants and the additional ambulance is needed to make calls. A contract was let with the City of Van Alstyne to assist with calls, but Van Alstyne is 18 miles away and she didn't think they would be able to assist with the high costs associated with providing service.

She suggested that the City charge a flat rate on non-transfer calls or increase the charges for ambulance calls rather than lay off a paramedic and take an ambulance out of service. She said time is the most important thing for ambulances making calls.

Mayor Magers said the public hearing on the Budget will be held August 18, 2008. He added that no one is loosing their job. The issue is an overtime issue and takes the staffing down to 19. A paramedic will still be staffed at the Fire Station and will make calls on the fire engine. He reiterated that there is no reduction in force, it is a personnel overtime issue.

DISCUSSION OF THE PROPOSED TAX RATE FOR FISCAL YEAR 2008-2009 AND SCHEDULING PUBLIC HEARINGS FOR BUDGET AND PROPOSED TAX RATE

PROPOSED TAX RATE

Mr. Hefton said the City is proposing a 20% reduction in the property tax rate for FY 2008-2009. By law the City is required to set a public hearing for discussion of the property tax rate and introduction of the Budget Ordinance.

The Budget Ordinance will be introduced at the August 18, 2008 Meeting and a public hearing will be held. The Budget Ordinance will be adopted on September 2, 2008 and the Tax Rate will be adopted on September 15, 2008.

ACTION TAKEN.

Motion by Council Member Smith to set a Public Hearing for the Budget and Proposed Tax Rate for Monday, August 18, 2008, as presented. Second by Council Member Steele.

VOTING AYE: Howeth, Smith, Softly, Steele, Wacker.
VOTING NAY: None.
MOTION CARRIED.

REVIEW DRAFT CIP

REVIEW DRAFT CAPITAL IMPROVEMENT PROGRAM (CIP) 2008-2013

Mr. Hefton said the Council has already discussed the Capital Improvement Program, especially for the first two years. The City Charter requires that the staff present a five-year CIP Plan.

Council Members will be receiving a CD with all the detail for CIP projects. The staff is moving forward with the projects that were approved at the Budget Workshop for the first year of the CIP Program with funding. The Council also has an opportunity to respond to the five-year program.

The Council will only be approving funding for the first year projects. There have been no changes to the first year program since the Council discussed it at the Budget Workshop.

SET PUBLIC HEARING FOR CIP

SET PUBLIC HEARING FOR CAPITAL IMPROVEMENT PROGRAM (CIP) 2008-2013 FOR TUESDAY, SEPTEMBER 2, 2008

Mr. Olson asked to remove Item D-7 from the Consent Agenda for consideration in its regular order of business.

He explained that the Council needed to set the Council Meeting for September 2, 2008 because of the Labor Day Holiday before a public hearing could be set for that date.

ACTION TAKEN.

Motion by Deputy Mayor Wacker to set a Public Hearing for the Capital Improvement Program for Tuesday, September 2, 2008, as presented. Second by Council Member Softly.

VOTING AYE: Howeth, Smith, Softly, Steele, Wacker.
VOTING NAY: None.
MOTION CARRIED.

QUARTERLY INVESTMENT REPORT

APPROVE QUARTERLY INVESTMENT REPORT FOR PERIOD ENDING JUNE 30, 2008

The City Council approved the Quarterly Investment Report for the period ending June 30, 2008. The report reflects a portfolio position for the operating funds of about $27.4 million.

As of June 30, 2008, the City was in compliance with all applicable State laws and the provisions of the City's internal Investment Policy. The portfolio remains adequately liquid

and its yield of 2.69% for the quarter is higher than the benchmark yield of 2.14%. The market value of the overall portfolio was 100.07% of the book value.

The report also included the Certificate of Obligation Debt Proceeds. This report accounts for the investment of proceeds from the $5 million CO Bonds, which are governed by their own policy limits and targets. This report also reflects compliance with all applicable State laws and the provisions of the City's internal Investment Policy. The portfolio is invested 100% in an investment pool that for the quarter yielded 2.3%.
CONSENT AGENDA.

CITIZENS REQUESTS — **CITIZENS REQUESTS**
There were no citizen's requests.

MEDIA QUESTIONS — **MEDIA QUESTIONS**
There were no media questions.

CONSIDER THE QUALIFICATIONS, APPOINTMENT AND REMOVAL OF MEMBERS TO BOARDS AND COMMISSIONS:
AIRPORT ADVISORY BOARD (1) — **AIRPORT ADVISORY BOARD**
ACTION TAKEN.

> **Motion by Council Member Howeth to appoint Carlos Rivas to the Airport Advisory Board for a term from August 5, 2008 to August 5, 2010. Second by Council Member Softly.**

VOTING AYE: Howeth, Smith, Softly, Steele, Wacker.
VOTING NAY: None.
MOTION CARRIED.

COUNCIL COMMENTS
ANNUAL BUDGET — **ANNUAL BUDGET**
Council Member Smith said he was happy with the Annual Budget so far. It is balanced and the Council is focusing on finishing the projects that were started in the last few years. He was also pleased that the staff is trying to bring efficiency back to the City. That will take some tough decisions and not everyone will be happy. Council Member Smith added that the Council needs to make sure the money is going where it needs to go.

TOUR OF CITY BY CITY MANAGER — **TOUR OF CITY BY CITY MANAGER**
Council Member Howeth thanked Mr. Olson for recently taking her on a tour of the City. She learned a lot about City government and infrastructure on the tour.

ANNUAL BUDGET — **ANNUAL BUDGET**
Mayor Magers said the City will have a public hearing on the Budget on August 18, 2008 and he invited citizens to make comments. Sherman is in great financial shape and the Council plans to take steps to prepare for the future. The Council will continue to make decisions on facts and not on emotions.

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

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

SECTION 551.074 -- **CONSIDER THE QUALIFICATIONS, APPOINTMENT OR REMOVAL OF MEMBERS TO BOARDS AND COMMISSIONS: TEXOMA MENTAL HEALTH MENTAL RETARDATION BOARD (1)**

On Motion duly made and carried, the Open Meeting recessed and reconvened in Executive Session at 5:22 p.m.

On Motion duly made and carried, the Executive Session recessed at 5:27 p.m. and reconvened in Open Meeting.

OPEN MEETING — **OPEN MEETING**

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

CONSIDER THE QUALIFICATIONS, APPOINTMENT AND REMOVAL OF MEMBERS TO BOARDS AND COMMISSIONS: TEXOMA MENTAL HEALTH MENTAL RETARDATION BOARD (1) — **TEXOMA MENTAL HEALTH MENTAL RETARDATION BOARD**

ACTION TAKEN.

Motion by Deputy Mayor Wacker to reappoint Margie Morris to the Texoma Mental Health Mental Retardation Board for a term from August 31, 2008 to August 31, 2010. Second by Council Member Steele.

VOTING AYE: Howeth, Smith, Softly, Steele, Wacker.
VOTING NAY: None.
MOTION CARRIED.

ADJOURNMENT — **ADJOURNMENT**

On Motion duly made and carried, the meeting adjourned at 5:28 p.m.

MAYOR

CITY CLERK

SHERMAN CITY COUNCIL

Agenda Communication Form

From: The Office of the City Manager **Date:** 8-18-2008

Subject: Agenda Item No. A.5

PROCLAMATION
"Women's Equality Day" – August 26, 2008

Issue
To present a proclamation designating August 26, 2008 as "Women's Equality Day" in the City of Sherman

Background
The Sherman Business and Professional Women's Organization has requested this proclamation to celebrate the signing of the 19th Amendment to the Constitution, giving women the right to vote.

Origination
August 26th is the anniversary of the passage of the 19th Amendment in 1920, which gave women the right to vote, and the day in 1970 on which a nationwide demonstration for women's rights took place.

Financial Consideration
There is no financial consideration to the City.

Staff Recommendation
It is the recommendation of the staff to present a proclamation proclaiming "Women's Equality Day" on August 26, 2008.

Alternatives
The Council could choose not to present the proclamation.

Attachments
A proclamation proclaiming "Women's Equality Day" is attached.

Prepared by:
Linda Ashby, City Clerk

Approved by:
George Olson, City Manager

SHERMAN

Proclamation

WHEREAS, the women of the United States have not been entitled the full rights and privileges, public or private, legal or institutional, which are available to male citizens of the United States, and

WHEREAS, the women of the United States have united to assure that these rights and privileges are available to all citizens equally regardless of sex, and

WHEREAS, the women of the United States have designated August 26th, the anniversary date of the passage of the Nineteenth Amendment, as a symbol of the continued fight for equal rights, and

WHEREAS, the women of the United States are to be commended and supported in their organizations and activities, and

WHEREAS, the City of Sherman reaffirms a commitment to respect the rights of women and address their needs during 2008 Women's Equality Day and throughout the year.

NOW THEREFORE, I, Bill Magers, Mayor of the City of Sherman, Texas, by the authority vested in me, do hereby proclaim August 26, 2008

WOMEN'S EQUALITY DAY

in the City of Sherman and urge all citizens to recognize that August 26th is designated as "Women's Equality Day" in commemoration of that day in 1920, on which the women of America were first given the right to vote, and that day in 1970, on which a nationwide demonstration for women's rights took place.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the seal of the City of Sherman to be affixed this the 18th day of August, 2008.

Mayor

ATTEST:

Linda Ashby
City Clerk

SHERMAN CITY COUNCIL

Agenda Communication Form

From: The Office of the City Manager **Date:** 8-18-2008

Subject: Agenda Item No. A.6

SPECIAL PRESENTATION
Announcing the Winner of the First "Sherman Today" Photo Contest

Issue
Traci L. Carlson, President of the Sherman Chamber of Commerce, has requested this special presentation to announce the winner of the first "Sherman Today" photo contest

Background
The editorial staff of "Sherman Today" sponsored its first photo contest in the Summer 2008 issue. The contest required participants to be Sherman residents and pictures to portray some aspect of the quality of life we have in Sherman. Residents were permitted one entry each; and the deadline for entries was July 24, 2008. All entries were voted upon by the editorial committee; and the winning picture is to be published in the Fall issue of "Sherman Today", with full credits going to the photographer. The picture is to be framed and hung in City Hall, along with a plaque with the author's name and date. The framed picture will hang in City Hall until the next "Sherman Today" photo contest.

Origination
Traci L. Carlson, President of the Sherman Chamber of Commerce

Prepared and Approved by:
George Olson, City Manager

SHERMAN CITY COUNCIL

Agenda Communication Form

From: The Office of the City Manager **Date:** 8-18-2008

Subject: Agenda Item No. B.1

INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 5551
Providing for the Appropriation of Funds for Operating and Capital Expenditures for the Fiscal Year Beginning October 1, 2008, and Ending September 30, 2009

Issue
To open a public hearing for and consider introduction of the proposed budget ordinance for the 2008-2009 fiscal year

Background
The proposed budget reflects the direction given by the Council at the recent budget workshop held on July 17, 2008. The budget contains $74.0 million in appropriations, which represents an approximate 14% increase from the prior year's original budget, the increase of which relates primarily to capital improvements. In accordance with the discussions at the budget workshop, the proposed budget reduces the property tax rate to $.32/$100; and increases in water/sewer rates and solid waste rates of about 4% and 11%, respectively, are included. More detailed information is available on the attachments.

Origination
Assistant City Manager/Chief Financial Officer

Financial Consideration
The proposed budget contains appropriations of $74.0 million for the 2008-2009 fiscal year.

Staff Recommendation
The staff recommends that the Council accept the budget as presented.

Alternatives
The Council could make changes to the proposed budget, subject to existing available financial resources, and subject to statutory requirements relating to the timing of the budget adoption.

Attachments
Ordinance No. 5551, summary budget text, summary budget schedule, individual fund statements

Prepared by:
Robby Hefton, Assistant City Manager/CFO

Approved by:
George Olson, City Manager

ORDINANCE NO. 5551

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, PROVIDING FOR THE APPROPRIATION OF FUNDS FOR OPERATING AND CAPITAL EXPENDITURES FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2008, AND ENDING SEPTEMBER 30, 2009; 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, pursuant to Article V of the City Charter, there is hereby appropriated for Operating Expenditures the sums of money as established in the approved Operating Budget Document for fiscal year beginning October 1, 2008, and ending September 30, 2009.

SECTION 2. That, pursuant to Article V of the City Charter, there is hereby appropriated for Capital Expenditures the sums of money as established in the approved Capital Budget Document for fiscal year beginning October 1, 2008, and ending September 30, 2009.

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 _____, 2008.

ADOPTED on this the _____ day of _____, 2008.

EFFECTIVE DATE on this the _____ day of _____, 2008.

CITY OF SHERMAN, TEXAS

BY: _____
BILL MAGERS, MAYOR

ATTEST:

BY: _____
LINDA ASHBY, CITY CLERK

APPROVED AS TO FORM
AND CONTENT:

_____
DOREEN E. MCGOOKEY,
CITY ATTORNEY

PROPOSED BUDGET FOR THE CITY OF SHERMAN
FOR FISCAL YEAR 2008-2009
August 18, 2008

SUMMARY:

The attached proposed budget for 2008-2009 is based on the direction provided by the City Council at the budget workshop that was held on July 17, 2008.

The draft budget reflects a continued focus on completing the short-term initiatives coming out of last years' budget development process. These initiatives include things such as:

- Certificates of obligation of about $7.1 million to fund street and park development initiatives
- Park development projects for Center Street Athletic Complex and Pecan Grove Park Phase II
- Thoroughfare development projects including Washington Street west, Lamberth Road west, and Canyon Creek Drive
- Property tax rate reduction to $.32/$100 from $.40/$100
- Inclusion of the Tourism function as a City department

Appropriations for 2008-2009 total about $74.0 million, of which $19.0 million is earmarked for capital spending. This total is approximately 14% more than the $65.1 million in the original 2007-2008 budget. Increased spending on capital projects and capital expenses represents the largest component of the increased appropriations.

Total budgeted full-time positions in the draft budget are 398, down from 414 in fiscal year 2007-2008. The decrease results from phasing-out the Daycare and from operating efficiency staff reductions in Library, Engineering, Parks and Recreation, and Grounds Maintenance. Additionally, one full-time position relating to Tourism is expected to be added to existing staff.

The General Fund is balanced on an on-going basis, with flat revenues and slightly decreased expenditures compared to last year. The property tax rate will be reduced to $.32 per $100 valuation overall, with about $.012 per $100 going to debt service, and $.308 per $100 going to General Fund operations. Sales tax revenue is projected to increase due primarily to implementation of the sales tax increase to reduce property taxes. The General Fund will make several one-time transfers totaling about $1.8 million to help restore Group Health Fund reserves and to establish a Fleet Replacement Fund for future replacement of varied fleet needs. All things considered, healthy reserve balances in the General Fund of about $5.9 million are projected to exist at the end of fiscal year (FY) 2009.

The Utility Fund is unbalanced on an on-going basis, caused primarily by a significant cost increase relating to disposal of biosolids from the Wastewater Treatment Plant operations. The budget includes a rate increase of about 4% overall, which is expected to generate an additional $.7 million in revenues. The need for additional rate increases in future years will be assessed based on the outcome of the study on long-term biosolids disposal alternatives. The staff is

committed to ensuring that ongoing rates support the operations of this fund. A net loss for 2008-2009 is budgeted at about $.6 million, caused by the biosolids disposal issue. Remaining fund balances are projected to be about $2.9 million, or about 53 days of ongoing operating expenses.

The Solid Waste Fund is essentially balanced on an on-going basis, with expenses exceeding revenues by about $.1 million due to transfers-out to help restore Group Health Fund reserves. Recent cost increases related to landfill disposal, fuel/energy and internal franchise costs have contributed to the need for a rate increase of about 11% in this fund. Since its inception in 2000-2001, there has not been a rate increase in the commercial solid waste program. The overall rate increase will be applied as needed to each of the operating departments within this fund to ensure that each segment of operation is self-supporting. Fund balances in this fund continue to be healthy, with an expected $1.1 million, or 72 days of operating funds, available at the end of 2009.

The draft budget contains over $12.6 million in projects in the General Improvement Fund related to various street and parks projects. As previously noted, a vast majority of these costs will be funded through debt financing. The most significant of these projects include Brockett Street, Washington Street, Lamberth Road, Canyon Creek Drive, Pecan Grove Park Phase II, and Center Street Athletic Complex. Reserves of about $1.4 million are expected after the completion of these projects.

In the Utility Improvement Fund, internal projects of about $2.9 million have been identified. Additionally, the City will issue an expected $4.9 million in revenue bonds through Greater Texoma Utility Authority (GTUA) for various large utility projects. The largest projects to be managed and funded through this source are the Waste Water Treatment Plant (WWTP) digester roof replacement and Relief Sewer C-1. These projects are not reflected on the City's books; rather they are paid through contractual debt payments to GTUA from the Utility Fund. Other utility projects are proposed to be funded through $4.6 million in available fund balance in the Utility Improvement Fund. These include Water Treatment Plant Phase III improvements, and various water line replacements. Reserves of about $1.8 million should be available in the fund at the completion of these projects.

DETAILED INFORMATION:

Additional information on major components of the 2008-2009 draft budget follows.

Certificates of Obligation: The draft budget includes the effects of issuing about $7.1 million in Certificates of Obligation (CO), funding of which could be used for projects such as Pecan Grove Park development, Washington Street, Lamberth Road, and Canyon Creek Drive. Debt service for this bond issue would be provided through ad-valorem taxes and a general revenue pledge.

Center Street Complex: The 2008-2009 draft budget includes $1.5 million for Center Street park development for features such as lighted sport fields, a trail system, and restroom and concession areas. The project is expected to be completed by spring, 2009.

Pecan Grove Park Phase II: This nature and open-space park has a budgeted development cost of $2.4 million and will include such features as fishing piers, picnic pavilions, paved and unpaved hike/bike and walking trails, an amphitheater and playground equipment.

Thoroughfare and Street Improvements: Two of the City's thoroughfares are slated for improvements in FY2009 – Washington Street and Lamberth Road. Both of these thoroughfares are expected to pave the way for near-term growth and development in these areas of the city. Additionally, Canyon Creek Drive will be extended westward to allow for public access to the Pecan Grove Park Phase II development. All of these projects are expected to begin in FY2009 and be completed in FY2010.

Water Treatment Plant Upgrade – Phase III: The draft budget for the Utility Improvement Fund includes $1,425,000 for this project, the final phase of a project that began in 2006-2007. This project will replace the membranes that filter the Lake Texoma water treated at the plant.

Wage Increase – 3% Across-the-Board: The draft budget contains a 3% increase in base salaries, coming as a 2% increase effective October 1, 2008 and an additional 2% coming April 1, 2009. The annual cost of this increase for all funds is projected to be about $600,000.

Water/Sewer and Solid Waste Rate Increases: Pressures on operating costs arising from things such as biosolids disposal, landfill disposal fees, fuel/energy costs and group health costs have contributed to the need for rate increases in these utility services. The overall water/sewer rate increase is expected to be about 4%, while the solid waste fees are expected to increase about 11% overall.

SUMMARY SCHEDULES, DETAILED FUND STATEMENTS, AND OTHER INFORMATION

The following pages include a schedule that summarizes the draft 2008-2009 budget, eliminating double counting for internal service funds and inter-fund transfers. Also included are statements of revenues and expenditures/expenses for each fund, and a debt schedule.

Summary of Receipts and Expenditures/Expenses
Fiscal Year 2008-2009

	General Fund	Enterprise Funds	Internal Service Funds	Special Revenue Funds	Capital Improvement Funds	Trust Fund	Debt Service Funds	Elim. Interfund Transfers	Totals
Beginning Fund Balance	$ 7,186,775	$ 5,055,257	$ (74,116)	$ 1,376,841	$ 11,266,481	$ 1,313,643	$ 959,870	$ 74,116	$ 27,158,867
Receipts:									
Taxes	22,186,000	-	-	1,505,000	-		693,344		24,384,344
Water Sales	-	11,325,600	-	-	-		-		11,325,600
Sewer Sales	-	6,978,400	-	-	-		-		6,978,400
Solid Waste Sales	-	5,260,490	-	-	-		-		5,260,490
Other Fees for Services	3,956,760	102,000	7,249,718	876,000	-		-	(6,436,193)	5,748,285
Interest	215,000	239,500	66,000	48,905	250,000	15,000	29,200		863,605
Other	329,100	1,168,985	-	92,300	200,000	7,000	-		1,797,385
Bond Proceeds	-	-	-	1,350,000	7,050,000		-		8,400,000
Transfers In	2,312,493	-	2,260,000	545,000	-		115,986	(5,233,479)	-
Total Receipts	28,999,353	25,074,975	9,575,718	4,417,205	7,500,000	22,000	838,530	(11,669,672)	64,758,109
									-
Expenditures/Expenses:									-
Personnel	20,146,240	6,083,200	1,011,917	121,800	-		-		27,363,157
Supplies	1,157,762	1,196,076	1,211,732	555,460	-		-		4,121,030
Maintenance	1,015,428	1,507,570	604,270	1,039,450	-		-		4,166,718
Utilities	1,484,592	2,893,900	107,190	68,100	-		-		4,553,782
Contract Wages	355,060	89,280	13,050	-	-		-		457,390
Computer Services	566,575	104,900	14,000	-	-		-	(685,475)	-
Debt Service	195,237	5,711,023	95,232		-		627,186		6,628,678
Contractual Services	1,969,995	3,678,660	4,324,155	769,893	-		-	(3,170,000)	7,572,703
Vehicle Usage	1,225,971	1,362,047	-	1,400	-		-	(2,580,718)	8,700
Capital Expenses	208,750	527,618	990,450	1,962,000	15,360,000		-		19,048,818
Other		44,200	-	-	-		-		44,200
Transfers Out	1,826,283	2,546,212	-	160,986	200,000		500,000	(5,233,481)	-
Total Expenditures/Expenses	30,151,893	25,744,686	8,371,996	4,679,089	15,560,000	-	1,127,186	(11,669,674)	73,965,176
Ending Fund Balance	$ 6,034,235	$ 4,385,546	$ 1,129,606	$ 1,114,957	$ 3,206,481	$ 1,335,643	$ 671,214	$ 74,118	$ 17,951,800

General Fund
Summary of Revenues & Expenditures (Budget Basis)

	Actual 2006-2007	Adjusted Budget 2007-2008	Projected 2007-2008	Proposed 2008-2009
Beginning Fund Balance	$7,317,101	$ 7,501,883	$ 8,621,767	$ 7,050,008
Revenues				
Property Taxes	7,288,378	7,495,500	7,593,000	6,550,000
Sales Taxes	10,650,018	11,086,709	10,499,000	11,850,000
Franchise Taxes	3,274,622	3,330,000	3,561,000	3,663,000
Other Taxes	112,467	113,000	126,500	123,000
Fines & Forfeitures	668,660	754,500	849,606	923,000
Recreation	230,185	278,500	205,241	236,000
Permits & Licenses	433,390	439,000	437,418	438,000
Rentals	20,581	5,650	26,512	79,700
Cemetery Sales and Services	116,972	164,000	148,180	148,000
Sales & Services	384,859	514,785	447,357	382,060
Ambulance Services	2,212,832	1,850,000	1,700,000	1,750,000
Interest	558,684	425,000	415,959	210,000
Grants and Miscellaneous	494,418	675,998	899,781	296,250
Total Revenues	26,446,065	27,132,642	26,909,554	26,649,010
Transfers In	1,999,588	2,090,138	1,995,938	2,312,493
Total Receipts	28,445,654	29,222,780	28,905,492	28,961,503
Total Funds Available	35,762,755	36,724,664	37,527,259	36,011,511
Expenditures				
Personnel	18,908,864	19,633,685	20,170,000	20,146,240
Supplies	811,228	1,212,148	1,143,000	1,157,762
Maintenance	795,210	1,295,346	1,065,000	1,015,428
Utilities	1,240,649	1,510,115	1,433,000	1,484,592
Contract Wages	338,366	335,910	375,000	355,060
Computer Services	270,143	387,900	407,500	566,575
Debt Service	191,941	211,885	205,000	195,237
Contractual and Sundry Services	1,239,496	1,753,962	1,709,000	1,848,395
Vehicle Usage	1,051,316	1,207,900	1,125,000	1,225,971
Equipment and Buildings	1,497,774	1,025,596	994,751	208,750
Transfer Out to Debt Service	-	481,750	150,000	-
Transfer Out to Fleet Fund	-	-	-	1,000,000
Transfer Out to Ins Fund	-	-	-	766,283
Transfer Out to Comp Svc	-	-	-	60,000
Transfers Out- CIP Fund	796,000	1,700,000	1,700,000	-
Total Expenditures	27,140,988	30,756,197	30,477,251	30,030,293
Excess Receipts over Expenditures	1,304,665	(1,533,417)	(1,571,759)	(1,068,790)
Ending Fund Balance	$ 8,621,767	$ 5,968,467	$ 7,050,008	$ 5,981,218

Utility Fund
Summary of Revenues & Expenses (Budget Basis)

	Actual 2005-2006	Actual 2006-2007	Projected 2007-2008	Proposed 2008-2009
Beginning Reserve	$ 3,912,011	$ 6,410,850	$ 4,789,693	$ 3,455,109
Revenues				
Water Revenues	10,859,674	10,218,635	10,788,000	11,325,600
Sewer Revenues	6,610,903	6,567,903	6,733,000	6,978,400
Laboratory Charges	128,565	116,285	97,000	97,000
Service & Penalties	417,135	413,427	447,000	450,000
Earned Interest	323,847	379,039	240,000	175,000
Miscellaneous	301,025	313,827	298,773	464,485
Total Revenues	18,641,149	18,009,116	18,603,773	19,490,485
Total Funds Available	22,553,160	24,419,966	23,393,466	22,945,594
Expenses				
Personnel	3,896,147	4,181,354	4,226,234	4,484,284
Supplies	713,306	660,427	947,229	1,016,743
Maintenance & Repair	1,103,683	1,212,385	2,094,116	1,477,570
Utilities	2,649,014	2,579,701	2,749,700	2,881,700
Computer Services	68,683	66,387	72,500	90,900
Debt Service	4,577,430	4,562,052	4,753,613	5,386,936
Contract Wages	89,025	58,849	82,000	84,000
Contractual & Special Services	874,338	702,668	1,741,905	2,167,166
Vehicle Usage	228,019	198,005	246,457	271,564
Other	247,125	159,506	251,481	293,198
Capital Expenses	206,917	251,113	473,122	44,200
Total Expenses	14,653,687	14,632,447	17,638,357	18,198,261
Transfers Out				
General Fund	1,323,553	1,497,826	1,500,000	1,696,732
Others	165,070	3,500,000	800,000	172,531
Total Transfers Out	1,488,623	4,997,826	2,300,000	1,869,263
Total Expenses	16,142,310	19,630,273	19,938,357	20,067,524
Excess Revenues over Expenditures	2,498,839	(1,621,157)	(1,334,584)	(577,039)
Ending Reserve	$ 6,410,850	$ 4,789,693	$ 3,455,109	$ 2,878,070

Solid Waste Fund
Summary of Revenues & Expenses (Budget Basis)

	Actual 2005-2006	Actual 2006-2007	Projected 2007-2008	Proposed 2008-2009
Beginning Fund Balance	$ 1,614,345	$ 2,726,010	$ 2,174,490	$ 1,198,439
Revenues				
Solid Waste Fees	5,086,276	4,765,624	4,631,000	5,260,490
Service Penalties	-	69,556	60,000	70,000
Interest	55,578	94,377	55,000	45,000
Miscellaneous	140,759	133,600	170,375	184,500
Total Revenues	5,668,567	5,063,156	4,916,375	5,559,990
Total Funds Available	7,282,912	7,789,166	7,090,865	6,758,429
Expenses				
Personnel	1,255,190	1,456,465	1,529,215	1,598,916
Supplies	157,141	212,224	183,928	179,333
Maintenance & Repair	6,991	10,062	33,000	30,000
Utilities	7,419	7,796	10,500	12,200
Contract Wages	2,374	1,615	3,100	5,280
Computer Services	7,928	15,720	12,200	14,000
Solid Waste Debt Service	453,291	502,931	354,064	324,087
Contractual & Sundry Services	1,303,035	1,363,568	1,403,046	1,501,494
Vehicle Usage	712,524	757,073	957,244	1,090,483
Capital Expenses	300,003	191,285	210,191	234,420
Transfers Out	351,006	1,095,938	1,195,938	676,949
Total Expenses	4,556,902	5,614,677	5,892,426	5,667,162
Excess Receipts over Expenditures	1,111,665	(551,520)	(976,051)	(107,172)
Ending Fund Balance	$ 2,726,010	$ 2,174,490	$ 1,198,439	$ 1,091,267

General Improvement Fund
Summary of Revenues and Expenditures (Budget Basis)

	Actual 2006-2007	Projected 2007-2008	Proposed 2008-2009
Beginning Fund Balance	$ 4,173,153	$ 1,429,818	$ 6,661,318
Revenues:			
Transfers In	1,504,028	2,400,000	-
Austin College Participation			200,000
Bond Proceeds		4,950,000	7,050,000
Investment Interest	152,662	120,000	150,000
Total Revenues	1,656,690	7,470,000	7,400,000
Total Funds Available	5,829,843	8,899,818	14,061,318
Expenditures:			
Taylor/Lamberth Right of Way	3,513	-	-
Street Oversizing	20,929	-	-
Fairview Pool Construction	2,051,892	-	-
Old Settlers Park Shade Structures	93,036	-	-
Old Settlers Park Road and Courts	252,382	-	-
Rebuilding Loy Lake - Taylor to Lamberth	1,542,393	-	-
Solid Waste Parking Lot Improvements - Phas	67,464	-	-
Culvert at King Street and First Street	4,048	55,000	-
FM 1417/Highway 56 Intersection ROW Acqui	28,350	-	-
Fairview Soccer Field Irrigation/Renovation	130,231	-	-
Fairview/MLK Lighted Hike/Bike Trail	127,145	262,000	-
Fairview Park Picnic Pavilions	44,999	-	-
Municipal Grounds Irrigation Project	33,643	-	-
Texoma Pkwy - Loy Lake Box Culvert	-	25,000	-
Harrison Storm Water Improvement	-	80,000	-
Aerial and Topographic Map Updates	-	170,000	-
Comprehensive Plan Study	-	175,000	95,000
Center Street Complex Planning	-	5,000	-
Hawn Park Upgrade	-	130,000	-
* Pecan Grove Park - Phase I	-	200,000	200,000
Old Settlers Park Restroom/Concession	-	150,000	-
Emergency Siren Replacement	-	195,000	-
Central Business District Rehabilitation Study	-	20,000	-
Park Mapping Project	-	40,000	-
Travis Street Overlay - Hwy 75 to Washington	-	111,500	-
Street Right-of-Way & Oversizing	-	20,000	150,000
* Brockett St. - Grand to Travis	-	400,000	1,600,000
* Washington Street West	-	-	4,000,000
* Lamberth Rd West	-	-	900,000
* Canyon Creek Drive	-	-	1,200,000
* Pecan Grove Park - Phase II	-	-	2,400,000
* Center Street Sports Complex	-	200,000	1,300,000
Solid Waste Transfer Station Repairs	-	-	230,000
Bleacher Renovation - Fairview & OSP	-	-	200,000
US 75 W. Frontage Road Reversal	-	-	300,000
Canyon Grove Road - relocation	-	-	50,000
Total Expenditures	4,400,024	2,238,500	12,625,000
Ending Fund Balance	$ 1,429,818	$ 6,661,318	$ 1,436,318

Utility Improvement Fund
Summary of Revenues and Expenses (Budget Basis)

	Actual 2006-2007	Projected 2007-2008	Proposed 2008-2009
Beginning Fund Balance	$ 3,083,122	$ 5,844,272	$ 4,605,163
Revenues			
Interest Income/Other Income	216,868	150,000	100,000
Transfer-in from Utility Fund	3,500,000	800,000	-
Transfer-in from Utility Bond Funds		445,162	-
Total Revenues	3,716,868	1,395,162	100,000
Total Funds Available	6,799,990	7,239,434	4,705,163
Expenses			
Lamberth/Devonshire Sewer Replacement	4,008	-	-
Hub Street Water Line Replacement	57,756	-	-
NW Sherman Water Line Replacement	86,004	-	-
Ricketts/Kessler Water Line Replacement	54,729	-	-
WTP - Upgrade Phase I	469,117	548,498	-
Texoma Parkway Water Line Replacement - Phase II	29,509	-	-
Hwy 56 Water Line Connection - West to Friendship	84,594	50,000	-
Dexter Street Water Line Replacement	152,699	-	-
West Washington Water Replacement	-	175,000	-
Texoma Parkway Sewer Replacement	-	15,000	100,000
Belden Street Water Line Replacement	7,831	71,644	-
Oakhill Water Line Replacement	7,767	59,129	-
WWTP Screw Lift Pump Replacement	-	320,000	300,000
WTP - Upgrade Phase II	-	1,100,000	-
* Relief Sewer K-4 Phase I	1,704	-	-
Utility Oversizing	-	-	100,000
Highland Street Water Replacement	-	135,000	-
Travis Street Water Line Replacement - 75 to Washington	-	160,000	-
WTP - Upgrade Phase III	-	-	1,500,000
Fallon Drive Water Main Loop	-	-	250,000
Travis Street Water Line Replacement - Washington to Jones	-	-	250,000
Oak Creek Dr Water Line Replacement	-	-	140,000
Willow St Water Line Replacement	-	-	95,000
* WWTP Primary Clarifier #2 Rehab			-
* WWTP Digester Roof Repair			-
* WWTP Fine Screen Installation			-
* Relief Sewer K-4 Phase II			-
* Relief Sewer C-1 Replacement			-
Transfers Out - Fleet Replacement Fund	-	-	200,000
Total Expenses	955,719	2,634,271	2,935,000
Ending Fund Balance	$ 5,844,272	$ 4,605,163	$ 1,770,163

*** Note: Projects thru GTUA will not be reflected on City's books. This presentation is for discussion purposes only.**

Public Charities Fund
Summary of Receipts & Expenditures

This fund accounts for donations that are too small to warrant a separate fund.

	Actual 2006-2007	Projected 2007-2008	Proposed 2008-2009
Beginning Fund Balance	$ 98,338	$ 94,610	$ 92,289
Receipts			
Interest	4,986	3,444	3,000
F.E.M.A. Grant	3,182	3,000	3,000
Glennie O. Ham Donations	1,583	2,000	2,500
Altrusa (W.A.F.A.)	250	250	250
Sherman Beautification	-	-	-
Library Donations	2,000	750	20,000
Animal Shelter Donations	7,641	5,000	5,000
Fishing Festival	94	-	-
Fire Dept Donations	2,600	1,500	2,000
Grant Revenue	-	16,885	-
Genealogical Donations	-	100	100
Medical Transportation	-	-	-
Total Receipts	22,336	32,929	35,850
Total Funds Available	120,674	127,539	128,139
Expenditures			
F.E.M.A. Grant	3,233	3,500	3,000
Library Donations	1,422	17,900	20,000
Glennie O. Ham Center	2,010	3,000	3,500
Day Care Lapsed Grant Funds	8,750	-	
Altrusa (W.A.F.A.)	264	250	250
Senior Citizen's Dance Club	57	100	500
Sherman Beautification	-	-	12,000
Animal Shelter Donations	-	5,000	20,000
Fire Dept Donations	2,378	500	1,300
Fishing Festival	101	-	1,000
Genealogical	-	-	50
Remodeling Contingency	7,850	5,000	50,000
Total Expenditures	26,064	35,250	111,600
Ending Fund Balance	$ 94,610	$ 92,289	$ 16,539

Land Transaction Fund
Summary of Receipts & Expenditures

This fund is to account for small sales of city property, including abandoned alleys and streets, and to provide funding for City appraisals and associated expenditures incurred in purchasing land and right-of-ways under the direction of city management.

	Actual 2006-2007	Projected 2007-2008	Proposed 2008-2009
Beginning Fund Balance	$ 54,359	57,218	44,478
Receipts			
Other revenue	-	-	-
Interest Earned	2,860	2,000	2,000
Total Receipts	2,860	2,000	2,000
Total Funds Available	57,218	59,218	46,478
Expenditures			
Miscellaneous	-	14,740	10,000
Ending Fund Balance	$ 57,218	$ 44,478	$ 36,478

Street Revolving Fund
Summary of Receipts & Expenditures

The capital projects fund accounts for street curb, gutter, improvements that are financed by developer or citizen cost assessments.

	Actual 2006-2007	Projected 2007-2008	Proposed 2008-2009
Beginning Fund Balance	$ 386,753	$ 416,623	$ 444,623
Receipts			
Interest Income	29,870	28,000	20,000
Street Assessment	-	-	-
Total Receipts	29,870	28,000	20,000
Total Funds Available	416,623	444,623	464,623
Total Expenditures	-	-	-
Ending Fund Balance	$ 416,623	$ 444,623	$ 464,623

TIF #1 Construction Fund
Summary of Receipts & Expenditures

	Proposed 2008-2009
Beginning Fund Balance	$ -
Receipts	
Bond Proceeds	900,000
Transfer from TIF Fund	500,000
Total Receipts	1,400,000
Total Funds Available	1,400,000
Expenditures	
Capital Improvements	1,400,000
Ending Fund Balance	$ -

TIF #2 Fund
Summary of Receipts & Expenditures

This fund accounts for accumulation of funds within this reinvestment zone located in downtown Sherman. Proceeds from the tax increment are to be used to pay for projects in this area on a both a pay-as-you-go basis and to pay debt service on projects financing through long-term borrowings.

	Actual 2006-2007	Approved 2007-2008	Projected 2007-2008	Proposed 2008-2009
Beginning Fund Balance	$ -	$ 34,093	$ 25,138	$ 59,638
Receipts				
Property Tax	24,058	35,000	33,000	-
Bond Issuance Proceeds				450,000
Interest	1,080	1,000	1,500	900
Total Receipts	25,138	36,000	34,500	450,900
Total Funds Available	25,138	70,093	59,638	510,538
Expenditures				
Improvements	-	50,000	-	500,000
Total Expenditures	-	50,000	-	500,000
Ending Fund Balance	$ 25,138	$ 20,093	$ 59,638	$ 10,538

Auditorium Debt Service Fund
Summary of Receipts & Expenditures

	Actual 2006-2007	Projected 2007-2008	Proposed 2008-2009
Beginning Fund Balance	$ 94,938	$ 142,035	$ 144,635
Receipts			
Transfers-in from Hotel/Motel Tax	153,940	113,437	115,986
Interest	4,112	3,100	2,800
Total Receipts	158,052	116,537	118,786
Total Funds Available	252,990	258,572	263,421
Expenditures			
Debt Service	110,655	113,437	115,986
Agent Fees	300	500	500
Total Expenditures	110,955	113,937	116,486
Ending Fund Balance	$ 142,035	$ 144,635	$ 146,935

TIF #1 Debt Service Fund
Summary of Receipts & Expenditures

Note: This Tax Increment Financing (TIF) Zone includes Sherman Town Center, on the northwest corner of Hwy 75 and Hwy 82 intersections. This fund accounts for the debt service associated with purchase of infrastructure assets within this Zone.

	Actual 2006-2007	Approved 2007-2008	Projected 2007-2008	Proposed 2008-2009
Beginning Fund Balance	$ 332,465	$ 483,563	$ 482,591	$ 588,435
Receipts				
Property Tax	324,892	326,000	326,000	330,000
Interest	25,217	27,000	27,000	24,000
Total Receipts	350,109	353,000	353,000	354,000
Total Funds Available	682,574	836,563	835,591	942,435
Expenditures				
Debt Service	199,983	246,656	246,656	241,106
Transfer to TIF Construction Fund	-	-	-	500,000
Agent Fees	-	500	500	500
Total Expenditures	199,983	247,156	247,156	741,606
Ending Fund Balance	$ 482,591	$ 589,407	$ 588,435	$ 200,829

TIF #2 Debt Service Fund
Summary of Receipts & Expenditures

Note: This Tax Increment Financing (TIF) Zone includes the downtown Sherman area. This fund is used to account for debt service payments associated with capital improvements made in the Downtown area using proceeds from debt issued by taxes generated within the TIF.

	Proposed 2008-2009
Beginning Fund Balance	$ -
Receipts	
Property Tax	40,000
Interest	400
Total Receipts	40,400
Total Funds Available	40,400
Expenditures	
Debt Service	25,000
Agent Fees	250
Total Expenditures	25,250
Ending Fund Balance	$ 15,150

TIF #3 Fund
Summary of Receipts & Expenditures

Note: This TIF Fund is designed to accumulate funds for payment of debt service, debt issuance proceeds of which will be used to make infrastructure improvements within the Zone. This Zone is generally located on the northeast and southeast corners of the intersection of Hwy 75 and Loy Lake Road.

	Approved 2007-2008	Projected 2007-2008	Proposed 2008-2009
Beginning Fund Balance	$ -	$ -	$ 76,800
Receipts			
Property Tax	55,000	75,000	80,000
Interest	200	1,800	2,000
Total Receipts	55,200	76,800	82,000
Total Funds Available	55,200	76,800	158,800
Expenditures			
Debt Service	-	-	-
Agent Fees	-	-	-
Total Expenditures	-	-	-
Ending Fund Balance	$ 55,200	$ 76,800	$ 158,800

CO Debt Service Fund
Summary of Receipts & Expenditures

	Approved 2007-2008	Projected 2007-2008	Proposed 2008-2009
Beginning Fund Balance	$ -	$ -	$ 150,000
Receipts			
Transfer from General Fund	481,750	150,000	-
Property Tax Revenues	-	-	243,344
Total Receipts	481,750	150,000	243,344
Total Funds Available	481,750	150,000	393,344
Expenditures			
Debt Service	481,250	-	243,344
Agent Fees	500	-	500
Total Expenditures	481,750	-	243,844
Ending Fund Balance	$ -	$ 150,000	$ 149,500

Auditorium & Ballroom Fund
Summary of Receipts & Expenditures

	Actual 2006-2007	Projected 2007-2008	Proposed 2008-2009
Beginning Fund Balance	$ 61,525	$ 72,946	$ 88,318
Receipts			
Transfer-In from Hotel/Motel	63,355	62,000	45,000
Interest	3,469	2,000	2,000
Auditorium/Ballroom Rental	22,217	25,000	25,000
Total Receipts	89,041	89,000	72,000
Total Funds Available	150,566	161,946	160,318
Expenditures			
Ballroom:			
Personnel	15,363	18,798	10,000
Supplies	17	-	6,735
Maintenance	4,283	533	8,850
Utilities	29,242	32,000	36,000
Equipment	211	7,560	-
Auditorium:			
Personnel	4,371	1,050	3,000
Maintenance	14,465	1,687	14,000
Utilities	9,668	12,000	13,000
Total Expenditures	77,620	73,628	91,585
Ending Fund Balance	$ 72,946	$ 88,318	$ 68,733

Police Programs Fund
Summary of Receipts & Expenditures

	Actual 2006-2007	Projected 2007-2008	Proposed 2008-2009
Beginning Fund Balance	$ 144,419	$ 227,645	$ 156,156
Receipts			
E 9-1-1 Service Fees	226,019	210,000	210,000
Security and Technology Fees	44,092	49,000	51,000
Interest	8,488	7,000	6,000
Total Receipts	278,599	266,000	267,000
Total Funds Available	423,018	493,645	423,156
Expenditures			
Personnel	57,463	72,210	108,800
Supplies	300	11,200	8,700
Maintenance/Repairs	95	5,700	6,700
Contractual Payments	110,961	130,644	133,200
Equipment	26,554	117,735	62,000
Total Expenditures	195,373	337,489	319,400
Ending Fund Balance	$ 227,645	$ 156,156	$ 103,756

Parks Pride Fund
Summary of Receipts & Expenditures

	Actual 2006-2007	Projected 2007-2008	Proposed 2008-2009
Beginning Fund Balance	$ 33,218	$ 31,659	$ 28,459
Receipts			
PRIDE Donations	10,948	11,000	11,000
Interest Income	1,520	800	700
Miscellaneous Income	82	-	-
Total Receipts	12,550	11,800	11,700
Total Funds Available	45,768	43,459	40,159
Expenditures			
Park Improvements	14,109	15,000	20,000
Total Expenditures	14,109	15,000	20,000
Ending Fund Balance	$ 31,659	$ 28,459	$ 20,159

Police Pride Fund
Summary of Receipts & Expenditures

	Actual 2006-2007	Projected 2007-2008	Proposed 2008-2009
Beginning Fund Balance	$ 19,634	$ 21,737	$ 11,737
Receipts			
PRIDE Donations	10,948	11,400	11,000
Interest Income	1,002	600	500
Total Receipts	11,950	12,000	11,500
Total Funds Available	31,584	33,737	23,237
Expenditures			
Supplies	1,385	4,000	4,000
Travel/Tuition	575	3,500	3,500
Contractual Services	687	5,000	5,000
Canine Replacement Dog	7,200	9,500	10,500
Total Expenditures	9,847	22,000	23,000
Ending Fund Balance	$ 21,737	$ 11,737	$ 237

Donations Fund
Summary of Receipts & Expenditures

This fund includes donations for Holiday Decorating & Library.

	Actual 2006-2007	Projected 2007-2008	Proposed 2008-2009
Beginning Fund Balance	$ 133	$ 569	$ 919
Receipts			
Donations	423	340	300
Interest Income	13	10	5
Total Receipts	436	350	305
Total Funds Available	569	919	1,224
Expenditures			
Supplies	-	-	800
Total Expenditures	-	-	800
Ending Fund Balance	$ 569	$ 919	$ 424

Hotel/Motel Tax Fund
Summary of Receipts & Expenses

	Actual 2005-2006	Actual 2006-2007	Projected 2007-2008	Proposed 2008-2009
Beginning Fund Balance	$ 256,417	$ 283,960	$ 191,563	$ 80,730
Receipts				
Hotel/Motel Tax 5%	368,754	336,587	320,000	357,000
Hotel/Motel Tax 2%	147,363	134,697	130,000	143,000
Interest	4,788	8,600	5,000	3,000
Total Receipts	618,602	479,884	455,000	503,000
Total Funds Available	875,019	763,844	646,563	583,730
Expenditures				
Museum Support	80,000	80,000	82,500	82,500
Museum - Payment for Past Services	100,000	-	-	-
Downtown Preservation	20,000	20,000	20,000	-
Convention and Visitors (Tourism)	166,315	207,455	229,725	199,000
Downtown Building Incentive	5,000	15,531	25,000	25,000
Arts Council	25,800	32,000	33,171	35,303
Transfer to Auditorium/Ballroom	46,581	63,355	62,000	45,000
Transfer 2% to Auditorium Debt Service	147,363	153,940	113,437	115,986
Total Expenditures	591,059	572,281	565,833	502,789
Excess Receipts over Expenditures	27,543	(92,397)	(110,833)	211
Ending Fund Balance	$ 283,960	$ 191,563	$ 80,730	$ 80,941

Drug Enforcement Fund
Summary of Receipts & Expenditures

This fund accounts for monies seized during drug investigations and subsequently awarded to the City by the court. State law restricts the use of this money for law enforcement purposes. Cash must be available in this fund prior to spending.

	Actual 2006-2007	Projected 2007-2008	Proposed 2008-2009
Beginning Fund Balance	$ 17,843	$ 49,658	$ 9,470
Receipts			
Police Confiscated Funds	50,531	20,000	20,000
Interest Income	1,842	800	800
Total Receipts	52,373	20,800	20,800
Total Funds Available	70,216	70,458	30,270
Expenditures			
Supplies	7,178	17,988	16,000
Maintenance and Repair		2,000	1,600
Travel & Tuition	3,086	14,500	12,500
Machinery & Equipment	10,294	26,500	-
Total Expenditures	20,558	60,988	30,100
Ending Fund Balance	$ 49,658	$ 9,470	$ 170

Municipal Airport Fund
Summary of Receipts & Expenditures

This special revenue fund accounts for the state grant provided to the City of Sherman for improvements to the Municipal Airport and also for the maintenance and operational expenditures.

	Actual 2006-2007	Approved 2007-2008	Projected 2007-2008	Proposed 2008-2009
Beginning Fund Balance	$ 294,614	$ 322,065	$ 395,343	$ 481,791
Receipts				
Interest Income	17,137	15,000	13,000	13,000
Airport Rentals	52,845	50,000	45,000	45,000
Oil & Gas Royalty	75,466	70,000	85,000	-
Fuel Sales	359,647	475,050	357,000	545,000
Grant Revenue	-	50,000	30,000	50,000
Miscellaneous Revenue	12,366	-	-	-
Total Receipts	517,461	660,050	530,000	653,000
Total Funds Available	812,075	982,115	925,343	1,134,791
Expenditures				
Fuel Purchases	341,655	445,050	332,000	515,000
Other Supplies	1,803	3,950	2,050	4,225
Maintenance	2,531	8,000	6,000	8,300
Contractual Services	53,382	162,500	84,902	243,390
Utilities	14,831	18,200	17,200	19,100
Vehicle Usage	2,530	1,900	1,400	1,400
Total Expenditures	416,732	639,600	443,552	791,416
Ending Fund Balance	$ 395,343	$ 342,515	$ 481,791	$ 343,375

Street Sales Tax
Summary of Receipts & Expenditures

This special revenue fund accounts for the revenues generated from the additional 1/8 cent sales tax and expenditures for street improvements funded through these revenues.

	Approved 2007-2008	Projected 2007-2008	Proposed 2008-2009
Beginning Fund Balance	$ -	$ -	$ 15,000
Receipts			
Street Sales Tax Revenues	473,000	314,000	1,005,000
Interest Income	-	1,000	2,000
Total Receipts	473,000	315,000	1,007,000
Total Funds Available	473,000	315,000	1,022,000
Expenditures			
Street Improvements	450,000	300,000	1,000,000
Total Expenditures	450,000	300,000	1,000,000
Ending Fund Balance	$ 23,000	$ 15,000	$ 22,000

Insurance Fund
Summary of Receipts & Expenditures

	Actual 2006-2007	Projected 2007-2008	Proposed 2008-2009
Beginning Fund Balance	$ 1,626,122	$ 1,083,257	$ 12,674
Receipts			
Employer Contributions	3,013,505	2,825,000	3,170,000
Employee Contributions	654,008	570,000	650,000
Retiree Contributions	141,274	155,000	160,000
COBRA Contributions	-	417	-
Interest Income	97,815	50,000	50,000
Miscellaneous	18,915	-	-
Transfers In	-	-	1,000,000
Total Receipts	3,925,517	3,600,417	5,030,000
Total Funds Available	5,551,639	4,683,674	5,042,674
Expenses			
Health & Dental Claims	3,777,135	4,100,000	3,600,000
Insurance Premiums & Cost	564,488	514,000	515,000
Life Insurance	93,589	32,000	32,000
AD & D	8,169	-	8,500
Miscellaneous	24,999	25,000	25,000
Transfer out	2	-	-
Total Expenses	4,468,382	4,671,000	4,180,500
Ending Fund Reserve	$ 1,083,257	$ 12,674	$ 862,174

Computer Service Fund
Summary of Receipts & Expenditures

	Actual 2006-2007	Projected 2007-2008	Proposed 2008-2009
Beginning Fund Balance	$ 503,367	$ 305,737	$ (59,118)
Revenues			
Interest Income	23,073	12,000	10,000
Computer Usage:			
General Fund	270,143	407,500	570,100
Equipment Services Fund	12,885	13,100	14,000
Utility Fund	66,387	72,500	90,900
Solid Waste Fund	15,720	12,200	14,000
Transfer In	-	-	60,000
Total Current Revenues	388,208	517,300	759,000
Total Funds Available	891,575	823,037	699,882
Expenses			
Personnel	253,924	257,973	259,807
Supplies	8,587	63,350	33,645
Maintenance & Repairs	62,145	189,000	154,448
Utilities	29,893	27,500	69,190
Contract Wages	79,366	115,000	13,050
Debt Service	10,706	95,232	95,232
Contractual Services & Other	85,049	38,100	28,800
Equipment, Capital Outlay	56,168	96,000	42,500
Total Expenses	585,838	882,155	696,672
Ending Fund Balance	$ 305,737	$ (59,118)	$ 3,210

Equipment Service Fund
Summary of Receipts & Expenditures

	Actual 2006-2007	Projected 2007-2008	Proposed 2008-2009
Beginning Fund Balance	$ (44,564)	$ (56,582)	$ (27,672)
Revenues			
Equipment Service Revenue:			
General Fund	1,050,896	1,124,661	1,224,771
Airport Fund	2,530	1,400	1,400
Utility Fund	205,035	246,457	271,564
Solid Waste Fund	752,350	957,244	1,082,983
Miscellaneous Revenue	-	2,700	-
	2,010,812	2,332,462	2,580,718
Total Funds Available	1,966,248	2,275,880	2,553,046
Expenses			
Personnel	684,526	727,408	752,110
Supplies	718,349	984,955	1,178,087
Maintenance & Repair	467,213	435,472	449,822
Utilities	26,119	37,000	38,000
Computer Services	12,885	13,100	14,000
Contractual Services	104,738	105,617	114,855
Equipment	9,000	-	5,025
Total Expenses	2,022,830	2,303,552	2,551,899
Ending Fund Balance	$ (56,582)	$ (27,672)	$ 1,147

Fleet Replacement Fund
Summary of Receipts & Expenditures

This new fund accounts for the purchase of fleet for use in the General Fund and Utility Fund.

	Proposed 2008-2009
Beginning Fund Balance	$ -
Revenues	
Transfers-In	1,200,000
Interest	6,000
	1,206,000
Total Funds Available	1,206,000
Expenses	
Equipment-General Fund	814,925
Equipment-Utility Fund	128,000
Total Expenses	942,925
Ending Fund Balance	$ 263,075

Water Customer Deposits
Summary of Receipts and Expenses

	Actual 2006-2007	Projected 2007-2008	Proposed 2008-2008
Beginning Fund Balance	$ 186,429	214,007	234,007
Receipts			
Interest Income	27,578	20,000	15,000
Total Funds Available	214,007	234,007	249,007
Expenses			
Miscellaneous	-	-	-
Ending Fund Balance	$ 214,007	$ 234,007	$ 249,007

Water & Sewer Pro Rata Fund
Summary of Receipts and Expenses

	Actual 2006-2007	Projected 2007-2008	Proposed 2008-2009
Beginning Fund Balance	$ 153,013	$ 161,202	$ 167,702
Receipts			
Interest Income	8,189	6,000	4,500
Pro Rata Fees	-	5,500	5,000
Total Receipts	8,189	11,500	9,500
Total Funds Available	161,202	172,702	177,202
Expenses			
Miscellaneous	-	5,000	10,000
Ending Fund Balance	$ 161,202	$ 167,702	$ 167,202

TRANSFERS SCHEDULE

FUND	DETAILS	BUDGETED FY08/09 *Expense TRANSFER FROM* Debit	*Revenue TRANSFER TO* Credit
100	From fund 600		
	From fund 700 5% franchise, admin cost		$ 1,696,732.00
	From fund 790, dept 243, 244, 245		$ 615,762.00
100	To fund 600 for group health	$ 766,283.00	
	To fund 630	$ 60,000.00	
	To fund 660	$ 1,000,000.00	
225	From fund 320	$ 500,000.00	
310	From fund 460		$ 115,986.00
320	To fund 225		$ 500,000.00
420	From fund 460		$ 45,000.00
460	To fund 310 and 420	$ 160,986.00	
600	From fund 100		$ 766,283.00
	From fund 700		$ 172,531.00
	From fund 790		$ 61,187.00
630	From Fund 100		$ 60,000.00
660	From fund 100		$ 1,000,000.00
	From fund 770		$ 200,000.00
700	To fund 600 for group health	$ 172,531.00	
	To fund 100 5% franchise, admin cost	$ 1,696,732.00	
770	To fund 660	$ 200,000.00	
790	To fund 100 5% franchise, admin cost	$ 201,281.00	
790	To fund 100 5% franchise, admin cost	$ 377,385.00	
790	To fund 100 5% franchise, admin cost	$ 37,096.00	
790	To fund 600 for group health	$ 61,187.00	
	TOTALS	**$ 5,233,481.00**	**$ 5,233,481.00**

City of Sherman, Texas

Bonded Debt as of 7/31/2008

	(1)				(2)			
	$1,700,000				***$2,840,000***			
	Combination Tax & Hotel Occupancy Tax Revenue				***Combination Tax & Tax Increment Revenue***			
	2000 Series, Certificates of Obligation				***2004 Series TIF Zone#1, Certificates of Obligation***			
Fiscal Yr	**Coupon**	**Principal**	**Interest**	**TOTAL**	**Coupon**	**Principal**	**Interest**	**TOTAL**
2009	5.75%	35,000.00	2,861.25	37,861.25	4.44%	125,000.00	116,106.00	241,106.00
2010	5.30%	35,000.00	927.50	35,927.50	4.44%	130,000.00	110,556.00	240,556.00
2011				-	4.44%	135,000.00	104,784.00	239,784.00
2012				-	4.44%	140,000.00	98,790.00	238,790.00
2013				-	4.44%	150,000.00	92,574.00	242,574.00
2014				-	4.44%	155,000.00	85,914.00	240,914.00
2015				-	4.44%	160,000.00	79,032.00	239,032.00
2016				-	4.44%	170,000.00	71,928.00	241,928.00
2017				-	4.44%	180,000.00	64,380.00	244,380.00
2018				-	4.44%	185,000.00	56,388.00	241,388.00
2019				-	4.44%	195,000.00	48,174.00	243,174.00
2020				-	4.44%	205,000.00	39,516.00	244,516.00
2021				-	4.44%	215,000.00	30,414.00	245,414.00
2022				-	4.44%	230,000.00	20,868.00	250,868.00
2023				-	4.44%	240,000.00	10,656.00	250,656.00
2024				-				-
2025				-				-
2026				-				-
2027				-				-
2028				-				-
2029				-				-
2030				-				-
		70,000.00	3,788.75	73,788.75		2,615,000.00	1,030,080.00	3,645,080.00

(1) These bonds were issued in 2000 to provide funding for Auditorium/Ballroom restoration. Debt service is financed through combination property tax and Hotel Motel tax revenues These bonds were refinanced in 2006 (see 2006 Series GO Refunding).

(2) These bonds were issued in 2004 to provide funding for infrastructure development for Sherman Town Center. Debt service is financed through tax increment property tax revenu

(3) These bonds were issued in 2006 to partially refund the 2000 Series Auditorium/Ballroom restoration bonds.

(4) These bonds were issued in 2008 to provide funding for various street and parks projects.

City of Sherman, Texas

Bonded Debt as of 7/31/2008

	(3)				(4)			
	$1,605,000 General Obligation Refunding, Series 2006				***$5,000,000 Tax and Waterworks and Sewer System Revenue Certificates of Obligation, Series 2008***			
Fiscal Yr	**Coupon**	**Principal**	**Interest**	**TOTAL**	**Coupon**	**Principal**	**Interest**	**TOTAL**
2009	3.50%	15,000.00	63,125.00	78,125.00			243,344.44	243,344.44
2010	3.50%	15,000.00	62,600.00	77,600.00	3.62%	175,000.00	177,832.50	352,832.50
2011	3.50%	55,000.00	61,375.00	116,375.00	3.62%	185,000.00	171,316.50	356,316.50
2012	3.50%	55,000.00	59,450.00	114,450.00	3.62%	190,000.00	164,529.00	354,529.00
2013	3.50%	60,000.00	57,437.50	117,437.50	3.62%	200,000.00	157,470.00	357,470.00
2014	3.50%	55,000.00	55,425.00	110,425.00	3.62%	210,000.00	150,049.00	360,049.00
2015	3.75%	60,000.00	53,337.50	113,337.50	3.62%	215,000.00	142,356.50	357,356.50
2016	3.75%	60,000.00	51,087.50	111,087.50	3.62%	225,000.00	134,392.50	359,392.50
2017	3.75%	65,000.00	48,743.75	113,743.75	3.62%	235,000.00	126,066.50	361,066.50
2018	3.75%	70,000.00	46,212.50	116,212.50	3.62%	245,000.00	117,378.50	362,378.50
2019	4.00%	70,000.00	43,500.00	113,500.00	3.62%	255,000.00	108,328.50	363,328.50
2020	4.00%	75,000.00	40,600.00	115,600.00	3.62%	265,000.00	98,916.50	363,916.50
2021	4.00%	80,000.00	37,500.00	117,500.00	3.62%	280,000.00	89,052.00	369,052.00
2022	4.00%	80,000.00	34,300.00	114,300.00	3.62%	290,000.00	78,735.00	368,735.00
2023	4.00%	85,000.00	31,000.00	116,000.00	3.62%	305,000.00	67,965.50	372,965.50
2024	4.00%	85,000.00	27,600.00	112,600.00	3.62%	315,000.00	56,743.50	371,743.50
2025	4.25%	85,000.00	24,093.75	109,093.75	3.62%	330,000.00	45,069.00	375,069.00
2026	4.25%	95,000.00	20,268.75	115,268.75	3.62%	345,000.00	32,851.50	377,851.50
2027	4.25%	100,000.00	16,125.00	116,125.00	3.62%	360,000.00	20,091.00	380,091.00
2028	4.375%	100,000.00	11,812.50	111,812.50	3.62%	375,000.00	6,787.50	381,787.50
2029	4.375%	105,000.00	7,328.13	112,328.13		-		-
2030	4.375%	115,000.00	2,515.63	117,515.63		-		-
		1,585,000.00	855,437.51	2,440,437.51		5,000,000.00	2,189,275.44	7,189,275.44

(1) These bonds were issued in 2000 to provide funding for Auditorium/Ballroom restoration. Debt service is financed through combination property tax and Hotel Motel tax revenues. These bonds were refinanced in 2006 (see 2006 Series GO Refunding).

(2) These bonds were issued in 2004 to provide funding for infrastructure development for Sherman Town Center. Debt service is financed through tax increment property tax revenues.

(3) These bonds were issued in 2006 to partially refund the 2000 Series Auditorium/Ballroom restoration bonds.

(4) These bonds were issued in 2008 to provide funding for various street and parks projects.

City of Sherman

Property Tax Historical Summary

Fiscal Year	Estimated Taxable Value (in 000)	Tax Levy (in 000)	Total Collections (in 000)
2003	$ 1,474,063	$ 5,896	$ 5,846
2004	$ 1,514,256	$ 6,057	$ 5,921
2005	$ 1,557,228	$ 6,229	$ 6,258
2006	$ 1,767,235	$ 7,069	$ 6,802
2007	$ 1,894,959	$ 7,580	$ 7,288
2008 (est)	$ 1,950,000	$ 7,800	$ 7,593

SHERMAN CITY COUNCIL

Agenda Communication Form

From: The Office of the City Manager **Date:** 8-18-2008

Subject: Agenda Item No. B.2

PUBLIC HEARING OF ORDINANCE NO. 5552
Extending the Corporate Limits of Said City so as to Annex Approximately 2.8 Acres along the Travis Street Right-of-Way South of Austin Landing (F.M. 131) in the City of Sherman's Extra Territorial Jurisdiction; Providing for a Municipal Plan

Issue
To hold a public hearing and consider the adoption of the annexation ordinance that extends the City of Sherman's corporate limits so as to annex approximately 2.8 acres along the Travis Street right-of-way south of Austin Landing (F.M. 131) in the City's extra territorial jurisdiction (ETJ), in accordance with State law and the City Charter

Background
It is the City's intention to annex specifically identified individual areas in the City's ETJ, in accordance with state law and the City Charter. At its June 2nd meeting, the City Council approved the schedule for annexation of this property, which set public hearings for the July 17th, July 21st, and August 18th Council meetings. The first and second public hearings were held on July 17th and 18th, as scheduled, with no public comments.

Origination
Department of Utilities and Engineering

Financial Consideration
City accepts maintenance. The incremental cost of annexing this property is negligible.

Staff Recommendation
It is recommended that the City Council hold the public hearing and consider the adoption of the ordinance for annexation of this property.

Alternatives
As directed by the City Council

Attachments
Ordinance No. 5552
Annexation Scheduling Plan
Field Notes and Sketch
Municipal Service Plan
Aerial and Location Map

Prepared by:
Mark Gibson, Utilities & Engineering Director

Approved by:
George Olson, City Manager

ORDINANCE NO. 5552

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, EXTENDING THE CORPORATE LIMITS OF SAID CITY SO AS TO ANNEX APPROXIMATELY 2.8 ACRES ALONG THE TRAVIS STREET RIGHT-OF-WAY SOUTH OF AUSTIN LANDING (F.M. 131) IN THE CITY OF SHERMAN'S EXTRA TERRITORIAL JURISDICTION; PROVIDING FOR A MUNICIPAL PLAN; PROVIDING FOR SEVERABILITY; PROVIDING FOR A REPEALER; FINDING AND DETERMINING THAT THE MEETINGS AT WHICH THIS ORDINANCE WAS INTRODUCED AND PASSED WAS NOTICED AND IS OPEN TO THE PUBLIC AS REQUIRED BY LAW.

WHEREAS, Chapter 43 of the Texas Local Government Code and Article X, Section 12 of the City Charter of Sherman, Texas, an incorporated City, authorizes the annexation of territory, subject to the laws of this State.

WHEREAS, the procedures proscribed in Chapter 43 of the Texas Local Government Code, the City Charter of the City of Sherman, Texas, and any other applicable laws have been duly followed with respect to the territory described in Section 1 of this Ordinance.

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

SECTION 1. That the limits of the City of Sherman, Texas, shall be extended so as to hereinafter include within the corporate limits of said City the following tract of land, being more particularly described as follows, to-wit:

Situated in the County of Grayson, State of Texas, being a part of the John Jennings Survey abstract No. 647 and the being a section of FM 131 right-of-way and being more particularly described by metes and bounds as follows, to wit:

BEGINNING at a point in the existing City limits established by City Ordinance No. 3217 and being on the West right-of-line of FM 131(North Travis Street) and the northeast corner of the Grayson County Women's Crisis Center Addition;

THENCE Northwesterly with the West right-of-way line of FM 131 (North Travis Street), a distance of approximately 1888 feet to a point in the South line of the existing City limits Established by Ordinance No. 5357 and the South line of Austin Landing Addition;

THENCE East with the South line of Ordinance No. 5357 crossing the right-of-way of FM 131 (North Travis Street) to the East right-of way line of said FM 131, said point also lying in the west boundary of North Creek Addition;

THENCE Southerly with the East right-of-way line of FM 131 (North Travis Street), passing Mooreman-Moore Addition and continuing for a distance of approximately 1888 feet to a point;

THENCE with the North line of the City limits established by Ordinance No. 3452 crossing the right-of-way of FM 131 (North Travis Street) to the West right-of-way line of FM 131 (North Travis Street) and to the place of beginning and containing 2.8 acres of land; more or less.

SECTION 2. That the inhabitants thereof shall hereinafter be entitled to all the rights and privileges of other citizens of the City of Sherman and they shall be bound by the acts, ordinances, resolutions, and regulations of said City.

SECTION 3. That the Service Plan for the annexed area is adopted and attached as Exhibit "A" to this Ordinance and incorporated for all purposes.

SECTION 4. That the provisions of this ordinance are severable and the invalidity of any word, phrase or part of this ordinance shall not affect the validity or effectiveness of the remainder of the ordinance.

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

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

INTRODUCED on this the _____ day of _____, 2008.

ADOPTED on this the _____ day of _____, 2008.

EFFECTIVE DATE on this the _____ day of _____, 2008.

CITY OF SHERMAN, TEXAS

BY: _____
BILL MAGERS, MAYOR

ATTEST:

BY: _____
LINDA ASHBY, CITY CLERK

APPROVED AS TO FORM AND CONTENT:

BY: _____
DOREEN E. MCGOOKEY, CITY ATTORNEY

ANNEXATION SCHEDULING PLAN

Approximately 2.8 acres along the
Travis Street right-of-way South of Austin Landing (F.M. 131)

Friday, June 13, 2008……..	Send written notice to property owners in the area to be annexed, public or private entities that provide services in that area, and any railroads with a right of way in the area to be annexed. The Department of Engineering Services will prepare a service plan that details the specific Municipal Services that will be provided to the area after it is annexed.
Thursday, July 3, 2008……..	Post notice on City's website, newspaper and City Hall for City Council's 1st Public Hearing on intent to annex. Send written notice to each public school district in the area to be annexed. Send by certified mail a second written notice to any railroads with a right of way in the area to be annexed. Obtain required affidavit of publication from newspaper.
Friday, July 11, 2008 …….	Post notice of 1st public hearing under the Open Meetings Act.
Thursday, July 17, 2008……...	City Council's 1st Public Hearing on intent to annex and service plan.*
Thursday, July 10, 2008……..…….	Post notice on City's website, newspaper and City Hall for City Council's 2nd Public Hearing on intent to annex. Obtain required affidavit of publication from newspaper.
Friday, July 18, 2008……	Post notice of 2nd public hearing under the Open Meetings Act.
Monday, July 21, 2008…….....	City Council's 2nd Public Hearing on intent to annex and service plan.
Friday, August 15, 2008 ……. ……	Post notice on City's website, newspaper and City Hall for introduction of annexation ordinance and adoption of the ordinance. Posting will also be in compliance with the Open Meetings Act.
Monday, August 18, 2008…….	City Council Public Hearing for introduction and consideration of adoption of annexation ordinance.

Annexation
of approximately 2.8 Acres of the
State Hwy 131(North Travis Street)
Right-of-Way North of Hwy 82

Situated in the County of Grayson, State of Texas, being a part of the John Jennings Survey abstract No. 647 and the being a section of FM 131 right-of-way and being more particularly described by metes and bounds as follows, to wit:

BEGINNING at a point in the existing City limits established by City Ordinance No. 3217 and being on the West right-of-line of FM 131(North Travis Street) and the northeast corner of the Grayson County Women's Crisis Center Addition;

THENCE Northwesterly with the West right-of-way line of FM 131 (North Travis Street), a distance of approximately 1888 feet to a point in the South line of the existing City limits Established by Ordinance No. 5357 and the South line of Austin Landing Addition;

THENCE East with the South line of Ordinance No. 5357 crossing the right-of-way of FM 131 (North Travis Street) to the East right-of way line of said FM 131, said point also lying in the west boundary of North Creek Addition;

THENCE Southerly with the East right-of-way line of FM 131 (North Travis Street), passing Mooreman-Moore Addition and continuing for a distance of approximately 1888 feet to a point;

THENCE with the North line of the City limits established by Ordinance No. 3452 crossing the right-of-way of FM 131 (North Travis Street) to the West right-of-way line of FM 131 (North Travis Street) and to the place of beginning and containing 2.8 acres of land; more or less.

2.8 Acres
North Travis St. (FM131) ROW Annexation

Department of Engineering Services

(c) Copyright 2006, Pictometry International Corp.

City of Sherman
Municipal Service Plan
North Travis Street (F.M. 131)
Right-of-Way
Annexation of 2.8 Acres

INTRODUCTION:

The annexation is the site of approximately 2.8 acres of highway right-of-way along North Travis Street (F.M. 131) between North Creek Drive and the existing City limits.

This annexation provides for the orderly growth and development of the City and provides for the enlargement of the city limits by including improvements that are logically a part of the City.

MUNICIPAL SERVICES TO BE PROVIDED:

POLICE PROTECTION: Patrolling, radio responses to calls, and other routine police services, using present personnel and equipment will be provided on the effective date of annexation.

FIRE PROTECTION: Fire protection by the present personnel and equipment of the fire fighting force will be provided on the effective date of annexation.

SOLID WASTE: The same solid waste collection and disposal service now provided within the City of Sherman will be extended to the annexed area on the effective date of annexation.

STREETS AND BRIDGES: All access points to F.M. 131 shall meet TxDOT requirements. Any future streets will be developed by the standard provisions of the Developers Ordinance with future maintenance by Texas Department of Transportation. Street lighting will be established according to city guidelines.

PARKS: Not Applicable.

CONSTRUCTION INSPECTIONS: Not Applicable.

ENVIRONMENTAL HEALTH AND HEALTH CODE ENFORCEMENT: Enforcement of the City's environmental health ordinances and regulations shall be provided within this area on the effective date of the annexation ordinance.

ANIMAL CONTROL: Animal Control will be provided by the City on the effective date of annexation.

PLANNING AND ZONING: The Planning and Zoning jurisdiction of the City will extend to this area on the effective date of the annexation. Area will be annexed as SF-1 on the effective date of the annexation ordinance.

CAPITAL IMPROVEMENTS:

WATER SERVICE: Extensions of existing city mains for future development will be made by standard City of Sherman utility extension methods. All connections to new or existing water mains will be based upon existing City policies as applicable to all city residents as stated in the current codes and ordinances.

SEWER SERVICE: Extensions of any existing sewer facilities of the City of Sherman for existing or future development may be made by standard City of Sherman utility extension methods provided the capacity of the existing appurtenances is not exceeded at the time of development. Use of lift stations and force mains may be required to serve this area. All connections to new or existing sewer mains will be based upon existing City policies as applicable to all city residents as stated in the current codes and ordinances.

SHERMAN CITY COUNCIL

Agenda Communication Form

From: The Office of the City Manager **Date:** 8-18-2008

Subject: Agenda Item No. B.3

PUBLIC HEARING OF ORDINANCE NO. 5553
Extending the Corporate Limits of Said City so as to Annex Approximately 3.72 Acres of Land at 5003 Travis Street (F.M. 131) in the City of Sherman's Extra Territorial Jurisdiction; Providing for a Municipal Plan

Issue
To hold a public hearing and consider the adoption of the annexation ordinance that extends the City of Sherman's corporate limits so as to annex approximately 3.72 acres at 5003 Travis Street (F.M. 131) in the City's extra territorial jurisdiction (ETJ), in accordance with State law and the City Charter

Background
It is the City's intention to annex specifically identified individual areas in the City's ETJ, in accordance with state law and the City Charter. At its June 2nd meeting, the City Council approved the schedule for annexation of this property, which set public hearings for the July 17th, July 21st, and August 18th Council meetings. The first and second public hearings were held on July 17th and 21st, as scheduled, with no public comments.

Origination
Department of Utilities and Engineering

Financial Consideration
City accepts maintenance. The incremental cost of annexing this property is negligible.

Staff Recommendation
It is recommended that the City Council hold the public hearing and consider the adoption of the ordinance for annexation of this property.

Alternatives
As directed by the City Council

Attachments
Ordinance No. 5553
Annexation Scheduling Plan
Field Notes and Sketch
Municipal Service Plan
Aerial and Location Map

Prepared by:
Mark Gibson, Utilities & Engineering Director

Approved by:
George Olson, City Manager

ORDINANCE NO. 5553

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, EXTENDING THE CORPORATE LIMITS OF SAID CITY SO AS TO ANNEX APPROXIMATELY 3.72 ACRES OF LAND AT 5003 TRAVIS STREET (F.M. 131) IN THE CITY OF SHERMAN'S EXTRA TERRITORIAL JURISDICTION; PROVIDING FOR A MUNICIPAL PLAN; PROVIDING FOR SEVERABILITY; PROVIDING FOR A REPEALER; FINDING AND DETERMINING THAT THE MEETINGS AT WHICH THIS ORDINANCE WAS INTRODUCED AND PASSED WAS NOTICED AND IS OPEN TO THE PUBLIC AS REQUIRED BY LAW.

WHEREAS, Chapter 43 of the Texas Local Government Code and Article X, Section 12 of the City Charter of Sherman, Texas, an incorporated City, authorizes the annexation of territory, subject to the laws of this State.

WHEREAS, the procedures proscribed in Chapter 43 of the Texas Local Government Code, the City Charter of the City of Sherman, Texas, and any other applicable laws have been duly followed with respect to the territory described in Section 1 of this Ordinance.

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

SECTION 1. That the limits of the City of Sherman, Texas, shall be extended so as to hereinafter include within the corporate limits of said City the following tract of land, being more particularly described as follows, to-wit:

Situated in the County of Grayson, State of Texas, being a part of the Alexander & Richards Survey, Abstract No. 42 and the being a tract of land conveyed to John W. E. Caple by deed recorded in Volume 1325 at page 585 of the Grayson County Deed Records and being more particularly described by metes and bounds as follows, to wit:

BEGINNING at the Southeast corner of the Caple tract and on the existing City Limits established by City of Sherman Ordinance No. 5357 at a point in Sherman Oaks Road (Knollwood Road),

THENCE North 89° 22' 21" West with the South line of the Caple tract, a distance of 366.66 feet to the East right-of-way line of FM 131 (North Travis Street) and the southwest corner of the Caple tract;

THENCE North 22° 57' 58" West with the East right-of-way Line of FM 131(North Travis Street) and the West Line of the Caple tract, a distance of 405.52 feet to the Northwest corner of the Caple tract;

THENCE South 88° 35' 42" East with the North line of the Caple tract, a distance of 534.97 feet to the Northeast corner of the Caple tract;

THENCE South 01° 33’ 47” West with the East line of the Caple tract and Sherman Oaks Road (Knollwood Road), a distance of 364.41 feet to the place of beginning and containing 3.72 acres of land.

SECTION 2. That the inhabitants thereof shall hereinafter be entitled to all the rights and privileges of other citizens of the City of Sherman and they shall be bound by the acts, ordinances, resolutions, and regulations of said City.

SECTION 3. That the Service Plan for the annexed area is adopted and attached as Exhibit “A” to this Ordinance and incorporated for all purposes.

SECTION 4. That the provisions of this ordinance are severable and the invalidity of any word, phrase or part of this ordinance shall not affect the validity or effectiveness of the remainder of the ordinance.

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

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

INTRODUCED on this the _____ day of _____, 2008.

ADOPTED on this the _____ day of _____, 2008.

EFFECTIVE DATE on this the _____ day of _____, 2008.

CITY OF SHERMAN, TEXAS

BY: _____
BILL MAGERS, MAYOR

ATTEST:

BY: _____
LINDA ASHBY, CITY CLERK

APPROVED AS TO FORM AND CONTENT:

BY: _____
DOREEN E. MCGOOKEY, CITY ATTORNEY

ANNEXATION SCHEDULING PLAN
Approximately 3.72 Acres at
5003 Travis Street (F.M. 131)

Friday, June 13, 2008……..	Send written notice to property owners in the area to be annexed, public or private entities that provide services in that area, and any railroads with a right of way in the area to be annexed. The Department of Engineering Services will prepare a service plan that details the specific Municipal Services that will be provided to the area after it is annexed.
Thursday, July 3, 2008……..	Post notice on City's website, newspaper and City Hall for City Council's 1st Public Hearing on intent to annex. Send written notice to each public school district in the area to be annexed. Send by certified mail a second written notice to any railroads with a right of way in the area to be annexed. Obtain required affidavit of publication from newspaper.
Friday, July 11, 2008 …….	Post notice of 1st public hearing under the Open Meetings Act.
Thursday, July 17, 2008……...	City Council's 1st Public Hearing on intent to annex and service plan.*
Thursday, July 10, 2008……..…….	Post notice on City's website, newspaper and City Hall for City Council's 2nd Public Hearing on intent to annex. Obtain required affidavit of publication from newspaper.
Friday, July 18, 2008……	Post notice of 2nd public hearing under the Open Meetings Act.
Monday, July 21, 2008…….....	City Council's 2nd Public Hearing on intent to annex and service plan.
Friday, August 15, 2008 ……. ……	Post notice on City's website, newspaper and City Hall for introduction of annexation ordinance and adoption of the ordinance. Posting will also be in compliance with the Open Meetings Act.
Monday, August 18, 2008……	City Council Public Hearing for introduction and consideration of adoption of annexation ordinance.

Annexation
of approximately 3.72 Acres of land
on the East Side of FM 131(North Travis Street)
and West of Sherman Oaks Road

Situated in the County of Grayson, State of Texas, being a part of the Alexander & Richards Survey, Abstract No. 42 and the being a tract of land conveyed to John W. E. Caple by deed recorded in Volume 1325 at page 585 of the Grayson County Deed Records and being more particularly described by metes and bounds as follows, to wit:

BEGINNING at the Southeast corner of the Caple tract and on the existing City Limits established by City of Sherman Ordinance No. 5357 at a point in Sherman Oaks Road (Knollwood Road),

THENCE North 89° 22’ 21” West with the South line of the Caple tract, a distance of 366.66 feet to the East right-of-way line of FM 131 (North Travis Street) and the southwest corner of the Caple tract;

THENCE North 22° 57’ 58” West with the East right-of-way Line of FM 131(North Travis Street) and the West Line of the Caple tract, a distance of 405.52 feet to the Northwest corner of the Caple tract;

THENCE South 88° 35’ 42” East with the North line of the Caple tract, a distance of 534.97 feet to the Northeast corner of the Caple tract;

THENCE South 01° 33’ 47” West with the East line of the Caple tract and Sherman Oaks Road (Knollwood Road), a distance of 364.41 feet to the place of beginning and containing 3.72 acres of land.

3.72 ACRES
5003 North Travis St. (FM131)
Annexation

Department of Engineering Services

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Scale: 1 inch = 139.5 feet

City of Sherman
Municipal Service Plan
5003 North Travis Street (F.M. 131)
Annexation of 3.72 Acres

INTRODUCTION:

The annexation is the site of approximately 3.72 acres of residential development at 5003 North Travis Street (F.M. 131) lying adjacent to the City of Sherman existing city limits.

This annexation provides for the orderly growth and development of the City, protects the City from substandard development and provides for the enlargement of the city limits by including improvements that are logically a part of the City.

MUNICIPAL SERVICES TO BE PROVIDED:

POLICE PROTECTION: Patrolling, radio responses to calls, and other routine police services, using present personnel and equipment will be provided on the effective date of annexation.

FIRE PROTECTION: Fire protection by the present personnel and equipment of the fire fighting force will be provided on the effective date of annexation.

SOLID WASTE: The same solid waste collection and disposal service now provided within the City of Sherman will be extended to the annexed area on the effective date of annexation.

STREETS AND BRIDGES: All access points to F.M. 131 shall meet TxDOT requirements. Any future streets will be developed by the standard provisions of the Developers Ordinance with future maintenance by the City of Sherman. Street lighting will be established according to city guidelines.

PARKS: No public parks exist in the area to be annexed. Any new park facilities will be developed according to existing City policies as applicable to all city residents.

CONSTRUCTION INSPECTIONS: Building inspection activities will be available upon annexation.

ENVIRONMENTAL HEALTH AND HEALTH CODE ENFORCEMENT: Enforcement of the City's environmental health ordinances and regulations shall be provided within this area on the effective date of the annexation ordinance.

ANIMAL CONTROL: Animal Control will be provided by the City on the effective date of annexation.

PLANNING AND ZONING: The Planning and Zoning jurisdiction of the City will extend to this area on the effective date of the annexation. Area will be annexed as SF-1 on the effective date of the annexation ordinance.

CAPITAL IMPROVEMENTS:

WATER SERVICE: Extensions of existing city mains for future development will be made by standard City of Sherman utility extension methods. All connections to new or existing water mains will be based upon existing City policies as applicable to all city residents as stated in the current codes and ordinances.

SEWER SERVICE: Extensions of any existing sewer facilities of the City of Sherman for existing or future development may be made by standard City of Sherman utility extension methods provided the capacity of the existing appurtenances is not exceeded at the time of development. Use of lift stations and force mains may be required to serve this area. All connections to new or existing sewer mains will be based upon existing City policies as applicable to all city residents as stated in the current codes and ordinances.

SHERMAN CITY COUNCIL

Agenda Communication Form

From: The Office of the City Manager **Date:** 8-18-2008

Subject: Agenda Item No. B.4

PUBLIC HEARING OF ORDINANCE NO. 5554
Extending the Corporate Limits of Said City so as to Annex Approximately 858.774 Acres along U.S. Highway 75, between Loy Lake Road and the Union Pacific Railroad South of Highway 691, in the City of Sherman's Extra Territorial Jurisdiction; Providing for a Municipal Plan

Issue
To hold a public hearing and consider the adoption of the annexation ordinance that extends the City of Sherman's corporate limits so as to annex approximately 858.774 acres along U.S. Highway 75 and F.M. 691, between Loy Lake Road and the Union Pacific Railroad, in the City's extra territorial jurisdiction (ETJ), in accordance with State law and the City Charter

Background
It is the City's intention to annex specifically identified individual areas in the City's ETJ, in accordance with state law and the City Charter. At its June 2nd meeting, the City Council approved the schedule for annexation of this property, which set public hearings for the July 17th, July 21st, and August 18th Council meetings. The first public hearing was held on July 17th, as scheduled with no public comment. The second public hearing was held at the July 21st Council meeting, with one resident of Blue Flame Road questioning the timeline for water services. One portion of the area is not being annexed at this time due to the owners opting out of the annexation under a new state law.

Under the new state law, the city cannot annex land that is appraised as agricultural, wildlife management, or timber management unless the city offers a development agreement to the landowner that would guarantee the continuation of the extraterritorial status of the area, thereby giving the landowners an opportunity to opt out of the annexation. With these agreements, the city agrees to not annex the land for a period of time in exchange for the landowner's promise to not develop the land. However, the agreements also authorize the enforcement of all regulations and planning authority of the city that do not interfere with the use of the area for agriculture, wildlife management, or timber during the term of the agreement. Likewise, once the process for development on the land begins, the city can start annexation proceedings for that piece of land. Three landowners signed these agreements and, therefore, cannot be annexed at this time.

Origination
Department of Utilities and Engineering

Financial Consideration
City accepts maintenance. The incremental cost of annexing this property is negligible.

Staff Recommendation
It is recommended that the City Council hold the public hearing and consider the adoption of the ordinance for annexation of this property.

Alternatives
As directed by the City Council

Attachments
Ordinance No. 5554
Annexation Scheduling Plan
Field Notes
Sketch
Aerial
Municipal Service Plan
(3) Development Agreements

Prepared by:
Mark Gibson, Utilities & Engineering Director

Approved by:
George Olson, City Manager

ORDINANCE NO. 5554

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, EXTENDING THE CORPORATE LIMITS OF SAID CITY SO AS TO ANNEX APPROXIMATELY 858.774 ACRES ALONG U.S. HIGHWAY 75, BETWEEN LOY LAKE ROAD AND THE UNION PACIFIC RAILROAD SOUTH OF HIGHWAY 691, IN THE CITY OF SHERMAN'S EXTRA TERRITORIAL JURISDICTION; PROVIDING FOR A MUNICIPAL PLAN; PROVIDING FOR SEVERABILITY; PROVIDING FOR A REPEALER; FINDING AND DETERMINING THAT THE MEETINGS AT WHICH THIS ORDINANCE WAS INTRODUCED AND PASSED WAS NOTICED AND IS OPEN TO THE PUBLIC AS REQUIRED BY LAW.

WHEREAS, Chapter 43 of the Texas Local Government Code and Article X, Section 12 of the City Charter of Sherman, Texas, an incorporated City, authorizes the annexation of territory, subject to the laws of this State.

WHEREAS, the procedures proscribed in Chapter 43 of the Texas Local Government Code, the City Charter of the City of Sherman, Texas, and any other applicable laws have been duly followed with respect to the territory described in Section 1 of this Ordinance.

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

SECTION 1. That the limits of the City of Sherman, Texas, shall be extended so as to hereinafter include within the corporate limits of said City the following tract of land, being more particularly described as follows, to-wit:

Tract #1

Situated in the County of Grayson, State of Texas, being a part of the W. Brown & B. Ricketts Survey, Abst. # 1553, G.W. Hobson, Abst. # 588, A.C. Smith Survey, Abst. # 1561, and the W.S. Thurman Survey Abstract, No. 1265 and being more particularly described by metes and bounds as follows, to wit:

BEGINNING at the Northwest corner of the existing City limits five hundred feet from US Hwy. 75 North as established by Ordinance 3874 and on the South right-of-way line of FM 691.

THENCE Southerly with the said City limits line, said line being 500 feet west of and parallel to the West right-of-way line of US Hwy. 75 crossing tracts of land owned by Stanley Blythe, et al, (probate) Vol. 1335, Pg. 41, Lester G. Terrell, Vol. 2463, Pg. 209, Lester G. Terrell, Vol. 2666, Pg. 129, Lester G. Terrell, Vol. 1599, Pg. 69, Lester G. Terrell, Vol. 1597, Pg. 283, Ganapathy, LTD., Vol. 2019, Pg. 345, Bradco Interests, Inc., et ux, Vol. 2294, Pg. 42, Donald F. Fincher, et ux,

Vol. 1207, Pg. 583, and all recorded in Grayson County, a distance of approximately 7750 feet to a point that is the intersection of a line 43 feet east of the center line of Loy Lake Road and the existing city limits line 500 feet west from the west right-of-way line of US Hwy. 75;

THENCE Northerly with a line that is 43 feet from and parallel with the centerline of Loy Lake Road, passing Terrell Road for a distance of approximately 6804 feet to the intersection with the South right-of-way line of FM 691;

THENCE Easterly with the South right-of-way line of FM 691, a distance of approximately 3662 feet to the point of beginning and containing approximately 284.21 acres of land.

Tract #2

Situated in the County of Grayson, State of Texas, being a part of the W.M. Milligan, Abst. # 875, D. Harrison, Abst. # 587, S. Inman, Abst. # 621, T.J. Shannon, Abst. # 1136, D. Shelp, Abst. # 1097, and the R. Barrett, Abst. # 186 and being more particularly described as one tract by metes and bounds as follows, to wit:

BEGINNING at the Northeast corner of the existing City limits that is five hundred feet east of US Hwy. 75 North and on the South right-of-way line of FM 691 as established by Ordinance 3874.

THENCE Easterly with the South right-of-way line of FM 691, a distance of approximately 2200 feet to the intersection with the Union Pacific Railroad; said point also being the Northwest corner of the existing city limits established by Ordinance No.2973;

THENCE Southerly following the East right-of-way line of the Union Pacific Railroad and the West line of the said city limits, a distance of approximately 5800 feet to the North right-of-way line of Fallon Drive;

THENCE Westerly with the North right-of-way line of Fallon Drive, a distance of approximately 2856 feet to a point that is a Northwest corner of the said existing city limits;

THENCE Southerly with said existing city limits, a distance of approximately 1922 feet to a point for corner;

THENCE Easterly with the existing city limits established by ordinance No. 4964, a distance of approximately 1276 feet to a point for corner, said point being in the west property line of Vista Norte Addition;

THENCE Southerly with the said existing city limits, a distance of approximately 2623 feet to a point for corner;

THENCE Easterly with the said existing city limits, a distance of approximately 1500 feet to the East right-of-way line of the Union Pacific Railroad;

THENCE Southerly with East line of the Union Pacific Railroad and the existing city limits, a distance of approximately 1800 feet to the Northeast corner of the existing City limit established by Ordinance No. 3155;

THENCE Westerly with the North line of the said existing city limits a distance of 1221 feet to the east right of way of Luther Knox Drive;

THENCE Northerly with the said existing city limits, a distance of approximately 1852 feet to the North east corner of Pecan Grove Village Addition;

THENCE Westerly with the existing city limits, a distance of approximately 2000 feet to a point;

THENCE South 01° 08’ 28” West, a distance of 18 feet to a point for corner,

THENCE North 87° 33’ 28” West with the North line of the Heritage Park Addition and said city limits a distance of 556.54 feet to an angle;

THENCE North 01° 21’ 25” East, a distance of 748.85 feet to a point for corner;

THENCE North 80° 43’ 24” East, a distance of 205.12 feet to a point for corner,

THENCE North 04° 16’ 36” East, a distance of 430.31 feet to an angle point,

THENCE Westerly with the north line of the Louie Noles tract a distance of approximately 285 feet to a point for corner in the existing city limits as established by Ordinance No. 4674 being 500 feet east of and parallel with US Hwy. 75 right of way;

THENCE Northerly with the East line of the existing City limits established by Ordinance No. 3874 said line being 500 feet from and parallel to the East right-of-way line of Highway 75 and crossing the following tracts of land conveyed to; Lamar C. Jackson, Et ux, Vol. 1167, Pg. 71, Patricia McCluskey, Vol. 898, Pg. 361, Rebecca Russell Merrell Vol. 3780, Pg. 507, Anandam M. Sundaram, Vol. 4411, Pg. 925, Lola Grace Amalraj, Vol. 4396, Pg. 307, Ganapathy, LTD. Vol. 2920, Pg. 886, H.H.N. Real Estate, Inc., Vol. 4086 Pg. 741, Tony Thomason, Vol. 2617, Pg. 60, Margo M Mobbs, Vol. 2465 at Pg. 678, Stanley Blythe, Vol. 1335, Pg. 41, Ganesha, LTD., Vol. 4319, Pg. 617, and recorded in the Grayson County Deed Records, a distance of approximately 11,500 feet to the place of beginning and containing approximately 670 acres of land.

(Save and except the following tracts of land from Tract 2)

Situated in the County of Grayson, State of Texas and being parts of the R.O. Barrett Survey, Abst. # 186, T.J. Shannon Survey, Abst. # 1137, Hilliard Jennings Survey, Abst. # 639 and being part of the following tracts of land described in deed from Bobby Gene Mathis and Maurine Mathis Harrison to Beatrice Mathis dated November 29, 1999, recorded in Vol. 2864, Pg. 734 of the Grayson County Deed Records, including a 1.00 acre tract of land conveyed to Bobby Lee Mathis et ux by deed recorded in Vol. 2893, Pg. 121 of the Grayson County Deed Records and being three tracts of land conveyed to Martha Imbert, Bobby Lee Mathis, and John Billy Mathis by documents recorded in the Grayson County Probate Records, and being more particularly described as one tract of land as follows:

BEGINNING at an Axle found maintaining the Northwest corner of the R.O. Barrett Survey and Northeast corner of the T.J. Shannon Survey and the most Northerly Northwest corner of the herein described tract.

THENCE South 88° 31’ 18” East with the North line of the R.O. Barrett Survey and the North line of the herein Described tract, a distance of 1303.10 feet to the Northeast corner of the herein described tract;

THENCE South 01° 04’ 33” West with the west line of the herein described tract, distance of 2638.87 feet to the Southeast corner of the herein described tract and the North Line of the Hillard Jennings Survey and the South Line of the R.O. Barrett Survey,

THENCE North 88° 05’ 51” West with the North line of the T.J. Jennings Survey, a distance of 1141.51 feet to the Southwest corner of the R.O. Barrett Survey,

THENCE South 01° 08’ 28” West, a distance of 18 feet to a point for corner,

THENCE North 87° 33’ 28” West with the South line of the herein described tract, a distance of 556.54 feet to an angle point,

THENCE with the West line of the herein described tract the following courses and distances:

North 01° 21’ 25” East, a distance of 748.85 feet to a point for corner,
North 80° 43’ 24” East, a distance of 205.12 feet to a point for corner,
North 04° 16’ 36” East, a distance of 430.31 feet to an angle point,
North 06° 22’ 33” East, a distance of 304.00 feet to a point for corner,
North 89° 31’ 34” East, a distance of 281.61 feet the West line of the R.O. Barrett Survey,
North 02° 14’ 49” East, a distance of 1092.40 feet to the place of beginning and containing **95.436** acres of land.

SECTION 2. That the inhabitants thereof shall hereinafter be entitled to all the rights and privileges of other citizens of the City of Sherman and they shall be bound by the acts, ordinances, resolutions, and regulations of said City.

SECTION 3. That the Service Plan for the annexed area is adopted and attached as Exhibit "A" to this Ordinance and incorporated for all purposes.

SECTION 4. That the provisions of this ordinance are severable and the invalidity of any word, phrase or part of this ordinance shall not affect the validity or effectiveness of the remainder of the ordinance.

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

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

INTRODUCED on this the _____ day of _____, 2008.

ADOPTED on this the _____ day of _____, 2008.

EFFECTIVE DATE on this the _____ day of _____, 2008.

CITY OF SHERMAN, TEXAS

BY: _____
BILL MAGERS, MAYOR

ATTEST:

BY: _____
LINDA ASHBY, CITY CLERK

APPROVED AS TO FORM AND CONTENT:

BY: _____
DOREEN E. MCGOOKEY,
CITY ATTORNEY

ANNEXATION SCHEDULING PLAN
Approximately 858.774 Acres along
U.S. Highway 75 between Loy Lake Road and
the UP Railroad South of Highway 691

Friday, June 13, 2008……..	Send written notice to property owners in the area to be annexed, public or private entities that provide services in that area, and any railroads with a right of way in the area to be annexed. The Department of Engineering Services will prepare a service plan that details the specific Municipal Services that will be provided to the area after it is annexed.
Thursday, July 3, 2008……..	Post notice on City's website, newspaper and City Hall for City Council's 1st Public Hearing on intent to annex. Send written notice to each public school district in the area to be annexed. Send by certified mail a second written notice to any railroads with a right of way in the area to be annexed. Obtain required affidavit of publication from newspaper.
Friday, July 11, 2008 …….	Post notice of 1st public hearing under the Open Meetings Act.
Thursday, July 17, 2008……...	City Council's 1st Public Hearing on intent to annex and service plan.*
Thursday, July 10, 2008……..…….	Post notice on City's website, newspaper and City Hall for City Council's 2nd Public Hearing on intent to annex. Obtain required affidavit of publication from newspaper.
Friday, July 18, 2008……	Post notice of 2nd public hearing under the Open Meetings Act.
Monday, July 21, 2008…….....	City Council's 2nd Public Hearing on intent to annex and service plan.
Friday, August 15, 2008 ……. ……	Post notice on City's website, newspaper and City Hall for introduction of annexation ordinance and adoption of the ordinance. Posting will also be in compliance with the Open Meetings Act.
Monday, August 18, 2008……	City Council Public Hearing for introduction and consideration of adoption of annexation ordinance.

Annexation
of approximately 858.774 Acres of Land
along US Hwy. 75 between
Loy Lake Road and UP Railroad
and being South of FM 691

Tract #1

Situated in the County of Grayson, State of Texas, being a part of the W. Brown & B. Ricketts Survey, Abst. # 1553, G.W. Hobson, Abst. # 588, A.C. Smith Survey, Abst. # 1561, and the W.S. Thurman Survey Abstract, No. 1265 and being more particularly described by metes and bounds as follows, to wit:

BEGINNING at the Northwest corner of the existing City limits five hundred feet from US Hwy. 75 North as established by Ordinance 3874 and on the South right-of-way line of FM 691.

THENCE Southerly with the said City limits line, said line being 500 feet west of and parallel to the West right-of-way line of US Hwy. 75 crossing tracts of land owned by Stanley Blythe, et al, (probate) Vol. 1335, Pg. 41, Lester G. Terrell, Vol. 2463, Pg. 209, Lester G. Terrell, Vol. 2666, Pg. 129, Lester G. Terrell, Vol. 1599, Pg. 69, Lester G. Terrell, Vol. 1597, Pg. 283, Ganapathy, LTD., Vol. 2019, Pg. 345, Bradco Interests, Inc., et ux, Vol. 2294, Pg. 42, Donald F. Fincher, et ux, Vol. 1207, Pg. 583, and all recorded in Grayson County, a distance of approximately 7750 feet to a point that is the intersection of a line 43 feet east of the center line of Loy Lake Road and the existing city limits line 500 feet west from the west right-of-way line of US Hwy. 75;

THENCE Northerly with a line that is 43 feet from and parallel with the centerline of Loy Lake Road, passing Terrell Road for a distance of approximately 6804 feet to the intersection with the South right-of-way line of FM 691;

THENCE Easterly with the South right-of-way line of FM 691, a distance of approximately 3662 feet to the point of beginning and containing approximately 284.21 acres of land.

Tract #2

Situated in the County of Grayson, State of Texas, being a part of the W.M. Milligan, Abst. # 875, D. Harrison, Abst. # 587, S. Inman, Abst. # 621, T.J. Shannon, Abst. # 1136, D. Shelp, Abst. # 1097, and the R. Barrett, Abst. # 186 and being more particularly described as one tract by metes and bounds as follows, to wit:

BEGINNING at the Northeast corner of the existing City limits that is five hundred feet east of US Hwy. 75 North and on the South right-of-way line of FM 691 as established by Ordinance 3874.

THENCE Easterly with the South right-of-way line of FM 691, a distance of approximately 2200 feet to the intersection with the Union Pacific Railroad; said point also being the Northwest corner of the existing city limits established by Ordinance No.2973;

THENCE Southerly following the East right-of-way line of the Union Pacific Railroad and the West line of the said city limits, a distance of approximately 5800 feet to the North right-of-way line of Fallon Drive;

THENCE Westerly with the North right-of-way line of Fallon Drive, a distance of approximately 2856 feet to a point that is a Northwest corner of the said existing city limits;

THENCE Southerly with said existing city limits, a distance of approximately 1922 feet to a point for corner;

THENCE Easterly with the existing city limits established by ordinance No. 4964, a distance of approximately 1276 feet to a point for corner, said point being in the west property line of Vista Norte Addition;

THENCE Southerly with the said existing city limits, a distance of approximately 2623 feet to a point for corner;

THENCE Easterly with the said existing city limits, a distance of approximately 1500 feet to the East right-of-way line of the Union Pacific Railroad;

THENCE Southerly with East line of the Union Pacific Railroad and the existing city limits, a distance of approximately 1800 feet to the Northeast corner of the existing City limit established by Ordinance No. 3155;

THENCE Westerly with the North line of the said existing city limits a distance of 1221 feet to the east right of way of Luther Knox Drive;

THENCE Northerly with the said existing city limits, a distance of approximately 1852 feet to the North east corner of Pecan Grove Village Addition;

THENCE Westerly with the existing city limits, a distance of approximately 2000 feet to a point;

THENCE South 01° 08’ 28” West, a distance of 18 feet to a point for corner,

THENCE North 87° 33’ 28” West with the North line of the Heritage Park Addition and said city limits a distance of 556.54 feet to an angle;

THENCE North 01° 21’ 25” East, a distance of 748.85 feet to a point for corner;

THENCE North 80° 43’ 24” East, a distance of 205.12 feet to a point for corner,

THENCE North 04° 16’ 36” East, a distance of 430.31 feet to an angle point,

THENCE Westerly with the north line of the Louie Noles tract a distance of approximately 285 feet to a point for corner in the existing city limits as established by Ordinance No. 4674 being 500 feet east of and parallel with US Hwy. 75 right of way;

THENCE Northerly with the East line of the existing City limits established by Ordinance No. 3874 said line being 500 feet from and parallel to the East right-of-way line of Highway 75 and crossing the following tracts of land conveyed to; Lamar C. Jackson, Et ux, Vol. 1167, Pg. 71, Patricia McCluskey, Vol. 898, Pg. 361, Rebecca Russell Merrell Vol. 3780, Pg. 507, Anandam M. Sundaram, Vol. 4411, Pg. 925, Lola Grace Amalraj, Vol. 4396, Pg. 307, Ganapathy, LTD. Vol. 2920, Pg. 886, H.H.N. Real Estate, Inc., Vol. 4086 Pg. 741, Tony Thomason, Vol. 2617, Pg. 60, Margo M Mobbs, Vol. 2465 at Pg. 678, Stanley Blythe, Vol. 1335, Pg. 41, Ganesha, LTD., Vol. 4319, Pg. 617, and recorded in the Grayson County Deed Records, a distance of approximately 11,500 feet to the place of beginning and containing approximately 670 acres of land.

(Save and except the following tracts of land from Tract 2)

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BEGINNING at an Axle found maintaining the Northwest corner of the R.O. Barrett Survey and Northeast corner of the T.J. Shannon Survey and the most Northerly Northwest corner of the herein described tract.

THENCE South 88° 31’ 18” East with the North line of the R.O. Barrett Survey and the North line of the herein Described tract, a distance of 1303.10 feet to the Northeast corner of the herein described tract;

THENCE South 01° 04’ 33” West with the west line of the herein described tract, distance of 2638.87 feet to the Southeast corner of the herein described tract and the North Line of the Hillard Jennings Survey and the South Line of the R.O. Barrett Survey,

THENCE North 88° 05’ 51” West with the North line of the T.J. Jennings Survey, a distance of 1141.51 feet to the Southwest corner of the R.O. Barrett Survey,

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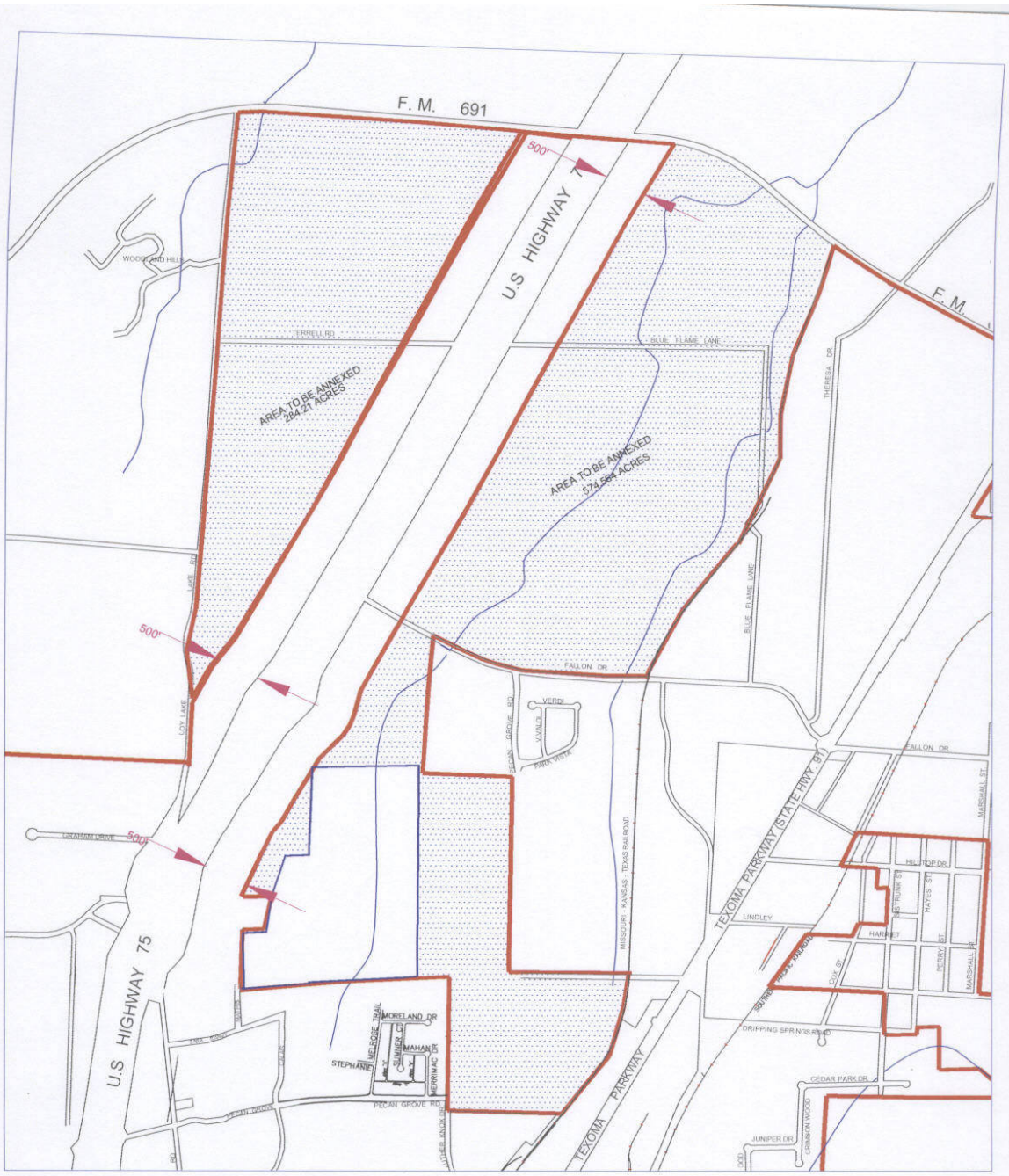
North 80° 43’ 24” East, a distance of 205.12 feet to a point for corner,
North 04° 16’ 36” East, a distance of 430.31 feet to an angle point,
North 06° 22’ 33” East, a distance of 304.00 feet to a point for corner,
North 89° 31’ 34” East, a distance of 281.61 feet the West line of the R.O. Barrett Survey,
North 02° 14’ 49” East, a distance of 1092.40 feet to the place of beginning and containing **95.436** acres of land.



858.774 Acres along US Hwy 75
between Loy Lake Road and Union Pacific RR

Annexation

Department of Engineering Services

N

F.M. 691
State Hwy. 91
BNSF
MIDWAY INDUSTRIAL PARK
MIDWAY MALL
U.S. Hwy. 75
U.S. Hwy. 82
Texoma Pkwy.

City of Sherman
Municipal Service Plan
Along U.S. Highway 75
between Loy Lake Road
and Union Pacific Railroad
Annexation of 858.774 Acres

INTRODUCTION:

The annexation consists of approximately 858.774 acres along U.S. Hwy 75 between Loy Lake Road and the Union Pacific Railroad adjacent to the existing City of Sherman city limits.

This annexation provides for the orderly growth and development of the City, protects the City from substandard development and provides for the enlargement of the city limits by including improvements that are logically a part of the City and receive city utilities.

MUNICIPAL SERVICES TO BE PROVIDED:

POLICE PROTECTION: Patrolling, radio responses to calls, and other routine police services, using present personnel and equipment will be provided on the effective date of annexation.

FIRE PROTECTION: Fire protection by the present personnel and equipment of the fire fighting force will be provided on the effective date of annexation. Additional water mains and fire hydrants will be required to serve the area based upon existing City policies as applicable to all city residents.

SOLID WASTE: The same solid waste collection and disposal service now provided within the City of Sherman will be extended to the annexed area on the effective date of annexation.

STREETS AND BRIDGES: Any future streets will be developed by the standard provisions of the Developers Ordinance with future maintenance by the City of Sherman. Street lighting will be established according to city guidelines.

PARKS: No public parks exist in the area to be annexed. Any new park facilities will be developed according to existing City policies as applicable to all city residents.

CONSTRUCTION INSPECTIONS: Building inspection activities will be available upon annexation.

ENVIRONMENTAL HEALTH AND HEALTH CODE ENFORCEMENT: Enforcement of the City's environmental health ordinances and regulations shall be provided within this area on the effective date of the annexation ordinance.

ANIMAL CONTROL: Animal Control will be provided by the City on the effective date of annexation.

PLANNING AND ZONING: The Planning and Zoning jurisdiction of the City will extend to this area on the effective date of the annexation. Area will be annexed as SF-1 on the effective date of the annexation ordinance.

CAPITAL IMPROVEMENTS:

WATER SERVICE: Extensions of existing city mains for future development will be made by standard City of Sherman utility extension methods. All connections to new or existing water mains will be based upon existing City policies as applicable to all city residents as stated in the current codes and ordinances.

SEWER SERVICE: Extensions of any existing sewer facilities of the City of Sherman for existing or future development may be made by standard City of Sherman utility extension methods provided the capacity of the existing appurtenances is not exceeded at the time of development. Use of lift stations and force mains will be required to serve this area. All connections to new or existing sewer mains will be based upon existing City policies as applicable to all city residents as stated in the current codes and ordinances.

STATE OF TEXAS §
§
COUNTY OF GRAYSON §

CHAPTER 43 LOCAL GOVERNMENT CODE

DEVELOPMENT AGREEMENT

This Agreement is entered into pursuant to Sections 43.035 and 212.172 of the Texas Local Government Code by and between the City of Sherman (the "City"), and the undersigned property owner(s) (the "Owner"). The term "Owner" includes all owners of the Property.

WHEREAS, the Owner owns a parcel of real property (the "Property) in Grayson County, Texas, which is more particularly and separately described in the attached Exhibit "A"; and

WHEREAS, the City desires to begin annexation proceeding on all portions of Owner's Property; and

WHEREAS, the Owner desires to have the Property remain in the City's extraterritorial jurisdiction, in consideration for which the Owner agrees to enter into this agreement; and

WHEREAS, this Agreement is entered into pursuant to Sections 43.035 and 212.172 of the Texas Local Government Code, or order to address the desires of the Owner and the procedures of the City; and

WHEREAS, the Owner and the City acknowledge that this Agreement is binding upon the City and the Owner and their respective successors and assigns for the term (defined below) of this Agreement; and

WHEREAS, the Development Agreement is to be recorded in the Real Property Records of Grayson County;

NOW THEREFORE, in consideration of the mutual covenants contained herein, the parties agree as follows:

Section 1. **City's Representations.** The City guarantees the continuation of the extraterritorial status of the Owner's Property, its immunity from annexation by the City, and its immunity from City property taxes, for the term of this Agreement, subject to the provisions of this Agreement. Except as provided in this Agreement, the City agrees not to annex the Property, agrees not to involuntarily institute proceedings to annex the Property, and further agrees not to include the Property in a statutory annexation plan for the Term of this Agreement. However, if the Property is annexed pursuant to the terms of this Agreement, then the City shall provide services to the Property pursuant to Chapter 43 of the Texas Local Government Code.

Section 2. **Owner's Representations.** The Owner covenants and agrees not to use the Property for any use other than for agriculture, wildlife management, and/or timber land consistent with Chapter 23 of the Texas Tax Code, except for existing single-family residential use of the property, without the prior written consent of the City. The Owner covenants and agrees that the Owner will not file any type of subdivision plat or related development document for the Property with Grayson County or the City until the Property has been annexed into, and zoned by, the City. The Owner covenants and agrees not to construct, or allow to be constructed, any buildings on the Property that would require a building permit if the Property were in the city limits, until the Property has been annexed into, and zoned by, the City. The Owner also covenants and agrees that the City's R-A District: Single-family Agricultural District zoning requirements apply to the Property, and that the Property shall be used only for R-A District: Single-family Agricultural District zoning uses that exist on that Property at the time of the execution of this Agreement, unless otherwise provided in this Agreement. However, the Owner may construct an accessory structure to an existing single family dwelling in compliance with all applicable City ordinances and codes. THE OWNER ACKNOWLEDGES THAT EACH AND EVERY OWNER OF THE PROPERTY MUST SIGN THIS AGREEMENT IN ORDER FOR THE AGREEMENT TO TAKE FULL EFFECT, AND THE OWNER WHO SIGNS THIS AGREEMENT COVENANTS AND AGREES, JOINTLY AND SEVERABLY, TO INDEMNIFY, HOLD HARMLESS, AND DEFEND THE CITY AGAINST ANY AND ALL LEGAL CLAIMS, BY ANY PERSON CLAIMING AN OWNERSHIP INTEREST IN THE PROPERTY WHO HAS NOT SIGNED THE AGREEMENT, ARISING IN ANY WAY FROM THE CITY'S RELIANCE ON THIS AGREEMENT.

Section 3. **Acts Leading to Voluntary Annexation and Waiver.** The Owner acknowledges that if any plat or related development document is filed in violation of this Agreement, or if the Owner commences development of the Property in violation of this Agreement, then in addition to the City's other remedies, such act will constitute a petition for voluntary annexation by the Owner, and the Property will be subject to annexation at the discretion of the City Council. The Owner agrees that such annexation shall be voluntary and the Owner hereby consents to such annexation as though a petition for such annexation had been tendered by the Owner. If annexation proceedings begin pursuant to this Section, the Owner acknowledges that this Agreement serves as an exception to Local Government Code Section 43.052, requiring a municipality to use certain statutory procedures under an annexation plan. Furthermore, Owner(s) hereby waive any and all vested rights and claims that they may have under Section 43.002(a)(2) and Chapter 245 of the Texas Local Government Code that would otherwise exist by virtue of any actions Owner(s) has taken in violation of Section 2 herein.

Section 4. **City Regulations.** Pursuant to Sections 43.035(b)(B) of the Texas Local Government Code, the City is authorized to enforce all of the City's regulations and planning authority that do not materially interfere with the use of the Property for agriculture, wildlife management, or timber, in the same manner the regulations are enforced within the City's boundaries. The City states and specifically reserves its

authority pursuant to Chapter 251 of the Texas Local Government Code to exercise eminent domain over property that is subject to a Chapter 43 and/or Chapter 212 development agreement.

Section 5. **Term of Agreement and Waiver.** The term of this Agreement (the "Term") is five (5) years from the date that the City Manager's signature to this Agreement is acknowledged by a public notary, unless there is a subsequent change in the law by the Texas Legislature rescinding the need for the Development Agreement, then the Agreement will terminate upon the effective date of the new law, or as otherwise may be specified in the new law. If the City desires to commence annexation proceedings before the end of the Term of the Agreement, the Owner, and all of the Owner's heirs, successors and assigns shall be deemed to have filed a petition for voluntary annexation in order for annexation of the Property to be completed on or after the end of the Term. Prior to the end of the Term, the City may commence the voluntary annexation of the Property. In connection with annexation pursuant to this section, Owner(s) hereby waive any vested rights they may have under Section 43.002(a)(2) and Chapter 245 of the Texas Local Government Code that would otherwise exist by virtue of any plat or construction any of the owners may initiate during the time between the expiration of this Agreement and the institution of annexation proceedings by the City.

Section 6. **Zoning of Property.** Property annexed pursuant to this Agreement will initially be zoned SF-1 (Single Family Residential) pursuant to the City's Code of Ordinances, unless the Code is amended to change the zoning of areas annexed in to the City pending the term of this Agreement. The determination of the property's permanent zoning will be in accordance with the provisions of applicable law and the City's Code of Ordinances.

Section 7. **Notice.** Any person who sells or conveys any portion of the Property shall, prior to such sale or conveyance, give written notice of this Agreement to the prospective purchaser or grantee, and shall give written notice of the sale or conveyance to the City. Furthermore, the Owner and the Owner's heirs, successor, and assigns shall give the City written notice within fourteen (14) days of any change in the agricultural exemption status of the Property. A copy of either notice required by this section shall be forwarded to the City at the following address:

City of Sherman
Attn: City Manager
P.O. Box 1106
Sherman, TX 75091

Section 8. **Recording of Agreement.** This Agreement shall run with the Property and be recorded in the real property records of Grayson County, Texas.

Section 9. **Severability of Agreement.** If a court of competent jurisdiction determines that any covenant of this Agreement is void or unenforceable, including the covenants

regarding involuntary annexation, then the remainder of this Agreement shall remain in full force and effect.

Section 10. **Enforcement of Agreement.** This Agreement may be enforced by any Owner or the City by any proceeding at law or in equity. Failure to do so shall not be deemed a waiver to enforce the provisions of this Agreement thereafter.

Section 11. **Changes in Law.** Except as specified in Section 5 of this Agreement, no subsequent change in the law regarding annexation shall affect the enforceability of this Agreement or the City's ability to annex the properties covered herein pursuant to the terms of this Agreement.

Section 12. **Paragraph Headings.** The paragraph headings contained herein are for convenience only and are not intended to define or limit the scope of any provisions in this Agreement.

Section 13. **Contract Interpretation.** Although this Agreement is drafted by the City, should any part be in dispute, the parties agree that the Agreement shall not be construed more favorably for either party.

Section 14. **Venue.** Venue for any disputes related to this Agreement shall be in Grayson County, Texas and governed by the laws of the State of Texas.

Section 15. **No Waiver of Immunity.** Nothing herein shall be deemed to be a waiver of the City's defense of governmental immunity, or any other applicable defenses.

Section 16. **Counterparts of Agreement.** This Agreement may be separately executed in individual counterparts and, upon execution, shall constitute one and same instrument.

Section 17. **Survival of Agreement.** This Agreement shall survive its termination to the extent necessary for the implementation of any applicable provisions herein.

By signing this Agreement, Owner represents that he or she has conferred with an attorney, or has voluntarily chosen not to confer with an attorney. Owner also represents that he or she understands the Agreement and voluntarily agrees to the terms of the Agreement.

Entered into this 15 **day of** MAY **, 2008.**

OWNER(S) OF THE PROPERTY:

Bobby Lee Mathis

Bobby Lee Mathis, Owner

Jackie B. Mathis, Owner

CITY OF SHERMAN

George Olson,
City Manager, City of Sherman, Texas

ACKNOWLEDGMENT

THE STATE OF TEXAS §
§
COUNTY OF GRAYSON §

This instrument was acknowledged before me on the 15 day of MAY, 2008 by **Bobby Lee Mathis**, Owner.

Notary Public, State of Texas

Lisa Whitfield
Notary Public
STATE OF TEXAS
My Comm. Exp. 10-27-2011

THE STATE OF TEXAS §
§
COUNTY OF GRAYSON §

This instrument was acknowledged before me on the 15 day of May, 2008 by **Jackie B. Mathis**, Owner.

Notary Public, State of Texas

Lisa Whitfield
Notary Public
STATE OF TEXAS
My Comm. Exp. 10-27-2011

BOBBY LEE AND JACKIE B. MATHIS

EXHIBIT "A"

Tract 1

Being 1.0 acre of land in T. J. Shannon Abstract 1137 conveyed by Beatrice Mathis to Bobby Lee and Jackie B. Mathis by Gift Deed recorded in Volume 2893 at Page 121 of the Grayson County records dated February 17, 2000.

Tract 2

Being 26.062 acres of land in R.O. Barrett Abstract 0186 conveyed by the Beatrice Mathis Estate to Bobby Lee Mathis by Probate dated January 30, 2007.

Tract 3

Being 4.75 acres of land in T. J. Shannon Abstract 1137 conveyed by the Beatrice Mathis Estate to Bobby Lee Mathis by Probate dated January 30, 2007.

STATE OF TEXAS §
§
COUNTY OF GRAYSON §

CHAPTER 43 LOCAL GOVERNMENT CODE

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WHEREAS, the Owner desires to have the Property remain in the City's extraterritorial jurisdiction, in consideration for which the Owner agrees to enter into this agreement; and

WHEREAS, this Agreement is entered into pursuant to Sections 43.035 and 212.172 of the Texas Local Government Code, or order to address the desires of the Owner and the procedures of the City; and

WHEREAS, the Owner and the City acknowledge that this Agreement is binding upon the City and the Owner and their respective successors and assigns for the term (defined below) of this Agreement; and

WHEREAS, the Development Agreement is to be recorded in the Real Property Records of Grayson County;

NOW THEREFORE, in consideration of the mutual covenants contained herein, the parties agree as follows:

Section 1. **City's Representations.** The City guarantees the continuation of the extraterritorial status of the Owner's Property, its immunity from annexation by the City, and its immunity from City property taxes, for the term of this Agreement, subject to the provisions of this Agreement. Except as provided in this Agreement, the City agrees not to annex the Property, agrees not to involuntarily institute proceedings to annex the Property, and further agrees not to include the Property in a statutory annexation plan for the Term of this Agreement. However, if the Property is annexed pursuant to the terms of this Agreement, then the City shall provide services to the Property pursuant to Chapter 43 of the Texas Local Government Code.

Section 2. **Owner's Representations.** The Owner covenants and agrees not to use the Property for any use other than for agriculture, wildlife management, and/or timber land consistent with Chapter 23 of the Texas Tax Code, except for existing single-family residential use of the property, without the prior written consent of the City. The Owner covenants and agrees that the Owner will not file any type of subdivision plat or related development document for the Property with Grayson County or the City until the Property has been annexed into, and zoned by, the City. The Owner covenants and agrees not to construct, or allow to be constructed, any buildings on the Property that would require a building permit if the Property were in the city limits, until the Property has been annexed into, and zoned by, the City. The Owner also covenants and agrees that the City's R-A District: Single-family Agricultural District zoning requirements apply to the Property, and that the Property shall be used only for R-A District: Single-family Agricultural District zoning uses that exist on that Property at the time of the execution of this Agreement, unless otherwise provided in this Agreement. However, the Owner may construct an accessory structure to an existing single family dwelling in compliance with all applicable City ordinances and codes. THE OWNER ACKNOWLEDGES THAT EACH AND EVERY OWNER OF THE PROPERTY MUST SIGN THIS AGREEMENT IN ORDER FOR THE AGREEMENT TO TAKE FULL EFFECT, AND THE OWNER WHO SIGNS THIS AGREEMENT COVENANTS AND AGREES, JOINTLY AND SEVERABLY, TO INDEMNIFY, HOLD HARMLESS, AND DEFEND THE CITY AGAINST ANY AND ALL LEGAL CLAIMS, BY ANY PERSON CLAIMING AN OWNERSHIP INTEREST IN THE PROPERTY WHO HAS NOT SIGNED THE AGREEMENT, ARISING IN ANY WAY FROM THE CITY'S RELIANCE ON THIS AGREEMENT.

Section 3. **Acts Leading to Voluntary Annexation and Waiver.** The Owner acknowledges that if any plat or related development document is filed in violation of this Agreement, or if the Owner commences development of the Property in violation of this Agreement, then in addition to the City's other remedies, such act will constitute a petition for voluntary annexation by the Owner, and the Property will be subject to annexation at the discretion of the City Council. The Owner agrees that such annexation shall be voluntary and the Owner hereby consents to such annexation as though a petition for such annexation had been tendered by the Owner. If annexation proceedings begin pursuant to this Section, the Owner acknowledges that this Agreement serves as an exception to Local Government Code Section 43.052, requiring a municipality to use certain statutory procedures under an annexation plan. Furthermore, Owner(s) hereby waive any and all vested rights and claims that they may have under Section 43.002(a)(2) and Chapter 245 of the Texas Local Government Code that would otherwise exist by virtue of any actions Owner(s) has taken in violation of Section 2 herein.

Section 4. **City Regulations.** Pursuant to Sections 43.035(b)(B) of the Texas Local Government Code, the City is authorized to enforce all of the City's regulations and planning authority that do not materially interfere with the use of the Property for agriculture, wildlife management, or timber, in the same manner the regulations are enforced within the City's boundaries. The City states and specifically reserves its

authority pursuant to Chapter 251 of the Texas Local Government Code to exercise eminent domain over property that is subject to a Chapter 43 and/or Chapter 212 development agreement.

Section 5. Term of Agreement and Waiver. The term of this Agreement (the "Term") is five (5) years from the date that the City Manager's signature to this Agreement is acknowledged by a public notary, unless there is a subsequent change in the law by the Texas Legislature rescinding the need for the Development Agreement, then the Agreement will terminate upon the effective date of the new law, or as otherwise may be specified in the new law. If the City desires to commence annexation proceedings before the end of the Term of the Agreement, the Owner, and all of the Owner's heirs, successors and assigns shall be deemed to have filed a petition for voluntary annexation in order for annexation of the Property to be completed on or after the end of the Term. Prior to the end of the Term, the City may commence the voluntary annexation of the Property. In connection with annexation pursuant to this section, Owner(s) hereby waive any vested rights they may have under Section 43.002(a)(2) and Chapter 245 of the Texas Local Government Code that would otherwise exist by virtue of any plat or construction any of the owners may initiate during the time between the expiration of this Agreement and the institution of annexation proceedings by the City.

Section 6. Zoning of Property. Property annexed pursuant to this Agreement will initially be zoned SF-1 (Single Family Residential) pursuant to the City's Code of Ordinances, unless the Code is amended to change the zoning of areas annexed in to the City pending the term of this Agreement. The determination of the property's permanent zoning will be in accordance with the provisions of applicable law and the City's Code of Ordinances.

Section 7. Notice. Any person who sells or conveys any portion of the Property shall, prior to such sale or conveyance, give written notice of this Agreement to the prospective purchaser or grantee, and shall give written notice of the sale or conveyance to the City. Furthermore, the Owner and the Owner's heirs, successor, and assigns shall give the City written notice within fourteen (14) days of any change in the agricultural exemption status of the Property. A copy of either notice required by this section shall be forwarded to the City at the following address:

City of Sherman
Attn: City Manager
P.O. Box 1106
Sherman, TX 75091

Section 8. Recording of Agreement. This Agreement shall run with the Property and be recorded in the real property records of Grayson County, Texas.

Section 9. Severability of Agreement. If a court of competent jurisdiction determines that any covenant of this Agreement is void or unenforceable, including the covenants

regarding involuntary annexation, then the remainder of this Agreement shall remain in full force and effect.

Section 10. **Enforcement of Agreement.** This Agreement may be enforced by any Owner or the City by any proceeding at law or in equity. Failure to do so shall not be deemed a waiver to enforce the provisions of this Agreement thereafter.

Section 11. **Changes in Law.** Except as specified in Section 5 of this Agreement, no subsequent change in the law regarding annexation shall affect the enforceability of this Agreement or the City's ability to annex the properties covered herein pursuant to the terms of this Agreement.

Section 12. **Paragraph Headings.** The paragraph headings contained herein are for convenience only and are not intended to define or limit the scope of any provisions in this Agreement.

Section 13. **Contract Interpretation.** Although this Agreement is drafted by the City, should any part be in dispute, the parties agree that the Agreement shall not be construed more favorably for either party.

Section 14. **Venue.** Venue for any disputes related to this Agreement shall be in Grayson County, Texas and governed by the laws of the State of Texas.

Section 15. **No Waiver of Immunity.** Nothing herein shall be deemed to be a waiver of the City's defense of governmental immunity, or any other applicable defenses.

Section 16. **Counterparts of Agreement.** This Agreement may be separately executed in individual counterparts and, upon execution, shall constitute one and same instrument.

Section 17. **Survival of Agreement.** This Agreement shall survive its termination to the extent necessary for the implementation of any applicable provisions herein.

By signing this Agreement, Owner represents that he or she has conferred with an attorney, or has voluntarily chosen not to confer with an attorney. Owner also represents that he or she understands the Agreement and voluntarily agrees to the terms of the Agreement.

Entered into this 6 **day of** June, **2008.**

OWNER(S) OF THE PROPERTY:

Martha Imbert

Martha Imbert, Owner

Charles Imbert

Charles Imbert, Owner

CITY OF SHERMAN

George Olson,
City Manager, City of Sherman, Texas

ACKNOWLEDGMENT

THE STATE OF TEXAS §
§
COUNTY OF GRAYSON §

This instrument was acknowledged before me on the 6 day of June 2008 by **Martha Imbert**, Owner.

Rita Gaither
Notary Public
STATE OF TEXAS
My Comm. Exp. 11-3-2011

Notary Public, State of Texas

THE STATE OF TEXAS §
§
COUNTY OF GRAYSON §

This instrument was acknowledged before me on the 6 day of June 2008 by **Charles Imbert**, Owner.

Rita Gaither
Notary Public
STATE OF TEXAS
My Comm. Exp. 11-3-2011

Notary Public, State of Texas

CHARLES AND MARTHA IMBERT

EXHIBIT "A"

Tract 1

Being 1.0 acre of land in T. J. Shannon Abstract 1137 conveyed by Beatrice Mathis to Martha M and Charles Imbert by Gift Deed recorded in Volume 3137 at Page 454 of the Grayson County records dated September 20, 2001.

Tract 2

Being .318 acres of land in T. J. Shannon Abstract 1137 conveyed by Beatrice Mathis to Martha M. and Charles Imbert by Warranty Deed recorded in Volume 3422 at Page 714 of the Grayson County Records dated March 3, 2003.

Tract 3

Being 7.312 acres of land in T. J. Shannon Abstract 1137 conveyed by the Beatrice Mathis Estate to Martha Imbert by Probate dated January 30, 2007.

Tract 4

Being 23.182 acres of land in R.O. Barrett Abstract 0186 conveyed by the Beatrice Mathis Estate to Martha Imbert by Probate dated January 30, 2007.

STATE OF TEXAS §
§
COUNTY OF GRAYSON §

CHAPTER 43 LOCAL GOVERNMENT CODE

DEVELOPMENT AGREEMENT

This Agreement is entered into pursuant to Sections 43.035 and 212.172 of the Texas Local Government Code by and between the City of Sherman (the "City"), and the undersigned property owner(s) (the "Owner"). The term "Owner" includes all owners of the Property.

WHEREAS, the Owner owns a parcel of real property (the "Property) in Grayson County, Texas, which is more particularly and separately described in the attached Exhibit "A"; and

WHEREAS, the City desires to begin annexation proceeding on all portions of Owner's Property; and

WHEREAS, the Owner desires to have the Property remain in the City's extraterritorial jurisdiction, in consideration for which the Owner agrees to enter into this agreement; and

WHEREAS, this Agreement is entered into pursuant to Sections 43.035 and 212.172 of the Texas Local Government Code, or order to address the desires of the Owner and the procedures of the City; and

WHEREAS, the Owner and the City acknowledge that this Agreement is binding upon the City and the Owner and their respective successors and assigns for the term (defined below) of this Agreement; and

WHEREAS, the Development Agreement is to be recorded in the Real Property Records of Grayson County;

NOW THEREFORE, in consideration of the mutual covenants contained herein, the parties agree as follows:

Section 1. **City's Representations.** The City guarantees the continuation of the extraterritorial status of the Owner's Property, its immunity from annexation by the City, and its immunity from City property taxes, for the term of this Agreement, subject to the provisions of this Agreement. Except as provided in this Agreement, the City agrees not to annex the Property, agrees not to involuntarily institute proceedings to annex the Property, and further agrees not to include the Property in a statutory annexation plan for the Term of this Agreement. However, if the Property is annexed pursuant to the terms of this Agreement, then the City shall provide services to the Property pursuant to Chapter 43 of the Texas Local Government Code.

Section 2. **Owner's Representations.** The Owner covenants and agrees not to use the Property for any use other than for agriculture, wildlife management, and/or timber land consistent with Chapter 23 of the Texas Tax Code, except for existing single-family residential use of the property, without the prior written consent of the City. The Owner covenants and agrees that the Owner will not file any type of subdivision plat or related development document for the Property with Grayson County or the City until the Property has been annexed into, and zoned by, the City. The Owner covenants and agrees not to construct, or allow to be constructed, any buildings on the Property that would require a building permit if the Property were in the city limits, until the Property has been annexed into, and zoned by, the City. The Owner also covenants and agrees that the City's R-A District: Single-family Agricultural District zoning requirements apply to the Property, and that the Property shall be used only for R-A District: Single-family Agricultural District zoning uses that exist on that Property at the time of the execution of this Agreement, unless otherwise provided in this Agreement. However, the Owner may construct an accessory structure to an existing single family dwelling in compliance with all applicable City ordinances and codes. THE OWNER ACKNOWLEDGES THAT EACH AND EVERY OWNER OF THE PROPERTY MUST SIGN THIS AGREEMENT IN ORDER FOR THE AGREEMENT TO TAKE FULL EFFECT, AND THE OWNER WHO SIGNS THIS AGREEMENT COVENANTS AND AGREES, JOINTLY AND SEVERABLY, TO INDEMNIFY, HOLD HARMLESS, AND DEFEND THE CITY AGAINST ANY AND ALL LEGAL CLAIMS, BY ANY PERSON CLAIMING AN OWNERSHIP INTEREST IN THE PROPERTY WHO HAS NOT SIGNED THE AGREEMENT, ARISING IN ANY WAY FROM THE CITY'S RELIANCE ON THIS AGREEMENT.

Section 3. **Acts Leading to Voluntary Annexation and Waiver.** The Owner acknowledges that if any plat or related development document is filed in violation of this Agreement, or if the Owner commences development of the Property in violation of this Agreement, then in addition to the City's other remedies, such act will constitute a petition for voluntary annexation by the Owner, and the Property will be subject to annexation at the discretion of the City Council. The Owner agrees that such annexation shall be voluntary and the Owner hereby consents to such annexation as though a petition for such annexation had been tendered by the Owner. If annexation proceedings begin pursuant to this Section, the Owner acknowledges that this Agreement serves as an exception to Local Government Code Section 43.052, requiring a municipality to use certain statutory procedures under an annexation plan. Furthermore, Owner(s) hereby waive any and all vested rights and claims that they may have under Section 43.002(a)(2) and Chapter 245 of the Texas Local Government Code that would otherwise exist by virtue of any actions Owner(s) has taken in violation of Section 2 herein.

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authority pursuant to Chapter 251 of the Texas Local Government Code to exercise eminent domain over property that is subject to a Chapter 43 and/or Chapter 212 development agreement.

Section 5. Term of Agreement and Waiver. The term of this Agreement (the "Term") is five (5) years from the date that the City Manager's signature to this Agreement is acknowledged by a public notary, unless there is a subsequent change in the law by the Texas Legislature rescinding the need for the Development Agreement, then the Agreement will terminate upon the effective date of the new law, or as otherwise may be specified in the new law. If the City desires to commence annexation proceedings before the end of the Term of the Agreement, the Owner, and all of the Owner's heirs, successors and assigns shall be deemed to have filed a petition for voluntary annexation in order for annexation of the Property to be completed on or after the end of the Term. Prior to the end of the Term, the City may commence the voluntary annexation of the Property. In connection with annexation pursuant to this section, Owner(s) hereby waive any vested rights they may have under Section 43.002(a)(2) and Chapter 245 of the Texas Local Government Code that would otherwise exist by virtue of any plat or construction any of the owners may initiate during the time between the expiration of this Agreement and the institution of annexation proceedings by the City.

Section 6. Zoning of Property. Property annexed pursuant to this Agreement will initially be zoned SF-1 (Single Family Residential) pursuant to the City's Code of Ordinances, unless the Code is amended to change the zoning of areas annexed in to the City pending the term of this Agreement. The determination of the property's permanent zoning will be in accordance with the provisions of applicable law and the City's Code of Ordinances.

Section 7. Notice. Any person who sells or conveys any portion of the Property shall, prior to such sale or conveyance, give written notice of this Agreement to the prospective purchaser or grantee, and shall give written notice of the sale or conveyance to the City. Furthermore, the Owner and the Owner's heirs, successor, and assigns shall give the City written notice within fourteen (14) days of any change in the agricultural exemption status of the Property. A copy of either notice required by this section shall be forwarded to the City at the following address:

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Attn: City Manager
P.O. Box 1106
Sherman, TX 75091

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regarding involuntary annexation, then the remainder of this Agreement shall remain in full force and effect.

Section 10. **Enforcement of Agreement.** This Agreement may be enforced by any Owner or the City by any proceeding at law or in equity. Failure to do so shall not be deemed a waiver to enforce the provisions of this Agreement thereafter.

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Section 14. **Venue.** Venue for any disputes related to this Agreement shall be in Grayson County, Texas and governed by the laws of the State of Texas.

Section 15. **No Waiver of Immunity.** Nothing herein shall be deemed to be a waiver of the City's defense of governmental immunity, or any other applicable defenses.

Section 16. **Counterparts of Agreement.** This Agreement may be separately executed in individual counterparts and, upon execution, shall constitute one and same instrument.

Section 17. **Survival of Agreement.** This Agreement shall survive its termination to the extent necessary for the implementation of any applicable provisions herein.

By signing this Agreement, Owner represents that he or she has conferred with an attorney, or has voluntarily chosen not to confer with an attorney. Owner also represents that he or she understands the Agreement and voluntarily agrees to the terms of the Agreement.

Entered into this 8 **day of** May, **2008.**

OWNER(S) OF THE PROPERTY:

John Billy Mathis

John Billy Mathis, Owner

CITY OF SHERMAN

George Olson,
City Manager, City of Sherman, Texas

ACKNOWLEDGMENT

THE STATE OF TEXAS §
§
COUNTY OF GRAYSON §

This instrument was acknowledged before me on the 8th day of May, 2008 by **John Billy Mathis**, Owner.

THERESA E. HARPER
MY COMMISSION EXPIRES
December 21, 2009

Notary Public, State of Texas

JOHN BILLY MATHIS

EXHIBIT "A"

Tract 1

Being 31.812 acres of land in the R.O. Barrett Abstract 0186 conveyed by the Beatrice Mathis Estate to John Billy Mathis by Probate dated January 30, 2007.

SHERMAN CITY COUNCIL

Agenda Communication Form

From: The Office of the City Manager **Date:** 8-18-2008

Subject: Agenda Item No. B.5

INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 5555
Amending Section 8, Subsection (5)(a), Ordinance No. 2280, so as to Grant a Specific Use Permit to Sherman Bible Church (Owners) and Alliance Architects, Thomas Maxwell (Architect), to Allow a Church in an R-1 (One Family Residential) District at 2515 West Lamberth Road, being Lot 10, Block 3 of the O'Hanlon Ranch Addition; Providing that this Specific Use Permit Shall be Granted Subject to Certain Conditions; Providing a Penalty Not to Exceed $2,000

Issue
To consider granting a Specific Use Permit to Sherman Bible Church (Owner) and Alliance Architects, Thomas Maxwell (Architect), to Allow a Church in an R-1 (One Family Residential) District

Background
The property is located at 2515 West Lamberth Road on the west side of F.M. 1417 North (Heritage Parkway) in the O'Hanlon Ranch Subdivision. Sherman Bible Church would like to construct a 42,337 square foot church with 299 parking spaces.

Origination
Sherman Bible Church (Owners) and Alliance Architects, Thomas Maxwell (Architect)

Board Recommendation
At the July 22, 2008 regular meeting, the Planning and Zoning Board voted 8/0 to recommend to the City Council that the Specific Use Permit be approved subject to the staff review letter.

Attachments
Ordinance No. 5555
Location Map
Photograph
Site Plan
Letters
P&Z Communication Form
Staff Review Letter

Prepared by:
Scott Shadden, Development Services Director

Approved by:
George Olson, City Manager

ORDINANCE NO. 5555

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AMENDING SECTION 8, SUBSECTION (5)(A), ORDINANCE NO. 2280, SO AS TO GRANT A SPECIFIC USE PERMIT TO SHERMAN BIBLE CHURCH (OWNERS) AND ALLIANCE ARCHITECTS, THOMAS MAXWELL (ARCHITECT), TO ALLOW A CHURCH IN AN R-1 (ONE FAMILY RESIDENTIAL) DISTRICT AT 2515 WEST LAMBERTH ROAD, BEING LOT 10, BLOCK 3 OF THE O'HANLON RANCH ADDITION; PROVIDING FOR A REPEALER; PROVIDING THAT THIS SPECIFIC USE PERMIT SHALL BE GRANTED SUBJECT TO CERTAIN CONDITIONS; PROVIDING A PENALTY NOT TO EXCEED $2,000; 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 Bible Church (Owners) and Alliance Architects, Thomas Maxwell (Architect) are granted a Specific Use Permit to allow a church in an R-1 (One Family Residential) District at 2515 West Lamberth Road, and that Section 8, Subsection (5)(a), Ordinance No. 2280 is hereby amended so as to hereafter include the following described property:

Being Lot 10, Block 3 of O'Hanlon Ranch Addition.

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

Zoning:

1. Fire lanes shall be coordinated with the Fire Marshal, (903.892.7267)
2. All requirements of the R-1 (One Family Residential) District and the Commercial Tree Preservation and Landscaping Ordinance shall be followed.

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.

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 _____, 2008.

ADOPTED on this the _____ day of _____, 2008.

EFFECTIVE DATE on this the _____ day of _____, 2008.

CITY OF SHERMAN, TEXAS

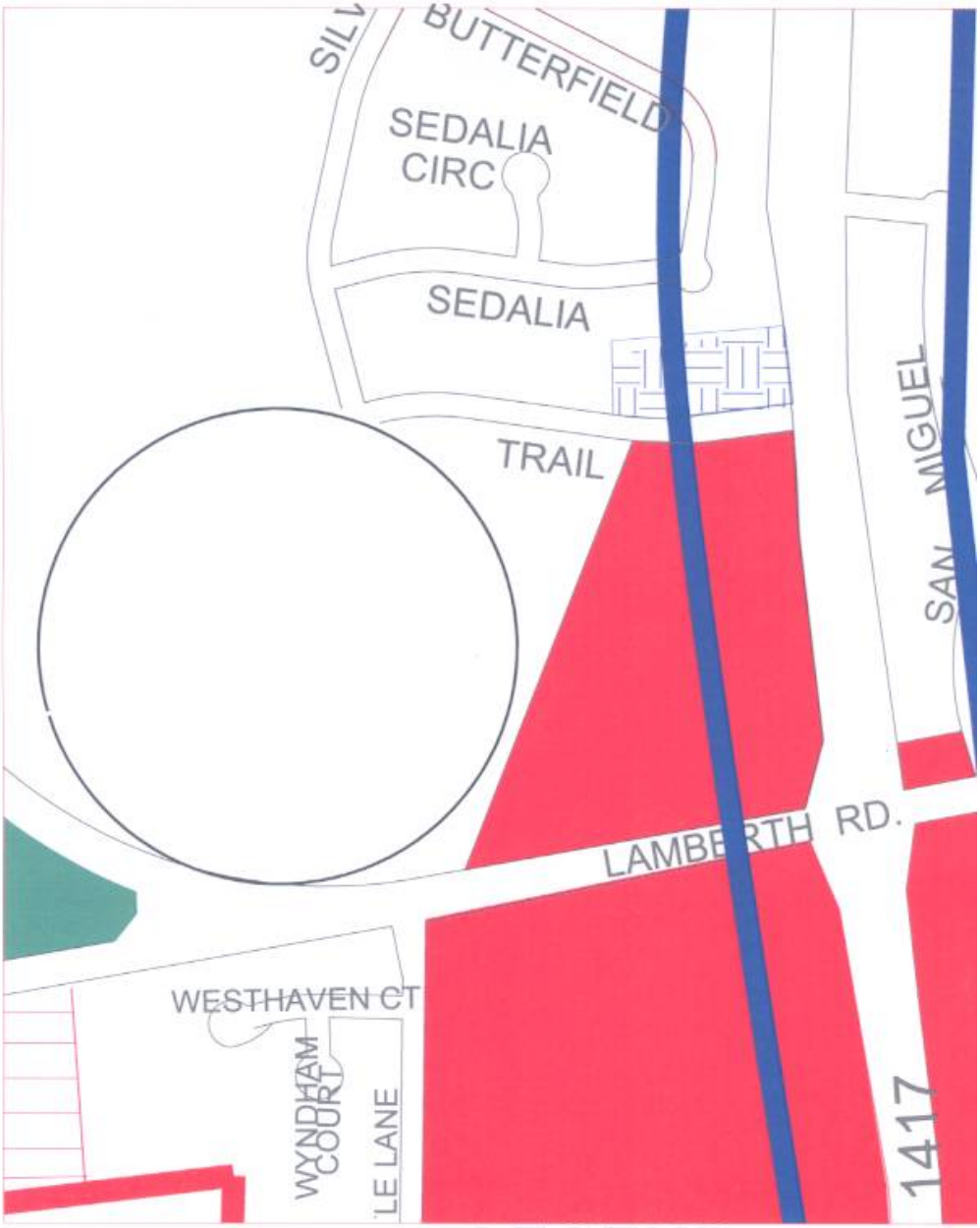
BY: _____
BILL MAGERS, MAYOR

ATTEST:

BY: _____
LINDA ASHBY, CITY CLERK

APPROVED AS TO FORM
AND CONTENT:

_____
DOREEN E. MCGOOKEY,
CITY ATTORNEY



LEGEND

R-A	SINGLE FAMILY AGRICULTURAL DISTRICT	M-2	HEAVY MANUFACTUR
SF-1	SINGLE FAMILY RESIDENTIAL DISTRICT	M H	MANUFACTURED HO
R-1	ONE AND TWO FAMILY RESIDENTIAL DISTRICT		BLALOCK INDUSTRIAL
R-2	MULTI-FAMILY RESIDENTIAL DISTRICT	O-1	OVERLAY DISTRICT -
C-1	RETAIL BUSINESS DISTRICT	O-1.1	OVERLAY DISTRICT -
C-2	GENERAL COMMERCIAL DISTRICT	O-1.2	OVERLAY DISTRICT -
C O	OFFICE DISTRICT	CPO	COLLEGE PARK OVE
M-1	LIGHT MANUFACTURING DISTRICT	A&C	ARTS & CULTURAL O
M-1.5	MEDIUM MANUFACTURING DISTRICT	CBD	CENTRAL BUSINESS

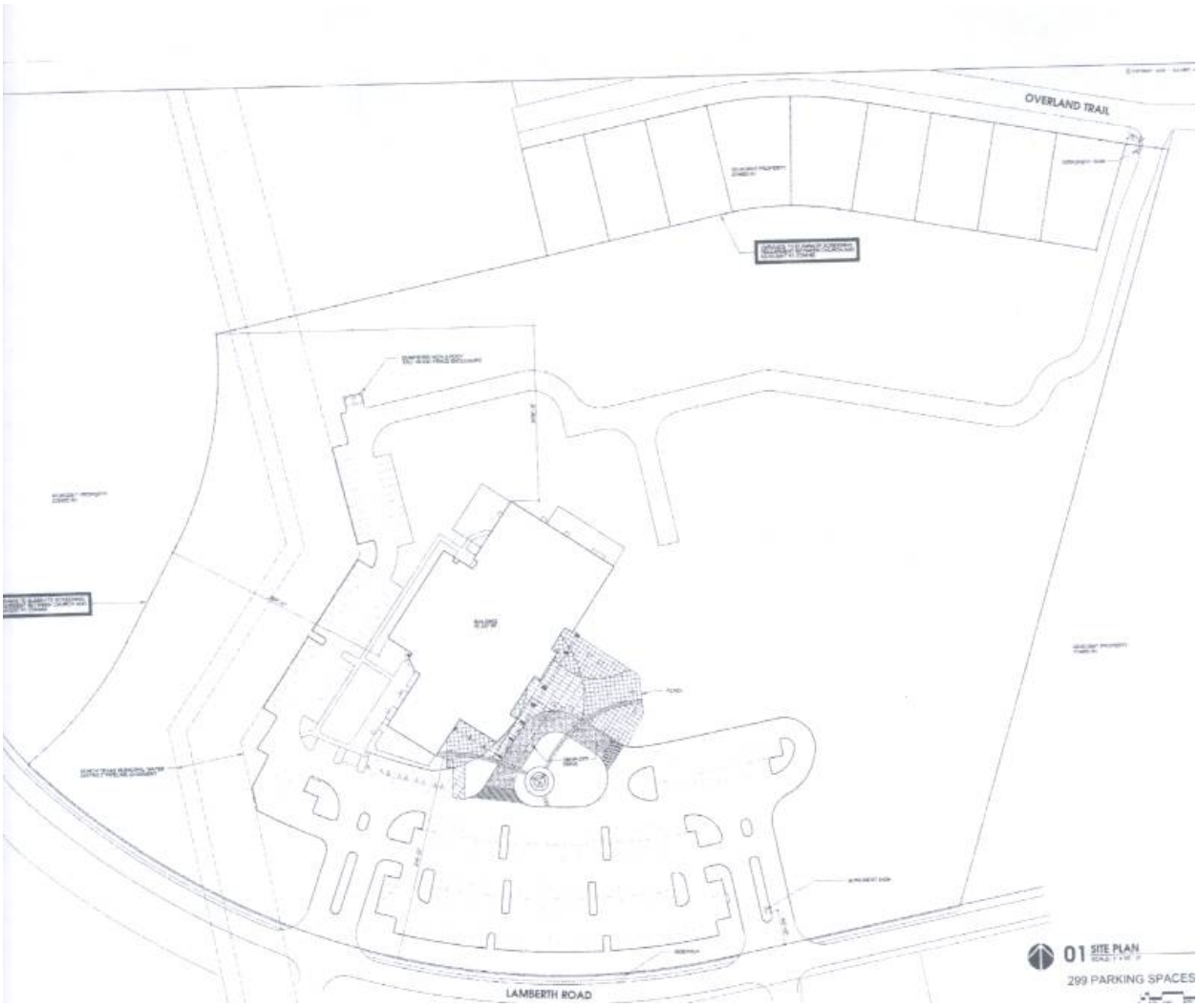
2515 WEST LAMBERTH RD.
SPECIFIC USE PERMIT

ENGINEERING DEPARTMENT

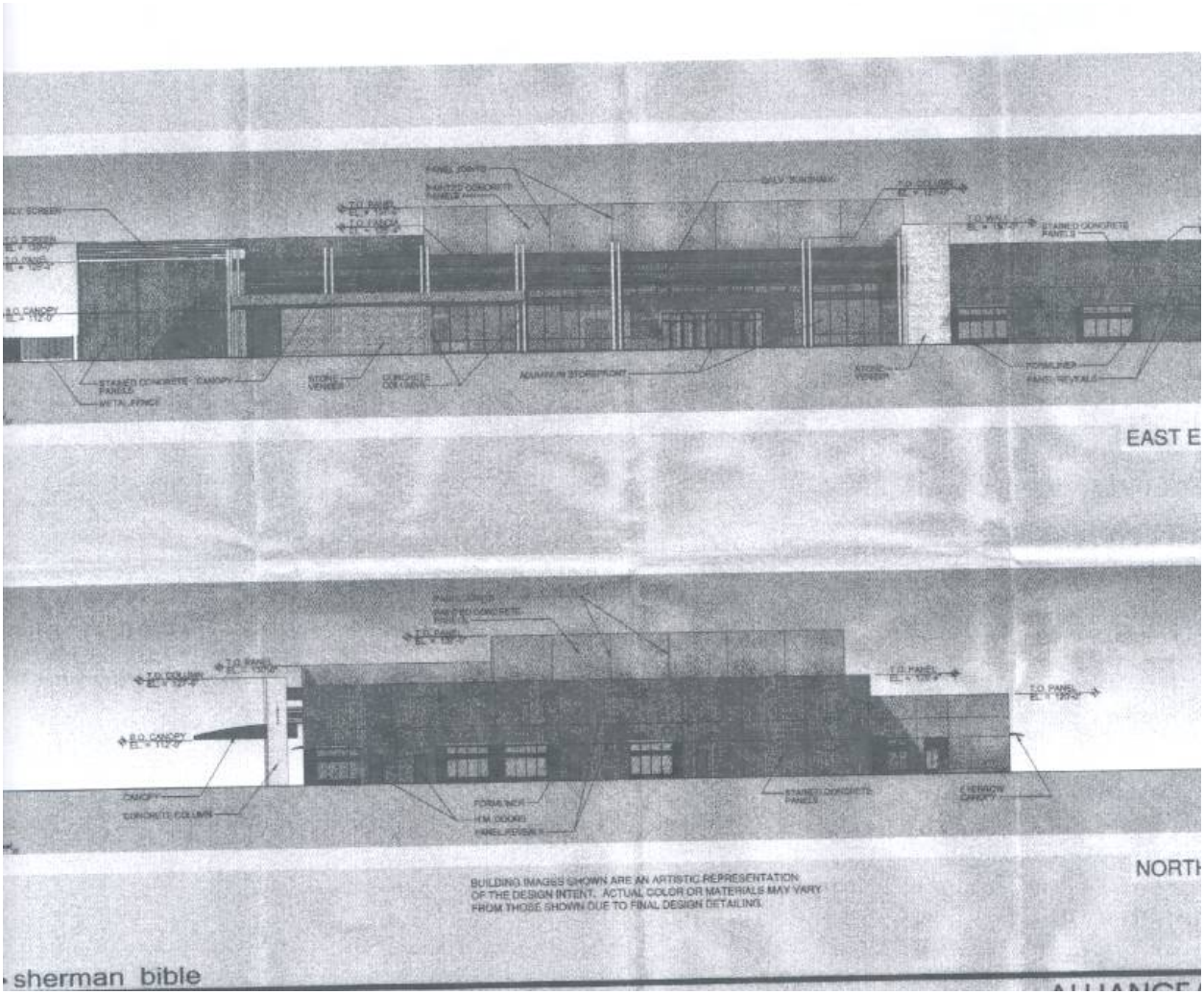
F.M. 1417
Lamberth

2515 W. Lamberth

Site Plan


OVERLAND TRAIL
LAMBERTH ROAD
01 SITE PLAN
299 PARKING SPACES

Elevations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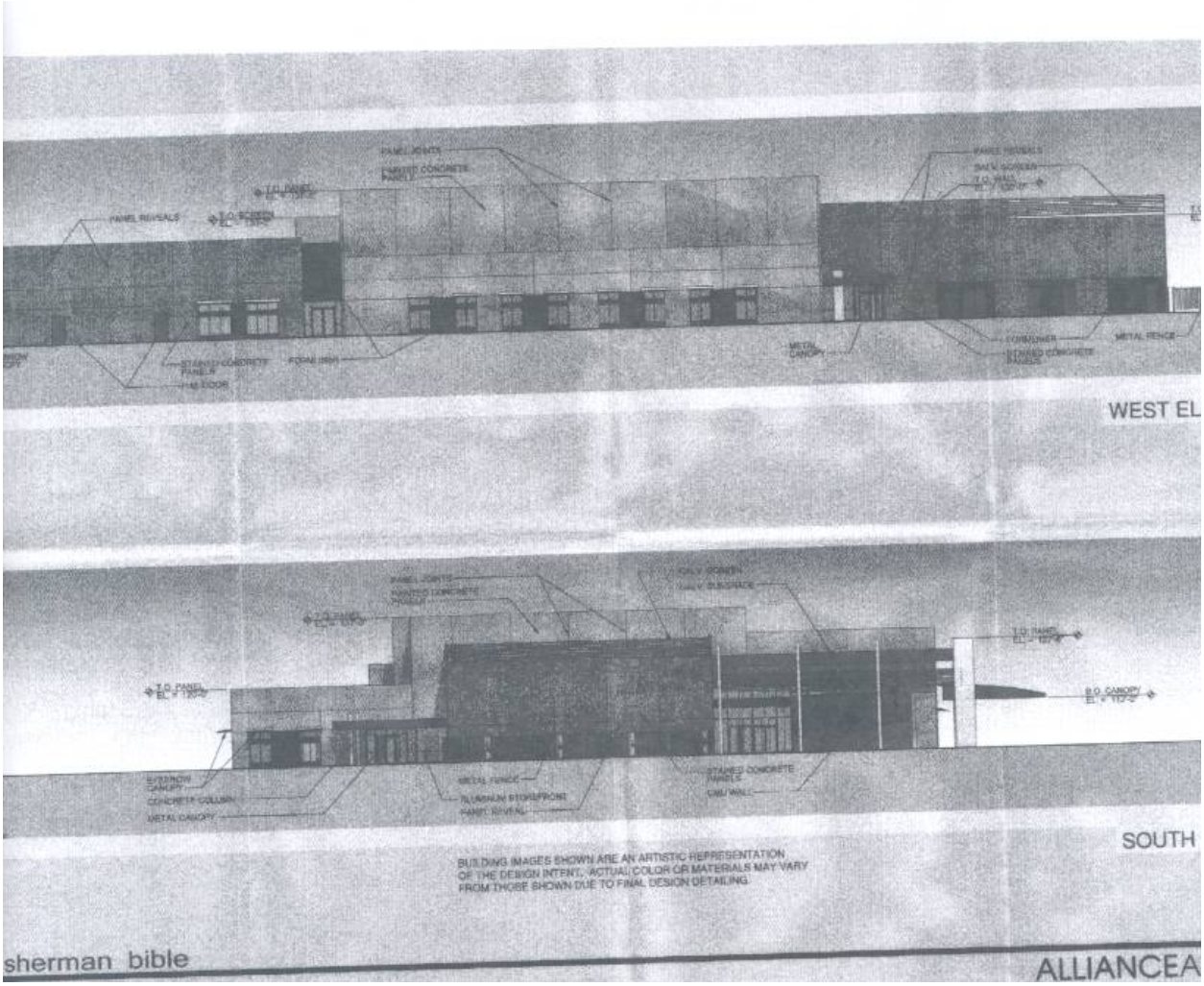
sherman bible

Elevations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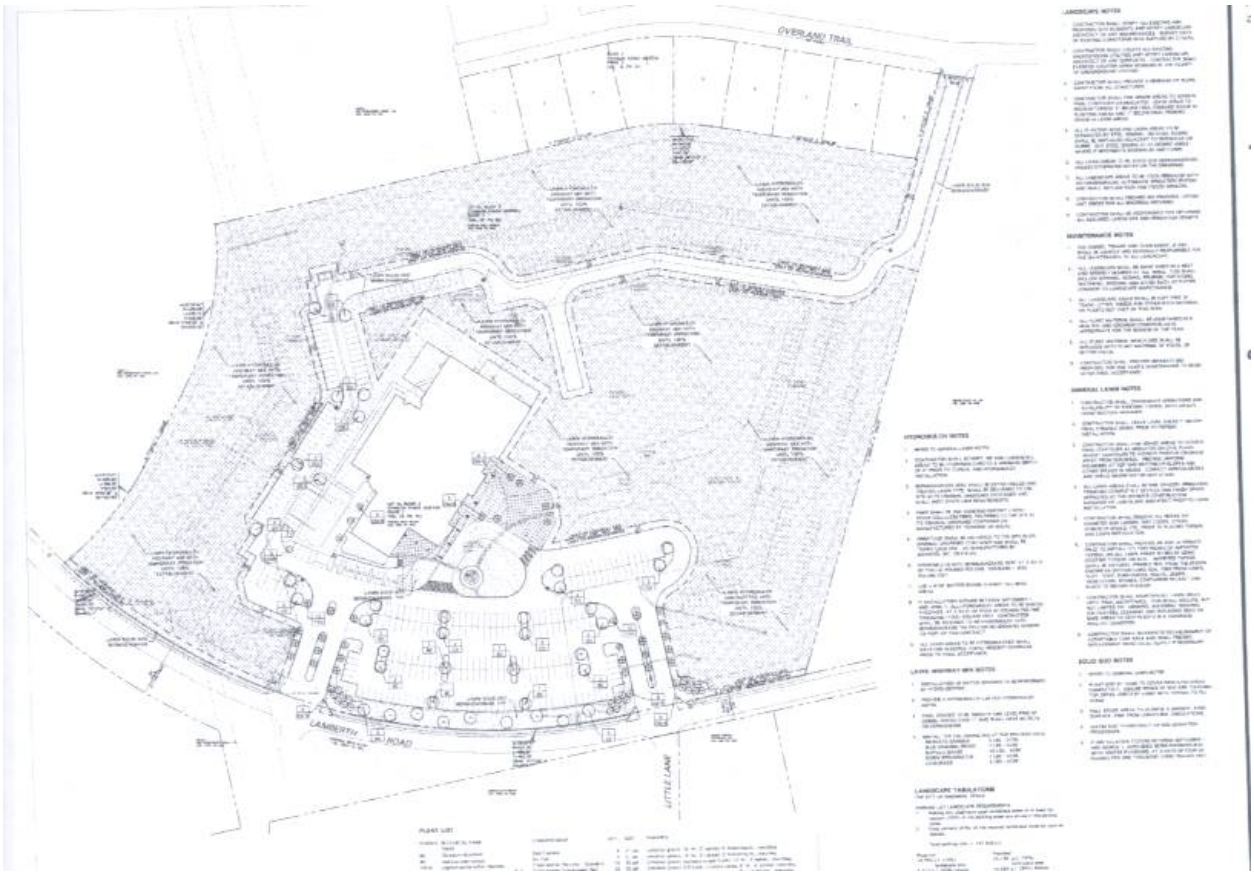
ALLIANCEA

Landscaping Plan



SHERMAN

PLANNING AND ZONING BOARD
BUILDING INSPECTION DEPARTMENT
Telephone No. (903) 892-722
FAX No. (903) 892-727

Claire Tate
96 Chateau Circle
Sherman, Texas 75092

July 7, 2008

JUL 11 RE

The Planning and Zoning Commission of the City of Sherman will hold a public hearing on the day o Tuesday, July 22, 2008 at 5:00 P.M. in the City Council Chambers, at 220 W. Mulberry, to hear the reques of:

Sherman Bible Church (Owners) and Alliance Architects, Thomas Maxwel (Architect) concerning the property located at 2515 West Lamberth Road, being Lo 10, Block 3, O'Hanlon Ranch Addition, Phase 2

The request is as follows:

- **Specific Use Permit and Site Plan Approval under Ordinance No. 2280, Section 8 Subsection (5)(a) to allow a church in an R-1 (One Family Residential) District.**
- **Variance under Ordinance No. 2280, Section 6.2, Subsection 5 to allow a 75' building height in lieu of the permitted 35 feet or 2 stories in height in an R-1 (One Family Residential) District.**
- **Exception under Ordinance No. 2280, Section 7, Subsection (13)(a) to not require the developer to provide screening between a church and an R-1 (One Family Residential) District.**
- **Variance under Ordinance No. 2280, Section 7, Subsection (14)(g) to allow an additional freestanding monument sign from Overland Trail in an R-1 (One Family Residential) District.**
- **Variance under Ordinance No. 2280, Section 6.2, Subsection (1) to allow a 3' setback from the Overland Trail property line in lieu of the required 25' on a front facing street in an R-1 (One Family Residential) District.**

As a property owner within two hundred feet (200') of this property, you are invited to attend. You are not required to be present, but all interested parties wishing to speak should appear at the time and place stated above. If you can not attend the public hearing, but wish to have your views presented to the Board, you may do so in the space provided below or by a separate letter and mailed to:

Scott Shadden
Secretary, Planning and Zoning Board
P.O. Box 1106
Sherman, Texas 75091-1106

Dear Scott, Claire To Be! Sounds Good! To Cool Sounds Progress! Horses. In H! We are for and Lots of

Scott Shadden
Secretary, Planning & Zoning Board

Thanks

Unless this notice is delivered in an envelope that has the "City of Sherman" logo and is affixed with postage as required by the U.S. Postal Service, it is NOT an official notice sent to you by the City of Sherman.

AGENDA ITEM #16

City of Sherman

Planning and Zoning Commission

Board of Adjustments

Agenda Communication Form

July 22, 2008

Jason Sofey, Chairman

Jim Jacobs, Vice Chairman	**John Nix, Commissioner**
Robin Atherton, Commissioner	**Steve Jones, Commissioner**
Lawrence Davis, Commissioner	**David Plyler, Commissioner**
Brad Morgan, Commissioner	**Darren Tankersley, Commissioner**

2515 West Lamberth Road
Being Lot 10, Block 3, O'Hanlon Ranch Addition, Phase 2
Specific Use Permit & Site Plan

Requested Action/Proposed Use:
Specific Use Permit and site plan approval to allow a church in an R-1 (One Family Residential) District.

Background
The property is located at 2515 West Lamberth Road on the west side of FM 1417 North (Heritage Parkway) in the O'Hanlon Ranch Subdivision. Sherman Bible Church would like to construct a 42,337 square foot church with 299 parking spaces.

Adjacent Zoning:
C-1 (Retail Business) District, SF-1 (Single Family Residential) District and R-1 (One Family Residential) District

Origination:
Sherman Bible Church (Owners) and Alliance Architects, Thomas Maxwell (Architect)

Master Plan Designation:
Residential

Number of notices mailed:
14

Objections received:
0

Attachments:
Location map, Photos, Site Plan, Staff Review Letter

Prepared by:	**Approved by:**
Patsy Reeves,	**Scott Shadden,**
Development Services Secretary	**Director of Development Services**

STAFF REVIEW LETTER

July 16, 2008

Sherman Bible Church
2617 North FM 1417
Sherman, Texas 75092

Thomas Maxwell
1600 N. Collins Blvd. #1000
Richardson, TX 75080

Dear Applicants,

Your request for approval of a Specific Use Permit and site plan to allow a church in an R-1 (One Family Residential) District located at 2515 West Lamberth Road has been scheduled to be heard by the Planning and Zoning Board on the day of Tuesday, July 22, 2008 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 zoning, engineering and development guidelines and finds the following items need to be addressed:

Zoning:

1. Fire lanes shall be coordinated with the Fire Marshal, (903.892.7267)
2. All requirements of the R-1 (One Family Residential) District and the Commercial Tree Preservation and Landscaping Ordinance shall be followed.

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: George Olson, City Manager
Mark Gibson, Director Utilities & Engineering Services
Doreen E. McGookey, City Attorney
Rita Gaither, Development Coordinator
Danny Fuller, Fire Marshal
Jeff Miller, Director of Public Works

SHERMAN CITY COUNCIL

Agenda Communication Form

From: The Office of the City Manager **Date:** 8-18-2008

Subject: Agenda Item No. B.6

FIRST READING, PUBLIC HEARING, AND FIRST VOTE ON ORDINANCE NO. 5556
Granting to Atmos Energy Corporation, Mid-Tex Division, a Texas and Virginia Corporation, its Successors and Assigns, a Franchise to Furnish, Transport and Supply Gas to the General Public in the City of Sherman, Grayson County, Texas, for the Transporting, Delivery, Sale, and Distribution of Gas in, Out of, and Through Said Municipality for all Purposes; Providing for the Payment of a Fee or Charge for the Use of the Public Rights-of-Way; Providing That it Shall be in Lieu of Other Fees and Charges, Excepting Ad Valorem Taxes; Repealing all Previous Atmos Energy Gas Franchise Ordinances; Prescribing the Terms, Conditions, Obligations and Limitations Under Which Such Franchise Shall be Exercised; Providing a Most Favored Nations Clause; Providing for an Effective Date

Issue
Pursuant to the City Charter, the City of Sherman is enacting a Franchise Ordinance with Atmos Energy Corp., Mid-Tex Division ("Atmos"), for access to the City's Rights-of-Way and the appurtenances in the public roads, streets, alleys, etc., in exchange for the payment of a franchise fee.

Background
Atmos contacted the City in an effort to secure a new Franchise Ordinance. The Franchise was delayed since the Atmos Steering Committee and Atmos were negotiating a settlement. Now the City and Atmos are ready to move forward with the proposed Franchise Ordinance. Pursuant to the City Charter, any ordinance granting a franchise must have two readings, thirty (30) days apart; and no ordinance shall pass any reading except by a majority vote of the City Council members.

Origination
The City Attorney

Financial Consideration
The proposed ordinance raises the franchise rate from four percent (4%) to five percent (5%) of gross revenues. The projected increase in annual revenues from the proposed gas franchise rate is about $185,000. A list of cities that have adopted and denied the increase in the rate is attached to this item.

Staff Recommendation
Staff recommends approval of the proposed Franchise Ordinance.

Alternatives
The City Council could choose not to approve this Franchise Ordinance.

Attachments
Ordinance No. 5556

Prepared by:
Doreen E. McGookey, City Attorney

Approved by:
George Olson, City Manager

ORDINANCE NO. 5556

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, GRANTING TO ATMOS ENERGY CORPORATION, MID-TEX DIVISION, A TEXAS AND VIRGINIA CORPORATION, ITS SUCCESSORS AND ASSIGNS, A FRANCHISE TO FURNISH, TRANSPORT AND SUPPLY GAS TO THE GENERAL PUBLIC IN THE CITY OF SHERMAN, GRAYSON COUNTY, TEXAS, FOR THE TRANSPORTING, DELIVERY, SALE, AND DISTRIBUTION OF GAS IN, OUT OF, AND THROUGH SAID MUNICIPALITY FOR ALL PURPOSES; PROVIDING FOR THE PAYMENT OF A FEE OR CHARGE FOR THE USE OF THE PUBLIC RIGHTS-OF-WAY; PROVIDING THAT IT SHALL BE IN LIEU OF OTHER FEES AND CHARGES, EXCEPTING AD VALOREM TAXES; REPEALING ALL PREVIOUS ATMOS ENERGY GAS FRANCHISE ORDINANCES; PRESCRIBING THE TERMS, CONDITIONS, OBLIGATIONS AND LIMITATIONS UNDER WHICH SUCH FRANCHISE SHALL BE EXERCISED; PROVIDING A MOST FAVORED NATIONS CLAUSE; PROVIDING A SEVERABILITY CLAUSE; PROVIDING FOR AN EFFECTIVE DATE; FINDING AND DETERMINING THAT THE MEETING AT WHICH THIS ORDINANCE IS PASSED WAS NOTICED AND IS OPEN TO THE PUBLIC AS REQUIRED BY LAW.

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

SECTION 1. GRANT OF AUTHORITY

A. The City of Sherman, Texas, herein after called "City," hereby grants to Atmos Energy Corporation, Mid-Tex Division, hereinafter called "Atmos" or "Company," its successors and assigns, consent to use and occupy the present and future Public Rights-of-Way of the City for the purpose of laying, maintaining, constructing, protecting, operating, and replacing the System needed and necessary to deliver, transport and distribute gas in, out of, and through City and to sell gas to persons, firms, and corporations, including all the general public, within the City's corporate limits.

B. Said privilege and license being granted by this Ordinance is for a term ending December 30, 2023.

C. The provisions set forth in this Ordinance represent the terms and conditions under which the Company shall construct, operate, and maintain the System within the City, hereinafter sometimes referred to as the "Franchise." In granting this Franchise, the City does not in any manner surrender or waive its regulatory or other rights and powers under and by

virtue of the Constitution and statutes of the State of Texas as the same may be amended, nor any of its rights and powers under or by virtue of the City Charter or present or future ordinances of the City, except as may be set out herein. Company, by its acceptance of this Franchise, agrees that all such lawful regulatory powers and rights as the same may be from time to time vested in the City shall be in full force and effect and subject to the exercise thereof by the City at any time.

SECTION 2. DEFINITIONS

For the purposes of this Ordinance, the following terms, phrases, words, and their derivations shall have the meanings given herein. When not inconsistent with the context, words in the present tense include the future, words in the plural number include the singular number, and words in the singular number include the plural number. The word "shall" is always mandatory and not merely directory.

A. "Affiliate" shall mean in relation to the Company, a Person that controls, is controlled by, or is under common control with the Company. As used in this definition, the term "control" means, with respect to a Person that is a corporation, the ownership, directly or indirectly, of more than 50% of the voting securities of such Person or, with respect to a Person that is not a corporation, the power to direct the management or policies of such Person, whether by operation of law, by contract or otherwise.

B. "City" shall mean the City of Sherman, Texas.

C. "City Manager" means City's manager, or his or her designee.

D. "Company" shall mean Atmos Energy Corporation, Mid-Tex Division, its successors and assigns, but does not include an Affiliate, which shall have no right or privilege granted hereunder except through succession or assignment in accordance with Section 19.

E. "Gross Revenues" shall mean all revenue derived or received, directly or indirectly, from the sale of gas to all classes of customers (excluding gas sold to another gas utility in City for resale to its customers within City) within the corporate limits of City.

(1) "Gross revenues" shall include:

(a) revenues derived from the following 'miscellaneous charges':

i. charges to connect, disconnect, or reconnect gas within the City;

ii. charges to handle returned checks from consumers within the City;

iii. such other service charges and charges as may, from time to time, be authorized in the rates and charges on file with the City; and

iv. contributions in aid of construction ("CIAC").

(b) revenues billed but not ultimately collected or received by the Company;

(c) gross receipts fees;

(d) all revenues derived by Company from the transportation of gas through the System of Company within the City to customers located within the City (excluding any gas transported to another gas utility in City for resale to its customers within City); and

(e) the value of gas transported by Company for Transport Customers through the System of Company located in the City's Public Rights-of-Way ("Third Party Sales") (excluding the value of any gas transported to another gas utility in City for resale to its customers within City), with the value of such gas to be established by utilizing Company's monthly Weighted Average Cost of Gas charged to industrial customers in the Mid-Tex division, as reasonably near the time that the transportation service is performed.

(2) "Gross revenues" shall not include:

(a) the revenue of any Person including, without limitation, an Affiliate, to the extent that such revenue is also included in Gross Revenues of the Company; and

(b) sales taxes; and

(c) any interest income earned by the Company; and

(d) all monies received from the lease or sale of real or personal property, provided, however, that this exclusion does not apply to the lease of facilities within the City's Public Right-of Way.

F. "Person" shall mean any natural person, or any association, firm, partnership, joint venture, corporation, or other legally recognized entity, whether for-profit or not-for-profit, but shall not, unless the context clearly intends otherwise, include the City or any employee, agent, servant, representative or official of the City.

G. "Public Right-of-Way" shall mean public streets, alleys, highways, bridges, public easements, rights-of way, public thoroughfares, grounds, and sidewalks of the City, as they now exist or may be hereafter constructed, opened, laid out or extended within the present limits of the City, or in such territory as may hereafter be added to, consolidated or annexed to the City. "Public Right-of-Way" shall not include parks, schools, playgrounds, or greenbelts.

H. "System" or "System Facilities" shall mean all of the Company's pipes, pipelines, gas mains, laterals, feeders, regulators, meters, fixtures, connections, and all other appurtenant equipment used in or incident to providing delivery, transportation, distribution, supply and sales of natural gas for heating, lighting, and power, located in the Public Right-of-Way within the corporate limits of the City.

I. "Transport Customer" shall mean any Person for which Company transports gas through the System of Company within the City's Public Rights-of-Way for delivery within the City (excluding other gas utilities in City who resell gas to their customers within the City).

SECTION 3. <u>CONDITIONS OF OCCUPANCY</u>

A. All construction and the work done by Company, and the operation of its business, under and by virtue of this Ordinance, shall be in conformance with the ordinances, rules and regulations now in force and that may hereafter be adopted by the City relating to the use of its Public Rights-of-Way. Company's System shall be so constructed as not to unreasonably interfere with any existing water and wastewater lines, storm sewer lines, open drainage areas, cable, fiber optic cable, electric lines, roadways, sidewalks, alleys, traffic control devices, public signs, or any other publicly owned or publicly franchised facility.

B. The Company shall install, maintain, construct, operate and replace its facilities in accordance with applicable city ordinances and so as to interfere as little possible with traffic.

The placement of new facilities in the Public Rights-of-Way shall be subject to the approval of the City Manager. In determining the location of the Company's new facilities within the City, the Company shall minimize interferences with then-existing or documented planned underground structures of the City or with existing facilities of other users of the Public Rights-of-Way. In determining the location of the facilities of the City and other utility franchisees and other users of the Public Rights-of-Way within the City, the City shall minimize the interference with existing facilities of the Company and shall require other utility franchisees or users of the Public Rights-of-Way to minimize interference with existing facilities of the Company. Company shall attempt to utilize the alleys of the City insofar as is reasonably practicable in conducting its work and activities hereunder. Notwithstanding the foregoing, however, Company may, when reasonably necessary, utilize the streets and other Public Rights-of-Way to perform such work and activities.

C. Any and all excavations and obstructions in and upon the Public Rights-of-Way caused by the Company's operations under this Ordinance shall be repaired and removed as quickly as is reasonably possible, under the circumstances. All excavations shall be repaired in a good and workmanlike manner consistent with applicable City Code and documented City rules, regulations, and policies, and restored to at least the condition that existed prior to the excavation. The public shall be properly warned and protected by barriers and lights or other applicable traffic control devices placed, erected, marked and maintained by the Company in accordance with standards set forth in the current Texas Manual on Uniform Traffic Control Devices (TMUTCD), as well as any other applicable local, state and federal requirements. Company warrants that any such restoration work performed in the Public Rights-of-Way shall be in satisfactory condition for a period of one year, to the extent that such restoration work has not been disturbed by other users of the Public Rights-of-Way. In the event that the Company fails to repair or restore an excavation site within fourteen (14) calendar days after receipt of written notice from the City of a deficiency, the City may, at its option, perform the needed repair or restoration and the Company shall promptly, but in no event later than thirty (30) days, reimburse the City for the cost of such repair or restoration. Any work conducted within the Public Rights-of-Way shall require prior written approval of the City in accordance with city ordinance or documented rule or regulation, except for repairs, day to day maintenance, or in cases of emergency conditions, issued by the City prior to commencement of work. In no

instance shall the Company be required to pay fees or bonds related to its use of the Public Rights-of-Way, unless the Company has failed to make any necessary repairs or is in default in its reimbursement to the City under this paragraph.

D. Company shall cooperate with the City by providing complete information regarding the location of current and future System facilities. Upon request, reproducible copies of maps showing the location of all Company facilities within the Public Rights-of-Way shall be furnished to the Department of Public Works. The maps shall be provided in GIS format and electronic digital format, if available.

E. Company's property and operations within the Public Rights-of-Way shall be subject to the City's ordinances and the City Charter, including, but not limited to, the provisions of ARTICLE VIII. FRANCHISE AND PUBLIC UTILITIES of the City Charter, whether expressed in this Ordinance or not. This Ordinance shall in no way affect or impair the rights, obligations or remedies of the parties under the Texas Utilities Code, or other local, state or federal Law.

F. If the City believes that Company has failed to comply with any operational or maintenance standards as required by this Ordinance, City shall give the Company written notice of such failure to comply. Company shall have the reasonable opportunity to cure such failure during a period not to exceed ten (10) working days from receipt of the written notice. If the Company fails to cure the alleged failure to comply within the prescribed time period, the Company's alleged failure to comply shall be heard at a public meeting of the City Council. The Company shall be given written notice of the public meeting no later than ten (10) calendar days prior to the posting date of the agenda for the City Council meeting at which such alleged failure is scheduled to be considered by the Council. The notice to the Company shall include a list of the failures complained of. Company shall have an opportunity to address the Council at such public meeting. Commencing five (5) business days following the adoption of a resolution or an ordinance of the City that finds and determines a failure of Company to comply with operational or maintenance standards as required by this Ordinance, Company shall pay Three Hundred Dollars ($300.00) per day for each day that such noncompliance continues.

SECTION 4. <u>RELOCATION OF SYSTEM FACILITIES</u>

A. If, during the period of this Franchise, the City shall elect to alter or change the grade or alignment of any street, alley or other Public Easement, or any water pipe, wastewater

pipe, or any overhead or underground structure within the corporate limits of the City, so as to conflict with the facilities of the Company, the Company shall remove or relocate, as necessary, all of its facilities at its own expense. Schedules for this work shall be developed by designated representatives of the Company and the City. If such representatives cannot agree on the schedule, the City Manager, after consultation with the Company, shall establish a schedule. This schedule shall provide for a minimum of thirty (30) days to exist between the time the schedule is furnished to the Company and the time that any specific work to be done by the Company covered in the schedule is to begin.

B. Whenever any such project is funded, in whole or in part, with federal or state highway monies, if the federal or state government provides compensation for utility adjustments, the City shall request that compensation be provided to the Company by the funding authority. If the City receives such requested utility adjustment compensation, it shall deliver same to the Company. When the Company is required to remove or relocate its mains, laterals or other facilities to accommodate work by City without reimbursement from City, the Company shall have the right to seek recovery of relocations costs as provided for in applicable state and/or federal law.

C. If City abandons any Public Right-of-Way in which Company has facilities, such abandonment shall be conditioned on Company's right to maintain its use of the former Public Right-of-Way and on the obligation of the party to whom the Public Right-of-Way is abandoned to reimburse Company for all removal or relocation expenses if Company agrees to the removal or relocation of its facilities following abandonment of the Public Right-of-Way. If the party to whom the Public Right-of-Way is abandoned requests the Company to remove or relocate its facilities and Company agrees to such removal or relocation, such removal or relocation shall be done within a reasonable time at the expense of the party requesting the removal or relocation. If relocation cannot practically be made to another Public Right-of-Way, the expense of any right-of-way acquisition shall be considered a relocation expense to be reimbursed by the party requesting the relocation.

SECTION 5. LAYING OF LINES IN ADVANCE OF PUBLIC IMPROVEMENTS

A. Whenever the City shall decide to make any public improvements in any Public Right-of-Way in which mains and pipes already exist or in which Company may propose to lay its mains or pipes, the Company will be provided the opportunity, at no expense to the City, in

advance of such public improvements, to renew such mains or pipes, if defective or inadequate in size, and to lay service lines, or renew same, if inadequate in size or defective, to the property lines where buildings are already located.

B. The Company shall be given written notice of the intention of the City to make public improvements in any such Public Right-of-Way. Within thirty (30) days from receipt of such notice, the Company, if it has determined a need, shall initiate work and thereafter proceed in a workmanlike manner to completion of the necessary work, but in no event shall the work exceed ninety (90) days from the date of the notice, unless otherwise agreed to by the parties. If the Company should fail to so proceed, and such street or alley is thereupon paved, except in an emergency or in response to a request for initiation of new service the Company shall for two (2) years thereafter not be allowed to cut such pavement or excavate in such paved street or alley for any purpose. All pavement cuts or excavations within the two (2) year period, except in response to an emergency or request for initiation of new service, shall be performed only upon written permission of the Director of Public Works under such terms and conditions as the Director of Public Works may prescribe. Company shall give notice to the City of emergency work as soon as possible, but in no event later than twenty-four (24) hours, after the commencement of such work. Notice shall be given by contacting the City personnel designated by the City for this purpose.

SECTION 6. INSTALLATION OF METERS

If a meter is to be installed in or near the Public Rights-of-Way, Company agrees to discuss with the Director of Public Works or his/her delegate the aesthetics of the meter placement. If the City requires a meter upgrade, the Company will comply so long as the City reimburses the Company for the reasonable costs incurred by the Company in changing meters; provided, however, that in no event shall underground meters be required.

SECTION 7. EXTENSIONS FOR CUSTOMERS

Company shall extend distribution mains in any street up to one hundred (100) feet for any one residential or commercial customer so long as the customer at a minimum uses gas for unsupplemented space heating and water heating. Company shall not be required to extend transmission mains in any Public Rights-of-Way within City or to make a tap on any transmission main within City unless Company agrees to such extension by a written agreement between Company and a customer.

SECTION 8. DUTY TO SERVE

A. The Company hereby agrees that it will not arbitrarily refuse to provide service to any Person that it is economically feasible for the Company to serve. In the event that a Person is refused service, said Person may request a hearing before the City Manager, said hearing to be held within forty-five (45) days from the date of the request for hearing. If the City Manager determines that the refusal to provide service was an arbitrary refusal, then the matter may be referred to the City Council. The hearing before the City Council will be heard within thirty (30) days of the written determination by the City Manager that the refusal to provide service by the Company was arbitrary, unless the Person, City staff, and the Company agreed to another date to present the matter to Council. The Council may order the Company to provide service or take any other action necessary to bring the Company into compliance with the intent of the Council in granting this Franchise, including the adoption of an ordinance or resolution in accordance with Section 16.B. or termination or forfeiture of the Franchise in accordance with Section 16. The Council shall render its opinion at its next regular meeting but in no event shall it be required to act in less than seven (7) days.

B. Commencing five (5) calendar days following the adoption of a resolution or an ordinance of the City that finds and determines a failure of Company to comply with operational or maintenance standards as required by this Ordinance, Company shall pay Three Hundred Dollars ($300.00) per day for each day that such noncompliance continues.

SECTION 9. RATES

Company shall furnish reasonably adequate service to the public at reasonable rates and charges therefore; and Company shall maintain its System in good order and condition. Such rates shall be established in accordance with all applicable statutes and ordinances. Company shall maintain on file with the City copies of its current tariffs, schedules or rates and charges, customer service provisions, and line extension policies. The rates and charges collected from its customers in the City shall be subject to revision and change by either the City or Company in the manner provided by law.

SECTION 10. PAYMENTS TO THE CITY

A. In consideration of the privilege and license granted by City to Company to use and occupy the Public Rights-of-Way in the City for the conduct of its business, Company, its

successors and assigns, agrees to pay and City agrees to accept such franchise fees in the amount and manner described herein. Except as provided herein for franchise fee payments based on CIAC, franchise fee payments shall be made on a quarterly basis, on or before the thirtieth (30th) day following the end of each calendar quarter. The franchise fee shall be a sum of money that shall be equivalent to five percent (5%) of the quarterly Gross Revenues, as defined in Section 2.E., for the preceding calendar quarter and shall be for the rights and privileges herein provided during the quarter in which the payment is made .

B. The franchise fee amounts based on CIAC shall be calculated on an annual calendar year basis, and shall be paid annually on or before April 30 of each year based on the total CIAC recorded during the preceding calendar year. The initial CIAC franchise fee amount due hereunder will be paid on or before April 30, 2009 and will be based on the calendar year January 1 through December 31, 2008. The final CIAC franchise fee amount will be paid on or before April 30, 2024 and will be based on the calendar year January 1 through December 31, 2023.

C. It is also expressly agreed that the franchise fee payments shall be in lieu of any and all other and additional occupation taxes, easement, franchise taxes or charges (whether levied as a special or other character of tax or charge), municipal license, permit, and inspection fees, bonds, street taxes, and street or alley rentals or charges, and all other and additional municipal taxes, charges, levies, fees, and rentals of whatsoever kind and character that City may now impose or hereafter levy and collect from Company or Company's agents, excepting only the usual general or special ad valorem taxes that City is authorized to levy and impose upon real and personal property. Except however, Company's separate obligation to reimburse the City for City's reasonable rate case expenses and for street repairs in accordance with City's ordinances are not affected by Company's payment of franchise fees hereunder. Should City not have the legal power to agree that the payment of the foregoing sums of money shall be in lieu of occupation taxes, licenses, fees, street or alley rentals or charges, easements or franchise taxes, then City agrees that it will apply so much of said sums of money paid as may be necessary to satisfy Company's obligations, if any, to pay such occupation taxes, licenses, charges, fees or rentals.

D. If the Company fails to pay when due any payment provided for in this Section, Company shall pay such amount plus interest at the current prime rate per annum from such due date until payment is received by City.

E. City shall within thirty (30) days of final approval, give Company notice of annexations and disannexations of territory by the City, which notice shall include a map and addresses, if known. Upon receipt of said notice, Company shall promptly initiate a process to reclassify affected customers into the city limits no later than sixty (60) days after receipt of notice from the City. The annexed areas added to the city limits will be included in future franchise fee payments in accordance with the effective date of the annexation if notice was timely received from City. Upon request from City, Company will provide documentation to verify that affected customers were appropriately reclassified and included for purposes of calculating franchise fee payments.

SECTION 11. EFFECT OF OTHER MUNICIPAL FRANCHISE ORDINANCE FEES ACCEPTED AND PAID BY COMPANY

A. If Company should at any time after the effective date of this Ordinance agree to a new municipal franchise ordinance, or renew an existing municipal franchise ordinance, with another municipality in Company's Mid-Tex Division, which municipal franchise ordinance determines the franchise fee owed to that municipality for the use of its Public Rights-of-Way in a manner that, if applied to the City, would result in a franchise fee greater than the amount otherwise due City under this Ordinance, then the franchise fee to be paid by Company to City pursuant to this Ordinance shall be increased so that the amount due and to be paid is equal to the amount that would be due and payable to City were the franchise fee provisions of that other franchise ordinance applied to City.

B. The provisions of this Section 11 apply only to the amount of the franchise fee to be paid and do not apply to other franchise fee payment provisions, including without limitation the timing of such payments.

SECTION 12. BOOKS AND RECORDS

A. Company agrees that at the time of each quarterly payment, Company shall also submit to the City a statement showing its Gross Revenues for the preceding calendar quarter as defined in Section 2.E. City shall be entitled to treat such statement as though it were sworn and signed by an officer of Company.

B. City may, if it sees fit and upon reasonable notice to the Company, have the books and records of Company examined by a representative of City to ascertain the correctness of the reports agreed to be filed herein. The Company shall make available to the auditor such personnel and records as the City may in its reasonable discretion request in order to complete such audit, and shall make no charge to the City therefore. The Company shall assist the City in its review by providing all requested information no later than fifteen (15) days after receipt of a request. The cost of the audit shall be borne by the City unless the audit discloses that the Company has underpaid the franchise fee by 10% or more, in which case the reasonable costs of the audit shall be reimbursed to the City by the Company. If such an examination reveals that Company has underpaid the City, then upon receipt of written notification from City regarding the existence of such underpayment, Company shall undertake a review of the City's claim and if said underpayment is confirmed, remit the amount of underpayment to City, including any interest calculated in accordance with Section 10.D. Should Company determine through examination of its books and records that City has been overpaid, upon receipt of written notification from Company regarding the existence of such overpayment, City shall review Company's claim and if said overpayment is confirmed, remit the amount of overpayment to Company.

C. If, after receiving reasonable notice from the City of the City's intent to perform an audit as provided herein, the Company fails to provide data, documents, reports, or information required to be furnished hereunder to the City, or fails to reasonably cooperate with the City during an audit conducted under the terms hereunder, the Company shall be liable for payment of a fee as set forth herein. The City shall give the Company written notice of its intent to impose a fee and shall provide Company with a period to cure its failure, such period not to exceed five (5) working days. If the Company fails to cure the alleged failure within the prescribed time period, the Company's alleged failure to comply shall be heard at a public meeting of the City Council. The Company shall be given written notice of the public meeting no later than five (5) calendar days prior to the posting date of the agenda for the City Council meeting at which such failure is scheduled to be considered by the Council. The notice to the Company shall include a list of the failures complained of. Company shall have an opportunity to address the Council at such public meeting. Commencing five (5) calendar days following the adoption of a resolution or an ordinance of the City that finds and determines a failure of

Company to comply with the requirements of this Section, Company shall pay a fee of Three Hundred Dollars ($300.00) per day for each day that such noncompliance continues.

SECTION 13. RESERVATION OF RIGHTS: GENERAL

A. The City reserves to itself the right and power at all times to exercise, in the interest of the public and in accordance with state law, regulation and control of Company's use of the Public Rights-of-Way to ensure the rendering of efficient public service, and the maintenance of Company's System in good repair throughout the term of this Franchise.

B. The rights, privileges, and Franchise granted by this Ordinance are not to be considered exclusive, and City hereby expressly reserves the right to grant, at any time, like privileges, rights, and franchises as it may see fit to any other Person for the purpose of furnishing gas for light, heat, and power for City and the inhabitants thereof.

C. City expressly reserves the right to own and/or operate its own system for the purpose of transporting, delivering, distributing, or selling gas to and for the City and inhabitants thereof.

D. Nothing herein shall impair the right of the City to fix, within constitutional and statutory limits, a reasonable price to be charged for natural gas, or to provide and fix a scale of prices for natural gas, and other charges, to be charged by Company to residential consumers, commercial consumers, industrial consumers, or to any combination of such consumers, within the territorial limits of the City as same now exists or as such limits may be extended from time to time hereafter.

SECTION 14. RIGHT TO INDEMNIFICATION, LEGAL DEFENSE AND TO BE HELD HARMLESS

A. IN CONSIDERATION OF THE GRANTING OF THIS FRANCHISE**,** COMPANY AGREES TO INDEMNIFY, DEFEND AND HOLD HARMLESS THE CITY, ITS COUNCILMEMBERS, OFFICERS, AGENTS, AND EMPLOYEES (CITY AND SUCH OTHER PERSONS AND ENTITIES BEING COLLECTIVELY REFERRED TO HEREIN AS "INDEMNITEES"), FROM AND AGAINST ALL SUITS, ACTIONS OR CLAIMS OF INJURY TO ANY PERSON OR PERSONS, OR DAMAGES TO ANY PROPERTY BROUGHT OR MADE FOR OR ON ACCOUNT OF ANY DEATH, INJURIES TO, OR DAMAGES RECEIVED OR SUSTAINED BY ANY PERSON OR PERSONS OR FOR DAMAGE TO OR LOSS OF PROPERTY ARISING OUT OF, OR OCCASIONED BY COMPANY'S INTENTIONAL AND/OR NEGLIGENT ACTS OR OMISSIONS IN CONNECTION WITH

COMPANY'S OPERATIONS, CONSTRUCTION, AND MAINTENANCE OF COMPANY'S SYSTEM, INCLUDING ANY COURT COSTS, EXPENSES AND DEFENSES THEREOF, WHEN SUCH INJURY SHALL HAVE BEEN CAUSED BY THE NEGLIGENT ACT OR OMISSIONS, OR MISCONDUCT, OF COMPANY OR ANY OF ITS OFFICERS, AGENTS, CONTRACTORS, SUBCONTRACTORS, OR EMPLOYEES.

B. The Company's obligation to indemnify Indemnitees under this Ordinance shall not extend to claims, losses, and other matters covered hereunder that are caused or contributed to by the negligence of one or more Indemnitees. This provision is not intended to create a cause of action or liability for the benefit of third parties but is solely for the benefit of the Company and the City.

C. By entering into this Ordinance, City does not consent to suit, waive any governmental immunity available to the City under Texas law or waive any of the defenses of the parties under Texas law**.**

D. Except for instances of the City's own negligence, City shall not at any time be required to pay from its own funds for injury or damage occurring to any person or property from any cause whatsoever arising out of Company's construction, reconstruction, maintenance, repair, use, operation or dismantling of System or Company's provision of service.

E. In the event any action or proceeding shall be brought against the Indemnitees by reason of any matter for which the Indemnitees are indemnified hereunder, Company shall, upon notice from any of the Indemnitees, at Company's sole cost and expense, resist and defend the same with legal counsel selected by Company; provided, however, that Company shall not admit liability in any such matter on behalf of the Indemnitees without their written consent and provided further that Indemnitees shall not admit liability for, nor enter into any compromise or settlement of, any claim for which they are indemnified hereunder, without the prior written consent of Company. Company's obligation to defend shall apply regardless of whether City is solely or concurrently negligent**.** The Indemnitees shall give Company prompt notice of the making of any claim or the commencement of any action, suit or other proceeding covered by the provisions of this Section 14. Nothing herein shall be deemed to prevent the Indemnitees at their election and at their own expense from cooperating with Company and participating in the defense of any litigation by their own counsel. If Company fails to retain defense counsel within seven (7) business days after receipt of Indemnitee's written notice that Indemnitee is invoking its right to indemnification under this Franchise, Indemnitees shall have the right to retain

defense counsel on their own behalf, and Company shall be liable for all defense costs incurred by Indemnitees.

SECTION 15. INSURANCE

Company will maintain an appropriate level of insurance in consideration of the Company's obligations and risks undertaken pursuant to this Franchise and that is consistent with best industry practices. The minimum amount of such insurance shall be six million dollars ($6,000,000), consisting of two million dollars ($2,000,000) primary plus four million dollars ($4,000,000) umbrella coverage. Such insurance may be in the form of self-insurance to the extent permitted by applicable law, under an approved formal plan of self-insurance maintained by Company in accordance with sound accounting and risk-management practices. A certificate of insurance shall be provided to City.

SECTION 16. TERMINATION

A. Right to Terminate. In addition to any rights set out elsewhere in this Ordinance, the City reserves the right to terminate the Franchise and all rights and privileges pertaining thereto, in the event that the Company violates any material provision of the Franchise.

B. Procedures for Termination.

(1) The City may, at any time, terminate this Franchise for a continuing material violation by the Company of any of the substantial terms hereof. In such event, the City shall give to Company written notice, specifying all grounds on which termination or forfeiture is claimed, by registered mail, addressed and delivered to the Company at the address set forth in Section 22 hereof. The Company shall have sixty (60) days after the receipt of such notice within which to cease such violation and comply with the terms and provisions hereof. In the event Company fails to cease such violation or otherwise comply with the terms hereof, then Company's Franchise is subject to termination under the following provisions. Provided, however, that, if the Company commences work or other efforts to cure such violations within thirty (30) days after receipt of written notice and shall thereafter prosecute such curative work with reasonable diligence until such curative work is completed, then such violations shall cease to exist, and the Franchise will not be terminated. In no event, however, will the

Company's ability to cure such violations under this paragraph exceed one hundred and twenty days (120) from the date the City notifies the Company of the violation.

(2) Termination shall be declared only by written decision of the City Council after an appropriate public proceeding whereby the Company is afforded the full opportunity to be heard and to respond to any such notice of violation or failure to comply. The Company shall be provided at least fifteen (15) days prior written notice of any public hearing concerning the termination of the Franchise.

(3) The City, after full public hearing, and upon finding material violation or failure to comply, may terminate the Franchise or excuse the violation or failure to comply, upon a showing by the Company of mitigating circumstances or upon a showing of good cause of said violation or failure to comply as may be determined by the City Council.

(4) Nothing herein stated shall preclude Company from appealing the final decision of the City Council to a court or regulatory authority having jurisdiction.

(5) Nothing herein stated shall prevent the City from seeking to compel compliance by suit in any court of competent jurisdiction if the Company fails to comply with the terms of this Franchise after due notice and the providing of adequate time for Company to comply with said terms.

C. In lieu of terminating the franchise and rights granted herein pursuant to this Section, the City may, in the event of a substantial and material breach by Company of the terms and conditions of this Ordinance, charge and collect from the Company a civil penalty of five ($500.00) per day for each breach by Company hereof. Provided, however, that the City shall first have furnished to Company the notices, right to public hearing, and opportunity to cure described in this section.

SECTION 17. <u>RENEGOTIATION</u>

If either City or Company requests renegotiation of any term of this Ordinance, Company and City agree to renegotiate in good faith revisions to any and all terms of this Ordinance. If the parties cannot come to agreement upon any provisions being renegotiated, then the existing provisions of this Ordinance will continue in effect for the remaining term of the Franchise.

SECTION 18. NO THIRD PARTY BENEFICIARIES

This Franchise is made for the exclusive benefit of the City and the Company, and nothing herein is intended to, or shall confer any right, claim, or benefit in favor of any third party.

SECTION 19. SUCCESSORS AND ASSIGNS

No assignment or transfer of this Franchise shall be made, in whole or in part, except in the case of assignment or transfer to an Affiliate without approval of the City Council of the City. Written notice of said transfer or assignment to an Affiliate shall be provided to the City Manager. The City will grant such approval unless withheld for good cause such as: (1) the failure of the proposed Assignee or Transferee to agree to comply with all provisions of this Ordinance and such additional conditions as the Council may prescribe in order to remedy existing conditions of non-compliance, and (2) the failure of the proposed Assignee or Transferee to provide assurances reasonably satisfactory to the Council of its qualifications, character, the effect of the Transfer and such other matters as the Council deems relevant. Upon approval, the rights, privileges, and Franchise herein granted to Company shall extend to and include its successors and assigns. The terms, conditions, provisions, requirements and agreements contained in this Franchise shall be binding upon the successors and assigns of the Company.

SECTION 20. COMPLIANCE WITH LAWS, CHARTER AND ORDINANCES

This Franchise is granted subject to the laws of the United States of America and its regulatory agencies and commissions and the laws of the State of Texas, the Sherman City Charter, as amended, and all other generally applicable ordinances of the City of Sherman, not inconsistent herewith, including, but not limited to, ordinances regulating the use of Public Rights-of-Way.

SECTION 21. FORCE MAJEURE

Notwithstanding anything expressly or impliedly to the contrary contained herein, in the event either the City or the Company is unable to comply with any obligation or undertaking contained herein by reason of any event of force majeure, then, while so prevented, compliance with such obligations or undertakings shall be suspended, and the time during which such party is so prevented shall not be counted against such party for any reason. The term “force majeure”

as used herein shall mean any cause not reasonably within the control of the party unable to comply with its obligation or undertaking hereunder and includes, but is not limited to, acts of God, wars, riots, orders or decrees of any lawfully constituted federal, state, or local body, contagions or contaminations hazardous to human life or health, fires, storms, floods, wash-outs, explosions.

SECTION 22. PREVIOUS ORDINANCES

When this Franchise becomes effective, all gas franchise ordinances and parts of franchise ordinances applicable to the Company or its predecessors in interest granted by the City of Sherman, Texas, are hereby repealed.

SECTION 23. NOTICES

Any notices required or desired to be given from one party to the other party to this Ordinance shall be in writing and shall be given and shall be deemed to have been served and received if: (i) delivered in person to the address set forth below; (ii) deposited in an official depository under the regular care and custody of the United States Postal Service located within the confines of the United States of America and sent by certified mail, return receipt requested, and addressed to such party at the address hereinafter specified; or (iii) delivered to such party by courier receipted delivery. Either party may designate another address within the confines of the continental United States of America for notice, but until written notice of such change is actually received by the other party, the last address of such party designated for notice shall remain such party's address for notice.

CITY

City Manager
City of Sherman
P.O. Box 1106
Sherman, Texas 75091

City Attorney
City of Sherman
P.O. Box 1106
Sherman, Texas 75091

COMPANY

Manager of Public Affairs
Atmos Energy Corp.,
Mid-Tex Division
800 E. Border Street
Arlington, Texas 76010

SECTION 24. PARAGRAPH HEADINGS, CONSTRUCTION

The paragraph headings contained in this Ordinance are for convenience only and shall in no way enlarge or limit the scope or meaning of the various and several paragraphs hereof. Both parties have participated in the preparation of this Ordinance and this Ordinance shall not be construed either more or less strongly against or for either party.

SECTION 25. SEVERABILITY

This Ordinance and every provision hereof, shall be considered severable, and the invalidity or unconstitutionality of any section, clause, provision, or portion of this Ordinance shall not affect the validity or constitutionality of any other portion of this Ordinance. If any term or provision of this Ordinance is held to be illegal, invalid or unenforceable, the legality, validity or unenforceability of the remaining terms or provisions of this Ordinance shall not be affected thereby.

SECTION 26. NO WAIVER

Either City or the Company shall have the right to waive any requirement contained in this Ordinance, which is intended for the waiving party's benefit, but, except as otherwise provided herein, such waiver shall be effective only if in writing executed by the party for whose benefit such requirement is intended. No waiver of any breach or violation of any term of this Ordinance shall be deemed or construed to constitute a waiver of any other breach or violation, whether concurrent or subsequent, and whether of the same or a different type of breach or violation.

SECTION 27. EFFECTIVE DATE

This Franchise shall be effective on October 1, 2008, if Company has filed its acceptance as provided by Section 28 herein.

SECTION 28. ACCEPTANCE OF TERMS OF FRANCHISE

The Company shall have sixty (60) days from and after the passage and approval of this Ordinance to file its written acceptance thereof with the City Clerk. If the Company does not file such written acceptance of this Franchise, the Franchise shall be rendered null and void. The effective date shall be determined in accordance with the requirements of Section 27. Company shall pay all publication expense regarding notification of the Franchise ordinance.

INTRODUCED on this the _____ day of _____, 2008.

ADOPTED on this the _____ day of _____, 2008.

EFFECTIVE DATE on this the _____ day of _____, 2008.

CITY OF SHERMAN, TEXAS

By: _____
BILL MAGERS, MAYOR

ATTEST:

By: _____
LINDA ASHBY, CITY CLERK

APPROVED AS TO FORM:

_____
DOREEN E. MCGOOKEY
CITY ATTORNEY

HOW OTHER CITIES VOTED ON THE 5% INCREASE ON THE FRANCHISE FEE

Cities Voting for the 5% Increase	Cities Voting Against the 5% Increase
Abbott	Lewisville
Abilene	Honey Grove
Alvord	Beverly Hills
Anson	Denison
Aubrey	
Aurora	
Avery	
Balch Springs	
Ballinger	
Bangs	
Bedford	
Bellmead	
Belton	
Benjamin	
Bertram	
Blackwell	
Blanket	
Blooming Grove	
Blue Mound	
Blum	
Bowie	
Bronte	
Brownsboro	
Bryan	
Buffalo	
Burkburnett	
Burnet	
Byers	
Caldwell	
Calvert	
Canton	
Carbon	
Cashion Community	
Celeste	
Chico	
Childress	
Cisco	
Clarksville	
Coleman	
Collinsville	
Colorado City	
Comanche	
Cooper	
Copperas Cove	

Covington Crowley Cumby Dalworthington Gardens De Leon Deport Desoto Dublin Eastland Electra Eustace Everman Fairview Ferris Forest Hill Fort Worth Fredericksburg Frost Gainesville Georgetown Godley Goldthwaite Gordon Goree Gorman Granger Greenville Groesbeck Gustine Haltom City Hamilton Hamlin Haskell Henrietta Hewitt Highland Park Hillsboro Holland Holliday Hubbard Hutchins Iredell Jewett Josephine Kaufman Keene Kemp	

Killeen Knox City Kosse Krum Lacy-lakeview Ladonia Lancaster Leander Leonard Lipan Little Elm Loraine Lorena Madisonville McGregor McKinney Megargel Melissa Meridian Mesquite Midlothian Midway Miles Milford Moody Moran Muenster Newark Newcastle Nocona Oak Leaf Olney Ovilla Paradise Petrolia Pilot Point Pleasant Valley Point Ponder Poynor Prosper Quitman Ranger Rhome Richland Hills Riesel Robert Lee	

Robinson Roby Rockwall Rogers Roscoe Rotan Round Rock Roxton Runaway Bay Sadler San Angelo San Saba Sanger Santa Anna Seagoville Shady Shores Somerville Strawn Streetman Sweetwater Taylor Teague Thorndale Tom Bean Trenton Troy Tuscola University Park Van Alstyne Venus Waco Walnut Springs Watauga Weinert West White Settlement Whitney Wichita Falls Windom Woodway Post Oak Bend Early	

SHERMAN CITY COUNCIL

Agenda Communication Form

From: The Office of the City Manager **Date:** 8-18-2008

Subject: Agenda Item No. B.7

OTHER BUSINESS

Discussion of the Sherman Day Care

SHERMAN CITY COUNCIL

Agenda Communication Form

From: The Office of the City Manager **Date:** 8-18-2008

Subject: Agenda Item No. B.8

ADOPTION OF ORDINANCES

Consider Adoption of Ordinance Numbers: 5552, 5553, 5554, and 5555

B.2 PUBLIC HEARING OF ORDINANCE NO. 5552

Extending the Corporate Limits of Said City so as to Annex Approximately 2.8 Acres along the Travis Street Right-of-Way South of Austin Landing (F.M. 131) in the City of Sherman's Extra Territorial Jurisdiction; Providing for a Municipal Plan

B.3 PUBLIC HEARING OF ORDINANCE NO. 5553

Extending the Corporate Limits of Said City so as to Annex Approximately 3.72 Acres of Land at 5003 Travis Street (F.M. 131) in the City of Sherman's Extra Territorial Jurisdiction; Providing for a Municipal Plan

B.4 PUBLIC HEARING OF ORDINANCE NO. 5554

Extending the Corporate Limits of Said City so as to Annex Approximately 858.774 Acres along U.S. Highway 75, between Loy Lake Road and the Union Pacific Railroad South of Highway 691, in the City of Sherman's Extra Territorial Jurisdiction; Providing for a Municipal Plan

B.5 INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 5555

Amending Section 8, Subsection (5)(a), Ordinance No. 2280, so as to Grant a Specific Use Permit to Sherman Bible Church (Owners) and Alliance Architects, Thomas Maxwell (Architect), to Allow a Church in an R-1 (One Family Residential) District at 2515 West Lamberth Road, being Lot 10, Block 3 of the O'Hanlon Ranch Addition; Providing that this Specific Use Permit Shall be Granted Subject to Certain Conditions; Providing a Penalty Not to Exceed $2,000

SHERMAN CITY COUNCIL

Agenda Communication Form

From: The Office of the City Manager **Date:** 8-18-2008

Subject: Agenda Item No. B.9

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

C.1 **** RESOLUTION NO. 5246***
Authorizing Execution of an Agreement with Barton Capital, LTD for the Abatement of Ad Valorem Property Taxes for the Construction of a New Single-Family Residence at 1532 South Montgomery Street

C.2 **** RESOLUTION NO. 5247***
Authorizing Execution of an Agreement with Barton Capital, LTD for the Abatement of Ad Valorem Property Taxes for the Construction of a New Single-Family Residence at 1602 South Montgomery Street

C.3 **** RESOLUTION NO. 5248***
Authorizing Execution of an Advance Funding Agreement between the City of Sherman and the State of Texas, Acting By and Through the Texas Department of Transportation, for Voluntary Local Government Contributions to Transportation Improvement Projects with No Required Match (A Multiple Box Culvert Replacement Project on S.H. 91)

C.4 **** RESOLUTION NO. 5249***
Approving the Greater Texoma Utility Authority's Intention to Enter into an Agreement with Cook Concrete for Construction of the Texoma Parkway Water Main, Phase III, from Frisco Road to Fallon Drive

D.1 **** REQUEST TO ADVERTISE***
Center Street Park Project

D.2 **** CHANGE ORDER NO. 1***
Hillcrest Drive Water Main Replacement from Ricketts Street to Sunset Avenue; $170.00, Decrease

D.4 **** OTHER BUSINESS***
Final Plat Approval of the Sturgess Addition; Ron Barton, Owner (707 South Montgomery Street)

D.5 * OTHER BUSINESS

Final Plat Approval of the Cupid Broughton Addition; Ron Barton, Owner (1217 North Broughton Street)

D.6 * OTHER BUSINESS

Replat Approval of Lots 9-15, Block 8 of the W.P. Carter's Addition; Ron Barton, Owner (616 and 620 East Sycamore Street)

SHERMAN CITY COUNCIL

Agenda Communication Form

From: The Office of the City Manager **Date:** 8-18-2008

Subject: Agenda Item No. C.1

**** RESOLUTION NO. 5246***

Authorizing Execution of an Agreement with Barton Capital, LTD for the Abatement of Ad Valorem Property Taxes for the Construction of a New Single-Family Residence at 1532 South Montgomery Street

Issue

This item is to consider property tax abatement for the construction of a new single-family residence at 1532 South Montgomery Street.

Background

Several years ago, the City Council began a residential tax abatement program to encourage the redevelopment of older sections of town. This application is for the construction of a new single-family residence at this location. This lot is in the designated zone for residential tax abatements.

Origination

Barton Capital, LTD, Applicant

Financial Consideration

A $75.00 application fee has been received for this residential lot. If granted, the initial abatement for this lot will be approximately $208.00 annually.

Staff Recommendation

The staff recommends approval of this abatement since it meets the requirements of the process.

Alternatives

The City Council could decide against granting this abatement.

Attachments

Resolution No. 5246
Residential Tax Abatement Agreement
Application
Building Permit Application
Survey
Location Map

Prepared by:
Scott Shadden, Director of Development Services

Approved by:
George Olson, City Manager

RESOLUTION NO. 5246

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING EXECUTION OF AN AGREEMENT WITH BARTON CAPITAL, LTD FOR THE ABATEMENT OF AD VALOREM PROPERTY TAXES FOR THE CONSTRUCTION OF A NEW SINGLE-FAMILY RESIDENCE AT 1532 SOUTH MONTGOMERY STREET; 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 receipt of a fully-executed agreement from Barton Capital, LTD and subject to all contract documents being properly completed and approved by the City Attorney, to execute an agreement with Barton Capital, LTD for the abatement of ad valorem property taxes for a period of ten (10) years, for the construction of one (1) new single-family residence at 1532 South Montgomery Street, lying within the City of Sherman's Residential Tax Reinvestment Zone, in accordance with the City's policies and procedures established for this purpose.

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 _____, 2008.

CITY OF SHERMAN, TEXAS

BY: _____
BILL MAGERS, MAYOR

ATTEST:

BY: _____
LINDA ASHBY, CITY CLERK

APPROVED AS TO FORM AND CONTENT:

_____
DOREEN E. MCGOOKEY,
CITY ATTORNEY

THE STATE OF TEXAS §
§
COUNTY OF GRAYSON §

AGREEMENT

THIS AGREEMENT, entered into by and between the **CITY OF SHERMAN, TEXAS**, a home rule city and municipal corporation of the State of Texas, duly acting herein by and through its City Manager, hereinafter referred to as CITY and **BARTON CAPITAL, LTD**, hereinafter referred to as OWNER.

WITNESSETH:

WHEREAS, on the 16th day of June, 2003, the City Council of Sherman, Texas, passed Ordinance No. 5136 establishing a reinvestment zone for residential tax abatement, as authorized by Chapter 312 of the Texas Tax Code, as amended, hereinafter referred to as CODE; and

WHEREAS, the CITY has adopted a resolution (Resolution No. 4685) stating that it elects to be eligible to participate in a residential tax abatement program; and

WHEREAS, the CITY desires to create the proper economic and social environment to induce the investment of private resources in real estate construction located in incorporated areas of the CITY; and

WHEREAS, the CITY hereby finds that it may effectively encourage and assist the creation of such an environment by participating in tax abatement pursuant to the CITY; and

WHEREAS, the CITY has created a reinvestment zone within its jurisdiction to induce the investment of private resources in real estate construction located in incorporated areas of the CITY, and OWNER has agreed to construct certain real property improvements; and

WHEREAS, OWNER is prepared to comply with the provisions of the CITY'S guidelines and criteria enacted the 16th day of June, 2003;

NOW, THEREFORE, WITNESS THIS TAX ABATEMENT AGREEMENT which provides as follows:

I.

1.01 To the extent authorized by the Texas Constitution and by the Tax Code, CITY hereby agrees to exempt from City of Sherman taxation a portion of the increase in value of taxable real property of OWNER in the CITY over the same real property and its value as calculated by the Grayson Appraisal District for ad valorem property tax purposes in accordance with the following schedule. Such tax exemption shall be in effect for tax years beginning January 1, 2008, and continuing for tax years 2009, 2010, 2011, 2012, 2013, 2014, 2015, 2016 and 2017 with same constituting ten (10) tax years. However, nothing contained herein shall be construed to grant an abatement of taxes to be assessed based on the change of use of the property from an agricultural use

to another use, sometimes referred to as rollback taxes, penalties or interest. In the event rollback taxes are applicable for the real property utilized by OWNER, then such increase in value of taxable property resulting from such rollback shall be used as the tax value for such property for the tax year 2008, sometimes referred to herein as the Base Tax Year.

SCHEDULE OF TAXES ASSESSED

TAX YEAR	ABATEMENT
2008	100%
2009	100%
2010	100%
2011	100%
2012	100%
2013	100%
2014	80%
2015	60%
2016	40%
2017	20%

II.

2.01 OWNER warrants and represents that the real property upon which OWNER has constructed or will construct improvements is qualified property within the meaning of that Act, and that such has been and will remain eligible for tax abatement under the provisions of the Property Redevelopment and Tax Abatement Act, Sections 312.001, et seq., Texas Tax Code.

2.02 To continue to qualify for tax abatement under the terms of this Agreement, OWNER hereby warrants and represents that the improvements made by OWNER on the real property described herein are for residential use.

2.03 The tax abatement granted under the terms of the Agreement shall only be implemented if appraised value of all real property and improvements located thereon owned by OWNER and lying within designated zone exceeds the base year value. The OWNER agrees that Grayson Appraisal District shall, at reasonable times upon reasonable notice, have access to the property made the subject of this Agreement, and that the above set forth inspectors shall be able to inspect the property to insure that the improvements are being made in accordance with the terms and conditions hereof and utilized in accordance with this Agreement.

III.

3.01 The term of this Agreement shall be for tax years 2008, 2009, 2010, 2011, 2012, 2013, 2014, 2015 and 2016, and 2017 as indicated above in paragraph 1.01.

IV.

4.01 The kind, number and location of all proposed property improvements are set forth as follows:

Construction of one (1) new single-family residence at the following location:

Being the Lot 8, Block 1 of J.P. Geren's South Montgomery Addition in the City of Sherman, Grayson County, Texas, and being more commonly known as 1532 South Montgomery Street.

V.

5.01 OWNER agrees that, should he fail to make improvements substantially as described or fail to perform any other term or covenant hereof, CITY shall have the right, after giving notice and opportunity to cure as hereinafter set out, to recapture all tax revenue on said property in the zone lost as a result of this Agreement for the entire term of the Agreement. Such recapture shall mean that all of such property shall be taxed at the full improved value as assessed by the Grayson Appraisal District for all years this Agreement has been in effect. The payment of such recaptured taxes minus any taxes paid by OWNER during the years this Agreement has been in force shall be due January 1 of the next following year and shall be delinquent if not paid on or prior to January 31st. Penalties and interest shall be calculated thereafter as if all taxes had become due in the same year. The CITY agrees prior to enforcement of the terms of this paragraph to give 120 days written notice to the address shown below of OWNER'S default in completing the improvements called for in this Agreement, and OWNER shall have the right to cure such default within the 120-day period.

VI.

6.01 This Agreement shall inure to the benefit of CITY and OWNER, and shall be binding upon them, their heirs, successors and assigns. It is specifically provided and agreed that the right to tax abatement shall inure to the benefit of subsequent owners so long as the term and conditions of this Agreement are in effect.

VII.

7.01 CITY agrees that this Agreement may be assigned and the improvements leased or sub-leased, without any further necessity for consent, by the OWNER to any person, firm or corporation.

VIII.

8.01 At any time before the expiration of the term hereof, this Agreement may be modified by the mutual action of the parties hereto to include other provisions that could have been included in the original agreement or to delete provisions that were not necessary to the original agreement. Such modification must be in writing and signed by all the parties hereto and made by the same procedure by which the original Agreement was approved and executed. In no event may the original Agreement be modified so as to extend the term beyond the original term of this Agreement.

IX.

9.01 This Agreement shall be construed subject to the laws of the State of Texas, and particularly to the Property Redevelopment and Tax Abatement Act, Chapter 312 of the Texas Tax Code.

9.02 All appraisal values for real property shall be made by the Grayson Appraisal District or such other entity as may succeed or replace such District.

9.03 OWNER is hereby notified that the Grayson Appraisal District may impose additional requirements which must be met in order for OWNER to realize the benefit of tax abatement and this Agreement. Contact should be made by OWNER with the District in person at 205 North Travis Street, Sherman, Texas, or by telephone at (903) 893-9673.

X.

10.01 This Agreement is subject to all provisions of all outstanding bond issues of CITY. To the extent that this Tax Abatement Agreement conflicts with any of the provisions of such bond issues, such bond issues and attendant documents thereto shall control.

XI.

11.01 This Tax Abatement Agreement is specifically subject to present laws of the State of Texas and any future laws enacted subsequent to the execution of this Agreement which may provide retroactively for a modification of Agreements of this type as a matter of law. Upon the effective date of any such law, then this Agreement shall automatically be so modified.

XII.

12.01 Notices required by this Agreement shall be mailed to the following addresses as same may be in the future changed by either party upon written notice to the other:

City of Sherman
P.O. Box 1106
Sherman, Texas 75091-1106
(903) 892-7200

Barton Capital, LTD
715 S. Sam Rayburn Frwy.
Sherman, Texas 75090
(903) 868-4201

Copy to: Grayson Appraisal District
205 North Travis Street
Sherman, Texas 75090
(903) 893-9673

This Agreement is performable in Grayson County, Texas. Witness our hands on this the

_____ day of _____, 2008.

CITY:
CITY OF SHERMAN, TEXAS

OWNER:
BARTON CAPITAL, LTD

BY: _____

GEORGE OLSON

CITY MANAGER

BY: _____

NAME: _____

TITLE: _____

ATTEST:

(CORPORATE SEAL)

BY: _____

LINDA ASHBY
CITY CLERK

APPROVED AS TO FORM:

_____
DOREEN E. MCGOOKEY
CITY ATTORNEY

THE STATE OF TEXAS §
COUNTY OF GRAYSON §

BEFORE ME, the undersigned authority, on this day personally appeared Ron Barton, Barton Capital, LTD, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and consideration therein express.

GIVEN UNDER MY HAND and seal of office this _____day of _____, 2008 A.D.

_____
Tammy Biggar
Notary Public

CITY OF SHERMAN
APPLICATION FOR RESIDENTIAL TAX ABATEMENT

Property Owner:

Name: BARTON CAPITAL

Mailing Address: 715 S. HWY 75 SHERMAN, TX 75090

Telephone Number: 903 - 868 - 4201

Contact (if different than owner):

Name: Ron Barton

Mailing Address: SAME

Telephone Number: SAME

Property:

Physical Address: 1532 S. MONTGOMERY

Summary Legal Description: Lot: 8 Block: 1 Addition: J.P. GERGUS, S. MONT ADDITION

Full Legal Description: Include as an attachment a full legal description with metes and bounds.

Improvements:

Type of Improvements (please check one): New Construction: ✓ Remodeling: ____

Estimated Value of Improvements: #65,000

Estimated Date of Start of Construction: 8-8-08

Estimated Date of Completion of Project: 10-8-08

Description of Project: NEW SINGLE FAMILY DWELLING

Applicant(s): [signature] Date: 8-7-08

Wilma Blackshear Bush
County Clerk
Sherman, Texas 75090

5481

Instrument Number: 2008-00010977
As
Recordings

Recorded On: May 08, 2008

Parties: W DOUGLAS DISTRIBUTING LTD
To BARTON CAPITAL LTD

Billable Pages: 3
Number of Pages: 5

Comment: WD/VL

(Parties listed above are for Clerks reference only)

** Examined and Charged as Follows: **

Recordings	24.00
Total Recording:	24.00

********** DO NOT REMOVE THIS PAGE IS PART OF THE INSTRUMENT **********

Any provision herein which restricts the Sale, Rental or use of the described REAL PROPERTY because of color or race is invalid and unenforceable under federal law.

File Information:

Document Number: 2008-00010977
Receipt Number: 265853
Recorded Date/Time: May 08, 2008 10:20:32A
Book-Vol/Pg: BK-OR VL-4451 PG-730
User / Station: G WHITE - Cashiering Station 1

Record and Return To:

RED RIVER TITLE CO
421 N. CROCKETT ST
SHERMAN TX 75090

THE 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 Blackshear Bush

Wilma Blackshear Bush, Grayson County Clerk

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.

GENERAL WARRANTY DEED WITH VENDOR'S LIEN

THE STATE OF TEXAS *

KNOW ALL MEN BY THESE PRESENTS:

COUNTY OF GRAYSON *

That **W. DOUGLAS DISTRIBUTING, LTD.,** for and in consideration of the sum of TEN AND NO/100THS ($10.00) DOLLARS and other valuable consideration to the undersigned paid by the Grantee herein named, the receipt of which is hereby acknowledged herein, and the further consideration of the execution and delivery by Grantee of one certain promissory note of even date herewith, in the principal sum of **EIGHTY-ONE THOUSAND FIVE HUNDRED SIX AND NO/100THS ($81,506.00) DOLLARS,** payable to the order of **AMERISTATE BANK ,** as therein specified and bearing interest as therein provided, containing the usual clauses providing for acceleration of maturity and for attorney's fees; the payment of which note is secured by the vendor's lien herein retained, and is additionally secured by a Deed of Trust of even date herewith to **CHARLES A. MCCALL, Trustee,** has GRANTED, SOLD AND CONVEYED, and by these presents does GRANT, SELL AND CONVEY unto **BARTON CAPITAL, LTD.,** all of the following described real property in Grayson County, Texas, to-wit:

> BEING Lots 1 through 14 of the J.P. GEREN'S SOUTH MONTGOMERY ADDITION to the City of Sherman, Texas, as shown by plat of record in Vol. 341, Page 13, Deed Records, Grayson County, Texas, being more particularly described on the attached Exhibit "A".....
>
> SAVE AND EXCEPT and there is hereby excepted from the warranties herein conveyed all prior reservations of any oil, gas, and other minerals, easements, and restrictive covenants and conditions of record in the County Clerk's Office, Grayson County, Texas.

TO HAVE AND TO HOLD the above described premises, together with all and singular the rights and appurtenances thereto in anywise belonging unto the said Grantee, Grantee's successors or assigns forever; and Grantor does hereby bind Grantor, Grantor's successors or assigns, to WARRANT AND FOREVER DEFEND all and singular the said premises unto the said Grantee, Grantee's successors or assigns against every person whomsoever lawfully claiming or to claim the same or any part thereof.

AMERISTATE BANK, at the instance and request of the Grantee herein, having advanced and paid in cash to the Grantor herein that portion of the purchase price of the hereinbefore described **$81,506.00** Note, the vendor's lien, together with the superior title to said property is retained herein for the benefit of **AMERISTATE BANK,** and the same is hereby transferred and assigned to **AMERISTATE BANK.**

But it is expressly agreed that the Vendor's Lien, as well as the Superior title in and to the above described premises, is retained against the above described property, premises and improvements until the above described note and all interest thereon are fully paid according to the face, tenor, effect and reading thereof, when this Deed shall become absolute.

EXECUTED this 8 day of May, 2008.

W. DOUGLAS DISTRIBUTING, LTD.

BY: William P. Douglas
NAME PRINTED: William P. Douglas
TITLE: CEO

GRANTEE'S MAILING ADDRESS:

Barton Capital, Ltd.
715 S. Hwy 75
Sherman TX 75090

ACKNOWLEDGMENT

STATE OF TEXAS *
COUNTY OF Grayson *

This instrument was acknowledged before me on the 8 day of May, 2008, by William P. Douglas in the capacity of CEO for **W. DOUGLAS DISTRIBUTING, LTD.**, on its behalf and in the capacity therein stated.

DORIS C. CASTON
Notary Public
STATE OF TEXAS
My Commission
Expires 02/06/2009

Notary Public, State of Texas

EXHIBIT A

SITUATED in the City of Sherman, County of Grayson, State of Texas, being a part of the Samuel Blagg Survey, Abstract No. 56, being all of J. P. Geren's South Montgomery Addition, to the City of Sherman, Texas, recorded in Volume 341, Page 13, Deed Records, Grayson County, Texas, said Geren's Addition being the 2.272 acre tract of land described as Parcel One, conveyed in the Warranty Deed from Keystone Consolidated Industries, Inc., to DSO Acquisition Corporation, on September 27, 1996, recorded in Volume 2497, Page 797, Official Public Records, Grayson County, Texas, and being more particularly described by metes and bounds as follows, to-wit:

BEGINNING at 1/2 inch rebar found in the North line of Lake Avenue and the East line of an alley, at the Southwest corner of said Geren's Addition and said DSO 2.272 acres;

THENCE North 16 deg. 00 min. 00 sec. West, with the East line of said alley, a distance of 697.00 ft. to a 1/2 inch rebar found in the South line of Olive Street, at the Northwest corner of said Geren's Addition and said DSO 2.272 acres;

THENCE North 74 deg. 00 min. 00 sec. East, with the South line of Olive Street, a distance of 142.00 ft. to a 1/2 inch rebar found in the West line of Montgomery Street, at the Northeast corner of said Geren's Addition and said DSO 2.272 acres;

THENCE South 16 deg. 00 min. 00 sec. East, with the West line of Montgomery Street, a distance of 697.00 ft. to a 1/2 inch rebar found in the North line of Lake Avenue, at the Southeast corner of said Geren's Addition and said DSO 2.272 acres;

THENCE South 74 deg. 00 min. 00 sec. West, with the North line of Lake Avenue, a distance of 142.00 ft. to the PLACE OF BEGINNING and containing 2.272 ACRES of land.

SARTIN & ASSOCIATES, INC.
Registered Professional Land Surveyors
P.O. Box 1843 - 109 S. Travis - Sherman, Texas 75091-1843
phone (903)892-8003 - fax (903)868-2970

SURVEY FOR: _____

I, Marshall Sartin, Registered Professional Land Surveyor, hereby certify that a survey of the property shown hereon was made on the ground on the 21 st day of May, 2008 of the following described property:

Lot EIGHT (8) of J. P. GEREN'S SOUTH MONTGOMERY ADDITION to the City of Sherman, Texas as shown by plat of record in Volume 341, Page 13, Deed Records, Grayson County, Texas.

That the improvements located on said property are known as 1532 S. MONTGOMERY STREET, SHERMAN, TEXAS, and that this survey substantially complies with the current Minimum Standards for Professional Land Surveyors as adopted by the Texas Board of Professional Land Surveying, and is subject to all easements of record or as shown on recorded plat that may affect said property.

THIS SURVEY PLAT WAS PREPARED FROM A SURVEY PERFORMED ON THE DATE SHOWN HEREON FOR THE CLIENT NAMED HEREINABOVE AND FOR THE TRANSACTION TAKING PLACE AT THE TIME OF THIS SURVEY. THIS SURVEY PLAT IS NOT TO BE USED IN CONNECTION WITH ANY FUTURE TRANSACTIONS WITHOUT THE EXPRESSED WRITTEN CONSENT OF THE UNDERSIGNED SURVEYOR AND THE UNDERSIGNED SURVEYOR ACCEPTS NO LIABILITY FOR ANY FUTURE UNAUTHORIZED USE OF THIS SURVEY PLAT.

Marshall Sartin, R.P.L.S. #3694

STATE OF TEXAS
REGISTERED
MARSHALL SARTIN
3694
PROFESSIONAL
LAND SURVEYOR

GEREN-8.pcs

CITY OF SHERMAN

RESIDENTIAL BUILDING PERMIT

SUBCONTRACTOR: CUPID HOMES

PERMIT #: 81470 DATE ISSUED: 8/07/2008

PROJECT ADDRESS:	1532 S MONTGOMERY ST	LOT #:	8
PARCEL ID:		BLK #:	1
SUBDIVISION:	JP GERENS	ZONE ORD:	
ISSUED TO:	CUPID HOMES	CONTRACTOR:	CUPID HOMES
ADDRESS:	715 S HIGHWAY 75	ADDRESS:	715 S HIGHWAY 75
CITY, ST ZIP:	SHERMAN TX 75090-7260	CITY, ST ZIP:	SHERMAN TX 75090-7260
PHONE:	903-868-4201	PHONE:	
PROP.USE:	RESIDENTIAL	SQ FT:	1,124.00
WORK:	CONSTRUCT SINGLE FAMILY	BEDROOMS:	3
VALUATION:	$ 65,000.00	BATHROOMS:	2
OCCP TYPE:	RESIDENTIAL	STORIES:	1
CNST TYPE:	WOOD FRAME		

FEE CODE	DESCRIPTION	AMOUNT
BLD10	RESIDENTIAL STORMWATER MGMT	$ 25.00
	TOTAL	$ 25.00

NOTES:

NOTICE

THIS PERMIT BECOMES NULL AND VOID IF WORK OR CONSTRUCTION AUTHORIZED IS NOT COMMENCED WITHIN 6 MONTHS, OR IF CONSTRUCTION OR WORK IS SUSPENDED OR ABANDONED FOR A PERIOD OF 6 MONTHS AT ANY TIME AFTER WORK IS STARTED.

I HEREBY CERTIFY THAT I HAVE READ AND EXAMINED THIS DOCUMENT AND KNOW THE SAME TO BE TRUE AND CORRECT. ALL PROVISIONS OF LAWS AND ORDINANCES GOVERNING THIS TYPE OF WORK WILL BE COMPLIED WITH WHETHER SPECIFIED HEREIN OR NOT. GRANTING OF A PERMIT DOES NOT PRESUME TO GIVE AUTHORITY TO VIOLATE OR CANCEL THE PROVISION OF ANY OTHER STATE OR LOCAL LAW REGULATING CONSTRUCTION OR THE PERFORMANCE OF CONSTRUCTION.

_____ ___/___/_____

(SIGNATURE OF CONTRACTOR OR AUTHORIZED AGENT DATE

_____ ___/___/_____

City of Sherman, Texas

1532 SOUTH MONTGOMERY

PROJECT LOCATION MAP

SHERMAN CITY COUNCIL

Agenda Communication Form

From: The Office of the City Manager **Date:** 8-18-2008

Subject: Agenda Item No. C.2

**** RESOLUTION NO. 5247***

Authorizing Execution of an Agreement with Barton Capital, LTD for the Abatement of Ad Valorem Property Taxes for the Construction of a New Single-Family Residence at 1602 South Montgomery Street

Issue

This item is to consider property tax abatement for the construction of a new single-family residence at 1602 South Montgomery Street.

Background

Several years ago, the City Council began a residential tax abatement program to encourage the redevelopment of older sections of town. This application is for the construction of a new single-family residence at this location. This lot is in the designated zone for residential tax abatements.

Origination

Barton Capital, LTD, Applicant

Financial Consideration

A $75.00 application fee has been received for this residential lot. If granted, the initial abatement for this lot will be approximately $211 annually.

Staff Recommendation

The staff recommends approval of this abatement since it meets the requirements of the process.

Alternatives

The City Council could decide against granting this abatement.

Attachments

Resolution No. 5247
Residential Tax Abatement Agreement
Application
Building Permit Application
Survey
Location Map

Prepared by:
Scott Shadden, Director of Development Services

Approved by:
George Olson, City Manager

RESOLUTION NO. 5247

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING EXECUTION OF AN AGREEMENT WITH BARTON CAPITAL, LTD FOR THE ABATEMENT OF AD VALOREM PROPERTY TAXES FOR THE CONSTRUCTION OF A NEW SINGLE-FAMILY RESIDENCE AT 1602 SOUTH MONTGOMERY STREET; 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 receipt of a fully-executed agreement from Barton Capital, LTD and subject to all contract documents being properly completed and approved by the City Attorney, to execute an agreement with Barton Capital, LTD for the abatement of ad valorem property taxes for a period of ten (10) years, for the construction of one (1) new single-family residence at 1602 South Montgomery Street, lying within the City of Sherman's Residential Tax Reinvestment Zone, in accordance with the City's policies and procedures established for this purpose.

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 _____, 2008.

CITY OF SHERMAN, TEXAS

BY: _____
BILL MAGERS, MAYOR

ATTEST:

BY: _____
LINDA ASHBY, CITY CLERK

APPROVED AS TO FORM AND CONTENT:

_____
DOREEN E. MCGOOKEY,
CITY ATTORNEY

THE STATE OF TEXAS §
§
COUNTY OF GRAYSON §

AGREEMENT

THIS AGREEMENT, entered into by and between the **CITY OF SHERMAN, TEXAS**, a home rule city and municipal corporation of the State of Texas, duly acting herein by and through its City Manager, hereinafter referred to as CITY and **BARTON CAPITAL, LTD**, hereinafter referred to as OWNER.

WITNESSETH:

WHEREAS, on the 16th day of June, 2003, the City Council of Sherman, Texas, passed Ordinance No. 5136 establishing a reinvestment zone for residential tax abatement, as authorized by Chapter 312 of the Texas Tax Code, as amended, hereinafter referred to as CODE; and

WHEREAS, the CITY has adopted a resolution (Resolution No. 4685) stating that it elects to be eligible to participate in a residential tax abatement program; and

WHEREAS, the CITY desires to create the proper economic and social environment to induce the investment of private resources in real estate construction located in incorporated areas of the CITY; and

WHEREAS, the CITY hereby finds that it may effectively encourage and assist the creation of such an environment by participating in tax abatement pursuant to the CITY; and

WHEREAS, the CITY has created a reinvestment zone within its jurisdiction to induce the investment of private resources in real estate construction located in incorporated areas of the CITY, and OWNER has agreed to construct certain real property improvements; and

WHEREAS, OWNER is prepared to comply with the provisions of the CITY'S guidelines and criteria enacted the 16th day of June, 2003;

NOW, THEREFORE, WITNESS THIS TAX ABATEMENT AGREEMENT which provides as follows:

I.

1.01 To the extent authorized by the Texas Constitution and by the Tax Code, CITY hereby agrees to exempt from City of Sherman taxation a portion of the increase in value of taxable real property of OWNER in the CITY over the same real property and its value as calculated by the Grayson Appraisal District for ad valorem property tax purposes in accordance with the following schedule. Such tax exemption shall be in effect for tax years beginning January 1, 2008, and continuing for tax years 2009, 2010, 2011, 2012, 2013, 2014, 2015, 2016 and 2017 with same constituting ten (10) tax years. However, nothing contained herein shall be construed to grant an abatement of taxes to be assessed based on the change of use of the property from an agricultural use

to another use, sometimes referred to as rollback taxes, penalties or interest. In the event rollback taxes are applicable for the real property utilized by OWNER, then such increase in value of taxable property resulting from such rollback shall be used as the tax value for such property for the tax year 2008, sometimes referred to herein as the Base Tax Year.

SCHEDULE OF TAXES ASSESSED

TAX YEAR	ABATEMENT
2008	100%
2009	100%
2010	100%
2011	100%
2012	100%
2013	100%
2014	80%
2015	60%
2016	40%
2017	20%

II.

2.01 OWNER warrants and represents that the real property upon which OWNER has constructed or will construct improvements is qualified property within the meaning of that Act, and that such has been and will remain eligible for tax abatement under the provisions of the Property Redevelopment and Tax Abatement Act, Sections 312.001, et seq., Texas Tax Code.

2.02 To continue to qualify for tax abatement under the terms of this Agreement, OWNER hereby warrants and represents that the improvements made by OWNER on the real property described herein are for residential use.

2.03 The tax abatement granted under the terms of the Agreement shall only be implemented if appraised value of all real property and improvements located thereon owned by OWNER and lying within designated zone exceeds the base year value. The OWNER agrees that Grayson Appraisal District shall, at reasonable times upon reasonable notice, have access to the property made the subject of this Agreement, and that the above set forth inspectors shall be able to inspect the property to insure that the improvements are being made in accordance with the terms and conditions hereof and utilized in accordance with this Agreement.

III.

3.01 The term of this Agreement shall be for tax years 2008, 2009, 2010, 2011, 2012, 2013, 2014, 2015 and 2016, and 2017 as indicated above in paragraph 1.01.

IV.

4.01 The kind, number and location of all proposed property improvements are set forth as follows:

Construction of one (1) new single-family residence at the following location:

Being the Lot 9, Block 1 of J.P. Geren's South Montgomery Addition in the City of Sherman, Grayson County, Texas, and being more commonly known as 1602 South Montgomery Street.

V.

5.01 OWNER agrees that, should he fail to make improvements substantially as described or fail to perform any other term or covenant hereof, CITY shall have the right, after giving notice and opportunity to cure as hereinafter set out, to recapture all tax revenue on said property in the zone lost as a result of this Agreement for the entire term of the Agreement. Such recapture shall mean that all of such property shall be taxed at the full improved value as assessed by the Grayson Appraisal District for all years this Agreement has been in effect. The payment of such recaptured taxes minus any taxes paid by OWNER during the years this Agreement has been in force shall be due January 1 of the next following year and shall be delinquent if not paid on or prior to January 31st. Penalties and interest shall be calculated thereafter as if all taxes had become due in the same year. The CITY agrees prior to enforcement of the terms of this paragraph to give 120 days written notice to the address shown below of OWNER'S default in completing the improvements called for in this Agreement, and OWNER shall have the right to cure such default within the 120-day period.

VI.

6.01 This Agreement shall inure to the benefit of CITY and OWNER, and shall be binding upon them, their heirs, successors and assigns. It is specifically provided and agreed that the right to tax abatement shall inure to the benefit of subsequent owners so long as the term and conditions of this Agreement are in effect.

VII.

7.01 CITY agrees that this Agreement may be assigned and the improvements leased or sub-leased, without any further necessity for consent, by the OWNER to any person, firm or corporation.

VIII.

8.01 At any time before the expiration of the term hereof, this Agreement may be modified by the mutual action of the parties hereto to include other provisions that could have been included in the original agreement or to delete provisions that were not necessary to the original agreement. Such modification must be in writing and signed by all the parties hereto and made by the same procedure by which the original Agreement was approved and executed. In no event may the original Agreement be modified so as to extend the term beyond the original term of this Agreement.

IX.

9.01 This Agreement shall be construed subject to the laws of the State of Texas, and particularly to the Property Redevelopment and Tax Abatement Act, Chapter 312 of the Texas Tax Code.

9.02 All appraisal values for real property shall be made by the Grayson Appraisal District or such other entity as may succeed or replace such District.

9.03 OWNER is hereby notified that the Grayson Appraisal District may impose additional requirements which must be met in order for OWNER to realize the benefit of tax abatement and this Agreement. Contact should be made by OWNER with the District in person at 205 North Travis Street, Sherman, Texas, or by telephone at (903) 893-9673.

X.

10.01 This Agreement is subject to all provisions of all outstanding bond issues of CITY. To the extent that this Tax Abatement Agreement conflicts with any of the provisions of such bond issues, such bond issues and attendant documents thereto shall control.

XI.

11.01 This Tax Abatement Agreement is specifically subject to present laws of the State of Texas and any future laws enacted subsequent to the execution of this Agreement which may provide retroactively for a modification of Agreements of this type as a matter of law. Upon the effective date of any such law, then this Agreement shall automatically be so modified.

XII.

12.01 Notices required by this Agreement shall be mailed to the following addresses as same may be in the future changed by either party upon written notice to the other:

City of Sherman
P.O. Box 1106
Sherman, Texas 75091-1106
(903) 892-7200

Barton Capital, LTD
715 S. Sam Rayburn Frwy.
Sherman, Texas 75090
(903) 868-4201

Copy to: Grayson Appraisal District
205 North Travis Street
Sherman, Texas 75090
(903) 893-9673

This Agreement is performable in Grayson County, Texas. Witness our hands on this the

_____ day of _____, 2008.

CITY:
CITY OF SHERMAN, TEXAS

OWNER:
BARTON CAPITAL, LTD

BY: _____

GEORGE OLSON

CITY MANAGER

BY: _____

NAME: _____

TITLE: _____

ATTEST:

(CORPORATE SEAL)

BY: _____

LINDA ASHBY
CITY CLERK

APPROVED AS TO FORM:

_____
DOREEN E. MCGOOKEY
CITY ATTORNEY

THE STATE OF TEXAS §
COUNTY OF GRAYSON §

BEFORE ME, the undersigned authority, on this day personally appeared Ron Barton, Barton Capital, LTD, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and consideration therein express.

GIVEN UNDER MY HAND and seal of office this _____day of _____, 2008 A.D.

_____
Tammy Biggar
Notary Public

CITY OF SHERMAN
APPLICATION FOR RESIDENTIAL TAX ABATEMENT

Property Owner:

Name: BARTON CAPITAL

Mailing Address: 715 S. HWY 75 SHERMAN, TX 75090

Telephone Number: 903 - 868 - 4201

Contact (if different than owner):

Name: Ron Barton

Mailing Address: SAME

Telephone Number: SAME

Property:

Physical Address: 1602 S. MONTGOMERY

Summary Legal Description: Lot: 9 Block: 1 Addition: J.P. GERENS S. MONT. ADD.

Full Legal Description: Include as an attachment a full legal description with metes and bounds.

Improvements:

Type of Improvements (please check one): New Construction: ✓ Remodeling: _____

Estimated Value of Improvements: $ 66,000

Estimated Date of Start of Construction: 8-8-08

Estimated Date of Completion of Project: 10-8-08

Description of Project: NEW SINGLE FAMILY DWELLING

Applicant(s): [signature] Date: 8-7-08

70 2008 00010977

Wilma Blackshear Bush
County Clerk
Sherman, Texas 75090

5481

Instrument Number: 2008-00010977
As
Recorded On: May 08, 2008 **Recordings**

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To BARTON CAPITAL LTD

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Number of Pages: 5

Comment: WD/VL

(Parties listed above are for Clerks reference only)

**** Examined and Charged as Follows: ****

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Total Recording:	24.00

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421 N. CROCKETT ST
SHERMAN TX 75090

THE 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 Blackshear Bush

Wilma Blackshear Bush, Grayson County Clerk

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GENERAL WARRANTY DEED WITH VENDOR'S LIEN

THE STATE OF TEXAS *

KNOW ALL MEN BY THESE PRESENTS:

COUNTY OF GRAYSON *

That **W. DOUGLAS DISTRIBUTING, LTD.,** for and in consideration of the sum of TEN AND NO/100THS ($10.00) DOLLARS and other valuable consideration to the undersigned paid by the Grantee herein named, the receipt of which is hereby acknowledged herein, and the further consideration of the execution and delivery by Grantee of one certain promissory note of even date herewith, in the principal sum of **EIGHTY-ONE THOUSAND FIVE HUNDRED SIX AND NO/100THS ($81,506.00) DOLLARS,** payable to the order of **AMERISTATE BANK ,** as therein specified and bearing interest as therein provided, containing the usual clauses providing for acceleration of maturity and for attorney's fees; the payment of which note is secured by the vendor's lien herein retained, and is additionally secured by a Deed of Trust of even date herewith to **CHARLES A. MCCALL, Trustee,** has GRANTED, SOLD AND CONVEYED, and by these presents does GRANT, SELL AND CONVEY unto **BARTON CAPITAL, LTD.,** all of the following described real property in Grayson County, Texas, to-wit:

> BEING Lots 1 through 14 of the J.P. GEREN'S SOUTH MONTGOMERY ADDITION to the City of Sherman, Texas, as shown by plat of record in Vol. 341, Page 13, Deed Records, Grayson County, Texas, being more particularly described on the attached Exhibit "A".....
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> SAVE AND EXCEPT and there is hereby excepted from the warranties herein conveyed all prior reservations of any oil, gas, and other minerals, easements, and restrictive covenants and conditions of record in the County Clerk's Office, Grayson County, Texas.

TO HAVE AND TO HOLD the above described premises, together with all and singular the rights and appurtenances thereto in anywise belonging unto the said Grantee, Grantee's successors or assigns forever; and Grantor does hereby bind Grantor, Grantor's successors or assigns, to WARRANT AND FOREVER DEFEND all and singular the said premises unto the said Grantee, Grantee's successors or assigns against every person whomsoever lawfully claiming or to claim the same or any part thereof.

AMERISTATE BANK, at the instance and request of the Grantee herein, having advanced and paid in cash to the Grantor herein that portion of the purchase price of the hereinbefore described **$81,506.00** Note, the vendor's lien, together with the superior title to said property is retained herein for the benefit of **AMERISTATE BANK,** and the same is hereby transferred and assigned to **AMERISTATE BANK.**

But it is expressly agreed that the Vendor's Lien, as well as the Superior title in and to the above described premises, is retained against the above described property, premises and improvements until the above described note and all interest thereon are fully paid according to the face, tenor, effect and reading thereof, when this Deed shall become absolute.

EXECUTED this 8 day of May, 2008.

W. DOUGLAS DISTRIBUTING, LTD.

BY: William P. Douglas
NAME PRINTED: William P. Douglas
TITLE: CEO

GRANTEE'S MAILING ADDRESS:

Barton Capital, Ltd.
715 S. Hwy 75
Sherman TX 75090

ACKNOWLEDGMENT

STATE OF TEXAS *
COUNTY OF Grayson *

This instrument was acknowledged before me on the 8 day of May, 2008, by William P. Douglas in the capacity of CEO for **W. DOUGLAS DISTRIBUTING, LTD.**, on its behalf and in the capacity therein stated.

DORIS C. CASTON
Notary Public
STATE OF TEXAS
My Commission
Expires 02/06/2009

Notary Public, State of Texas

EXHIBIT A

SITUATED in the City of Sherman, County of Grayson, State of Texas, being a part of the Samuel Blagg Survey, Abstract No. 56, being all of J. P. Geren's South Montgomery Addition, to the City of Sherman, Texas, recorded in Volume 341, Page 13, Deed Records, Grayson County, Texas, said Geren's Addition being the 2.272 acre tract of land described as Parcel One, conveyed in the Warranty Deed from Keystone Consolidated Industries, Inc., to DSO Acquisition Corporation, on September 27, 1996, recorded in Volume 2497, Page 797, Official Public Records, Grayson County, Texas, and being more particularly described by metes and bounds as follows, to-wit:

BEGINNING at 1/2 inch rebar found in the North line of Lake Avenue and the East line of an alley, at the Southwest corner of said Geren's Addition and said DSO 2.272 acres;

THENCE North 16 deg. 00 min. 00 sec. West, with the East line of said alley, a distance of 697.00 ft. to a 1/2 inch rebar found in the South line of Olive Street, at the Northwest corner of said Geren's Addition and said DSO 2.272 acres;

THENCE North 74 deg. 00 min. 00 sec. East, with the South line of Olive Street, a distance of 142.00 ft. to a 1/2 inch rebar found in the West line of Montgomery Street, at the Northeast corner of said Geren's Addition and said DSO 2.272 acres;

THENCE South 16 deg. 00 min. 00 sec. East, with the West line of Montgomery Street, a distance of 697.00 ft. to a 1/2 inch rebar found in the North line of Lake Avenue, at the Southeast corner of said Geren's Addition and said DSO 2.272 acres;

THENCE South 74 deg. 00 min. 00 sec. West, with the North line of Lake Avenue, a distance of 142.00 ft. to the PLACE OF BEGINNING and containing 2.272 ACRES of land.

SARTIN & ASSOCIATES, INC.
Registered Professional Land Surveyors
P.O. Box 1843 - 109 S. Travis - Sherman, Texas 75091-1843
phone (903)892-8003 - fax (903)868-2970

SURVEY FOR: _____

I, Marshall Sartin, Registered Professional Land Surveyor, hereby certify that a survey of the property shown hereon was made on the ground on the 21 st day of May, 2008 of the following described property:

Lot NINE (9) of J. P. GEREN'S SOUTH MONTGOMERY ADDITION to the City of Sherman, Texas as shown by plat of record in Volume 341, Page 13, Deed Records, Grayson County, Texas.

That the improvements located on said property are known as 1602 S. MONTGOMERY STREET, SHERMAN, TEXAS, and that this survey substantially complies with the current Minimum Standards for Professional Land Surveyors as adopted by the Texas Board of Professional Land Surveying, and is subject to all easements of record or as shown on recorded plat that may affect said property.

THIS SURVEY PLAT WAS PREPARED FROM A SURVEY PERFORMED ON THE DATE SHOWN HEREON FOR THE CLIENT NAMED HEREINABOVE AND FOR THE TRANSACTION TAKING PLACE AT THE TIME OF THIS SURVEY. THIS SURVEY PLAT IS NOT TO BE USED IN CONNECTION WITH ANY FUTURE TRANSACTIONS WITHOUT THE EXPRESSED WRITTEN CONSENT OF THE UNDERSIGNED SURVEYOR AND THE UNDERSIGNED SURVEYOR ACCEPTS NO LIABILITY FOR ANY FUTURE UNAUTHORIZED USE OF THIS SURVEY PLAT.

Marshall Sartin, R.P.L.S. 3694

STATE OF TEXAS
REGISTERED
MARSHALL SARTIN
3694
PROFESSIONAL
LAND SURVEYOR

GEREN-9.pcs

CITY OF SHERMAN

RESIDENTIAL BUILDING PERMIT

PERMIT #: 81471

SUBCONTRACTOR: CUPID HOMES

DATE ISSUED: 8/07/2008

PROJECT ADDRESS:	1602 S MONTGOMERY ST	LOT #:	9
PARCEL ID:		BLK #:	1
SUBDIVISION:	JP GEREN'S	ZONE ORD:	
ISSUED TO:	CUPID HOMES	CONTRACTOR:	CUPID HOMES
ADDRESS:	715 S HIGHWAY 75	ADDRESS:	715 S HIGHWAY 75
CITY, ST ZIP:	SHERMAN TX 75090-7260	CITY, ST ZIP:	SHERMAN TX 75090-7260
PHONE:	903-868-4201	PHONE:	
PROP.USE:	RESIDENTIAL	SQ FT:	1,129.00
WORK:	CONSTRUCT SINGLE FAMILY	BEDROOMS:	3
VALUATION:	$ 66,000.00	BATHROOMS:	2
OCCP TYPE:	RESIDENTIAL	STORIES:	1
CNST TYPE:	WOOD FRAME		

FEE CODE	DESCRIPTION	AMOUNT
BLD10	RESIDENTIAL STORMWATER MGMT	$ 25.00
	TOTAL	$ 25.00

NOTES:

NOTICE

THIS PERMIT BECOMES NULL AND VOID IF WORK OR CONSTRUCTION AUTHORIZED IS NOT COMMENCED WITHIN 6 MONTHS, OR IF CONSTRUCTION OR WORK IS SUSPENDED OR ABANDONED FOR A PERIOD OF 6 MONTHS AT ANY TIME AFTER WORK IS STARTED.

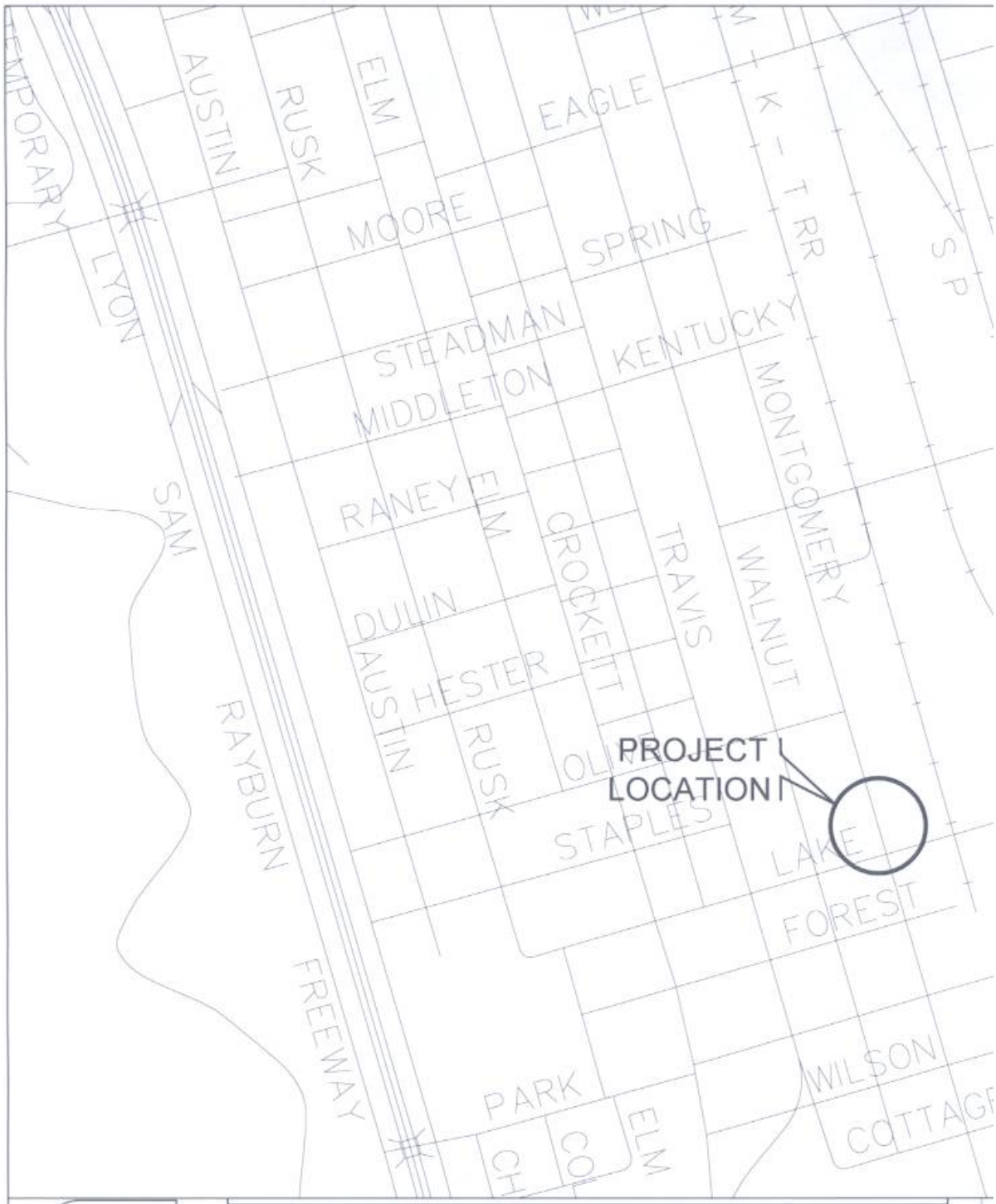
I HEREBY CERTIFY THAT I HAVE READ AND EXAMINED THIS DOCUMENT AND KNOW THE SAME TO BE TRUE AND CORRECT. ALL PROVISIONS OF LAWS AND ORDINANCES GOVERNING THIS TYPE OF WORK WILL BE COMPLIED WITH WHETHER SPECIFIED HEREIN OR NOT. GRANTING OF A PERMIT DOES NOT PRESUME TO GIVE AUTHORITY TO VIOLATE OR CANCEL THE PROVISION OF ANY OTHER STATE OR LOCAL LAW REGULATING CONSTRUCTION OR THE PERFORMANCE OF CONSTRUCTION.

_____ ____/____/____

(SIGNATURE OF CONTRACTOR OR AUTHORIZED AGENT DATE

_____ ____/____/____

(APPROVED BY) DATE



City of Sherman, Texas

1602 SOUTH MONTGOMERY

PROJECT LOCATION MAP

SHERMAN CITY COUNCIL

Agenda Communication Form

From: The Office of the City Manager **Date:** 8-18-2008

Subject: Agenda Item No. C.3

**** RESOLUTION NO. 5248***

Authorizing Execution of an Advance Funding Agreement between the City of Sherman and the State of Texas, Acting By and Through the Texas Department of Transportation, for Voluntary Local Government Contributions to Transportation Improvement Projects with No Required Match (A Multiple Box Culvert Replacement Project on S.H. 91)

Issue

To execute an agreement with the Texas Department of Transportation (TxDOT) to replace a culvert and make intersection improvements at Loy Lake Road and S.H. 91 (Texoma Parkway)

Background

The multiple box culvert drainage structure running underneath Loy Lake Road at its intersection with Texoma Parkway has failed twice this past year, leaving a large hole both times in the surface of Loy Lake Road. Following a joint inspection by the City and TxDOT in the spring of 2007, it was evident that the culvert has deteriorated badly and needed replacement. In discussions with TxDOT, it was decided that this project would also be an opportunity to make other improvements at the intersection, including increasing the radius so that it is possible to make a safe right turn from Texoma Parkway to Loy Lake Road and reconstructing a new street surface for a short distance north on Loy Lake Road.

Origination

Department of Public Works

Financial Consideration

The TxDOT advance funding agreement requires the City of Sherman to participate in the cost of this project by paying an estimated $25,000 resurfacing cost for Loy Lake Road. The agreement states that in no event will the City's cost participation exceed $150,000 (the amount available in the current budget for the project).

Staff Recommendation

Execute the advance funding agreement with TxDOT so that the project can be bid and awarded this fall.

Alternatives

Those as may be directed by the City Council

Attachments

Resolution No. 5248; Local Transportation Project Advance Funding Agreement; Location Map and Project Budget

Prepared by:
Jeff Miller, Public Works Director

Approved by:
George Olson, City Manager

RESOLUTION NO. 5248

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING EXECUTION OF AN ADVANCE FUNDING AGREEMENT BETWEEN THE CITY OF SHERMAN AND THE STATE OF TEXAS, ACTING BY AND THROUGH THE TEXAS DEPARTMENT OF TRANSPORTATION, FOR VOLUNTARY LOCAL GOVERNMENT CONTRIBUTIONS TO TRANSPORTATION IMPROVEMENT PROJECTS WITH NO REQUIRED MATCH (A MULTIPLE BOX CULVERT REPLACEMENT PROJECT ON S.H. 91); 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 documents being properly completed and approved as to form by the City Attorney and subject to budget approval, to execute an Advance Funding Agreement between the City of Sherman and the State of Texas, acting by and through the Texas Department of Transportation, for voluntary local government contributions to transportation improvement projects with no required local match, for the replacement of a multiple box culvert parallel drainage structure along S.H. 91, under the intersection of Loy Lake Road and S.H. 91, in accordance with the contract documents attached hereto and incorporated herein 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 _____, 2008.

CITY OF SHERMAN, TEXAS

ATTEST:

BY: _____
BILL MAGERS, MAYOR

BY: _____
LINDA ASHBY, CITY CLERK

APPROVED AS TO FORM AND CONTENT:

_____
DOREEN E. MCGOOKEY,
CITY ATTORNEY

CSJ #	**6161-97-001**
District #	**01**
Code Chart 64 #	**39200**
Project:	**Loy Lake Road @ SH 91**

STATE OF TEXAS §

COUNTY OF TRAVIS §

LOCAL TRANSPORTATION PROJECT
ADVANCE FUNDING AGREEMENT
For A
Multiple Box Culvert Replacement Project on SH 91

THIS AGREEMENT (the Agreement) is made by and between the State of Texas, acting by and through the Texas Department of Transportation hereinafter called the "State", and the **City of Sherman**, acting by and through its duly authorized officials, hereinafter called the "Local Government."

WITNESSETH

WHEREAS, federal law establishes federally funded programs for transportation improvements to implement its public purposes; and

WHEREAS, the Texas Transportation Code, Sections 201.103 and 222.052 establish that the State shall design, construct and operate a system of highways in cooperation with local governments; and

WHEREAS, federal and state laws require local governments to meet certain contract standards relating to the management and administration of State and federal funds; and

WHEREAS, the Texas Transportation Commission passed Minute Order 108087, authorizing the State to undertake and complete a highway improvement generally described as the replacement of a multiple box culvert parallel drainage structure along SH 91, under the intersection of Loy Lake Road with SH 91; and,

WHEREAS, the Governing Body of the Local Government has approved entering into this Agreement by resolution or ordinance dated _____ which is attached hereto and made a part hereof as Attachment "A" for the replacement of the multiple box culvert at the location shown on the Map in Attachment "B" hereinafter referred to as the Project.

NOW, THEREFORE, in consideration of the premises and of the mutual covenants and agreements of the parties hereto, to be by them respectively kept and performed as hereinafter set forth, it is agreed as follows:

CSJ # **6161-97-001**
District # **01**
Code Chart 64 # **39200**
Project: **Loy Lake Road @ SH 91**

AGREEMENT

1. **Period of the Agreement**
   This Agreement becomes effective when signed by the last party whose signing makes the Agreement fully executed. This Agreement shall remain in effect until the Project is completed or unless terminated as provided below.

2. **Scope of Work**
   The replacement of the existing multiple box culvert parallel drainage structure along SH 91, under the intersection of Loy Lake Road with SH 91 as shown on Attachment "B".

3. **Local Project Sources and Uses of Funds**
   a. The total estimated cost of the Project is shown in the Project Budget - Attachment "C" which is attached hereto and made a part hereof. The expected cash contributions from the federal or State government, the Local Governments, or other parties is shown in Attachment "C". The State will pay for only those project costs that have been approved by the Texas Transportation Commission. Any work done prior to federal authorization will not be eligible for reimbursement. It is the **State's** responsibility to verify that the Federal Letter of Authority has been issued for the work covered by this Agreement.
   b. This project cost estimate shows how necessary resources for completing the project will be provided by major cost categories. These categories may include but are not limited to: (1) costs of real property; (2) costs of utility work; (3) costs of environmental assessment and remediation; (4) cost of preliminary engineering and design; (5) cost of construction and construction management; and (6) any other local project costs.
   c. The State will be responsible for securing the Federal and State share of the funding required for the development and construction of the local project. If the Local Government is due funds for expenses incurred, these funds will be reimbursed to the Local Government on a cost basis.
   d. The Local Government will be responsible for all non-federal or non-State participation costs associated with the Project, including any overruns in excess of the approved local project budget unless otherwise provided for in this Agreement or approved otherwise in an amendment to this Agreement.
   e. Prior to the performance of any engineering work by the State, the Local Government will pay to the State the amount specified in Attachment C. At a minimum, this amount shall equal the Local Government's funding share for the estimated cost of preliminary engineering for the project. At least sixty (60) days prior to the date set for receipt of the construction bids, the Local Government shall remit its remaining financial share for the State's estimated construction oversight and construction cost.
   f. In the event that the State determines that additional funding by the Local Government is required at any time during the Project, the State will notify the Local Government in writing. The Local Government shall make payment to the State within thirty (30) days from receipt of the State's written notification.
   g. Whenever funds are paid by the Local Government to the State under this Agreement, the Local Government shall remit a check or warrant made payable to the "Texas Department of Transportation Trust Fund." The check or warrant shall be deposited by the State in an escrow account to be managed by the State. Funds in the escrow account may only be applied to the State Project.

h. Upon completion of the Project, the State will perform an audit of the Project costs. Any funds due by the Local Government, the State, or the Federal government will be promptly paid by the owing party.
If, after final Project accounting, excess funds remain in the escrow account, those funds may be applied by the State to the Local Government's contractual obligations to the State under another advance funding agreement.
i. The State will not pay interest on any funds provided by the Local Government.
j. If a waiver has been granted, the State will not charge the Local Government for the indirect costs the State incurs on the local project, unless this Agreement is terminated at the request of the Local Government prior to completion of the project.
k. If the project has been approved for a "fixed price" or an "incremental payment" non-standard funding or payment arrangement under 43 TAC §15.52, the budget in Attachment "C" will clearly state the amount of the fixed price or the incremental payment schedule.
l. If the Local government is an Economically Disadvantaged County and if the State has approved adjustments to the standard financing arrangement, this Agreement reflects those adjustments.
m. The state auditor may conduct an audit or investigation of any entity receiving funds from the state directly under the contract or indirectly through a subcontract under the contract. Acceptance of funds directly under the 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.

The State will not execute the contract for the construction of the project until the required funding has been made available by the Local Government in accordance with this Agreement.

4. Termination of this Agreement

This Agreement shall remain in effect until the project is completed and accepted by all parties, unless:

a. the Agreement is terminated in writing with the mutual consent of the parties;
b. the Agreement is terminated by one party because of a breach, in which case any cost incurred because of the breach shall be paid by the breaching party; or
c. the Local Government elects not to provide funding after the completion of preliminary engineering, specifications and estimates (PS&E) and the Project does not proceed because of insufficient funds, in which case the Local Government agrees to reimburse the State for its reasonable actual costs incurred during the Project.

5. Amendments

Amendments to this Agreement due to changes in the character of the work or terms of the Agreement, or responsibilities of the parties relating to the Project may be enacted through a mutually agreed upon, written amendment.

6. **Remedies**
This Agreement shall not be considered as specifying the exclusive remedy for any agreement default, but all remedies existing at law and in equity may be availed of by either party to this Agreement and shall be cumulative.

7. **Utilities**
The **State** shall be responsible for the adjustment, removal, or relocation of utility facilities in accordance with applicable State laws, regulations, rules, policies, and procedures.

8. **Environmental Assessment and Mitigation**
Development of a transportation project must comply with the National Environmental Policy Act and the National Historic Preservation Act of 1966, which require environmental clearance of federal-aid projects.
   a. The **State** is responsible for the identification and assessment of any environmental problems associated with the development of a local project governed by this Agreement.
   b. The **State** is responsible for the cost of any environmental problem's mitigation and remediation.
   c. The **State** is responsible for providing any public meetings or public hearings required for development of the environmental assessment. Public hearings will not be held prior to the approval of project schematic.
   d. The **State** is responsible for the preparation of the NEPA documents required for the environmental clearance of this project.

9. **Compliance with Texas Accessibility Standards and ADA**
All parties to this Agreement shall ensure that the plans for and the construction of all projects subject to this Agreement are in compliance with the Texas Accessibility Standards (TAS) issued by the Texas Department of Licensing and Regulation, under the Architectural Barriers Act, Article 9102, Texas Civil Statutes. The TAS establishes minimum accessibility requirements to be consistent with minimum accessibility requirements of the Americans with Disabilities Act (P.L. 101-336) (ADA).

10. **Architectural and Engineering Services**
The State has responsibility for the performance of architectural and engineering services.

    The engineering plans shall be developed in accordance with the applicable State's *Standard Specifications for Construction and Maintenance of Highways, Streets and Bridges,* and the special specifications and special provisions related thereto.

    In procuring professional services, the parties to this Agreement must comply with federal requirements cited in 23 CFR Part 172 if the project is federally funded and with Texas Government Code 2254, Subchapter A, in all cases.

    Professional services contracts for federally funded projects must conform to federal requirements, specifically including the provision for participation by Disadvantaged Business Enterprises (DBEs), ADA, and environmental matters.

11. Construction Responsibilities

a. The State shall advertise for construction bids, issue bid proposals, receive and tabulate the bids and award and administer the contract for construction of the Project. Administration of the contract includes the responsibility for construction engineering and for issuance of any change orders, supplemental agreements, amendments, or additional work orders, which may become necessary subsequent to the award of the construction contract. In order to ensure federal funding eligibility, projects must be authorized by the State prior to advertising for construction.

b. The State will use its approved contract letting and award procedures to let and award the construction contract.

c. Prior to their execution, the Local Government will be given the opportunity to review contract change orders that will result in an increase in cost to the Local Government.

d. Upon completion of the Project, the party constructing the project will issue and sign a "Notification of Completion" acknowledging the Project's construction completion.

e. For federally funded contracts, the parties to this Agreement will comply with federal construction requirements cited in 23 CFR Part 635 and with requirements cited in 23 CFR Part 633, and shall include the latest version of Form "FHWA-1273" in the contract bidding documents. If force account work will be performed, a finding of cost effectiveness shall be made in compliance with 23 CFR 635, Subpart B.

12. Project Maintenance

The Local Government shall be responsible for maintenance of locally owned roads after completion of the work and the State shall be responsible for maintenance of state highway system after completion of the work if the work was on the state highway system, unless otherwise provided for in existing maintenance agreements with the Local Government.

13. Right of Way and Real Property

The State is responsible for the provision and acquisition of any needed right of way or real property.

14. Notices

All notices to either party by the other required under this Agreement shall be delivered personally or sent by certified or U.S. mail, postage prepaid, addressed to such party at the following addresses:

Local Government:	State:
George Olson, City Manager **City of Sherman** **P.O. Box 1106** **Sherman, TX 75091**	**Kevin Harris, Sherman Area Engineer** **TxDOT** **3904 Highway 75 South** **Sherman, TX 75090**

All notices shall be deemed given on the date so delivered or so deposited in the mail, unless otherwise provided herein. Either party may change the above address by sending written notice of the change to the other party.

Either party may request in writing that such notices shall be delivered personally or by certified U.S. mail and such request shall be honored and carried out by the other party.

15. Legal Construction

If one or more of the provisions contained in this Agreement shall for any reason be held invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provisions and this Agreement shall be construed as if it did not contain the invalid, illegal or unenforceable provision.

16. Responsibilities of the Parties

The State and the Local Government agree that neither party is an agent, servant, or employee of the other party and each party agrees it is responsible for its individual acts and deeds as well as the acts and deeds of its contractors, employees, representatives, and agents.

17. Ownership of Documents

Upon completion or termination of this Agreement, all documents prepared by the State shall remain the property of the State. All data prepared under this Agreement shall be made available to the State without restriction or limitation on their further use. All documents produced or approved or otherwise created by the Local Government shall be transmitted to the State in the form of photocopy reproduction on a monthly basis as required by the State. The originals shall remain the property of the Local Government. At the request of the State, the Local Government shall submit any information required by the State in the format directed by the State.

18. Compliance with Laws

The parties shall comply with all Federal, State, and Local laws, statutes, ordinances, rules and regulations, and the orders and decrees of any courts or administrative bodies or tribunals in any manner affecting the performance of this Agreement. When required, the Local Government shall furnish the State with satisfactory proof of this compliance.

19. Sole Agreement

This Agreement constitutes the sole and only agreement between the parties and supersedes any prior understandings or written or oral agreements respecting the Agreement's subject matter.

20. Cost Principles

In order to be reimbursed with federal funds, the parties shall comply with the Cost Principles established in OMB Circular A-87 that specify that all reimbursed costs are allowable, reasonable and allocable to the Project.

21. Procurement and Property Management Standards

The parties shall adhere to the procurement standards established in Title 49 CFR §18.36 and with the property management standard established in Title 49 CFR §18.32.

22. Inspection of Books and Records

The parties to this Agreement shall maintain all books, documents, papers, accounting records and other documentation relating to costs incurred under this Agreement and shall make such materials available to the State, the Local Government, and, if federally funded, the Federal Highway Administration (FHWA), and the U.S. Office of the Inspector

General, or their duly authorized representatives for review and inspection at its office during the contract period and for four (4) years from the date of completion of work defined under this contract or until any impending litigation, or claims are resolved. Additionally, the State, the Local Government, and the FHWA and their duly authorized representatives shall have access to all the governmental records that are directly applicable to this Agreement for the purpose of making audits, examinations, excerpts, and transcriptions.

23. Office of Management and Budget (OMB) Audit Requirements
The parties shall comply with the requirements of the Single Audit Act of 1984, P.L. 98-502, ensuring that the single audit report includes the coverage stipulated in OMB Circular A-133.

24. Civil Rights Compliance
The Local Government shall comply with the regulations of the Department of Transportation as they relate to nondiscrimination (49 CFR Chapter 21 and 23 CFR §710.405(B)), and Executive Order 11246 titled "Equal Employment Opportunity," as amended by Executive Order 11375 and supplemented in the Department of Labor Regulations (41 CFR Part 60).

25. Disadvantaged Business Enterprise Program Requirements
The parties shall comply with the Disadvantaged/Minority Business Enterprise Program requirements established in 49 CFR Part 26.

26. Debarment Certifications
The Local Government shall not contract with any person that: is suspended, debarred, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any federal agency or that is debarred or suspended by the State.

27. Lobbying Certification
In executing this Agreement, the signatories certify to the best of his or her knowledge and belief, that:

a. No federal appropriated funds have been paid or will be paid by or on behalf of the parties to any person for influencing or attempting to influence an officer or employee of any federal agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any federal contract, the making of any federal grant, the making of any federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any federal contract, grant, loan, or cooperative agreement.

b. If any funds other than federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with federal contracts, grants, loans, or cooperative agreements, the signatory for the Local Government shall complete and submit the federal Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.

c. The parties shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and

contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

By executing this Agreement, the parties affirm this lobbying certification with respect to the individual projects and affirm this certification of the material representation of facts upon which reliance will be made. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Title 31 U.S.C. §1352.

Any person who fails to file the required certification shall be subject to a civil penalty of not less than $10,000 and not more than $100,000 for each such failure.

28. Insurance

If this agreement authorizes the Local Government or its contractor to perform any work on State right of way, before beginning work the entity performing the work shall provide the State with a fully executed copy of the State's Form 1560 Certificate of Insurance verifying the existence of coverage in the amounts and types specified on the Certificate of Insurance for all persons and entities working on State right of way. This coverage shall be maintained until all work on the State right of way is complete. If coverage is not maintained, all work on State right of way shall cease immediately, and the State may recover damages and all costs of completing the work.

29. Signatory Warranty

The signatories to this Agreement warrant that each has the authority to enter into this Agreement on behalf of the party represented.

CSJ #	**6161-97-001**
District #	**01**
Code Chart 64 #	**39200**
Project:	**Loy Lake Road @ SH 91**

IN TESTIMONY HEREOF, the parties hereto have caused these presents to be executed in duplicate counterparts.

THE LOCAL GOVERNMENT

_____
Bill Magers, Mayor
City of Sherman

_____
Date

THE STATE OF TEXAS
Executed for the Executive Director 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 heretofore approved and authorized by the Texas Transportation Commission.

_____
Janice Mullenix
Director of Contract Services
Texas Department of Transportation

_____
Date

CSJ #	**6161-97-001**
District #	**01**
Code Chart 64 #	**39200**
Project:	**Loy Lake Road @ SH 91**

ATTACHMENT A

Resolution or Ordinance

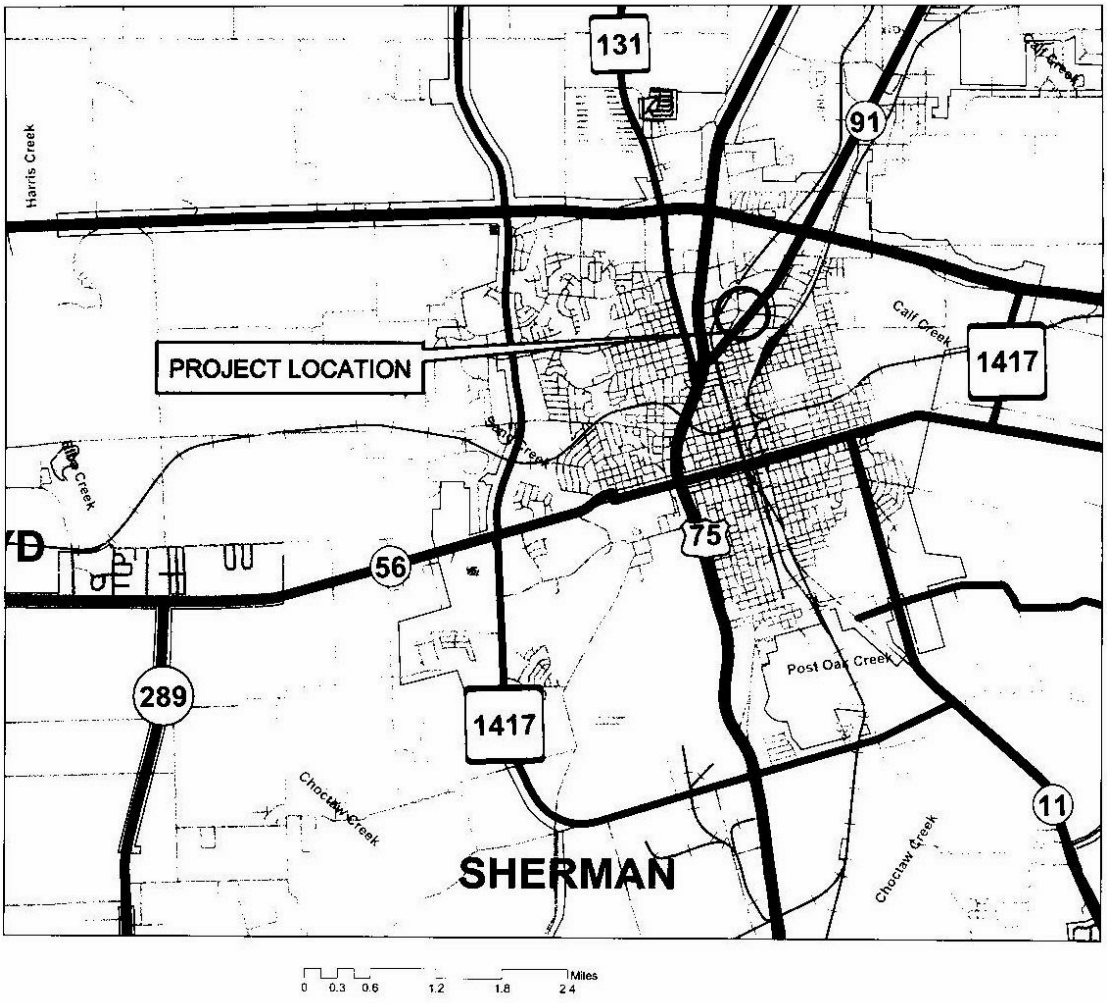
CSJ #	**6161-97-001**
District #	**01**
Code Chart 64 #	**39200**
Project:	**Loy Lake Road @ SH 91**

ATTACHMENT B

Location Map Showing Project

ATTACHMENT "B"

LOCATION MAP



CSJ #	**6161-97-001**
District #	**01**
Code Chart 64 #	**39200**
Project:	**Loy Lake Road @ SH 91**

ATTACHMENT C

Project Budget

The Local Government will participate in the cost of the replacement of the existing multiple box culvert parallel drainage structure along SH 91, under the intersection of Loy Lake Road with SH 91 The Local Government's estimated participation of this additional work is $25,000.00, including construction items, and engineering and contingencies. The State has estimated the project to be as follows:

Description	Total Estimate Cost	Federal Participation		State Participation		Local Participation	
		%	Cost	%	Cost	%	Cost
CONSTRUCTION COSTS							
Replacement of MBC	$319,000.00	0.0%			$294,000.00		$25,000.00
Direct State Costs (including plan work, inspection and oversight)	$ 4,000.00			100%	$ 4,000.00	0%	$ 0.00
TOTAL	**$323,000.00**	**$**	**0.00**		**$298,000.00**		**$25,000.00**

Direct State Cost will be based on actual charges.

Local Government's Participation will be 100% of the actual construction bid item costs to resurface Loy Lake Road at it's intersection with SH 91, after the existing parallel drainage Multiple Box Culvert at this location is replaced. The current cost estimate for this work is $25,000.00. However, in no event will the Local Government's Participation exceed One Hundred and Fifty Thousand Dollars and no cents ($150,000.00).

It is further understood that the State will include only those items for the improvements as requested and required by the Local Government. This is an estimate only, final participation amounts will be based on actual charges to the project.

SHERMAN CITY COUNCIL

Agenda Communication Form

From: The Office of the City Manager **Date:** 8-18-2008

Subject: Agenda Item No. C.4

**** RESOLUTION NO. 5249***

Approving the Greater Texoma Utility Authority's Intention to Enter into an Agreement with Cook Concrete for Construction of the Texoma Parkway Water Main, Phase III, from Frisco Road to Fallon Drive

Issue

The current Capital Improvement Program contains a project for replacement of the Texoma Parkway Water Main from Frisco Road to Fallon Drive. The agreement will be administered through the Greater Texoma Utility Authority (GTUA).

Background

Bids for the construction of the water main were opened on June 13, 2008. Five bidders responded to the bid opening. The low bid in the amount of $211,906.27 was received from Cook Concrete of Frisco, Texas.

Origination

Department of Utilities Administration

Financial Consideration

Funds for this project will be paid through GTUA. Funding in the amount of $300,000.00 is available in the Capital Improvement Program budget for this project.

Staff Recommendation

It is recommended the City Council approve this agreement.

Alternatives

As may be directed by the City Council

Attachments

Resolution No. 5249
Morris Engineers Recommendation Letter
Bid Tab
Location Map

Prepared by:
Mark Gibson, Director of Utilities & Engineering

Approved by:
George Olson, City Manager

RESOLUTION NO. 5249

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, APPROVING THE GREATER TEXOMA UTILITY AUTHORITY'S INTENTION TO ENTER INTO AN AGREEMENT WITH COOK CONCRETE FOR CONSTRUCTION OF THE TEXOMA PARKWAY WATER MAIN, PHASE III, FROM FRISCO ROAD TO FALLON DRIVE; FINDING AND DETERMINING THAT THE MEETING AT WHICH THIS RESOLUTION IS PASSED WAS NOTICED AND IS OPEN TO THE PUBLIC AS REQUIRED BY LAW.

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

SECTION 1. That the City of Sherman hereby approves the Greater Texoma Utility Authority's intention to enter into an Agreement with Cook Concrete of Frisco, Texas, for construction of Phase III of the Texoma Parkway Water Main replacement, from Frisco Road to Fallon Drive.

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 _____, 2008.

CITY OF SHERMAN, TEXAS

BY: _____
BILL MAGERS, MAYOR

ATTEST:

BY: _____
LINDA ASHBY, CITY CLERK

APPROVED AS TO FORM AND CONTENT:

BY: _____
DOREEN E. MCGOOKEY,
CITY ATTORNEY

MORRIS ENGINEERS

July 16, 2008

Jerry Chapman
Greater Texoma Utility Authority
5100 Airport Drive
Denison, Texas 75020

RE: Texoma Parkway Waterline from Frisco Road to Fallon Drive for the City of Sherman
Recommendation of Award

Dear Jerry,

Bids were accepted on June 13, 2008 for the construction of the Texoma Parkway Waterline from Frisco Road to Fallon Drive in Sherman. The bids were in response to an Advertisement for Bids dated May 23, 2008 which ran in the Herald-Democrat. Individual bidding notices were mailed to nineteen (19) contractors. During the bidding period, six (6) prospective bidders picked up plans and specifications. A total of five (5) bids were received. Enclosed is a tabulation of those bids.

The lowest bid was submitted by Cook Concrete, LP, of Frisco, Texas for the amount of $211,905.07. I checked references provided on their bidder qualification statement (copy enclosed) and received favorable responses. I believe they are a responsible and competent contractor; therefore, I recommend that you award the project to them for the amount bid.

I have enclosed a Notice of Award for your use in so awarding the project. If you will sign, date, and return the notice to me, we will forward it to the contractor along with contracts for execution.

Please call me if you have any questions.

Sincerely,

Timothy L. Morris, P.E.

Enclosures
c: Mark Gibson, P.E., Director of Engineering & Utilities, City of Sherman (w/encl.)
Cook Concrete, LP (w/o encl.)
Project file

P.O. Box 606 225 E. Houston Sherman, Texas 75091-0606 903 - 868 - 1644

BID TABULATION

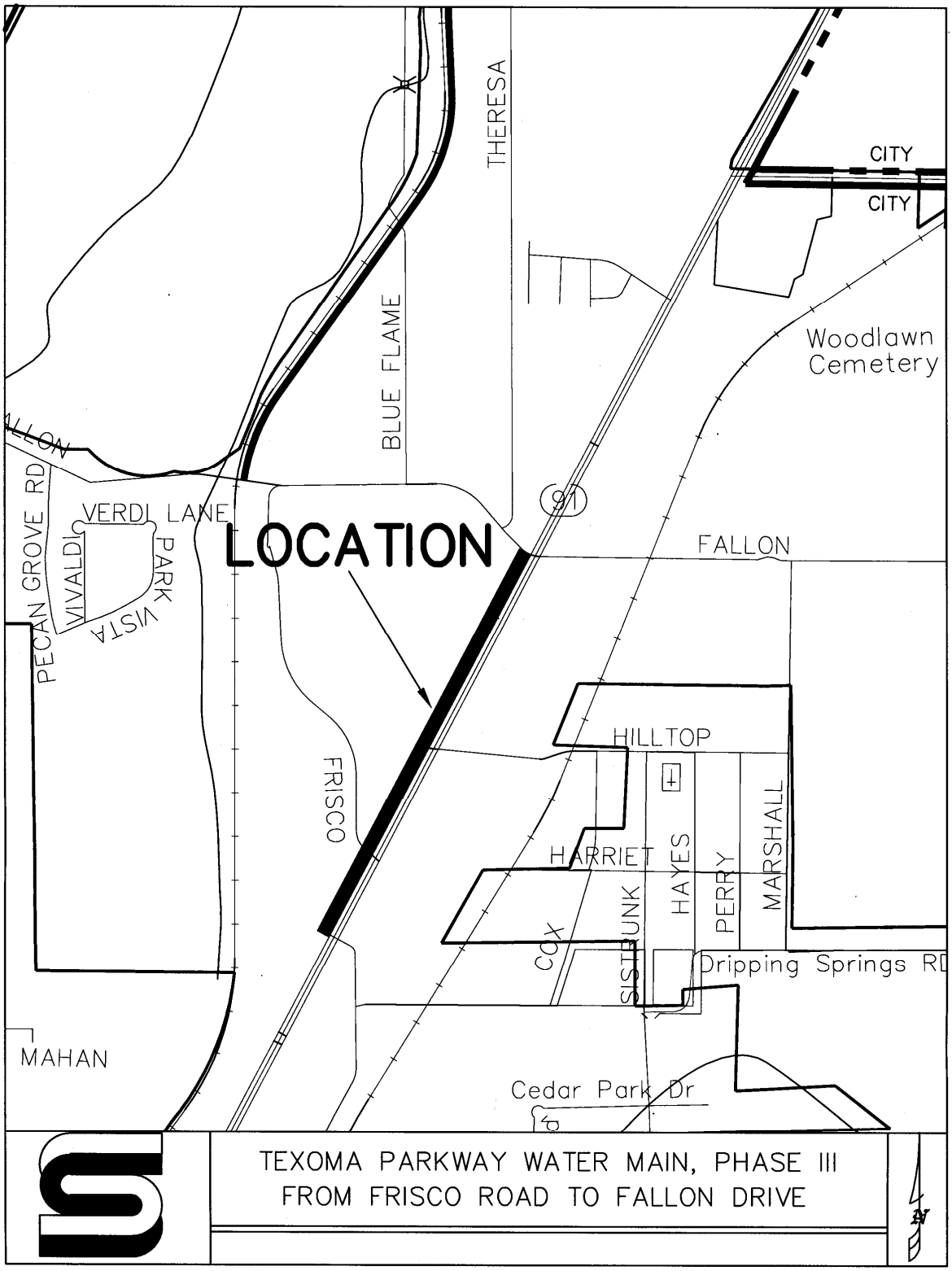
PROJECT: TEXOMA PARKWAY WATER MAIN, PHASE III

OWNER: CITY OF SHERMAN

BID TIME & DATE: JUNE 13, 2008 10:00 A.M.

BID LOCATION: OFFICES OF THE DIRECTOR OF UTILITIES & ENGINEERING

BIDDER	TOTAL AMOUNT OF BID
COOK CONCRETE	$211,905.07
LYNN VESSELS CONSTRUCTION, LLC	$369,327.20
DICKERSON CONSTRUCTION CO., INC.	$385,632.00
JERRY PAUL HIGGINS, LTD.	$398,223.52
WHITEWATER CONSTRUCTION, INC.	$458,562.00


THERESA
CITY
CITY
BLUE FLAME
Woodlawn
Cemetery
FALLON
VERDI LANE
VIVALDI
PARK VISTA
PECAN GROVE RD
LOCATION
91
FALLON
HILLTOP
FRISCO
HARRIET
HAYES
PERRY
MARSHALL
COX
SISTRUNK
Dripping Springs RD
MAHAN
Cedar Park Dr
TEXOMA PARKWAY WATER MAIN, PHASE III
FROM FRISCO ROAD TO FALLON DRIVE

SHERMAN CITY COUNCIL

Agenda Communication Form

From: The Office of the City Manager **Date:** 8-18-2008

Subject: Agenda Item No. C.5

RESOLUTION NO. 5250

Authorizing the City Manager to Execute an Amendment to the Contract with Allied Waste Services for Two Additional Years of Residential Recycling Processing Services

Issue

To consider authorizing the City Manager to sign the final two-year contract addendum providing for residential recycling processing services with Allied Waste Services of Plano, Texas

Background

The City signed the original contract with Allied Waste Services in September of 2001 to process all of the residential recyclables collected curbside. The initial term of the contract was for a period of five years with two, two-year extensions offered under the same terms and conditions. The City continues to be satisfied with the processing services provided by Allied Waste Services; and staff would like to take advantage of the final two-year contract extension.

Origination

Department of Public Works

Financial Consideration

There would be no financial consideration or impact by executing this two-year extension. Allied Waste Services deducts the cost of processing from the proceeds of sale of the materials, so there is no direct expense associated with this contract.

Staff Recommendation

Authorize the City Manager to execute a contract addendum with Allied Waste Services for two more years for commingled recycling processing

Alternatives

Those as may be directed by the City Council

Attachments

Resolution No. 5250
Letter from Allied Waste Services
Amendment to Contract

Prepared by:
Jeff Miller, Public Works Director

Approved by:
George Olson, City Manager

RESOLUTION NO. 5250

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING THE CITY MANAGER TO EXECUTE AN AMENDMENT TO THE CONTRACT WITH ALLIED WASTE SERVICES FOR TWO ADDITIONAL YEARS OF RESIDENTIAL RECYCLING PROCESSING SERVICES; 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 documents being properly completed and approved as to form by the City Attorney and subject to budget approval, to execute an amendment to the contract with Allied Waste Services of Plano, Texas for residential recycling processing services, to extend the current contracts for an additional two years, in accordance with the contract documents attached hereto and incorporated herein 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 _____, 2008.

CITY OF SHERMAN, TEXAS

BY: _____
BILL MAGERS, MAYOR

ATTEST:

BY: _____
LINDA ASHBY, CITY CLERK

APPROVED AS TO FORM AND CONTENT:

BY: _____
DOREEN E. MCGOOKEY,
CITY ATTORNEY

ALLIED WASTE SERVICES

June 4, 2008

Giles Brown
Assistant City Manager
City of Sherman
220 W. Mulberry St.
Sherman, Texas 75091-1106

Dear Mr. Brown,

In accordance with Section II "Term of Contract" of the agreement between the City of Sherman and Allied Waste Services, I hereby request an extension of the current contract for an additional (2) two-year period, beginning September 4, 2008.

We appreciate the opportunity to have been the City's processing facility and we are looking forward to a continued partnership for all of your single stream material generated from the residents of Sherman. If you have any questions, please don't hesitate to give me a call.

Sincerely,

Brenda Lalonde

Brenda Lalonde
Manager Business Development
Municipal Services

cc: Reid Donaldson

AMENDMENT TO CONTRACT

THIS AMENDMENT of that certain Contract is amended and entered into this 18th day of August 2008 by and between Allied Waste Services ("Contractor") and the City of Sherman, Texas ("City") to witness the following:

WHEREAS, Contractor and the City entered into a Contract Between the City of Sherman and Allied Waste Systems, Inc. d/b/a Trinity Waste Services for Residential Recycling Processing Services ("Contract") on or about August 30, 2001;

WHEREAS, the parties hereto wish to exercise their intent to exercise the options under the terms of the contract;

THEREFORE, for and in consideration of the mutual promises, covenants, warranties and representations herein, the parties hereto to the following additional term of the Contract as follows:

1. The parties agree to exercise the second two-year option and to extend the term of the Contract entered into by the parties on August 30, 2001. Therefore, the parties agree to extend the terms of the Contract for an additional two-years and the terms of the Contract will end on September 4, 2010.

IN WITNESS WHEREOF, the parties have executed this Amendment to stated Contract by signing below. The effective date of this amendment shall be the date of execution by the City Manager or his designee.

ALLIED WASTE SERVICES, INC.

BY: _____
Jim Lattimore
District Manager

CITY OF SHERMAN, TEXAS

Date:_____ **BY:** _____
George Olson
City Manager

APPROVED AS TO FORM:

_____
DOREEN E. MCGOOKEY
City Attorney

SHERMAN CITY COUNCIL

Agenda Communication Form

From: The Office of the City Manager **Date:** 8-18-2008

Subject: Agenda Item No. D.1

**** REQUEST TO ADVERTISE***
Center Street Park Project

Issue
Permission to advertise for bids for the Center Street Park Project

Background
At the April 7, 2008 meeting, following a presentation by Park Planner Dennis Sims of Dunkin Sims Stoffels, the City Council approved the master plan and required funding for the Center Street Park Project.

Origination
Sherman City Council 2007-2008 Capital Improvement Program

Financial Consideration
2008-2009 Capital Improvement Program funds have been allocated for this project. Costs to advertise the project will be approximately $200.00.

Staff Recommendation
It is recommended that the Sherman City Council authorize the staff to advertise the Center Street Park Project for public bid.

Alternatives
As directed by the Sherman City Council

Attachments
Master Plan for Center Street Park
CIP 2008-2009 for the Center Street Field Renovation Project

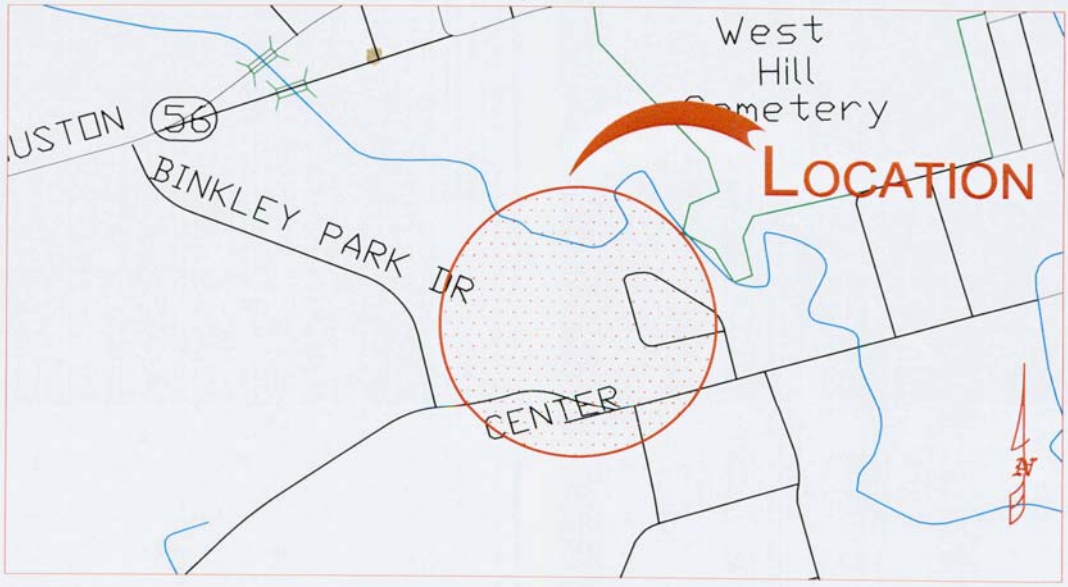
Prepared by:
Kevin Winkler,
Acting Parks and Recreation Administrator

Approved by:
George Olson, City Manager

PICNIC AREA
4 TABLES
PEDESTRIAN
BRIDGE-
CONNECT TO
BINKLEY PARK
100 Year Flood Plain
REGULATION
ATHLETIC FIELD
225' X 330'
REGULATION
ATHLETIC FIELD
225' X 330'
PRACTICE/
WARM-UP
AREA
PAVILION
PLAYGROUND
W/ SHADE
CONCESSION/
RESTROOM
BUILDING
PAVILION
LIGHTED HIKE/
BIKE TRAIL
TRAIL
CONNECTION
PARKING
AREA
100 SPACE
Churchill
Tot Lot
Master Plan
Center Street Park
City of Sherman, Texas
N

PROJECT YEAR: 2008-2009

PROJECT NAME:	Center Street Field Renovation
DESCRIPTION:	Field realignment, lighting, irrigation, restrooms, and parking.
ESTIMATED COST:	$1,300,000
ESTIMATED O&M COST:	$38,000
PROPOSED FINANCING:	General Improvement Fund
PROJECT NECESSITY:	Provide lit soccer fields
DEPARTMENT/DIRECTOR:	City Manager, George Olson
PROPOSED START DATE:	October, 2009
PROPOSED END DATE:	March, 2009



SHERMAN CITY COUNCIL

Agenda Communication Form

From: The Office of the City Manager **Date:** 8-18-2008

Subject: Agenda Item No. D.2

**** CHANGE ORDER NO. 1***
Hillcrest Drive Water Main Replacement from Ricketts Street to Sunset Avenue; $170.00, Decrease

Issue
To consider approval of a change order for the Hillcrest Drive Water Main Replacement

Background
Change Order No. 1 is a final reconciliatory change order to adjust the final project quantities for the Hillcrest Drive Water Main Replacement between Ricketts Street and Sunset Avenue.

Origination
Department of Utilities Administration

Financial Consideration
The change order results in a $170.00 decrease in the contract amount, yielding a final contract price of $159,850.00. This project was funded through the Greater Texoma Utility Authority.

Staff Recommendation
It is recommended that Change Order No. 1 be approved.

Alternatives
As may be directed by the City Council

Attachments
Change Order No. 1
Location Map

Prepared by:
Mark Gibson, Director of Engineering & Utilities

Approved by:
George Olson, City Manager

CHANGE ORDER

No. 1

PROJECT Hillcrest Water Line Replacement in the City of Sherman

DATE OF ISSUANCE 7/30/08 EFFECTIVE DATE _____

OWNER Greater Texoma Utility Authority

CONTRACTOR B. Bray Construction Co., Inc. ENGINEER Morris Engineers

You are directed to make the following changes in the Contract Documents:

Description: Reconcile contract price to final quantities of work

Reason for Change Order: Project close-out

Attachments: Spreadsheet

CHANGE IN CONTRACT PRICE:	CHANGE IN CONTRACT TIMES:
Original Contract Price $ 160,020.00	Original Contract Times Substantial Completion: Ready for Final Payment:
Net changes from previous Change Orders No. _ to _ . $ -0-	Net change from previous Change Orders No. _ to _ . Days
Contract Price prior to this Change Order $ 160,020.00	Contract times prior to this Change Order Substantial Completion: Ready for Final Payment:
Net ~~Increase~~ (Decrease) of this Change Order $ (170.00)	Net Increase (Decrease) of this Change Order Days
Contract Price with all approved Change Orders $ 159,850.00	Contract Times with all approved Change Orders Substantial Completion: Ready for Final Payment:

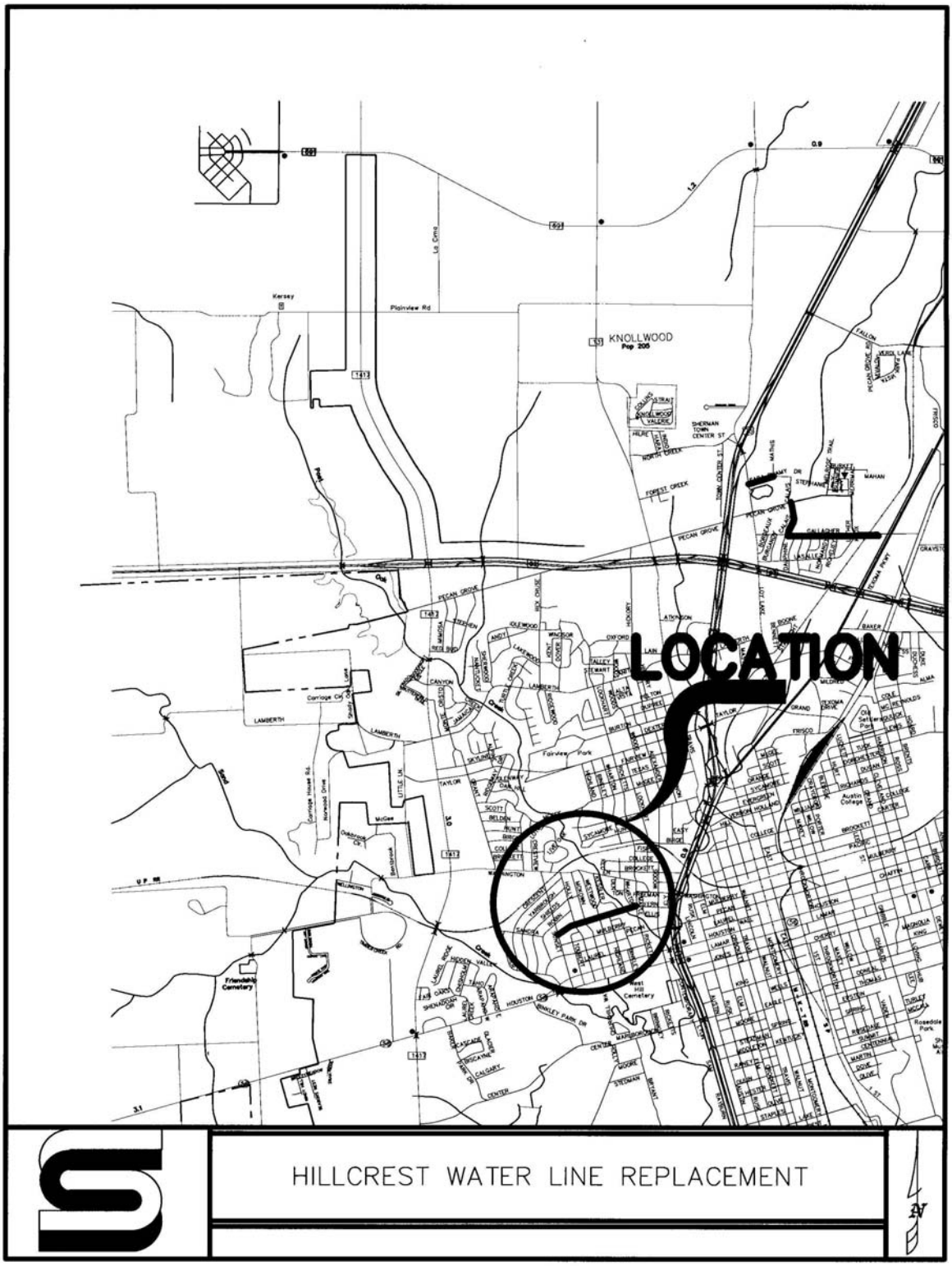
RECOMMENDED:	APPROVED:	APPROVED:	ACCEPTED:
Morris Engineers	Greater Texoma Utility Authority	City of Sherman	B. Bray Construction Co.
By: 8/5/08 Engineer (Auth. Signature)	By: _____ Owner (Auth. Signature)	By: _____ City (Auth. Signature)	By: _____ Contractor (Auth. Signature)
Date:	Date: _____	Date: _____	Date: _____

EJCDC No. 1910-8-B (1990 Edition)
Prepared by the Engineers Joint Contract Documents Committee and endorsed by the Associated General Contractors of America.

GREATER TEXOMA UTILITY AUTHORITY
CONSTRUCTION OF HILLCREST WATER LINE REPLACEMENT
FOR THE CITY OF SHERMAN, TEXAS
CHANGE ORDER NO. 1

7/29/08

ITEM NO	ITEM DESCRIPTION	EST. QTY.	UNIT	UNIT PRICE	ORIGINAL CONTRACT	CHANGE ORDER NO. 1			REV'D QTY.	TOTAL CONTRACT
						ADD	DEDUCT	TOTAL		
1	F&I 6" DIA. WATER PIPELINE	1547	LF	20.00	30,940.00				1547	30,940.00
2	F&I 8" DIA. WATER PIPELINE	1235	LF	23.00	28,405.00		-40	(920.00)	1195	27,485.00
3	F&I 2" DIA. GATE VALVES	5	EA	450.00	2,250.00				5	2,250.00
4	F&I 6" DIA. GATE VALVES	7	EA	575.00	4,025.00				7	4,025.00
5	F&I 8" DIA. GATE VALVES	4	EA	750.00	3,000.00				4	3,000.00
6	F&I 6" DIA. TAPPING SLV.; 6" DIA. TAPPING VALVE	1	EA	1,500.00	1,500.00				1	1,500.00
7	F&I 12" DIA. TAPPING SLV.; 8" DIA. TAPPING VAVLE	1	EA	2,300.00	2,300.00		-1	(2,300.00)	0	-
8	F&I CEMENT LINED DUCTILE IRON FITTINGS	0.84	TONS	5,000.00	4,200.00	0.56		2,800.00	1.4	7,000.00
9	F&I ASPHALT STREET REPAIRS	365	LF	40.00	14,600.00		-30	(1,200.00)	335	13,400.00
10	REPAIR CONCRETE DRVWY APPROACHES, VALLEY GUTTER	375	LF	50.00	18,750.00				375	18,750.00
11	REPAIR CONCRETE RESIDENTIAL SIDEWALKS	2	EA	300.00	600.00				2	600.00
12	F&I CREEK CROSSING @ STA. 24+50	1	JOB		12,500.00				1	12,500.00
13	F&I FIRE HYDRANT ASSY.	7	EA	2,700.00	18,900.00				7	18,900.00
14	F&I LONG-SIDE SERVICE TAP	13	EA	850.00	11,050.00				13	11,050.00
15	F&I SHORT-SIDE SERVICE TAP	10	EA	450.00	4,500.00	2		900.00	12	5,400.00
16	FURNISH EQPT & LABOR TO INSTL METER BOX FURN. BY CI	10	EA	250.00	2,500.00				10	2,500.00
CO1	4' VALVE		EA	550.00		1		550.00	1	550.00
	TOTAL				$ 160,020.00			$ (170.00)		$ 159,850.00


LOCATION
KNOLLWOOD
Pop 205
Kersey
Plainview Rd
PECAN GROVE
LAMBERTH
TAYLOR
Friendship Cemetery
West Hill Cemetery
Fairview Park
Austin College
HILLCREST WATER LINE REPLACEMENT

SHERMAN CITY COUNCIL

Agenda Communication Form

From: The Office of the City Manager **Date:** 8-18-2008

Subject: Agenda Item No. D.3

OTHER BUSINESS

Consider Scheduling a Joint Meeting of the City Council and the Sherman Economic Development Corporation Board of Directors for 12:00 noon on Thursday, September 18, 2008, to Review SEDCO's Annual Budget and Work Plan

Issue

To consider scheduling a joint meeting of the City Council and the Sherman Economic Development Corporation (SEDCO) Board of Directors for 12:00 noon on Thursday, September 18, 2008, to review SEDCO's annual budget and work plan

Background

The SEDCO Bylaws require an annual meeting of their Board of Directors with the City Council. Topics for consideration are (1) SEDCO's annual budget and (2) SEDCO's work plan for the upcoming 2008-2009 fiscal year.

Origination

SEDCO President John Boswell

Financial Consideration

Annual budget for SEDCO after review and consideration by the City Council

Staff Recommendation

It is recommended that the City Council schedule a joint meeting with the SEDCO Board of Directors for 12:00 noon on Thursday, September 18th in the City Council Chambers.

Alternatives

An alternate meeting date, that should be acceptable to the SEDCO Board, is 12:00 noon on Thursday, September 11th.

Attachments

SEDCO President's request for the annual joint meeting

Prepared and Approved by:
George Olson, City Manager

August 11, 2008

Mr. George Olson
City Manager
City of Sherman
220 W. Mulberry Street
Sherman, Texas 75090

RE: Joint City Council/SEDCO Annual Meeting

Dear George,

As you know, Sections 1 and 2 of Article IV of the SEDCO Bylaws requires the SEDCO Board of Directors to approve a work plan and an annual budget. Both the work plan and the budget are not effective until they are approved by the City Council. Therefore, the SEDCO Board of Directors request a joint meeting with the Sherman City Council to consider SEDCO's budget and work program for the upcoming 2008-2009 fiscal year.

I have checked with some of our board members and they are available Thursday, September 18th for a noon meeting. Please check with the City Council members to see if that day works with their schedules as well.

I will follow up with you next week.

Sincerely,

John Boswell
President

307 W. Washington Suite 102 • Sherman, TX 75090 • 903-868-2566 • 800-981-2566 • fax 903-813-0403
www.sedco.org

SHERMAN CITY COUNCIL

Agenda Communication Form

From: The Office of the City Manager **Date:** 8-18-2008

Subject: Agenda Item No. D.4

**** OTHER BUSINESS***

Final Plat Approval of the Sturgess Addition; Ron Barton, Owner
(707 South Montgomery Street)

Issue

To consider Final Plat approval of the Sturgess Addition

Background

The property is located at 707 South Montgomery Street, between Wells and Odneal Streets. The owner would like to plat the property into two 50-foot lots for residential development.

Origination

Ron Barton (Owner) and Sartin & Associates (Surveyor)

Board Recommendation

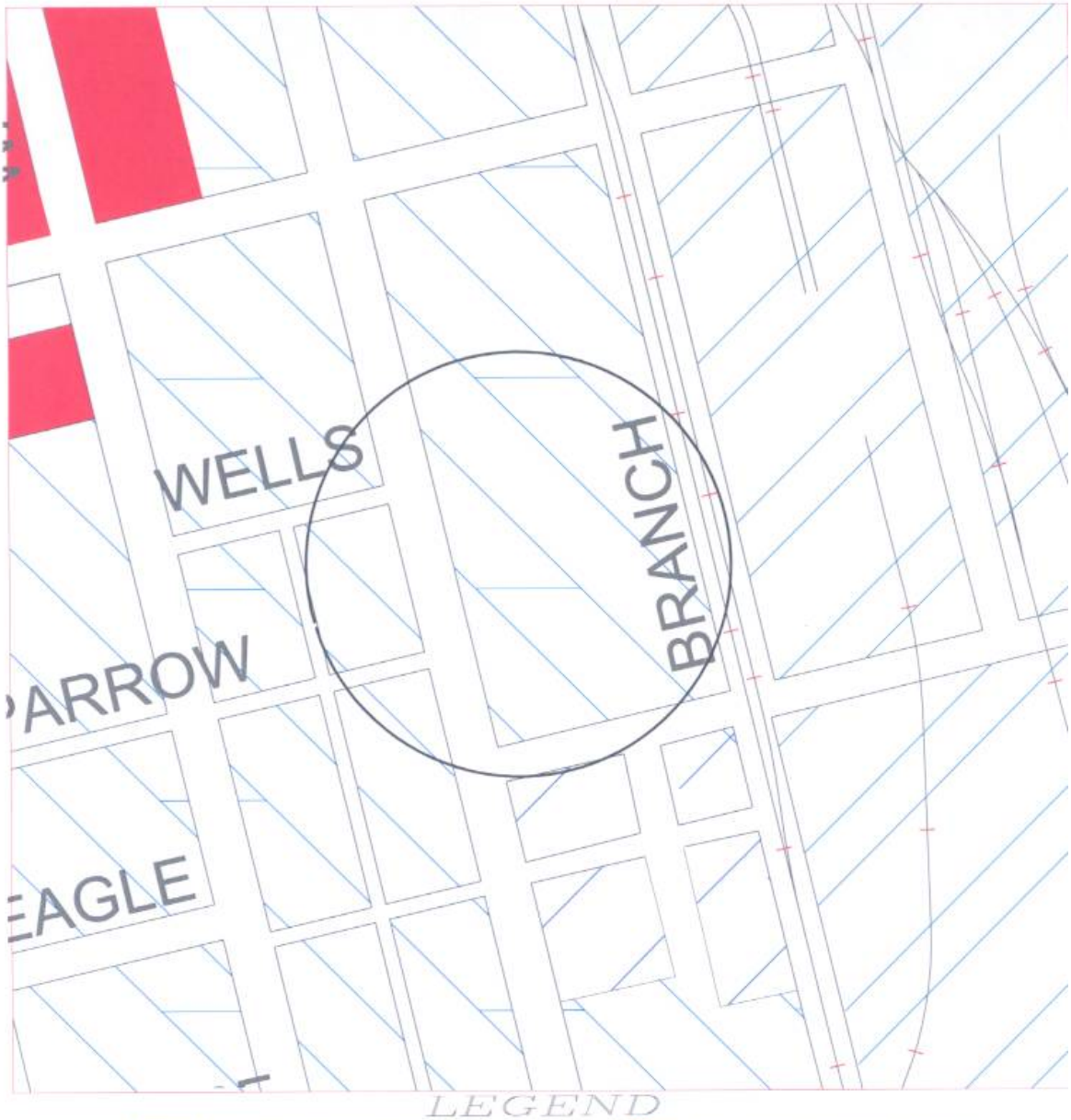
At the July 22, 2008 regular meeting, the Planning and Zoning Board voted unanimously to recommend to the City Council that the Final Plat be approved.

Attachments

Location Map
Photos
Plat
P&Z Communication
Staff Review Letter

Prepared by:
Scott Shadden, Development Services Director

Approved by:
George Olson, City Manager



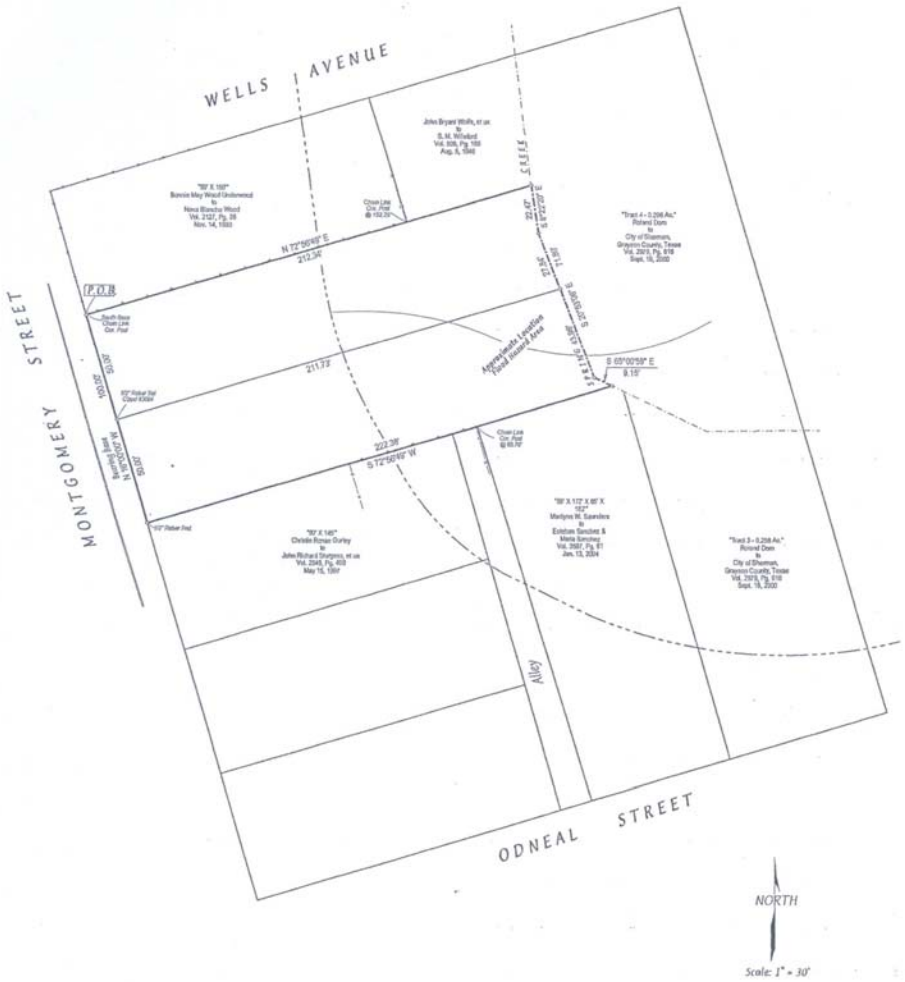
LEGEND

R-A	SINGLE FAMILY AGRICULTURAL DISTRICT	M-2	HEAVY MANUFACTURING DISTRICT
SF-1	SINGLE FAMILY RESIDENTIAL DISTRICT	M H	MANUFACTURED HOUSING DISTRICT
R-1	ONE AND TWO FAMILY RESIDENTIAL DISTRICT		BLALOCK INDUSTRIAL PARK
R-2	MULTI-FAMILY RESIDENTIAL DISTRICT	O-1	OVERLAY DISTRICT - 75 & 82
C-1	RETAIL BUSINESS DISTRICT	O-1.1	OVERLAY DISTRICT - 1417
C-2	GENERAL COMMERCIAL DISTRICT	O-1.2	OVERLAY DISTRICT -SAM RAYBURN FREEWAY
C O	OFFICE DISTRICT	CPO	COLLEGE PARK OVERLAY
M-1	LIGHT MANUFACTURING DISTRICT	A&C	ARTS & CULTURAL OVERLAY DISTRICT
M-1.5	MEDIUM MANUFACTURING DISTRICT	CBD	CENTRAL BUSINESS DISTRICT

707 S. MONTGOMERY ST.
FINAL PLAT

Department of Developmental Services

Montgomery



STURGESS ADDITION
to the
CITY of SHERMAN, TEXAS

Owner & Developer

Ron Barton
715 S. Hwy 75
Sherman, Texas 75090
903-868-4201

NOTICE: Selling a portion of this addition by metes and bounds is a violation of city ordinance and state law and is subject to fines and withholding of utilities and building permits.

SARTIN & ASSOCIATES, INC.
Registered Professional Land Surveyors
109 S. Travis, P. O. Box 1843 Sherman, Texas 75091 - 1843
Ph.: (903) 897-8003 Fax: (903) 868-7970

707-MONT.pcs

AGENDA ITEM #9

City of Sherman

Planning and Zoning Commission

Board of Adjustments

Agenda Communication Form

July 22, 2008

Jason Sofey, Chairman

Jim Jacobs, Vice Chairman	**John Nix, Commissioner**
Robin Atherton, Commissioner	**Steve Jones, Commissioner**
Lawrence Davis, Commissioner	**David Plyler, Commissioner**
Brad Morgan, Commissioner	**Darren Tankersley, Commissioner**

707 South Montgomery Street
Being 0.49 acres in the Samuel Blagg Sruvey, Abstract No. 56
Final Plat

Requested Action/Proposed Use:
Approval of Final Plat of the Sturgess Addition

Background
This is redevelopment of existing property that has never been platted.

Adjacent Zoning:
R-2 (Multi-Family Residential) District and M-1 (Light Manufacturing) District.

Origination:
Ron Barton (Owner) and Sartin & Associates (Surveyors).

Master Plan Designation:
Industrial

Attachments:
Location map
Photographs
Final Plat
Staff Review

Prepared by:
Rita Gaither,
Planning & Development Coordinator

Approved by:
Scott Shadden,
Director of Development Services

STAFF REVIEW LETTER

July 15, 2008

Barton Capital, Ltd.
715 S. Sam Rayburn
Sherman, Texas 75090

Dear Applicants,

The request for approval of a Final Plat of the Sturgess Addition concerning the property located at 707 South Montgomery Street has been scheduled to be heard by the Planning and Zoning Board on the day of Tuesday, July 22, 2008 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. The lots and block are to be designated on the plat.
2. Water Pro-Rata in the amount of $750.00 is required for the additional lot.
3. Sewer Pro-Rata in the amount of $650.00 is required for the additional lot.
4. Original tax certificates shall be furnished for the purpose of recording the plat.
5. Letters from the various utility providers are required verifying availability of service and when service will be available. (City will acquire)
6. City of Sherman standards are to be followed in the floodplain area.
7. The floodplain line is to be modified and defined.
8. Any other changes made to the final plat 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.

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 Rita Gaither, Development Coordinator at 903-892-7212 prior to the meeting.

Respectfully,

Mark Gibson
Director of Utilities and Engineering

CC: George Olson, City Manager; Jeff Miller, Director of Public Works
Rita Gaither, Development Coordinator; Danny Fuller, Fire Marshal
Doreen E. McGookey, City Attorney; Angela Gurley, Customer Service Manager
Sartin & Associates Survey Company, P.O. Box 1843, Sherman, Texas 75090

SHERMAN CITY COUNCIL

Agenda Communication Form

From: The Office of the City Manager **Date:** 8-18-2008

Subject: Agenda Item No. D.5

**** OTHER BUSINESS***

Final Plat Approval of the Cupid Broughton Addition; Ron Barton, Owner
(1217 North Broughton Street)

Issue

To consider Final Plat approval of the Cupid Broughton Addition

Background

The property is located at 1217 North Broughton Street, between Sycamore and Richards Streets. The owner would like to plat the tract into two 48.5' lots for residential development.

Origination

Ron Barton (Owner) and Sartin & Associates (Surveyor)

Board Recommendation

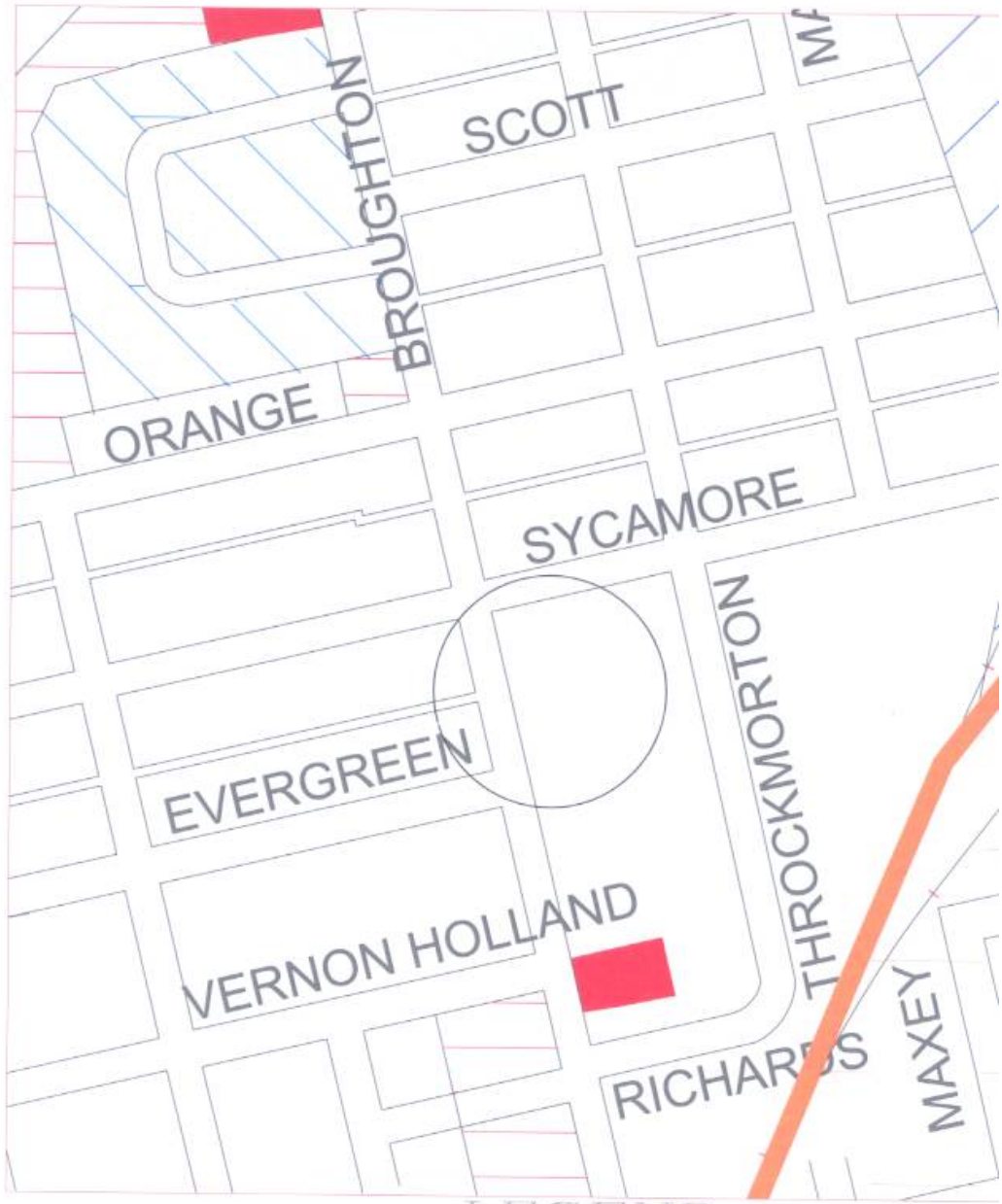
At the July 22, 2008 regular meeting, the Planning and Zoning Board voted unanimously to recommend to the City Council that the Final Plat be approved.

Attachments

Location Map
Photos
Plat
P&Z Communication
Staff Review Letter

Prepared by:
Scott Shadden, Development Services Director

Approved by:
George Olson, City Manager



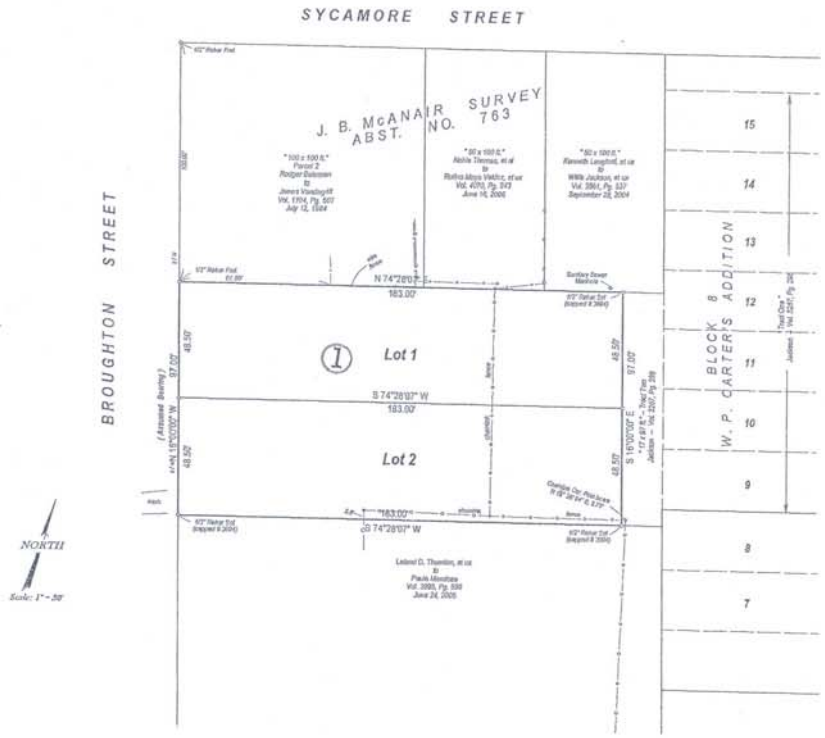
LEGEND

R-A	SINGLE FAMILY AGRICULTURAL DISTRICT	M-2	HEAVY MANUFACTURING D
SF-1	SINGLE FAMILY RESIDENTIAL DISTRICT	M H	MANUFACTURED HOUSING
R-1	ONE AND TWO FAMILY RESIDENTIAL DISTRICT		BLALOCK INDUSTRIAL PARK
R-2	MULTI-FAMILY RESIDENTIAL DISTRICT	O-1	OVERLAY DISTRICT - 75 & 8
C-1	RETAIL BUSINESS DISTRICT	O-1.1	OVERLAY DISTRICT - 1417
C-2	GENERAL COMMERCIAL DISTRICT	O-1.2	OVERLAY DISTRICT -SAM R
C O	OFFICE DISTRICT	CPO	COLLEGE PARK OVERLAY
M-1	LIGHT MANUFACTURING DISTRICT	A&C	ARTS & CULTURAL OVERLA
M-1.5	MEDIUM MANUFACTURING DISTRICT	CBD	CENTRAL BUSINESS DISTRI

1217 N. BROUGHTON STREET
FINAL PLAT

Department of Developmental Services

Sycamore
Throckmort
Broughton



NOTICE: Selling a portion of this addition by metes and bounds is a violation of city ordinance and state law and is subject to fines and withholding of utilities and building permits.

CUPID BROUGHTON ADDITION

to the

CITY of SHERMAN, TEXAS

Owner & Developer

Barton Capital, Ltd.
Ron Barton, President
715 S. Hwy 75
Sherman, Texas 75090
903-868-4201

SARTIN & ASSOCIATES, INC.
Registered Professional Land Surveyors
109 S. Travis, P. O. Box 1843 Sherman, Texas 75091 - 1843
Ph.: (903) 892-8003 Fax: (903) 868-7970

SYCAMOR1.pcs

AGENDA ITEM #13

City of Sherman

Planning and Zoning Commission

Board of Adjustments

Agenda Communication Form

July 22, 2008

Jason Sofey, Chairman

Jim Jacobs, Vice Chairman	**John Nix, Commissioner**
Robin Atherton, Commissioner	**Steve Jones, Commissioner**
Lawrence Davis, Commissioner	**David Plyler, Commissioner**
Brad Morgan, Commissioner	**Darren Tankersley, Commissioner**

1217 North Broughton Street
Being .41 acres in the J.B. McAnair Survey, Abstract No. 763
Final Plat

Requested Action/Proposed Use:
Approval of the Final Plat of the Cupid Broughton Addition.

Background
This is redevelopment of existing property that has never been platted.

Adjacent Zoning:
R-1 (One Family Residential) District.

Origination:
Ron Barton (Owner) and Sartin & Associates (Surveyors).

Master Plan Designation:
Residential

Attachments:
Location map
Photographs
Final Plat
Staff Review

Prepared by:
Rita Gaither,
Planning & Development Coordinator

Approved by:
Scott Shadden,
Director of Development Services

STAFF REVIEW LETTER

July 15, 2008

Barton Capital, Ltd.
715 S. Sam Rayburn
Sherman, Texas 75090

Dear Applicants,

The request for approval of a Final Plat of Cupid Broughton Addition concerning the property located at 1217 North Broughton Street has been scheduled to be heard by the Planning and Zoning Board on the day of Tuesday, July 22, 2008 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:

9. Original tax certificates shall be furnished for the purpose of recording the plat.
10. Letters from the various utility providers are required verifying availability of service and when service will be available. (City will acquire)
11. Water Pro-Rata in the amount of $727.50 is required for the additional lot.
12. Sewer Pro-Rata in the amount of $630.50 is required for the additional lot.
13. The 17' x 97' tract to the east of lots will be landlocked and is to be addressed before the plat will be filed.
14. A 20' utility easement over the sewer main is to be shown on the plat.
15. Any references to the fences are to be removed from the plat.
16. Any other changes made to the final plat 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.

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 Rita Gaither, Development Coordinator at 903-892-7212 prior to the meeting.

Respectfully,

Mark Gibson
Director of Utilities and Engineering

CC: George Olson, City Manager — Jeff Miller, Director of Public Works
Rita Gaither, Development Coordinator — Danny Fuller, Fire Marshal
Doreen E. McGookey, City Attorney — Angela Gurley, Customer Service Manager
Sartin & Associates Survey Company, P.O. Box 1843, Sherman, Texas 75090

SHERMAN CITY COUNCIL

Agenda Communication Form

From: The Office of the City Manager **Date:** 8-18-2008

Subject: Agenda Item No. D.6

**** OTHER BUSINESS***

Replat Approval of Lots 9-15, Block 8 of the W.P. Carter's Addition;
Ron Barton, Owner (616 and 620 East Sycamore Street)

Issue

To consider Replat approval of Lots 9-15, Block 8 of the W.P. Carter's Addition

Background

The property is located at the corner of Sycamore and Throckmorton Streets. The owner would like to replat the tract into two 50' lots for residential development.

Origination

Ron Barton (Owner) and Sartin & Associates (Surveyor)

Board Recommendation

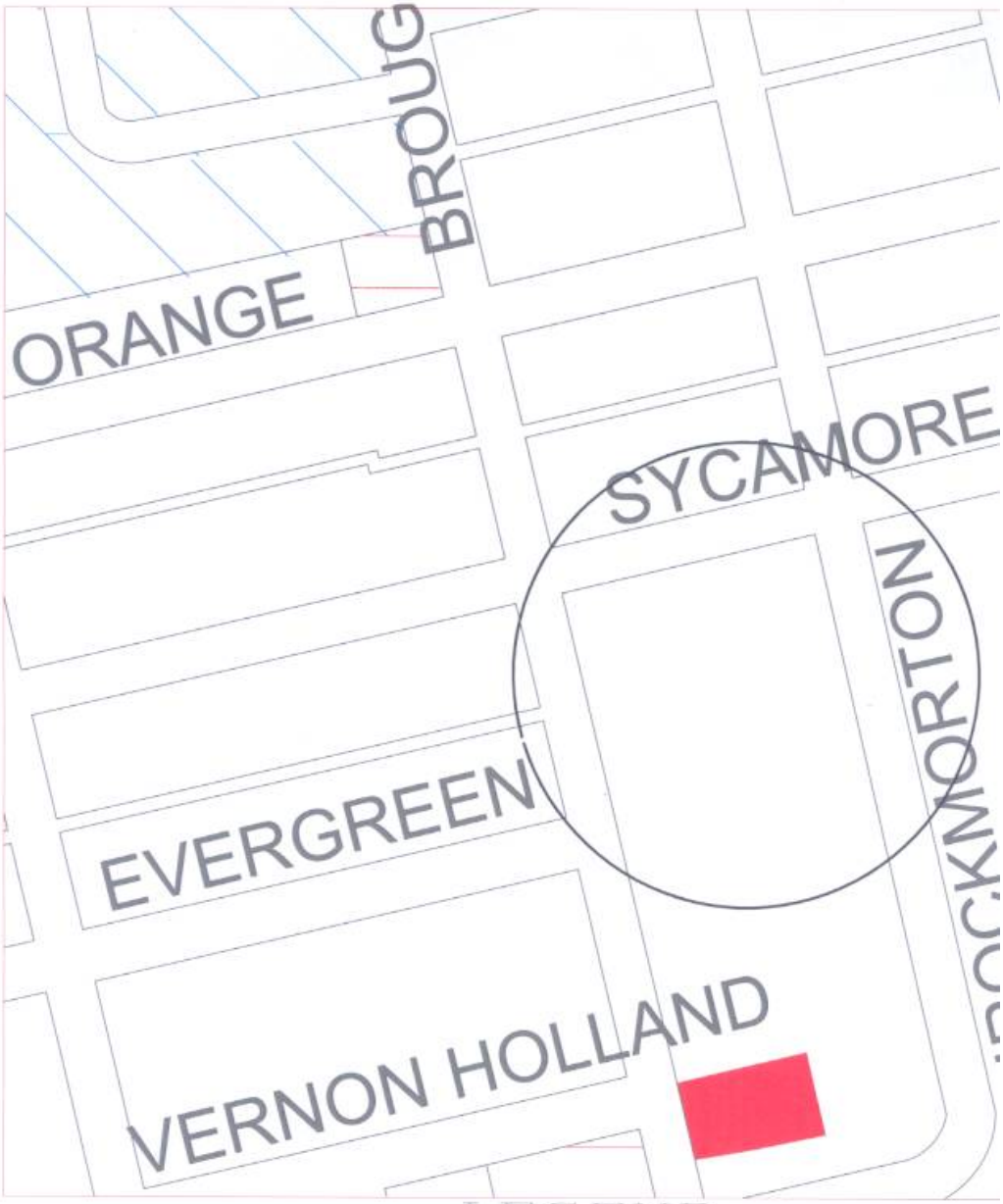
At the July 22, 2008 regular meeting, the Planning and Zoning Board voted unanimously to recommend to the City Council that the Replat be approved.

Attachments

Location Map
Photos
Plat
P&Z Communication
Staff Review Letter

Prepared by:
Scott Shadden, Development Services Director

Approved by:
George Olson, City Manager



LEGEND

R-A	SINGLE FAMILY AGRICULTURAL DISTRICT	
SF-1	SINGLE FAMILY RESIDENTIAL DISTRICT	
R-1	ONE AND TWO FAMILY RESIDENTIAL DISTRICT	
R-2	MULTI-FAMILY RESIDENTIAL DISTRICT	
C-1	RETAIL BUSINESS DISTRICT	
C-2	GENERAL COMMERCIAL DISTRICT	
C O	OFFICE DISTRICT	
M-1	LIGHT MANUFACTURING DISTRICT	
M-1.5	MEDIUM MANUFACTURING DISTRICT	
M-2	HEAVY MANUFACTURING D	
M H	MANUFACTURED HOUSING	
	BLALOCK INDUSTRIAL PARK	
O-1	OVERLAY DISTRICT - 75 & 8	
O-1.1	OVERLAY DISTRICT - 1417	
O-1.2	OVERLAY DISTRICT -SAM R	
CPO	COLLEGE PARK OVERLAY	
A&C	ARTS & CULTURAL OVERLA	
CBD	CENTRAL BUSINESS DISTRI	

616 & 620 EAST SYCAMORE ST. REPLAT

ENGINEERING DEPARTMENT

Sycamore
Throckmorton

616 & 620 E. Sycamore

REPLAT OF

LOTS NINE THROUGH FIFTEEN, BLOCK EIGHT

W. P. CARTER ADDITION

to the

CITY of SHERMAN, TEXAS

Owner & Developer

Ron Barton
715 S. Hwy 75
Sherman, Texas 75090
903-868-4201

SARTIN & ASSOCIATES, INC.
Registered Professional Land Surveyors
209 S. Travis, P. O. Box 1893 Sherman, Texas 75091-1843
Ph. (903) 893-8003 Fax. (903) 868-7910

SHEET

AGENDA ITEM #11

City of Sherman

Planning and Zoning Commission

Board of Adjustments

Agenda Communication Form

July 22, 2008

Jason Sofey, Chairman

Jacobs, Vice Chairman
Robin Atherton, Commissioner
Lawrence Davis, Commissioner
Brad Morgan, Commissioner
John Nix, Commissioner
Steve Jones, Commissioner
David Plyler, Commissioner
Darren Tankersley, Commissioner

616 and 620 East Sycamore Street
Replat of Lots 9 - 15, Block 8, of the W.P. Carter's Addition
Replat

Requested Action/Proposed Use:
Replat approval of Lots 9-15, Block 8 of the W.P. Carter's Addition.

Background
The purpose of the Replat is to divide six lots into two lots.

Adjacent Zoning:
R-1 (One Family Residential) District.

Origination:
Ron Barton (Owner) and Sartin & Associates (Surveyors).

Master Plan Designation:
Residential

Attachments:
Location map
Photographs
Replat
Staff Review

Prepared by:
Rita Gaither,
Planning & Development Coordinator

Approved by:
Scott Shadden,
Director of Development Services

STAFF REVIEW LETTER

July 15, 2008

Barton Capital, Ltd.
715 S. Sam Rayburn
Sherman, Texas 75090

Dear Applicants,

Your request for approval of a Replat of Lots 9–15, Block 8 of W.P. Carter's Addition located at 616 and 620 East Sycamore Street has been scheduled to be heard by the Planning and Zoning Board on the day of Tuesday, July 22, 2008 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. The 17' x 97' tract to the west of lot 1R will be landlocked and is to be addressed before the plat will be filed.
2. Water Pro-Rata in the amount of $750.00 is required for the additional lot.
3. Sewer Pro-Rata in the amount of $650.00 is required for the additional lot in the event that the sewer main is not extended.
4. A sewer plan to be provided to the City of Sherman Engineering Department.
5. A sewer main extension may be required.
6. Original tax certificates shall be furnished for the purpose of recording the plat.
7. Letters from the various utility providers are required verifying availability of service and when service will be available. (City will acquire)
8. Sidewalks are required on Sycamore Street and shall conform to City of Sherman standards and a permit is required from the City of Sherman Engineering Department.
9. It shall be noted on the plat that there will be no drive approaches approved on Throckmorton Street unless Street Escrow is paid to the City of Sherman.
10. Any other changes made to the replat 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.

The Board will not consider a request unless it has representation. 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 Rita Gaither, Development Coordinator at 903-892-7212 prior to the meeting.

Respectfully,

Mark Gibson
Director of Utilities & Engineering

cc: George Olson, City Manager
Scott Shadden, Director of Development Services
Doreen E. McGookey, City Attorney
Angela Gurley, Customer Service Manager
Danny Fuller, Fire Marshal
Jeff Miller, Director of Public Works
Rita Gaither, Development Coordinator
Sartin & Associates, P.O. Box 1843, Sherman, Texas 75090

SHERMAN CITY COUNCIL

Agenda Communication Form

From: The Office of the City Manager **Date:** 8-18-2008

Subject: Agenda Item No. D.7

CITIZEN REQUESTS

The Honorable Bill Magers, Mayor

SHERMAN CITY COUNCIL

Agenda Communication Form

From: The Office of the City Manager **Date:** 8-18-2008

Subject: Agenda Item No. D.8

MEDIA QUESTIONS

The Honorable Bill Magers, Mayor

SHERMAN CITY COUNCIL

Agenda Communication Form

From: The Office of the City Manager **Date:** 8-18-2008

Subject: Agenda Item No. D.9

COUNCIL COMMENTS

The Honorable Bill Magers, Mayor

SHERMAN CITY COUNCIL

Agenda Communication Form

From: The Office of the City Manager **Date:** 8-18-2008

Subject: Agenda Item No. D.10

ADJOURNMENT

The Honorable Bill Magers, Mayor

SHERMAN CITY COUNCIL

Agenda Communication Form

From: The Office of the City Manager **Date:** 8-18-2008

Subject: Agenda Item No. D.11

COUNCIL CALENDAR

2008

CITY COUNCIL MEETINGS

JANUARY

Sun	Mon	Tue	Wed	Thu	Fri	Sat
		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

Sun	Mon	Tue	Wed	Thu	Fri	Sat
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MARCH

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APRIL

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MAY

Sun	Mon	Tue	Wed	Thu	Fri	Sat
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11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31

JUNE

Sun	Mon	Tue	Wed	Thu	Fri	Sat
1	2	3	4	5	6	7
8	9	10	11	12	13	14
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29	30					

JULY

Sun	Mon	Tue	Wed	Thu	Fri	Sat
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6	7	8	9	10	11	12
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AUGUST

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31						

SEPTEMBER

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28	29	30				

OCTOBER

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NOVEMBER

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DECEMBER

Sun	Mon	Tue	Wed	Thu	Fri	Sat
	1	2	3	4	5	6
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21	22	23	24	25	26	27
28	29	30	31			

01/21/08 - M.L.K., Jr. Birthday - Called Council Meeting on 01/22/08
02/29/08 - 12:00 Noon Called Meeting with Chamber Board
05/10/08 - City Council Election
05/13/08 - 12:00 Noon Called Meeting to Canvass Election Results
05/22/08 - 6:00 PM Called Meeting for Comprehensive Plan Community Forum
05/29/08 - 6:00 PM Called Meeting for Comprehensive Plan Community Forum
06/10/08 - 12:00 Noon Budget Planning Meeting in Council Chambers
07/17-18/08 - Budget Workshop in Council Chambers (adjourned on 07/17/08)
09/01/08 - Labor Day - Called Council Meeting on 09/02/08
09/18/08 - Proposed Joint Meeting with SEDCO Board